AGENDA

General Plan Advisory Committee Meeting #11

Monday, December 3, 2018 – 6:00 pm

Manteca Transit Center Meeting Room, 220 Moffat Boulevard, Manteca, CA

5:00 PM - GPAC Committee Meeting #11

1. Call to Order
2. Roll Call
3. Approval of Summary Minutes Meeting 10 – November 5, 2018
4. Presentation: Land Use Designations and Alternatives – Beth Thompson and Martti Eckert, De Novo Planning Group (Correspondence from Ben Cantu)
5. Public Comment (Public Comment Letters from Herum/Crabtree/Suntag, Lou Tallerico, and Richland)
6. GPAC Discussion: Land Use Alternatives Initial Review
7. Adjournment

The next scheduled meeting of the General Plan Advisory Committee of the City of Manteca is Monday, December 10, 2018, at 6:00 p.m. in the Manteca Transit Center, 220 Moffat Boulevard, Manteca, CA.

I hereby certify that the agenda for the above stated meeting was posted at a location accessible to members of the public at City Hall, 1001 W. Center Street, Manteca, CA prior to Friday, November 30, 2018, by 5:00 pm.

LISA SCHIMMEL-FENNIG
ADMINISTRATIVE ASSISTANT III

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call (209) 456 8017. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102 35.104 ADA Title II).
MEMORANDUM

Meetings 11 & 12 – December 3, 2018 and December 10, 2018

TO: Manteca General Plan Advisory Committee (GPAC)
FROM: Beth Thompson and Martti Eckert, De Novo Planning Group
SUBJECT: Land Use Alternatives GPAC Review and Selection of the Preferred Alternative
DATE: November 26, 2018

The December 3rd and 10th GPAC meetings will focus on the review of the land use alternatives and the selection of a preferred land use alternative for recommendation to the Planning Commission and City. This meeting packet introduces the General Plan Update’s three land use alternatives, lists key issues addressed by the alternatives, summarizes the new and modified land use designations and overlays associated with the land use alternatives, describes how the topic will be discussed during the two meetings, and identifies specific reading materials related to the land use alternatives.

LAND USE ALTERNATIVES

As described in detail in the Land Use Alternatives Report, the project team has prepared three land use map alternatives that describe possible approaches to accommodating future development in the city and the Planning Area.

The three alternatives are as follows:


- **Alternative B: Balanced Growth** – The Balanced Growth Alternative identifies potential changes in land use and development intensity to accommodate a significant amount of new residential development as well as continuing to accommodate commercial and industrial development.

- **Alternative C: Existing General Plan** – The Existing General Plan Alternative pertains to buildout according to the existing General Plan Land Use Map, originally adopted in 2003 and amended through 2018.

The three alternatives are intended to stimulate the GPAC’s discussion regarding appropriate land uses in the City and Planning Area. It is anticipated that no individual alternative will be selected by the GPAC; rather, the GPAC will review the three alternatives, consider potential land use scenarios, and provide direction regarding the land use plan in areas within the City and Planning Area to ultimately
develop a preferred alternative for recommendation to the Planning Commission and City Council. The preferred alternative may include components of the three alternative maps, and may incorporate other land use concepts that do not appear on any of the alternatives.

Following the GPAC's selection of a preferred alternative, the Planning Commission will consider the preferred alternative map and make a recommendation to the City Council. The City Council will consider the Planning Commission and GPAC recommendations and will provide the ultimate direction regarding the preferred alternative for inclusion in the General Plan Update and for analysis in the General Plan Update Environmental Impact Report.

**Key Considerations**

The land use alternatives describe possible approaches to meeting the community’s vision for future development and addressing land use opportunities and issues raised through the vision process, the GPAC, and City staff. Specifically, the alternatives address the following key considerations:

- Providing a sufficient mixture of uses to perpetuate Manteca’s identity as family-friendly, desirable place to live;
- Increasing the designation of jobs-generating uses to provide residents with additional employment opportunities within the city;
- Maintaining a sufficient supply residential uses to accommodate the city’s diverse housing needs;
- Maintaining a sufficient mixture and supply of commercial uses to serve the shopping needs of residents and visitors;
- Focusing new growth areas within and adjacent to the city;
- Prioritizing infill development on vacant parcels and the revitalization of underutilized parcels;
- Revitalizing Downtown;
- Conserving open space and agricultural areas;
- Reducing traffic congestion;
- Addressing the risks of flooding and earthquakes;
- Ensuring that future development is compatible with the surrounding uses; and
- Accounting for pending and approved development projects.

**New and Modified Land Use Designations and Overlays**

While most of the land use designations and overlays shown on the three alternatives are consistent with the land use designations and overlays contained in the adopted General Plan, the alternatives include the following modified and new designations and overlays.

- New Designations and Overlays
  - **Downtown (DW)** – For Alternatives A and B, the new Downtown designation is included to address Manteca’s historic core area’s unique urban form and development
characteristics. This will afford the City with the increased ability to provide separate land use, character, and circulation-related policies for the Central Business District, and as an additional option, the surrounding residential neighborhoods and commercial districts. The designation may function as a singular designation for the downtown, as shown on Alternative A, or in conjunction with the Downtown Overlay, as shown on Alternative B and described below.

- **Regional Commercial (RC)** – To provide the City with increased specificity over the regulation and location of commercial uses, the Regional Commercial designation is added to Alternatives A and B to accommodate large, region-serving, highway-oriented, and/or visitor commercial, public/quasi-public, and associated uses.

- **Industrial (I)** – For Alternative A, the Light Industrial and Heavy Industrial designations are replaced with the proposed Industrial designation. This approach will provide business and property owners with greater flexibility in the development of industrial projects. To ensure that projects proposed on Industrial-designated parcels are compatible with surrounding uses, this designation will require development to conform with performance standards located in the Zoning Code.

- **Agricultural Industrial (AI)** – For Alternatives A and B, the new Agricultural Industrial designation is included to differentiate between traditional agricultural uses, such as the cultivation of crops and raising of livestock, and more intense uses that include the processing of crops and livestock.

- **Downtown Overlay** – As a possible option for regulating development within the historic residential neighborhoods adjacent to the Central Business District, along with the expansion of the downtown into the surrounding commercial districts, the new Downtown Overlay is applied on Alternative B. This approach, functioning in association with the designation of Downtown on parcels comprising the Central Business District, will allow the City to maintain the existing residential, commercial, and mixed-use designations on the associated parcels, while providing policy direction that encourages the areas to appear and function as part of the downtown area.

**• Modified Designations and Overlays**

- **High Density Residential (HDR)** – For Alternatives A, B, and C, the High Density Residential designation’s description is expanded to accommodate condominium and townhome developments and to encourage connectivity to nearby amenities.

- **Commercial Mixed Use (CMU)** – For Alternative B, the Commercial Mixed Use designation description is significantly shortened and simplified to better accommodate its two current applications – the redevelopment of mostly small grayfield sites along Main Street, Yosemite Avenue, and other existing commercial corridors, and development of greenfield sites located within growth areas around the City’s periphery. The revised description can be supported by policies that address the specific characteristics of both mixed-use development patterns.

- **Neighborhood Commercial (NC)** – For Alternatives A and B, this designation is modified to accommodate smaller scale, neighborhood-serving commercial uses. To provide a
sense of scale, this would include neighborhood markets, but exclude large grocery stores and the commercial centers that often accompany them.

- **General Commercial (GC)** – For Alternatives A and B, this designation is modified to accommodate larger, community-serving commercial, public/quasi-public, and associated uses, along with auto-serving and heavy commercial uses. A range of common uses envisioned within the designation include grocery stores and the commercial centers that often accompany them, auto dealerships and repair facilities, and lumber yards.

- **Agriculture (AG)** – To compliment the inclusion of the Agricultural Industrial designation on Alternatives A and B, the Agriculture designation description is modified to limit industrial uses to those directly related to the agricultural use of the property and to specify a maximum FAR and site coverage.

- **Open Space (OS)** – For Alternatives A, B, and C, the Open Space designation is modified to specify the maximum FAR and site coverage.

- **Public/Quasi-Public (PQP)** – For Alternatives A and B, the Public/Quasi Public designation is expanded to allow commercial recreation uses, including public and private parks, recreation fields, lifestyle centers that include upscale specialty stores with dining and entertainment in an outdoor setting, and other community- and visitor-oriented recreation, provided that the project includes a component that provides a significant public benefit to the community.

- **Urban Reserve Overlay** – To discourage leapfrog-style development, the Urban Reserve Overlay is applied on Alternatives A and B to primarily coincide with the Agricultural and Very Low Density Residential designated parcels. In select locations, the overlay may also be applied to the Low Density Residential designated parcels. To simplify the overlay’s application on the two alternatives, the overlay will be portrayed as a single overlay designation, rather than a unique designation for each associated underlying land use designation.

**DISCUSSING THE LAND USE ALTERNATIVES**

Because the discussion of the land use alternatives and the selection of the preferred alternative is a significant and complex undertaking, it is necessary to devote two meetings to the topic. The meetings will utilize the following format:

**December 3** – Members of the consultant team will present the land use alternatives and the associated new and modified land use designations and overlays. The GPAC will spend the remainder of the meeting discussing the alternatives, designations, and overlays.

**December 10** – Based upon the previous meeting’s discussion, the GPAC will devote the meeting to selecting the preferred land use alternative for recommendation to the Planning Commission and City Council.
REQUIRED READING

Prior to the meeting on December 3rd, please read the following item:

- Land Use Alternatives Report – please note that the report was previously handed out at Meeting 11: November 5, 2018 and is also available online at: https://manteca.generalplan.org/content/documents

The following documents provide additional background information regarding the City's adopted General Plan and existing land use conditions:

- Existing Conditions Report, Chapter 1.0, Section 1.1: Land Use – please note that the Existing Conditions Report was previously provided in the packet for Meeting 3: November 6, 2017

- Existing Conditions Report, Chapter 1.0, Section 1.2: Population and Housing – please note that the Existing Conditions Report was previously provided in the packet for Meeting 3: November 6, 2017

- City of Manteca General Plan 2023, Chapter 2 – Land Use Element – please note that the General Plan 2023 was previously provided in the packet for Meeting 2: October 2, 2017

WORK EXERCISE – DECEMBER 3

After reading the Land Use Alternatives Report, please consider the following questions and be prepared to discuss.

1. Of the three alternatives, which alternative (A, B, or C) best represents your vision for the future of the City?

Given the size of the city and the planning area, the discussion and selection of land use designations and overlays will take place on an area-by-area basis, rather than at the planning area-wide extent. Selections will be based upon majority support, rather than consensus. Please come prepared to share your preference for land use changes throughout the city and the planning area, including consideration of the following questions:

- For your preferred alternative, are there land use designations and/or overlays (these are the text descriptions for the designations as shown in Appendix A) that you disagree with? If so, what changes should be made to the land use designations that are presented in Appendix A?

- Are there additional land use concepts that should be considered for inclusion on the preferred alternative that will be recommended by GPAC? If so, please be prepared to identify the area for revised land uses and to discuss the types of land uses that should be considered in that area.
WORK EXERCISE – DECEMBER 10

No specific questions will be asked during the December 10th meeting. Instead, the GPAC will spend the session working together to continue the discussion from the December 3rd meeting, with the December 10th meeting concluding with the GPAC identifying a preferred alternative for recommendation to the Planning Commission and City Council. Given the size of the city and the planning area, the discussion and selection of land use designations and overlays will take place on a local, area-by-area basis, rather than at the planning area-wide extent. Selections will be based upon majority support, rather than consensus. Please come prepared to share your preference for land use changes throughout the city and the planning area.

ATTACHMENT

1. Summary Minutes - GPAC Meeting #10, November 5, 2018
Manteca General Plan Update

General Plan Alternatives Report Comments:

1. The city of Manteca has been focused for too many decades on primarily the development of new single-family housing, with little appreciable effort on creating commercial and industrial employment centers.

2. A continuance of the status quo via Land Use Alternative C will perpetuate the continued decline of public service levels, declining revenue, the inability to provide community services and amenities in a timely manner, lack of proper budgeting and funding of infrastructure maintenance, and the inability to develop an improved responsive municipal government. I do not recommend Land Use Alternative C.

3. (Yes it looks the same; because it represents the same problems and why the city is in the fiscal and physical conditions we find ourselves in today.) A continuance of the status quo via Land Use Alternative B will perpetuate the continued decline of public service levels, declining revenue, the inability to provide community services and amenities in a timely manner, lack of proper budgeting and funding of infrastructure maintenance, and the inability to develop an improved responsive municipal government. I do not recommend Land Use Alternative B.

4. Land Use Alternative A (if in fact it represents balanced growth) is my recommended approach to achieving a balanced economic and lifestyle community; and affords the best opportunity to achieving a balance between the costs of providing better public service levels and necessary revenue streams. I recommend Land Use Alternative A and Figure 3-1.

5. Land Use Alternative A - includes insufficient acreage is for (affordable housing) high density residential.

6. Land Use Alternative A - needs to identify additionally elementary school sites in areas south of State Route 120, east of Austin Road between Yosemite Avenue and Hwy 99, and east of Cottage Avenue between Louise Avenue and Northland Road.

7. Land Use Alternative A - Downtown District should stop at Fremont Avenue on the east.

8. Land Use Alternative A - the BIP designation at the west end of Bronzan Road is better suited for Medium Density Residential land use.

