GOODWIN CONSULTING GROUP

Mariposa Lakes
Stockton, California

Fiscal Impact Analysis

Prepared for:

PCCP Mariposa Lakes, LLC
11249 Gold Country Blvd., Suite 190
Gold River, CA 95670

Screen Check Draft

May 9, 2008

555 University Ave, Suite 280 • Sacramento, CA 95825
Phone: (916) 561-0890 • Fax: (916) 561-0891

Mariposa Lakes
City of Stockton
Fiscal Impact Analysis

Table of Contents

Mariposa Lakes
City of Stockton
Fiscal Impact Analysis

EXECUTIVE SUMMARY

PURPOSE AND SCOPE OF REPORT

This report addresses the fiscal implications of the Mariposa Lakes development project (the "Project") by analyzing the potential recurring fiscal impacts to the City of Stockton ("City") General Fund. Impacts on the Measure W Fund are also considered but are analyzed in the overall context of the General Fund.

This fiscal impact analysis compares the annual costs of providing public services against the annual revenues that will be generated by new development to determine the net fiscal impact. It analyzes the impacts on the City's discretionary General Fund and Measure W Fund only; other districts and funds supported by development fees and/or user charges (e.g., enterprise funds), state funding (e.g., school districts), or a specific allocation of property taxes (e.g., school districts, flood control districts) are not analyzed in this study.

PROJECT DESCRIPTION

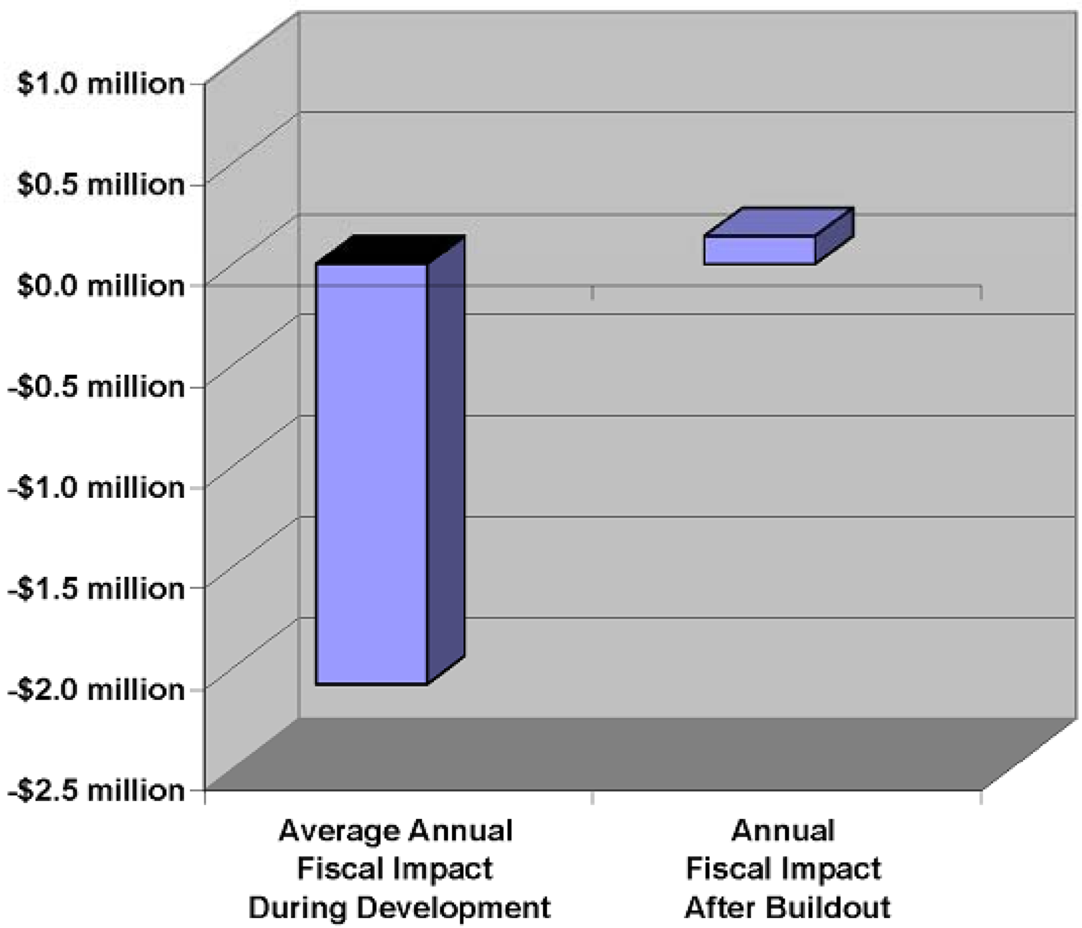
The Project comprises approximately 3,800 acres in unincorporated San Joaquin County, outside of Stockton's city limits; it is situated within the City's Sphere of Influence, and is expected to be annexed into the City prior to development. Five distinct phases are proposed for development, each with a mix of residential and non-residential land uses. The Project is expected to include 10,562 residential units and 13.0 million square feet of non-residential uses on approximately 1,900 net acres. An additional 174 acres of schools, 733 acres of parks, lakes, open space, and private recreation, as well as approximately 598 acres of miscellaneous land uses, including existing residential properties, are anticipated in the Project. At buildout, the Project is expected to have a residential and employee population of approximately 33,165 and 14,000, respectively.

CONCLUSIONS

Upon the proposed annexation, the City will provide the vast majority of public services to the Project. In doing so, the City will incur a wide variety of expenses, all in the effort to adequately provide the services required by the Project's residents and employees. Over the initial eighteen years of development, a deficit is generated due to the public services required to serve the Project. The cost of services associated with fire protection required at the onset of development is the primary reason for the deficit, with the first year cost of just those services totaling approximately $3.6 million. The annual deficit peaks in the fifth year of development, as additional fire service associated with increasing staffing requirements for both an engine company and a truck company is needed to serve the Project.

Beginning in the nineteenth year of development and continuing through buildout, the Project is expected to provide fiscal surpluses in every year. It is expected to generate $26.9 million in annual revenues and $26.8 million in annual expenses (2008 $) after buildout. This results in an annual surplus of approximately $142,000 to the City's General Fund after buildout of the Project, which is equal to an average of $13 per residential dwelling unit. The graph below summarizes these results.

Summary of Fiscal Impacts



The fiscal deficits during a majority of the Project's development period suggest that there is a need to implement measures to mitigate the interim deficits. A combination of three funding sources, including a Community Facilities District (CFD), a fiscal shortfall fee program, and interim master developer advances, are proposed to offset these fiscal deficits.

FUNDING SOURCES TO MITIGATE FISCAL DEFICITS

As discussed above, the Project will not generate sufficient revenues during a majority of its development horizon for the City to provide the appropriate services to new development in the Project area. An annual special tax on residential property ranging from $430 per high density unit to $1,240 per residential estate unit established through the formation of a CFD is proposed to mitigate interim deficits that are projected to occur between the start of development and buildout of the Project. An annual special tax on non-residential property varying from $0.10 per building square foot for industrial land uses to $0.30 per building square foot for commercial retail land uses is also need to mitigate the interim deficits to the City.

After accounting for revenues from the proposed CFD, an additional funding mechanism will be necessary to fully mitigate impacts from future development within the Project. A fiscal shortfall fee, a one-time fee levied on each residential unit at building permit issuance to directly fund public services, is anticipated to fund remaining deficits that are projected to occur between the start of development and buildout of the Project. The fee is anticipated to be levied on residential property only and ranges from $1,480 per high density unit to $4,250 per residential estate unit. The fiscal shortfall fee program is designed to run as long as it takes to fill funding gaps that the CFD for services cannot cover, but also to reimburse the Project's developers who have advanced funds for public services. The need to collect the shortfall fee is projected to occur during the first twelve years of project development.

Chapter 1
INTRODUCTION

PURPOSE OF REPORT

This report addresses the fiscal implications of the Mariposa Lakes development project (the "Project") by analyzing the potential recurring fiscal impacts to the City of Stockton ("City") General Fund. Impacts on the Measure W Fund are also considered but are analyzed in the overall context of the General Fund. Passed in November 2004, Measure W provides additional funding for public safety through a voter-approved 0.25% tax on all taxable transactions within the City.

ORGANIZATION OF REPORT

This report is organized into the following six chapters:

Chapter 1	States the objective of the report and outlines its structure
Chapter 2	Describes the project in terms of location, land uses, and absorption
Chapter 3	Outlines the scope, approach, and global/key assumptions
Chapter 4	Identifies which methodologies apply to City revenue and expense categories
Chapter 5	Summarizes the net fiscal impacts during and after development of the project
Chapter 6	Identifies funding sources to mitigate fiscal deficits

Chapter 2
PROJECT DESCRIPTION

LOCATION, LAND USES, AND RELATED ASSUMPTIONS

The City, situated along the San Joaquin Delta waterway that connects to the San Francisco Bay and the Sacramento and San Joaquin rivers, is located 60 miles east of the San Francisco Bay Area, 83 miles east of San Francisco, and 45 miles south of Sacramento. Table 1 of the Appendix to this report presents the total population and estimated employment in the City as of January 1, 2008.

The Project is located in an unincorporated area of central San Joaquin County, adjacent to the south-eastern edge of Stockton's city limits. Because the proposed Project is located within the City's Sphere of Influence, it is expected to be annexed into the City prior to development. The Project is bounded by State Route 4 to the north, Kaiser Road to the east, and the Burlington Northern and Santa Fe Railroad and Mariposa Road to the west and south. Duck Creek, Branch Creek, and Little John Creek meander through the plan area. A location map is presented on page 3.

The Project consists of residential and non-residential land uses on approximately 3,800 acres. A total of 10,562 dwelling units is proposed and includes a mix of housing types and densities. The Project's residential component is anticipated to include estate, low density, medium density, and high density homes. The Project is expected to be home to approximately 33,165 residents. With approximately 13.0 million square feet of commercial retail, business/professional, and industrial uses, the Project is also expected to produce approximately 14,000 new jobs from these land uses. More detailed information regarding project land uses, demographics, and other project assumptions is provided in Table 2 of the Appendix. Also, a preliminary land use map can be found on page 4.

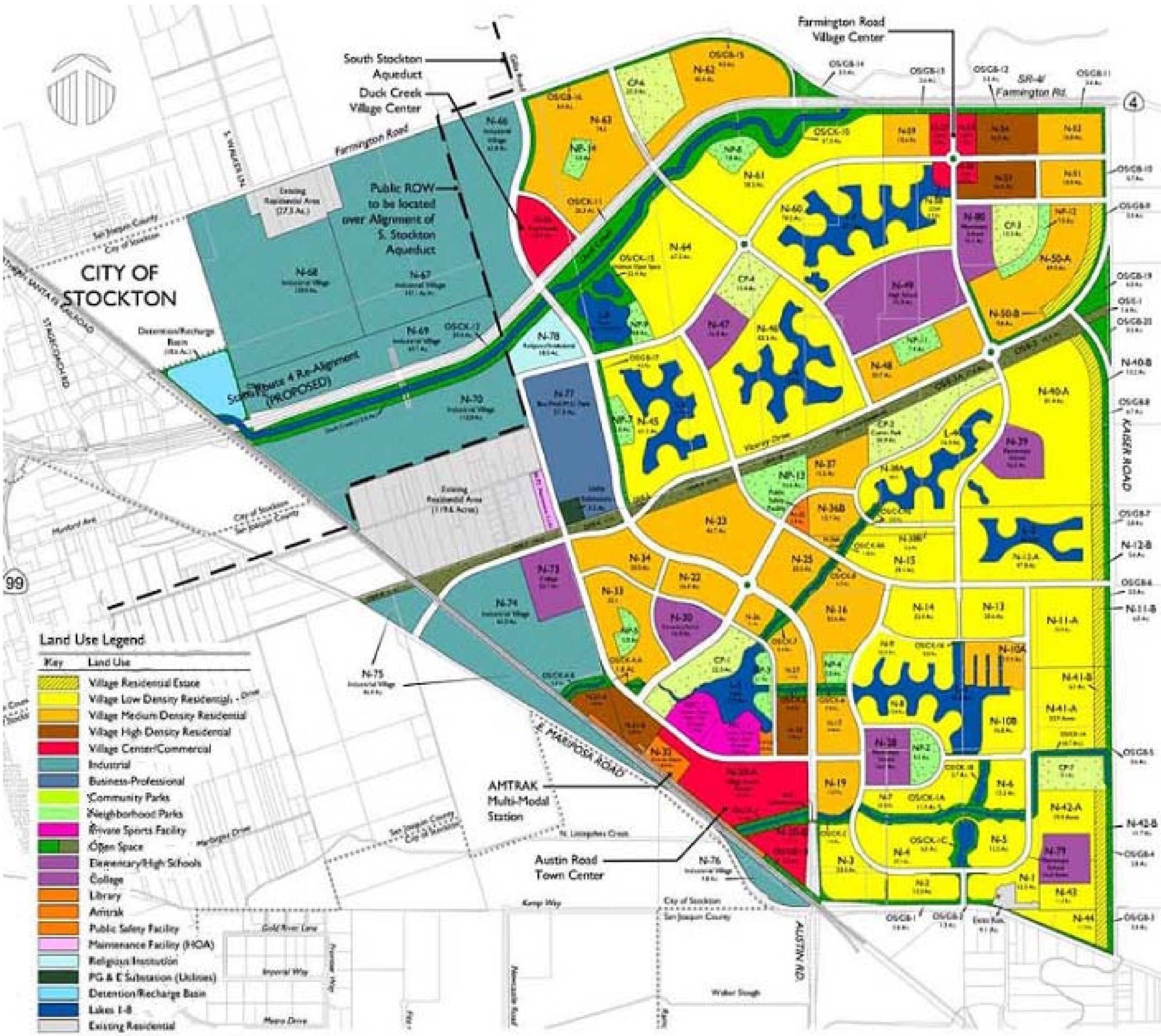
PROJECT ABSORPTION/PHASING

Five distinct phases are proposed for development, each with a mix of residential and non-residential land uses. Phase 1 is further broken down into three distinct sub-phases, namely Phases 1A, 1B, and 1C. All of the commercial retail, office, and industrial uses are expected to begin development in fiscal year 2014-15 and continue through buildout of the Project. Table 3 and Table 4 in the Appendix illustrate the annual and cumulative absorption, respectively, of residential units and non-residential acreage and square footage. The table below, however, presents the number of residential units within each phase of development.

