

MEMORANDUM

Date: 9/22/2008
To: Jenny Liaw, Senior Planner, City of Stockton
From: Chris Austin, Greg Angelo, and Tom Woelfel
Re: Tidewater Crossing FIA Errata

Pursuant to your request, the Tidewater Crossing Fiscal Impact Analysis (“FIA”), dated September 19, 2008, has been revised to incorporate the following changes from Goodwin Consulting Group.

FIA

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City Revenues

The Project is estimated to generate approximately ~~\$6,668,962~~ ~~\$6,822,604~~ in fiscal revenue for the City at development buildout. The calculations of estimated revenues that employ the case study method are presented on an annual basis in *Appendix A*, Tables 2 and 3, respectively. These calculations are based on estimated project generated revenues, which differ from City wide per capita revenues. The calculations of estimated revenues that employ the multiplier method are presented on an annual basis in *Appendix A*: Table 4. A summary description of the revenue funds is presented below.

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City Expenditures

The Project is estimated to incur approximately \$6,822,604 in operating expenditures for the City at buildout. The calculations of estimated expenditures for ~~park maintenance, open space / landscaping maintenance, flood control basin maintenance,~~ road maintenance, ~~and fire,~~ and raw land and finished lot police monitoring use the case study method and are presented in *Appendix A*, Table 6. These calculations are based on estimated project generated costs, which differ from City wide per capita costs. The calculations for administrative services, city attorney, city auditor, city clerk, city council, city manager, economic development, human resources, non-departmental, parks and recreation (excluding park/open space maintenance), police, public works (excluding road maintenance), library services, Other Post Employment Benefits, and Measure W (police) are presented in Table 5 of *Appendix A*, and are calculated using the multiplier method. A summary description of the expenditure funds is presented below.





MEMORANDUM

September 22, 2008

To: Jenny Liaw

Cc : Randy Chafin, Chris Austin, and Greg Angelo

From: Dave Freudenberger and Cindy Yan

Re: Peer Review of Fiscal Impact Analysis and Preliminary Feasibility Analysis for the Tidewater Crossing Master Development Plan Project

PURPOSE

The Development Planning and Financing Group, Inc. (DPFG) has prepared a fiscal impact analysis and a preliminary feasibility analysis for the Tidewater Crossing project (Project) as part of the Project's master development plan approval process. Goodwin Consulting Group, Inc. (GCG), working under a contract with EDAW, was retained by the City of Stockton (City) to conduct peer reviews of the fiscal impact analysis (FIA) and the preliminary feasibility analysis (PFA) for the Project. As part of the peer reviews, GCG evaluated the assumptions, methodologies, and conclusions applicable to each study. GCG applied standard industry practices along with the City's approved polices, guidelines, and templates to ensure that the results of the FIA and PFA are reasonable and consistent with the City's approved methodologies and assumptions. This memorandum summarizes GCG's findings from the reviews of the FIA and PFA.

PROJECT DESCRIPTION

The Project consists of approximately 909 acres located within unincorporated San Joaquin County, outside of Stockton's city limits; it is situated within the City's Sphere of Influence, however, and is expected to be annexed into the City prior to development. The Project site is generally bounded by the Stockton Metropolitan Airport to the north, State Route 99 to the east, Union Pacific Railroad to the west, and East French Camp Road to the south.

The residential portion of the Project is expected to include a total of 2,663 residential units, which comprises of 1,530 standard lot single family residential units, 864 small lot

detached single family units, and 269 multifamily units, and is anticipated to have a population of 8,000 new residents at buildout. With approximately 5.5 million square feet of commercial and industrial uses on 241 acres, the Project is also expected to produce 5,470 new jobs from these two land uses.

FISCAL IMPACT ANALYSIS

After a detailed review of two draft FIAs (dated August 6, 2008, and August 26, 2008), GCG identified several issues and concerns. While most of the issues were minor in nature and quickly resolved, there were two significant issues – adherence to the FIA template and guidelines and the Project’s absorption schedule – that materially affected the results of the FIA. GCG worked closely with DPFPG, the Project developers, and City staff to resolve these two significant issues.

As a result of collaborative effort, DPFPG prepared another FIA dated September 19, 2008. In this FIA, DPFPG addressed GCG’s concerns by incorporating the City’s service cost estimates and by preparing a sensitivity analysis that increased the Project’s buildout period by approximately 50%. In addition, DPFPG made other adjustments to address some of the other issues identified by GCG and to reflect Project changes since the initial draft was prepared.

GCG has extensively reviewed DPFPG’s September 19, 2008, FIA and concludes that its assumptions and methodologies are consistent with the City’s FIA template and guidelines. Although the FIA projects an annual recurring deficit both during development and after buildout, a combination of financing mechanisms are identified to mitigate all projected deficits to the City.

PRELIMINARY FEASIBILITY ANALYSIS

DPFPG prepared an initial PFA, dated August 5, 2008, and a second PFA dated August 28, 2008. Similar to the FIA, GCG had concerns with the Project’s absorption schedule and with the document adhering to the PFA template and guidelines. GCG worked closely with DPFPG, the Project developers, and City staff to determine how best to revise the PFA.

DPFPG prepared a third PFA dated September 19, 2008. GCG has conducted a thorough review of this PFA and its related assumptions, and concurs with the conclusions and supporting analysis. GCG also reviewed the PFA to ensure that its assumptions and methodologies are consistent with the City’s PFA template and guidelines.

MEMORANDUM

Date: 9/24/2008
To: Jenny Liaw, Senior Planner, City of Stockton
From: Chris Austin, Greg Angelo, and Tom Woelfel
Re: Tidewater Crossing FIA - Industrial Land Use Revision

Introduction

This memorandum summarizes the results of the revised Fiscal Impact Analysis (“FIA”) for the Tidewater Crossing Master Development Plan (“Project”). The FIA examines the fiscal results of the Project’s conversion of Neighborhood C from medium density residential to industrial land uses. The FIA examines the Project’s fiscal impacts under the same time period as the previous submittal, beginning in FY 2011 and ending in FY 2026, the year after buildout. The following sections outline the various components of the FIA that have significantly changed from the prior FIA submittal, affecting the fiscal results, these include: Land Use Plan and Project Absorption, Project Residents, Employees, and Persons Served, and Fire Engine Company Operations and Maintenance Costs.

Land Use Plan and Project Absorption

Conversion of Neighborhood C to industrial land uses results in the loss of 47.2 medium density residential acres planned for 298 medium density residential units. This results in 566 total medium density residential units.

Based upon the revised land use plan the Project’s residential component assumes an absorption of 38 units from FY 2011 through FY 2021 and 37 units from FY 2022 through FY 2025 for medium density residential units. The Project’s low density and high density absorptions remain unchanged with an even absorption of 102 low density residential units through buildout, and absorption of 67 units in FY 2017 through FY 2019 and 68 units in FY 2020 for high density residential units. The Project anticipates a total of 2,365 residential units.

The addition of 47.2 acres to the industrial component of the Project results in 1,113,735 additional industrial square feet for a total of 6,406,335 industrial square feet, assuming a 54.17% Floor Area Ratio (“FAR”), unchanged from the prior FAR application.

Based upon the revised land use plan the Project’s non-residential component assumes an even absorption of 427,089 square feet per year for the industrial component beginning in FY 2011 and finishing in FY 2025, buildout. Absorption for the retail component remains unchanged at 93,100 square feet per year in FY 2017 and FY 2018, respectively.



Project Residents, Employees, and Persons Served

Under the revised land use plan the Project anticipates a total of 2,365 residential units, and is expected to generate 7,151 new residents, 849 fewer residents than under the prior land use plan. The non-residential component of the Project is expected to generate 6,543 employees, 1,073 more new employees than originally anticipated under the prior land use plan. Based on the resident and employee count the Project is anticipated to generate 10,422 persons served, with employees counted as the equivalent of one half of a resident. As the Project's persons served count is lower under the revised land use plan the Project is anticipated to use fewer City of Stockton services, and consequently causes fewer annual general fund expenditures.

Fire Engine Company Operations and Maintenance Costs

The revised land use plan affects the Project's annual fire engine company operations and maintenance cost. As the Project generates 10,422 persons served, a lower number of persons served than was assumed under the prior land use plan, the Project's share of the total annual fire engine company operations and maintenance cost is lower. Based on the assumed number of persons served under the prior land use plan the Project was anticipated to provide approximately 50.5% of the funding for fire engine company operations and maintenance, or \$1,537,755. Under the revised land use plan the Project is now anticipated to provide approximately 49.6% of the funding for fire engine company operations and maintenance, or \$1,510,351.

The revised land use plan also has fewer residential units absorbed annually. The decreased residential unit absorption affects when the Project is to begin funding fire engine company operations and maintenance. Per the City of Stockton Fire Department the Project is to begin funding of fire engine company operations and maintenance upon the 301st occupied residential structure. Whereas under the prior land use plan the Project was anticipated to reach the 301st occupied residential structure in FY 2012, the Project now anticipates the 301st occupied residential unit in the second month of FY 2013. Thus, the Project does not fund fire engine company operations and maintenance costs until FY 2013.

Fiscal Results

The attached *Appendix A*, Fiscal Impact Analysis 16 Year Summary, pages 1-2, illustrates Project impacts under the revised land use plan. The Project initially provides an annual surplus of \$204,575 in FY 2011 and \$278,422 in FY 2012 but then sustains annual deficits in FY 2013 through FY 2023, and in FY 2026, the year after buildout. Fiscal deficits range from \$1,064,211 in FY 2014 to \$15,815 in FY 2026, the year after buildout. The cumulative Project fiscal deficit is \$5,906,906 in FY 2026, the year after buildout. The cumulative Project fiscal deficit the year after buildout under the prior land use plan was \$7,752,530, resulting in an improvement of \$1,845,624 from the prior land use plan.

APPENDIX A - FISCAL IMPACT ANALYSIS 16 YEAR SUMMARY
Tidewater Crossing
September 24, 2008

Annual Recurring Revenues - Case Study	2011	2012	2013	2014	2015	2016	2017	2018
1. Secured Property Tax	\$ 117,783	\$ 183,421	\$ 249,265	\$ 315,421	\$ 381,973	\$ 455,984	\$ 547,732	\$ 636,187
2. Unsecured Property Tax	3,052	6,108	9,170	12,243	15,329	18,432	23,095	27,782
3. Document Transfer Tax	56,912	61,753	66,484	71,507	76,624	81,881	107,625	113,954
4. Project Sales and Use Tax	36,500	72,999	109,499	145,998	182,498	218,998	282,735	346,473
5. Prop 172 Sales Tax	532	1,065	1,597	2,129	2,662	3,194	4,124	5,053
6. Measure W Sales and Use Tax	8,165	16,329	24,494	32,659	40,824	48,988	63,246	77,504
7. Vehicle License Fees (VLF)	2,737	5,474	8,211	10,949	13,686	16,423	20,036	23,649
8. Property Tax in Lieu of VLF (PTILVLF)	132,758	233,250	334,048	435,310	537,158	650,937	791,041	925,604

Annual Recurring Revenues - Per Capita	2011	2012	2013	2014	2015	2016	2017	2018
1. Taxes	86,237	172,473	258,710	344,947	431,183	517,420	634,797	752,174
2. Licenses and Permits	48,672	97,345	146,017	194,689	243,361	292,034	362,499	432,964
3. Revenues from Other Agencies	481	962	1,443	1,924	2,404	2,885	3,540	4,194
4. Charges for Services	9,169	18,337	27,506	36,675	45,843	55,012	67,491	79,971
5. Fines & Forfeitures	7,316	14,631	21,947	29,262	36,578	43,893	53,850	63,807
6. Other Revenues	16,987	33,975	50,962	67,949	84,937	101,924	125,046	148,167
7. Gas Tax Fund Revenues	8,085	16,170	24,255	32,340	40,425	48,510	59,181	69,852
	\$ 535,385	\$ 934,292	\$ 1,333,607	\$ 1,734,001	\$ 2,135,485	\$ 2,556,515	\$ 3,146,038	\$ 3,707,335