9. Balanced Growth Land Use Alternative B, Figure 3-2 - does not represent “balanced growth,” it represents focus on new homes development.

10. Existing General Plan Land Use Alternative C, Figure 3-3 - represents continued focus on new homes development

These are my initial comments pertaining to the General Plan Alternatives Report; and my Redline comments can be found in Appendix A and Appendix B.

Benjamin Cantu

11/28/18
APPENDIX A

Land Use Designations and Overlays
APPENDIX A: LAND USE DESIGNATIONS AND OVERLAYS

This appendix lists and provides descriptions for the existing and proposed land use designations and overlays that apply to one or more of the land use alternatives. To best accommodate Manteca’s future growth, changes to several of the existing designations are proposed. Where changes are proposed, the section describes the rationale for and the extent of the modifications.

**Very Low Density Residential (VLDR)**
Applies to Alternatives A, B, and C. No changes are proposed to the Very Low Density Residential designation description.

**Description:** The Very Low Density Residential designation will provide for residences on larger lots and small, quasi-agricultural activities, including raising and boarding livestock. Residential units shall be at densities less than two units per acre and be permitted to deviate from standard lot dimensions within agricultural areas in order to cluster dwellings together and thereby allow for continued agricultural use. The agricultural use areas that remain on the residential parcel shall be subject to an easement dedicated to the City that allow continued agricultural use, but prohibits any further non-agricultural related development.

**Low Density Residential (LDR)**
Applies to Alternatives A, B, and C. No changes are proposed to the Low Density Residential designation description.

**Description:** The Low Density Residential designation will establish a mix of dwelling unit types and character determined by the individual site and market conditions at densities of 2.1 to 8.0 dwelling units per gross acre. The density range allows substantial flexibility in selecting dwelling unit types and parcel configurations to suit particular site conditions and housing needs. The type of dwelling units anticipated in this density range include small lots and clustered lots as well as conventional large lot detached residences; and will accommodate small-lot single family homes that will typically be smaller in size and more affordable to residents.

**Medium Density Residential (MDR)**
Applies to Alternatives A, B, and C. No changes are proposed to the Medium Density Residential designation description.

**Description:** The Medium Density Residential designation includes single family homes, smaller scale multi-family developments, including garden apartments, townhouses, and cluster housing at densities of 8.1 to 15 dwelling units per gross acre. The density range will accommodate small-lot single family homes that will typically be smaller in size and more affordable to residents.

**High Density Residential (HDR)**
Applies to Alternatives A, B, and C. Minor changes are proposed to the High Density Residential designation’s description to accommodate condominium and townhome developments and to encourage connectivity to nearby amenities.

**Description:** The High Density Residential designation accommodates multi-family townhome, condominium, and apartment style housing at densities of 15.1 to 25 dwelling units per gross acre. The multi-family dwelling sites are typically located with direct access to arterial streets. The sites have access to the pedestrian and bikeway network along the street corridor and are located along the conceptual route of a public transportation shuttle route. Sites should be located near a neighborhood center to encourage connectivity.
park, a neighborhood commercial center, or jobs centers and should provide pedestrian and bicycle connections to these amenities and services.

Commercial Mixed Use (CMU)

Applies to Alternatives A, B, and C. For Alternative B, the project team proposes modifying the Commercial Mixed Use designation description to better accommodate its two current applications – the redevelopment of mostly small grayfield sites along Main Street, Yosemite Avenue, and other existing commercial corridors, and development of greenfield sites located within growth areas around the City’s periphery. This would be accomplished by providing a brief, general description of the designation and policies that address the specific characteristics of both mixed-use development patterns.

**Alternative A and C Description:** The Commercial Mixed Use designation will accommodate a variety of purposes including high density residential, employment centers, retail commercial, and professional offices. Development is allowed at a maximum floor area ratio (FAR) of 1.0; the maximum site coverage is 50%.

The mixed use concept would integrate a mix of compatible uses on a single site that include sales, services and activities which residents may need on a daily basis. With pedestrian access, these sites will enable residents to walk or bike for many local trips, instead of driving for convenience trips.

The sites may be integrated vertically with mixed uses above one another, such as residential or office uses over a commercial use. Sites may also be mixed horizontally with the uses side-by-side, but linked together through common walkways, plazas and parking areas. In-fill sites in the existing urban area, particularly along the Main Street, Airport Way, and Yosemite Avenue corridors may be developed entirely as multi-family residential projects. Sites developed primarily as residential may also include office and retail components. The Commercial Mixed-Use designation may also be applied to smaller parcels within neighborhoods. These small parcels accommodate a variety of uses, but on a smaller, less intense scale that is compatible with the adjacent residential uses.

The residential component of any Commercial Mixed-Use development shall provide dwellings at densities of 15.1 to 25 units per acre. The residential component shall be considered to be that portion of a site or plan area allocated exclusively to residential use, net of any commercial or office use.

Commercial Mixed Use developments in the new urbanizing areas of the city may also develop primarily as multi-family residential, but are also intended to provide a commercial and office component designed to serve the surrounding neighborhood. In new urbanizing areas the mixed-use concept would accommodate approximately 35% of the land area allocated to High-Density Residential use; however, individual sites may be permitted to have significantly higher percentages of residential use. The characteristics of the CMU developments will distinguish them from conventional neighborhood commercial or office development.

- The CMU developments will be truly mixed use. There will be a strong relationship between the different land uses so that pedestrian access is convenient and there is a clear common design theme.
- The CMU developments will include space for community activities within the center or on an adjacent park. It is intended that the park and neighborhood commercial center together form a neighborhood gathering place for recreation and socializing much as does a small town square.
• Where required, detention facilities will be designed as an amenity within the CMU site landscaping, and may also provide recreation opportunities.

• CMU developments will include public facilities where feasible, such as a post office, library, fire station, or satellite government office.

• CMU developments may also include neighborhood work centers that provide space for private offices that use telecommunications services such that telecommuters and other residents in the neighborhood may work near their homes.

• CMU developments will have a shared parking program with the objective of reducing the parking required for each individual use.

**Alternative B Description:** The Commercial Mixed-Use Designation is intended for the mixture of retail and service commercial, office, and multiple-family residential uses that are mutually compatible through high-quality, innovative site design. The designation also provides for public/quasi-public uses, parks and urban open spaces, and similar and compatible uses. Under this alternative, projects must include a minimum 0.2 FAR and a maximum 1.0 FAR for commercial and office uses. Residential uses are allowed at a base density of 15.1 units per acre. An additional one residential unit per acre, up to a maximum density of 28 units per acre, is allowed for each additional 1,000 square foot of commercial use proposed per acre beyond the minimum 0.15 FAR.

**Downtown (DW)**

Applies to Alternatives A and B. The project team proposes including a new Downtown designation to address Manteca’s historic core area’s unique urban form and development characteristics. This will afford the City with the increased ability to provide separate land use, character, and circulation-related policies for the Central Business District, and as an additional option, the surrounding residential neighborhoods and commercial districts. The designation may function as a singular designation for the downtown or in conjunction with the Downtown Overlay described below.

**Alternative A and B Description:** The Downtown Designation is intended for the mixture of retail and service commercial, office, and/or multiple-family residential uses that are intended to preserve and enhance the historic character of the historic core area/Central Business District. Preferred residential uses include condominiums and townhomes and high-quality second and third floor apartment uses. Short-term rentals are not allowed in this designation; unless developed as part of a hotel. Multi-family residential uses are required to be permanent dwellings. The designation also provides for public/quasi-public uses, parks and urban open spaces, and similar and compatible uses. Development is allowed at 15.1 to 30 residential dwelling units per gross acre, a maximum FAR of 1.5; and maximum site coverage of 75%. 

**Business Industrial Park (BIP)**

Applies to Alternatives A, B, and C. No changes are proposed to the Business Industrial Park designation description.

**Description:** The Business Industrial Park designation is intended to provide sites for large uses in an office park environment that would include multi-tenant buildings. Business parks of this nature are well suited for research and development facilities and also provide an attractive business environment for unrelated businesses. Development is allowed at a maximum FAR of 1.0 and maximum site coverage of 50%. Typical uses permitted within the Business Industrial Park land use include:
educational campuses
- administrative and general office
- corporate or regional headquarters
- research and development facilities, specialized tech service facilities, telecommunications and call centers
- medical offices, such as attorneys, accountants and insurance, testing laboratories
- professional services such as attorneys, accountants and insurance
- light industrial, including manufacturing and assembly

Warehouse, storage and distribution shall be for the purpose of supporting the industrial uses and shall be limited to not more than 20% of the total land area in any Business-Industrial Park use. Commercial storage facilities (mini-storage) that are compatible with the landscape and building design standards for the business park will be permitted. All outdoor storage shall be screened so to not be visible from any public street or highway.

The business industrial park designation also permits a limited amount of service commercial and retail activities provided for the convenience of the employees within the area. The goal is to provide a mix of basic services in close proximity to employees to reduce daily convenience trips. Typical service uses include restaurants, banks, day care, and personal services, such as hair care and shoe repair, specialty retail, and similar uses. Such uses may not account for more than 10% of the total gross floor area allowed for the individual parcels. Convenience services within the business-professional land use should be distributed within the area to be easily accessible by employees. These uses should generally be located within the building complexes and not as freestanding structures.

The Business Industrial Park uses shall incorporate common amenities, detention facilities incorporated into the landscaping, and pedestrian connectivity.

Business Professional (BP)
Applies to Alternatives A, B, and C. No changes are proposed to the Business Professional designation description.

**Description:** The Business Professional land use is intended primarily for office and related uses in a landscaped site. The use category is specifically intended for the frontage along SR 120, and along other major roads and in the Central Business District to provide an attractive, landscaped setting for one, two, and three-story office buildings. Development is allowed at a maximum FAR of 1.5 and maximum site coverage of 50%. This designation provides for professional and administrative offices, medical and dental clinics, laboratories, financial institutions, public and quasi-public uses, and similar and compatible uses.

Neighborhood Commercial (NC)
Applies to Alternatives A, B, and C. For Alternatives A and B, this designation would be modified to accommodate smaller scale, neighborhood-serving commercial uses. To provide a sense of scale, this would include neighborhood markets, but exclude large grocery stores and the commercial centers that often accompany them.

**Alternative A and B Description:** This designation provides for neighborhood-serving retail and service uses, offices, restaurants, and service stations, public and quasi-public uses, and similar and compatible uses. Development is permitted at a maximum 2.0 FAR in the Central Business District and 0.6 elsewhere and a maximum site coverage of 50%.

**Alternative C Description:** This designation provides for locally oriented retail and service uses, offices, restaurants, and service stations, public and quasi-public uses and similar and compatible uses. The mix

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**A-4**
of uses anticipated in these centers includes supermarket/drug store configuration including associated smaller retail stores and services. Pad sites will provide restaurant and service station opportunities. Development is permitted at a maximum 2.0 FAR in the Central Business District and 0.6 elsewhere.

**General Commercial (GC)**

Applies to Alternatives A, B, and C. For Alternatives A and B, this designation would be modified to accommodate larger, community-serving commercial, public/quasi-public, and associated uses, along with auto-serving and heavy commercial uses. A range of common uses envisioned within the designation include grocery stores and the commercial centers that often accompany them, auto dealerships and repair facilities, and home improvement supply centers.

**Alternative A and B Description:** The General Commercial designation provides for community-serving, auto-serving, and heavy commercial uses, wholesale, warehousing, public and quasi-public uses, and similar and compatible uses. The designation is also intended to accommodate commercial recreation and public gathering facilities, such as amphitheaters, or public gardens. Development is permitted at a maximum FAR of 0.6 and maximum site coverage of 40%.

**Alternative C Description:** The General Commercial designation provides for wholesale, warehousing, and heavy commercial uses, highway-oriented commercial retail, public and quasi-public uses, and similar and compatible uses. The designation is also intended to accommodate visitor commercial, lodging, commercial recreation and public gathering facilities, such as amphitheaters, or public gardens. Development is permitted at a maximum FAR of 0.6 and maximum site coverage of 40%.

**Regional Commercial (RC)**

Applies to Alternatives A and B. To provide the City with increased specificity over the regulation and location of commercial uses, the Regional Commercial designation is added to Alternatives A and B to accommodate large, region-serving, highway-oriented, and/or visitor commercial, public/quasi-public, and associated uses.

**Description:** The Regional Commercial designation provides for regional-serving, highway-oriented visitor commercial and lodging, and auto-serving commercial, public and quasi-public uses, and similar and compatible uses. The designation is also intended to accommodate commercial recreation and public gathering facilities, such as amphitheaters, or public gardens. This designation is generally intended to apply to large parcels and consolidated commercial sites located around highway interchanges. Development is permitted at a maximum FAR 0.6 with maximum site coverage of 40%.

**Light Industrial (LI)**

Applies to Alternatives A, B, and C. No changes are proposed to the Light Industrial designation description.

**Description:** The Light Industrial designation provides for industrial parks, warehouses, distribution centers, light manufacturing, public and quasi-public uses and similar and compatible uses. Development is allowed at a maximum FAR of 0.7 with a maximum site coverage of 60%.