Land Use	Phase 1A	Phase 1B	Phase 1C	Phase 2	Phase 3	Phase 4	Phase 5	Total
Village Residential Estates	6	5	0	9	0	11	17	48
Village Low Density Residential	694	787	0	399	1,298	628	386	4,192
Village Medium Density Residential	714	0	1,361	1,296	1,139	335	0	4,845
Village High Density Residential	0	0	731	746	0	0	0	1,477
Total	**1,414**	**792**	**2,092**	**2,450**	**2,437**	**974**	**403**	**10,562**

LOCATION MAP

LAND USE MAP


Farmington Road Village Center
South Stockton Aqueduct
Duck Creek Village Center
Farmington Road
SR-4/ Farmington Rd.
Public ROW to be located over Alignment of S. Stockton Aqueduct
CITY OF STOCKTON
State Route 4 Re-Alignment (PROPOSED)
KAISER ROAD
E. MARIPOSA ROAD
AMTRAK Multi-Modal Station
Austin Road Town Center
AUSTIN RD.
Land Use Legend
Key
Land Use
Village Residential Estate
Village Low Density Residential
Village Medium Density Residential
Village High Density Residential
Village Center/Commercial
Industrial
Business-Professional
Community Parks
Neighborhood Parks
Private Sports Facility
Open Space
Elementary/High Schools
College
Library
Amtrak
Public Safety Facility
Maintenance Facility (HOA)
Religious Institution
PG & E Substation (Utilities)
Detention/Recharge Basin
Lakes 1-8
Existing Residential

Chapter 3

METHODOLOGY AND ASSUMPTIONS

SCOPE AND METHODOLOGY

Fiscal impacts arising from land development can be categorized broadly as either one-time impacts or recurring impacts, both of which involve a revenue and expense component. For example, a project may create the need for an onsite fire station, and the one-time construction cost of the station may be offset by a development impact fee; these costs and revenues would be included in a public facilities financing plan. The annual expenses associated with staffing and maintaining the fire station will be offset by annual property taxes and other revenues generated by new development to the City; these costs and revenues are part of the fiscal impact analysis. The fiscal impacts compared below are the annual, or recurring, revenues and expenses that affect the City as a result of development associated with the Project.

This fiscal impact analysis compares the annual costs of providing public services against the annual revenues that will be generated by new development to determine the net fiscal impact. It analyzes the impacts on the City's discretionary General Fund and Measure W Fund only; other districts and funds supported by development fees and/or user charges (e.g., enterprise funds), state funding (e.g., school districts), or a specific allocation of property taxes (e.g., school districts, flood control districts) are not analyzed in this study.

Two methodologies are employed in estimating recurring fiscal impacts. First, the case study method is used to estimate recurring revenues and expenses by applying defined service standards, existing tax and fee rates, and suggested operating and maintenance costs to the various land uses and services proposed in the Project. The second methodology used is the multiplier method, which assumes that fiscal impacts will result from proposed development at forecasted rates per resident, employee, or person served based on the City's fiscal year 2007-08 budget. The case study and multiplier methods are generally used under the following conditions:

Case Study Method

1. Marginal cost is a better approximation of the actual costs to provide similar services to specific developments in future years.

2. The land use distribution of the project being analyzed does not resemble the land use distribution within the public agency's area.

3. Service standards and estimated future costs for new projects are anticipated to be different than they are now.

Multiplier Method

1. Average cost is a reasonable approximation of the actual costs to provide similar services to specific developments in future years.

2. Specific revenues and expenses are generated based on population (e.g., gas taxes, social services).

3. Service standards and other information are not available or accurate.

The multiplier method relies on a "persons served" factor, which is most often the sum of all residents plus 50% of employees. The exact relationship of service demands and revenue potential between residents and employees is difficult to measure, but a service population comprised of all residents and 50% of employees is standard fiscal practice. This relationship suggests that a resident generally has twice the impact of an employee (e.g., a resident is home sixteen hours per day, while an employee is at work eight hours per day). The "Persons Served" factor for the City is 344,115 and is presented in Table 1 of the Appendix along with the population and employee figures.

Case study and multiplier approaches are used to estimate different recurring fiscal impacts for the Project, as listed in the following table:

CITY OF STOCKTON	
Case Study Method	***Multiplier Method***
Recurring Revenues	
Property Tax: Secured and Unsecured Real Property Transfer Tax Sales and Use Tax Measure W Sales Tax Public Safety Sales Tax Vehicle License Fees and Property Tax In-Lieu of VLF	Other Taxes Licenses and Permits Fines and Forfeitures Other Revenue Revenue from Other Agencies Charges for Current Services Gas Tax
Recurring Expenses	
Park Maintenance Road Maintenance Landscaping Maintenance Street Lights O&M Traffic Signals O&M Fire Department Parks & Recreation Department Public Works Department	General Government Office of Economic Development Library Services Other Post-Employment Benefits Non-Departmental Parks & Recreation Department Police Department Public Works Department Measure W: Fire and Police Departments

GENERAL AND/OR MAJOR ASSUMPTIONS

Many assumptions are factored into the analysis of fiscal impacts. Some of the most critical assumptions, in terms of their effect on revenues and expenses, are delineated below:

1. The projected annual fiscal impacts are presented in current year 2008 dollars. Future impacts should be increased by an inflation factor that is tied to an appropriate inflation index such as the Engineering News-Record index or one of the regional consumer price indices.

2. A summary of the land use, demographic, and related assumptions incorporated into the fiscal analysis is presented in Table 2 of the Appendix. The number of residential units and amount of non-residential square footage, population and employment densities, assessed values, and other pertinent factors are included in this table. A particularly important assumption that affects property tax and property tax in-lieu of vehicle license fees is the estimated value of dwelling units in the Project. Average sales prices of $1,150,000 for Village Residential Estate units (custom homes on acre-sized home sites), $545,000 for Village Low Density Residential units (includes both lake front and gated home sites), $420,000 for Village Medium Density Residential units, and $268,000 for Village High Density Residential units are used in this analysis.

   Annual and cumulative absorption assumptions are outlined in Tables 3 and 4 of the Appendix. Both the average sales price and absorption assumptions are based on proprietary in-house research conducted by the project applicant, PCCP Mariposa Lakes (the "Applicant"). In the Applicant's researched opinion, data from existing projects within Stockton and in surrounding communities support the value and development assumptions presented herein, particularly when the project's water features, other quality amenities, and master planned character are considered.

3. The Project, which is currently in unincorporated San Joaquin County, is expected to be annexed into the City of Stockton. The governing jurisdiction is an important consideration because it will determine how property taxes and other revenues are calculated and allocated. The County will continue to provide countywide services to the Project, such as health and human services and public assistance; however, the City will provide the Project with typical municipal services, such as police and fire protection. Impacts to County services are not analyzed in this fiscal study.

4. The Project currently lies within the following 10 tax rate areas (TRAs): 118-057, 118-067, 118-154, 118-064, 118-068, 118-153, 075-028, 096-033, 075-034, and 075-032. Pursuant to the County of San Joaquin and City of Stockton Agreement for Property Tax Allocation upon Annexation ("Annexation Agreement"), 20.0% of the County's General Fund property tax allocation from future incremental property tax revenue will be reallocated to the City's General Fund upon annexation; the County will retain the remaining 80.0% of the future incremental property tax revenue. Within these TRAs, nearly 22.5% of the total property tax allocation is allotted to the County's General Fund. Accordingly, 18.0% of the future property tax increment will be retained by the County's General Fund while the remaining

4.5% will be reallocated to the City's General Fund. Table 6 in the Appendix illustrates this redistribution of tax allocation factors.

5. Upon annexation to the City, the City will provide road maintenance, library, and fire protection services to the Project. Pursuant to discussions with County and City staff, the following property tax allocations are assumed: (i) 20.0% of the existing property tax allocation to Road District No. 2 (approximately 0.8% of the future tax increment) will be reallocated to the City's General Fund; (ii) 20.0% of the existing property tax allocation to the County Library (approximately 0.4% of the future tax increment) will be reallocated to the City's General Fund; (iii) 20.0% of the existing property tax allocation to the Collegeville Rural fire district (approximately 0.4% of the future tax increment) will be reallocated to the City's General Fund to provide additional fire protection services; and (iv) 20.0% of the existing property tax allocation to the Montezuma fire district (approximately 0.5% of the future tax increment) will be reallocated to the City's General Fund to provide additional fire protection services. This redistribution of tax allocation factors is also shown in Table 6 of the Appendix.

6. Legal actions taken at the state level in the 1990s diverted a percentage of the 1.0% property tax into the Educational Revenue Augmentation Fund ("ERAF"). For purposes of the fiscal analysis, it is assumed that this situation will continue in future years.

7. Fiscal revenue and expense standards reflect existing revenues and expenses based on the City's 2007-08 fiscal year budget, with the following notable exceptions:

    Pursuant to discussions with City staff, the general government cost multiplier is reduced by 15.5% to reflect the fact that a portion of the activities in these budget areas will not grow significantly, if at all, due to new development. For example, the City will continue to operate with just one City Council, city manager, city clerk, city attorney, and other similar positions and department heads, as outlined in the 2007-08 City budget. While certain staff and related expenses will increase to respond to growth as a result of the Project, executive staff, senior and other management levels, and other areas within these budget units will not increase in size or expense.

    In addition, fiscal standards from the City's 2007-08 fiscal year budget have been revised to reflect a reduction in both anticipated revenues from, and expenses related to, public safety services. Pursuant to discussions with City staff, future development is not expected to impact public safety revenues or expenses related to existing public safety contracts. Consequently, total revenues from, and expenses related to, public safety services are reduced by approximately $4.7 million. Table 8 in the Appendix illustrates the impact on the revenue side while Table 12 demonstrates the effect on the expense side.

    City staff has also indicated that a cost multiplier equal to 10% of the General Fund salary base be included. The extra expense is intended to approximate the City's future Other Post-Employment Benefits ("OPEB") obligations related to active employees.

Estimated at $20.35 per person served, the OPEB cost multiplier can be seen in Table 12 of the Appendix.

To ensure that expenses are not being double-counted, direct park and road maintenance costs are subtracted from the General Fund budgets of the Parks and Recreation and Public Works departments. More specifically, the Parks and Street Trees and the Operation and Maintenance line items are adjusted downward to account for the fact that such costs are estimated using the case study method. The amounts presented in Table 12 of the Appendix relate solely to non-park and non-road maintenance costs, respectively.

The Field Services and Investigations line items in the Police Department budget were increased by 2.7%, which represents the increase to the preferred police service standard of 1.50 officers per 1,000 residents from the current standard of 1.46. Additionally, $1,000,000 was added to the adjusted budget to reflect the full year cost associated with the 16 new police officers phased in during fiscal year 2007-08.

Lastly, in order to properly maintain various facilities and equipment, City staff has determined that the Public Works budget must be increased to halt any further rises in deferred maintenance. The adjusted total expense and accompanying cost multiplier is presented in Table 12 of the Appendix.

8. New development within the Project will be responsible for funding costs related to on-going operations and maintenance for various capital improvements. Maintenance costs related to certain services are not included among the fiscal expenses to the City because a Homeowners Association ("HOA") will be established to fund these ongoing services, including operation and maintenance of local streets, street lighting on local streets, landscaping (including soundwalls, privacy walls/fences, and entry features), as well as parks and open space (including neighborhood and community parks, as well as bikeways and pedestrian paths). The HOA will not fund maintenance costs associated with approximately 20.9 arterial road miles, as shown in Table 11 of the Appendix.

9. Total taxable sales have been calculated by focusing on the demand side of the retail picture. That is, based on estimates of household income and the percentage of household income expended on taxable sales, the total taxable sales generated by each household is established. Applying a City capture rate of 82% to the total taxable sales in each year results in the local demand presented in Table 10 of the Appendix.

   Since some taxable sales relate to excess regional capture, a portion of the non-residential supply is also accounted for in this analysis. City statistics reveal that Stockton has a per capita taxable sales rate that is 106% of the statewide per capita rate. In other words, Stockton generates 6% more in taxable sales on a per capita basis than the state on a per capita basis. For that reason, 6% of the Project's total taxable sales supply is assumed to meet excess regional demand and is combined with the local project demand to determine the total taxable sales.

10. Annual fire protection costs are based on the assumption that the Project will be responsible for funding 100% of the cost to operate and maintain both a fire engine company and a fire truck company. Because the City's most recent fire service area analysis considers annual costs on a comprehensive basis, a fire department cost multiplier is not applicable. If a project triggers the need for a new fire station, then the case study method should be used to estimate fire protection costs. The comprehensive approach ensures that, over the range of proposed projects throughout the City, fully 100% of the incremental fire protection costs, conceptually identified in the fire service area analysis, are addressed in the various fiscal impact analyses for each project.

    Pursuant to discussions with Fire Department personnel, both the engine company and the truck company will need to be operational concurrent with the occupation of the first home within the Project (in fiscal year 2010-11). However, negotiations between the Project developer and the Fire Department indicate that a reduced staffing mix will be permitted at the onset of development. Specifically, a total of 33 fire department personnel will be required to provide sufficient fire protection within the Mariposa Lakes Specific Plan area at buildout of the Project. However, the same amount of fire staff is not anticipated to be required at the onset of development. For purposes of this analysis, the following fire staffing needs have been assumed: an 18-person staff will operate the engine and truck companies through buildout of Phase 1A, a 21-person staff will be required through buildout of Phase 1B, a 27-person staff will be required through buildout of Phase 1C, and a 33-person staff will be required beginning in Phase 2 as well as through buildout of the Project.

Chapter 4
FISCAL IMPACT ANALYSIS

CITY REVENUES

Case Study Method

Secured Property Tax

Property taxes are allocated to public agencies and special districts based on the various allocation factors within a TRA. Ten TRAs, 118-057, 118-067, 118-154, 118-064, 118-068, 118-153, 075-028, 096-033, 075-034, and 075-032, cover the Project area. Table 6 in the Appendix identifies the allocation factors for the variety of districts, funds, and agencies for each TRA, after revenues have been shifted to ERAF. For purposes of this analysis, it is assumed that this shift will continue into the future. The property tax allocation of 6.5% of the 1.0% basic property tax is applied to the estimated assessed value created by the Project. Annual secured property tax revenues estimated to flow to the City's General Fund during development and after buildout are shown in Tables 14 and 15 of the Appendix, respectively.

Unsecured Property Tax

Unsecured property includes items such as computers, furniture, machinery, and equipment in non-residential areas and in some home-based businesses. It is also comprised of other types of personal property, including boats and airplanes. Unsecured property taxes are typically calculated as a percentage of secured property taxes based on the historical relationship between the two. Non-residential property tends to generate significantly higher unsecured property taxes than residential property. As Table 7 in the Appendix indicates, unsecured property tax revenues are assumed to be 1.0% of secured property tax revenues for residential property and 10.0% for non-residential property. Tables 14 and 15 of the Appendix present the unsecured tax revenues.