Annual Recurring Costs - Per Capita	2011	2012	2013	2014	2015	2016	2017	2018
1. Administrative Services	\$ 4,581	\$ 9,162	\$ 13,743	\$ 18,324	\$ 22,905	\$ 27,486	\$ 33,721	\$ 39,956
2. City Attorney	1,980	3,959	5,939	7,918	9,898	11,878	14,572	17,266
3. City Auditor	939	1,877	2,816	3,754	4,693	5,631	6,909	8,186
4. City Clerk	1,444	2,888	4,331	5,775	7,219	8,663	10,628	12,593
5. City Council	897	1,794	2,691	3,588	4,485	5,382	6,602	7,823
6. City Manager	2,179	4,358	6,538	8,717	10,896	13,075	16,041	19,008
7. Economic Development	1,596	3,193	4,789	6,385	7,982	9,578	11,751	13,924
8. Fire	-	-	-	-	-	-	-	-
9. Human Resources	3,419	6,838	10,257	13,676	17,095	20,514	25,168	29,822
10. Non-Departmental	6,196	12,392	18,588	24,784	30,980	37,176	45,609	54,042
11. Parks and Recreation	16,126	32,252	48,378	64,505	80,631	96,757	118,042	139,327
12. Police	187,203	374,406	561,609	748,812	936,015	1,123,217	1,378,020	1,632,822
13. Public Works	38,949	77,899	116,848	155,798	194,747	233,696	286,710	339,724
14. Library Services	10,418	20,835	31,253	41,671	52,089	62,506	76,257	90,008
15. Other Post-Employment Benefits (OPEB)	13,700	27,400	41,100	54,800	68,500	82,200	100,846	119,493
16. Measure W (Police)	10,143	20,285	30,428	40,571	50,714	60,856	74,662	88,467

Annual Recurring Costs - Case Study	2011	2012	2013	2014	2015	2016	2017	2018
1. Road Maintenance	25,291	50,581	75,872	83,034	90,197	97,359	102,640	107,920
2. Fire Engine Company Obligation	-	-	1,384,489	1,510,351	1,510,351	1,510,351	1,510,351	1,510,351
3. Raw Land and Finished Lot Police Monitoring	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750
	\$ 330,810	\$ 655,870	\$ 2,365,418	\$ 2,798,213	\$ 3,105,144	\$ 3,412,076	\$ 3,824,280	\$ 4,236,484

Net Annual Surplus / Deficit \$ 204,575 \$ 278,422 \$ (1,031,811) \$ (1,064,211) \$ (969,659) \$ (855,561) \$ (678,242) \$ (529,148)

Net Cumulative Surplus / Deficit \$ 204,575 \$ 482,997 \$ (548,814) \$ (1,613,025) \$ (2,582,684) \$ (3,438,245) \$ (4,116,488) \$ (4,645,636)

Net Annual Surplus / Deficit (Prior Land Use) \$ 197,004 \$ 6,243 \$ (1,209,247) \$ (1,123,803) \$ (1,037,667) \$ (931,208) \$ (762,442) \$ (620,950)

Net Cumulative Surplus / Deficit (Prior Land Use) \$ 197,004 \$ 203,247 \$ (1,006,001) \$ (2,129,804) \$ (3,167,471) \$ (4,098,679) \$ (4,861,121) \$ (5,482,070)

APPENDIX A - FISCAL IMPACT ANALYSIS 16 YEAR SUMMARY
Tidewater Crossing
September 24, 2008

	2019	2020	2021	2022	2023	2024	Buildout 2025	After Buildout 2026
Annual Recurring Revenues - Case Study								
1. Secured Property Tax	\$ 715,110	\$ 791,931	\$ 861,934	\$ 933,158	\$ 1,004,845	\$ 1,077,817	\$ 1,133,152	\$ 1,132,388
2. Unsecured Property Tax	31,031	34,311	37,515	40,795	44,053	47,380	50,851	50,740
3. Document Transfer Tax	108,402	114,692	111,996	120,460	127,006	132,236	138,519	79,259
4. Project Sales and Use Tax	394,603	442,907	479,406	515,675	551,944	588,213	624,482	624,482
5. Prop 172 Sales Tax	5,755	6,460	6,992	7,521	8,050	8,579	9,108	9,108
6. Measure W Sales and Use Tax	88,270	99,075	107,240	115,353	123,466	131,580	139,693	139,693
7. Vehicle License Fees (VLF)	27,261	30,887	33,625	36,344	39,063	41,783	44,502	44,502
8. Property Tax in Lieu of VLF (PTILVLF)	1,046,020	1,163,110	1,270,080	1,378,863	1,488,333	1,599,710	1,681,839	1,680,705
Annual Recurring Revenues - Per Capita								
1. Taxes	857,132	962,371	1,048,541	1,134,330	1,220,119	1,305,909	1,391,698	1,391,698
2. Licenses and Permits	481,674	530,385	578,941	627,493	676,045	724,597	773,149	773,149
3. Revenues from Other Agencies	4,780	5,367	5,847	6,326	6,804	7,282	7,761	7,761
4. Charges for Services	91,130	102,319	111,480	120,601	129,722	138,844	147,965	147,965
5. Fines & Forfeitures	72,711	81,638	88,948	96,226	103,503	110,781	118,058	118,058
6. Other Revenues	168,843	189,573	206,547	223,447	240,346	257,245	274,144	274,144
7. Gas Tax Fund Revenues	80,524	91,234	99,319	107,351	115,384	123,416	131,449	131,449
	\$ 4,173,245	\$ 4,646,260	\$ 5,048,411	\$ 5,463,943	\$ 5,878,684	\$ 6,295,371	\$ 6,666,369	\$ 6,605,101
Annual Recurring Costs - Per Capita								
1. Administrative Services	\$ 45,531	\$ 51,122	\$ 55,699	\$ 60,256	\$ 64,814	\$ 69,371	\$ 73,928	\$ 73,928
2. City Attorney	19,676	22,092	24,070	26,039	28,008	29,978	31,947	31,947
3. City Auditor	9,329	10,474	11,412	12,346	13,279	14,213	15,147	15,147
4. City Clerk	14,350	16,112	17,555	18,991	20,427	21,863	23,300	23,300
5. City Council	8,915	10,010	10,906	11,798	12,690	13,583	14,475	14,475
6. City Manager	21,660	24,319	26,497	28,665	30,833	33,001	35,168	35,168
7. Economic Development	15,866	17,815	19,410	20,998	22,586	24,174	25,762	25,762
8. Fire	-	-	-	-	-	-	-	-
9. Human Resources	33,983	38,155	41,572	44,973	48,375	51,776	55,177	55,177
10. Non-Departmental	61,584	69,145	75,336	81,500	87,664	93,827	99,991	99,991
11. Parks and Recreation	160,613	181,975	198,101	214,123	230,144	246,166	262,188	262,188
12. Police	1,860,666	2,089,118	2,276,176	2,462,408	2,648,640	2,834,872	3,021,103	3,021,103
13. Public Works	387,130	434,661	473,581	512,328	551,075	589,823	628,570	628,570
14. Library Services	103,758	117,558	127,976	138,326	148,677	159,027	169,377	169,377
15. Other Post-Employment Benefits (OPEB)	136,168	152,886	166,576	180,204	193,833	207,462	221,091	221,091
16. Measure W (Police)	100,812	113,189	123,324	133,414	143,504	153,594	163,684	163,684
Annual Recurring Costs - Case Study								
1. Road Maintenance	113,201	130,317	147,434	164,551	199,586	234,621	269,656	269,656
2. Fire Engine Company Obligation	1,510,351	1,510,351	1,510,351	1,510,351	1,510,351	1,510,351	1,510,351	1,510,351
3. Raw Land and Finished Lot Police Monitoring	5,750	5,750	5,750	5,750	5,750	5,750	-	-
	\$ 4,609,341	\$ 4,995,050	\$ 5,311,724	\$ 5,627,021	\$ 5,960,236	\$ 6,293,451	\$ 6,620,916	\$ 6,620,916
Net Annual Surplus / Deficit	\$ (436,096)	\$ (348,790)	\$ (263,313)	\$ (163,078)	\$ (81,552)	\$ 1,920	\$ 45,453	\$ (15,815)
Net Cumulative Surplus / Deficit	\$ (5,081,732)	\$ (5,430,522)	\$ (5,693,835)	\$ (5,856,913)	\$ (5,938,465)	\$ (5,936,545)	\$ (5,891,091)	\$ (5,906,906)
Net Annual Surplus / Deficit (Prior Land Use)	\$ (535,495)	\$ (457,142)	\$ (378,955)	\$ (286,563)	\$ (212,741)	\$ (136,333)	\$ (101,024)	\$ (162,206)
Net Cumulative Surplus / Deficit (Prior Land Use)	\$ (6,017,566)	\$ (6,474,708)	\$ (6,853,663)	\$ (7,140,225)	\$ (7,352,967)	\$ (7,489,300)	\$ (7,590,324)	\$ (7,752,530)

MEMORANDUM

Date: 9/29/2008
To: Jenny Liaw, Senior Planner, City of Stockton
From: Chris Austin, Greg Angelo, and Tom Woelfel
Re: Tidewater Crossing PFA - Industrial Land Use Revision

Introduction

This memorandum summarizes the results of the revised Preliminary Feasibility Analysis (“PFA”) for the Tidewater Crossing Master Development Plan (“Project”). The PFA examines the Project’s conversion of Neighborhood C from medium density residential to industrial land uses and the resulting effects to financing of infrastructure and public facilities. The PFA examines the Project’s impacts under the same time period as the previous submittal, beginning in FY 2011 and ending in FY 2026, the year after buildout. The following sections include a description of the land use revision, a revised One Time Shortfall Fee calculation, and a list of the components of the PFA that have changed.

Land Use Plan Revision

Under the revised land use plan Neighborhood C is converted to industrial land uses. This results in the loss of 47.2 medium density residential acres planned for 298 medium density residential units. A total of 566 medium density residential units and 2,365 total residential units remain after this revision.

The addition of 47.2 acres to the industrial component of the Project results in 1,113,735 additional industrial square feet for a total of 6,406,335 industrial square feet, assuming a 54.17% Floor Area Ratio (“FAR”), unchanged from the prior FAR application.

One Time Shortfall Fee Calculation

The following reflects the Project’s Shortfall Fees resulting from the Project’s conversion of Neighborhood C from medium density residential to industrial land uses. As described on page 12 of the previous submittal of the PFA, a One Time Shortfall Fee is proposed for providing the necessary funds to cover operating and maintenance costs during Project buildout. The mitigation payment shall be paid at building permit for residential units that are issued a building permit in the year indicated. The following One Time Shortfall Fee calculations are provided on the following page:



Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Amount	\$0	\$0	\$7,350	\$7,575	\$6,893
Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Amount	\$6,071	\$3,243	\$2,516	\$2,060	\$1,623
Year	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Amount	\$1,794	\$1,080	\$486	\$0	\$0

No fee obligation is warranted in year 2011 and year 2012 as fire services costs are not incurred until the 301st residential occupancy in year 2013. Years 2013 through 2023 reflect net fee obligations after application of a \$7 per residential unit special tax. In years 2024 and 2025 the special tax amount exceeds the estimated deficit. Overall, the average One Time Shortfall Fee is \$2,444 per residential unit. The average fee amount is calculated inclusive of surplus revenues in year 2011, year 2012, year 2024, and year 2025 in the amounts of \$1,468, \$2,002, \$121, and \$441, per unit, respectively.