**Heavy Industrial (HI)**

Applies to Alternatives A, B, and C. No changes are proposed to the Heavy Industrial designation description.
**Description:** This designation provides for manufacturing, processing, assembling, research, wholesale, and storage uses, trucking terminals, railroad and freight stations, and similar activities that require separation from residential uses due to noise, vibration or other characteristics incompatible with residential use. Development is allowed at a maximum FAR of 0.5 with a maximum site coverage of 40%.

**Industrial (I)**
Applies to Alternatives A, B, and C. For Alternative A, the Light Industrial and Heavy Industrial designations would be replaced with the proposed Industrial designation. This approach will provide business and property owners with greater flexibility in the development of industrial projects. To ensure that projects proposed on Industrial-designated parcels are compatible with surrounding uses, this designation will require development to conform with performance standards located in the Zoning Code.

**Description:** This designation provides for manufacturing, processing, assembling, research, wholesale, and storage uses, trucking terminals, railroad and freight stations, industrial parks, warehouses, distribution centers, light manufacturing, public and quasi-public uses and similar and compatible uses. Uses that are incompatible with residential uses due to noise, vibration, or other characteristics are not permitted in locations that may impact existing or future residential development. Development is allowed at a maximum FAR of 0.7 with a maximum site coverage of 60% and may be further limited by district-specific standards in the Zoning Code.

**Agricultural Industrial (AI)**
Applies to Alternatives A, B, and C. This designation is added to Alternatives A and B to differentiate between traditional agricultural uses, such as the cultivation of crops and raising of livestock, and more intense uses that include the processing of crops and livestock, and agricultural economics, sciences, engineering.

**Description:** This designation provides for limited industrial uses directly related to agriculture, and similar and compatible uses. Development is allowed at a maximum FAR of 0.4 with a maximum site coverage of 40%.

**Agriculture (AG)**
Applies to Alternatives A, B, and C. For Alternatives A and B, the Agriculture designation description is modified to limit industrial uses to those directly related to the agricultural use of the property and to specify a maximum FAR and site coverage.

**Alternative A and B Description:** This designation provides for agricultural uses (such as vineyards, orchards, and row crops), single family homes directly related to the agricultural use of the property, limited industrial uses directly related to the agricultural use of the property, and similar and compatible uses. Development is allowed at a maximum FAR of 0.2 with a maximum site coverage of 20%.

**Alternative C Description:** This designation provides for agricultural uses (such as vineyards, orchards, and row crops), single family homes directly related to the agricultural use of the property, limited industrial uses directly related to agriculture, and similar and compatible uses.

**Open Space (OS)**
Applies to Alternatives A, B, and C. Minimal changes to the Open Space designation are provided to specify the maximum FAR and site coverage.

**Description:** The Open Space category encompasses habitat, open space, natural areas, lands of special status species, wetlands and riparian areas. These areas are set aside as permanent open space preserves to protect environmentally sensitive areas. Development is limited to improvements, such as parking, restrooms, and walkways, etc., to provide for public access to open space and educational facilities, such as learning centers or space for hosted talks and tours of the open space. Development is allowed at a maximum FAR of 0.05 with a maximum site coverage of 5%.

**Park (P)**
Applies to Alternatives A, B, and C. No changes are proposed to the Park designation description.

**Description:** This designation provides for neighborhood, community and regional parks, golf courses, and other outdoor recreational facilities within urban development. Specific uses include public recreation sites, including ball fields, tot lots and play apparatus, adult softball and soccer playing fields, swimming pools, community center buildings, meeting facilities, libraries, art centers, after school care facilities, art in public places, facilities for night-time recreation, trails benches, interpretive markers, picnic areas, barbecue facilities, landscaping, irrigation, city wells, trees and natural habitat areas. Development is allowed at a maximum FAR of 0.2 with a maximum site coverage of 20%.

**Public/Quasi-Public (PQP)**
Applies to Alternatives A, B, and C. Under Alternatives A and B, this designation would be expanded to allow commercial recreation uses that serve a public purpose.

**Alternatives A and B Description:** This designation provides for government owned facilities, public and private schools, institutions, civic uses and public utilities, and quasi-public uses such as hospitals and churches. This designation also allows commercial recreation uses, including public and private parks, recreation fields, lifestyle centers that include upscale specialty stores with dining and entertainment in an outdoor setting, and other community- and visitor-oriented recreation, provided that the project includes a component that provides a significant public benefit to the community. Development is allowed at a maximum FAR of 0.5 with a maximum site coverage of 50%.

**Alternative C Description:** This designation provides for government owned facilities, public and private schools, institutions, civic uses and public utilities, and quasi-public uses such as hospitals and churches.

**Urban Reserve Overlay**
Applies to Alternatives A, B, and C. To discourage leapfrog-style development, the project team proposes modifying the application of the Urban Reserve Overlay on Alternatives A and B to primarily coincide with the Agricultural and Very Low Density Residential designated parcels. In select locations, the overlay may also be applied to the Low Density Residential designated parcels. To simplify the overlay’s application on the two alternatives, the overlay will be portrayed as a single overlay designation, rather than a unique designation for each associated underlying land use designation.

**Alternatives A and B Description:** The Urban Reserve Overlay applies to select properties around the perimeter of the City, both within city limits and beyond in the Sphere of Influence, where the City intends to expand its urbanized development pattern in the time horizon beyond the current General Plan. The overlay accompanies an underlying Agricultural; Very Low Density Residential; or Low Density Residential land use designation.
**Alternative C Description:** Urban Reserve is applied to many properties around the perimeter of the City. In most instances the Urban Reserve category overlies another land use category. In these instances, the underlying land use is the intended use when the land is ultimately annexed to the City. Urban Reserve with no underlying land use indicates that the City intends to expand in the time horizon beyond the current General Plan and that it is premature to indicate a specific future land use in this area. Urban Reserve is shown on the Land Use Map to the north and east of the proposed growth areas.

**Downtown Overlay**
Applies to Alternative B. As a possible option for regulating development within the historic residential neighborhoods adjacent to the Central Business District, along with the expansion of the downtown into the surrounding commercial districts, the project team proposes including the new Downtown Overlay on Alternative B. This approach, functioning in association with the designation of Downtown on parcels comprising the Central Business District, will allow the City to maintain the existing residential, commercial, and mixed-use designations on the associated parcels, while providing policy direction that encourages the areas to appear and function as part of the downtown area.

**Alternative B Description:** The Downtown Overlay applies to residential and commercial-designated parcels surrounding the Downtown-designated Central Business District where the City allows mixed-use development, in the pattern of the Downtown designation, is allowed. The overlay balances existing residential and commercial uses with future mixed-use development. The overlay allows for single and multiple-family housing, shops, restaurants, services, professional offices, and similar and compatible uses.
APPENDIX B

Fiscal Analysis of Alternatives

This fiscal analysis does not include the funding of new community amenities and the maintenance of infrastructure that is impacted upon by new development. Nor does it include a funding program that would bring about community facilities and amenities lacking for decades.

The appendix needs to project an analysis that includes the appropriate level of development fees and new revenue necessary to offset the cost of providing ALL public services and maintenance of impacted infrastructure systems.

Frankly, the analysis needs to include a chapter that identifies, breaks down, and projects the infrastructure components and maintenance costs and the costs of achieving community amenities within a reasonable time frame and factors them into the fiscal impact analysis of the General Plan and Alternatives.

Benjamin Cantu

11/28/18
October 18, 2018

Beth Thompson
De Novo Planning Group
1020 Suncast Lane, Suite 106
El Dorado Hills, CA 95762

Dear Beth:

Attached, please find the Draft Fiscal Impact Analysis for the Manteca General Plan Alternatives. This analysis incorporates the buildout assumptions that De Novo provided to BAE on September 18, 2018. Matt Fairris and I are available to discuss the analysis by phone if you have any questions or comments.

Sincerely,

Matt Kowta
Managing Principal
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EXECUTIVE SUMMARY

BAE conducted the following fiscal impact analysis for three land use alternatives developed as part of the Manteca General Plan Update. The results of the fiscal impact analysis are intended to assist the City in selecting and refining the preferred land use alternative that will form the basis for the General Plan Update. The fiscal analysis is focused on the City of Manteca General Fund, including the flow of revenues from the projected increase in residents and businesses, as well as the expenditures associated with the expanding service population.

Land Use Scenarios

Each of the three land use alternatives would accommodate significant increases in the supply of residential units and non-residential square footage. As seen in Table ES-1, Alternative A includes an increase of roughly 37,000 net new housing units, 13.1 million square feet of commercial space, 5.9 million square feet of office space, and 18.1 million square feet of industrial space. Alternative B would accommodate similar growth, with 38,000 new housing units, 14.6 million square feet of commercial space, 4.2 million square feet of office space, and 16.7 million square feet of industrial space. Alternative C, which is consistent with the City’s existing General Plan, would also envision substantial growth, but at a reduced level compared to Alternatives A and B. This would include nearly 28,000 net new housing units, 12 million square feet of commercial space, 1.8 million square feet of office space, and 15.9 million square feet of industrial space.

Table ES-1: Net New Development by Land Use Alternative

<table>
<thead>
<tr>
<th></th>
<th>Net New Residential Units</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Alternative A</td>
<td>Alternative B</td>
<td>Alternative C</td>
</tr>
<tr>
<td>Residential</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single-Family Units</td>
<td>28,550</td>
<td>28,460</td>
<td>21,193</td>
</tr>
<tr>
<td>Multifamily Units</td>
<td>8,327</td>
<td>9,867</td>
<td>6,716</td>
</tr>
<tr>
<td>Non-Residential</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>13,087,473</td>
<td>14,591,422</td>
<td>12,043,199</td>
</tr>
<tr>
<td>Office</td>
<td>5,885,005</td>
<td>4,181,583</td>
<td>1,845,743</td>
</tr>
<tr>
<td>Industrial</td>
<td>18,098,037</td>
<td>16,722,261</td>
<td>15,894,136</td>
</tr>
<tr>
<td>Other (a)</td>
<td>-125,636</td>
<td>-62,704</td>
<td>-1,250</td>
</tr>
</tbody>
</table>

Note:
(a) Other land uses include Agriculture, Government, Institutional, Religious, Utilities, and All Other land use categories.

Sources: City of Manteca; De Novo Planning Group, 2018.
**Net Fiscal Impact Summary**

Based on the projected increases in revenues and expenditures, using a methodology developed in consultation with City staff, the fiscal model projects substantial net annual General Fund fiscal surpluses for each land use alternative. As seen below in Table ES-2, Alternative A could be expected to yield an increase in annual General fund revenues of nearly $90.5 million at buildout. Based on the same projected growth, the fiscal model projects annual citywide General Fund expenditures would increase by nearly $59.9 million, for an annual net fiscal surplus of approximately $30.6 million. The City could expect buildout of Alternative B to generate similar General Fund impacts, with an increase in annual revenue of roughly $91.6 million and an increase in annual expenditures of $60.9 million, for a net annual fiscal surplus of approximately $30.7 million. Alternative C, by contrast, could produce more modest increases in both revenues and expenditures. As seen below, buildout under Alternative C would generate an annual General Fund revenue increase of roughly $70.0 million and an expenditure increase of nearly $44.1 million. Though still substantial, at $25.9 million, the projected net annual fiscal surplus is reduced as compared to Alternatives A and B.

<table>
<thead>
<tr>
<th>General Fund Impact</th>
<th>Land Use Alternative</th>
<th>Alternative A</th>
<th>Alternative B</th>
<th>Alternative C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td></td>
<td>$90,482,579</td>
<td>$91,640,749</td>
<td>$69,963,341</td>
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<tr>
<td>Expenditures</td>
<td></td>
<td>$59,880,562</td>
<td>$60,902,617</td>
<td>$44,103,231</td>
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<tr>
<td>Net Annual Fiscal Surplus</td>
<td></td>
<td>$30,602,017</td>
<td>$30,738,132</td>
<td>$25,860,110</td>
</tr>
<tr>
<td>20% Increase in Expenditures</td>
<td></td>
<td>-$11,976,112</td>
<td>-$12,180,523</td>
<td>-$8,820,646</td>
</tr>
<tr>
<td>Capital Facilities Reserve Transfers Out (a)</td>
<td></td>
<td>-$997,121</td>
<td>-$1,012,623</td>
<td>-$749,086</td>
</tr>
<tr>
<td>Adjusted Annual Fiscal Surplus</td>
<td></td>
<td>$17,628,784</td>
<td>$17,544,985</td>
<td>$16,290,378</td>
</tr>
</tbody>
</table>

Note: (a) Based on the 3-year average transfer out of the General Fund to the Capital Facilities Reserve, projected based on the increased service population for each alternative.

Sources: City of Manteca; De Novo Planning Group; BAE, 2018.

To account for existing service deficiencies and/or future service enhancements as well as potential increases in capital facility reserve contributions from the General Fund, BAE also projected the fiscal impacts based on a 20 percent increase in expenditures across all departments, as well as an annual capital facilities reserve transfer. As seen in the lower part of Table ES-2, the 20 percent increase in expenditures reduces the projected fiscal surplus substantially across all land use alternatives. For both Alternatives A and B, General Fund expenditures increase further by roughly $12 million annually, while Alternative C factors in an additional $8.8 million in General Fund expenditures. Similarly, while transfers to the capital facilities reserve have varied in the past, BAE estimated the average transfer out from the General Fund based the previous three City budgets and projected the additional capital facilities reserve contribution proportionate to the increase in service population. This increased contribution to the capital reserve fund would help ensure the City has sufficient
capital to finance major capital expenditures, such as expansion or construction of police and fire stations. Based on these assumptions, the projected annual fiscal surpluses would decline by roughly $1 million under Alternative A and B and approximately $750,000 under Alternative C. Even after accounting for these adjustments, all three land use alternatives yield fiscal surpluses.

