SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

LAFCo

509 W. WEBER AVENUE SUITE 420 ☐ STOCKTON, CA 95203

Local Agency Formation Commission Meeting Agenda Thursday, May 12, 2021 9:00 A.M.

In accordance with the Governor's Executive Order N-33-20, and for the period in which the Order remains in effect, the San Joaquin Local Agency Formation Commission's office will be closed to the public.

To accommodate the public during this period of time that the Board's Chambers are closed to the public, the San Joaquin Local Agency Formation Commission has arranged for Commission Members and members of the public to observe and address the meeting virtually.

TO ATTEND:

Join Zoom Meeting:

https://us02web.zoom.us/j/83730835965?pwd=ZjR6VktTenNjcXBDMi9sV3pKQ0Vhdz09

Meeting ID: 837 3083 5965

Passcode: 802358

Dial by phone +1 346 248 7799 US

Note: If you don't have access to a smart device or a computer with a webcam & a mic, you can dial in using the teleconference number and meeting ID above.

Attention Callers: Please mute the call unless speaking.

***To be recognized to speak, please use the "raise hand" or chat feature in Zoom. ***
We have also provided a call-in number, as identified on this Agenda, and encourage you to attend by telephone. ***To be recognized to speak, press *9 to signal the moderator.***

Download Agenda Packet and Materials at: www.sjgov.org/commission/lafco

Call to Order Announce Date and Time of Meeting for the Record Roll Call Pledge of Allegiance

CONSENT ITEMS

1. MEETING MINUTES OF APRIL 14, 2022 (Action by All Members)

PHONE 209-468-3198 FAX 209-468-3199 E-MAIL jglaser@sjgov.org WEB SITE www.sjgov.org/lafco

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Approve Summary Minutes of the regular meeting.

2. OUT-OF-AGENCY SERVICE REOUEST

(Action by Regular Members)

Request from the City of Stockton to provide out-of-agency sewer service outside the City boundary under Government Code §56133 to 5633 E. Main Street in Stockton.

3. DISCUSSION AND POSSIBLE ACTION REGARDING MEETINGS OF THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION UNDER AB 361 USING TELECONFERENCE DURING A PROCLAIMED STATE OF **EMERGENCY**

(Action by All Members)

Consider Resolution to conduct meetings of the San Joaquin Local Agency Formation Commission using teleconferencing pursuant to Government Code 54953 as amended by Assembly Bill 361 for the period May 14, 2022 to June 13, 2022.

CLOSED HEARING

- 4. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7
- 5. Closed Session

Conference with Labor Negotiator Pursuant to Government Code Section 54957.6 Agency Designated Representative: David Breitenbucher / Rod Attebery Unrepresented Employee: Executive Officer James Glaser

6. Open Session Report on Closed Session pursuant to Government Code Section 54957.1

PUBLIC HEARING

- 7. PRELIMINARY BUDGET REPORT FOR THE FISCAL YEAR 2022-2023 (Action by Regular Members) Commission consideration of the Preliminary Budget for Fiscal Year 2022-2023, Work Program and Schedule of Fees.
- 8. DISCUSSION AND POSSIBLE ACTION REGARDING EXECUTIVE OFFICER COMPENSATION.
- 9. HAMMER LANE REORGANIZATION TO THE CITY OF STOCKTON (LAFC 06-22)

(Action by Regular Members)

Request to annex approximately 8.33 acres to the City of Stockton.

PUBLIC COMMENTS

10. Persons wishing to address the Commission on matters not otherwise on the agenda

EXECUTIVE OFFICER COMMENTS

11. Comments from the Executive Officer

COMMISSIONER COMMENTS

12. Comments, Reports, or Questions from the LAFCO Commissioners

ADJOURNMENT

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

AGENDA ITEM NO. 1

LAFCo

44 N SAN JOAQUIN STREET SUITE 374

STOCKTON, CA 95203

SUMMARY MINUTES

April 14, 2022

VIDEO CONFERENCE

Chairman Breitenbucher called the meeting to order at 9:09 a.m.

MEMBERS PRESENT: Commissioner Johnson, Lincoln, Villapudua, Winn, and

Chairman Breitenbucher

MEMBERS ABSENT: None

ALTERNATE MEMBERS

PRESENT: Commissioners Morowit and Patti

ALTERNATE MEMBERS

ABSENT: Commissioner Diallo

OTHERS PRESENT: James E. Glaser, Executive Officer; Rod Attebery, Legal

Counsel; and Elizabeth Contreras, LAFCo Analyst

The Commission held a moment of silence for past Commissioner Mike Maciel who served on the Commission from 2013 to 2016.

CONSENT ITEMS

Commissioner Patti spoke on Consent Item 3 regarding meetings under AB361 using teleconference during a proclaimed State of Emergency. Commissioner Patti said he would be more in favor of striking this protocol and go back to in-person meetings.

Legal Counsel, Rod Attebery advised that the Commission could vote not to continue AB361 and meet in-person only, but it is staff's recommendation for it to remain in place as the State of Emergency still exists and consent to AB361 gives the Commission the flexibility for both virtual and in-person meetings.

Chairman Breitenbucher suggested that the Commission vote on the first two items separately.

A motion was made by Commissioner Johnson and seconded by Commissioner Villapudua to approve Consent Item 1. Summary Minutes of March 3, 2022 and Consent Item 2. Out-of-Agency Service Request for properties located at 2431 S. State Route 99 Frontage Road West, 2312 N Filbert Road, 2294 Waterloo Road, and 3327 S. Odell Avenue in Stockton. The motion passed with a unanimous vote of the Commission.

After further discussion on AB361, Commissioner Johnson made a motion and seconded by Commissioner Patti that the Commission continue AB361 but look to hold in-person meetings beginning with the June 2022 meeting if all indicators are warranted. The motion was passed by a unanimous vote of the Commission.

PUBLIC HEARING

- 4. LIGURIAN VILLAGES AND EASTBROOK ESTATES ANNEXATION TO COUNTY SERVICE AREA 41 AND THE EXPANSION OF THE SPHERE OF INFLUENCE (LAFC 39-21). Request to annex approximately 45.62 acres to County Service Area No. 41 and expansion of the Sphere of Influence
- 5. LIGURIAN VILLAGES AND EASTBROOK ESTATES OUT-OF-AGENCY TO THE CITY OF STOCKTON (LAFC 38-21)

James Glaser, Executive Officer, announced that the Commission will consider Agenda Items 4 and 5 together, however, the Commission will take separate action on each item. The first Agenda Item 4 is the annexation of the Ligurian Villages and Eastbrook Estates to County Service Area 41 for storm drainage and street lighting service and an expansion of the sphere of influence. Agenda Item 5 is a request for Out-of-Agency for sewer service from the City of Stockton for Ligurian Villages and Eastbrook Estates. Since both projects are interrelated both will be presented successively before opening it for public hearing and testimony and then back to the Commission for discussion. Mr. Glaser suggested that the Commission consider the Out-of-Agency first as it may influence the Commission's decision on the annexation request.

Mr. Glaser then presented a PowerPoint presentation providing an overview for each project. The annexation project involves annexation of 45.62 acres to CSA 41 for the development of 236 single family homes. Mr. Glaser indicated that the applicant has agreed to participate in the County Agricultural Mitigation Program and to the County's mitigation measure to reduce impacts on archaeological resources and agrees to these as Conditions of Approval. Mr. Glaser recommends that the Commission approve the annexation with the Conditions of Approval.

The Out-of-Agency project is a request for approval to receive sanitary sewer from the City of Stockton for the Ligurian Villages and Eastbrook Estates. In his presentation, Mr. Glaser, discussed state and commission policies that should be considered by the Commission in its approval for Outof-Agency service. He stressed that the underlying purpose of Government Code Section 56133 is to promote annexation over extension of service and to prevent circumvention of the LAFCo process by providing services by contract instead of through annexation. He pointed out that the Commission's policies also discourage extension of services without annexation but can be considered when annexation is not immediately feasible. He stated that in the past, LAFCo has limited its approvals for existing development usually in response to an existing or impending threat to public health and safety issues. He discussed that LAFCo's most important role is to oversee governmental structure in the County and the Commission's decision should be based on the direction given to LAFCo's by the State. Mr. Glaser provided the Commission with three alternatives for consideration: (1) Annexation to the City of Stockton; (2) CSA 41 provides sewer service; or (3) approve the Out-of-Agency request. He stated that annexation is the most desirable and annexation was determined to be feasible. Mr. Glaser indicated that staff is offering two resolutions for Commission consideration: Resolution 1470 is for denial of the Out-of-Agency request and Resolution 1471 is for approval of the request. He pointed out that the Commission has the option to consider denial of the annexation request on the basis that the project does not have the services to carry out their project or approve it subject to a condition that the county provide sewer service.

Commissioner Patti asked Rod Attebery, Legal Counsel, if the Commission was bounded by law to follow the direction of state legislation. Mr. Attebery advised the Commission that they were not

bound by legislative analysis or the interpretation provided by the Executive Officer but are required to consider both and the Commission's determination should be based on evidence within the record.

Commissioner Johnson requested further information regarding how sewer service is being provided in the vicinity of the proposed annexation. Mr. Glaser, Executive Officer, explained that the East Stockton Sanitary Sewer Project is located in the area. Sewer lines funded by Community Development Block Grant funds were installed sometime in the 1980's, and when septic tanks fail, homes are required to connect to public sewer. Many of LAFCo's Out-of-Agency requests are the result of failed septic in this area and have been approved because they have been for existing development and a public health and safety threat exists.

Chairman Breitenbucher opened the matter for Public Hearing.

Evan Licht, LGI Homes, introduced himself as the applicant for this project. He provided an overview of LGI Homes. LGI Homes is a builder of affordable housing, and they provide financial assistance to those, including low-income buyers, wanting to buy a home. He indicated that the Ligurian Villages and Eastbrook Estates project would provide an opportunity for affordable housing in the area.

Steven Herum, Partner in Herum Crabtree Suntag Attorneys, stated that the staff report was incorrect and misleading. He said he has a Memorandum from LAFCo that recommended approval of the Solari Ranch project. For this project the County has conditioned approval of the project's tentative map that Out-of-Agency sewer be obtained, and the proponents of the project are trying to fulfill the condition in order to get the final map approved. If denied, the life of the map will expire, and the project will be gone. He pointed out that the project is a significant opportunity to create affordable housing on infill property in east Stockton and will bring capital improvements to the area. He stated that the option for annexation will not work as the election will fail and a mini annexation of just the subject property would create an island, which LAFCo would disapprove. The project has been consistent since 2006, everyone has been following the rules, everyone agreed to it, and the school district will get \$2M reimbursement that they are rightly owed if this project goes forward. Mr. Herum respectfully ask that the Commission approve the Out-of-Agency service agreement.

Cathy Garcia, resident in East Stockton, addressed the Commission. She said East Stockton does not need more housing in the area. What is needed are grocery and drug stores and the school is already packed with students. Ms. Garcia said residents do not want to annex to the City. Last time annexation was discussed she was able to obtain 500 signatures in opposition to annexation. She requested that the Commission deny this project and listen to the Executive Officer.

Commissioner Villapudua requested comment from the County. David Kwong, County Community Development Director, indicated that the annexation area is designated in the County General Plan as residential and zoned residential. The County approved the project map in 2006, and a subsequent subdivision map in 2009. He said that the project is precedent setting, and the Legislature found the need to continue affordable housing which is a huge need, and they continue to extend the subdivision map act laws to continue the life of those maps. The maps will come to an end soon and he would not like to see that especially if we can put housing there consistent with County General Plan and Zoning. He said the project carries out the County's General Plan goals and policies. He stated that the County is not just relying on will serve letters and the County and LGI Homes are following the rules to make this happen.

Commissioner Lincoln requested comment from the City. Mike McDowell, Deputy Director of Planning and Engineering, City of Stockton, made a brief statement. The project is a county project and the City is just a provider of service. The City does not support annexation as recommended by LAFCo and disagrees annexation is feasible at this time. Providing police and public infrastructure to the area if annexed would be substantial and extremely expensive and prohibitive for the City to have to maintain these areas but maybe at some point in the future the City will consider logical incrementation annexations. The City recommends entering into an agreement with the property

owners to annex into the City of Stockton in the future when it is determined feasible by the City of Stockton.

Chairman Breitenbucher closed the public hearing and brought the matter back to the Commission for discussion.

Commissioner Morowit commented that it would be difficult to get current residents to approve an annexation. The most important thing in his opinion is the affordable housing crisis in California. This is an infill project which is extremely desirable, and he does not want to lose a project like this in our County when we are trying to find affordable housing. He said the project would also strengthen the area and perhaps more retail outlets would locate to the area. He would like to move forward on this project and not lose the opportunity because of a time element.

Commission Johnson thanked Mr. Glaser for keeping the Commission informed on their role as a Commission. He agrees that the pockets are inefficient and ineffective and that this is an infill project among hundreds of homes and the project continues that expansion. He stated that we are in a housing crisis in the state and more homes are needed and asked what the more important value is, to have organized growth or to get houses in the right location.

Commissioner Lincoln echoed the same sentiments as Commissioners Morowit and Johnson. The project will provide work force type housing which is needed and would bring in more facilities to the area as well. He asked if the applicant supported the conditions in Resolution 1471.

Evan Licht, LGI Homes, stated that they agree with the concept of recording a covenant and agreement that future property owners will agree to annex into the City of Stockton if it becomes feasible in the future.