PFA Components Affected by Land Use Plan Revisions

The following components from the PFA have changed as result of the Project's revised land use plan:

1. Public Facilities – Cost Estimate Summary, Table 1
2. Gross One-Time Burden Analysis, Table 2
3. Total Costs and Fees, Table 3
4. Net One-Time Burden Analysis, Table 4
5. Total One-Time Burden Analysis, Table 5
6. Annual Burden Analysis, Table 6
7. Development Impact Fee Summary, Exhibit A
8. Community Facilities District Bond Capacity Analysis, Exhibit B
9. Fee Credit/Reimbursement Calculation, Exhibit C
10. One Time Shortfall Fee Calculations Table
11. Engineering Source Documents

TABLE 1
Tidewater Crossing Master Development Plan
Public Facilities – Cost Estimate Summary

	Buildout Est. Cost (000's)	Residential		Commercial (a)		Industrial (a)	
		Est. Cost (000's)	Per Unit	Est. Cost (000's)	Per Acre	Est. Cost (000's)	Per Acre
Public Facilities							
Transportation	\$ 34,614	\$ 17,056	\$ 7,212	\$ 761	\$ 45,815	\$ 16,798	\$ 61,870
Water (b)	\$ 9,306	\$ 6,594	\$ 2,788	\$ 41	\$ 2,450	\$ 2,671	\$ 9,838
Sewage	\$ 18,896	\$ 13,676	\$ 5,783	\$ 23	\$ 1,404	\$ 5,197	\$ 19,140
Drainage	\$ 10,741	\$ 5,869	\$ 2,482	\$ 81	\$ 4,884	\$ 4,791	\$ 17,646
Flood Control (c)	\$ 21,561	\$ 11,389	\$ 4,816	\$ 586	\$ 35,305	\$ 9,585	\$ 35,305
Total Public Facilities Cost	\$ 95,117	\$ 54,584	\$ 23,080	\$ 1,492	\$ 89,857	\$ 39,041	\$ 143,798
Other Public Facilities							
Landscape Corridors & Parks (d)	\$ 11,780	\$ 10,776	\$ 4,556	\$ 52	\$ 3,133	\$ 952	\$ 3,505
Total Other Public Facilities Cost	\$ 11,780	\$ 10,776	\$ 4,556	\$ 52	\$ 3,133	\$ 952	\$ 3,505
TOTAL	\$ 106,897	\$ 65,360	\$ 27,637	\$ 1,544	\$ 92,990	\$ 39,993	\$ 147,303

Footnotes:

- (a) Per acre amounts are based on the Project's gross acreage assuming 16.6 gross acres of commercial property and 271.5 gross acres of industrial property. Gross acreage is net of right of way acreage for major arterials (e.g. Airport Way) or existing railroad (Union Pacific Railroad).
- (b) Water costs are inclusive of all non-potable infrastructure costs.
- (c) Includes 1700 AC-Ft Detention Basin, Pump Station, Earthen Levee, and Weber Slough Improvements. Flood Control Improvement costs are allocated based on each land use's share of total gross acres, assuming 322.6 residential gross acres, 16.6 commercial gross acres, and 271.5 industrial gross acres. Allocation of flood control improvement costs will be refined at a future date when more information is available. See V. Area of Benefit for additional discussion.
- (d) Park improvement costs are calculated assuming construction costs of \$350,000 per acre. Costs include two neighborhood parks at 5.6 acres and 4.5 acres each, respectively, and one 14.2 acre community park. Park lakes and detention basin costs are included in the drainage improvement category.

TABLE 2
Tidewater Crossing Master Development Plan
Gross One-Time Burden Analysis

Tidewater Crossing	Residential (Per Unit)	Commercial (Per Acre) (a)	Industrial (Per Acre) (a)
One Time Burden			
<u>Public Facilities</u>			
1. Transportation	\$7,212	\$45,815	\$61,870
2. Water	\$2,788	\$2,450	\$9,838
3. Sewer	\$5,783	\$1,404	\$19,140
4. Drainage	\$2,482	\$4,884	\$17,646
5. Flood Control	\$4,816	\$35,305	\$35,305
6. Landscape Corridors, Parks, & Soundwalls	\$4,556	\$3,133	\$3,505
Public Facilities Total	\$27,637	\$92,990	\$147,303

Footnotes:

- (a) Per acre amounts are based on the Project's gross acreage assuming 16.6 gross acres of commercial property and 271.5 gross acres of industrial property. Gross acreage is net of right of way acreage for major arterials (e.g. Airport Way) or existing railroad (Union Pacific Railroad).

TABLE 3
Tidewater Crossing Master Development Plan
Total Costs and Fees

Tidewater Crossing		Residential (Per Unit) (a)	Commercial (Per Acre) (b)	Industrial (Per Acre) (b)
<u>Public Facilities</u>				
1. Transportation		\$7,212	\$45,815	\$61,870
2. Water		\$2,788	\$2,450	\$9,838
3. Sewer		\$5,783	\$1,404	\$19,140
4. Drainage		\$2,482	\$4,884	\$17,646
5. Major Flood Control		\$4,816	\$35,305	\$35,305
6. Landscape Corridors, Parks, & Soundwalls		\$4,556	\$3,133	\$3,505
Public Facilities Total	(1)	\$27,637	\$92,990	\$147,303
<u>One Time Shortfall Fee (c)</u>	(2)	\$2,444	\$0	\$0
<u>Local Fees (d)</u>				
1. Water		\$1,776	\$3,422	\$3,422
2. Sewer		\$2,099	\$2,438	\$1,710
3. City Office Space		\$435	\$477	\$1,139
4. Fire Stations		\$728	\$1,288	\$2,416
5. Libraries		\$841	\$1,032	\$2,498
6. Police Station Expansion		\$551	\$1,149	\$2,757
7. Community Recreation Center		\$448	\$427	\$1,033
8. Surface Water		\$3,031	\$7,588	\$6,530
9. Street Improvements		\$28,701	\$315,946	\$68,628
10. Parkland		\$5,073	N/A	N/A
11. Habitat-Open Space Conservation		\$2,526	\$15,225	\$13,588
12. Air Quality		\$171	\$7,335	\$9,046
13. Agriculture Land Mitigation		\$1,967	\$11,855	\$10,581
14. County Facilities		\$1,550	\$4,024	\$4,353
15. Regional Transportation Impact Fee (RTIF)		\$2,638	\$12,339	\$19,585
16. Manteca Unified School District School Fees		\$5,869	\$5,272	\$11,090
Fees Total	(3)	\$58,405	\$389,816	\$158,376
Total Costs and Fees	(4)=(1)+(2)+(3)	\$88,485	\$482,806	\$305,679

Footnotes:

- (a) As a breakdown of residential improvement costs by density category is not available at this time the residential category assumes a weighted average home size square footage of 1,976 and weighted average calculation of single family and multi family residential fees. The weighted average home size is calculated assuming 64.69% LDR units with home sizes of 2,250 sq. ft., 23.93% MDR units with home sizes at 1,700 sq. ft., and 11.37% HDR units with home sizes of 1,000 sq. ft. The weighted average residential fee for each fee category is calculated assuming 88.63% of the units will be single family and 11.37% of the units will be multi family.
- (b) Per acre amounts are based on the Project's gross acreage assuming 16.6 gross acres of commercial property and 271.5 gross acres of industrial property. Gross acreage is net of right of way acreage for major arterials (e.g. Airport Way) or existing railroad (Union Pacific Railroad).
- (c) One Time Shortfall Fee is the estimated amount to cover potential funding deficiencies associated with annual operating costs.
- (d) Local fees 1-2 include a 3.5% administrative fee, and local fees 3-14 include an administrative fee of 2.5%.
 See attached Exhibit A, Development Impact Fee Summary.

TABLE 4
Tidewater Crossing Master Development Plan
Net One-Time Burden Analysis

Tidewater Crossing		Residential (Per Unit)	Commercial (Per Acre) (a)	Industrial (Per Acre) (a)
One Time Burden				
<u>Public Facilities</u>				
1. Transportation		\$7,212	\$45,815	\$61,870
2. Water		\$2,788	\$2,450	\$9,838
3. Sewer		\$5,783	\$1,404	\$19,140
4. Drainage		\$2,482	\$4,884	\$17,646
5. Flood Control		\$4,816	\$35,305	\$35,305
6. Landscape Corridors, Parks, & Soundwalls		\$4,556	\$3,133	\$3,505
Public Facilities Total	(1)	\$27,637	\$92,990	\$147,303
<u>CFD Bond Proceeds (b)</u>	(2)	\$24,542	\$56,738	\$56,738
Net One Time Burden	(3)=(1)-(2)	\$3,095	\$36,252	\$90,565

Footnotes:

- (a) Per acre amounts are based on the Project's gross acreage assuming 16.6 gross acres of commercial property and 271.5 gross acres of industrial property. Gross acreage is net of right of way acreage for major arterials (e.g. Airport Way) or existing railroad (Union Pacific Railroad).
- (b) CFD Bond Proceeds are calculated by taking each land uses proportionate share of the total annual special tax amount generated and applying this percentage against total CFD bond construction proceeds to determine each land use's total CFD bond proceeds. Each land use's total CFD bond proceeds are then divided by its respective total units or acreage with total residential units of 2,365, commercial gross acreage of 16.6, and industrial gross acreage of 271.5. See attached Exhibit B, Community Facilities District Bond Capacity Analysis.

TABLE 5
Tidewater Crossing Master Development Plan
Total One-Time Burden Analysis

Tidewater Crossing		Residential (Per Unit) (a)	Commercial (Per Acre) (b)	Industrial (Per Acre) (b)
Net One Time Burden	(1)	\$3,095	\$36,252	\$90,565
<u>One Time Shortfall Fee (c)</u>	(2)	\$2,444	\$0	\$0
<u>Local Fees (d)</u>				
1. Water		\$1,776	\$3,422	\$3,422
2. Sewer		\$2,099	\$2,438	\$1,710
3. City Office Space		\$435	\$477	\$1,139
4. Fire Stations		\$728	\$1,288	\$2,416
5. Libraries		\$841	\$1,032	\$2,498
6. Police Station Expansion		\$551	\$1,149	\$2,757
7. Community Recreation Center		\$448	\$427	\$1,033
8. Surface Water		\$3,031	\$7,588	\$6,530
9. Street Improvements		\$28,701	\$315,946	\$68,628
10. Parkland		\$5,073	N/A	N/A
11. Habitat-Open Space Conservation		\$2,526	\$15,225	\$13,588
12. Air Quality		\$171	\$7,335	\$9,046
13. Agriculture Land Mitigation		\$1,967	\$11,855	\$10,581
14. County Facilities		\$1,550	\$4,024	\$4,353
15. Regional Transportation Impact Fee (RTIF)		\$2,638	\$12,339	\$19,585
16. Manteca Unified School District School Fees		\$5,869	\$5,272	\$11,090
Fees Total	(3)	<u>\$58,405</u>	<u>\$389,816</u>	<u>\$158,376</u>
<u>Credits (e)</u>				
1. Street Improvements		\$1,280	\$17,252	\$20,833
2. Water Improvements		\$74	\$0	\$3,422
3. Sewer Improvements		\$2,099	\$0	\$615
4. Park Improvements		\$4,518	\$0	\$0
Credits Total	(4)	<u>\$7,972</u>	<u>\$17,252</u>	<u>\$24,869</u>
<u>Reimbursements (e)</u>				
1. Street Improvements		\$0	\$0	\$0
2. Water Improvements		\$0	\$0	\$2,140
3. Sewer Improvements		\$3,111	\$0	\$0
4. Park Improvements		\$0	\$0	\$0
Reimbursements Total	(5)	<u>\$3,111</u>	<u>\$0</u>	<u>\$2,140</u>
Total One Time Burden	(6) = (1)+(2)+(3)-(4)-(5)	<u><u>\$52,860</u></u>	<u><u>\$408,816</u></u>	<u><u>\$221,932</u></u>
Flood Control Reimbursement (f)	(7)	\$4,026	\$29,515	\$29,515
Total One Time Burden (Net of Flood Control)	(8)=(6)-(7)	<u><u>\$48,834</u></u>	<u><u>\$379,300</u></u>	<u><u>\$192,417</u></u>
Burden Comparison				
Average Valuation (g)	(9)	\$381,459	\$2,243,373	\$2,005,667
One-Time Burden as a % of Price	(10)=(6)/(9)	13.86%	18.22%	11.07%
One-Time Burden (Net of Flood Control) as a % of Price	(11)=(8)/(9)	12.80%	16.91%	9.59%
One-Time Burden (Net of Flood Control) as a % of Price	Before CFD* *see Table 4	19.24%	19.44%	12.42%

See footnotes on the following page.