**Fiscal Impact Conclusion**

The fiscal analysis indicates that the Manteca General Fund would benefit from the continued expansion of the City’s residential and non-residential land use sectors, under any of the three land use alternatives. A series of sensitivity analyses for key variables found that even with conservative estimates of reduced residential property values or severely reduced non-residential development, the City would still expect fiscal surpluses at buildout, albeit reduced from the baseline modeling assumptions. Similarly, modifying assumptions to incorporate additional costs associated with enhancing service levels from those reflected in the current City budget also continued to produce projections of net annual fiscal surpluses. These results indicate that if the City continues to grow and realizes economies of scale and other efficiencies of service provision that are embedded in the fiscal model, projected fiscal surpluses could provide the City with new financial resources that could be used to enhance service and/or make other strategic investments in the community. As noted at the end of the report, however, the City must continue to track retail sales given the changing landscape of the retail sector. Given the General Fund’s reliance on local sales tax revenue, reductions in the per capita capture rate for local and regional taxable retail spending could pose challenges to the City’s fiscal sustainability.
INTRODUCTION

In order to assist the City of Manteca in selecting a preferred General Plan Land Use scenario, BAE conducted the following fiscal impact analysis to project the changes in General Fund revenues and expenditures at build out of each of the three General Plan land use alternatives.

Land Use Alternative Scenarios
De Novo Planning Group furnished BAE with assumptions regarding the quantities of net new residential and non-residential development that could be expected by buildout of each of the land use alternatives. As outlined in Table 1 below each alternative envisions a substantial increase in the City’s total residential and non-residential development.

As seen in the table, Alternative A anticipates a total of roughly 29,250 total new single-family residential units (28,550 net new units) and 8,410 new multifamily residential units (8,327 net new units). Alternative A also includes 13.3 million square feet of commercial space (13.1 million net new square footage), 5.9 million square feet of office space, and 18.1 million square feet of industrial space.

Alternative B includes a more housing-focused buildout, with a minor reduction in non-residential square footage. Based on the De Novo projections, Alternative B provides for a gross increase of 29,100 single-family residential units (28,460 net new units) and approximately 9,950 multifamily units (9,870 net new units). This alternative includes an increase of 14.7 million gross square feet of commercial space (14.6 net new space), 4.2 million square feet of office inventory, and 16.7 million square feet of industrial space.

Alternative C, which represents the existing General Plan Land Use Map adopted in 2003, includes a modestly reduced buildout plan. Alternative C would still accommodate a significant increase in the number of residential units and the inventory of non-residential space. As seen in Table 1, Alternative C includes almost 21,750 gross new single-family residential units (21,200 net new units) and 6,800 new multifamily units (6,715 net new units). In addition to nearly doubling the number of residential units in the city, Alternative C anticipates approximately 12.1 million new square feet of commercial space (12.0 million net new square feet), 1.8 million square feet of office space, and 15.9 million square feet of industrial space.

Figures 1 through 3, below, display geographic distribution of the projected growth, by land use category.
Figure 1: Alternative A Land Use Plan

Sources: City of Manteca; De Novo, 2018.
Figure 2: Alternative B Land Use Plan

Sources: City of Manteca; De Novo, 2018.
Figure 3: Alternative C Land Use Plan

Sources: City of Manteca; De Novo, 2018.
Table 1: Development Program by Alternative

<table>
<thead>
<tr>
<th>Residential</th>
<th>Net New Residential Units</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Units</td>
<td>29,247</td>
<td>28,550</td>
<td>29,094</td>
<td>28,460</td>
</tr>
<tr>
<td>Multifamily Units</td>
<td>8,410</td>
<td>8,327</td>
<td>9,947</td>
<td>9,867</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Alternative B Gross</td>
<td>Net New</td>
<td>Gross</td>
<td>Net New</td>
</tr>
<tr>
<td>Single-Family Units</td>
<td>29,094</td>
<td>28,460</td>
<td>21,747</td>
<td>21,193</td>
</tr>
<tr>
<td>Multifamily Units</td>
<td>9,947</td>
<td>9,867</td>
<td>6,796</td>
<td>6,716</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Alternative C Gross</td>
<td>Net New</td>
<td>Gross</td>
<td>Net New</td>
</tr>
<tr>
<td>Single-Family Units</td>
<td>21,747</td>
<td>21,193</td>
<td>6,796</td>
<td>6,716</td>
</tr>
<tr>
<td>Multifamily Units</td>
<td>6,796</td>
<td>6,716</td>
<td>6,796</td>
<td>6,716</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net New Non-Residential Square Footage</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Commercial</td>
<td>13,321,053</td>
<td>13,087,473</td>
</tr>
<tr>
<td></td>
<td>Office</td>
<td>5,885,005</td>
<td>5,885,005</td>
</tr>
<tr>
<td></td>
<td>Industrial</td>
<td>18,121,168</td>
<td>18,098,037</td>
</tr>
<tr>
<td></td>
<td>Other (a)</td>
<td>137,217</td>
<td>-125,636</td>
</tr>
</tbody>
</table>

Note:
(a) Other land uses include Agriculture, Government, Institutional, Religious, Utilities, and All Other land use categories.

Sources: City of Manteca; De Novo Planning Group, 2018.

New Service Population
To estimate the increase in service population in each alternative, De Novo and BAE applied average residential and employment densities to the projected increases in the different land use categories. As seen in Table 2, new single-family residential units are estimated to increase the population at a rate of 3.24 persons per household, while multifamily units are estimated to contain 2.78 persons per household. While these residential densities assume full occupancy across unit types, BAE also applied a vacancy rate adjustment of 3.4 percent when estimating the new service population. In terms of non-residential employment densities, commercial space is estimated to contain one employee per 490 square feet of space, with office and industrial employment densities at one employee per 333 and 1,000 square feet, respectively.

In total, Alternative A is projected to increase the population by almost 111,800, accompanied by an increase of almost 62,400 jobs. Alternative B would support a similar increase of residents and employees, or roughly 115,700 new residents and 59,000 new jobs. Alternative C, by contrast, would accommodate a comparatively more limited increase in service population, with approximately 84,500 new residents and 46,000 new jobs. While both residents and employees generate demand for services, BAE projects the increase in expenditures based on the new service population, which is defined as new residents plus one-half of the projected employees. Alternative A and B yield similar increases in net service population, of roughly 145,000 new persons served, while Alternative C would support 107,500 new persons served.

1 This definition of service population is commonly used in fiscal impact analysis and is meant to reflect the fact that people who work in the community typically generate reduced demand for municipal services as compared to residents.
Table 2: New Service Population by Alternative

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Service Population Density</th>
<th>Net New Development (New Service Population)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Alt A</td>
</tr>
<tr>
<td>Single-Family Residential Units</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Residents</td>
<td>28,550</td>
<td>28,460</td>
</tr>
<tr>
<td>New Residents</td>
<td>92,583</td>
<td>92,291</td>
</tr>
<tr>
<td>Multifamily Residential Units</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Residents</td>
<td>8,327</td>
<td>9,867</td>
</tr>
<tr>
<td>New Residents</td>
<td>23,150</td>
<td>27,431</td>
</tr>
<tr>
<td>Commercial Sq Ft</td>
<td></td>
<td>13,087,473</td>
</tr>
<tr>
<td>New Employees</td>
<td>490 sq. ft. per employee</td>
<td>26,733</td>
</tr>
<tr>
<td>Office Sq Ft</td>
<td></td>
<td>5,885,005</td>
</tr>
<tr>
<td>New Employees</td>
<td>333 sq. ft. per employee</td>
<td>17,673</td>
</tr>
<tr>
<td>Industrial Sq Ft</td>
<td></td>
<td>18,098,037</td>
</tr>
<tr>
<td>New Employees</td>
<td>1,000 sq. ft. per employee</td>
<td>18,098</td>
</tr>
<tr>
<td>Other Sq Ft</td>
<td></td>
<td>-125,636</td>
</tr>
<tr>
<td>New Employees (a)</td>
<td>650-1,000 sq. ft. per employee</td>
<td>-71</td>
</tr>
</tbody>
</table>

New Service Population

| Residents                     | 115,732                     | 119,722 | 87,396  |
| Vacancy Adjustment            | 3.4% Vacancy Rate (c)       | -3,905  | -4,040  | -2,949 |
| Adjusted New Residents        | 111,827                     | 115,682 | 84,447  |
| New Employees                 | 62,433                      | 59,171  | 46,028  |
| Service Population (d)        | 143,044                     | 145,267 | 107,461 |

Notes:
(a) Varies by alternative and mix of "other" land use designations.
(b) Job count increases despite a net loss in square footage due to the employment densities of the land use mix included in the "other" category.
(c) Based on the 2016 City of Manteca residential vacancy rate, as reported by the U.S. Census Bureau.
(d) Defined as new residents plus one-half of the new employees.

Sources: City of Manteca; De Novo Planning Group; U.S. Census Bureau; BAE, 2018.
GENERAL FUND FISCAL IMPACTS

Methodology
De Novo furnished BAE with parcel-level buildout estimates, to identify the location of the anticipated new development under each land use alternative. In addition to the land use assumptions, the databases contained County Assessor’s information, including data regarding existing development and assessed values. BAE utilized this information to calculate the net new development and increase in service population associated with each alternative. After estimating the net increase in service population, BAE then projected the increase in General Fund revenue generated by the new residents and jobs, including property tax and sales tax, among others. In addition to estimating revenues, the analysis also projects increased General Fund service costs, including expenditures for police, fire, and the remaining General Fund departments. By aligning the projected increases in revenues and expenditures associated with each alternative, the following analysis presents each alternative’s estimated net fiscal impact. This assessment can help the City better understand the fiscal implications of the land use alternatives, to assist in refining the preferred land use plan for the General Plan Update.

Projected Revenues
The following section estimates the increase in revenue associated with the new residential and non-residential development included in each land use alternative.

Property Tax and ILVLF Revenue
As the largest source of General Fund revenue for the City of Manteca, property tax is levied on residential and non-residential properties based on their assessed value. To estimate the net change in assessed value, BAE first compiled recent sales of newly developed residential and non-residential properties. Based on this research, BAE estimates the value of single-family residential and multifamily units are roughly $474,000 and $217,000, respectively. Non-residential uses, including commercial, office, and industrial, are valued at approximately $300, $190, and $85 per square foot, respectively. Based on these estimates, the total assessed valuation of the gross new development for Alternatives A and B amount to nearly $23 billion each. After subtracting the existing valuation on the parcels that are expected to redevelop (roughly $450 million of existing valuation that would be replaced by new development), the net new assessed valuation amounts to roughly $22 billion in both Alternative A and B. For Alternative C, the net new valuation would be $16.7 billion.

Based on the parcel-level property tax allocation factors that dictate the share of the property taxes that will accrue to various governmental entities, all three alternatives result in an average of roughly ten percent of the total ad-valorem property tax being allocated to the City’s General Fund. Parcels already located in the city tend to yield higher Manteca General Fund property tax shares compared to those that require annexation. Alternatives A and B would
generate roughly $21.9 and $22.1 million in new annual property tax revenue, respectively, by buildout. Because of the reduced buildout estimates in Alternative C, the total new assessed valuation amounts to almost $16.7 billion, generating $17.4 million in new annual property taxes to the City by buildout.

In addition to the secured property tax revenue, the City also collects property taxes on unsecured property. In order to estimate the revenue generated by unsecured property, BAE calculated the existing citywide unsecured property valuation as a percent of the secured property value, which amounts to roughly three percent. This yields an additional $482,000 to $593,000 in annual unsecured property tax revenue to the city by buildout, depending on the alternative.

The City also receives property tax in-lieu of vehicle license fee (ILVLF) revenue. Based on the existing allocation of ILVLF revenue, equal to roughly 0.1 percent of the total citywide assessed value, the City can anticipate approximately $21 million in new annual ILVLF revenue by buildout under Alternatives A and B, and roughly $16 million under Alternative C.