Commissioner Lincoln also asked Legal Counsel if this matter is a discretionary decision. Rod Attebery, Legal Counsel, said if the Commission were to deny the project and take the Executive Officer's recommendation the applicant would have the ability to challenge the decision. The Commission has its recommendation from the Executive Officer who is required by LAFCo law to provide an unbiased detailed opinion based on the facts and circumstances and that is what he provided to the Commission. The Commission has heard both sides and the discretion lie with the Commission. There are policies and legislative analysis to consider and ultimately your discretion should be supported by substantial evidence within the record.

Commissioner Winn questioned how Proposition 218 would work if CSA41 contracted with the City for collection and treatment of sewer services and regarding increases, who would be responsible? Mr. Glaser responded that Proposition 218 would apply if the CSA 41 contracted for sewer and would apply for storm drainage and street lighting because they are assessments. Proposition 218 requires a two-thirds vote of the property owners to agree to the assessments. The County would initiate the process. For Out-of-Agency it will be a monthly service fee so Proposition 218 would not apply.

Commissioner Winn acknowledged the challenge to get residents to annex and the need for housing in general. He also acknowledged there is a financial component which must be taken into consideration in the overall costs, specifically the \$2M in reimbursement to the school for their initial costs for the infrastructure.

Rod Attebery, Legal Counsel, asked the Executive Officer if sewer were to be provided by CSA41 what resolution would accomplish that alternative? Mr. Glaser responded that the Commission would need to deny the Out-of-Agency (Resolution No. 1470) and approve Resolution No. 1469 with or without conditions because CSA 41 has the ability to provide sewer. Rod Attebery asked Evan Licht for his comments as it appears the Commissioner is interested in approving the project but cognizant on who will be providing the service. Mr. Licht responded that the approval of Resolution No. 1469 and 1471 is requested. Steve Herum, Attorney for the applicant, also said adoption of Resolutions 1469 and 1471 would satisfy his clients.

Commissioner Villapudua made a motion and seconded by Commissioner Johnson to approve Resolution No. 1471 approving the Ligurian Villages and Eastbrook Estates Out-of-Agency service request.

Roll Call Vote:

Ayes: Commissioners Johnson, Lincoln, Villapudua, Winn and Breitenbucher

Noes: None Absent: None

Commissioner Lincoln made a motion and seconded by Commissioner Johnson to approve Resolution No. 1469 approving the Ligurian Villages and Eastbrook Estates annexation to to CSA 41 and expansion of the sphere of influence.

Roll Call Vote:

Ayes: Commissioners Johnson, Lincoln, Villapudua, Winn and Breitenbucher

Noes: None Absent: None

PUBLIC COMMENT

6. Persons wishing to address the Commission on matters not otherwise on the agenda.

No one came forward.

EXECUTIVE OFFICER COMMENTS

7. Comments from the Executive Officer

Mr. James Glaser apprised the Commission that the California State Supreme Court refused to hear the appeal from the Appellant Court regarding LAFCo's litigation with PG&E resulting in LAFCo, in conjunction with South San Joaquin Irrigation District, prevailing on the court matter. Upcoming projects include Mountain House city incorporation, consolidation of Stockton East Water District and Central San Joaquin, and municipal service reviews for Lathrop and Manteca. Items for the May meeting will include LAFCo's preliminary budget and the Hammer Lane Reorganization to the City of Stockton.

COMMISSIONER COMMENTS

8. Comments, Reports, or Questions from the LAFCo Commissioners

No comments were made.

The meeting adjourned at 10:56 a.m. The next LAFCo Meeting will be on Thursday, May 12, 2022 at 9:00 a.m.

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

AGENDA ITEM NO. 2

LAFCo

44 N. SAN JOAQUIN STREET SUITE 374

STOCKTON, CA 95202

EXECUTIVE OFFICER'S REPORT

May 12, 2022

TO:

LAFCo Commissioners

FROM:

James E. Glaser, Executive Officer

SUBJECT:

CITY OF STOCKTON OUT-OF-AGENCY SERVICE REQUESTS

Recommendation

It is recommended that the Commission approve the requests from the City of Stockton to provide out-of-agency sewer service under the Government Code §56133 to the property located at 5633 E. Main Street in Stockton.

Background

Government Code Section §56133 states that the Commission may authorize a city or special district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization and that prior to providing new or extended service, the city or district must first receive approval from LAFCo. The Commission adopted a policy that conditions their approval for out-of-agency service requiring the recordation of an agreement with the landowner consenting to annexation of their property when annexation becomes feasible.

The City of Stockton submitted requests for approval to extend sanitary sewer services to single-family residences and commercial properties outside the city limits but within the City's sphere of influence. A vicinity map is attached showing the location of the out-ofagency request. Connections to City sewer lines are available to the property and the property owner has paid the appropriate connection fees to the City. The request for out-ofagency service are in compliance with the Government Code §56133 and Commission policies. Staff recommends approval of the attached Resolution 1472 approving out-ofagency service.

Attachment: Resolution No. 1472

Vicinity Map

Resolution No. 1472

BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION APPROVING AN OUT-OF-AGENCY SANITARY SEWER SERVICE FROM THE CITY OF STOCKTON TO 5633 EAST MAIN STREET IN STOCKTON

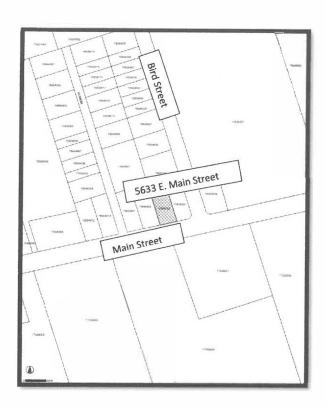
WHEREAS, the above-reference requests have been filed with the Executive Officer of the San Joaquin Local Agency Formation Commission pursuant to §56133 of the California Government Code.

NOW THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

- Section 1. Said out-of-agency service request is hereby approved.
- Section 2. The proposal is found to be Categorically Exempt from CEQA.
- Section 3. The proposal is subject to the following conditions:
 - a. Prior to connection to the city sewer or water, the City of Stockton shall record a covenant and agreement with the property owners to annex to the City of Stockton in a form acceptable to the Executive Officer.
 - b. This approval and conditions apply to current and future property owners.

PASSED AND ADOPTED this 12 st day of N	May 2022, by the following roll call votes:
AYES:	
NOES:	
ABSENT:	
	DAVID BREITENBUCHER, Chairman San Joaquin Local Agency Formation Commission

Res. No. 1472 05-12-22



SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

AGENDA ITEM NO. 3

LAFCo

44 NORTH SAN JOAQUIN STREET, SUITE 374 🛭 STOCKTON, CA 95202

EXECUTIVE OFFICER'S REPORT

DATE:

May 12, 2022

FROM:

Rod Attebery, General Counsel

SUBJECT: Discussion and Possible Action Regarding Meetings of the San Joaquin

Agency Formation Commission Under AB 361 Using Teleconference During a

Proclaimed State of Emergency

Recommendation

It is recommended that the Commission approve the attached LAFCo resolution 1465 authorizing Commission to conduct meeting of the San Joaquin Local Agency Formation Commission using teleconferencing pursuant to Government Code 45942 as amended by AB 361 for the period of, May 12, 2022 to June 11, 2022.

Background

On September 16, 2021, Governor Gavin Newsom signed Assembly Bill 361 ("AB 361") into law, amending the Ralph M. Brown Act (Gov. Code, § 54950 et seq.) (the "Brown Act"). AB 361 codified certain modified requirements for teleconference meetings held by public agencies, similar to those previously authorized and extended by executive order during the COVID-19 State of Emergency.

AB 361 was introduced to provide a longer-term solution for teleconference meetings during states of emergency, effective until January 1, 2024. AB 361 amends Section 54953 of the Government Code to allow the legislative body of a local agency to meet remotely without complying with the normal teleconference rules for agenda posting, physical location access, or quorum rules. To do so, one of three scenarios must exist, all of which require that the Governor has proclaimed a State of Emergency pursuant to Government Code section 8625:

- A. State or local officials have imposed or recommended measures to promote social distancing;
- B. The agency is holding a meeting for the purpose of determining whether meeting in person would present imminent risks to the health or safety of attendees; or
- The agency is holding a meeting and has determined that meeting in person would present imminent risks to the health or safety of attendees.

(Gov. Code, § 54953(e)(1).)

An agency and any committee that is required to comply with the Brown Act, that holds a meeting under either of the three scenarios must continue to post its agenda in the time required by the Brown Act, and ensure that the public is able to address the agency or committee directly through teleconference means. (*Id.* at subd. (e)(2). If a disruption prevents the agency or committee from broadcasting the meeting or receiving public comments in real time, the agency or committee cannot take further action until those functions are restored; any actions taken during such a disruption are subject to legal challenge. (*Id.*)

Assuming the State of Emergency remains in effect, if the San Joaquin Local Agency Formation Commission ("LAFCo" or the "Commission") or LAFCo committees wish to continue meeting under the modified rules, then the Commission, and each committee that wants to continue to meet using teleconference must each individually adopt an initial resolution within 30 days of the first teleconference meeting, and then must adopt an extension resolution at least every 30 days thereafter. (*Id.* at subd. (e)(3).) The resolutions must contain findings stating that the Commission or committee has reconsidered the circumstances of the State of Emergency and either (1) the State of Emergency continues to directly impact the ability of the members to meet safely in person; or (2) State or local officials continue to impose or recommend measures to promote social distancing. (*Id.*)

Where consecutive regular meetings fall outside the 30-day time frame, the Commission or committee should hold a special "AB 361" remote meeting within the 30-day window simply to reauthorize the AB 361 exceptions. Without the AB 361 exceptions, the Commission or committee will be required to return to normal in-person meetings or provide public access at each remote location under the traditional teleconference rules, as of October 1, 2021. Therefore, if the AB 361 authorization lapses and the Commission or a committee wishes to hold a teleconference meeting, it will be required to post agendas and provide public access at each remote location, identify those locations in the agenda, and maintain a quorum of the Commission within agency boundaries. If a meeting is not held in conformity with AB 361, commissioners may not teleconference from their residences or other locations, which are not open and accessible to the public.

FISCAL IMPACT:

None.

Attachment: Resolution 1473

Resolution No. 1473

BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION AUTHORIZING COMMISSION TO CONDUCT MEETINGS OF THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION USING TELECONFERENCING PURSUANT TO GOVERNMENT CODE 54953 AS AMENDED BY AB 361 FOR THE PERIOD MAY 12, 2022 TO JUNE 11, 2022

WHEREAS, the San Joaquin Local Agency Formation Commission ("LAFCo") is committed to preserving and nurturing public access and participation in meetings of the Commission; and

WHEREAS, all meetings of LAFCo's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch LAFCo's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), as amended by AB 361 (2021), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on March 4, 2020, the Governor proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS, Cal-OSHA adopted emergency regulations (Section 3205) imposing requirements on California employers, including measures to promote social distancing; and

WHEREAS, an Order of the San Joaquin County Public Health Officer acknowledges that close contact to other persons increases the risk of transmission of COVID-19; and

WHEREAS, currently the dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations, therefore, meeting in person would present imminent risks to the health or safety of attendees.

NOW, THEREFORE, BE IT RESOLVED, that the San Joaquin Local Agency Formation Commission approves

- Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
- Section 2. Finding of Imminent Risk to Health or Safety of Attendees. LAFCo does hereby find that the current dominant strain of COVID-19 in the country, is more transmissible than prior variants of the virus, may cause more severe illness, and that even fully vaccinated individuals can spread the virus to others resulting in rapid and alarming rates of COVID-19 cases and hospitalizations has caused, and will continue to cause, conditions of peril to the safety of persons, thereby presenting an imminent risk to health and/or safety to LAFCo's employees and attendees of the Commission's public meetings; and
- Section 3. Teleconference Meetings. LAFCo does hereby determine as a result of the State of Emergency proclaimed by the Governor, and the recommended measures to promote social distancing made by State and local officials that the Commission may conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e)(1)(A) and (B) of section 54953, and shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and
- Section 4. Direction to Staff. The Executive Officer and LAFCo staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
- Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

PASSED AND	APPROVED th	is 12th day of	May 2022,	by the following	roll call vote
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AYES:	
NOES:	
ABSENT:	
	DAVID BREITENBUCHER, Chairman

DAVID BREITENBUCHER, Chairman San Joaquin Local Agency Formation Commission

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

AGENDA ITEM NO. 7

LAFCo

509 W. WEBER AVENUE SUITE 420 ☐ STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

May 12, 2022

TO:

LAFCo Commissioners

FROM:

James E. Glaser, Executive Officer

SUBJECT:

Preliminary Budget for Fiscal Year 2022-2023, Work Program, and Schedule of

Fees

Recommendation

It is recommended that the Commission approve a Preliminary Fiscal Year 2022-2023 Budget, and the Proposed Work Program and Schedule of Fees.

Background

San Joaquin LAFCo is responsible under State law to adopt annually, following a noticed public hearing a preliminary and final budget. State law provides that the final budget shall be equal to the budget adopted for the previous fiscal year unless the Commission finds any reduced costs will nevertheless allow the Commission to fulfill its prescribed regulatory and planning duties. A 21-day Notice of Public Hearing was posted, published and mailed to interested agencies.

Revenue Sources

State law mandates that the County and its cities shall each provide a one-half share of the commission's operational costs for LAFCOs without independent special district representation on the commission. In 2018 the Commission has approved an annual 3% increase to the County and to the cities contributions. LAFCo adopted a budget with a deficit and relied on its contingency reserves to cover operational costs. Application filing fees and interest accumulated from the Commission's contingency reserves are also revenue sources although they contribute only about 3% of the budget.