TABLE 5
Tidewater Crossing Master Development Plan
Total One-Time Burden Analysis
(Continued)

Footnotes:

- (a) As a breakdown of residential improvement costs by density category is not available at this time the residential category assumes a weighted average home size square footage of 1,976 and weighted average calculation of single family and multi family residential fees. The weighted average home size is calculated assuming 64.69% LDR units with home sizes of 2,250 sq. ft., 23.93% MDR units with home sizes at 1,700 sq. ft., and 11.37% HDR units with home sizes of 1,000 sq. ft. The weighted average residential fee for each fee category is calculated assuming 89.9% of the units will be single family and 10.10% of the units will be multi family.
- (b) Per acre amounts are based on the Project's gross acreage assuming 16.6 gross acres of commercial property and 271.5 gross acres of industrial property. Gross acreage is net of right of way acreage for major arterials (e.g. Airport Way) or existing railroad (Union Pacific Railroad). Average Valuation figures are also based on gross acreage, thereby providing a consistent representation of costs to valuation ratio.
- (c) One Time Shortfall Fee is the estimated amount to cover potential funding deficiencies associated with annual operating costs.
- (d) Local fees 1-2 include a 3.5% administrative fee, and local fees 3-14 include an administrative fee of 2.5%. See attached Exhibit A, Development Impact Fee Summary.
- (e) See attached Exhibit C, Fee Credit / Reimbursement Calculation.
- (f) Reimbursement for flood control improvements of \$18 million is estimated based upon the preliminary benefit analysis prepared by Carlson, Barbee, and Gibson, Inc., and described in greater detail in V. Area of Benefit. Flood Control reimbursements are allocated proportionately based on each land use's share of total gross acres, assuming 322.6 residential gross acres, 16.6 commercial gross acres, and 271.5 industrial gross acres. This allocation is for illustrative purposes and will be revised when more information is available.
- (g) Average valuation for residential is calculated as the weighted average home price of \$425,000 for low density, \$350,000 for medium density, and \$200,000 for high density, assuming 64.69% LDR units, 23.93% MDR units, and 11.37% HDR units. Per gross acre values for non-residential are \$2,005,667 for industrial and \$2,243,373 for commercial. Per gross acre values are calculated by dividing the number of leasable square feet (6,406,335 sq. ft. industrial, 186,200 sq. ft. commercial) by gross acres and multiplying by the per square foot valuations of \$85 for industrial and \$200 for commercial.

TABLE 6
Tidewater Crossing Master Development Plan
Annual Burden Analysis

Tidewater Crossing		Residential (Per Unit)	Commercial (Per Acre) (a)	Industrial (Per Acre) (a)
Annual Burden				
General Tax (ad valorem) (b)		\$3,815	\$22,434	\$20,057
School Bonds (c)		\$175	\$1,027	\$919
Other fixed charges, assessments, and special taxes (d)		\$714	\$997	\$997
Proposed new CFD Special Tax (e)		\$2,163	\$5,000	\$5,000
Total - Annual Burden (f)	(1)	\$6,866	\$29,458	\$26,972
Burden Comparison				
Average Valuation (g)	(2)	\$381,459	\$2,243,373	\$2,005,667
Annual Burden as a % of Price	(3) = (1)/(2)	1.80%	1.31%	1.34%

Footnotes:

- (a) Per acre amounts are based on the Project's gross acreage assuming 16.6 gross acres of commercial property and 271.5 gross acres of industrial property. Gross acreage is net of right of way acreage for major arterials (e.g. Airport Way) or existing railroad (Union Pacific Railroad).
- (b) Consists of the 1.0% ad valorem rate.
- (c) Manteca Unified DS #1, 2 and 3 or Measure M (Maximum is .03100%) (Authorization of \$66,000,000, All \$66,000,000 has been issued to date).
Manteca Unified DS #1 Current rate of .0044%.*
Manteca Unified DS #2 Current rate of .0195%.*
Manteca Unified DS #3 Current rate of .0019%.*
San Joaquin Delta Community College District Bond or Measure L (Maximum is \$17,000 per \$100,000 or .02%)*
(Current rate of .0131%)(Authorization of \$250,000,000, 92,000,000 has been issued to date).
- (d) Other Fixed Charges, Assessments and Special Taxes Include:
(i) San Joaquin Flood Control Zone 9 assessment rate is calculated with a rate per lot square footage of 0.000768118 per square foot for single-family residential units and 0.001152364 per square foot for multi-family residential units, inflated by CPI annually.
(ii) Water Investigation District Zone 2 is levied based on (2.72 parcel rate+(acreage* benefit factor of 12* area rate of .324)) rates approved for a 15 year period, ending on June, 30 2015. May be increased by no more than 2% per year.
(iii) San Joaquin Mosquito Abatement tax levied per acre is \$9.56 for residential units.
(iv) San Joaquin Mosquito and VCTR control benefit assessment calculated at \$7.02 per residential unit. Adjusted annually, maximum rate increase of 3.0%.
(v) City of Stockton South Stockton Sewer CFD 90-1 is currently levied at \$220.99 per acre for residential units. This analysis assumes the maximum special tax of \$522.52 per acre for residential units or approximately \$70.77 per LDR unit, \$39.58 per MDR unit, and \$19.19 per HDR unit.
(vi) Estimated services special tax, subject to results of fiscal impact analysis. Currently estimated at \$7 per residential unit.
(vii) Estimated Landscape and Lighting District assessment. Currently estimated at \$135 per residential unit.
(viii) Per the City of Stockton PFA Guidelines, a special tax of \$500 per residential unit is assumed for priority infrastructure financing.
- (e) This amount represents the estimated annual assigned special tax for the proposed CFD.
- (f) See attached Exhibit B, Community Facilities District Bond Capacity Analysis for further information on annual burden analysis.
- (g) Average valuation for residential is calculated as the weighted average home price of \$425,000 for low density, \$350,000 for medium density, and \$200,000 for high density, assuming 64.69% LDR units, 23.93% MDR units, and 11.37% HDR units. Per gross acre values for non-residential are \$2,005,667 for industrial and \$2,243,373 for commercial. Per gross acre values are calculated by dividing the number of leasable square feet (6,406,335 sq. ft. industrial, 186,200 sq. ft. commercial) by gross acres and multiplying by the per square foot valuations of \$85 for industrial and \$200 for commercial.

Exhibit A
Tidewater Crossing
Development Impact Fee Summary

Development Impact Fees	Total Estimated Fee Cost (a)
<u>Connection Fees</u>	
Water Connection Fee Single-Family (\$1,754 Per Unit)	\$ 3,676,384
Water Connection Fee Multi-Family (\$1,417 Per Unit)	381,173
Water Connection Fee Commercial (\$3,306 Per Acre)	54,880
Water Connection Fee Industrial (\$3,306 Per Acre)	897,579
Sewer Connection Fee Single-Family (\$2,100 Per Unit) (b)	4,401,600
Sewer Connection Fee Multi-Family (\$1,470 Per Unit) (b)	395,430
Sewer Connection Fee Commercial (\$0.21 Per SF) (b)	39,102
Sewer Connection Fee Industrial (\$0.07 Per SF) (b)	448,443
Administrative	
3.5% of Total	360,311
Total Connection Fees	\$ 10,654,902
<u>Manteca Unified School District School Fees</u>	
Single-Family (\$2.97 Per SF) (c)	\$ 13,081,959
Multi-Family (\$2.97 Per SF) (c)	798,930
Commercial (\$0.47 Per SF)	87,514
Industrial (\$0.47 Per SF)	3,010,977
Total School Fees	\$ 16,979,380
<u>Public Facility Fees</u>	
City Office Space	
Single-Family (\$432 Per Unit)	\$ 905,472
Multi-Family (\$362 Per Unit)	97,378
Commercial (\$41.50 Per KSF)	7,727
Industrial (\$47.10 Per KSF)	301,738
Fire Stations	
Single-Family (\$723 Per Unit)	1,515,408
Multi-Family (\$609 Per Unit)	163,821
Commercial (\$112.00 Per KSF)	20,854
Industrial (\$99.90 Per KSF)	639,993
Libraries	
Single-Family (\$835 Per Unit)	1,750,160
Multi-Family (\$704 Per Unit)	189,376
Commercial (\$89.80 Per KSF)	16,721
Industrial (\$103.30 Per KSF)	661,774
Police Station Expansion	
Single-Family (\$547 Per Unit)	1,146,512
Multi-Family (\$460 Per Unit)	123,740
Commercial (\$99.90 Per KSF)	18,601
Industrial (\$114.00 Per KSF)	730,322
Community Recreation Center	
Single-Family (\$445 Per Unit)	932,720
Multi-Family (\$375 Per Unit)	100,875
Commercial (\$37.10 Per KSF)	6,908
Industrial (\$42.70 Per KSF)	273,551
Surface Water	
Single-Family (\$3,213 Per Unit)	6,734,448
Multi-Family (\$965 Per Unit)	259,585
Commercial (\$0.66 Per SF)	122,892
Industrial (\$0.27 Per SF)	1,729,710
Public Facility Fees Subtotal	\$ 18,450,288

Exhibit A
Tidewater Crossing
Development Impact Fee Summary

Development Impact Fees		Total Estimated Fee Cost (a)
Street Improvements		
Single-Family (\$29,870 Per Unit)	(d)	62,607,520
Multi-Family (\$13,441 Per Unit)	(d)	3,615,629
Commercial (\$27,480 Per KSF)	(d)	5,116,776
Industrial (\$2,837.50 Per KSF)	(d)	18,177,976
Parkland		
Single-Family (\$5,178 Per Unit)	(d)	10,853,088
Multi-Family (\$3,170 Per Unit)	(d)	852,730
Commercial - N/A	(d)	N/A
Industrial - N/A	(d)	N/A
Habitat-Open Space Conservation		
Single-Family (\$18,131 Per Acre)	(e)	5,660,498
Multi-Family (\$16,222 Per Acre)	(e)	168,709
Commercial (\$14,854 Per Acre)	(e)	246,576
Industrial (\$13,257 Per Acre)	(e)	3,599,276
Air Quality		
Single-Family (\$173 Per Unit)		362,608
Multi-Family (\$117 Per Unit)		31,473
Commercial (\$638 Per KSF)		118,796
Industrial (\$374 Per KSF)		2,395,969
Agriculture Land Mitigation		
Single-Family (\$14,118 Per Acre)		4,407,640
Multi-Family (\$12,632 Per Acre)		131,373
Commercial (\$11,566 Per Acre)		191,996
Industrial (\$10,323 Per Acre)		2,802,695
County Facilities		
Single-Family (\$1,537 Per Unit)		3,221,552
Multi-Family (\$1,317 Per Unit)		354,273
Commercial (\$350 Per KSF)		65,170
Industrial (\$180 Per KSF)		1,153,140
Regional Transportation Impact Fee (RTIF)		
Single-Family (\$2,764 Per Unit)		5,793,868
Multi-Family (\$1,659 Per Unit)		446,150
Commercial (\$1,100 Per KSF)		204,820
Industrial (\$830 Per KSF)		5,317,258
Administrative		
2.5% of Total (except RTIF)		3,614,644
Total Public Facility Fees (includes administrative)	\$	159,962,489
TOTAL DEVELOPMENT IMPACT FEES	\$	187,596,771

Source: Fee information is from Tables 1 & 2 of the City of Stockton Public Facilities Financing Plan template.