In total, as summarized in Table 3, Alternative A would yield nearly $42.5 million in new annual property-related revenue to the City’s General Fund by buildout. Alternative B results in a similar increase in revenue, of approximately $43.2 million in annual revenue to the City. Lastly, the reduced buildout of Alternative C would generate nearly $34 million in annual General Fund revenue.
Table 3: Property Tax and ILVLF Revenue by Alternative

<table>
<thead>
<tr>
<th>Secured Property Tax Revenue</th>
<th>Estimated Value</th>
<th>Gross New Assessed Value</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>All A</td>
<td>All B</td>
<td>All C</td>
<td></td>
</tr>
<tr>
<td>Single-Family Residential</td>
<td>$474,000 per unit</td>
<td>$13,863,078,000</td>
<td>$13,790,556,000</td>
<td>$10,308,078,000</td>
<td></td>
</tr>
<tr>
<td>Multifamily Residential</td>
<td>$217,000 per unit</td>
<td>$1,824,970,000</td>
<td>$2,158,499,000</td>
<td>$1,474,732,000</td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>$300 per sq. ft.</td>
<td>$3,996,315,900</td>
<td>$4,404,722,100</td>
<td>$3,640,255,200</td>
<td></td>
</tr>
<tr>
<td>Office</td>
<td>$190 per sq. ft.</td>
<td>$1,118,150,950</td>
<td>$794,500,770</td>
<td>$350,691,170</td>
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</tr>
<tr>
<td>Industrial</td>
<td>$85 per sq. ft.</td>
<td>$1,540,299,280</td>
<td>$1,423,358,320</td>
<td>$1,352,967,695</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>$100 per sq. ft.</td>
<td>$13,721,700</td>
<td>$13,721,700</td>
<td>$13,721,700</td>
<td></td>
</tr>
<tr>
<td><strong>Total New Assessed Valuation</strong></td>
<td></td>
<td>$22,356,535,830</td>
<td>$22,585,357,890</td>
<td>$17,140,445,765</td>
<td></td>
</tr>
<tr>
<td>Existing Assessed Valuation</td>
<td></td>
<td>$468,755,471</td>
<td>$450,290,341</td>
<td>$409,192,196</td>
<td></td>
</tr>
<tr>
<td><strong>Net New Assessed Valuation</strong></td>
<td></td>
<td>$21,887,780,359</td>
<td>$22,135,067,549</td>
<td>$16,731,253,569</td>
<td></td>
</tr>
<tr>
<td>Property Tax Allocation to City (a)</td>
<td>9.6%</td>
<td>9.7%</td>
<td>10.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Ad-Valorem Property Tax Increase</td>
<td></td>
<td>$20,903,568</td>
<td>$21,425,704</td>
<td>$17,435,009</td>
<td></td>
</tr>
<tr>
<td>Unsecured Property Tax Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsecured Property Tax as % of Secured</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsecured Property Tax Revenue</td>
<td>$578,338</td>
<td>$592,784</td>
<td>$482,374</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Property Tax In-Lieu of Vehicle License Fees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017/2018 Net Citywide AV</td>
<td>$6,551,894,000</td>
<td>$6,551,894,000</td>
<td>$6,551,894,000</td>
<td>$6,551,894,000</td>
<td></td>
</tr>
<tr>
<td>2017/2018 City ILVLF</td>
<td>$6,275,700</td>
<td>$6,275,700</td>
<td>$6,275,700</td>
<td>$6,275,700</td>
<td></td>
</tr>
<tr>
<td>ILVLF as % of Net AV</td>
<td>0.10%</td>
<td>0.10%</td>
<td>0.10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated New City ILVLF</td>
<td>$20,965,104</td>
<td>$21,201,966</td>
<td>$16,025,950</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL NEW PROPERTY TAX AND ILVLF REVENUE</strong></td>
<td>$42,447,010</td>
<td>$43,220,454</td>
<td>$33,943,333</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note:
(a) Based on the parcel-level property tax allocation factors. Includes annexation areas based on the Revenue Sharing Agreement between the City of Manteca and San Joaquin County (20%/80% revenue split).

Sources: City of Manteca; De Novo Planning Group; BAE, 2018.

Sales Tax
As a result of new residents and employees, the City of Manteca could expect a substantial growth in taxable retail sales, due to increases in local demand. Based on data from the California State Board of Equalization, the City of Manteca currently sees approximately $9,865 in local taxable retail and food sales per resident, as well as $10,661 in non-retail taxable sales per employee, which include business to business transactions and other non-store sales. Based on the new residents and employees in the three land use alternatives, the City of Manteca could anticipate between $1.3 and $1.8 billion in new annual taxable sales. Of the total citywide increase in taxable sales, Manteca receives 1.0 percent, which amounts to nearly $18 million in revenue under Alternatives A and B, and $13.2 million under Alternative C. In addition, based on the voter-approved Measure M, the City receives an additional 0.5 percent of all taxable sales, resulting in an additional $6.6 to $8.9 million of additional annual General Fund revenue at buildout, depending on the land use alternative. Lastly, the State of California redistributes additional sales tax revenue to jurisdictions to support public safety, including police and fire service. Based on the existing citywide revenue per service population, the City will likely receive between $380,000 and $515,000 annually by buildout, depending on the alternative.
In total, this amounts to an increase in annual sales tax revenue of $27.0 million for both Alternatives A and B, and $20.2 million for Alternative C. These calculations are shown in Table 4.

### Table 4: Sales Tax Revenue by Alternative

<table>
<thead>
<tr>
<th>Spending Type</th>
<th>Estimated Taxable Sales</th>
<th>New Development (New Taxable Sales)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Alt A</td>
<td>Alt B</td>
</tr>
<tr>
<td>New Residents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Taxable Sales</td>
<td>$9,865 per resident (a)</td>
<td>$1,103,231,132</td>
</tr>
<tr>
<td>New Employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Taxable Sales</td>
<td>$10,661 per employee (b)</td>
<td>$665,614,338</td>
</tr>
<tr>
<td>Total Taxable Sales</td>
<td></td>
<td>$1,768,845,470</td>
</tr>
<tr>
<td>City Share of Sales Tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base Bradley Burns Sales Tax</td>
<td>1.0% of taxable sales</td>
<td>$17,688,455</td>
</tr>
<tr>
<td>Measure M Public Safety Tax</td>
<td>0.5% of taxable sales</td>
<td>$8,844,227</td>
</tr>
<tr>
<td>Public Safety Sales Tax (Prop. 172)</td>
<td>$3.55 per person served</td>
<td>$507,271</td>
</tr>
<tr>
<td>TOTAL SALES TAX REVENUE</td>
<td></td>
<td>$27,039,953</td>
</tr>
</tbody>
</table>

Notes:
(a) Based on 2016 City of Manteca per capita taxable retail sales.
(b) Based on 2016 City of Manteca non-retail sales per employee.

Sources: City of Manteca; State Board of Equalization; De Novo Planning Group; BAE, 2018.

### Real Estate Transfer Tax

The City receives a portion of the property transfer tax collected at the sale of a residential or non-residential property. Currently, a transfer of ownership results in a tax of $1.10 per $1,000 of the value of the property. San Joaquin County receives half of this revenue, with the remainder allocated to the City of Manteca. At buildout, this would generate an additional $1.4 million in revenue annually under Alternative A and B, and approximately $1.1 million under Alternative C, as shown in Table 5.
Table 5: Real Estate Transfer Tax Revenue by Alternative

<table>
<thead>
<tr>
<th>Use Type</th>
<th>Assumed Turnover Rate</th>
<th>Value of Turnover</th>
<th>Net New Assessed Value (Value of Turnover)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Units AV</td>
<td>7 years</td>
<td>$1,933,242,857</td>
<td>$13,532,700,000 $13,490,040,000 $10,045,482,000</td>
</tr>
<tr>
<td>Value of Turnover</td>
<td></td>
<td>$1,927,148,571</td>
<td>$1,435,068,857</td>
</tr>
<tr>
<td>Multifamily Units AV</td>
<td>7 years</td>
<td>$258,137,000</td>
<td>$1,806,959,000 $2,141,139,000 $1,457,372,000</td>
</tr>
<tr>
<td>Value of Turnover</td>
<td></td>
<td>$305,877,000</td>
<td>$208,196,000</td>
</tr>
<tr>
<td>Retail (Sq. Ft.) AV</td>
<td>20 years</td>
<td>$3,926,241,900</td>
<td>$3,122,959,700</td>
</tr>
<tr>
<td>Value of Turnover</td>
<td></td>
<td>$4,377,426,600</td>
<td>$3,612,959,700</td>
</tr>
<tr>
<td>Office (Sq. Ft.) AV</td>
<td>20 years</td>
<td>$1,118,150,950</td>
<td>$794,500,770</td>
</tr>
<tr>
<td>Value of Turnover</td>
<td></td>
<td>$39,725,039</td>
<td>$350,691,170</td>
</tr>
<tr>
<td>Industrial (Sq. Ft.) AV</td>
<td>20 years</td>
<td>$1,538,333,145</td>
<td>$1,421,392,185</td>
</tr>
<tr>
<td>Value of Turnover</td>
<td></td>
<td>$71,069,609</td>
<td>$1,351,001,560</td>
</tr>
</tbody>
</table>

Total Average Turnover Per Year

- Property Transfer Tax Rate (per $1,000) $1.10 $1.10 $1.10
- Share to City 50% 50% 50%
- Property Transfer Tax Revenues to City $1,386,284 $1,409,480 $1,049,949

Sources: De Novo Planning Group; BAE, 2018.

Remaining General Fund Revenues

The remaining sources of General Fund revenue are projected to increase based on the City’s existing average revenues per service. These revenue items include charges for services, franchise fees, transient occupancy tax, licenses and permits, and all other miscellaneous revenue. As shown in Table 6, the revenues generated per service population range from $10 to $65 annually. Based on the estimated new service population for each land use alternative, both Alternative A and B will yield nearly $20 million in new annual revenues, while Alternative C could be expected to generate approximately $14.7 million. Across all sources covered in Table 6, charges for services, including parks and recreation charges and general government support services, account for the most substantial increase.

Table 6: Remaining General Fund Revenues by Alternative

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Revenue Generation (a)</th>
<th>New Revenue Generation (b)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>All A</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>$64.56 per person served</td>
<td>$9,235,253</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>$20.24 per person served</td>
<td>$2,895,294</td>
</tr>
<tr>
<td>Transient Occupancy Tax</td>
<td>$13.47 per person served</td>
<td>$1,926,094</td>
</tr>
<tr>
<td>License and Permits</td>
<td>$10.53 per person served</td>
<td>$1,506,780</td>
</tr>
<tr>
<td>Other Misc. Revenue</td>
<td>$28.28 per person served</td>
<td>$4,045,911</td>
</tr>
<tr>
<td>Total, Other Revenue</td>
<td></td>
<td>$19,609,332</td>
</tr>
</tbody>
</table>

Note:
(a) Service Population includes all existing Manteca residents and half of the employment.

| 2018 Population | 81,345 |
| 2018 Jobs       | 17,034 |

(b) Based on new service population for each alternative.

Sources: City of Manteca; De Novo Planning Group; BAE, 2018.
Projected Service Costs

**Police Service**

Based on discussions with Manteca Police Department representatives, law enforcement expenditures associated with the anticipated growth are projected to increase based on the existing average cost per service population. As shown in Table 7, police patrol accounts for the largest portion of the existing budget, at roughly $11.6 million or $130 per service population per year. Multiplying the existing average expenditure by the increased service population, Alternative A and B would increase the total Police Service expenditures by almost $34 million per year at buildout, more than doubling the existing police budget. Alternative C would also require a substantial increase in the police budget, equating to an increase of roughly $25 million annually by buildout.

According to the Police Department, Manteca is currently operating with a fairly lean budget and number of law enforcement staff. While the initial assessment of increased expenditures relies on the existing average annual per service population costs, police department staff noted that a 20 percent increase in expenditures would get the department to a more ideal capacity and BAE also tested the impact of assuming a higher per service population cost for expanded police services. Based on the stated 20 percent adjustment, the total police expenditures would increase to roughly $40 million annually at buildout for Alternatives A and B, and roughly $30 million under Alternative C.

It is worth noting that these annual General Fund expenditures do not include large one-time capital expenses. These types of expenditures will come out of capital improvement funds, rather than the General Fund. The City has contributed a marginal amount of excess revenue from the General Fund to the Capital Facilities Reserve in previous years. While the allocation amount has varied, BAE estimated the impacts of additional contributions to this reserve fund when testing the sensitivity of the fiscal impact conclusions. Based on the growing demand, the City will likely need to plan for an expansion of the police station, if not the development of an entirely new station, in order to accommodate the expected increase in police department staff. Adequate planning and preparation for this major expense will be necessary in order to ensure the City has adequate facilities to house the necessary police department expansion.
Table 7: Police Service Expenditures by Alternative

<table>
<thead>
<tr>
<th>Department</th>
<th>2018/2019 Budget</th>
<th>Service Demand (a)</th>
<th>New Police Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$31.98 per person served</td>
<td>Alt A</td>
</tr>
<tr>
<td>Administration</td>
<td>$2,873,535</td>
<td></td>
<td>$4,574,130</td>
</tr>
<tr>
<td>Patrol</td>
<td>$11,638,370</td>
<td>$129.51 per person served</td>
<td>$18,526,108</td>
</tr>
<tr>
<td>Investigations</td>
<td>$3,335,385</td>
<td>$37.12 per person served</td>
<td>$5,309,309</td>
</tr>
<tr>
<td>Support Services</td>
<td>$630,510</td>
<td>$7.02 per person served</td>
<td>$1,003,654</td>
</tr>
<tr>
<td>Dispatch</td>
<td>$1,455,805</td>
<td>$16.20 per person served</td>
<td>$2,317,369</td>
</tr>
<tr>
<td>Code Enforcement</td>
<td>$297,820</td>
<td>$3.31 per person served</td>
<td>$474,074</td>
</tr>
<tr>
<td>Jail Services</td>
<td>$266,725</td>
<td>$2.97 per person served</td>
<td>$424,576</td>
</tr>
<tr>
<td>Animal Services</td>
<td>$437,130</td>
<td>$4.86 per person served</td>
<td>$695,829</td>
</tr>
<tr>
<td><strong>Total, All Departments</strong></td>
<td><strong>$20,935,280</strong></td>
<td><strong>$232.97 per person served</strong></td>
<td><strong>$33,325,049</strong></td>
</tr>
</tbody>
</table>

Note:
(a) Service Population includes all existing Manteca residents and half of the employment.
2018 Population 81,345
2018 Jobs 17,034
Service Population 89,862

Sources: City of Manteca; De Novo Planning Group; BAE, 2018.