Presented for Commission consideration are two Proposed FY 22-23 Budget (Exhibit A) options. Option A continues the 3% annual increase in the County contribution and the cities contribution from \$236,400 each to \$243,500 each. Option B provides for a 5% increase from \$236,400 each to \$248,220 each. Approval of a 5% increase anticipates revenues in the amount of \$516,440 from the following sources: \$248,220 contribution from the County; \$248,220 contribution from the seven cities; \$15,000

The County and its cities contribute one-half share of LAFCo's operational costs. The Cities share is based upon the proportionate share of the total county population living within cities. Using the January 2021 population data

from application filing fees; and \$5,000 interest revenue. The budget anticipates that the cost for staffing and operations will be \$826,819 and that the Commission will transfer \$310,379 from its Contingency/Reserve funds (est.\$1,305,844) to continue agency operations to the end of the fiscal year if all line items are expended including the contract for services.

Salaries and Benefits

The proposed FY22-23 budget includes staff salaries for a full-time Executive Officer, a full-time LAFCo Analyst and a part-time Commission Clerk. The Commission contracts with the County for retirement and health benefits for the full-time staff. Estimates for benefit costs are provided by the County during each budget cycle and are incorporated into the LAFCo budget. For FY22-23 the County increased retirement contribution rates by 0.94% of compensation for the Executive Officer and an increased retirement contribution rate by 7.03% of compensation for the LAFCo Analyst, a \$9,129 increase. Currently, the Analyst position is being filled by a part-time employee and does not receive the additional benefits, however, in the event that the Commission must hire a full-time Analyst in the upcoming fiscal year it would be prudent to include the full-time salary and benefits for a full time Analyst. The salary level and associated benefits parallel those of a newly hired Management Analyst III county position.

Services and Supplies

The Commission contracts with the County for specific services including payroll, auditor services, information technology, computers, communications, and mailroom services. Each budget year the County determines LAFCo's share of the cost for services. The costs for County services have generally remained the same as last year with the exception of Data Processing Direct Charges which increased by 115% (from \$6,789 to \$14,569). Data Processing Direct Charges include service calls and costs for the County's Information Service Department to maintain the safety and security of our computer information, data backup storage, user licenses, and website maintenance.

The budget includes the costs associated for eight Commissioners and two Staff to attend the Annual CALAFCo Conference at Newport Beach in October 2022 and for two staff to attend the Staff Conference in the spring of 2023. Costs include airfare, travel to and from Sacramento airport, air fare, registration fees, and 3 night hotel stays. The Annual and Staff Conferences were cancelled in 2021 due to the Covid pandemic resulting in a budget saving this fiscal year.

The Commission has contracted with a consultant to assist in the recruitment for an Executive Officer. It is anticipated that one half of the cost \$10,000 will be paid this fiscal year. The added expenditure of \$10,000 is shown under the Contract for Services line item.

Budget Discussion

Approval of the proposed LAFCo FY2022-2023 budget will enable the Commission to perform its core responsibilities effectively and continue its work on municipal service review and sphere of influence updates, processing change of organization applications, litigation support, and policy development. As in previous budget years, the Commission's budget anticipated overall expenditures would be more than its revenues. The Commission and staff, however, has exercised fiscal prudence and it had not been necessary to draw down into its Contingency Reserves. It is estimated that no Contingency/Reserves will be used this current fiscal year and the Commission will carry forth a balance of approximately

from the State Department of Finance, the city contributions would be as follows: Stockton-\$126,592; Tracy-\$37,233; Manteca-\$34,751; Lodi-\$27,304; Lathrop-\$12,411; Ripon-\$7,447; and Escalon-\$2,482.

\$1,305,844 into the new fiscal year.

Work Program

In 2022-2023, the LAFCo Work Program will include application processing for annexations, other organizational changes, and out-of-agency service requests. Municipal Service Reviews (MSRs) and Sphere of Influence (SOI) Plans will be updated for the cities of Manteca, Escalon, Lathrop, and Lodi, for Woodbridge Irrigation District and for the East Stockton and Central San Joaquin Water Conservation Districts in anticipation of a consolidation. LAFCo will continue its formal review of the Mountain House city incorporation application. Pending Commission direction, LAFCo may begin work on the remaining 29 reclamation districts, and MSRs and SOIs for County rural fire districts. Staff will continue work to update its website. The Commission will review and update, as needed, its operational policies and procedures.

Schedule of Fees

The following changes to the application filing fees are proposed:

- A 5% increase to annexation filing fees
 Filing fees contribute approximately 3% of LAFCo revenues and are used to offset the costs associated with the processing of annexation applications. The FY22-23 budget anticipates increases in staff and operational costs and a 5% increase in annexation filling fees will continue to offset the increase in costs.
- Increase to Staff hourly fees for unique/complex projects

 The increase to staff's hourly fees corresponds with increases to employee benefits and salary.

Accomplishments

During the Fiscal Year 2021-2022, annexation and other organizational changes were approved for:

- Insurance Auto Auction to the City of Stockton
- Pereira Reorganization to the City of Ripon
- Bezley annexation to County Service Area 43-Clements
- Liguarian Villages and Eastbrook Estates annexation to CSA 41
- Out of Agency sewer for Liguarian Villages and Eastbrook Estates
- Hammer Lane Reorganization to the City of Stockton
- The New Mariposa Drainage District was dissolved
- Out-of-Agency requests

Work was initiated to comply with the San Joaquin County Grand Jury Report recommendation to update the LAFCo website to include comprehensive information about the County's Independent Special Districts to achieve better public access and transparency. LAFCo completed the relocation of its business office to the County Administration Building.

Attachments: Resolution No. 1474 Approving the Preliminary Budget

Proposed Fiscal Year 2021-2022 Budget

LAFCo Work Program Schedule of Fees

cc: County Administrator's Office

Resolution No. 1474

BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION ADOPTING THE PRELIMINARY FISCAL YEAR 2022-2023 BUDGET, WORK PROGRAM AND SCHEDULE OF FEES

WHEREAS, the Commission held a telephonically public hearing on the Preliminary Fiscal Year 2022-2023 LAFCO Budget, Work Program, and Schedule of Fees on May 12, 2022 at 9:00 a.m. pursuant to a notice of hearing which was published and distributed in accordance with State Law; and

WHEREAS, in accordance with Governor's Executive Order N33-20, LAFCo has arranged for members of the public to observe and address the meeting telephonically.

WHEREAS, at said hearing, the Commission heard and received evidence regarding the proposal and all persons were give an opportunity to be heard.

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. The Preliminary Fiscal Year 2022-2023 Budget and Work Program is hereby approved as set forth in Exhibit A.

Section 2. The LAFCo Schedule of Fees is hereby approved as set forth in Exhibit B.

Section 3. Said Schedule of Fees will become effective on July 12, 2022.

PASSED AND ADOPTED this 12th day of May 2022 by the following votes:

AYES:

NOES:

ABSENT:

DAVID BREITENBUCHER, Chairman San Joaquin Local Agency Formation Commission

PRELIMINARY AND FINAL FY 2022-2023 BUDGET, WORK PROGRAM AND SCHEDULE OF FEES

Public Hearing

May 12, 2022

San Joaquin LAFCo

OVERVIEW

- The Cortese Knox Hertzberg Act requires the Commission adopt annually a preliminary and final budget after a notice public hearing
- The budget should be equal to the budget adopted for the previous fiscal year unless the Commission finds any reduced costs will nevertheless allow the Commission to fulfill its prescribed regulatory and planning duties
- · Public Hearing notices were published, posted and mailed according to State law

REVENUES

- State law mandates that the County and cities shall each provide one-half share of the operational costs for LAFCo
- Since 2018, the Commission approved an annual 3% increase to the County and cities contribution
- The Commission adopted a budget with a deficit, relying on Contingency Reserves to cover the operational costs
- The Commission currently has \$1,169,677 in Contingency Reserves
- · Other revenue sources include application filing fees and interest
- The Commission anticipated \$15,000 in application filing fees but received \$93,485 plus \$27,095 in administrative fees

REVENUES

- Two Options are presented for Commission consideration:
 - Option A continues the 3% annual increase for the County and cities contributions
 - \$236,400 (FY21-22) TO \$243,500
 - Option B increases the County and cities contribution by 5%
 - \$236,400(FY21-22) to \$248,220

REVENUES

	FY21-22	Option A (3%)	Option B (5%)
Application Filing Fees	\$15,000	\$15,000	\$15,000
County Contribution	236,400	243,500	248,220
Cities Contribution	236,400	243,500	248,200
Interest	6,500	5,000	5,000
Total Reve	enue \$494,300	\$507,000	\$516,440

OPERATIONAL COSTS

SALARY AND BENEFITS

- Budget provides for a full-time Executive Officer, full-time LAFCo Analyst, and a part-time Commission Clerk
- LAFCo contracts with the County for retirement and health benefits
- · Rates for retirement and benefits are determined by the County
- Significant increases in retirement contribution rates

SALARIES AND BENEFITS

	BALLING AVE	FY21-22	FY22-23
Salaries Regular/Com	nmissioners	\$298,897	\$311,791
Benefits		198,509	\$210,009
	Total	\$497,406	\$521,800

- Currently the LAFCo Analyst is filled by a part-time employee with no benefits which will
 result in Salary and Benefit savings of approximately \$120,880 this fiscal year.
- It is recommended that the Commission budget for a full-time Analyst with benefits in the upcoming budget

OPERATIONAL COSTS

SERVICES AND SUPPLIES

- The Commission contracts with the County for services including payroll, auditor service, computers, data processing, insurance, and mailroom service
- The County determines LAFCo's share of the costs for the services and are incorporated into the proposed budget
- The budget includes the CALAFCO Annual Conference at Newport Beach for 8
 Commissioners and 2 Staff and the Annual Staff Conference for 2 Staff (location unknown)
- Costs for a recruitment consultant for the Executive Officer's position will be paid under Contract for Services

SERVICES AND SUPPLIES	FY 21- 22	Estimated Expenditures	Proposed FY 22-23	% Over/Under Budget
Professional Services (Neumiller				100001000
& Beardslee)	15,000	10,278	15,000	0.0%
Office Supplies - General	5,000	5,468	5,500	10.0%
Communications *	3,000	3,007	3,000	0.0%
CALAFCO Membership	10,760	10,760	11,287	4.9%
Copy Machine	2,400	0	300	-87.5%
Rents and Leases - Computers * CALAFCO Conference-	1,957	1,885	1,885	-3.7%
Commissioners	13,459	0	15,170	12.7%
CALAFCO Conference -Staff	5,101	0	8,040	57.6%
Data Processing Direct Charges *	6,789	10,160	14,569	114.6%
Auditors'Payroll and A/P Charges	505	604	500	-1.0%
Registrar of Voter Charges	200	0	200	0.0%
Recording Fees	500	0	500	0.0%
Publications & Legal Notices	3,000	1,229	3,000	0.0%
Insurance-Worker's Comp*	254	254	378	48.8%
Insurance-Special Property	1,425	1,425	1,850	29.8%
Insurance-Liability*	5,555	5,538	6,370	14.7%
Office Space/Utilities	36,000	21,396	22,200	-38.3%
Moving Expenses	25,000	3,319	0	-100.0%
Contract for Services	160,000 \$295,90	10,000	200,000	25.0%
TOTAL SERVICES AND SUPPLIES	5	\$85,323	\$309,749	4.7%

* LAFCo's share of cost for County services

FY21-22 Budget Highlights:

- Savings from CALAFCO conferences due to cancellations
- Less expenditures made for office space relocation than budgeted
- Data Processing charges more than budgeted and cost expected to increase next year
- Expenditure in Contract for Services for a recruitment consultant

BUDGET DISCUSSION

- Approval of the proposed budget will enable the Commission to perform its core responsibilities effectively
- The FY 22-23 budget proposes that overall expenditures would be more than anticipated revenues
- The Commission has \$1,169,677 in Contingency Reserves to cover costs
- It is expected that it would not be necessary to draw down on the contingency reserves at the end of this fiscal year
- Savings from this year would add approximately \$136,167 to the contingency reserves

WORK PROGRAM FOR FY 22-23

- · Application processing for annexations and other organizational changes,
- MSR/SOI Updates for Escalon, Lathrop, and Lodi
- Stockton East and Central San Joaquin consolidation
- Mountain House Incorporation
- If directed by the Commission, complete:
 - MSR/SOI Updates for the remaining 29 reclamation Districts
 - MSR/SOI Updates for the County rural fire districts
- · Website update
- · Review and update operational policies and procedures

SCHEDULE OF FEES

Proposed changes include:

- A 5% increase to annexation filing fees
 - Filing fees contribute approximately 3% of LAFCo revenues and are used to offset the costs
 associated with the processing of annexation applications. The FY22-23 budget anticipates
 increases in staff and operational costs and a 5% increase in annexation filling fees will
 continue to offset the increase in costs.
- Increase to Staff hourly fees for unique/complex projects
 - The increase to staff's hourly fees corresponds with increases to employee benefits and salary.

COMMISSION ACCOMPLISHMENTS

- Annexation and other organization changes were approved for:
 - Insurance Auto Auction to the City of Stockton
 - Pereira Reorganization to the City of Ripon
 - Bezley annexation to County Service Area 43-Clements
 - Liguarian Villages and Eastbrook Estates annexation to CSA 41
 - Out of Agency sewer for Liguarian Villages and Eastbrook Estates
 - The New Mariposa Drainage District was dissolved
 - Out-of-Agency requests
- Work was begun to comply with the San Joaquin County Grand Jury Report recommendation to include comprehensive information about the County's Independent Special Districts for better public access
- LAFCo completed the relocation of its business office to the County Administration Building.

RECOMMENDATION

 It is recommended that the Commission, after receiving testimony and providing comments, approve the Preliminary Fiscal Year 2022-2023 Budget, Work Program, and Schedule of Fees.