Footnotes:

- (a) Project consists of 2,096 single-family units on 312.2 gross acres, 269 multi-family units on 10.4 gross acres, 186,200 sq. ft. of commercial on 16.6 gross acres, and 6,406,335 sq. ft of industrial on 271.5 gross acres.
- (b) Project is located in CFD 90-1 for sewer connection fees.
- (c) Single family residential school fees are calculated assuming 1,530 low density residential units with an average home size of 2,250 square feet and 566 medium density units with an average home size of 1,700 square feet. Multi-family residential school fees are calculated assuming 269 multi-family units with an average home size of 1,000 square feet. School fees are from the July, 30 2008 Manteca Unified School District Fee Justification Study.
- (d) Parkland fees are two times the current rates set forth in the City fee schedule. Street Improvement Fees for residential uses are based on estimates from the Fehr & Peers Stockton Street Improvement Fee Revision Study, dated March 2008; fees for non-residential uses are 50% of the rates estimated by Fehr & Peers.
- (e) Fees used are for Category C/Pay Zone B (agricultural) and Category D/Pay Zone B (natural lands).

EXHIBIT B

**Community Facilities District Bond Capacity Analysis
September 29, 2008
Improvement Area 1**

LAND USE INFORMATION			TOTAL TAX RATE ANALYSIS					BOND CAPACITY ANALYSIS - 15 year absorption	
Product	Units/Acres	Price Per Unit / Acre	Ad Valorem Tax Rate 1.04580% (a)	Other Fixed Charges, Assessment and Special Taxes (b)(c)	Proposed CFD Tax per Unit/ Acre (d)	Total Tax per Unit/ Acre	Total Tax Rate	Total Proposed CFD Revenues	
Low Density Residential	452	\$ 425,000	\$ 4,445	\$ 729	\$ 2,477	\$ 7,650	1.80%	\$ 1,119,438	Total Annual Special Tax for Bonding [(1) - Priority Admin. Expense of \$25,000]
Industrial	136.9	\$ 2,005,667	\$ 20,975	\$ 997	\$ 5,000	\$ 26,972	1.34%	\$ 684,600	\$ 1,779,038
								<u>\$ 1,804,038</u> (1)	Bond Sizing (6.5% Interest, 30 Year Term, 29 Year Amortization)
									Bond Amount
									\$ 25,360,000
									Underwriter Discount (2.0%)
									(507,200)
									Bond Reserve
									(2,536,000)
									Capitalized Interest (12 mos.)
									(1,648,725)
									Incidental Expense (Estimate)
									(150,000)
									<u>Construction Proceeds</u>
									<u>\$ 20,518,075</u>
									Construction Proceeds per Residential Unit
									\$ 28,168
									Construction Proceeds per Industrial Acre
									\$ 56,867

See footnotes on page 4 of Exhibit B.

EXHIBIT B

**Community Facilities District Bond Capacity Analysis
September 29, 2008
Improvement Area 2**

LAND USE INFORMATION			TOTAL TAX RATE ANALYSIS						BOND CAPACITY ANALYSIS - 15 year absorption	
Product	Units/Acres	Price Per Unit / Acre	Ad Valorem Tax Rate 1.04580% (a)	Other Fixed Charges, Assessment and Special Taxes (b)(c)	Proposed CFD Tax per Unit/Acre (d)	Total Tax per Unit/Acre	Total Tax Rate	Total Proposed CFD Revenues		
Low Density Residential	287	\$ 425,000	\$ 4,445	\$ 729	\$ 2,477	\$ 7,650	1.80%	\$ 710,794	Total Annual Special Tax for Bonding [(1) - Priority Admin. Expense of \$25,000]	\$ 1,457,942
Medium Density Residential	239	\$ 350,000	\$ 3,660	\$ 695	\$ 1,945	\$ 6,300	1.80%	\$ 464,848	Bond Sizing (6.5% Interest, 30 Year Term, 29 Year Amortization)	
Industrial	44.9	\$ 2,005,667	\$ 20,975	\$ 997	\$ 5,000	\$ 26,972	1.34%	\$ 224,300	Bond Amount	\$ 20,770,000
Commercial	16.6	\$ 2,243,373	\$ 23,461	\$ 997	\$ 5,000	\$ 29,458	1.31%	\$ 83,000	Underwriter Discount (2.0%)	(415,400)
									Bond Reserve	(2,077,000)
									Capitalized Interest (12 mos.)	(1,350,288)
									Incidental Expense (Estimate)	(150,000)
									Construction Proceeds	\$ 16,777,312
									Construction Proceeds per Residential Unit	\$ 25,286
									Construction Proceeds per Industrial Acre	\$ 56,568
									Construction Proceeds per Commercial Acre	\$ 56,568
								\$ 1,482,942 (1)		

Improvement Area 3

LAND USE INFORMATION			TOTAL TAX RATE ANALYSIS						BOND CAPACITY ANALYSIS - 15 year absorption	
Product	Units/Acres	Price Per Unit / Acre	Ad Valorem Tax Rate 1.04580% (a)	Other Fixed Charges, Assessment and Special Taxes (b)(c)	Proposed CFD Tax per Unit/Acre (d)	Total Tax per Unit/Acre	Total Tax Rate	Total Proposed CFD Revenues		
Low Density Residential	392	\$ 425,000	\$ 4,445	\$ 729	\$ 2,477	\$ 7,650	1.80%	\$ 970,840	Total Annual Special Tax for Bonding [(1) - Priority Admin. Expense of \$25,000]	\$ 2,030,836
Medium Density Residential	327	\$ 350,000	\$ 3,660	\$ 695	\$ 1,945	\$ 6,300	1.80%	\$ 636,006	Bond Sizing (6.5% Interest, 30 Year Term, 29 Year Amortization)	
High Density Residential	269	\$ 200,000	\$ 2,092	\$ 673	\$ 835	\$ 3,600	1.80%	\$ 224,690	Bond Amount	\$ 28,945,000
Industrial	44.9	\$ 2,005,667	\$ 20,975	\$ 997	\$ 5,000	\$ 26,972	1.34%	\$ 224,300	Underwriter Discount (2.0%)	(578,900)
									Bond Reserve	(2,894,500)
									Capitalized Interest (12 mos.)	(1,881,713)
									Incidental Expense (Estimate)	(150,000)
									Construction Proceeds	\$ 23,439,887
									Construction Proceeds per Residential Unit	\$ 21,136
									Construction Proceeds per Industrial Acre	\$ 57,008
								\$ 2,055,836 (1)		

See footnotes on page 4 of Exhibit B.

EXHIBIT B

**Community Facilities District Bond Capacity Analysis
September 29, 2008
Improvement Area 4**

LAND USE INFORMATION			TOTAL TAX RATE ANALYSIS					BOND CAPACITY ANALYSIS - 15 year absorption	
Product	Units/Acres	Price Per Unit / Acre	Ad Valorem Tax Rate 1.04580% (a)	Other Fixed Charges, Assessment and Special Taxes (b)(c)	Proposed CFD Tax per Unit/Acre (d)	Total Tax per Unit/Acre	Total Tax Rate	Total Proposed CFD Revenues	
Low Density Residential	399	\$ 425,000	\$ 4,445	\$ 729	\$ 2,477	\$ 7,650	1.80%	\$ 988,177	Total Annual Special Tax for Bonding [(1) - Priority Admin. Expense of \$25,000] \$ 1,187,477
Industrial	44.9	\$ 2,005,667	\$ 20,975	\$ 997	\$ 5,000	\$ 26,972	1.34%	\$ 224,300	Bond Sizing (6.5% Interest, 30 Year Term, 29 Year Amortization)
									Bond Amount \$ 16,935,000
									Underwriter Discount (2.0%) (338,700)
									Bond Reserve (1,693,500)
									Capitalized Interest (12 mos.) (1,100,988)
									Incidental Expense (Estimate) (150,000)
									Construction Proceeds \$ 13,651,812
									Construction Proceeds per Residential Unit \$ 27,886
									Construction Proceeds per Industrial Acre \$ 56,297

TOTALS - BOND CAPACITY ANALYSIS - 15 year absorption	
Total Annual Special Tax for Bonding [(1) - Priority Admin. Expense of \$100,000]	\$ 6,455,294
Bond Sizing (6.5% Interest, 30 Year Term, 29 Year Amortization)	
Bond Amount	\$ 92,010,000
Underwriter Discount (2.0%)	\$ (1,840,200)
Bond Reserve	\$ (9,201,000)
Capitalized Interest (12 mos.)	\$ (5,981,713)
Incidental Expense (Estimate)	\$ (600,000)
Construction Proceeds	\$ 74,387,087
Weighted Average (f):	
Construction Proceeds per Residential Unit	\$ 24,542
Construction Proceeds per Industrial Acre	\$ 56,738
Construction Proceeds per Commercial Acre	\$ 56,738

See footnotes on page 4 of Exhibit B.

Footnotes

- (a) Average home sizes and prices are based on home price and home size range provided by client, with low density residential units at \$425,000, medium density residential units at \$350,000, and High Density Residential Units at \$200,000. Non-residential portion of the project includes 16.6 gross acres of commercial property and 271.5 gross acres of industrial property. Per gross acre values for non-residential are \$2,005,667 for industrial and \$2,243,373 for commercial. Per gross acre values are calculated by dividing the number of leasable square feet (6,406,335 sq. ft. industrial, 186,200 sq. ft. commercial) by gross acres and multiplying by the per square foot valuations of \$85 for industrial and \$200 for commercial.
- (b) Consists of 1.0% ad valorem rate plus:
Manteca Unified DS #1, 2 and 3 or Measure M (Maximum is .03100%) (Authorization of \$66,000,000, All \$66,000,000 has been issued to date).
Manteca Unified DS #1 Current rate of .0044%.*
Manteca Unified DS #2 Current rate of .0195%.*
Manteca Unified DS #3 Current rate of .0019%.*
San Joaquin Delta Community College District Bond or Measure L (Maximum is \$17,000 per \$100,000 or .02%)* (Current rate of .0131%)(Authorization of \$250,000,000, 92,000,000 has been issued to date).
- (c) Other Fixed Charges, Assessments and Special Taxes Include:
San Joaquin Flood Control Zone 9 assessment rate is calculated with a rate per lot square footage of 0.000768118 per square foot for single-family residential units and 0.001152364 per square foot for multi-family residential units, inflated by CPI annually.
Water Investigation District Zone 2 is levied based on (2.72 parcel rate+(acreage* benefit factor of 12* area rate of .324)) rates approved for a 15 year period, ending on June, 30 2015. May be increased by no more than 2% per year.
San Joaquin Mosquito Abatement tax levied per acre is \$9.56 for residential units.
San Joaquin Mosquito and VCTR control benefit assessment calculated at \$7.02 per residential unit. Adjusted annually, maximum rate increase of 3.0%.
City of Stockton South Stockton Sewer CFD 90-1 is currently levied at \$220.99 per acre for residential units. This analysis assumes the maximum special tax of \$522.52 per acre for residential units or approximately \$70.77 per LDR unit, \$39.58 per MDR unit, and \$19.19 per HDR unit.
Estimated services special tax, based on results of fiscal impact analysis. Currently estimated at \$7 per residential unit.
Estimated landscape and lighting district assessment amount of \$135 per residential unit, based on results of park and open space operating expenditures, as described in the fiscal impact analysis.
Per the City of Stockton PFA Guidelines, a special tax of \$500 per residential unit is assumed for priority infrastructure financing.
- (d) This amount represents the estimated annual assigned special tax for the proposed CFD.
- (e) Assumes 2.0% annual tax escalation and annual revenue of at least 110% of max annual debt service.
- (f) CFD Bond Proceeds are calculated by taking each land uses proportionate share of the total annual special tax amount generated and applying this percentage against total CFD bond construction proceeds to determine each land use's total CFD bond proceeds. Each land use's total CFD bond proceeds are then divided by its respective total units or acreage with total residential units of 2,365, commercial gross acreage of 16.6, and industrial gross acreage of 271.5.