Fire Service

Based on the projected growth in service population associated with each of the alternative land use plans shown in Figures 1 through 3, the Manteca Fire Department indicated the need for two new fire stations and associated staff under both Alternative A and B, with the need for just one new fire station under Alternative C. Under both Alternative A and B, Fire Department staff noted the growth in the southwest and northeast of the City as the prime areas that would trigger the need for the new stations. With the lower amount of northeast expansion under Alternative C, Fire Department staff indicated a new station would only be required in the southwest in order to adequately serve the new population and maintain the required response times. As a result, Table 8 below outlines the increase in costs under the various scenarios. At the direction of Fire Department staff, this analysis assumes the new fire stations will operate with staffing and equipment similar to the existing Fire Station Number 4, which includes three shifts of fire staff, consisting of one captain, engineer, and firefighter for each shift. Given the need for two new stations under Alternative A and B, the increase in fire service costs are approximately twice the existing $1.8 million annual operating budget for Fire Station #4, resulting in a total increase of roughly $3.6 million annually. Under Alternative C, however, the increase in annual Fire Department costs amount to $1.8 million due to the need for only one new station, in the southwest portion of the City.

Similar to the Police Department expenditures discussion above, the General Fund expenditures projected below do not account for large one-time capital expenses, including the fire station development costs.
Table 8: Fire Service Expenditures by Alternative

<table>
<thead>
<tr>
<th>Service Item</th>
<th>New Service Demand</th>
<th>Alt A</th>
<th>Alt B</th>
<th>Alt C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire Station</td>
<td></td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Staff</td>
<td>Captain</td>
<td>6</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Engineer</td>
<td>6</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Firefighter</td>
<td>6</td>
<td>6</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>New Fire Department Expenditures</th>
<th>Alt A</th>
<th>Alt B</th>
<th>Alt C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Captain</td>
<td>$1,178,850</td>
<td>$1,178,850</td>
<td>$589,425</td>
<td></td>
</tr>
<tr>
<td>Engineer</td>
<td>$955,110</td>
<td>$955,110</td>
<td>$477,555</td>
<td></td>
</tr>
<tr>
<td>Firefighter</td>
<td>$1,123,200</td>
<td>$1,123,200</td>
<td>$561,600</td>
<td></td>
</tr>
<tr>
<td>Operational</td>
<td>$374,400</td>
<td>$374,400</td>
<td>$187,200</td>
<td></td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>$3,631,560</td>
<td>$3,631,560</td>
<td>$1,815,780</td>
<td></td>
</tr>
</tbody>
</table>

Note:
(a) Assumes the following salaries and operating overhead.
Capita: $226,350
Engineer: $196,475
Firefighter: $159,185
Station Overhead: $187,200

Sources: City of Manteca Fire Department; City of Manteca Finance Department; BAE, 2018.

**Remaining General Fund Costs**

The remaining General Fund expenditure items are projected by applying the existing average expenditures per service population to the projected increases in service population under each of the three land use alternatives, with an adjustment for the fixed nature of some existing service expenditures. Table 9 below shows these calculations. Rather than applying the existing expenditures per person served to the projected population and employment growth, variability adjustments are made for each expenditure category. These variability factors estimate how much of the existing expenditures relate specifically to the service population and how these expenditures are projected to increase as the population increases. For example, expenditures associated with Legislation and Policy, including the City Council and City Clerk, do not increase in a linear fashion based on population growth. Rather, as the population and jobs base increases in the City, roughly 25 percent of the existing costs in this department will be expected to increase in response to growth in the City’s service population. Conversely, as the City population grows, essentially 100 percent of the City’s existing annual expenditures in the Parks, Recreation, and Community Services budget are expected to be variable in response to residential growth, due to the increased inventory of park space and demand for recreation activities and community services associated with a growing population.²

² Note that for this service category, this calculation is not based on service population, but on average expenditures per resident, as demand for Parks, Recreation, and Community Services is viewed as primarily driven by resident population, rather than by both residents and local employees.
Using this approach, Table 9 projects that Alternative A and B would increase the City’s non-public safety General Fund expenditures by between $23 and $24 million annually at buildout. General Government expenditures would account for the largest share of these costs, at roughly $11 million, followed by Parks, Recreation, and Community Services, with approximately $8 million in annual expenditures. Under the same alternatives, Fiscal and Revenue Management costs are projected to increase by $1.5 million, while annual transfers out of the General Fund, mainly to the Vehicle Fund, Equipment Fund, and Recreation Fund, will amount to just over $1.3 million annually. Remaining costs include approximately annually $630,000 for Public Utilities, $160,000 for Roads, and $700,000 for Animal Services. Alternative C, by comparison, follows a similar distribution of increased expenditures, though at a lower degree due to the lower population and job growth. For Alternative C, General Government expenditures are projected to increase by roughly $8 million annually, with an additional $5.9 million in Parks, Recreation, and Community Services. Alternative C also increases the Fiscal and Revenue Management budget by $1.2 million, transfers out of the general fund by almost $960,000, Public Utilities by $540,000, Roads by almost $120,000, and Animal Services by roughly $520,000 annually. In total, the increased General Fund costs under Alternative C would amount to approximately $17.3 million.

Table 9: Other General Fund Expenditures

<table>
<thead>
<tr>
<th>Expenditure Item</th>
<th>2018/19 Budget</th>
<th>Service Demand (a)</th>
<th>Variability Factor</th>
<th>New General Fund Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$8,267,923</td>
<td>$92.01 per person served</td>
<td>82%</td>
<td>$10,737,953</td>
</tr>
<tr>
<td>Legislation and Policy</td>
<td>$1,179,860</td>
<td>$13.13 per person served</td>
<td>25%</td>
<td>$469,529</td>
</tr>
<tr>
<td>Legal Services</td>
<td>$254,500</td>
<td>$2.83 per person served</td>
<td>75%</td>
<td>$303,837</td>
</tr>
<tr>
<td>City Administration</td>
<td>$1,162,385</td>
<td>$12.94 per person served</td>
<td>75%</td>
<td>$1,387,725</td>
</tr>
<tr>
<td>Public Works Administration</td>
<td>$377,340</td>
<td>$4.20 per person served</td>
<td>75%</td>
<td>$450,491</td>
</tr>
<tr>
<td>Human Resources</td>
<td>$754,936</td>
<td>$8.40 per person served</td>
<td>75%</td>
<td>$901,288</td>
</tr>
<tr>
<td>Facilities Maintenance</td>
<td>$1,070,010</td>
<td>$11.91 per person served</td>
<td>100%</td>
<td>$1,703,256</td>
</tr>
<tr>
<td>Fleet Maintenance</td>
<td>$788,175</td>
<td>$8.77 per person served</td>
<td>100%</td>
<td>$1,254,627</td>
</tr>
<tr>
<td>Non Departmental</td>
<td>$2,680,717</td>
<td>$29.83 per person served</td>
<td>100%</td>
<td>$4,267,200</td>
</tr>
<tr>
<td>Fiscal &amp; Revenue Management</td>
<td>$1,288,500</td>
<td>$14.34 per person served</td>
<td>75%</td>
<td>$1,538,288</td>
</tr>
<tr>
<td>Parks, Rec, and Comm. Services</td>
<td>$5,872,615</td>
<td>$69.74 per resident per person served</td>
<td>100%</td>
<td>$7,798,299</td>
</tr>
<tr>
<td>Public Utilities</td>
<td>$604,250</td>
<td>$6.72 per person served</td>
<td>75%</td>
<td>$721,390</td>
</tr>
<tr>
<td>Roads</td>
<td>$99,725</td>
<td>$1.11 per person served</td>
<td>100%</td>
<td>$158,744</td>
</tr>
<tr>
<td>Animal Services</td>
<td>$437,130</td>
<td>$4.86 per person served</td>
<td>100%</td>
<td>$695,829</td>
</tr>
<tr>
<td>Transfers Out (b)</td>
<td>$800,000</td>
<td>$8.90 per person served</td>
<td>100%</td>
<td>$1,273,450</td>
</tr>
<tr>
<td>Total, All Other Expenditures</td>
<td>$22,923,952</td>
<td>$23,427,921</td>
<td>$17,252,066</td>
<td></td>
</tr>
</tbody>
</table>

Note:
(a) Service Population includes all existing Manteca residents and half of the employment.
2018 Population 81,345
2018 Jobs 17,034
Service Population 89,862

(b) Based on annual transfers out to the Vehicle Fund, Equipment Fund, and Recreation Fund.

Sources: City of Manteca; De Novo Planning Group; BAE, 2018.
Net Fiscal Impact

Based on the projected revenue and expenditures associated with the increase in residents, businesses, and employees within the City of Manteca, Table 10 below summarizes the net fiscal impact associated with buildout of each land use alternative. Summing all of the revenue items, including property tax, ILVLF revenue, property transfer tax, sales tax, and other remaining revenues, Alternative A yields an annual increase of roughly $90.5 million of revenue to the City’s General Fund at buildout. Alternative A generates an estimated increase in General Fund expenditures of nearly $60 million annually at buildout, principally driven by the increase in Police Service and General Government expenditures. Subtracting increased expenditures from increased revenues, Alternative A yields a net annual fiscal surplus of nearly $30.6 million at buildout.

Given the similar increase in service population and land use expansion, Alternative B results in a similar net fiscal impact. As seen in the table below, Alternative B yields nearly $91.6 million in annual General Fund revenue at buildout, fairly evenly distributed between the various major revenue sources. Alternative B would generate an increase of nearly $60.9 million in General Fund costs annually at buildout. Combined with the projected revenue increase, this would yield a net General Fund surplus of roughly $30.8 million annually at buildout.

Compared to Alternatives A and B, buildout of Alternative C would generate notably lower increases in revenue and expenditures, though the results still suggest the General Fund revenue and expenditures would more than double. As seen below, Alternative C would yield roughly $70 million in new annual General Fund revenues at buildout, equally distributed between the major revenue sources. Annual expenditures, by contrast, would be expected to increase by approximately $44.1 million, driven predominantly by police service demand. This would generate a net annual fiscal surplus of roughly $25.9 million to the General Fund at full buildout of Alternative C, somewhat lower than the $31 million surpluses projected under both Alternative A and B.

Overall, the fiscal analysis suggests that the City of Manteca could benefit fiscally from continued residential and non-residential growth. It appears that these benefits would accrue primarily due to the expectation that the City would be able to take advantage of economies of scale in expanding its General Fund services to a growing service population. More specifically, while existing annual General Fund expenditures amount to roughly $462 per service population, the fiscal analysis projects expenditures of just $420 per service population for alternatives A and B, and just $410 per service population for Alternative C. Key to achieving these reduced expenditures will be to limit the need to expand the City’s Fire Department beyond the need for staffing for one or two fire stations, and to limit increases in expenditures for General Government functions aside from Police, Fire, and Parks, Recreation, and Community Services. With projected fiscal surpluses, the City has buffers against unanticipated increases in the City’s cost to provide services, or unanticipated changes in
economic conditions that hold revenue increases below the project levels; however, the magnitude of these surpluses is dependent upon realization of substantial levels of growth that will likely be possible only over the very long-term. Thus, in the near to mid-term, the City should carefully monitor changes in service demand, service expenditures, and revenue collection and fine-tune its budget strategies to ensure that the City commits to provision of new or expanded services only when the increased revenues are reasonably assured.