San Joaquin LAFCo Proposed Preliminary FY 2022-2023 Budget

	- · · · · · · · · · · · · · · · · · · ·			
	FY 21-22	Estimated Rev/Exp thru 6/31/22	Option A Proposed FY22-23 (3% City/County Contribution)	% Inc/Dec
REVENUES				
Filing Fees	15,000	93,485	15,000	0.0%
County Contribution	236,400	236,400	243,500	3.0%
City Countribution	236,400	236,400	243,500	3.0%
Interest	6,500	4,635	5,000	28.9%
20% Administrative Fee	0	27,095	0	
TOTAL REVENUES	\$494,300	\$598,015	\$507,000	2.5%
EXPENDITURES				
Salaries Regular/Commissioners	298,897	247,420	311,791	4.1%
Benefits	198,509	129,105	210,009	5.5%
TOTAL SALARIES/BENEFITS	\$497,406	376,525	521,800	4.7%
TOTAL SALAMES/ BENEFITS	7457,400	370,323	321,000	4.770
SERVICES AND SUPPLIES				
Professional Services (Neumiller & Beardslee	15,000	10,278	15,000	0.0%
Office Supplies - General	5,000	5,468	5,500	9.1%
Communications *	3,000	3,007	3,000	0.0%
CALAFCO Membership	10,760	10,760	11,287	4.7%
Copy Machine	2,400	0	300	-700.0%
Rents and Leases - County Computers *	1,957	1,885	1,885	-3.8%
CALAFCO Conference-Commissioners	13,459	0	15,170	11.3%
CALAFCO Conference -Staff	5,101	0	8,040	36.6%
Data Processing Direct Charges *	6,789	10,160	14,569	53.4%
Auditors'Payroll and A/P Charges	505	604	500	-1.0%
Registrar of Voter Charges	200	0	200	0.0%
Recording Fees	500	0	500	0.0%
Publications & Legal Notices	3,000	1,229	3,000	0.0%
Insurance-Worker's Compensation *	254	254	378	32.8%
Insurance-Special Property	1,425	1,425	1,850	23.0%
Insurance-Liability	5,555	5,538	6,370	12.8%
Office Space/Utilities	36,000	21,396	22,200	-62.2%
Moving Expenses	25,000	3,319	0	
Contract for Services	160,000	10,000	200,000	20.0%
TOTAL SERVICES AND SUPPLIES	\$295,905	\$85,323	\$309,749	4.5%
Devenues	\$404.300	¢E00.015	\$507,000	
Revenues	\$494,300	\$598,015	\$507,000	
Expenditures Crand Tatal	793,311	461,848	826,819	
Grand Total	-299,011	136,167	-319,819	
Contingency Reserves (est) Actual Reserves Contingency Reserves	\$1,161,520 \$1,169,677	\$1,305,844	\$986,025	

San Joaquin LAFCo Proposed Preliminary FY 2022-2023 Budget

Option B Proposed FY22-23 (5% City/County Contribution)	% Inc/Dec
15,000	0.0%
248,220	5.0%
248,220	5.0%
5,000	28.9%
0	
\$516,440	4.5%
311,791	4.3%
210,009	5.8%
521,800	4.9%
15,000	0.0%
5,500	10.0%
3,000	0.0%
11,287	4.9%
300	-87.5%
1,885	-3.7%
15,170	12.7%
8,040	57.6%
14,569	114.6%
500	-1.0%
200	0.0%
500	0.0%
3,000	0.0%
378	48.8%
1,850	29.8%
6,370	14.7%
22,200	-38.3%
0	-100.0%
200,000	25.0%
\$309,749	4.7%
4	
\$516,440	
826,819	
-310,379	
\$995,465	

San Joaquin LAFCo Fiscal Year 2022-2033 Work Program

In 2022-2023, the LAFCo Work Program will include application processing for annexations, other organizational changes, and out-of-agency service requests. Municipal Service Reviews (MSRs) and Sphere of Influence (SOI) Plans will be updated for the cities of Manteca, Escalon, Lathrop, and Lodi, for Woodbridge Irrigation District and for the East Stockton and Central San Joaquin Water Conservation Districts in anticipation of a consolidation. LAFCo will continue its formal review of the Mountain House city incorporation application. Pending Commission direction, LAFCo may begin work on the remaining 29 reclamation districts, and MSRs and SOIs for County rural fire districts. The Commission will review and update, as needed, its operational policies and procedures.

During the Fiscal Year 2021-2022, annexation and other organizational changes were approved for:

- Insurance Auto Auction to the City of Stockton
- Pereira Reorganization to the City of Ripon
- Bezley annexation to County Service Area 43-Clements
- Liguarian Villages and Eastbrook Estates annexation to CSA 41
- Out of Agency sewer for Liguarian Villages and Eastbrook Estates
- Hammer Lane Reorganization to the City of Stockton
- The New Mariposa Drainage District was dissolved
- Out-of-Agency requests

Work was begun to comply with the San Joaquin County Grand Jury Report recommendation to update the LAFCo website to include comprehensive information about the County's Independent Special Districts to achieve better public access and transparency. LAFCo completed the relocation of its business office to the County Administration Building.

San Joaquin Local Agency Formation Commission

SCHEDULE OF FEES

FEES FOR PROCESSING APPLICATIONS AND CHARGES FOR SERVICES (Effective Date: August 11, 2020 July 12, 2022)

I.	ANNEXATIONS AND DETACHMENTS	Current Fee	Proposed Fee 5% Increase
	Existing and New Development:		
	Under 3 Acres	\$2,190	\$2,300
	3 to 10 Acres	\$2,922	\$3,068
	10.1 to 20 Acres	\$3,660	\$3,843
	20.1 to 40 Acres	\$4,388	\$4,607
	40.1 to 80 Acres	\$5,122	\$5,378
	80.1 to 120 Acres	\$5,854	\$6,147
	120.1 to 240 Acres	\$6,593	\$6,924
	240.1 to 500 Acres	\$7,333	\$7,700
	500.1 to 1,000 Acres	\$8,060	\$8,463
	Over 1,000.1 acres \$8.05 per acre		
II.	LEGAL SERVICES	Actual Cost \$1,000	
	Required for all services.	Deposit	
	Principle	\$375 per hour	
	Associate	\$300 per hour	
	Paralegal	\$175 per hour	
III.	OTHER ACTIONS		
	Proposals requiring Protest Proceedings (Actual cost if Voter Election)	\$1,600	
	Special District Formation	\$8,500	
	Consolidation, Merger, Subsidiary District	\$1,000	
	Addition of Services	\$2,500	
	Dissolution	No Charge	
	Request for Reconsideration	\$1,500	
	Time Extension Request	\$ 400	
	Out-of-Agency Service for Designated Areas	\$2,500	
	Out-of-Agency Service	\$300 per single-family equivalent/per service	
	Sphere of Influence		
	Amendment to a Municipal Service Review	\$2,500	
	New or Update for Cities	\$4,000	
	New or Update for Special Districts	\$1,600	
	Removal of Territory	\$2,500	
	Incorporation	Actual Costs (\$5,000 deposit)	
	Comprehensive Fiscal Analysis	Actual Cost (\$5,000 deposit)	

IV. ENVIRONMENTAL REVIEW

Fee

	Lead Agency other than LAFCo:	
	Review Environmental Impact Report	\$500
	Review Negative Declaration	\$250
	CEQA Exemption	\$150
	LAFCo as Lead Agency:	
	Initial Study (including Negative Declaration)	Actual Cost
	Preparation and processing of EIR	Actual Cost
	CEQA Exemption	\$300
	State Department of Fish and Wildlife Fee (with LAFCo as Lead Agency) includes County Clerk Processing Fee	
	Notices of Exemption	As Required by
	If Negative Declaration	Fish and Wildlife Code
	If Environmental Impact Report	
	County Clerk Processing Fee	\$50
V.	MISCELLANEOUS FEES AND CHARGES	
	For checking and approving boundary maps and legal descriptions (<i>Make check payable to Department of Public Works</i>)	\$700 or 20% of LAFCo Fee
	Special Commission meeting	\$2,000
	Staff Costs for Research, Technical Assistance, Mailing, Attendance at Meetings and unique/complex projects as determined by the Commission:	
	Executive Officer	\$190 \$150 per hour
	LAFCo Analyst	\$160 \$120 per hour
	Commission Clerk	\$80 \$60 per hour
	Meeting CDs (per CD)	\$20
	Document copying (per page)	\$.20
	Checking Sufficiency of Petition (per signature)	Fee set by the Registrar of Voters
	Outside Consultants hired by LAFCo	Actual Costs plus 20%

Notes:

- Actual costs shall be determined by multiplying the documented actual hours by the hourly rate of salary plus benefits.
- The Commission may waive or adjust processing fees upon a determination that the proposal would further the purposes of the Local Government Reorganization Act of 2000. Requests for fee waivers or adjustments must be submitted in writing to the Commission prior to the submittal of any application.
- 3. Processing and filing fees are due and payable upon filing of an application with LAFCo. No action shall be taken on any proposal or petition until appropriate fees have been paid.
- 4. Upon Commission approval, the Executive Officer may require fees based on actual cost for unique/complex projects.

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION

Agenda Item No. 9

LAFCo

44 N. SAN JOAQUIN STREET SUITE 374 ☐ STOCKTON, CA 95202

EXECUTIVE OFFICER'S REPORT

PROJECT: HAMMER LANE REORGANIZATION TO THE CITY

OF STOCKTON (LAFC 06-22)

PROPOSAL: Annexation of 8.33 acres plus 710 linear feet of adjacent

Hammer Lane right-of-way to the City of Stockton with concurrent detachments from the San Joaquin County Resource Conservation District and Waterloo-Morada Fire

District.

APPLICANT: City of Stockton

LOCATION: Southwest corner of the intersection of Hammer Lane and

Maranatha Drive, northeast Stockton. (Exhibit A: Vicinity

Map)

PURPOSE: Annexation required to extend city services for the

proposed commercial development

PROCESS: Project is uninhabited and has owner consent

RECOMMENDATION

It is recommended that the Commission approve Resolution No. 1475 approving the Hammer Lane Reorganization to the City of Stockton.

BACKGROUND

A Resolution of Application was approved by the City of Stockton authorizing an application submittal to LAFCo to annex a 8.33 acres and approximately 710 linear feet of the Hammer Land right-of-way (Exhibit B: Justification of Proposal). The annexation site consists of three parcels and is adjacent to the CarMax Reorganization approved by the Commission in August 2019. Approximately 4.32 acres along Hammer Lane and Maranatha Drive will be developed as The Marketplace and will consist of retail commercial including a fueling station with a convenience store, a quick-serve restaurant, a sit-down restaurant, and a carwash. The easternmost 3.7 acres of the project fronting Hammer Lane will consist of a hotel and associated site improvements. Utility services for the development of the annexation site will tie into the utility improvements made by the CarMax project.

ENVIRONMENTAL

PHONE 209-468-3198

The City of Stockton certified and adopted the City's Envision Stockton 2040 General Plan Update and Utility Master Plan Supplements Environmental Impact Report in December 2018 and prepared an Initial Study/Addendum for the Hammer Lane Annexation Development Project. LAFCO as a Responsible Agency must consider the environmental documentation prepared by the City., The Commission must make findings regarding the environmental documentation. (Exhibit C: Initial Study/Addendum).

PROPERTY TAX EXCHANGE

Pursuant to the Revenue and Taxation Code, the City and County must have an agreement in place that would determine the exchange of property tax revenues from jurisdictional changes. The City and County executed a master tax sharing agreement on July 21, 2015, applicable to all annexations through 2025.

FACTORS

The Cortese-Knox-Hertzberg Local Government Reorganization Act requires factors to be considered by a LAFCO when evaluating a proposal for a change in organization or reorganization to a City. Factors to be considered shall include, but are not limited to the following (Government Code Sections 56668):

(a) Population and population density, likelihood of significant growth during the next 10 years

The parcels to be annexed are primarily vacant and uninhabited. The western portion of the site was an orchard but is now vacant. The eastern portion of the site contains vacant land, a church and a school; and a recently demolished single family residence. The project site is adjacent to CarMax auto sales to the west, vacant land and commercial orchards to the south, and a residence, gasoline station and SR99 to the east. The proposed annexation site is zoned for commercial uses and would therefore not increase the population of the City. The annexation site is a continuation of commercial development planned for Hammer Lane.

(b) The need for organized community services and present cost and adequacy of governmental services

Essential governmental services which are provided to the subject area at the present time, and which will be provided after the proposal is finalized, are indicated in the following chart:

SERVICE	CURRENT PROVIDER	AFTER ANNEXATION
Law Enforcement	County Sheriff's Office	City
Fire Protection	Waterloo-Morada Fire District	City
Water	Stockton East Water District	Stockton East Water District
Sewer	None	City
Drainage	None	City
Irrigation	Woodbridge Irrigation District	Woodbridge Irrigation District for the majority of the site)
Schools	Stockton Unified School District	Stockton Unified School District
Planning	County	City

City ordinances and resolutions are in place to ensure that required public facilities fees are paid and that services can be maintained at appropriate levels for the project. The City's recently approved Municipal Service Review and SOI Update and the project specific environmental review concluded that the project impacts on the water, wastewater, and storm drainage systems would be less than significant.

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(c) The effect of the proposed action and of alternative actions, adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

The proposed action requires consideration of LAFCo's policy to mitigate any impact to a rural fire district. The Waterloo-Morada Rural Fire District currently serves the proposed annexation area and will lose property tax and assessment revenues. An agreement has been reached to pay the District \$118,264 for loss revenue calculated over a 15 year period with a 3% compounded yearly increase. The City and the fire district have not finalized the agreement because of time restraints. It is expected that an agreement will be completed mid-May. It is recommended that the Commission condition its approval to withhold filing of the Certificate of Completion until an agreement is reached. The resolution includes this condition.