EXHIBIT B-2
Improvement Area 1

Stockton - Tidewater Crossing
Escalating Tax Model
September 29, 2008

ANALYSIS OF SOURCES AND USES

SOURCES:

Bond Principal: \$ 25,360,000

USES:

Underwriter Discount @ 2.0%: \$ 507,200
 Cost of Issuance (Estimate) 150,000
 Capitalized Interest (12 months) 1,648,725
 Bond Reserve 2,536,000
 Net Construction Fund 20,518,075
\$ 25,360,000

Construction Proceeds per Residential Unit \$ 28,168
 Construction Proceeds per Industrial Acre \$ 56,867

SCHEDULE OF ESTIMATED ANNUAL
BOND DEBT SERVICE

Fiscal Year	Bond Year	INFLATION	Principal	Rate	Int	Interest	Less: Cap Interest	Total P&I	Estimated	Annual	Coverage % @ Buildout	
									Special Tax Revenues	Coverage Revenue @ Buildout		
1	11-12	3/1/11	2.00%	\$ 0	5.00%	0	\$ 1,648,725	\$ 1,648,725	\$ -	1,779,038	-	
2	12-13	3/1/12	2.00%	-	5.00%	0	1,648,725	-	1,648,725	1,814,619	-	110%
3	13-14	3/1/13	2.00%	-	5.00%	0	1,648,725	-	1,648,725	1,850,912	202,187	112%
4	14-15	3/1/14	2.00%	20,000	5.50%	1,100	1,648,725	-	1,668,725	1,887,930	219,205	113%
5	15-16	3/1/15	2.00%	55,000	5.50%	3,025	1,647,625	-	1,702,625	1,925,688	223,063	113%
6	16-17	3/1/16	2.00%	90,000	5.50%	4,950	1,644,600	-	1,734,600	1,964,202	229,602	113%
7	17-18	3/1/17	2.00%	130,000	5.50%	7,150	1,639,650	-	1,769,650	2,003,486	233,836	113%
8	18-19	3/1/18	2.00%	175,000	5.75%	10,063	1,632,500	-	1,807,500	2,043,556	236,056	113%
9	19-20	3/1/19	2.00%	220,000	5.75%	12,650	1,622,438	-	1,842,438	2,084,427	241,990	113%
10	20-21	3/1/20	2.00%	270,000	5.75%	15,525	1,609,788	-	1,879,788	2,126,116	246,328	113%
11	21-22	3/1/21	2.00%	325,000	6.00%	19,500	1,594,263	-	1,919,263	2,168,638	249,375	113%
12	22-23	3/1/22	2.00%	380,000	6.00%	22,800	1,574,763	-	1,954,763	2,212,011	257,248	113%
13	23-24	3/1/23	2.00%	445,000	6.00%	26,700	1,551,963	-	1,996,963	2,256,251	259,288	113%
14	24-25	3/1/24	2.00%	510,000	6.00%	30,600	1,525,263	-	2,035,263	2,301,376	266,113	113%
15	25-26	3/1/25	2.00%	580,000	6.00%	34,800	1,494,663	-	2,074,663	2,347,403	272,741	113%
16	26-27	3/1/26	2.00%	655,000	6.25%	40,938	1,459,863	-	2,114,863	2,394,352	279,489	113%
17	27-28	3/1/27	2.00%	740,000	6.25%	46,250	1,418,925	-	2,158,925	2,442,239	283,314	113%
18	28-29	3/1/28	2.00%	830,000	6.25%	51,875	1,372,675	-	2,202,675	2,491,083	288,408	113%
19	29-30	3/1/29	2.00%	925,000	6.25%	57,813	1,320,800	-	2,245,800	2,540,905	295,105	113%
20	30-31	3/1/30	2.00%	1,030,000	6.25%	64,375	1,262,988	-	2,292,988	2,591,723	298,736	113%
21	31-32	3/1/31	2.00%	1,140,000	6.25%	71,250	1,198,613	-	2,338,613	2,643,558	304,945	113%
22	32-33	3/1/32	2.00%	1,255,000	6.25%	78,438	1,127,363	-	2,382,363	2,696,429	314,066	113%
23	33-34	3/1/33	2.00%	1,385,000	6.50%	90,025	1,048,925	-	2,433,925	2,750,357	316,432	113%
24	34-35	3/1/34	2.00%	1,520,000	6.50%	98,800	958,900	-	2,478,900	2,805,364	326,464	113%
25	35-36	3/1/35	2.00%	1,670,000	6.50%	108,550	860,100	-	2,530,100	2,861,472	331,372	113%
26	36-37	3/1/36	2.00%	1,830,000	6.50%	118,950	751,550	-	2,581,550	2,918,701	337,151	113%
27	37-38	3/1/37	2.00%	2,000,000	6.50%	130,000	632,600	-	2,632,600	2,977,075	344,475	113%
28	38-39	3/1/38	2.00%	2,180,000	7.00%	152,600	502,600	-	2,682,600	3,036,617	354,017	113%
29	39-40	3/1/39	2.00%	2,390,000	7.00%	167,300	350,000	-	2,740,000	3,097,349	357,349	113%
30	40-41	3/1/40	2.00%	<u>2,610,000</u>	<u>7.00%</u>	<u>182,700</u>	<u>182,700</u>	-	<u>2,792,700</u>	<u>3,159,296</u>	<u>366,596</u>	<u>113%</u>
				\$ 25,360,000			\$ 38,581,013	\$ 1,648,725	\$ 62,292,288	\$ 72,172,172	\$ 7,934,952	

INTEREST RATE: 6.50%

EXHIBIT B-2
Improvement Area 2

Stockton - Tidewater Crossing
Escalating Tax Model
September 29, 2008

ANALYSIS OF SOURCES AND USES

SOURCES:

Bond Principal: \$ 20,770,000

USES:

Underwriter Discount @ 2.0%: \$ 415,400
 Cost of Issuance (Estimate) 150,000
 Capitalized Interest (12 months) 1,350,288
 Bond Reserve 2,077,000
 Net Construction Fund 16,777,312
\$ 20,770,000

Construction Proceeds per Residential Unit \$ 25,286
 Construction Proceeds per Industrial Acre \$ 56,568
 Construction Proceeds per Commercial Acre \$ 56,568

SCHEDULE OF ESTIMATED ANNUAL
BOND DEBT SERVICE

Fiscal Year	Bond Year	INFLATION	Principal	Rate	Int	Interest	Less: Cap Interest	Total P&I	Estimated	Annual		
									Special Tax Revenues	Coverage Revenue @ Buildout	Coverage % @ Buildout	
1	11-12	3/1/11	2.00%	\$ 0	5.00%	0	\$ 1,350,288	\$ 1,350,288	\$ -	1,457,942	-	
2	12-13	3/1/12	2.00%	-	5.00%	0	1,350,288	-	1,350,288	1,487,101	-	110%
3	13-14	3/1/13	2.00%	-	5.00%	0	1,350,288	-	1,350,288	1,516,843	166,555	112%
4	14-15	3/1/14	2.00%	15,000	5.50%	825	1,350,288	-	1,365,288	1,547,180	181,892	113%
5	15-16	3/1/15	2.00%	45,000	5.50%	2,475	1,349,463	-	1,394,463	1,578,123	183,661	113%
6	16-17	3/1/16	2.00%	75,000	5.50%	4,125	1,346,988	-	1,421,988	1,609,686	187,698	113%
7	17-18	3/1/17	2.00%	110,000	5.50%	6,050	1,342,863	-	1,452,863	1,641,880	189,017	113%
8	18-19	3/1/18	2.00%	145,000	5.75%	8,338	1,336,813	-	1,481,813	1,674,717	192,905	113%
9	19-20	3/1/19	2.00%	180,000	5.75%	10,350	1,328,475	-	1,508,475	1,708,212	199,737	113%
10	20-21	3/1/20	2.00%	220,000	5.75%	12,650	1,318,125	-	1,538,125	1,742,376	204,251	113%
11	21-22	3/1/21	2.00%	265,000	6.00%	15,900	1,305,475	-	1,570,475	1,777,223	206,748	113%
12	22-23	3/1/22	2.00%	310,000	6.00%	18,600	1,289,575	-	1,599,575	1,812,768	213,193	113%
13	23-24	3/1/23	2.00%	365,000	6.00%	21,900	1,270,975	-	1,635,975	1,849,023	213,048	113%
14	24-25	3/1/24	2.00%	415,000	6.00%	24,900	1,249,075	-	1,664,075	1,886,004	221,929	113%
15	25-26	3/1/25	2.00%	475,000	6.00%	28,500	1,224,175	-	1,699,175	1,923,724	224,549	113%
16	26-27	3/1/26	2.00%	540,000	6.25%	33,750	1,195,675	-	1,735,675	1,962,198	226,523	113%
17	27-28	3/1/27	2.00%	605,000	6.25%	37,813	1,161,925	-	1,766,925	2,001,442	234,517	113%
18	28-29	3/1/28	2.00%	680,000	6.25%	42,500	1,124,113	-	1,804,113	2,041,471	237,358	113%
19	29-30	3/1/29	2.00%	760,000	6.25%	47,500	1,081,613	-	1,841,613	2,082,300	240,688	113%
20	30-31	3/1/30	2.00%	840,000	6.25%	52,500	1,034,113	-	1,874,113	2,123,946	249,834	113%
21	31-32	3/1/31	2.00%	935,000	6.25%	58,438	981,613	-	1,916,613	2,166,425	249,813	113%
22	32-33	3/1/32	2.00%	1,030,000	6.25%	64,375	923,175	-	1,953,175	2,209,754	256,579	113%
23	33-34	3/1/33	2.00%	1,130,000	6.50%	73,450	858,800	-	1,988,800	2,253,949	265,149	113%
24	34-35	3/1/34	2.00%	1,245,000	6.50%	80,925	785,350	-	2,030,350	2,299,028	268,678	113%
25	35-36	3/1/35	2.00%	1,370,000	6.50%	89,050	704,425	-	2,074,425	2,345,008	270,583	113%
26	36-37	3/1/36	2.00%	1,500,000	6.50%	97,500	615,375	-	2,115,375	2,391,909	276,534	113%
27	37-38	3/1/37	2.00%	1,635,000	6.50%	106,275	517,875	-	2,152,875	2,439,747	286,872	113%
28	38-39	3/1/38	2.00%	1,785,000	7.00%	124,950	411,600	-	2,196,600	2,488,542	291,942	113%
29	39-40	3/1/39	2.00%	1,955,000	7.00%	136,850	286,650	-	2,241,650	2,538,312	296,662	113%
30	40-41	3/1/40	2.00%	<u>2,140,000</u>	7.00%	149,800	149,800	-	2,289,800	2,589,079	299,279	113%
				\$ 20,770,000			\$ 31,595,250	\$ 1,350,288	\$ 51,014,963	\$ 59,145,910	\$ 6,536,192	

INTEREST RATE: 6.50%

**EXHIBIT B-2
Improvement Area 3**

**Stockton - Tidewater Crossing
Escalating Tax Model
September 29, 2008**

ANALYSIS OF SOURCES AND USES

SOURCES:

Bond Principal: \$ 28,945,000

USES:

Underwriter Discount @ 2.0%: \$ 578,900
 Cost of Issuance (Estimate) 150,000
 Capitalized Interest (12 months) 1,881,713
 Bond Reserve 2,894,500
 Net Construction Fund 23,439,887
\$ 28,945,000

Construction Proceeds per Residential Unit \$ 21,136
 Construction Proceeds per Industrial Acre \$ 57,008