Real Property Transfer Tax

When a residential dwelling unit or non-residential structure is sold within a city, a tax representing a small percentage of the value is generally transferred to a fund to be split between the city and the county in which it resides. As shown in Table 7 of the Appendix, the current rate in Stockton is $1.10 per $1,000 of value, and the City receives 50.0% of the amount generated from real property transfers. Annual real property transfer tax revenues anticipated to flow to the City's General Fund during development and after buildout are presented in Tables 14 and 15 of the Appendix, respectively.

Sales and Use Tax

Several methodologies can be used to estimate taxable sales. One method measures taxable sales based on the supply of commercial retail square footage. Under this approach, a taxable sales per square foot estimate is multiplied by the total commercial retail square footage planned in the project. Another approach looks at the demand side of the equation. Under that approach, household income, percentage of household income spent on taxable goods and services, and a taxable sales capture rate for the City are estimated to determine taxable sales. Often, as is the case here, a combination of both approaches is utilized.

Table 9 of the Appendix presents the demand side assumptions and calculations. Estimates related to household income and percentage of household income spent on taxable sales are used to determine the taxable sales from residential land uses depicted in Table 10 of the Appendix. As mentioned above, though, this fiscal analysis also considers the supply side of the equation.

The supply side approach, which simply counts taxable sales where point-of-sale transactions occur, is not considered entirely appropriate since there is evidence to suggest that proposed retail development throughout the City far exceeds demand created by proposed residential development. Of course, a significant portion of the taxable sales captured by the commercial retail square footage developed in the Project will be generated by new residential development that occurs in the Project. The industry standard for development projects of this type is approximately $250 per square foot of commercial retail use. Business/Professional and industrial uses are assumed to produce only minimal taxable sales (from a few point-of-sale businesses operating out of office space), and are estimated to be $5 per square foot for both uses. These assumptions are presented in Table 7 of the Appendix. To avoid double-counting taxable sales, however, only a certain portion of the non-residential taxable sales are included in the fiscal analysis. Only that portion of non-residential taxable sales that relates to regional demand (estimated to be 6%, as described in Chapter 3) is accounted for in Table 10 of the Appendix.

In addition to the 1.0% local sales tax, the City also receives a portion of the County's and State's pooled revenues. When a sale cannot be identified with a permanent place of business in this state, the local sales tax is allocated to the local jurisdictions through countywide or statewide pools. Accordingly, certain sellers are authorized to report their local sales tax either on a countywide or statewide basis. These may include auctioneers, construction contractors making sales of fixtures, catering trucks, itinerant vendors, vending machine operators, and other permit holders who operate in more than one local jurisdiction but are unable to readily allocate taxable transactions to particular jurisdictions. Use tax is also allocated through a countywide pool. Examples of taxpayers who report use tax allocated through the countywide pool include out-of-state sellers who ship goods directly to consumers in the state from a stock of goods located outside the state, and California sellers who ship goods directly to consumers in the state from a stock of goods located outside of the state. The countywide pools are prorated, first among the cities and the unincorporated area of each county using the proportion that the identified tax for each city and unincorporated area of a county bears to the total identified for the county as a whole. Next, the combined total of the direct sales tax allocation and the prorated countywide pool amount is used to allocate the statewide pool amount to each city and county.

Based on data from the State Board of Equalization, the City of Stockton's share of revenues from these pooled funds is approximately 11.8% of its local sales tax revenue. This factor is presented in Table 7 of the Appendix. It is assumed that this percentage will continue to be received in the future; therefore, these revenues are incorporated into the analysis as shown in Tables 14 and 15 of the Appendix.

Measure W Sales Tax

Measure W is a voter-approved 0.25% tax on all taxable transactions within the City. The 0.25% Measure W add-on is included in the fiscal analysis since it funds public safety services. As a result, the overall revenues presented in Tables 14 and 15 in the Appendix integrate the additional sales tax revenues accruing from this tax.

Public Safety Sales Tax

Proposition 172 created a one-half cent sales tax for local public safety. A figure of 3.3% is used to calculate the percentage of public safety sales tax revenue accruing to the City, as shown in Table 7 of the Appendix.

Vehicle License Fees and Property Tax In-Lieu of Vehicle License Fees

Vehicle license fee ("VLF") revenue was formerly determined on a per-capita basis. The November 2004 election and the passage of Proposition 1A enacted a constitutional amendment that introduced the property tax for VLF swap, which results in a new methodology to calculate property taxes in-lieu of VLF. Under the new law, the VLF backfill from the state general fund used to supplement taxpayer VLF revenues is eliminated and replaced with a like amount of property taxes dollar-for-dollar. In subsequent years after the 2004-05 base year, the property tax in-lieu of VLF amount grows in proportion to the growth rate of gross assessed valuation in the city or county, rather than in proportion to population, as previously used to determine VLF. The change in allocation also results in a small amount of remaining VLF that will continue to be allocated to cities based on population.

The City's property tax in-lieu of VLF ("PTILVLF") and remaining VLF allocation for 2007-08 are shown in Table 7 of the Appendix. The same table also shows the City's net assessed value for the 2007-08 tax roll, which can be used in combination with the City's PTILVLF to determine the PTILVLF as a percentage of net assessed value. Although the new law specifies that the assessed value of an area during its first year of annexation shall be ignored for purposes of calculating growth in the City's PTILVLF revenues, the fiscal analysis assumes that the nominal assessed value of the undeveloped land and the minimal projected growth, if any, in assessed valuation during the first year after annexation are expected to have an insignificant impact on the City's future PTILVLF revenues.

The PTILVLF allocated to the City was calculated by increasing the City's 2007-08 PTILVLF in proportion to the increase in the City's assessed value from the Project. The amount of remaining VLF ($6.22 per capita) is applied to the cumulative number of residents generated by the Project and is also included in this analysis. Total remaining VLF and PTILVLF are presented in Tables 14 and 15 of the Appendix.

Multiplier Method

Of the fourteen revenue sources itemized in the fiscal analysis, seven are calculated using the multiplier method. These multipliers are applied to the appropriate residents, employees, or persons served estimate for each calculation.

- Other taxes include utility users, franchise, and transient occupancy taxes. Since a hotel is not planned for development in the Project, no transient occupancy tax revenue will be generated within the Project. Therefore, only utility users and franchise taxes make use of the multiplier method. A utility user tax is levied against all non-public users of gas, electric, water, telephone, and cable television services. Beginning in fiscal year 2006-07, the City approved a one-percent reduction in the utility user tax. Accounting for the reduction, a 6.0% utility user tax is used to derive future fiscal impacts related to future development in the Project. The utility user tax is calculated on a persons served basis. Franchise taxes are levied on companies that receive the privilege of using public property such as utility poles, lines, and public land in order to transport electricity, cable television, gas and more. Franchise tax revenues relate to residential and non-residential land uses; therefore, a persons served factor is used to estimate these additional revenues generated for the City.

- Street and curb permits, police permits, and other licenses and permits are all based on persons served, business licenses are based strictly on employees, and animal licenses are based solely on residents.

- Fines, forfeitures, and penalties are based on persons served considering both residents and businesses generate various fee and fine revenues.

- Other revenues include cost recovery allocations as well as a wide variety of refunds and reimbursements for costs incurred by the City's General Fund that are the legal responsibility of a private party or other separate entity. The amount of other revenue generated in the City is based on the number of persons served.

- Revenue from other agencies is calculated on a persons served basis.

- Charges for current services relate to both residents and employees; therefore, an average cost per person served is used to determine additional revenue in this category.

- Gas tax revenues are based on the number of residents within the City.

CITY EXPENSES

<u>Case Study Method</u>

Park Maintenance

Since <u>*all*</u> parks in the Project are expected to be privately-maintained through a homeowners association, there is assumed to be no impact on the City's General Fund from park maintenance responsibilities.

Active Open Space/Landscaping Maintenance

Similar to park maintenance, <u>*all*</u> open space/landscaping maintenance responsibilities are proposed to fall on the homeowners association. Because the residents of the Project will cover any active open space/landscaping costs through their monthly dues, there is no impact on the City's General Fund.

Road Maintenance

The homeowners association will also fund a portion of the cost related to street maintenance; however, the Project is expected to consist of approximately 20.9 arterial road miles that will be maintained by the City. The total cost related to maintenance of these streets is comprised of pavement, curb, gutter, and sidewalk maintenance (for City street tree damage repair only), streetlight maintenance and energy, and traffic signal maintenance and energy components. Table 11 in the Appendix presents the estimated maintenance costs per road mile/lane mile.

Fire Department

As mentioned in Chapter 3, a fire service area analysis that covers the City's numerous proposed projects estimated overall service requirements. The analysis indicated that the Project must fully fund operation and maintenance costs associated with both an engine company and a truck company. Table 11 shows the estimated annual costs to operate and maintain both companies. These costs are used to calculate the additional expenses for fire protection that can be expected to affect the General Fund due to development of the Project.

Due to limited roadway access to the Project, Fire Department personnel have requested that both the fire engine company and the fire truck company be operational concurrent with the occupation of the first home within the Project in order to comply with the City's general plan standard fire service. At buildout, a 33-person staff will be required to provide sufficient fire protection within the Mariposa Lakes Specific Plan area. However, Fire Department personnel have agreed to a reduced staffing mix at the onset of development. For purposes of this analysis, the following fire staffing needs have been assumed: an 18-person staff will operate the engine and truck companies through buildout of Phase 1A, a 21-person staff will be required through buildout of Phase 1B, a 27-person staff will be required through buildout of Phase 1C, and a 33-person staff will be required beginning in Phase 2 and through buildout of the Project.

Multiplier Method

Of the eleven expense categories, eight are calculated using the multiplier method and two utilize both the case study and the multiplier methods. These multipliers are applied to the appropriate residents, employees, or persons served estimate for each category.

- The general government category is calculated with a persons served estimate. This category includes the city attorney, city auditor, city clerk, City Council, city manager, as well as the administrative services and human resources departments.

- Office of economic development expenses are estimated on a persons served basis.

- The library services category is solely comprised of a transfer from the General Fund to the Library Fund. The General Fund transfer is used to offset costs associated with the City library system. These expenses are estimated using a per-resident multiplier.

- Other post-employment benefits relate to the City's set-aside for future obligations, primarily retiree health care costs, tied to its current employees. These expenses are estimated on a persons served basis.

- Non-departmental expenses (for example, Communication and Outreach team costs) include expenses that are citywide and not solely related to any one department. These expenses are estimated on a persons served basis.

- The parks and recreation department's administration unit provides administrative leadership and clerical support required to plan, direct, and coordinate the entire department. This expense category also includes a transfer from the General Fund to the Recreation Fund, which is used to subsidize recreation programs provided by the City. The portion of the Parks and Street Trees budget that is not accounted for by the case study method (street tree maintenance), and the entire Public Art budget, are also included. These expenses are estimated using a per-resident multiplier.

- The police department's budget consists of administration, field services, investigation, support services, and telecommunication divisions. The field services and investigation budgets are adjusted to reflect the preferred officer standard, and the overall budget is revised to account for the full-year cost associated with new officers expected to be added during the fiscal year. Police department expenses are estimated using a persons served multiplier.

- The public works department includes department administration, engineering, and central building maintenance, the portion of operation and maintenance unrelated to road maintenance. As discussed above, an HOA will fund a portion of the street and other public works-related maintenance costs. Public works expenses are increased to eliminate any further deferred maintenance associated with City facility, IT, fleet, and equipment maintenance, and are calculated using a persons served multiplier.

- Because Measure W revenues are included in the fiscal analysis, the expenditures funded by such revenues are also included. As Table 13 of the Appendix illustrates, Measure W revenues offset fire and police department expenses. While the police department multiplier, estimated using persons served, is incorporated into the analysis, the fire department multiplier is not applicable, as the case study method fully addresses fire protection costs.

Chapter 5
CONCLUSIONS

Upon the proposed annexation, the City will provide the vast majority of public services to the Project. The City's General Fund is the primary discretionary fund that will be impacted by new development in the Project and, as a result, is the main fund estimated in this study. Impacts on the Measure W Fund are also measured but are analyzed in the overall context of the General Fund.

ANNUAL NET FISCAL IMPACTS DURING DEVELOPMENT

Over the initial eighteen years of development, a deficit is generated due to the public services required to serve the Project. The cost of services associated with fire station engine and truck companies needed when development begins is the main reason for the deficit, with the first year cost of just those fire protection services totaling approximately $3.6 million. The annual deficit peaks in the fifth year of development at $4.3 million, as additional fire service staffing is needed to serve the Project, and averages $2.3 million during the first eighteen years of development. A Community Facilities District (CFD), fiscal shortfall fee, and master developer advances, as described in Chapter 6, are proposed to mitigate these interim fiscal deficits.

Beginning in the nineteenth year of development and continuing through buildout, the Project is expected to provide fiscal surpluses in every year. It is expected to generate $26.9 million in annual revenues and $26.8 million in annual expenses (2008 $) after buildout.

ANNUAL NET FISCAL IMPACTS AFTER BUILDOUT

Vehicle license fee and property taxes in-lieu of vehicle license fees are the largest single source of projected City revenues, accounting for approximately 30.3% of the total. The second largest source of revenue comes from other taxes (such as utility users and franchise taxes), which represent approximately 18.9% of all revenue. As shown in Table 15 of the Appendix, total revenue generated by the Project after buildout is estimated to be $26.9 million in 2008 dollars.

Development plans for the Project will increase operation and maintenance costs for the City as the City meets the demands of the increased population. Table 15 in the Appendix delineates the impact the development would have on the City's General Fund after buildout, which is estimated to be $26.8 million annually in 2008 dollars. The largest expense category is the police department, accounting for approximately 43.5% of the total General Fund expenditures related to the Project. Buildout costs for the fire department, which total approximately 24.4% of the total General Fund expenditures, represent the second largest expense.

The projected revenues and expenses after buildout result in an annual surplus of approximately $142,000 to the City's General Fund, which is equal to an average of $13 per residential dwelling unit. This limited surplus indicates that the Project is effectively fiscally neutral to the City.

Chapter 6

FUNDING SOURCES TO MITIGATE FISCAL DEFICITS

DESCRIPTION OF FUNDING SOURCES

As noted above, the City is expected to experience annual net fiscal deficits during a majority of the development horizon. Various financing options are available to fund the ongoing maintenance and service costs of new development that exceed the City's General Fund revenues collected from new development. The three selected for the Mariposa Lakes Specific Plan include a CFD, a fiscal shortfall fee, and master developer advances; each of these techniques is briefly described below.