(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.

In summary, §56377 requires that the Commission, in reviewing proposals that would reasonably induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, to consider the following policies and priorities:

- (1) Development of land for other than open-space uses shall be guided away from existing prime agricultural lands towards areas containing nonprime agricultural land unless that action would not promote the planned, orderly, and efficient development of the area; and
- (2) Development of existing vacant or non-prime agricultural lands for urban uses within the jurisdiction or within the sphere of influence should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open space uses outside of the jurisdiction or sphere of influence.

The proposed annexation site is within the City's 10-year sphere of influence boundary and is anticipated for development. The site is adjacent to the City boundary and is surrounded by urban development or lands planned for eventual development. The site is zoned by the County as AU-20 (Agriculture-Urban Reserve) indicates it would remain in agriculture but is planned for future urban development. The City's zone designation is Commercial. The annexation site is a continuation of commercial development planned for Hammer Lane.

(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

Agricultural lands are defined as land that is currently used for the purpose of producing an agricultural commodity for commercial purposes. The parcels proposed for annexation are primarily vacant. The western portion of the site was an orchard but is now vacant. The eastern portion of the site contains vacant land, a church and a school; and a recently demolished single family residence. The applicant will participate in the City's Agricultural Land Mitigation program for a portion of the site to mitigate the loss of qualifying agricultural lands to urban development. The mitigation program provides that agricultural mitigation lands may be dedicated to a qualifying management entity such as the Central Valley Farmland Trust or a project may pay the City's Agricultural Land Mitigation fee. The applicant has agreed to a payment of Agricultural mitigation fees for a portion of the annexation site. The applicant will also participate in the San Joaquin County Habitat Multi-Species Conservation and Open Space Plan.

(f) The definiteness and certainty of the boundaries of the territory.

The proposed annexation area consist of three tax assessor parcels consistent with LAFCO policy of avoiding split lines of assessment or ownership. The annexation boundary also includes the portions of Hammer Lane abutting the annexation site forming a logical city boundary.

(g) A regional transportation plan adopted pursuant to Section 65080 and consistency with city or county general and specific plans.

The 2018 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) serves as the region's long range transportation plan and provide guidance for decisions about transportation spending priorities. The City considered the regional plan and developed policies and actions in its General Plan that would build upon the regional plan to ensure adequate public transit, bicycle, and pedestrian facilities. The City found that implementation of its General plan measures would not conflict with the regional plan.

(h) The sphere of influence of any local agency, which may be applicable to the proposal being received.

The proposed territory is within the Morada-Waterloo Rural Fire District and the San Joaquin Resource Conservation District spheres of influence. The territory will be detached from these districts. It is also within County Service Area 53-Household Hazardous Waste and County Service Area 54-StormWater Pollution Prevention. The services provided by these county service areas are countywide and will continue to be provided to the annexation area.

(i) The comments of any affected local agency or other public agency.

The proposal was distributed to local and affected agencies for their review and comment. (Exhibit D: Referral Comments)

County Public Works Department: No comments.

County Environmental Health Department: Abandon wells and septics should be destroyed under permit and inspection. A valid permit from EHD is required prior to the operation of food facilities. If applicable the project requires reporting of hazardous materials/waste to the California Environmental Reporting System.

(j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

The City will extend municipal services to the proposed annexation area. As required by Government Code § 56653 the City submitted a plan for providing services (Exhibit E). GC 56653 requires that the plan address the following: 1) an enumeration and description of services to be provided; 2) the level and range of those services; 3) an indication of when those services can feasibly be extended; 4) improvements or upgrading of services or other conditions that would be imposed or required by the annexation; and 5) how the services will be financed. Detailed information can be found in the City's Services Plan.

<u>Water:</u> The City's water supply includes ground water and treated surface water. The project site is located within the North Stockton service area, which distributes water from the Delta Water Supply Project, Stockton East Water District and from groundwater wells. The project area is adjacent to the CarMax project which was required to make utility improvements for their development project. The Hammer Lane project will tie into these improvements which include a 24-inch water transmission main

PHONE 209-468-3198 FAX 209-468-3199 E-MAIL jglaser@sjgov.org WEB SITE www.sjgov.org/lafco

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and a parallel 12-inch diameter service line located in Hammer Lane and a 12-inch service line along Maranatha Drive.

The City's recent Municipal Service Review evaluates the availability of water supplies for its current users and for development within the sphere of influence. The MSR determined that there are sufficient water resources to serve the City at full build out of its sphere.

Stormwater: An existing 42-inch diameter storm drain line is located in Hammer Lane. The project will temporary connect to this line and an existing pump station. The adjacent CarMax project has constructed an 18-inch storm drain in Maranatha Drive for this purpose. The Marketplace parcels will connect to the 18-inch storm drain in Maranatha Drive and the hotel project will be required to construct a connecting 12-inch storm drain line from Maranatha Drive to the hotel site.

Sewer: The annexation site will temporarily receive sewer services by connection into an existing 12inch diameter sewer line located in Hammer Lane. The project site is within the City's Wastewater Collection System No. 9 which will be completed with the planned development of Origone Ranch located to the south. The Hammer Lane project will be required to disconnect from the Hammer Lane line and permanently connect to the newly constructed lines for the Wastewater Collection System No. 9

Police: Law enforcement services are currently provided by the County Sheriff's Office and will be provided by the City's Police Department (SPD) upon annexation. Staffing level for the department is determined each year by City Council and is subject to change as the Council, City Manager, and Chief of Police determine the needs of the city. It is SPD's policy to respond to all emergency calls within a 3-5 minute time period. Public Facilities Fees for police facilities are collected by the City. It is anticipated that the Hammer Lane annexation will generate about \$14,920 in fees. The City will also collect a threequarter cent sales tax to provide funding for law enforcement, crime prevention and other essential city services.

Fire: Fire services for the annexation site is currently being provided by the Waterloo-Morada Fire District. Upon annexation the annexation will detach from Waterloo-Morada and the City would provide fire services. The nearest City fire station is approximately 1.8 miles north of the project site and it is anticipated that response times to the site would be between three and four minutes. A second fire station is located 1.9 miles southwest of the project site and estimated response time is from five to seven minutes. The City's Public Facilities fees will also be attributable for capital costs of fire station expansion.

(k) Timely availability of water supplies adequate for projected needs as specified in Government Code Section 65352.5.

The City prepared a Statement of Timely Availability of Water Supplies. The City's 2020 Urban Water Management Plan evaluated potential population growth and the availability of water based on existing water use patterns including commercial activities. The City determined that an adequate water supply can be reasonably available for the proposed future development on the subject site, even in multiple dry years. Water can be readily provided from existing sources, without the need to acquire additional supplies or water rights.

The extent to which the proposal will affect a city and the county in achieving their respective (1) fair share of the regional housing needs

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The Hammer Lane Reorganization proposal will not affect the City's fair share of regional housing needs as it is planned for retail and commercial uses.

(m) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

No information or comments have been received from landowners, voters, or residents of the affected territory.

(n) Any information relating to existing land use designations.

The subject site is currently within the jurisdiction of the County. Two parcels, APNs 130-030-06 and 07, currently have a County General Plan designation of Low Density Residential and a zoning of AU-20 (Agriculture-Urban Reserve. APN 130-030-13 is designated General Commercial and zoning of C-G (General Commercial) under the County General Plan. Under the City's General Plan it is designated as General Commercial and the City will pre-zone the subject site to General Commercial to allow development of the proposed uses and it is design.

(o) The extent to which the proposal will promote environmental justice (fair treatment of people of all races cultures, and incomes with respect to the location of public facilities and the provision of public services).

The project does not result in the unfair treatment with respect to the location of public facilities and provision of public services.

DISCUSSION

The Cortese-Knox-Hertzberg Reorganization Act of 2000 provides guidance to local LAFCo's in the review of proposals for reorganizations. The staff report provides a summary of the factors which must be considered by the Commission when reviewing an annexation proposal. In summary, the project represents a logical extension of the City boundary and would provide for the orderly development of the northeast area of the City. The proposed annexation site was considered for development in the City's General Plan and in the City's Sphere of Influence and the municipal service review and City Services Plan provides the information that the City can adequately provide municipal services for the proposed development.

Attachments: LAFCO Resolution No. 1475

Exhibit A: Vicinity Map

Exhibit B: Justification of Proposal Exhibit C: Initial Study/Addendum Exhibit D: Referral Comments Exhibit E: City Services Plan

> 037 WEB SITE www.sigov.org/lafco

RESOLUTION NO. 1475

BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION APPROVING THE HAMMER LANE REORGANIZATION TO THE CITY OF STOCKTON WITH CONCURRENT DETACHMENTS FROM THE WATERLOOMORADA RURAL FIRE DISTRICT AND THE SAN JOAQUIN COUNTY RESOURCE CONSERVATION DISTRICT (LAFC 06-22)

WHEREAS, the above entitled proposal was initiated by resolution by the City of Stockton and on March 22, 2022 the Executive Officer certified the application filed for processing in accordance with the Local Government Reorganization Act; and

WHEREAS, the Commission held a public hearing on the proposed reorganization on May 12, 2022 in the Board of Supervisors Chambers, 44 North San Joaquin Street, 6th Floor, Stockton, CA, pursuant to notice of hearing which was published, posted and mailed in accordance with State law; and

WHEREAS, in accordance with Governor's Executive Order N33-20, LAFCo has arranged for members of the public to observe and address the meeting telephonically and by Zoom.

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the proposal, and all persons were given an opportunity to be heard; and

WHEREAS, City of Stockton certified and adopted the City's Envision Stockton 2040 General Plan Update and Utility Master Plan Supplements Environmental Impact Report in December 2018 and prepared an Initial Study/Addendum for the Hammer Lane Annexation Development Project.

WHEREAS, the subject territory is uninhabited and has 100% owner consent;

WHEREAS, the Commission has, in evaluating the proposal considered the report submitted by the Executive Officer, the factors set forth in Section 56668 of the California Government Code and testimony and evidence presented at the public hearing held on May 12, 2022.

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that, as a Responsible Agency, the Commission has independently reviewed and considered the Initial Study/Addendum for the Hammer Lane Annexation and Development Project as certified by the City;

Section 2. Finds that the proposal is uninhabited and has 100% owner-consent.

Section 3. Approves the annexation of Hammer Lane Reorganization to the City of Stockton with concurrent detachments from the Waterloo-Morada Rural Fire District and the San Joaquin County Resource Conservation District with the boundary description as approved by the County Surveyor, attached hereto as Exhibit A.

Section 5. Finds, pursuant to Government Code Section 56856.5, the reorganization is necessary to provide services to planned, well-ordered, and efficient urban development patterns that include appropriate consideration of the reservation of open-space lands within those urban development patterns.

Section 6. Directs the Executive Officer to withhold the recordation of the Certificate of Completion until the loss revenue to the Waterloo-Morada Rural Fire District has been mitigated and agreed upon by both agencies.

PASSED AND ADOPTED this 12th day of May 2022	by the following roll call vote:
AYES:	
NOES:	
ABSENT:	
	DAVID DREITENDLICHED CHAIDMAN
	DAVID BREITENBUCHER, CHAIRMAN San Joaquin Local Agency

Formation Commission

Hammer Lane Reorganization to the City of Stockton (LAFC 06-22)

Public Hearing

May 12, 2022

San Joaquin Local Agency Formation Commission

PROPOSAL

- Annexation of 8.33 acres plus 710 linear feet of adjacent Hammer Lane Right-of-Way
- Detachment from Waterloo-Morada Fire District and San Joaquin County Resource Conservation District
- Annexation required to extend city services for the proposed commercial development
- Project is uninhabited and has owner consent
- Located on the southwest corner of Hammer Lane and Maranatha Drive



Background

- Annexation consists of 3 parcels
- Site adjacent to the CarMax Reorganization approved by the Commission in August 2019
- Development project consists of 4.32 acres for retail commercial including a fueling station with convenience store, quick-serve restaurant, sit-down restaurant, and carwash
- 3.7 acres fronting Hammer Lane will consist of a hotel
- Utilities for the development will tie into utility improvements made by the CarMax project

Environmental

- The City of Stockton certified and adopted the City's Envision Stockton 2040 General Plan Update and Utility Master Plan Supplements Environmental Impact Report in December 2018 and prepared an Initial Study/Addendum for the Hammer Lane Annexation Development Project.
- LAFCo as a responsible agency must independently review and make findings

REVIEW FACTORS (§56668)

- Population, land area, likelihood of significant growth:
 - · Lands are primarily vacant and uninhabited
 - Eastern portion contains vacant land, church, school and a recently demolished single-family residence
 - Site surrounded by vacant land and commercial orchards to the south, CarMax to the west, and a residence, gas station and SR99 to the east
 - Site is continuation of commercial development planned for Hammer Lane

REVIEW FACTORS (§56668)

Conformity with Commission Policies on Providing Planned, Orderly and Efficient Patterns of Urban Development

- Site is within the City's 10-year Sphere of Influence Plan and planed for development
- Site is adjacent to the City boundary
- Site is surrounded by urban development and lands planned for development

Maintaining Physical and Economic Integrity of Agricultural Lands

- A portion of the site was formerly an orchard but is now vacant
- Applicant will participate in the City's Agricultural Land Mitigation Program for a portion of the annexation site

REVIEW FACTORS (§56668)

Ability to Provide Services

- Project will tie into utility improvements completed by CarMax for water, sewer, and drainage
- Site will detach from Waterloo-Morada Fire District
 - Nearest City fire station located 1.8 mi and will provide a 3-4 minute response time
- Developer will be required to pay Public Facilities Fees for police and fire capital improvements
- Construction of infrastructure improvements will be the responsibility of the developer