SCHEDULE OF ESTIMATED ANNUAL
BOND DEBT SERVICE

Fiscal Year	Bond Year	INFLATION	Principal	Rate	Int	Interest	Less: Cap Interest	Total P&I	Estimated	Annual	Coverage % @ Buildout	
									Special Tax Revenues	Coverage Revenue @ Buildout		
1	11-12	3/1/11	2.00%	\$ 0	5.00%	0	\$ 1,881,713	\$ 1,881,713	\$ -	2,030,836	-	
2	12-13	3/1/12	2.00%	-	5.00%	0	1,881,713	-	1,881,713	2,071,453	-	110%
3	13-14	3/1/13	2.00%	-	5.00%	0	1,881,713	-	1,881,713	2,112,882	231,170	112%
4	14-15	3/1/14	2.00%	25,000	5.50%	1,375	1,881,713	-	1,906,713	2,155,140	248,427	113%
5	15-16	3/1/15	2.00%	65,000	5.50%	3,575	1,880,338	-	1,945,338	2,198,243	252,905	113%
6	16-17	3/1/16	2.00%	105,000	5.50%	5,775	1,876,763	-	1,981,763	2,242,207	260,445	113%
7	17-18	3/1/17	2.00%	150,000	5.50%	8,250	1,870,988	-	2,020,988	2,287,052	266,064	113%
8	18-19	3/1/18	2.00%	200,000	5.75%	11,500	1,862,738	-	2,062,738	2,332,793	270,055	113%
9	19-20	3/1/19	2.00%	250,000	5.75%	14,375	1,851,238	-	2,101,238	2,379,448	278,211	113%
10	20-21	3/1/20	2.00%	310,000	5.75%	17,825	1,836,863	-	2,146,863	2,427,037	280,175	113%
11	21-22	3/1/21	2.00%	370,000	6.00%	22,200	1,819,038	-	2,189,038	2,475,578	286,541	113%
12	22-23	3/1/22	2.00%	435,000	6.00%	26,100	1,796,838	-	2,231,838	2,525,090	293,252	113%
13	23-24	3/1/23	2.00%	505,000	6.00%	30,300	1,770,738	-	2,275,738	2,575,592	299,854	113%
14	24-25	3/1/24	2.00%	580,000	6.00%	34,800	1,740,438	-	2,320,438	2,627,103	306,666	113%
15	25-26	3/1/25	2.00%	665,000	6.00%	39,900	1,705,638	-	2,370,638	2,679,645	309,008	113%
16	26-27	3/1/26	2.00%	750,000	6.25%	46,875	1,665,738	-	2,415,738	2,733,238	317,501	113%
17	27-28	3/1/27	2.00%	845,000	6.25%	52,813	1,618,863	-	2,463,863	2,787,903	324,041	113%
18	28-29	3/1/28	2.00%	945,000	6.25%	59,063	1,566,050	-	2,511,050	2,843,661	332,611	113%
19	29-30	3/1/29	2.00%	1,055,000	6.25%	65,938	1,506,988	-	2,561,988	2,900,534	338,547	113%
20	30-31	3/1/30	2.00%	1,175,000	6.25%	73,438	1,441,050	-	2,616,050	2,958,545	342,495	113%
21	31-32	3/1/31	2.00%	1,300,000	6.25%	81,250	1,367,613	-	2,667,613	3,017,716	350,103	113%
22	32-33	3/1/32	2.00%	1,435,000	6.25%	89,688	1,286,363	-	2,721,363	3,078,070	356,708	113%
23	33-34	3/1/33	2.00%	1,580,000	6.50%	102,700	1,196,675	-	2,776,675	3,139,632	362,957	113%
24	34-35	3/1/34	2.00%	1,735,000	6.50%	112,775	1,093,975	-	2,828,975	3,202,424	373,449	113%
25	35-36	3/1/35	2.00%	1,905,000	6.50%	123,825	981,200	-	2,886,200	3,266,473	380,273	113%
26	36-37	3/1/36	2.00%	2,085,000	6.50%	135,525	857,375	-	2,942,375	3,331,802	389,427	113%
27	37-38	3/1/37	2.00%	2,280,000	6.50%	148,200	721,850	-	3,001,850	3,398,438	396,588	113%
28	38-39	3/1/38	2.00%	2,490,000	7.00%	174,300	573,650	-	3,063,650	3,466,407	402,757	113%
29	39-40	3/1/39	2.00%	2,725,000	7.00%	190,750	399,350	-	3,124,350	3,535,735	411,385	113%
30	40-41	3/1/40	2.00%	2,980,000	7.00%	208,600	208,600	-	3,188,600	3,606,450	417,850	113%
				\$ 28,945,000		\$ 44,023,800	\$ 1,881,713	\$ 71,087,088	\$ 82,387,129	\$ 9,079,465		

INTEREST RATE: 6.50%

**EXHIBIT B-2
Improvement Area 4**

**Stockton - Tidewater Crossing
Escalating Tax Model
September 29, 2008**

ANALYSIS OF SOURCES AND USES

SOURCES:

Bond Principal: \$ 16,935,000

USES:

Underwriter Discount @ 2.0%: \$ 338,700
 Cost of Issuance (Estimate) 150,000
 Capitalized Interest (12 months) 1,100,988
 Bond Reserve 1,693,500
 Net Construction Fund 13,651,812
\$ 16,935,000

Construction Proceeds per Residential Unit \$ 27,886
 Construction Proceeds per Industrial Acre \$ 56,297

SCHEDULE OF ESTIMATED ANNUAL
BOND DEBT SERVICE

Fiscal Year	Bond Year	INFLATION	Principal	Rate	Int	Interest	Less: Cap Interest	Total P&I	Estimated	Annual	Coverage % @ Buildout	
									Special Tax Revenues	Coverage Revenue @ Buildout		
1	11-12	3/1/11	2.00%	\$ 0	5.00%	0	\$ 1,100,988	\$ 1,100,988	\$ -	1,187,477	-	
2	12-13	3/1/12	2.00%	-	5.00%	0	1,100,988	-	1,100,988	1,211,226	-	110%
3	13-14	3/1/13	2.00%	-	5.00%	0	1,100,988	-	1,100,988	1,235,451	134,463	112%
4	14-15	3/1/14	2.00%	15,000	5.50%	825	1,100,988	-	1,115,988	1,260,160	144,172	113%
5	15-16	3/1/15	2.00%	35,000	5.50%	1,925	1,100,163	-	1,135,163	1,285,363	150,201	113%
6	16-17	3/1/16	2.00%	60,000	5.50%	3,300	1,098,238	-	1,158,238	1,311,070	152,833	113%
7	17-18	3/1/17	2.00%	90,000	5.50%	4,950	1,094,938	-	1,184,938	1,337,292	152,354	113%
8	18-19	3/1/18	2.00%	115,000	5.75%	6,613	1,089,988	-	1,204,988	1,364,038	159,050	113%
9	19-20	3/1/19	2.00%	145,000	5.75%	8,338	1,083,375	-	1,228,375	1,391,318	162,943	113%
10	20-21	3/1/20	2.00%	180,000	5.75%	10,350	1,075,038	-	1,255,038	1,419,145	164,107	113%
11	21-22	3/1/21	2.00%	215,000	6.00%	12,900	1,064,688	-	1,279,688	1,447,528	167,840	113%
12	22-23	3/1/22	2.00%	255,000	6.00%	15,300	1,051,788	-	1,306,788	1,476,478	169,691	113%
13	23-24	3/1/23	2.00%	295,000	6.00%	17,700	1,036,488	-	1,331,488	1,506,008	174,520	113%
14	24-25	3/1/24	2.00%	340,000	6.00%	20,400	1,018,788	-	1,358,788	1,536,128	177,340	113%
15	25-26	3/1/25	2.00%	390,000	6.00%	23,400	998,388	-	1,388,388	1,566,850	178,463	113%
16	26-27	3/1/26	2.00%	440,000	6.25%	27,500	974,988	-	1,414,988	1,598,188	183,200	113%
17	27-28	3/1/27	2.00%	495,000	6.25%	30,938	947,488	-	1,442,488	1,630,151	187,664	113%
18	28-29	3/1/28	2.00%	555,000	6.25%	34,688	916,550	-	1,471,550	1,662,754	191,204	113%
19	29-30	3/1/29	2.00%	620,000	6.25%	38,750	881,863	-	1,501,863	1,696,009	194,147	113%
20	30-31	3/1/30	2.00%	685,000	6.25%	42,813	843,113	-	1,528,113	1,729,930	201,817	113%
21	31-32	3/1/31	2.00%	760,000	6.25%	47,500	800,300	-	1,560,300	1,764,528	204,228	113%
22	32-33	3/1/32	2.00%	840,000	6.25%	52,500	752,800	-	1,592,800	1,799,819	207,019	113%
23	33-34	3/1/33	2.00%	925,000	6.50%	60,125	700,300	-	1,625,300	1,835,815	210,515	113%
24	34-35	3/1/34	2.00%	1,015,000	6.50%	65,975	640,175	-	1,655,175	1,872,531	217,356	113%
25	35-36	3/1/35	2.00%	1,115,000	6.50%	72,475	574,200	-	1,689,200	1,909,982	220,782	113%
26	36-37	3/1/36	2.00%	1,220,000	6.50%	79,300	501,725	-	1,721,725	1,948,182	226,457	113%
27	37-38	3/1/37	2.00%	1,335,000	6.50%	86,775	422,425	-	1,757,425	1,987,145	229,720	113%
28	38-39	3/1/38	2.00%	1,455,000	7.00%	101,850	335,650	-	1,790,650	2,026,888	236,238	113%
29	39-40	3/1/39	2.00%	1,595,000	7.00%	111,650	233,800	-	1,828,800	2,067,426	238,626	113%
30	40-41	3/1/40	2.00%	1,745,000	7.00%	122,150	122,150	-	1,867,150	2,108,774	241,624	113%
				\$ 16,935,000			\$ 25,763,350	\$ 1,100,988	\$ 41,597,363	\$ 48,173,655	\$ 5,278,577	

INTEREST RATE: 6.50%

Exhibit C

**Tidewater Crossing
Fee Credit / Reimbursement Calculation**

Category	Total at	Residential (a)		Commercial (b)		Industrial (b)	
	Buildout	Total Amount	Per Unit	Total Amount	Per Acre	Total Amount	Per Acre
<u>Street Improvements (c)</u>							
Improvement Cost	\$ 34,613,953	\$ 17,055,717	\$ 7,212	\$ 760,529	\$ 45,815	\$ 16,797,707	\$ 61,870
Fee Amount (incl. 2.5% admin)	\$ 91,755,848	\$ 67,878,728	\$ 28,701	\$ 5,244,695	\$ 315,946	\$ 18,632,425	\$ 68,628
Credit Amount	\$ 8,969,374	\$ 3,026,930	\$ 1,280	\$ 286,384	\$ 17,252	\$ 5,656,060	\$ 20,833
Reimbursement Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Water Improvements (d)</u>							
Improvement Cost	\$ 9,305,750	\$ 6,594,075	\$ 2,788	\$ 40,675	\$ 2,450	\$ 2,671,000	\$ 9,838
Fee Amount (incl. 3.5% admin)	\$ 5,185,366	\$ 4,199,571	\$ 1,776	\$ 56,800	\$ 3,422	\$ 928,994	\$ 3,422
Credit Amount	\$ 1,104,444	\$ 175,450	\$ 74	\$ -	\$ -	\$ 928,994	\$ 3,422
Reimbursement Amount	\$ 581,006	\$ -	\$ -	\$ -	\$ -	\$ 581,006	\$ 2,140
<u>Sewer Improvements (e)</u>							
Improvement Cost	\$ 18,895,910	\$ 13,676,110	\$ 5,783	\$ 23,300	\$ 1,404	\$ 5,196,500	\$ 19,140
Fee Amount (incl. 3.5% admin)	\$ 5,469,536	\$ 4,964,926	\$ 2,099	\$ 40,471	\$ 2,438	\$ 464,139	\$ 1,710
Credit Amount	\$ 5,131,776	\$ 4,964,926	\$ 2,099	\$ -	\$ -	\$ 166,850	\$ 615
Reimbursement Amount	\$ 7,358,074	\$ 7,358,074	\$ 3,111	\$ -	\$ -	\$ -	\$ -
<u>Park Improvements (f)</u>							
Improvement Cost	\$ 11,779,500	\$ 10,776,000	\$ 4,556	\$ 52,000	\$ 3,133	\$ 951,500	\$ 3,505
Fee Amount (incl. 2.5% admin)	\$ 11,998,463	\$ 11,998,463	\$ 5,073	N/A	N/A	N/A	N/A
Credit Amount	\$ 10,686,055	\$ 10,686,055	\$ 4,518	\$ -	\$ -	\$ -	\$ -
Reimbursement Amount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Credits	\$ 25,891,649	\$ 18,853,361	\$ 7,972	\$ 286,384	\$ 17,252	\$ 6,751,904	\$ 24,869
Total Reimbursements	\$ 7,939,080	\$ 7,358,074	\$ 3,111	\$ -	\$ -	\$ 581,006	\$ 2,140
Total Credits & Reimbursements	\$ 33,830,729	\$ 26,211,435	\$ 11,083	\$ 286,384	\$ 17,252	\$ 7,332,910	\$ 27,009