Table 10: General Fund Net Fiscal Impact by Alternative

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Alt A</th>
<th>Alt B</th>
<th>Alt C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>$21,481,907</td>
<td>$22,018,488</td>
<td>$17,917,383</td>
</tr>
<tr>
<td>Secured</td>
<td>$20,903,568</td>
<td>$21,425,704</td>
<td>$17,435,009</td>
</tr>
<tr>
<td>Unsecured</td>
<td>$578,338</td>
<td>$592,784</td>
<td>$482,374</td>
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<tr>
<td>ILVLF</td>
<td>$20,965,104</td>
<td>$21,201,966</td>
<td>$16,025,950</td>
</tr>
<tr>
<td>Property Transfer Tax</td>
<td>$1,386,284</td>
<td>$1,409,480</td>
<td>$1,049,949</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>$27,039,953</td>
<td>$27,096,626</td>
<td>$20,238,584</td>
</tr>
<tr>
<td>Bradley Burns</td>
<td>$17,688,455</td>
<td>$17,720,979</td>
<td>$13,238,332</td>
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<tr>
<td>Measure M</td>
<td>$8,844,227</td>
<td>$8,860,490</td>
<td>$6,619,166</td>
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<tr>
<td>Prop. 172</td>
<td>$507,271</td>
<td>$515,157</td>
<td>$381,086</td>
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<tr>
<td>Other Revenues</td>
<td>$19,609,332</td>
<td>$19,914,188</td>
<td>$14,731,476</td>
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<tr>
<td>Subtotal, All Revenues</td>
<td>$90,482,579</td>
<td>$91,640,749</td>
<td>$69,963,341</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Alt A</th>
<th>Alt B</th>
<th>Alt C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Service</td>
<td>$33,325,049</td>
<td>$33,843,137</td>
<td>$25,035,385</td>
</tr>
<tr>
<td>Fire Service</td>
<td>$3,631,560</td>
<td>$3,631,560</td>
<td>$1,815,780</td>
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<tr>
<td>General Government</td>
<td>$10,737,953</td>
<td>$10,904,890</td>
<td>$8,066,868</td>
</tr>
<tr>
<td>Fiscal &amp; Revenue Management</td>
<td>$1,538,288</td>
<td>$1,562,203</td>
<td>$1,155,636</td>
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<tr>
<td>Parks, Rec, and Comm. Services</td>
<td>$7,798,299</td>
<td>$8,067,116</td>
<td>$5,888,945</td>
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<tr>
<td>Public Utilities</td>
<td>$721,390</td>
<td>$732,605</td>
<td>$541,943</td>
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<tr>
<td>Roads</td>
<td>$158,744</td>
<td>$161,211</td>
<td>$119,256</td>
</tr>
<tr>
<td>Animal Services</td>
<td>$695,829</td>
<td>$706,647</td>
<td>$522,740</td>
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<tr>
<td>Transfers Out</td>
<td>$1,273,450</td>
<td>$1,293,248</td>
<td>$956,677</td>
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<tr>
<td>Subtotal, All Expenditures</td>
<td>$59,880,562</td>
<td>$60,902,617</td>
<td>$44,103,231</td>
</tr>
</tbody>
</table>

NET ANNUAL FISCAL SURPLUS | $30,602,017 | $30,738,132 | $25,860,110

Sources: City of Manteca; De Novo Planning Group; BAE, 2018.
Other Fiscal Considerations
Through the compilation of revenue and expenditure assumptions, a number of other fiscal considerations arose that will be important to consider in finalizing the Land Use Element for the General Plan Update.

Land Use Sensitivity
The above analysis is reliant on the realization of the projected mix of land uses. However, the results of the analysis are sensitive to certain land use types and assumptions. First, as the market has recovered from the Great Recession, home prices in Manteca have finally reached pre-recession levels. For this analysis, BAE used the median sale price of new residential projects, of nearly $475,000 per unit. However, if the sale prices of these units experience a decline, similar to that experienced during the recession, the associated property tax and ILVLF revenue will be significantly lower than projected above. For example, a drop in average new home values to $250,000 per unit, well above the median sale price in San Joaquin County after the Great Recession, property-related revenue would drop significantly, resulting in a 42 percent reduction in General Fund revenues under the different land use alternatives. This would reduce the projected fiscal surpluses under Alternatives A, B, and C to $17.3 million, $17.5 million, and $15.6 million, respectively.

Similarly, the aggressive increase in commercial, office, and industrial inventory results in significant increases in revenue driven by property taxes and sales tax. The realization of the non-residential development depends on capturing a share of regional market demand in Manteca and any reduction in the delivery of these land uses will impact the General Fund fiscal situation. For example, if the projected residential uses are delivered without any of the non-residential construction, the projected net fiscal surpluses for the different alternatives would be reduced by more than 50 percent, suggesting that the non-residential development would play an integral role in generating revenue for the City with limited offsetting increases in expenditures. Nevertheless, these projections suggest that even without the contributions of non-residential development, the City could still realize fiscal surpluses with buildout of the residential components of the land use alternatives.

Another important component of non-residential buildout is the changing landscape of the retail sector. Given that sales taxes are projected to be the largest revenue source at buildout, supported by the statutory one percent local sales tax allocation and additional local voter-approved half-cent sales tax, the health of Manteca’s retail sector will have significant implications for the City’s fiscal sustainability. While the City has a variety of large retailers, predominantly located along the highway corridors, the increased share of retail sales migrating to the internet may reduce taxable sales captured within the City of Manteca. If, for example, it is assumed that local taxable sales associated with projected growth decline by one-third, the overall net fiscal surplus would be reduced by between 24 and 27 percent, depending on the alternative. Despite this potential decreased revenue, the projected fiscal surplus appears to be sufficient to accommodate modest declines in sales tax capture rates.
Existing Service Deficiencies
Through conversations with various City staff, it is evident that many departments are operating with a fairly lean staff, suggesting existing expenditures per service population may under estimate the ideal expenditure profile in order to provide the desired level of services to residents and local businesses. Given that the preceding analysis is calibrated to the existing General Fund budget, any existing operating deficiency will be projected forward. If, for example, all expenditures are increased by 20 percent to account for existing deficiencies, a figure specifically stated by the City’s Police Department, the projected net fiscal surplus would be reduced by nearly 40 percent across all alternatives. More specifically, as seen in Table 11 below, the increase in per service population expenditures results in a decrease of the projected annual fiscal surplus by roughly $12 million for Alternatives A and B, and $8.8 million in Alternative C.

The projected fiscal surpluses suggest that the City would have the budgetary capacity to improve service standards relative to current General Fund expenditure levels and still balance new expenditures with new revenues. Depending on the fiscal projections for the final Land Use Element incorporated into the adopted General Plan Update, the City may wish to conduct a more detailed analysis of targeted service standards and existing service levels across General Fund departments and develop a strategic plan for utilizing future improvements in the City’s fiscal position to enhance services where they will make the greatest impact on local quality of life, for both residents and businesses. Such improvements will in turn help to make Manteca a more competitive location for new residential and non-residential development, which will help to reinforce the City’s ability to capture the new development necessary to achieve buildout under the land use alternative that is ultimately chosen.

Capital Expenditures
As noted previously, the preceding analysis solely projects the General Fund fiscal impacts associated with the increase in residents, businesses, and employees. As a result, major one-time capital expenses are not factored into the analysis, though they could have an impact on the General Fund if other funds require additional contributions not included in the typical transfers out of the General Fund indicated by City staff. The City has periodically allocated available General Fund revenues to the Capital Facilities Reserve fund, which will be used to help fund the development or expansion of major city facilities. Based on the previous three budget documents, the City has transferred an average of approximately $625,000 per year to the Capital Facilities Reserve fund, or roughly $7 per service population. Projecting that forward based on the new service population would equate to an annual transfer of roughly $1 million to the Capital Facilities Reserve under Alternatives A and B and $750,000 under Alternative C.

As the City realizes the projected increase in residential and non-residential development and the associated increases in service population, these capital expenditures will be necessary to provide services to the growing population. For example, as a result of the nearly tripling of
the Police Department budget, the General Fund accounts for the increase in staffing and other expenditures, but it is likely that the current Police Station will require major additions or renovations in order to house the increase in staff.

Table 11: Potential General Fund Adjustments

<table>
<thead>
<tr>
<th>General Fund Impact</th>
<th>Land Use Alternative</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Alternative A</td>
</tr>
<tr>
<td>Revenues</td>
<td>$90,482,579</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$59,880,562</td>
</tr>
<tr>
<td>Net Annual Fiscal Surplus</td>
<td>$30,602,017</td>
</tr>
<tr>
<td>20% Increase in Expenditures</td>
<td>-$11,976,112</td>
</tr>
<tr>
<td>Capital Facilities Reserve Transfers Out (a)</td>
<td>-$997,121</td>
</tr>
<tr>
<td>Adjusted Annual Fiscal Surplus</td>
<td>$17,628,784</td>
</tr>
</tbody>
</table>

Note:
(a) Based on the 3-year average transfer out of the General Fund to the Capital Facilities Reserve, projected based on the increased service population for each alternative.

Sources: City of Manteca; De Novo Planning Group; BAE, 2018.

Adjusted Fiscal Impacts

Even after adjusting for potential existing service deficiencies and/or future service enhancements as well as increased Capital Facilities Reserve transfers from the General Fund, seen in Table 11, the fiscal analysis still projects that the City would experience a fiscal surplus from the continued growth of residential and non-residential development. While the projected fiscal surpluses are reduced by roughly 40 percent across each alternative by the increased service expenditures and reserve transfers, the results indicate the City would still have a sufficient buffer against unanticipated increases in City expenditures, or changes in economic conditions that result in lower revenue generation.
ATTACHMENT 1

SUMMARY MINUTES - GPAC MEETING #10, NOVEMBER 5, 2018
Summary Minutes

General Plan Advisory Committee Meeting 10 – November 5, 2018

These meeting notes provide an overview and summary of the input received during the October 22, 2018 General Plan Advisory Committee (GPAC) meeting which focused on the review of the Draft General Plan Economic Development Policy Set.

Attendance

GPAC Members Present: Daryll Quaresma (Chair), Victoria Brunn (Vice Chair), Bill Barnhart, Joann Beattie, Wendy Benavides, Ronald Cheek, Demetri Filios, Ronald Light, Richard Paz, Jack Snyder, Stephen Tompkins

GPAC Member Absent: James DuClair, Jose Nuno, Parminder Singh Sahi, David Tenney

GPAC Alternates Present: Jason Laughlin, Jack Reilla

GPAC Alternates Absent: Benjamin Cantu, David Cushman, Marco Galeazzi

Item 3 – Summary Notes for GPAC Meeting 9

Correction to Yolanda Park’s title/affiliation: Environmental Justice Program Manager at Catholic Charities of the Diocese of Stockton

Item 4 – Economic Development Policy Set Discussion

- ED-P-3: Bill Barnhart asked if this policy applies to Kmart site and similar sites and if so, to revise to address vacated buildings.
- ED-P-5: Bill Barnhart noted this policy references “future development” and, referring to apartments north of Raley’s, indicated that this policy hasn’t been implemented in regards to the apartment project.
- ED-P-9: Bill Barnhart noted that the policy has been implemented and doesn’t see need to keep policy.
- Referencing ED-P-20, Bill Barnhart noted that a stronger term than ‘encourage’ is needed, as ‘encourage’ doesn’t provide enough emphasis and prioritization.
- ED-P-26: Bill Barnhart noted that the community worked with City staff and developer prior to the Center Point approval and the buildings were moved closer to the airport and questioned whether the policy is any good.
- ED-I-11: Bill Barnhart asked if the comprehensive economic development strategy was available and indicated he would like a copy. Planning Manager Hightower described the contents of the strategy and Barnhart indicated he did not need to review it.
ED-P-34:
- Bill Barnhart inquired about the source and appropriateness of 1.5 jobs per household. Was informed that 1.0 is the best practice for metric. The GPAC supported changing the value to match.
- Bill Barnhart asked about shifting the ratio down to reflect the community’s large retirement population, including Del Webb. Consultant responded that the metric is intended to address the City’s employed residents and is based on the amount of employed residents, including those commuting to jobs outside of the city.

ED-I-38:
- Bill Barnhart suggested collaborating with San Joaquin County on the implementation measure, because the library system operates under County function.
- Wendy Benavides indicated that the City owns its library facilities and supplements staff’s hours; and suggested that the City pursue grant funding to support the library system’s expansion in the community. She suggested strengthening the action’s language to require a plan for development of a new library that will better serve the current (and expanding community) and to encourage economic development.

ED-P-55 and ED-P-58: Bill Barnhart observed that the policies are essentially redundant and suggested combining them.

ED-I-50: Bill Barnhart inquired about whether the fee is the responsibility of the developer or the City. The consultant indicated that developer is the responsible party and promised that the language would be clarified. Staff mentioned that SAIDS is the funding source, and projects need to be identified in a comprehensive economic development strategy.

ED-I-15: Ronald Light confirmed that the Convention and Visitor Bureau no longer exists.

ED-I-16: Ronald Light recommended that the measure omit “funding.”

ED-P-47: Ronald Light recommended that the policy omit “I.”

ED-P-57: Ronald Light suggested that the policy could be conflict with some of the noise-related policies. Wendy Benavides mentioned that the policy has already been implemented in some locations.

ED-P-20: Wendy Benavides suggested strengthening the policy’s language to better address old development, such as the Cardoza Center. Potential topics to incorporate include landscaping, lighting, improved aesthetics, and the requirement that the developer prepare a plan to describe the improvements.

Referencing ED-I-30 through -34, Victoria Brunn indicated that the document still uses terms such as “cooperatively work with” and encourage” and noted that more specific language that carries more weight should be used.
ED-P-19: Victoria Brunn requested that the policy’s use of “high quality” be defined through reference to other policies that give it weight. Was informed that all of the Element’s policy sets will be fully cross-referenced.

ED-I-30: Victoria Brunn mentioned that the action is too vague, and suggested that it be strengthened through reference to other policies and/or actions or by giving the action more weight.

ED-I-48: Victoria Brunn observed that the action looks better and is a good start, but suggested that it should include cross-references to polices and actions in other elements.

ED-I-51: JoAnn Beattie observed that the Manteca Chamber of Commerce is partially implementing.

Other Comments
- Several GPAC members commented on the policy set’s vague language.
- Stephen Tompkins asked if the terminology was intentionally vague and if it could be made more specific through referencing actual actions, events, and other more concrete items that identify the desired result.
- The consultant indicated that terms will identified in the Introduction and examples can be provided where relevant.
- Victoria Brunn requested that the General Plan, at minimum, be cross-referenced.
- Demetri Filios observed that the General Plan is general. Other documents will implement the General Plan’s policy direction in greater detail and the General Plan is a guiding document.
  - Bill Barnhart agreed, but indicated that grandfathering is an issue.
- Wendy Benavides recommended that the General Plan provide some direction as it pertains to assisting property owners. This includes grants, landscaping, and improved viability.