Fire Mitigation

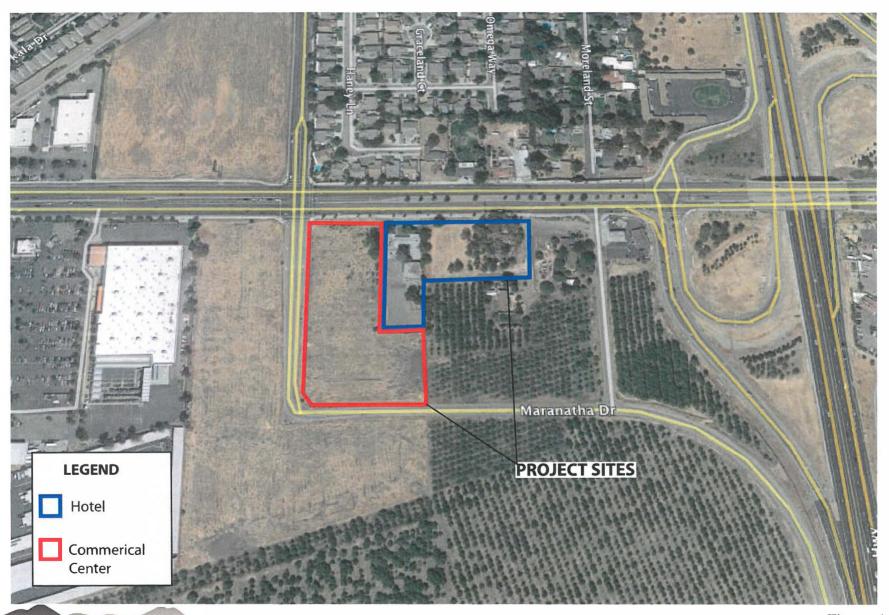
- LAFCo's policy requires consideration of any significant adverse impacts to the detaching agency i.e., negative impact to budget or services and may require mitigation
- An agreement has been reached to pay the District \$118,264 for loss revenue calculated over a 15 year period with a 3% compounded yearly increase.
- City and the fire district have not finalize the agreement due to time restraints but is expected that an agreement will be completed mid-May
- The Commission may condition its approval to withhold filing of the Certificate of Completion until such time an agreement is reached

Discussion

- Annexation proposal represents logical extension of the City
- Provides for the orderly development of the area
- Annexation site has been considered for development in the City's General Plan and is included in the City's 10-year Sphere of Influence Plan
- The City's Municipal Service Review had demonstrated that adequate services can be provided to the area

Recommendation

- It is recommended that the Commission approve Resolution No. 1475 approving the annexation of Hammer Lane Reorganization to the City of Stockton
- Condition approval to withhold the recordation of the Certificate of Completion until the loss revenue to Waterloo-Morada Fire district has been mitigated and agreed upon by both agencies.



BaseCamp Environmental

Figure 1-4 AERIAL PHOTO

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San Joaquin Local Agency Formation Commission

509 West Weber Avenue Stockton, CA 95203 209-468-3198 FAX 209-468-3199

JUSTIFICATION OF PROPOSAL

				to process an application u 000: (Indicate N/A if Not A		
SHO	RT TITLE OF	THE PROPO	SAL:			
TYP	E OF PROPOS	SAL				
	City Incorpora	ation	Sphei	re of Influence Amendment		District Formation
	Consolidation	n [Sphei	re of Influence Update		Annexation
	Detachment] Additi	on of Services		District Dissolution
		X	Reorga	nization (involving an Annex	ation a	and Detachment(s))
AGE	NCY CHANGE	ES RESULTIN	IG FROM	THIS PROPOSAL		
Ager	ncy or Agencie	s gaining terri	tory:	City of Stockton		
Ager	ncy or Agencie	s losing territo	ry:	San Joaquin County;		
				San Joaquin County Res	source	e Conservation District;
				Waterloo-Morada Rural I	Fire D	istrict
Pleas				telephone numbers of all A ve the hearing notice and		
Nam	<u>e</u>		Mailir	ng Address		Telephone
Sand	Mann Elite Business Er			nterprises, Inc. d. Suite G, Concord, CA 9452	0 <u>s</u> .	925-446-6806 mann@norcaloffice.com
Char	anjiv Dhaliwal			nterprises, Inc. d. Suite G, Concord, CA 9452	0 <u>cj</u>	925-446-6806 .dhaliwal@norcaloffice.com
Char	les Nattland			tects & Engineers e 210, Sacramento, CA 9582	5 <u>ct</u>	916-231-0883 narles.nattland@cshqa.com
Kyu \$	S. Kim	19906 Fa	airway Ct.,	Woodbridge CA 95258	<u>k</u>	209-329-0874 yu.kim@sbcglobal.net
(Atta	ch a separate	sheet if neces	sary.)			

PROJECT INFORMATION

Please provide project-related information for the following questions:

- [] Yes X No 1. Do the proposed boundaries create an island of non-agency territory? [] Yes 2. Do the proposed boundaries split lines of assessment or ownership? X Yes [] No 3. Does the proposal involve public rights-of-way or easements? [] Yes X No 4. Does the proposal involve public land or land assessed by the State? [] Yes X No 5. Does any part of the proposal involve land under a Williamson Act Contract or Farmland Security Zone? [] Yes X No 6. Does any part of the proposal involve land with a Wildlife/Habitat Easement or Agricultural Land Conservation Easement? 7. List the affected Assessor Parcel Numbers, Owners of record and Parcel Sizes: APN Owner Acreage SCG Properties 130-030-13 4.32 +/-130-030-06 KFP Stockton, LLC 1.56 +/-KFP Stockton, LLC 130-030-07 2.27 +/-Jason R. Clark and Rosa Clark (Attach a separate sheet if necessary) 8. Physical Location of Proposal: 7620 Maranatha Drive, 4140 East Hammer Lane, 4230 East Hammer Lane (Southeast corner of Hammer Lane and Maranatha Drive) (Street or Road, distance from and name of Cross Street, quadrant of City)
- 9. Has an application been filed for an underlying project (such as Development Plan, Conditional Use Permit, or Tentative Subdivision Map)? [X] Yes [] No If Yes, please attach a Project Site Plan or Tentative Subdivision Map. If No, please provide an estimate of when development will occur:
- 10. List those public services or facilities which will be provided to the affected territory as a result of the proposed action:

City of Stockton Water, Sanitary Sewer and Storm Sewer; City of Stockton Fire Service

11. Indicate which of these services or facilities will require main line extensions or facility upgrades in order to serve the affected territory:

Provision of utility service to the hotel portion of the project will require off-site Improvements (see attached sheet for detailed description).

12. Provide any other justification that will assist the Commission in reviewing the merits of this request. (Attach a separate sheet if necessary)

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INDEMNIFICATION AGREEMENT

Concord

Executed at

As part of this application, applicant and real property in interest, if different, agreed to defend, indemnify, hold harmless, and release the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, and employees from any claim, action, or proceeding brought against any of the above, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorney's fees, or expert witness fees that may be asserted by any person or entity, including the applicant, arising out of or in connection with the approval of this application, whether or not there is concurrent passive or active negligence on the part of the San Joaquin Local Agency Formation Commission, its agents, officers, attorneys, or employees.

. California, on

December 10

APPLIC	CAN	T Docusigned by: San dyMann		RTY IN INTERE	
Signatu	ıre:		,		•
Title:	CEO		Signature	e:	
			Title:		
SUBMIT	ΓΤΑΙ	_S			
		his application to be processed, the foll	owing information nee	eds to be provided	l:
	1.	Two copies of this Justification of Prop	osal, completed and	signed with origina	al signatures;
	2.	Five prints of a full-scale proposal map affected jurisdiction (Refer to Guide for	Preparation):		elationship to the
	3.	Five copies of an 8.5" x 11" or 11" x 17			
	4.	Three copies of a metes and bounds of			a of Auuliantian au a
	5.	One certified copy of the City Council a petition making application to LAFC		Board Resolution	1 of Application, or a
	6.	Written permission from each affected			
	7.	One copy of the project environmental		pact Disc if more	than 25 pages);
	8.	One copy of the project Notice of Dete			
	9.	Three 8.5" x 11" copies of the Vicinity			
1	10.	One copy of the plan for providing service drainage systems (refer to Government)	nent Code Section 56	653);	
	11.	One copy of the Pre-Zoning map or de			
	12.	One copy of the Statement of Open Sp			
	13.	One Copy of the Statement of Timely			
1	14.	One copy of the Statement of Fair Sha proposal) (refer to Section 56668(I));		
	15.	One copy of the project design (site place)			
1	16.	One copy of the Residential Entitlement proposal); and	•		
1	17.	Filing and processing fees in accordar Equalization Fee Schedule.	ce with the LAFCo Fe	e Schedule and t	he State Board of
	Add	itional information may be required duri	ng staff review of the	proposal.	
CERTIF					
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		ndy Mann		Date:	12/10/2021
(Signat	urea				005 446 5555
		ca132D37C4493 Sandy Mann De Name:	Dayti	me Telephone:	925-446-0361

INITIAL STUDY/ADDENDUM TO THE ENVIRONMENTAL IMPACT REPORT ENVISION STOCKTON 2040 GENERAL PLAN UPDATE

State Clearinghouse No.: 2017052062 Certified by the City of Stockton, California December 2018

HAMMER LANE ANNEXATION AND DEVELOPMENT PROJECT

May 2021

Prepared for:
CITY OF STOCKTON
COMMUNITY DEVELOPMENT DEPARTMENT
345 N. El Dorado Street
Stockton, CA 95202

Prepared by: BASECAMP ENVIRONMENTAL, INC. 115 South School Street, Suite 14 Lodi, CA 95240



INITIAL STUDY/ADDENDUM TO THE ENVIRONMENTAL IMPACT REPORT ENVISION STOCKTON 2040 GENERAL PLAN UPDATE

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APPENDIX C	ARBORIST REPORT
APPENDIX D	NOISE ASSESSMENT
APPENDIX E	TRAFFIC ANALYSIS
APPENDIX F	APPLICANT'S PROJECT DESCRIPTION

CULTURAL RESOURCE STUDIES ARE CONTAINED IN A CONFIDENTIAL APPENDIX THAT IS AVAILABLE TO QUALIFIED REVIEWERS AT THE STOCKTON PERMIT CENTER, 345 N EL DORADO STREET, STOCKTON

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1.0 INTRODUCTION

1.1 PURPOSE OF THE INITIAL STUDY/ADDENDUM

The California Environmental Quality Act (CEQA) requires State and local agencies to consider and document the potential environmental impacts of proposed projects as well as mitigation measures needed to reduce those impacts to a less than significant level. This is ordinarily accomplished in Initial Studies, EIRs and Negative Declarations. CEQA encourages the use of previously prepared and programmatic environmental documents in evaluating subsequent projects when they effectively address the environmental issues associated with the project.

The proposed project is the Hammer Lane Annexation and Development Project. The project involves the annexation of approximately eight acres of land and road rights-of-way into the City of Stockton. The annexation area is proposed for development as a retail commercial center and a hotel. The project is described in more detail in Chapter 2.0.

Based on the analysis provided in Chapter 3.0 of this document, the City of Stockton has determined that the potential environmental effects of the project have already been effectively addressed in the City's Envision Stockton 2040 General Plan Update and Utility Master Plan Supplements EIR, hereinafter referred as the GPEIR. The GPEIR was certified by the Stockton City Council in December 2018. This Initial Study/Addendum provides substantial evidence supporting the City's determination.

The GPEIR is hereby incorporated by reference into this document. A copy of the certified GPEIR may be reviewed at the Stockton Community Development Department office at 345 N. El Dorado Street in Stockton.

This Initial Study/Addendum considers the potential environmental effects of the project and whether any revisions to the GPEIR are needed to provide an adequate environmental review document for the proposed project, consistent with the requirements of CEQA. The remainder of this chapter describes the criteria for reaching this conclusion and the project background. Chapter 2.0 describes the proposed project and compares it to the future land development activities for the site and vicinity foreseen in the land use designations of the Envision Stockton 2040 General Plan and the certified GPEIR. Chapter 3.0 – the Initial Study – analyzes the degree to which the proposed project would change the future land use scenario described in the General Plan on the environmental effects described in the GPEIR. The conclusions of this analysis are discussed in Chapter 4.0.

1.2 <u>CEQA PROVISIONS RELATED TO THE INITIAL</u> <u>STUDY/ADDENDUM</u>

Ordinarily, the certification of an EIR and filing of a Notice of Determination closes the CEQA review process for a project. However, when a lead agency considers a later project that may be covered by a certified Program EIR but might require revisions to the Program EIR, CEQA describes how the Program EIR may be used in the review of the later project (CEQA Guidelines Section 15168) and provides options for use of the Program EIR that can reduce the need for new documentation and streamline the subsequent environmental review process.

Section 15168 provides that a Program EIR may be used in the environmental review of a later project, subject to a review of whether the later project might involve environmental effects that were not addressed in the Program EIR. This review involves consideration of whether the later project is within the scope of the Program EIR, including consideration of the consistency of the later project with the allowable land use, development intensity, geographic area and infrastructure covered in the Program EIR.

Options for CEQA documentation for a project addressed by a previous EIR are defined in Sections 15162 through 15164 of the CEQA Guidelines. These options include preparation of a subsequent EIR, a supplemental EIR, or an addendum. CEQA Guidelines Section 15162 describes the conditions under which preparation of a subsequent EIR may be warranted, while CEQA Guidelines Section 15163 describes the same for a supplemental EIR. If neither of those conditions apply, then an addendum can be prepared. The applicability of these options to the use of the GPEIR in documenting the potential environmental effects of the proposed project is evaluated in detail in Chapter 3.0 of this document.