Community Facilities Districts

The Mello-Roos Community Facilities Act (the "Act") [Section 53311 et seq., of the Government Code] was enacted by the California State Legislature in 1982 to provide an alternate means of financing public infrastructure and services subsequent to the passage of Proposition 13 in 1978. The Act complies with Proposition 13, as well as the more-recently passed Proposition 218, and permits cities, counties, and special districts to create defined areas within their jurisdiction and, by a two-thirds vote within the defined area, impose special taxes to pay for the public improvements and services needed to serve that area. The Act defines the area subject to a special tax as a CFD.

CFDs can fund a variety of public services, including, but not limited to, police and fire protection, recreation and library services, park and open space maintenance, maintenance of flood and storm drainage facilities, and road maintenance and street lighting (effective January 2008), because the special tax is not subject to a special benefit or nexus requirement.

Fiscal Shortfall Fee

The fiscal shortfall fee mechanism uses the results from a fiscal impact analysis to determine a one-time fee levied on each residential unit at building permit issuance to directly fund public services or to reimburse the Project's developers who have advanced funds for public services. There is no general law covering the concept of fiscal shortfall fees and no specific statutory provisions for adopting fiscal shortfall fee requirements. The most common way to implement a fiscal shortfall fee is to have it incorporated into a development agreement executed under Government Code Section 65864, et seq. Use of a development agreement will ensure that the fee is not interpreted as a general or special tax, and that it will be excluded from the definition of development fees under Section 66000, et seq. (AB 1600), of the Government Code.

Master Developer Advances

Combining special tax and fiscal shortfall fee revenue still leaves a fiscal gap during the first five years of development. Direct funding contributions to the City from the Project's master developer during the first five years that the Project is underway will be required. Master developer advances would be included as a provision in the development agreement.

ESTIMATE OF ANNUAL AND ONE-TIME BURDENS BY LAND USE

Annual Burdens

A CFD within the Project area is proposed to partly mitigate the fiscal deficits created by development. An annual special tax for services is proposed on both developed residential property and developed non-residential property. The proposed maximum annual services special tax rates are shown below in Table 6.1.

Table 6.1
Proposed Maximum Annual Services Special Tax Rates
For Fiscal Year 2008-09

Land Use	**Proposed Maximum Annual Services Special Tax Rates***	
Residential		
Village Residential Estates	$1,240	*per Unit*
Village Low Density Residential	$1,000	*per Unit*
Village Medium Density Residential	$610	*per Unit*
Village High Density Residential	$430	*per Unit*
Non-Residential		
Commercial Retail	$0.30	*per Building Square Foot*
Business/Professional	$0.20	*per Building Square Foot*
Industrial	$0.10	*per Building Square Foot*

** Increases 2% per year.*

As shown in Table 16 of the Appendix, special tax revenue from developed property (e.g., residential and non-residential land uses for which a building permit has been issued) is estimated to reduce the timeframe of fiscal deficit from eighteen years (with no special tax levy) to eight years. Annual fiscal deficits, in 2008 dollars, also decrease, resulting in a maximum deficit of $3.4 million in the first year of development to a minimum deficit of $0.2 million in the eighth year of development. With the CFD, cumulative deficits amount to $15.9 million spanning eight years, compared $41.8 million over eighteen years without the CFD.

It should be noted that once maximum special tax revenues exceed the net fiscal deficit (prior to the special tax levy), the special tax would only be levied to the extent required to mitigate the estimated annual deficit. Finally, once revenues exceed expenses and a deficit no longer exists, in this case starting in fiscal year 2028-29, the special tax will no longer be required to be levied on development within the Project area.

<u>One-Time Burdens</u>

Even with a levy of the proposed annual special tax, another funding mechanism will be necessary to mitigate impacts from future development within the Project. The proposed fiscal shortfall fee for each residential land use is presented in Table 17 of the Appendix and is summarized below in Table 6.2.

Table 6.2
Proposed Fiscal Shortfall Fee

Residential Land Use	Proposed Fiscal Shortfall Fee
Village Residential Estates	$4,250 *per Unit*
Village Low Density Residential	$3,450 *per Unit*
Village Medium Density Residential	$2,080 *per Unit*
Village High Density Residential	$1,480 *per Unit*

As shown in Table 17 of the Appendix, a combination of fiscal shortfall fee revenue and master developer advances to the fiscal shortfall fee fund is projected to fully mitigate all impacts associated with future development within the Project. The Project's developers are expected to advance fund approximately $7.6 million during the early stages of development and be reimbursed from future fiscal shortfall fee revenues. The fiscal shortfall fee will continue to be collected from new residential development until the Project's developers have been fully reimbursed, which is anticipated to occur in the twelfth year of development.

APPENDIX

FISCAL IMPACT ANALYSIS TABLES

Table 1
Mariposa Lakes
Fiscal Impact Analysis
General Assumptions

Year of Study	**2008**
Constant Dollar Analysis (2008 $)	
Inflation Assumptions	
Annual Inflation Rate	3%
Annual Property Appreciation Rate	4%
Annual Property Tax Escalation Rate (Legislated)	2%
City of Stockton Statistics	
2008 Estimated Number of Residents (as of Jan. 1)	296,929
2008 Estimated Number of Jobs	94,371
2008 Estimated Persons Served (Residents + 50% of Employees)	344,115

Sources: California Department of Finance; SJCOG; Goodwin Consulting Group, Inc. *5/9/2008*

Table 2
Mariposa Lakes
Fiscal Impact Analysis
Land Use, Demographic, and Related Assumptions

Residential	*Net Acres* [1]	*Density (Units per Acre)*	*Units*	*Persons per Household*	*Population*	*Estimated Value per Unit*	*Total Estimated Value*	*Annual Turnover Rate*
Village Residential Estates (VRE)	47.2	1.02	48	3.50	168	$1,150,000	$55,200,000	10.0%
Village Low Density Residential (VLDR)	620.6	6.75	4,192	3.25	13,624	$545,000	$2,284,640,000	10.0%
Village Medium Density Residential (VMDR)	380.1	12.75	4,845	3.15	15,238	$420,000	$2,034,900,000	10.0%
Village High Density Residential (VHDR) [2]	50.4	29.31	1,477	2.80	4,136	$265,000	$391,405,000	5.0%
Total Residential	1,098.3		10,562		33,165		$4,766,145,000	

Non-Residential and Other	*Net Acres* [1]	*F.A.R.*	*Building Sq. Ft.*	*Sq. Ft. per Employee*	*Employees*	*Estimated Value per Sq. Ft.*	*Total Estimated Value*	*Annual Turnover Rate*
Commercial Retail	92.7	0.25	1,009,503	500	2,019	$250	$252,375,750	5.0%
Business/Professional	57.3	0.30	748,796	250	2,995	$210	$157,247,244	5.0%
Industrial	644.6	0.40	11,231,510	1,250	8,986	$150	$1,684,726,560	5.0%
	794.6		12,989,810		14,000		$2,094,349,554	
Parks [3]	N/A							
Roads								
Arterial Road Miles	20.9 miles							
Arterial Lane Miles	46.0 miles							
Open Space [3]	N/A							
Lakes [3]	N/A							

[1] Excludes land devoted to major road and infrastructure rights-of-way, but includes internal roads.
[2] VHDR units include 150 units in the Austin Road Town Center; however, the acreage associated with these units is included in the commercial retail land use category. The estimated value of the VHDR units represents a weighted average of the value of for sale units and for rent units.
[3] All parks, open space, and lakes are expected to be privately maintained.

Sources: City of Stockton; PCCP Mariposa Lakes, LLC; Goodwin Consulting Group, Inc. *5/9/2008*

Table 3
Mariposa Lakes
Fiscal Impact Analysis
Annual Development Assumptions

Project Year:	***1***	***2***	***3***	***4***	***5***	***6***	***7***	***8***	***9***	***10***	***11***	***12***
Fiscal Year:	***2008-2009***	***2009-2010***	***2010-2011***	***2011-2012***	***2012-2013***	***2013-2014***	***2014-2015***	***2015-2016***	***2016-2017***	***2017-2018***	***2018-2019***	***2019-2020***
Residential Development												
Units												
VRE			3	3		5				9		
VLDR			150	200	250	250	275	275	275	225	175	175
VMDR			200	250	250	250	275	275	325	275	250	250
VHDR						124	100	150	100	107	75	100
Total Residential Development	0	0	353	453	500	629	650	700	700	616	500	525
Non-Residential Development												
Acres												
Commercial Retail							10.0	20.0	10.0	10.0	13.0	
Business/Professional							10.0		15.0		12.0	
Industrial							50.0	100.0	100.0		100.0	
Total Non-Residential Development	0.0	0.0	0.0	0.0	0.0	0.0	70.0	120.0	125.0	10.0	125.0	0.0
Sq. Ft.												
Commercial Retail							108,900	217,800	108,900	108,900	141,570	
Business/Professional							130,680		196,020		156,816	
Industrial							871,200	1,742,400	1,742,400		1,742,400	
Total Non-Residential Development	0	0	0	0	0	0	1,110,780	1,960,200	2,047,320	108,900	2,040,786	0
Resident Population	0	0	1,127	1,447	1,599	1,963	2,039	2,179	2,196	1,927	1,565	1,635
Employee Population	0	0	0	0	0	0	1,437	1,830	2,396	218	2,304	0
Persons Served (Residents + 50% of Employees)	0	0	1,127	1,447	1,599	1,963	2,757	3,094	3,394	2,036	2,717	1,635
Maintenance Area Components												
Roads												
Arterial Road Miles			1.6	1.4	1.4	0.8	1.1	1.1	1.2	1.3	1.1	1.2
Arterial Lane Miles			3.2	2.8	2.8	1.6	3.4	3.2	3.4	3.6	2.2	2.4

Sources: PCCP Mariposa Lakes, LLC;
Goodwin Consulting Group, Inc.

Table 3
Mariposa Lakes
Fiscal Impact Analysis
Annual Development Assumptions

Project Year:	***13***	***14***	***15***	***16***	***17***	***18***	***19***	***20***	***21***	***22***	***23***	
Fiscal Year:	***2020-2021***	***2021-2022***	***2022-2023***	***2023-2024***	***2024-2025***	***2025-2026***	***2026-2027***	***2027-2028***	***2028-2029***	***2029-2030***	***2030-2031***	***Total***
Residential Development												
Units												
VRE		11							17			48
VLDR	225	225	206	200	200	175	175	150	200	186		4,192
VMDR	250	250	300	300	300	295	275	275				4,845
VHDR	100	75	100	100	75	100	100	71				1,477
Total Residential Development	575	561	606	600	575	570	550	496	217	186	0	10,562
Non-Residential Development												
Acres												
Commercial Retail		10.0		9.7		10.0						92.7
Business/Professional		10.0			10.3							57.3
Industrial	100.0		100.0		50.0		44.6					644.6
Total Non-Residential Development	100.0	20.0	100.0	9.7	60.3	10.0	44.6	0.0	0.0	0.0	0.0	794.6
Sq. Ft.												
Commercial Retail		108,900		105,633		108,900						1,009,503
Business/Professional		130,680			134,600							748,796
Industrial	1,742,400		1,742,400		871,200		777,110					11,231,510
Total Non-Residential Development	1,742,400	239,580	1,742,400	105,633	1,005,800	108,900	777,110	0	0	0	0	12,989,810
Resident Population	1,798	1,766	1,893	1,874	1,804	1,777	1,714	1,551	710	605	0	33,165
Employee Population	1,394	741	1,394	211	1,235	218	622	0	0	0	0	14,000
Persons Served (Residents + 50% of Employees)	2,495	2,137	2,590	1,979	2,421	1,886	2,025	1,551	710	605	0	40,165
Maintenance Area Components												
Roads												
Arterial Road Miles	1.2	1.1	1.2	1.0	1.0	0.9	0.8	0.8	0.4	0.3		20.9
Arterial Lane Miles	2.4	2.2	2.4	2.0	2.0	1.8	1.6	1.6	0.8	0.6		46.0

Sources: PCCP Mariposa Lakes, LLC;
Goodwin Consulting Group, Inc.

Table 4
Mariposa Lakes
Fiscal Impact Analysis
Cumulative Development Assumptions

Project Year:	*1*	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*	*12*
Fiscal Year:	*2008-2009*	*2009-2010*	*2010-2011*	*2011-2012*	*2012-2013*	*2013-2014*	*2014-2015*	*2015-2016*	*2016-2017*	*2017-2018*	*2018-2019*	*2019-2020*
Residential Development												
Units												
VRE	0	0	3	6	6	11	11	11	11	20	20	20
VLDR	0	0	150	350	600	850	1,125	1,400	1,675	1,900	2,075	2,250
VMDR	0	0	200	450	700	950	1,225	1,500	1,825	2,100	2,350	2,600
VHDR	0	0	0	0	0	124	224	374	474	581	656	756
Total Residential Development	0	0	353	806	1,306	1,935	2,585	3,285	3,985	4,601	5,101	5,626
Non-Residential Development												
Acres												
Commercial Retail	0.0	0.0	0.0	0.0	0.0	0.0	10.0	30.0	40.0	50.0	63.0	63.0
Business/Professional	0.0	0.0	0.0	0.0	0.0	0.0	10.0	10.0	25.0	25.0	37.0	37.0
Industrial	0.0	0.0	0.0	0.0	0.0	0.0	50.0	150.0	250.0	250.0	350.0	350.0
Total Non-Residential Development	0.0	0.0	0.0	0.0	0.0	0.0	70.0	190.0	315.0	325.0	450.0	450.0
Sq. Ft.												
Commercial Retail	0	0	0	0	0	0	108,900	326,700	435,600	544,500	686,070	686,070
Business/Professional	0	0	0	0	0	0	130,680	130,680	326,700	326,700	483,516	483,516
Industrial	0	0	0	0	0	0	871,200	2,613,600	4,356,000	4,356,000	6,098,400	6,098,400
Total Non-Residential Development	0	0	0	0	0	0	1,110,780	3,070,980	5,118,300	5,227,200	7,267,986	7,267,986
Resident Population	0	0	1,127	2,574	4,173	6,136	8,175	10,353	12,549	14,476	16,041	17,676
Employee Population	0	0	0	0	0	0	1,437	3,267	5,663	5,881	8,185	8,185
Persons Served (Residents + 50% of Employees)	0	0	1,127	2,574	4,173	6,136	8,893	11,987	15,381	17,417	20,134	21,769
Maintenance Area Components												
Roads												
Arterial Road Miles	0.0	0.0	1.6	3.0	4.4	5.2	6.3	7.4	8.6	9.9	11.0	12.2
Arterial Lane Miles	0.0	0.0	3.2	6.0	8.8	10.4	13.8	17.0	20.4	24.0	26.2	28.6

Source: Goodwin Consulting Group, Inc.