Item 4 – Delicate Winery Conditional Use Permit Presentation
- Steve Herum, attorney representing the winery, made the presentation.
  - One of 9 largest wineries in the US. This group is responsible for a majority of the country’s wine production.
  - The winery generates $500 million in revenue and pays $25 million in salary to approximately 400 employees per year.
  - To continue to grow the operation, the winery applied for and received San Joaquin County approval to amend its Use Permit.
  - Distributed attachments that show approved facility expansions, holdings (approximately 383 acres), and off charge areas (agricultural uses located around the periphery of the company’s holdings).
- Water discharged is safe, but includes residue from the fermenting process. It doesn’t create conflicts with the current adjacent agricultural uses, but could create complaints if other, more sensitive uses, such as residential neighborhoods, replace the existing uses.

- Closing thoughts:
  - General Plan exists for the good of the entire community, including large industrial uses that employee many residents.
  - The business does no harm in its current configuration and relationship with the surrounding uses.
  - Don’t place residential uses next to agricultural processing uses. Instead, buffer with compatible nonresidential uses.

  ○ GPAC Discussion
    - Ron Cheek requested an example of how to buffer/feather uses:
      - Mr. Herum indicated light and/or heavy industrial, and/or warehousing along Highway 99. Possible transition from these uses, although with light industrial it may not be necessary. Avoid placing large lot/estate residential next to discharge sites
    - Mrs. Delicate indicated that the business does not want to be a bad neighbor.
    - Jason Laughlin asked what constitutes a reasonable buffer.
      - Mr. Herum indicated that he and the business will research the question and listen to ideas. “Reasonable” is the key.
      - Victoria Brunn asked Beth to bring back info on buffering.
        - Beth Thompson said that the “developing” developer usually responsible for providing the buffer. Information will be provided in the Land Use Policy Set in February.
        - Bill Barnhart indicated that he would like to see the commercial park at the southeastern corner of Lovelace and Union utilized as a buffer.

Item 5 – Presentation: Introduction to Land Use Alternatives
  ○ Ron Cheek inquired about the GPAC meeting schedule for reviewing the land use alternatives.
    - Consultant confirmed December 3 and 10.
  ○ Daryll Quaresma inquired about where the Land Use Alternatives Report can be found?
    - Consultant confirmed that the document would be distributed to the GPAC at the end of the meeting, and the GPAC, audience, and other members of the public would be able to download a digital version of document from the project website beginning the next day, October 23rd.
Item 6 – Public Comment

- Tom Consoli, 9683 East Louise Avenue
  - Approximately 20-acre property located at end of housing development. Sent letter to J.D. earlier this year requesting that the property be included in the General Plan Update to support a new housing development. Mr. Consoli read the letter that had been submitted and added that the development of the property would be good for his family and for people that want to live in Manteca.

- Todd Berryhill, Scannell Properties
  - Consider Villa Toscino as industrial site. He requested that the GPAC designate the site for industrial and commercial development. The site is currently designated for residential. Scannell is under contract to purchase the site.

- Mimi Harper, Harper Realty
  - 16000 Cottage Avenue: requested that property be redesignated from Very Low Density Residential to Low Density Residential. In process of being annexed.
November 26, 2018

BY ELECTRONIC MAIL

Honorable Chairman Quaresma and Honorable Members of the Manteca G-PAC
Manteca City Hall
1001 W. Center Street
Manteca, CA 953376

Re: Delicato Vineyards/City of Manteca General Plan Update

Dear Chairman Quaresma and Honorable Members of the Manteca G-PAC:

As you know, this office represents the Indelicato family concerning the General Plan update and the Plan's impact to the family’s winery operation.

As we explained at the November 5 G-PAC meeting the potential scope of a land use conflict between the winery and incompatible uses extends to the outer reaches of the Indelicato land holdings. This is because many of the outlining lands are part of the regulated water discharge and application permit issued by the Regional Water Quality Board and, therefore, it is important to create a buffer area between the integrated winery operation and housing. Otherwise the new General Plan will create an inherent land use conflict.

In addition, as we pointed out at the November G-PAC meeting, the Family recently went through a major amendment to the Use Permit through San Joaquin County. The process and public hearings were subject to public notice and neither the property owners nor the City of Manteca, who each received written notice of the project, expressed any concern with the proposed winery operation expansion.

To continue this vital discussion, in this letter we emphasize several public documents confirming the legitimate and central public policy concerning the protection of existing agricultural processing uses from intrusive and conflicting residential uses.

To start with the G-PAC Draft Land Use Alternatives Report (November 2018), distributed at your November 5 meeting, addresses this question. The report acknowledges that:
“[i]ndustrial, agricultural, and other land uses may include components that conflict with residential and other sensitive land uses.”

(Land Use Alternatives Report at 2-6.)

Accordingly the report explains:

"The land use map alternatives were developed with the intent of focusing…and ensuring long-term agricultural and open space uses continue along the City’s northern, eastern and southern boundaries."

(Page 2-1; bolding added.) Thus an overarching intent when determining General Plan Designations for selected properties involves ensuring continued long term agricultural uses such as the Delicato Family Winery. As we indicated to you an adequate and effective buffer area is essential to attaining this policy intent.

To amplify this overarching intent the Report explains as page 2-1:

"General Plan policies will continue to include policies...to provide for buffers and transitional between residential and other sensitive uses...and other uses that may involve noise, air quality, odor, and traffic impacts."

(Land Use Alternatives Report at 2-1; bolding added.)

This statement is important in two ways. First, it confirms an intent to promote a policy providing for “buffers and transitional” zones between the winery use and proposed residential uses. This policy statement coheres precisely with our statement and request at the November G-PAC meeting. Second, the policy statement acknowledges and advances an important implementation measure contained in the current General Plan. The Manteca General Plan (October 6, 2003) Air Quality Implementation measure AQ-I-15 states:

The developer of a sensitive air pollution receptor shall submit documentation that the project design includes appropriate buffering (e.g., setbacks, landscaping) to separate the use from... other sources of...odor.

Manteca General Plan page 10-7 (bolding added).

Manteca General Plan policy RC-P-25 makes the same important point:

"The City shall ensure, in approving urban development near existing agricultural lands, that such development will not unnecessarily constrain agricultural practices or adversely affect the economic viability of nearby agricultural operations."
Manteca General Plan at 8-10 (bolding added).

Indeed, other policies in the current General Plan provide guidance in this matter. For instance General Plan policy Resource Conservation policy RC-P-21 states:

In approving urban development near existing agricultural lands, the City shall take actions so that such development will not unnecessarily constrain agricultural practices or adversely affect the viability of nearby agricultural operations.

Manteca General Plan at 8-10 (bolding added). Thus, General Plan policy AQ-P-3 requires the City to “Segregate and provide buffers between land uses” to avoid land use conflicts from odors and other aspects of industrial and processing operations. Manteca General Plan at 10-4.

The draft Economic Development Goals, Policies, and Implementation Measures document, distributed at the November 5 meeting, further confirms the need for a buffer area to protect an existing business. General Plan Goal ED-2 “encourage(s) the retention and expansion of the City’s existing businesses”. Thus policy ED-P-15 “encourage(s) local business to remain in Manteca” while policy ED-P-22 recommends Manteca “encourage the continuation of agricultural uses”.

Finally, we respectfully call to your attention the Land Use Change Request filed by the Marchesotti/Zottarelli/M&E Almond interests. In answering question number twelve—“How is the request compatible with the surrounding area?”—the question was answered in a manner highlighting a potential land use conflict with the Delicato Winery. Rather than baldly state that no conflict exists with non-residential uses the answer provided confirms a present and existing land use conflict. The question was answered by the General Plan change proponent and discloses that a land use conflict already exists:

“The Del Webb community already speaks out against their industrial neighbor”.

(Bolding added.) Thus, in answering the question of whether the request contributes to or causes a direct land use conflict between residential and non-residential uses, the proponent unconditionally acknowledged a conflict is inherent without adequate buffering and mitigation.

The Indelicato family appreciates this opportunity to comment on the proposed Manteca General Plan update. As this letter underscores current policies and proposed new policies promoting buffers to lessen or mitigate land use conflicts between existing agricultural processing uses and proposed residential uses. Indeed,

1 At the November 5 meeting Delicato explained that the winery operation is responsible for 440 direct full time family wage jobs and countless indirect jobs in the area. Delicato is the largest private employer in the Manteca area.
even General Plan designation change advocates have observed and acknowledged the existence of this pervasive conflicts. We respectfully request a non-residential buffer area, perhaps with an industrial designation wrap around the current Indelicato family property, all which is used in the wine processing operation.

Very truly yours,

[Signature]

STEVEN A. HERUM
Attorney-at-Law

cc:   Client
      Mr. Bill Filios
J.D. Hightower  
Planning Manager, City of Manteca  
Community Development Department  
1001 W. Center Street  
Manteca, CA 95337

Dear Mr. Hightower,

My last letter addressed some re-zoning requests for Northwest Manteca. The map in that letter included low density residential and a significant amount of CMU and High Density Zoning. Since submitting that letter we have continued to strive to develop and refine a vision for Northwest Manteca. The attached brief presentation on “Manteca Village” is an initial draft of that vision. It incorporates many of the elements that have been suggested in the many meetings we have attended-GPAC, Planning Commission, etc. and individual discussions. We are hoping that we will receive suggestions from the community to help us refine and better define that vision.

Please distribute this memorandum and the attached draft “Manteca Village” vision to members of the city staff, GPAC, Planning Commission, and City Council.

Respectfully Submitted,

[Signature]

Louie Tallercio
Manteca Village, "MV"

Focused Environment
An Integrated
- A Village Within A City

Focused Range Of Services
- A Broad Spectrum

Of Living Options
On The Community
- Design Philosophy

"MV" Manteca Village

- Integrated Work/Live/Relax
- Affordable
- Proximity
- Minimal Impact On
- Technology
- Smart Environment
- Commercial Focused On
- Residences and Adjacent Age Restricted Community
- Opportunity to Walk or Bike
- Draw A "4 Star"
Drift A "A Stem"

- Integrated Neighborhood Parks
- Bright Energy Efficient Lighting
- Properly Sized Sidewalks
- Coordinated Colors
- Integrated Architecture
- Sound/Site Mitigating Landscaping
- High Berms

Live Work Traffic Environment

Strive for an Attractive Integrated Environment

"Manteca Village" MV
A Range of Services Focused on The Community

Manitou Village "MV"
November 27, 2018

Rochelle Henson, Senior Planner
Community Development Department
City of Manteca
1001 W. Center St.
Manteca, CA 95337

Re: Manteca 2030 General Plan Update

Dear Ms. Henson:

As you may know, Richland Planned Communities, Inc. recently submitted an application for a Preliminary Staff Review of a 703 single family lot conceptual site plan for the Hat Ranch property. The low-density Hat Ranch plan includes an 18-acre K-8 school site, 14 acres of park and makes key connections of currently-planned City infrastructure. A copy of the site plan is enclosed with this letter.

It is our understanding the City of Manteca and its General Plan Update Advisory Committee are currently analyzing three alternative land use plans, one of which will be adopted as the City’s Land Use Map, which will become the primary component for shaping the City’s future growth. Of the three alternative land use plans within the Manteca GPAC Land Use Alternatives Report dated November 2018, only Alternatives A and B include the Hat Ranch property as Low Density Residential. The Alternative C plan shows the Hat Ranch property as Urban Reserve-Low Density. Richland Communities respectfully requests the Hat Ranch property be shown as Low Density Residential in all three of the land use alternatives, given that is what our current application requests, and that is the density that will allow a school to be cited in our development.

In that vein, Richland Communities has been diligently working with the Ripon School District over the past six months. The District has indicated its conceptual approval of the size and location of the new K-8 school site within the Hat Ranch site plan. In October of this year we met with City representatives from the Planning, Parks and Engineering departments to discuss the key elements of the Hat Ranch land plan. In conjunction with the Ripon School District, it is our goal to start community outreach meetings after the first of the year.
I look forward to receiving Staff’s comments on the attached conceptual site plan, and having a discussion regarding revisions to Alternative C in the General Plan Update Land Use Alternatives.

Thank you for your anticipated assistance with this matter.

Sincerely,

Kyle Masters
Director-Land Entitlement

Enclosure: Conceptual Site Plan

cc: (Sent by E-mail and U.S. Mail)
Mayor Stephen DeBrum
Mayor-Elect Ben Cantu
Vice Mayor Debby Moorhead
Councilmember Mike Morowit
Councilmember Rich Silverman
Councilmember Gary Singh
J.D. Hightower, Planning Manager
General Plan Update Advisory Committee Members
CONCEPTUAL SITE PLAN
HAT RANCH
MANTECA, CA
2018.08.30

SITE SUMMARY

HAT RANCH-WEST
- 60'x100' LOTS (MIN): 86
- 55'x100' LOTS (MIN): 103
- 50'x100' LOTS (MIN): 116
TOTAL: 305 LOTS

HAT RANCH-EAST
- 70'x100' LOTS (MIN): 27
- 60'x90' LOTS (MIN): 82
- 50'x100' LOTS (MIN): 55
- 50'x90' LOTS (MIN): 76
- 45'x100' LOTS (MIN): 178
TOTAL: 396 LOTS

TOTAL: 703 LOTS