CEQA Guidelines Section 15162(a) states that once an EIR has been certified for a project, no subsequent CEQA documentation shall be prepared for that project unless the lead agency determines one or more of the following:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:

- (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
- (B) Significant effects previously examined will be substantially more severe then shown in the previous EIR;
- (C) Mitigation measures or alternatives previously found to be not feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative.

CEQA Guidelines Section 15164 provides that an addendum may be used to make "minor technical changes or additions" that are necessary to assure that the previous EIR is "adequate under CEQA," provided that no new important "issues about the significant effects on the environment" are raised. The provisions of Section 15164 are outlined below.

- (a) The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.
- (b) (Refers only to Negative Declarations)
- (c) An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.
- (d) The decision-making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.
- (e) A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's required findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

1.3 ENVISION STOCKTON 2040 GENERAL PLAN AND THE GPEIR

The Envision Stockton 2040 General Plan Update and Utility Master Plan Supplements were adopted by the Stockton City Council in December 2018 after certifying the GPEIR. The General Plan serves as the principal policy document guiding future conservation and development in the City of Stockton, and within the Planning Area. Outside the City, to the year 2040. The General Plan includes goals, policies, and actions that have been

designed to implement the community's vision for future Stockton. The policies and actions are intended to be actively used by the City to guide day-to-day decision-making so there would be continuing progress toward attainment of the proposed goals. The Stockton Utility Master Plan Supplements identify needed infrastructure improvements to serve development anticipated under the General Plan in its 2040 horizon year.

The General Plan addresses all aspects of development, including land use, transportation, housing, economic development, public facilities and infrastructure, and open spaces, among other topics. The General Plan includes an introductory chapter, a chapter describing the planning framework, four separate chapters that establish goals and policies for each given set of topics, and an Action Plan that outlines specific measures, procedures, programs, or techniques that will implement the policies. The four primary topic chapters are as follows:

- Land Use. This chapter designates all lands within the Planning Area for specific uses such as housing, commercial, industrial, or agricultural uses. The Land Use Chapter also provides overall development criteria for each land use designation and overall land use policies that apply to development throughout the City, including the connection between land use, transportation, and utilities infrastructure. This chapter also incorporates the State-required Open Space and Conservation Element topics, as well as other topics important to the community, including economic development and community design.
- Transportation. This chapter specifies the general location and extent of existing and proposed major streets and other transportation facilities. This chapter is correlated with the Land Use chapter to provide adequate pedestrian, bicycle, motor vehicle, transit, air, and water transportation to serve both new and existing land uses as development of the City proceeds.
- Safety. This chapter provides information about risks in Stockton due to natural and
 human-made hazards and contains goals, policies, and actions designed to protect
 the community, community members and property from hazards. It specifically
 addresses risks associated with geologic and seismic hazards, flooding and storm
 drainage, wildland fires, and hazardous materials and waste. This chapter also
 includes policies and actions to deter crime and support law enforcement and
 community protection efforts.
- Community Health. The Community Health Chapter addresses the State-required Environmental Justice and Noise Element topics, as well as Air Quality, which is a required regional general plan topic per the San Joaquin Valley Air Pollution Control District. This chapter also addresses public services and utilities, as well as the community-identified priorities of public health, recreation, youth and education, the local economy, and climate change and adaptation.

A key component of the General Plan is the General Plan Land Use Map. The map identifies the land use designations governing future development of all parcels within the Planning Area. There are twelve land use designations covering various types of development: residential, commercial, industrial, and open space, among others. The

May 2021

project site and surrounding lands south of Hammer Lanc are designated for Commercial development.

Pursuant to CEQA Section 21080(d) and CEQA Guidelines Section 15063, the City determined that the proposed General Plan could result in substantial amounts of new development, and potentially significant environmental impacts, and that an EIR would be required under CEQA. The Draft GPEIR was prepared and released for public review in June 2018. The Draft GPEIR evaluated the potential environmental impacts of implementation of the General Plan on a programmatic level. As described in CEQA Guidelines Section 15168, program EIRs are appropriate when a project consists of a series of actions related to the issuance of rules, regulations, and other planning criteria. Public review was completed within a 45-day review period, and a Final EIR was prepared and ultimately certified by the City Council in December 2018.

The GPEIR considered the potential environmental effects of projected new development through 2040, based on land uses designated in the General Plan Land Use Map. The future land uses considered in the GPEIR include development of the project site with commercial land uses. The GPEIR considered the range of environmental concerns ordinarily addressed in EIRs, including effects of new development on agricultural land conversion, air quality, biological and cultural resources, greenhouse gas emissions, land use, noise, and transportation, among others. The GPEIR found that the General Plan would involve significant and unavoidable impacts in several issue areas including:

Farmland Conversion

Long-Term Operational Pollutant Emissions, Consistency with Air Quality Management Plans, Violations of Ambient Air Quality Standards

Construction Pollutant Emissions

Greenhouse Gas Emissions

Increases in Traffic Noise

Substantial Employment Growth

Traffic Level of Service Impacts to Local Roads, Regional Roads and Freeway Segments

The degree to which the GPEIR adequately addresses these environmental issues and concerns is the specific subject of Chapter 3.0 of this document.

1.4 PROJECT BACKGROUND

The proposed project involves development of several commercial uses adjacent to the northeastern portion of Stockton (Figures 1-1 through 1-5). Proposed uses include several retail commercial uses and a hotel on primarily vacant land that until recently supported a small orchard, single-family residences, a church and a private school. Proposed development is consistent with the existing Commercial designation of the site.

The project is in the planned trajectory of commercial development along Hammer Lane. The northeastern portion of the City of Stockton has developed progressively from the vicinity of the Union Pacific Railroad east towards State Route (SR) 99 from the 1980s through the present. Major urban development projects approved during the 1980s and 1990s, and subsequent infill, resulted in today's largely urban landscape in the area. Development projects included the Stockton Auto Center, Morada Lane, Blossom Ranch, Morada Ranch, and the Christian Life Center, the latter including the church grounds and an adjacent single-family residential subdivision. Recently, the San Joaquin Local Agency Formation Commission (LAFCo) approved the annexation of an area immediately west of the proposed project site to the City of Stockton, on which the City approved development of a CarMax automobile dealership.

The proposed project site, particularly the area adjacent to Maranatha Drive, has been the subject of development proposals in recent years. During the period 2003-2008, the City considered the Origone Ranch Specific Plan, which included the proposed project site and surrounding areas. The proposed Specific Plan covered approximately 390 acres of undeveloped land south of Hammer Lane between Holman Road and SR 99, and it proposed commercial development of lands along Hammer Lane and Maranatha Drive, including the project site. The processing of the Specific Plan applications was halted during the 2008-2010 economic recession, and the applications were subsequently withdrawn.

Later, Hammer Petroleum, LLC and SCG Properties applied for an amendment to the San Joaquin County General Plan and a zone reclassification for an approximately 14.9- acre area that included the western portion of the proposed project site and the approved CarMax annexation. The County granted approval for these actions in 2016, but the approvals were challenged in court and ultimately overturned.

In 2018, Hammer Petroleum, LLC and SCG Properties re-applied to the County for a General Plan Amendment, rezoning, and Tentative Parcel Map for the development of retail commercial uses on the approximately 4.32-acre parcel at the southeastern corner of Hammer Lane and Maranatha Drive, the current proposed commercial center site. The County determined that this proposal would require preparation of an EIR. While the applications were being processed and the EIR was in preparation, two parcels adjacent to and east of the project site were sold. The new owner proposes constructing a hotel on these parcels. Based on City of Stockton interest in annexing both sites, the County applications were withdrawn, and applications for annexation, pre-zoning and development of the proposed retail commercial and hotel sites were submitted to the City. Both projects are undergoing concurrent review by the City. The two projects together constitute the proposed project described in Chapter 2.0 of this Addendum.

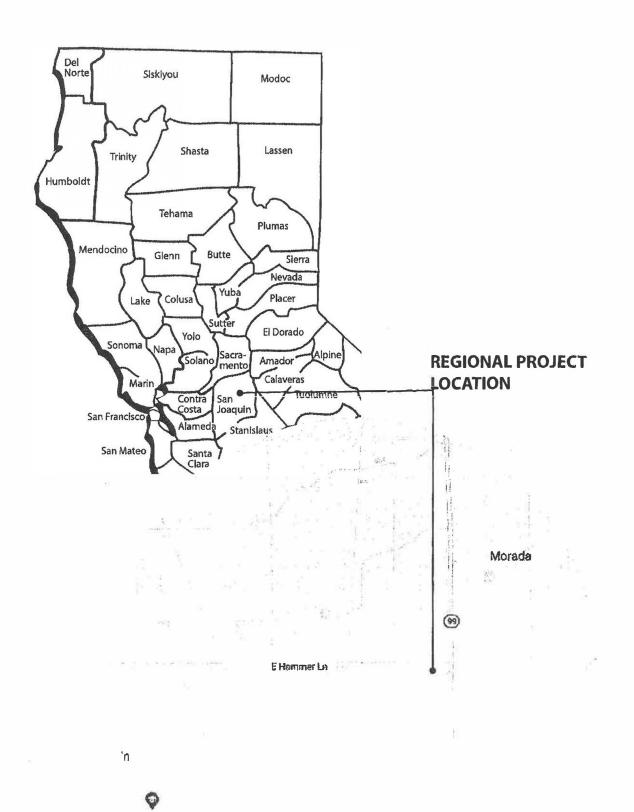
1.5 SUMMARY OF CONCLUSIONS OF THE INITIAL STUDY/ADDENDUM

The revisions to the GPEIR needed to describe the proposed project and its environmental impacts documented in this Initial Study/Addendum consist entirely of

minor changes and updates to the Project Description and to the environmental impact analysis. In most cases, these changes are needed to address the project specific environmental effects at the project level.

As discussed in Chapters 2.0 and 3.0, the changes associated with the proposed project do not meet any of the criteria of CEQA Guidelines Sections 15162 and 15163 for preparation of a Subsequent or Supplemental EIR. The changes would not result in any significant effects that were not discussed in the certified GPEIR, and their implementation would not make any of the significant effects identified in the GPEIR substantially more severe. The Initial Study/Addendum concludes that there are no additional feasible mitigation measures that would reduce the significant and unavoidable impacts of General Plan implementation to a level that is less than significant. Other effects identified as potentially significant in the GPEIR can be reduced to a level that would be less than significant with application of mitigation measures described in the certified GPEIR. The project would require one mitigation measure not specifically addressed in the GPEIRs archaeological monitoring of construction excavation and grading. As discussed in Chapter 4.0, this is an acceptable change in the context of an Addendum, as provided in CEQA Guidelines Section 15164. No additional mitigation measures with the above exception are required are required to address the potential environmental effects of the project.

As required by CEQA, the City adopted a Mitigation Monitoring and Reporting Program (MMRP) prior to certifying the GPEIR and approving the General Plan. The MMRP describes the mitigation measures that are to be implemented throughout implementation of the General Plan. Since no new or substantially more severe environmental effects, or new or more effective mitigation measures, have been identified in this Initial Study/Addendum, the adopted MMRP is largely applicable to the project. Appendix A contains the GPEIR MMRP.