Table 4
Mariposa Lakes
Fiscal Impact Analysis
Cumulative Development Assumptions

Project Year:	*13*	*14*	*15*	*16*	*17*	*18*	*19*	*20*	*21*	*22*	*23*
Fiscal Year:	*2020-2021*	*2021-2022*	*2022-2023*	*2023-2024*	*2024-2025*	*2025-2026*	*2026-2027*	*2027-2028*	*2028-2029*	*2029-2030*	*2030-2031*
Residential Development											
Units											
VRE	20	31	31	31	31	31	31	31	48	48	48
VLDR	2,475	2,700	2,906	3,106	3,306	3,481	3,656	3,806	4,006	4,192	4,192
VMDR	2,850	3,100	3,400	3,700	4,000	4,295	4,570	4,845	4,845	4,845	4,845
VHDR	856	931	1,031	1,131	1,206	1,306	1,406	1,477	1,477	1,477	1,477
Total Residential Development	6,201	6,762	7,368	7,968	8,543	9,113	9,663	10,159	10,376	10,562	10,562
Non-Residential Development											
Acres											
Commercial Retail	63.0	73.0	73.0	82.7	82.7	92.7	92.7	92.7	92.7	92.7	92.7
Business/Professional	37.0	47.0	47.0	47.0	57.3	57.3	57.3	57.3	57.3	57.3	57.3
Industrial	450.0	450.0	550.0	550.0	600.0	600.0	644.6	644.6	644.6	644.6	644.6
Total Non-Residential Development	550.0	570.0	670.0	679.7	740.0	750.0	794.6	794.6	794.6	794.6	794.6
Sq. Ft.											
Commercial Retail	686,070	794,970	794,970	900,603	900,603	1,009,503	1,009,503	1,009,503	1,009,503	1,009,503	1,009,503
Business/Professional	483,516	614,196	614,196	614,196	748,796	748,796	748,796	748,796	748,796	748,796	748,796
Industrial	7,840,800	7,840,800	9,583,200	9,583,200	10,454,400	10,454,400	11,231,510	11,231,510	11,231,510	11,231,510	11,231,510
Total Non-Residential Development	9,010,386	9,249,966	10,992,366	11,097,999	12,103,799	12,212,699	12,989,810	12,989,810	12,989,810	12,989,810	12,989,810
Resident Population	19,474	21,240	23,133	25,006	26,810	28,586	30,300	31,851	32,561	33,165	33,165
Employee Population	9,579	10,320	11,714	11,925	13,160	13,378	14,000	14,000	14,000	14,000	14,000
Persons Served (Residents + 50% of Employees)	24,263	26,400	28,990	30,969	33,390	35,275	37,300	38,851	39,561	40,165	40,165
Maintenance Area Components											
Roads											
Arterial Road Miles	13.4	14.5	15.7	16.7	17.7	18.6	19.4	20.2	20.6	20.9	20.9
Arterial Lane Miles	31.0	33.2	35.6	37.6	39.6	41.4	43.0	44.6	45.4	46.0	46.0

Table 5
Mariposa Lakes
Fiscal Impact Analysis
Assessed Valuation Calculation

Project Year:	***1***	***2***	***3***	***4***	***5***	***6***	***7***	***8***	***9***	***10***	***11***	***12***
Fiscal Year:	***2008-2009***	***2009-2010***	***2010-2011***	***2011-2012***	***2012-2013***	***2013-2014***	***2014-2015***	***2015-2016***	***2016-2017***	***2017-2018***	***2018-2019***	***2019-2020***
Residential Development												
VRE	$0	$0	$3,551,464	$7,109,824	$7,060,869	$13,117,455	$13,044,607	$12,992,821	$12,959,935	$24,343,933	$24,254,735	$24,200,070
VLDR	$0	$0	$84,154,260	$196,795,690	$338,409,433	$480,645,254	$638,309,610	$797,059,935	$957,112,336	$1,088,649,933	$1,191,503,793	$1,296,031,383
VMDR	$0	$0	$86,470,432	$194,936,256	$303,771,794	$413,161,929	$534,509,382	$656,754,250	$802,964,768	$927,293,937	$1,041,326,334	$1,156,835,938
VHDR	$0	$0	$0	$0	$0	$34,821,241	$62,871,261	$105,298,681	$133,375,777	$163,625,775	$184,600,475	$213,186,041
Total Residential Development	$0	$0	$174,176,156	$398,841,770	$649,242,096	$941,745,879	$1,248,734,860	$1,572,105,686	$1,906,412,816	$2,203,913,578	$2,441,685,338	$2,690,253,432
Non-Residential Development												
Commercial Retail	$0	$0	$0	$0	$0	$0	$29,130,014	$87,701,139	$116,660,337	$145,735,397	$184,035,146	$182,766,099
Business/Professional	$0	$0	$0	$0	$0	$0	$29,363,054	$29,106,484	$73,783,468	$73,192,094	$109,296,524	$108,524,656
Industrial	$0	$0	$0	$0	$0	$0	$139,824,066	$420,965,466	$702,521,896	$696,900,300	$982,628,431	$975,794,585
Total Non-Residential Development	$0	$0	$0	$0	$0	$0	$198,317,134	$537,773,088	$892,965,700	$915,827,791	$1,275,960,101	$1,267,085,341
Total	$0	$0	$174,176,156	$398,841,770	$649,242,096	$941,745,879	$1,447,051,994	$2,109,878,774	$2,799,378,516	$3,119,741,369	$3,717,645,438	$3,957,338,772

Source: Goodwin Consulting Group, Inc.

Table 5
Mariposa Lakes
Fiscal Impact Analysis
Assessed Valuation Calculation

Project Year:	***13***	***14***	***15***	***16***	***17***	***18***	***19***	***20***	***21***	***22***	***23***
Fiscal Year:	***2020-2021***	***2021-2022***	***2022-2023***	***2023-2024***	***2024-2025***	***2025-2026***	***2026-2027***	***2027-2028***	***2028-2029***	***2029-2030***	***2030-2031***
Residential Development											
VRE	$24,176,425	$38,662,922	$38,579,785	$38,545,698	$38,555,716	$38,605,435	$38,690,934	$38,808,721	$62,903,466	$62,890,850	$62,945,891
VLDR	$1,433,176,496	$1,572,147,104	$1,701,073,579	$1,828,179,555	$1,957,339,953	$2,072,397,109	$2,189,586,002	$2,292,398,788	$2,430,735,533	$2,561,837,490	$2,568,586,255
VMDR	$1,273,911,319	$1,392,634,951	$1,537,359,011	$1,683,927,857	$1,832,454,369	$1,980,544,679	$2,120,698,283	$2,263,075,606	$2,266,258,700	$2,271,515,720	$2,278,644,648
VHDR	$241,964,678	$263,373,268	$292,667,894	$322,209,959	$344,211,428	$374,374,730	$404,834,420	$426,285,399	$425,011,951	$424,046,664	$423,373,548
Total Residential Development	$2,973,228,917	$3,266,818,244	$3,569,680,270	$3,872,863,071	$4,172,561,467	$4,465,921,952	$4,753,809,638	$5,020,568,515	$5,184,909,650	$5,320,290,724	$5,333,550,341
Non-Residential Development											
Commercial Retail	$181,665,707	$211,893,214	$210,831,089	$240,766,570	$239,774,720	$271,366,908	$270,457,221	$269,748,608	$269,230,590	$268,893,323	$268,727,558
Business/Professional	$107,853,850	$138,696,332	$137,937,112	$137,295,232	$170,076,361	$169,359,725	$168,776,363	$168,319,266	$167,981,845	$167,757,912	$167,641,653
Industrial	$1,266,202,974	$1,258,537,841	$1,554,101,238	$1,545,952,127	$1,693,108,025	$1,686,138,469	$1,820,543,012	$1,814,917,580	$1,810,617,470	$1,807,573,826	$1,805,721,962
Total Non-Residential Development	$1,555,722,530	$1,609,127,387	$1,902,869,439	$1,924,013,930	$2,102,959,107	$2,126,865,101	$2,259,776,596	$2,252,985,453	$2,247,829,905	$2,244,225,061	$2,242,091,174
Total	$4,528,951,447	$4,875,945,631	$5,472,549,708	$5,796,877,000	$6,275,520,574	$6,592,787,053	$7,013,586,234	$7,273,553,968	$7,432,739,555	$7,564,515,785	$7,575,641,515

Source: Goodwin Consulting Group, Inc.

Table 6

Mariposa Lakes

Fiscal Impact Analysis

Property Tax Allocation Assumptions

		Property Tax Allocation pre-Annexation										Property Tax Allocation post-Annexation [1]	
Property Tax Fund	**Tax Rate Area:**	118-057 466.00 ac.	118-067 408.06 ac.	118-154 33.06 ac.	118-064 1,508.66 ac.	118-068 165.49 ac.	118-153 245.67 ac.	075-028 475.17 ac.	096-033 158.48 ac.	075-034 330.86 ac.	075-032 0.31 ac.	**Weighted Average**	**City of Stockton 20.0%**	**County of San Joaquin 80.0%**
County General		0.22613	0.20509	0.20687	0.22646	0.21635	0.20455	0.23870	0.23755	0.23848	0.21641	0.22513	0.04503	0.18011
Road District No. 2		0.04200	0.03890	0.03911	0.04201	0.03890	0.03889	0.04430	0.04412	0.04429	0.04006	0.04188	0.00838	0.03351
County Library		0.01825	0.01659	0.01668	0.01825	0.01658	0.01662	0.01924	0.01917	0.01924	0.01742	0.01813	0.00363	0.01450
Stockton Unified Schools		0.32780	0.29796	0.29958	0.32781	0.29716	0.29790					0.23766		
Linden Unified Schools									0.29768			0.01244		
Escalon Unified Schools								0.29492		0.29491	0.26817	0.06271		
SJ Delta Community College		0.04061	0.03691	0.03711	0.04060	0.03691	0.03690	0.04282	0.04265	0.04282	0.03840	0.04033		
SJ County Office of Education		0.01100	0.01045	0.00984	0.01067		0.01095	0.01726	0.01742	0.01750	0.01344	0.01193		
Collegeville Rural Fire		0.02365			0.02365			0.02494	0.02484	0.02494		0.01866	0.00373	0.01493
Montezuma Fire			0.10399	0.10456		0.10400	0.10397				0.10949	0.02339	0.00468	0.01871
SJ County Flood Control		0.00178	0.00162	0.00163	0.00178	0.00163	0.00162	0.00188	0.00187	0.00188	0.00133	0.00177		
SJ County Flood Control - Zone No. 9		0.00367	0.00333	0.00335	0.00366	0.00334	0.00334	0.00386	0.00385	0.00387	0.00324	0.00364		
SJ County Mosquito Abatement		0.00799	0.00727	0.00730	0.00799	0.00725	0.00726	0.00843	0.00839	0.00843	0.00730	0.00794		
Central San Joaquin Water Cons.		0.00595	0.00541		0.00595	0.00542		0.00627	0.00625	0.00627	0.00539	0.00551		
Stockton East Water District							0.00548					0.00036		
SJ Regional Transit District		0.00553	0.00503	0.00505	0.00553	0.00501	0.00504					0.00401		
E.R.A.F. [2]		0.28565	0.26747	0.26893	0.28565	0.26747	0.26747	0.29739	0.29623	0.29739	0.27936	0.28451		
Total		**1.00000**	**1.00000**	**1.00000**	**1.00000**	**1.00000**	**1.00000**	**1.00000**	**1.00000**	**1.00000**	**1.00000**	**1.000000**	**0.06544**	**0.26175**
Property Tax Redistributed to the City of Stockton's General Fund													**0.06544**	

[1] The Property Tax Sharing Agreement between the City of Stockton and the County of San Joaquin provides that the City will receive 20% of the property tax increment currently allocated to County General, Road District No. 2, County Library, Collegeville Rural Fire, and Montezuma Fire, while the County will retain the remaining 80% upon annexation.

[2] The reallocation of property taxes away from counties, cities, and other agencies to the Education Revenue Augmentation Fund (ERAF) is based on certain formulas; the allocations to the various funds shown in the table represent allocations after ERAF reduction factors were applied.

Sources: San Joaquin County Auditor's Office; City of Stockton; Goodwin Consulting Group, Inc.

Table 7
Mariposa Lakes
Fiscal Impact Analysis
Revenue Assumptions (Case Study Method)

Secured Property Tax	
Stockton's Allocation of Secured Property Tax Revenue	6.54%
Unsecured Property Tax	
Unsecured Property Tax as a Percentage of Residential Secured Property Tax	1.00%
Unsecured Property Tax as a Percentage of Non-Residential Secured Property Tax	10.00%
Real Property Transfer Tax	
Real Property Transfer Tax Revenue per $1,000 of Property Value Transferred	$1.10
Stockton's Allocation of Real Property Transfer Tax Revenue	50.00%
Sales and Use Tax	
Basic Sales Tax Rate *(includes property tax in-lieu of sales tax)*	1.00%
Stockton's Allocation of Countywide and Statewide Pooled Sales Tax Revenue as a Percentage of Basic Sales Tax Revenue	11.76%
Measure W Sales Tax Rate	0.25%
Proposition 172	
Public Safety Sales Tax Revenue as a Percentage of Basic Sales Tax Revenue	50.00%
Stockton's Allocation of Public Safety Sales Tax Revenue	3.26%
Taxable Sales per Improved Square Foot	
Commercial Retail	$250
Business/Professional	$5
Industrial	$5
Vehicle License Fees (VLF) and Property Tax In-Lieu of VLF (PTILVLF)	
City of Stockton: 2007-08 Net Assessed Value	$21,727,998,334
City of Stockton: 2007-08 PTILVLF	$22,762,941
PTILVLF as a Percentage of Net Assessed Value	0.10%
City of Stockton: 2007-08 Real VLF Allocation	$1,847,895
City of Stockton: 2008 Resident Population	296,929
Real VLF per New Resident	$6.22

Sources: City of Stockton; San Joaquin County Recorder's Office; State Board of Equalization; Goodwin Consulting Group, Inc.