Footnotes:

- (a) Residential category includes all residential unit types as improvement cost by residential land use is unknown at this time.
- (b) Per acre amounts are based on the Project's gross acreage assuming 16.6 gross acres of commercial property and 271.5 gross acres of industrial property.
- (c) Street Improvement credits are calculated net of frontage improvements and 18' of roadway improvements. Credit eligible facilities have been identified per the City of Stockton Draft Traffic Study prepared by Fehr & Peers and engineering provided by Carlson, Barbee & Gibson, Inc.
- (d) Per City of Stockton Resolution No. 02-0331, water improvement credits are calculated for the following credit eligible facilities: water mains larger than 12", transmission lines, reservoirs, storage tanks, and pumping stations. Water main credits are calculated as the cost difference between the main size required by the City and the cost of a 12" main. Credit eligible water facilities have been determined by engineering provided by Carlson, Barbee & Gibson, Inc.
- (e) Credit eligible sewer improvements include trunk lines in excess of 12" of diameter, and permanent pumping plants designated in the City Master Sanitary Sewer Plan. Credit eligible sewer facilities have been determined by engineering provided by Carlson, Barbee & Gibson, Inc. and Developer correspondence with MUD regarding improvement eligibility and credit/reimbursement sources.
- (f) Park improvement costs include costs for parks, and landscape corridors. The credit amount reflects credits for park improvements based on park construction cost estimates of \$350,000 per acre provided by Carlson, Barbee & Gibson, Inc. Park construction costs include one community park of 14.2 acres and two neighborhood parks at 5.6 acres and 4.5 acres. Additionally, \$61,000 per acre in credits is available based on the Project's total park requirement land mitigation of 35.76 acres. This is an amount less than actual land dedication of 46.7 acres as the credit is "capped" at the lower amount.

**One Time Shortfall Fee
Calculations Table
29-Sep-08**

15 Year Absorption	2011 Year 1	2012 Year 2	2013 Year 3	2014 Year 4	2015 Year 5	2016 Year 6	2017 Year 7	2018 Year 8	2019 Year 9	2020 Year 10	2021 Year 11	2022 Year 12	2023 Year 13	2024 Year 14	2025 Year 15
Absorption	140	140	140	140	140	140	207	207	207	208	140	139	139	139	139
Cumulative	140	280	420	560	700	840	1047	1254	1461	1669	1809	1948	2087	2226	2365
Special Tax	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7
Special Tax Revenue	\$936	\$1,872	\$2,809	\$3,745	\$4,681	\$5,617	\$7,001	\$8,386	\$9,770	\$11,161	\$12,097	\$13,026	\$13,956	\$14,885	\$15,815
	2011 Year 1	2012 Year 2	2013 Year 3	2014 Year 4	2015 Year 5	2016 Year 6	2017 Year 7	2018 Year 8	2019 Year 9	2020 Year 10	2021 Year 11	2022 Year 12	2023 Year 13	2024 Year 14	2025 Year 15
FIA Results	\$ 204,575	\$ 278,422	\$ (1,031,811)	\$ (1,064,211)	\$ (969,659)	\$ (855,561)	\$ (678,242)	\$ (529,148)	\$ (436,096)	\$ (348,790)	\$ (263,313)	\$ (163,078)	\$ (81,552)	\$ 1,920	\$ 45,453
Special Tax Revenue	\$ 936	\$ 1,872	\$ 2,809	\$ 3,745	\$ 4,681	\$ 5,617	\$ 7,001	\$ 8,386	\$ 9,770	\$ 11,161	\$ 12,097	\$ 13,026	\$ 13,956	\$ 14,885	\$ 15,815
Annual Obligation	\$ 205,511	\$ 280,294	\$ (1,029,002)	\$ (1,060,467)	\$ (964,978)	\$ (849,944)	\$ (671,241)	\$ (520,763)	\$ (426,326)	\$ (337,629)	\$ (251,216)	\$ (150,052)	\$ (67,596)	\$ 16,806	\$ 61,268
Annual Obligation / Unit	\$ 1,468	\$ 2,002	\$ (7,350)	\$ (7,575)	\$ (6,893)	\$ (6,071)	\$ (3,243)	\$ (2,516)	\$ (2,060)	\$ (1,623)	\$ (1,794)	\$ (1,080)	\$ (486)	\$ 121	\$ 441
<u>Average</u>															
\$	(2,444)														

Engineering Source Documents

TOTAL CONSTRUCTION COSTS (FEE CREDITABLE + PROJECT)

TABLE 11.2 PUBLIC FACILITIES - COST ESTIMATE SUMMARY										
	Total Buildout		Residential		Commercial		Industrial		Flood Control	
	Est. Cost	%	Est. Cost	%	Est. Cost	%	Est. Cost	%	Est. Cost	%
MAJOR PUBLIC FACILITIES										
Transportation	\$ 34,613,953	31%	\$ 17,055,717	29%	\$ 760,529	79%	\$ 16,797,707	55%	\$ -	0%
Water	\$ 9,305,750	8%	\$ 6,594,075	11%	\$ 40,675	4%	\$ 2,671,000	9%	\$ -	0%
Sewage	\$ 18,895,910	17%	\$ 13,676,110	23%	\$ 23,300	2%	\$ 5,196,500	17%	\$ -	0%
Drainage	\$ 10,741,280	10%	\$ 5,869,330	10%	\$ 81,070	8%	\$ 4,790,880	16%	\$ -	0%
Major Flood Control	\$ 21,560,500	19%	\$ -	0%	\$ -	0%	\$ -	0%	\$ 21,560,500	100%
Total Major Public Facilities Cost	\$ 95,117,393	85%	\$ 43,195,232	73%	\$ 905,574	95%	\$ 29,456,087	97%	\$ 21,560,500	100%
OTHER PUBLIC FACILITIES										
Schools	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%
Landscape Corridors, Parks, & Soundwalls	\$ 16,683,000	15%	\$ 15,679,500	27%	\$ 52,000	5%	\$ 951,500	3%	\$ -	0%
Total Other Public Facilities Cost	\$ 16,683,000	15%	\$ 15,679,500	27%	\$ 52,000	5%	\$ 951,500	3%	\$ -	0%
TOTAL	\$ 111,800,393	100%	\$ 58,874,732	100%	\$ 957,574	100%	\$ 30,407,587	100%	\$ 21,560,500	100%
TOTAL % BY TYPE		100%		52.6%		0.9%		27.2%		19.3%

Tom Woelfel

From: Shawn O'Keefe [SOKeefe@CBandG.com]
Sent: Thursday, September 25, 2008 7:00 PM
To: Tom Woelfel
Cc: T Truskowski; Greg Angelo; Chris Austin; B Bromann
Subject: RE: Alternative PFA Analysis Scope of Work
Attachments: Updated Table 11.2.pdf

Tom,

I have attached the revised 11.2 Tables to reflect the land use change in Village C from medium density residential to industrial. I have also updated the LS/Park/Soundwall category as shown below. The breakdown specifically includes in-tract soundwall, backbone landscape corridors and in-tract and backbone parks. It does not include in-tract or backbone open space or in-tract landscape corridor costs. The breakdown is as follows:

Landscape Corridors	\$3,274,500
Backbone Park (14.2 Ac)	\$4,970,000
In-Tract Parks	\$6,405,000
<u>In-Tract Soundwall</u>	<u>\$2,033,500</u>
Total	\$16,683,000

Let me know if you have any questions or need anything else.

Thanks,

Shawn P. O'Keefe, P.E.
Project Engineer

Carlson, Barbee & Gibson, Inc.
CIVIL ENGINEERS • SURVEYORS • PLANNERS

16974 South Harlan Road
Lathrop, CA 95330
P: (209) 858-4944
F: (209) 858-4977
sokeefe@cbandg.com
www.cbandg.com

Landscape Corridors & Parks Improvement Cost Calculation

	Residential	Commercial	Industrial	Total
Table 11.2				
Landscape Corridors,				
Parks, & Soundwall	\$ 15,679,500	\$ 52,000	\$ 951,500	\$ 16,683,000
<i>less</i>				
In-Tract Parks	\$ 6,405,000	\$ -	\$ -	\$ -
In-Tract Soundwall	\$ 2,033,500	\$ -	\$ -	\$ -
<i>plus</i>				
Neighborhood Park:	\$ 3,535,000	\$ -	\$ -	\$ -
	\$ 10,776,000	\$ 52,000	\$ 951,500	\$ 11,779,500

	Residential	Commercial	Industrial	Total
Landscape Corridors	\$ 2,271,000	\$ 52,000	\$ 951,500	\$ 3,274,500
Neighborhood Parks	\$ 3,535,000	\$ -	\$ -	\$ 3,535,000
Community Park	\$ 4,970,000	\$ -	\$ -	\$ 4,970,000
Total Cost	\$ 10,776,000	\$ 52,000	\$ 951,500	\$ 11,779,500

Note:

Park improvement costs are calculated assuming construction costs of \$350,000 per acre. Costs include two neighborhood parks at 5.6 acres and 4.5 acres each, respectively, and one 14.2 acre community park. Park lakes and detention basin costs are included in the drainage improvement category.

FEE CREDITABLE CONSTRUCTION COSTS

TABLE 11.2 PUBLIC FACILITIES - COST ESTIMATE SUMMARY										
	Total Buildout		Residential		Commercial		Industrial		Flood Control	
	Est. Cost	%	Est. Cost	%	Est. Cost	%	Est. Cost	%	Est. Cost	%
MAJOR PUBLIC FACILITIES										
Transportation	\$ 8,969,374	32%	\$ 3,026,930	15%	\$ 286,384	100%	\$ 5,656,060	77%	\$ -	0%
Water	\$ 1,685,450	6%	\$ 175,450	1%	\$ -	0%	\$ 1,510,000	21%	\$ -	0%
Sewage	\$ 12,489,850	45%	\$ 12,323,000	61%	\$ -	0%	\$ 166,850	2%	\$ -	0%
Drainage	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%
Major Flood Control	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%
Total Major Public Facilities Cost	\$ 23,144,674	83%	\$ 15,525,380	77%	\$ 286,384	100%	\$ 7,332,910	100%	\$ -	0%
OTHER PUBLIC FACILITIES										
Schools	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%
Landscape Corridors, Parks, & Soundwalls	\$ 4,759,500	17%	\$ 4,759,500	23%	\$ -	0%	\$ -	0%	\$ -	0%
Total Other Public Facilities Cost	\$ 4,759,500	17%	\$ 4,759,500	23%	\$ -	0%	\$ -	0%	\$ -	0%
TOTAL	\$ 27,904,174	100%	\$ 20,284,880	100%	\$ 286,384	100%	\$ 7,332,910	100%	\$ -	0%
TOTAL % BY TYPE		100%		72.7%		1.0%		26.3%		0.0%