5/9/2008

Table 8
Mariposa Lakes
Fiscal Impact Analysis
Revenue Assumptions (Multiplier Method)

General Fund Revenue Categories

Other Taxes

Utility Users Tax	$32,439,200
Franchises	$11,212,000
Hotel/Motel Tax	N/A
Total Revenue	$43,651,200
Average Revenue per Person Served	**$126.85**

Licenses and Permits

Police Department Permits	$274,859
Other Licenses and Permits	$3,890
Total Revenue	$278,749
Average Revenue per Person Served	**$0.81**
Business Licenses	$11,000,000
Average Revenue per Employee	**$116.56**
Animal Licenses	$85,000
Average Revenue per Resident	**$0.29**

Fines and Forfeitures

Traffic and Parking Fines	$2,423,641
Vehicle Code Fines	$507,000
DUI Emergency Recovery	$11,146
Criminal Fines	$50,000
Misc. Fines and Penalties	$906,277
Total Revenue	$3,898,064
Average Revenue per Person Served	**$11.33**

Other Revenue

Refunds and Reimbursements	$3,327,720
Sale/Disposition of Property	$10,500
Cost Recovery	$5,736,899
Miscellaneous Revenues	($23,400)
Total Revenue	$9,051,719
Average Revenue per Person Served	**$26.30**

Revenue from Other Agencies

Homeowners Exemption	N/A
Post Reimbursement	$140,000
Other Revenue	$116,245
Total Revenue	$256,245
Average Revenue per Person Served	**$0.74**

Charges for Current Services

General Government	$425,623
Public Safety [1]	$2,601,874
Physical Environment	$1,225,261
Planning, Building, and Housing	$410,250
Cultural and Recreational	$5,000
Other Charges for Services	$217,500
Total Revenue	$4,885,508
Average Revenue per Person Served	**$14.20**

Gas Tax

Total Revenue	$5,458,500
Average Revenue per Resident	**$18.38**

[1] Pursuant to discussions with City staff, the total revenue from Public Safety services is reduced by $4,697,800. The reduced amount is equal to the portion of public safety revenues related to fire protection contracts, which are not expected to increase proportionately with development.

Sources: City of Stockton; City of Stockton 2007-08 Budget; Goodwin Consulting Group, Inc.

5/9/2008

Table 9

Mariposa Lakes

Fiscal Impact Analysis

Household Income and Taxable Expenditure Calculations

Residential Land Uses	Assessed Value	Annual Payments [1]	Estimated HH Income	Taxable Sales as a % of HH Income	Taxable Sales per Household
For-Sale					
VRE	$1,150,000	$101,773	$291,000	19.0%	$55,290
VLDR	$545,000	$48,232	$138,000	24.4%	$33,672
VMDR	$420,000	$37,169	$106,000	25.6%	$27,136
VHDR	$265,000	$23,452	$67,000	31.9%	$21,373

Term of Loan	30 yrs.
Interest on Mortgage	7.00%
Down Payment	15%
Tax and Insurance Payments as a % of Assessed Value	2.00%
Annual Payments as a % of HH Income	35%

[1] Annual payments include mortgage principal and interest, tax, and insurance (PITI).

Sources: Bureau of Labor Statistics; Goodwin Consulting Group, Inc. *5/9/2008*

Table 10
Mariposa Lakes
Fiscal Impact Analysis
Taxable Sales

		Project Year: ***Fiscal Year:***	***1*** ***2008-2009***	***2*** ***2009-2010***	***3*** ***2010-2011***	***4*** ***2011-2012***	***5*** ***2012-2013***	***6*** ***2013-2014***	***7*** ***2014-2015***	***8*** ***2015-2016***	***9*** ***2016-2017***	***10*** ***2017-2018***	***11*** ***2018-2019***	***12*** ***2019-2020***
Residential Development	*Taxable Sales per Household*												
VRE	$55,290		$0	$0	$165,870	$331,740	$331,740	$608,190	$608,190	$608,190	$608,190	$1,105,800	$1,105,800	$1,105,800
VLDR	$33,672		$0	$0	$5,050,800	$11,785,200	$20,203,200	$28,621,200	$37,881,000	$47,140,800	$56,400,600	$63,976,800	$69,869,400	$75,762,000
VMDR	$27,136		$0	$0	$5,427,200	$12,211,200	$18,995,200	$25,779,200	$33,241,600	$40,704,000	$49,523,200	$56,985,600	$63,769,600	$70,553,600
VHDR	$21,373		$0	$0	$0	$0	$0	$2,650,252	$4,787,552	$7,993,502	$10,130,802	$12,417,713	$14,020,688	$16,157,988
Subtotal - Residential Development			$0	$0	$10,643,870	$24,328,140	$39,530,140	$57,658,842	$76,518,342	$96,446,492	$116,662,792	$134,485,913	$148,765,488	$163,579,388
(A) Local Demand (i.e., taxable sales inside the City of Stockton) [1]			$0	$0	$8,727,973	$19,949,075	$32,414,715	$47,280,250	$62,745,040	$79,086,123	$95,663,489	$110,278,449	$121,987,700	$134,135,098
Non-Residential Development														
Commercial Retail			$0	$0	$0	$0	$0	$0	$27,225,000	$81,675,000	$108,900,000	$136,125,000	$171,517,500	$171,517,500
Business/Professional			$0	$0	$0	$0	$0	$0	$653,400	$653,400	$1,633,500	$1,633,500	$2,417,580	$2,417,580
Industrial			$0	$0	$0	$0	$0	$0	$4,356,000	$13,068,000	$21,780,000	$21,780,000	$30,492,000	$30,492,000
Subtotal - Non-Residential Development			$0	$0	$0	$0	$0	$0	$32,234,400	$95,396,400	$132,313,500	$159,538,500	$204,427,080	$204,427,080
(B) Of the Project's Total Supply, the Amount Serving Regional Demand [2]			$0	$0	$0	$0	$0	$0	$1,934,064	$5,723,784	$7,938,810	$9,572,310	$12,265,625	$12,265,625
Total Taxable Sales *(A + B)*			**$0**	**$0**	**$8,727,973**	**$19,949,075**	**$32,414,715**	**$47,280,250**	**$64,679,104**	**$84,809,907**	**$103,602,299**	**$119,850,759**	**$134,253,325**	**$146,400,723**

[1] Assumes an 82% capture rate.
[2] Assumes a 6% capture rate.

Sources: City of Stockton; Goodwin Consulting Group, Inc.

Table 10

Mariposa Lakes

Fiscal Impact Analysis

Taxable Sales

		Project Year: ***Fiscal Year:***	***13*** ***2020-2021***	***14*** ***2021-2022***	***15*** ***2022-2023***	***16*** ***2023-2024***	***17*** ***2024-2025***	***18*** ***2025-2026***	***19*** ***2026-2027***	***20*** ***2027-2028***	***21*** ***2028-2029***	***22*** ***2029-2030***	***23*** ***2030-2031***
	Residential Development	*Taxable Sales per Household*											
	VRE	$55,290	$1,105,800	$1,713,990	$1,713,990	$1,713,990	$1,713,990	$1,713,990	$1,713,990	$1,713,990	$2,653,920	$2,653,920	$2,653,920
	VLDR	$33,672	$83,338,200	$90,914,400	$97,850,832	$104,585,232	$111,319,632	$117,212,232	$123,104,832	$128,155,632	$134,890,032	$141,153,024	$141,153,024
	VMDR	$27,136	$77,337,600	$84,121,600	$92,262,400	$100,403,200	$108,544,000	$116,549,120	$124,011,520	$131,473,920	$131,473,920	$131,473,920	$131,473,920
	VHDR	$21,373	$18,295,288	$19,898,263	$22,035,563	$24,172,863	$25,775,838	$27,913,138	$30,050,438	$31,567,921	$31,567,921	$31,567,921	$31,567,921
	Subtotal - Residential Development		$180,076,888	$196,648,253	$213,862,785	$230,875,285	$247,353,460	$263,388,480	$278,880,780	$292,911,463	$300,585,793	$306,848,785	$306,848,785
(A)	Local Demand (i.e., taxable sales inside the City of Stockton) [1]		$147,663,048	$161,251,567	$175,367,484	$189,317,734	$202,829,837	$215,978,554	$228,682,240	$240,187,400	$246,480,350	$251,616,004	$251,616,004
	Non-Residential Development												
	Commercial Retail		$171,517,500	$198,742,500	$198,742,500	$225,150,750	$225,150,750	$252,375,750	$252,375,750	$252,375,750	$252,375,750	$252,375,750	$252,375,750
	Business/Professional		$2,417,580	$3,070,980	$3,070,980	$3,070,980	$3,743,982	$3,743,982	$3,743,982	$3,743,982	$3,743,982	$3,743,982	$3,743,982
	Industrial		$39,204,000	$39,204,000	$47,916,000	$47,916,000	$52,272,000	$52,272,000	$56,157,552	$56,157,552	$56,157,552	$56,157,552	$56,157,552
	Subtotal - Non-Residential Development		$213,139,080	$241,017,480	$249,729,480	$276,137,730	$281,166,732	$308,391,732	$312,277,284	$312,277,284	$312,277,284	$312,277,284	$312,277,284
(B)	Of the Project's Total Supply, the Amount Serving Regional Demand [2]		$12,788,345	$14,461,049	$14,983,769	$16,568,264	$16,870,004	$18,503,504	$18,736,637	$18,736,637	$18,736,637	$18,736,637	$18,736,637
	Total Taxable Sales *(A + B)*		**$160,451,393**	**$175,712,616**	**$190,351,253**	**$205,885,998**	**$219,699,841**	**$234,482,058**	**$247,418,877**	**$258,924,037**	**$265,216,987**	**$270,352,641**	**$270,352,641**

[1] Assumes an 82% capture rate.
[2] Assumes a 6% capture rate.

Sources: City of Stockton; Goodwin Consulting Group, Inc.

Table 11
Mariposa Lakes
Fiscal Impact Analysis
Expense Assumptions (Case Study Method)

Park Maintenance			**HOA-Funded**
Neighborhood Park [1]	$11,100	per acre	Yes
Community Park [1]	$14,700	per acre	Yes
Regional Park [1]	$11,000	per acre	N/A
Active Open Space/Landscaping Maintenance			
Active Open Space/Landscaping Maintenance [1]	$14,700	per acre	Yes
Road Maintenance			
Pavement			
Local Streets	$12,000	per lane mile	Yes
Arterial Streets	$12,000	per lane mile	No
Curb, Gutter, and Sidewalk *(City Street Tree Damage Repair Only)* [2]			
Local Streets	$5,500	per road mile	Yes
Arterial Streets	$6,300	per road mile	No
Streetlight Maintenance and Energy [2]			
Local Streets	$3,500	per road mile	Yes
Arterial Streets	$7,000	per road mile	No
Traffic Signal Maintenance and Energy	$2,000	per road mile	No

Fire Station Cost Assumptions		
Engine Company	$3,040,000	per engine company
Truck Company	$3,480,000	per truck company
Total MLSP Cost	**$6,520,000**	
Total Positions	**33**	
Net Average Station Cost per Position	**$197,576**	

Station Costs

Development Phase	# of Positions Required [3]	Total Cost
Phase 1A (0 thru 1,414 units)	18	$3,556,000
Phase 1B (1,415 thru 2,206 units)	21	$4,149,000
Phase 1C (2,207 thru 4,298 units)	27	$5,335,000
Remaining Phases	33	$6,520,000

[1] Includes capital replacement costs.
[2] Arterial street maintenance costs include costs required to maintain the median (e.g., median curbs and median lighting).
[3] Pursuant to agreement with the City regarding fire staffing needs.

Sources: City of Stockton; Goodwin Consulting Group, Inc. *5/9/2008*

Table 12
Mariposa Lakes
Fiscal Impact Analysis
Expense Assumptions (Multiplier Method)

General Fund Expenditure Categories

General Government

City Attorney	$1,441,025
City Auditor	$683,222
City Clerk	$1,050,974
City Council	$652,914
City Manager	$1,586,333
Subtotal Expense	$5,414,468
Gross Expense per Person Served	$15.73
Services Impacted by New Growth [1]	84.5%
Net Expense per Person Served	$13.30
Administrative Services	$3,334,648
Human Resources	$2,488,858
Subtotal Expense	$5,823,506
Average Expense per Person Served	$16.92
Net Expense per Person Served	**$30.22**

Fire Department

Administration	$3,431,593
Fire Suppression/Rescue	$39,922,128
Hydrant Division	$173,238
Training	$879,331
Telecommunications	$1,216,237
Total Expense	$45,622,527
Net Expense per Person Served [2]	**N/A**

Office of Economic Development

Total Expense (Economic Development)	$850,609
Net Expense per Person Served	**$2.47**

Library Services

General Fund Transfer to Library Fund	$7,033,487
Net Expense per Resident	**$23.69**

Other Post-Employment Benefits (OPEB)

Total Expense (OPEB) [3]	$7,001,386
Net Expense per Person Served	**$20.35**

Non-Departmental

Total Expense (Non-Departmental)	$3,301,520
Net Expense per Person Served	**$9.59**

Parks & Recreation Department

Administration	$1,401,171
Parks and Street Trees [4]	$2,206,806
Public Art	$131,916
General Fund Transfer to Recreation Fund	$7,147,616
Total Expense	$10,887,509
Net Expense per Resident	**$36.67**

Police Department

Administration	$7,349,204
Field Services [5]	$60,771,949
Investigations [5]	$17,706,177
Support Services	$5,925,744
Telecommunications	$6,997,983
Subtotal Expense	$98,751,057
Additional Police Costs for New Officers [6]	$1,000,000
Total Expense	$99,751,057
Net Expense per Person Served	**$289.88**

Public Works Department

Administration	$229,150
Engineering	$1,298,867
Operation and Maintenance [7]	$1,740,601
Central Building Maintenance	$2,785,557
Subtotal Expense	$6,054,175
Additional City Facility Maintenance Expense [8]	$11,000,000
Additional IT, Fleet, and Equipment Maintenance Expense [8]	$5,000,000
Subtotal Additional Expense	$16,000,000
Total Expense	$22,054,175
Net Expense per Person Served	**$64.09**

[1] Pursuant to discussions with City staff, it is estimated that 15.5% of the activities under the General Government expense category will not grow significantly, if at all, due to new development.
[2] Not applicable to any new project. If a project triggers the need for a new fire station, then the case study method should be used to estimate fire protection costs. Pursuant to discussions with City staff, fire protection costs are reduced by $4,697,800. The reduced amount relates to costs incurred as a result of existing fire protection contracts, which are not expected to increase proportionately with development.
[3] Pursuant to discussions with City staff, it is estimated that 10% of the General Fund salary base needs to be set aside for the City's OPEB obligations related to active employees.
[4] Excludes park maintenance costs, which are calculated using the case study method.
[5] These costs have been escalated by 2.7%, which represents the increase to the preferred police service standard of 1.50 officers per 1,000 residents from the current standard of 1.46 officers per 1,000 residents.
[6] Reflects the full-year cost associated with the 16 new police officers who were phased in during FY 2007-08.
[7] Excludes road maintenance costs, which are calculated using the case study method.
[8] Reflects the annual amount required to maintain various city facilities without increasing the deferred maintenance for Stockton.

Sources: City of Stockton; City of Stockton 2007-08 Budget; Goodwin Consulting Group, Inc.

5/9/2008

Table 13

Mariposa Lakes

Fiscal Impact Analysis

Expense Assumptions (Multiplier Method) - Measure W

Measure W Expenditure Categories	
Fire Department	
Employee Services	$4,202,061
Other Services	$321,321
Total Expense	$4,523,382
Net Expense per Person Served [1]	**N/A**
Police Department	
Employee Services	$4,488,536
Other Services	$796,562
Materials and Supplies	$73,450
Other Expenses	$46,000
Total Expense	$5,404,548
Net Expense per Person Served	**$15.71**

[1] Not applicable to any new project. If a project triggers the need for a new fire station, then the case study method should be used to estimate fire protection costs.

Sources: City of Stockton; City of Stockton 2007-08 Budget; Goodwin Consulting Group, Inc. *5/9/2008*

Table 14
Mariposa Lakes
Fiscal Impact Analysis
Annual Fiscal Impacts

Project Year:	***1***	***2***	***3***	***4***	***5***	***6***	***7***	***8***	***9***	***10***	***11***	***12***
Fiscal Year:	***2008-2009***	***2009-2010***	***2010-2011***	***2011-2012***	***2012-2013***	***2013-2014***	***2014-2015***	***2015-2016***	***2016-2017***	***2017-2018***	***2018-2019***	***2019-2020***
REVENUES												
General Fund and Measure W Revenues												
Property Tax: Secured	$0	$0	$113,976	$260,992	$424,847	$616,254	$946,913	$1,380,650	$1,831,841	$2,041,478	$2,432,731	$2,589,580
Property Tax: Unsecured	$0	$0	$1,140	$2,610	$4,248	$6,163	$21,149	$45,478	$70,908	$74,351	$99,473	$100,519
Real Property Transfer Tax	$0	$0	$95,797	$133,983	$161,573	$199,706	$333,292	$443,984	$487,895	$315,668	$486,029	$314,393
Sales and Use Tax	$0	$0	$97,544	$222,951	$362,268	$528,406	$722,856	$947,838	$1,157,863	$1,339,456	$1,500,419	$1,636,179
Measure W Sales Tax	$0	$0	$21,820	$49,873	$81,037	$118,201	$161,698	$212,025	$259,006	$299,627	$335,633	$366,002
Prop. 172 Sales Tax	$0	$0	$1,423	$3,252	$5,284	$7,707	$10,543	$13,824	$16,887	$19,536	$21,883	$23,863
VLF and Property Tax In-Lieu of VLF	$0	$0	$189,486	$433,857	$706,134	$1,024,789	$1,566,851	$2,274,808	$3,010,815	$3,358,431	$3,994,554	$4,255,840
Other Taxes	$0	$0	$142,961	$326,482	$529,285	$778,350	$1,128,094	$1,520,522	$1,951,038	$2,209,335	$2,553,989	$2,761,390
Licenses and Permits	$0	$0	$1,236	$2,822	$4,574	$6,727	$177,042	$393,479	$676,138	$703,749	$974,955	$976,748
Fines and Forfeitures	$0	$0	$12,766	$29,155	$47,265	$69,507	$100,739	$135,783	$174,228	$197,294	$228,072	$246,593
Other Revenue	$0	$0	$29,645	$67,701	$109,755	$161,402	$233,927	$315,303	$404,577	$458,138	$529,607	$572,615
Revenue from Other Agencies	$0	$0	$839	$1,917	$3,107	$4,569	$6,622	$8,926	$11,453	$12,969	$14,993	$16,210
Charges for Current Services	$0	$0	$16,000	$36,540	$59,238	$87,114	$126,258	$170,179	$218,363	$247,272	$285,846	$309,059
Gas Tax	$0	$0	$20,718	$47,314	$76,704	$112,798	$150,275	$190,325	$230,692	$266,120	$294,890	$324,947
Subtotal	$0	$0	$745,351	$1,619,447	$2,575,320	$3,721,692	$5,686,258	$8,053,124	$10,501,704	$11,543,426	$13,753,075	$14,493,936
EXPENSES												
General Fund and Measure W Expenses												
General Government	$0	$0	($34,057)	($77,776)	($126,088)	($185,421)	($268,738)	($362,224)	($464,783)	($526,315)	($608,420)	($657,827)
Fire Department	$0	$0	($3,556,000)	($3,556,000)	($3,556,000)	($4,149,000)	($5,335,000)	($5,335,000)	($5,335,000)	($6,520,000)	($6,520,000)	($6,520,000)
Office of Economic Development	$0	$0	($2,786)	($6,362)	($10,314)	($15,167)	($21,983)	($29,630)	($38,019)	($43,052)	($49,768)	($53,810)
Library Services	$0	$0	($26,696)	($60,966)	($98,836)	($145,345)	($193,635)	($245,241)	($297,255)	($342,906)	($379,977)	($418,706)
Other Post-Employment Benefits	$0	$0	($22,930)	($52,366)	($84,894)	($124,843)	($180,939)	($243,883)	($312,935)	($354,364)	($409,644)	($442,910)
Non-Departmental	$0	$0	($10,813)	($24,693)	($40,032)	($58,870)	($85,322)	($115,003)	($147,565)	($167,101)	($193,169)	($208,855)
Parks & Recreation Department	$0	$0	($41,324)	($94,372)	($152,993)	($224,987)	($299,738)	($379,621)	($460,137)	($530,803)	($588,187)	($648,138)
Police Department	$0	$0	($326,692)	($746,072)	($1,209,514)	($1,778,674)	($2,577,903)	($3,474,675)	($4,458,483)	($5,048,739)	($5,836,336)	($6,310,286)
Public Works Department	$0	$0	($135,109)	($282,851)	($440,334)	($597,611)	($831,944)	($1,085,443)	($1,362,116)	($1,555,706)	($1,773,068)	($1,925,015)
Measure W: Fire Department	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Measure W: Police Department	$0	$0	($17,700)	($40,422)	($65,532)	($96,369)	($139,672)	($188,259)	($241,562)	($273,542)	($316,215)	($341,894)
Subtotal	$0	$0	($4,174,106)	($4,941,879)	($5,784,537)	($7,376,287)	($9,934,873)	($11,458,979)	($13,117,855)	($15,362,529)	($16,674,784)	($17,527,440)
Net Fiscal Impact	**$0**	**$0**	**($3,428,755)**	**($3,322,432)**	**($3,209,217)**	**($3,654,595)**	**($4,248,615)**	**($3,405,855)**	**($2,616,151)**	**($3,819,104)**	**($2,921,709)**	**($3,033,504)**
Cumulative Fiscal Impact	**$0**	**$0**	**($3,428,755)**	**($6,751,187)**	**($9,960,404)**	**($13,614,999)**	**($17,863,614)**	**($21,269,469)**	**($23,885,620)**	**($27,704,723)**	**($30,626,432)**	**($33,659,936)**

Source: Goodwin Consulting Group, Inc.

Table 14
Mariposa Lakes
Fiscal Impact Analysis
Annual Fiscal Impacts

Project Year:	***13***	***14***	***15***	***16***	***17***	***18***	***19***	***20***	***21***	***22***	***23***
Fiscal Year:	***2020-2021***	***2021-2022***	***2022-2023***	***2023-2024***	***2024-2025***	***2025-2026***	***2026-2027***	***2027-2028***	***2028-2029***	***2029-2030***	***2030-2031***
REVENUES											
General Fund and Measure W Revenues											
Property Tax: Secured	$2,963,628	$3,190,692	$3,581,095	$3,793,326	$4,106,538	$4,314,149	$4,589,509	$4,759,625	$4,863,792	$4,950,023	$4,957,303
Property Tax: Unsecured	$121,258	$126,674	$147,878	$151,245	$164,916	$168,400	$178,982	$180,283	$181,021	$181,671	$181,618
Real Property Transfer Tax	$510,747	$412,748	$568,748	$445,879	$548,770	$483,165	$557,610	$487,111	$447,664	$442,452	$385,282
Sales and Use Tax	$1,793,210	$1,963,770	$2,127,372	$2,300,989	$2,455,372	$2,620,579	$2,765,161	$2,893,743	$2,964,074	$3,021,470	$3,021,470
Measure W Sales Tax	$401,128	$439,282	$475,878	$514,715	$549,250	$586,205	$618,547	$647,310	$663,042	$675,882	$675,882
Prop. 172 Sales Tax	$26,154	$28,641	$31,027	$33,559	$35,811	$38,221	$40,329	$42,205	$43,230	$44,067	$44,067
VLF and Property Tax In-Lieu of VLF	$4,865,866	$5,240,378	$5,877,181	$6,228,616	$6,741,282	$7,084,716	$7,536,223	$7,818,227	$7,989,410	$8,131,225	$8,142,881
Other Taxes	$3,077,819	$3,348,836	$3,677,379	$3,928,417	$4,235,523	$4,474,703	$4,731,529	$4,928,296	$5,018,297	$5,094,978	$5,094,978
Licenses and Permits	$1,141,769	$1,230,377	$1,395,503	$1,422,237	$1,568,668	$1,596,114	$1,670,746	$1,672,446	$1,673,224	$1,673,887	$1,673,887
Fines and Forfeitures	$274,850	$299,052	$328,391	$350,809	$378,233	$399,592	$422,527	$440,098	$448,135	$454,983	$454,983
Other Revenue	$638,231	$694,430	$762,559	$814,615	$878,298	$927,896	$981,152	$1,021,955	$1,040,618	$1,056,519	$1,056,519
Revenue from Other Agencies	$18,068	$19,659	$21,587	$23,061	$24,864	$26,268	$27,775	$28,931	$29,459	$29,909	$29,909
Charges for Current Services	$344,474	$374,807	$411,578	$439,674	$474,046	$500,816	$529,560	$551,582	$561,655	$570,238	$570,238
Gas Tax	$357,990	$390,455	$425,254	$459,695	$492,849	$525,508	$557,010	$585,525	$598,568	$609,681	$609,681
Subtotal	$16,535,193	$17,759,801	$19,831,431	$20,906,838	$22,654,420	$23,746,332	$25,206,660	$26,057,338	$26,522,190	$26,936,985	$26,898,698
EXPENSES											
General Fund and Measure W Expenses											
General Government	($733,208)	($797,771)	($876,037)	($935,840)	($1,009,000)	($1,065,978)	($1,127,160)	($1,174,035)	($1,195,475)	($1,213,742)	($1,213,742)
Fire Department	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)	($6,520,000)
Office of Economic Development	($59,976)	($65,257)	($71,659)	($76,551)	($82,536)	($87,196)	($92,201)	($96,035)	($97,789)	($99,283)	($99,283)
Library Services	($461,284)	($503,116)	($547,957)	($592,335)	($635,055)	($677,137)	($717,728)	($754,472)	($771,278)	($785,597)	($785,597)
Other Post-Employment Benefits	($493,663)	($537,133)	($589,829)	($630,094)	($679,352)	($717,715)	($758,908)	($790,469)	($804,904)	($817,203)	($817,203)
Non-Departmental	($232,788)	($253,286)	($278,135)	($297,122)	($320,350)	($338,440)	($357,865)	($372,747)	($379,554)	($385,354)	($385,354)
Parks & Recreation Department	($714,047)	($778,801)	($848,211)	($916,907)	($983,036)	($1,048,176)	($1,111,010)	($1,167,887)	($1,193,902)	($1,216,067)	($1,216,067)
Police Department	($7,033,385)	($7,652,708)	($8,403,491)	($8,977,159)	($9,678,952)	($10,225,524)	($10,812,417)	($11,262,068)	($11,467,736)	($11,642,967)	($11,642,967)
Public Works Department	($2,132,046)	($2,312,204)	($2,525,356)	($2,691,489)	($2,885,950)	($3,042,163)	($3,203,360)	($3,334,215)	($3,395,406)	($3,445,938)	($3,445,938)
Measure W: Fire Department	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Measure W: Police Department	($381,071)	($414,626)	($455,304)	($486,386)	($524,409)	($554,023)	($585,821)	($610,183)	($621,326)	($630,820)	($630,820)
Subtotal	($18,761,469)	($19,834,903)	($21,115,981)	($22,123,884)	($23,318,641)	($24,276,352)	($25,286,470)	($26,082,109)	($26,447,371)	($26,756,972)	($26,756,972)
Net Fiscal Impact	**($2,226,276)**	**($2,075,101)**	**($1,284,550)**	**($1,217,046)**	**($664,221)**	**($530,020)**	**($79,810)**	**($24,772)**	**$74,820**	**$180,012**	**$141,725**
Cumulative Fiscal Impact	**($35,886,212)**	**($37,961,313)**	**($39,245,863)**	**($40,462,909)**	**($41,127,130)**	**($41,657,150)**	**($41,736,961)**	**($41,761,733)**	**($41,686,913)**	**($41,506,901)**	**($41,365,175)**

Source: Goodwin Consulting Group, Inc.

Table 15

Mariposa Lakes

Fiscal Impact Analysis

Summary of Net Fiscal Impacts after Project Build Out

Revenues/Expenses	***Annual Impacts after Buildout***	***Percent of Total***
REVENUES		
General Fund and Measure W Revenues		
Property Tax: Secured	$4,957,303	18.4%
Property Tax: Unsecured	$181,618	0.7%
Real Property Transfer Tax	$385,282	1.4%
Sales and Use Tax	$3,021,470	11.2%
Measure W Sales Tax	$675,882	2.5%
Prop. 172 Sales Tax	$44,067	0.2%
VLF and Property Tax In-Lieu of VLF	$8,142,881	30.3%
Other Taxes	$5,094,978	18.9%
Licenses and Permits	$1,673,887	6.2%
Fines and Forfeitures	$454,983	1.7%
Other Revenue	$1,056,519	3.9%
Revenue from Other Agencies	$29,909	0.1%
Charges for Current Services	$570,238	2.1%
Gas Tax	$609,681	2.3%
Total Revenue	$26,898,698	100.0%
EXPENSES		
General Fund and Measure W Expenses		
General Government	($1,213,742)	4.5%
Fire Department	($6,520,000)	24.4%
Office of Economic Development	($99,283)	0.4%
Library Services	($785,597)	2.9%
Other Post-Employment Benefits	($817,203)	3.1%
Non-Departmental	($385,354)	1.4%
Parks & Recreation Department	($1,216,067)	4.5%
Police Department	($11,642,967)	43.5%
Public Works Department	($3,445,938)	12.9%
Measure W: Fire Department	$0	--
Measure W: Police Department	($630,820)	2.4%
Total Expense	($26,756,972)	100.0%
Net Fiscal Impact	**$141,725**	
Net Fiscal Impact per Unit	**$13**	

Proposed Annual Special Tax Rates on Developed Property (FY 2008-09)

Residential (per Unit)		
VRE	$1,240	*per unit*
VLDR	$1,000	*per unit*
VMDR	$610	*per unit*
VHDR	$430	*per unit*
Non-Residential (per Building Square Feet)		
Commercial Retail	$0.30	*per SF*
Business/Professional	$0.20	*per SF*
Industrial	$0.10	*per SF*

Source: Goodwin Consulting Group, Inc. *5/9/2008*

Table 16
Mariposa Lakes
Fiscal Impact Analysis
Special Tax Requirements and Revenue Estimates

Project Year: / ***Fiscal Year:***	***1*** ***2008-2009***	***2*** ***2009-2010***	***3*** ***2010-2011***	***4*** ***2011-2012***	***5*** ***2012-2013***	***6*** ***2013-2014***	***7*** ***2014-2015***	***8*** ***2015-2016***	***9*** ***2016-2017***	***10*** ***2017-2018***	***11*** ***2018-2019***	***12*** ***2019-2020***
Net Fiscal Impact	**$0**	**$0**	**($3,428,755)**	**($3,322,432)**	**($3,209,217)**	**($3,654,595)**	**($4,248,615)**	**($3,405,855)**	**($2,616,151)**	**($3,819,104)**	**($2,921,709)**	**($3,033,504)**
Maximum Annual Special Tax Revenue												
(on Developed Property ONLY)												
Residential (per Unit)												
VRE	$0	$0	$0	$3,720	$7,440	$7,440	$13,640	$13,640	$13,640	$13,640	$24,800	$24,800
VLDR	$0	$0	$0	$150,000	$350,000	$600,000	$850,000	$1,125,000	$1,400,000	$1,675,000	$1,900,000	$2,075,000
VMDR	$0	$0	$0	$122,000	$274,500	$427,000	$579,500	$747,250	$915,000	$1,113,250	$1,281,000	$1,433,500
VHDR	$0	$0	$0	$0	$0	$0	$53,320	$96,320	$160,820	$203,820	$249,830	$282,080
Subtotal	$0	$0	$0	$275,720	$631,940	$1,034,440	$1,496,460	$1,982,210	$2,489,460	$3,005,710	$3,455,630	$3,815,380
Non-Residential (per SF)												
Commercial Retail	$0	$0	$0	$0	$0	$0	$0	$32,670	$98,010	$130,680	$163,350	$205,821
Business/Professional	$0	$0	$0	$0	$0	$0	$0	$26,136	$26,136	$65,340	$65,340	$96,703
Industrial	$0	$0	$0	$0	$0	$0	$0	$87,120	$261,360	$435,600	$435,600	$609,840
Subtotal	$0	$0	$0	$0	$0	$0	$0	$145,926	$385,506	$631,620	$664,290	$912,364
Total	**$0**	**$0**	**$0**	**$275,720**	**$631,940**	**$1,034,440**	**$1,496,460**	**$2,128,136**	**$2,874,966**	**$3,637,330**	**$4,119,920**	**$4,727,744**
Estimated Annual Special Tax Revenue												
(on Developed Property ONLY)												
Special Tax Revenue - Residential Property	$0	$0	$0	$275,720	$631,940	$1,034,440	$1,496,460	$1,982,210	$2,489,460	$3,005,710	$2,921,709	$3,033,504
Special Tax Revenue - Non-Residential Property	$0	$0	$0	$0	$0	$0	$0	$145,926	$126,691	$631,620	$0	$0
Net Fiscal Impact	$0	$0	($3,428,755)	($3,322,432)	($3,209,217)	($3,654,595)	($4,248,615)	($3,405,855)	($2,616,151)	($3,819,104)	($2,921,709)	($3,033,504)
Surplus / (Deficit)	$0	$0	($3,428,755)	($3,046,712)	($2,577,277)	($2,620,155)	($2,752,155)	($1,277,719)	$0	($181,774)	$0	$0
Cumulative Surplus / (Deficit)	$0	$0	($3,428,755)	($6,475,467)	($9,052,744)	($11,672,899)	($14,425,054)	($15,702,773)	($15,702,773)	($15,884,546)	($15,884,546)	($15,884,546)

Source: Goodwin Consulting Group, Inc.

Table 16
Mariposa Lakes
Fiscal Impact Analysis
Special Tax Requirements and Revenue Estima

Project Year:	*13*	*14*	*15*	*16*	*17*	*18*	*19*	*20*	*21*	*22*	*23*
Fiscal Year:	*2020-2021*	*2021-2022*	*2022-2023*	*2023-2024*	*2024-2025*	*2025-2026*	*2026-2027*	*2027-2028*	*2028-2029*	*2029-2030*	*2030-2031*
Net Fiscal Impact	**($2,226,276)**	**($2,075,101)**	**($1,284,550)**	**($1,217,046)**	**($664,221)**	**($530,020)**	**($79,810)**	**($24,772)**	**$74,820**	**$180,012**	**$141,725**
Maximum Annual Special Tax Revenue											
(on Developed Property ONLY)											
Residential (per Unit)											
VRE	$24,800	$24,800	$38,440	$38,440	$38,440	$38,440	$38,440	$38,440	$38,440	$59,520	$59,520
VLDR	$2,250,000	$2,475,000	$2,700,000	$2,906,000	$3,106,000	$3,306,000	$3,481,000	$3,656,000	$3,806,000	$4,006,000	$4,192,000
VMDR	$1,586,000	$1,738,500	$1,891,000	$2,074,000	$2,257,000	$2,440,000	$2,619,950	$2,787,700	$2,955,450	$2,955,450	$2,955,450
VHDR	$325,080	$368,080	$400,330	$443,330	$486,330	$518,580	$561,580	$604,580	$635,110	$635,110	$635,110
Subtotal	$4,185,880	$4,606,380	$5,029,770	$5,461,770	$5,887,770	$6,303,020	$6,700,970	$7,086,720	$7,435,000	$7,656,080	$7,842,080
Non-Residential (per SF)											
Commercial Retail	$205,821	$205,821	$238,491	$238,491	$270,181	$270,181	$302,851	$302,851	$302,851	$302,851	$302,851
Business/Professional	$96,703	$96,703	$122,839	$122,839	$122,839	$149,759	$149,759	$149,759	$149,759	$149,759	$149,759
Industrial	$609,840	$784,080	$784,080	$958,320	$958,320	$1,045,440	$1,045,440	$1,123,151	$1,123,151	$1,123,151	$1,123,151
Subtotal	$912,364	$1,086,604	$1,145,410	$1,319,650	$1,351,340	$1,465,380	$1,498,050	$1,575,761	$1,575,761	$1,575,761	$1,575,761
Total	**$5,098,244**	**$5,692,984**	**$6,175,180**	**$6,781,420**	**$7,239,110**	**$7,768,400**	**$8,199,020**	**$8,662,481**	**$9,010,761**	**$9,231,841**	**$9,417,841**
Estimated Annual Special Tax Revenue											
(on Developed Property ONLY)											
Special Tax Revenue - Residential Property	$2,226,276	$2,075,101	$1,284,550	$1,217,046	$664,221	$530,020	$79,810	$24,772	$0	$0	$0
Special Tax Revenue - Non-Residential Property	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Fiscal Impact	($2,226,276)	($2,075,101)	($1,284,550)	($1,217,046)	($664,221)	($530,020)	($79,810)	($24,772)	$0	$0	$0
Surplus / (Deficit)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative Surplus / (Deficit)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)	($15,884,546)

Source: Goodwin Consulting Group, Inc.

5/9/2008

Table 17
Mariposa Lakes
Fiscal Impact Analysis
Revenue and Reimbursement Analysis

	Project Year:	***1***	***2***	***3***	***4***	***5***	***6***	***7***	***8***	***9***	***10***	***11***	***12***
	Fiscal Year:	***2008-2009***	***2009-2010***	***2010-2011***	***2011-2012***	***2012-2013***	***2013-2014***	***2014-2015***	***2015-2016***	***2016-2017***	***2017-2018***	***2018-2019***	***2019-2020***
Net Fiscal Impact		**$0**	**$0**	**($3,428,755)**	**($3,322,432)**	**($3,209,217)**	**($3,654,595)**	**($4,248,615)**	**($3,405,855)**	**($2,616,151)**	**($3,819,104)**	**($2,921,709)**	**($3,033,504)**
Special Tax Revenue		**$0**	**$0**	**$0**	**$275,720**	**$631,940**	**$1,034,440**	**$1,496,460**	**$2,128,136**	**$2,616,151**	**$3,637,330**	**$2,921,709**	**$3,033,504**
Annual Surplus/(Deficit)		**$0**	**$0**	**($3,428,755)**	**($3,046,712)**	**($2,577,277)**	**($2,620,155)**	**($2,752,155)**	**($1,277,719)**	**$0**	**($181,774)**	**$0**	**$0**
Fiscal Shortfall Fee [1]													
VRE Fee	$4,250												
VLDR Fee	$3,450												
VMDR Fee	$2,080												
VHDR Fee	$1,480												
Fiscal Shortfall Fee Revenue													
VRE		$0	$0	$12,750	$12,750	$0	$21,250	$0	$0	$0	$38,250	$0	$0
VLDR		$0	$0	$517,500	$690,000	$862,500	$862,500	$948,750	$948,750	$948,750	$776,250	$603,750	$603,750
VMDR		$0	$0	$416,000	$520,000	$520,000	$520,000	$572,000	$572,000	$676,000	$572,000	$520,000	$520,000
VHDR		$0	$0	$0	$0	$0	$183,520	$148,000	$222,000	$148,000	$158,360	$111,000	$148,000
Total Fiscal Shortfall Fee Revenue		$0	$0	$946,250	$1,222,750	$1,382,500	$1,587,270	$1,668,750	$1,742,750	$1,772,750	$1,544,860	$1,234,750	$1,271,750
Fiscal Shortfall Fee Balance													
Annual Developer Funding [2]		$0	$0	$2,482,505	$1,823,962	$1,194,777	$1,032,885	$1,083,405	$0	$0	$0	$0	$0
Cumulative Developer Funding		$0	$0	$2,482,505	$4,306,467	$5,501,244	$6,534,129	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534
Beginning Shortfall Fee Balance		$0	$0	$2,482,505	$1,823,962	$1,194,777	$1,032,885	$1,083,405	$0	$0	$0	$0	$0
Fiscal Shortfall Fee Revenue		$0	$0	$946,250	$1,222,750	$1,382,500	$1,587,270	$1,668,750	$1,742,750	$1,772,750	$1,544,860	$1,234,750	$1,271,750
Annual Deficit after Special Taxes		$0	$0	($3,428,755)	($3,046,712)	($2,577,277)	($2,620,155)	($2,752,155)	($1,277,719)	$0	($181,774)	$0	$0
Gross Ending Shortfall Fee Balance		$0	$0	$0	$0	$0	$0	$0	$465,031	$1,772,750	$1,363,086	$1,234,750	$1,271,750
Developer Reimbursement		$0	$0	$0	$0	$0	$0	$0	$465,031	$1,772,750	$1,363,086	$1,234,750	$1,271,750
Cumulative Developer Reimbursement		$0	$0	$0	$0	$0	$0	$0	$465,031	$2,237,781	$3,600,867	$4,835,617	$6,107,367
Net Ending Shortfall Fee Balance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

[1] Shortfall fee shall cease to be collected after MLSP developers have been fully reimbursed.
[2] MLSP developers are expected to advance fund the initial shortfall fee balances and be reimbursed from future shortfall fee revenues.

Source: Goodwin Consulting Group, Inc.

Table 17
Mariposa Lakes
Fiscal Impact Analysis
Revenue and Reimbursement Analysis

	Project Year:	***13***	***14***	***15***	***16***	***17***	***18***	***19***	***20***	***21***	***22***	***23***
	Fiscal Year:	***2020-2021***	***2021-2022***	***2022-2023***	***2023-2024***	***2024-2025***	***2025-2026***	***2026-2027***	***2027-2028***	***2028-2029***	***2029-2030***	***2030-2031***
Net Fiscal Impact		**($2,226,276)**	**($2,075,101)**	**($1,284,550)**	**($1,217,046)**	**($664,221)**	**($530,020)**	**($79,810)**	**($24,772)**	**$74,820**	**$180,012**	**$141,725**
Special Tax Revenue		**$2,226,276**	**$2,075,101**	**$1,284,550**	**$1,217,046**	**$664,221**	**$530,020**	**$79,810**	**$24,772**	**$0**	**$0**	**$0**
Annual Surplus/(Deficit)		**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$74,820**	**$180,012**	**$141,725**
Fiscal Shortfall Fee [1]												
VRE Fee	$4,250											
VLDR Fee	$3,450											
VMDR Fee	$2,080											
VHDR Fee	$1,480											
Fiscal Shortfall Fee Revenue												
VRE		$0	$2,119	$0	$0	$0	$0	$0	$0	$0	$0	$0
VLDR		$776,250	$35,191	$0	$0	$0	$0	$0	$0	$0	$0	$0
VMDR		$520,000	$23,574	$0	$0	$0	$0	$0	$0	$0	$0	$0
VHDR		$148,000	$5,032	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Fiscal Shortfall Fee Revenue		$1,444,250	$65,916	$0	$0	$0	$0	$0	$0	$0	$0	$0
Fiscal Shortfall Fee Balance												
Annual Developer Funding [2]		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative Developer Funding		$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534
Beginning Shortfall Fee Balance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Fiscal Shortfall Fee Revenue		$1,444,250	$65,916	$0	$0	$0	$0	$0	$0	$0	$0	$0
Annual Deficit after Special Taxes		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gross Ending Shortfall Fee Balance		$1,444,250	$65,916	$0	$0	$0	$0	$0	$0	$0	$0	$0
Developer Reimbursement		$1,444,250	$65,916	$0	$0	$0	$0	$0	$0	$0	$0	$0
Cumulative Developer Reimbursement		$7,551,617	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534	$7,617,534
Net Ending Shortfall Fee Balance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

[1] Shortfall fee shall cease to be collected after MLSP developers have been fully reimbursed.
[2] MLSP developers are expected to advance fund the initial shortfall fee balances and be reimbursed from future shortfall fee revenues.

Source: Goodwin Consulting Group, Inc.

5/9/2008