Base Camp Environmental

Figure 1-1 REGIONAL LOCATION MAP

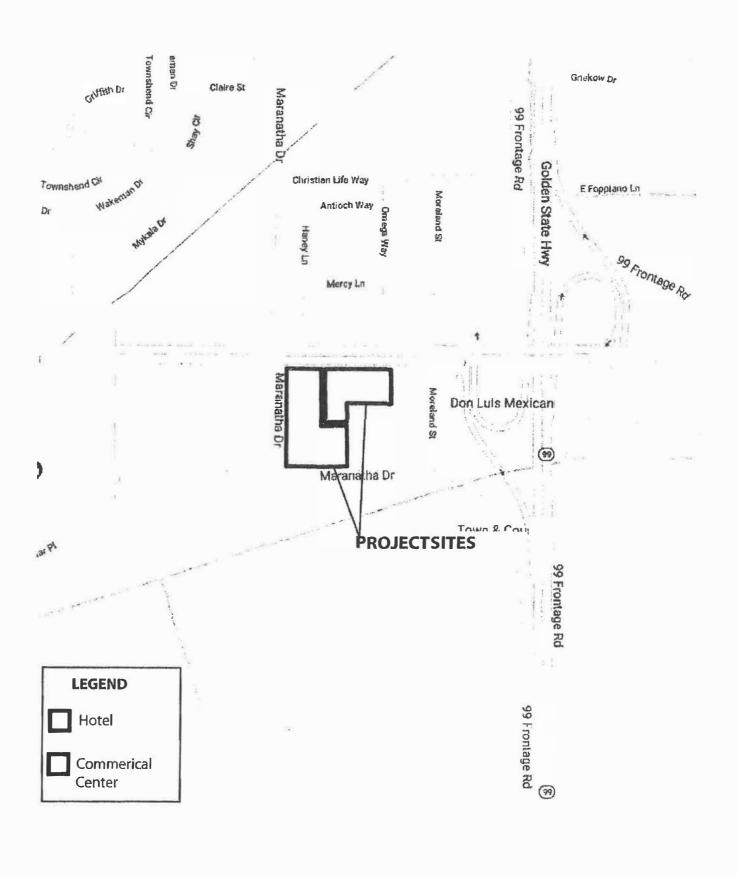




Figure 1-2 STREET MAP

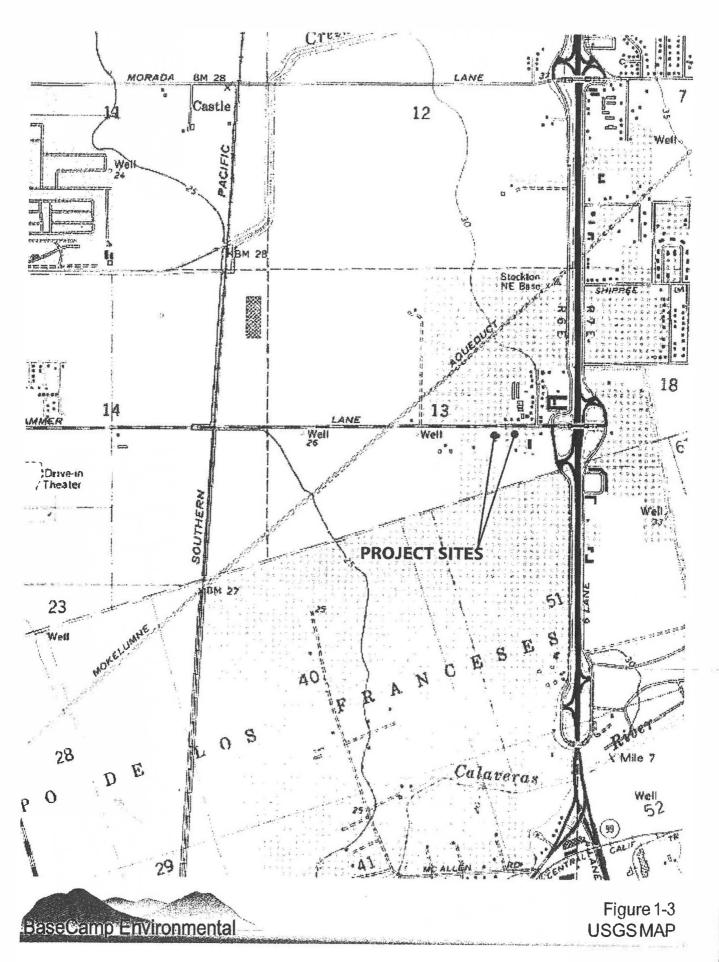




Figure 1-4 AERIAL PHOTO

2.0 PROJECT DESCRIPTION AND PROJECT-RELATED CHANGES TO THE 2040 GPEIR

2.1 PROPOSED PROJECT DESCRIPTION

Annexation and Pre-zoning

The project proposes to annex approximately eight acres, currently located in unincorporated San Joaquin County, to the City of Stockton. The annexation area includes three parcels of land identified as Assessor Parcel Number (APN) 130-030-06, - 07, and - 13, along with a portion of the right-of-way of Hammer Lane. Upon City approval, the City would submit an application to the San Joaquin LAFCo for approval of the annexation. As part of the annexation process, the site would be pre-zoned to Commercial-General (CG) to allow for the proposed commercial development (Figure 2- 4A). Since the site is already designated Commercial by the Stockton 2040 General Plan, no amendment to the General Plan would be required. Proposed annexation and pre-zoning diagrams are shown on Figures 2-1 and 2-2. Annexation and pre-zoning actions are within the range of probable development-related activities considered in the GPEIR.

Tentative Parcel Map

The application to the City for approval of the retail commercial development includes a Tentative Parcel Map (Figure 2-3). The Tentative Parcel Map would subdivide APN 130-030-13 into four parcels, one for each of the proposed commercial developments on the project site. Land division for this purpose are within the range of probable development-related activities considered in the GPEIR.

Parcel 1	1.01 ac.	AMPM Convenience Store and Fueling Station
Parcel 2	0.89 ac.	Sonic Quick-Serve Restaurant
Parcel 3	1.32 ac.	Black Bear Diner Restaurant
Parcel 4	1.10 ac.	Elite Car Wash

Project Development

Figure 2-4 shows the overall proposed development of the proposed retail commercial uses. APN 130-030-13, a vacant parcel of approximately 4.32 acres, is proposed to be developed as a retail commercial center with the four commercial uses listed above for the Tentative Parcel Map. The proposed uses within the commercial center are described below. Additional detail is provided in the applicant's Project Description (Appendix F). Rooftop mechanical units and equipment for each of the proposed buildings will be screened by parapet walls.

• ARCO AM/PM fueling station and convenience store (elevations in Figure 2-5A&B). The fueling station component would have eight multi-pump dispensers

that would serve up to 16 vehicles at a time. A canopy approximately 6,41 square feet in area would cover the dispensing pumps. The convenience store would be in a single-story wood or metal stud frame structure approximately 3,922 square feet in floor area. The convenience store would be licensed for Type 20 – Beer and Wine sales. The proposed store would not be within 500 feet of schools, day-care, public park, playground, recreation or youth facilities.

- A Sonic quick-serve restaurant (elevations in Figure 2-5C). The Sonic building would be a single-story wood or metal stud frame structure have approximately 2,720 square feet of floor area for cooking and indoor dining. Customers would receive in-vehicle food service in two designated parking areas covered by canopies totaling 2,640 square feet in area.
- A Black Bear Diner sit-down restaurant (elevations in Figure 2-5D). The Black Bear Diner building would be a single-story wood or metal stud frame structure have 5,338 square feet of floor area and 157 seats for indoor dining. The Black Bear project would be licensed for Type 20 Beer and Wine sales. The proposed store would not be within 500 feet of schools, day-care, public park, playground, recreation or youth facilities.
- An Elite Car Wash, a stand-alone, unattended carwash (elevations in Figure 2-5E). The carwash would be a single-story wood or metal stud frame "tunnel" carwash, with a conveyor approximately 140 feet in length and within a structure of approximately 4,625 square feet. The carwash also would provide 20 vacuum stations to the north and east of the main facility.

The retail commercial center would provide a total of 170 parking spaces located throughout the site, distributed as shown below.

Standard Spaces (9' x 19')	86 spaces
Accessible Spaces (9' x 19')	6 spaces
Fuel Island	16 spaces
Clean Air/ Carpool/ EV	15 spaces
Sonic's Canopy Parking	16 spaces
Car Wash Vacuum Spaces	20 spaces
Car Wash Vacuum Space (Accessible)	1 space.
Future EV Charging (Accessible)	4 spaces
Future EV Charging	6 spaces

Access to the proposed commercial center would be provided from an entry-only driveway off Hammer Lane shared with the proposed hotel, two driveways off Maranatha Drive along the west side of the site, and one driveway off the SR 99 Frontage Road to the south.

The project proposes to connect to existing wastewater lines managed by the City of Stockton with a new 8-inch-diameter sanitary sewer line extension east from an existing line in Hammer Lane approximately 175 feet across the Maranatha Drive intersection to a new manhole in Hammer Lane at the northwest corner of the project site (Figure 2-8). Water service would be provided by a 12-inch-diameter water line extending from an

existing City main along Hammer Lane south along the project frontage on Maranatha Drive, which would be installed as part of another project. An on-site storm drainage collection and treatment system would be installed, which would treat collected drainage before it is discharged to existing City storm drainage lines. Existing electrical, natural gas, and telecommunication lines along Hammer Lane would be utilized as needed to provide these services to the project site.

All proposed buildings shall each be constructed as a single-story wood or metal stud frame structure with conventional footing and concrete slab on grade. All buildings would be heated and cooled with mechanical ventilation per current California Building Code requirements. For the restaurants, kitchen hoods would be exhausted per current California Building Code requirements. The car wash itself would be open air unconditioned space, but enclosed spaces associated with this facility shall be provided with natural or mechanical ventilation per the California Building code requirements. Fire suppression shall be per California Building Code and local jurisdictional requirements. All rooftop mechanical units and equipment would be screened by parapet walls.

As noted, the proposed development would not require a General Plan amendment, and the parcel would be pre-zoned to allow for commercial development upon annexation. The proposed commercial uses are consistent with the existing General Plan designation and allowable under the proposed pre-zoning of the site; restaurants are allowable by- right in the proposed CG zone, while the convenience store, fueling station, and car wash uses require Planning Commission or administrative approvals. Alcoholic beverage sales, proposed for the convenience store and the Black Bear Diner, would require licensing from the State's Department of Alcoholic Beverage Control. The necessary development approvals are, however, within the range of probable development-related activities considered in the GPEIR.

Hotel Development

APNs 130-030-06 and 130-030-07, totaling approximately 3.7 acres, would be developed as a hotel (Figure 2-6). Figure 2-7 shows the plans for the first floor, and Figure 2-8 shows the hotel elevations. The hotel is anticipated to be a dual-brand hotel occupied by Fairfield Inn and Suites and by TownePlace Suites. The hotel building would have four stories and approximately 81,484 square feet of floor area.

The hotel building would have 141 suites available for visitors. Fairfield Inn and Suites would occupy the western side of the building, with 81 suites available for short stays. TownePlace Suites would have the remaining 60 suites on the eastern side of the building. These suites would be available to extended-stay travelers. Between these two sides would be a lobby, registration area, and a lounge. Also proposed in this building area is a bar and restaurant area, a meeting room, a fitness center, a gift shop area, a work room and office behind the registration area, a laundry room, and utility and storage rooms. A pool would be installed outside this area to the south.

Access to the hotel would be provided from two entryways off Hammer Lane, including an entry-only driveway that also would be used by the adjacent commercial center, subject to a mutual access agreement. There also would be an access way between the

commercial center and the south parking area for the hotel. The hotel would have approximately 200 parking spaces, available on all sides of the hotel building. A drive-up area would be available at the front entrance to the hotel, which would face Hammer Lane. Approximately 16,143 square feet of landscaping would be installed, mainly around the hotel property boundaries.

As with the commercial center, the proposed hotel development would not require a General Plan amendment. The proposed hotel is a "Permitted" use under the proposed CG pre-zoning and would not require additional discretionary action. The hotel development would, however, require a demolition permit for removal of existing structures. A merger of the two parcels that make up the hotel site may be required to prevent hotel construction across property lines.

Provision of utility service to the hotel portion of the project will require off-site improvements. These improvements will be subject to the review and approval of the City Municipal Utilities and Public Works departments and a review of their consistency with adopted wastewater, water and storm water master plans. Off-site improvements required for the hotel portion of the project will include the following:

New 10-inch-diameter water service line connecting the site to an existing 24- inch-diameter water main in Hammer Lane adjacent to the site.

New 8-inch-diameter sanitary sewer line from the hotel site to a new manhole in Hammer Lane at the proposed joint site entry, and an 8-inch-diameter sanitary sewer line extending west along the Hammer Petroleum frontage to a manhole at the corner of Hammer Lane and Maranatha Drive to be installed by the adjacent project.

A 12-inch-diameter storm drain connecting the proposed on-site bioretention areas to an existing catch basin in Hammer Lane adjacent to the site, and a 15- inch-diameter storm drain connecting to a proposed storm drain manhole to be constructed on the adjacent property to the west. Both lines ultimately connect to an existing 24-inch-diameter storm drain in Hammer Lane.

The proposed hotel uses are consistent with the existing General Plan designation and proposed pre-zoning of the site, and the necessary development approvals are within the range of probable development-related activities considered in the GPEIR.

2.2 PROJECT-RELATED CHANGES TO STOCKTON 2040 GPEIR PROJECT DESCRIPTION

This Initial Study/Addendum considers the proposed annexation and development project as described above and analyzes the project's potential environmental effects in the context of, and compared to, the relative environmental impacts of implementing the General Plan through 2040 as described in the GPEIR. In order to make this analysis, the Initial Study/Addendum must identify differences between the project as addressed in the GPEIR – that is, between the future development of the project site pursuant to the

General Plan's land use designation — and the proposed retail commercial and hotel development project. Chapter 3.0 will determine whether any of these differences might lead to new or more severe environmental effects than were described in the GPEIR and/or whether there is a need for additional mitigation measures to address those new or more severe impacts.

This section also considers whether there are changes in the circumstances surrounding the Stockton 2040 General Plan since its approval, and the GPEIR since its certification, how they relate to the environmental effects of the proposed project, and whether these changes require "major" revisions to the certified EIR.

Changes to GPEIR Chapter 1.0 Introduction

Chapter 1.0 in the certified GPEIR provided an overview of the Stockton 2040 General Plan, the type and use of the EIR, the EIR organization, and the CEQA process for the EIR. After certification of the EIR in December 2018, the General Plan was adopted. The General Plan was adopted approximately two years ago, and neither city-wide conditions nor conditions in the vicinity of the proposed project have changed considerably from the baseline conditions of the Plan and the GPEIR. One notable local change, the approval of the CarMax annexation and development project immediately west of the project site, is consistent with the General Plan designation of Commercial for that site as well as the proposed project site. The proposed project would involve a continuation of ongoing commercial development along the Hammer Lane corridor. The proposed project would not substantially change the conditions described in this GPEIR chapter nor change the circumstances in which the General Plan was adopted.

Changes to GPEIR Chapter 2.0 Summary

Chapter 2.0 of the certified EIR summarizes the content of the EIR, including potential environmental impacts and applicable mitigation measures of General Plan buildout. As concluded in Chapters 3.0 and 4.0 of this Initial Study/Addendum, the project would not result in any substantial change in the assumptions, environmental impact conclusions or mitigation measures specified in the GPEIR Summary.

Changes to GPEIR Chapter 3.0 Project Description

A summary of the Stockton 2040 General Plan is provided in Chapter 1.0 of this Addendum. As concluded in Chapter 4.0 of this document, the proposed project would not involve any substantial changes to this description connected with new or more severe significant environmental effects than those described in the GPEIR.

Since certification of the EIR, the City has annexed 13.26 acres west of the proposed project site for the CarMax development project. Like the proposed project, the approved CarMax project conformed to General Plan designation and zoning requirements and required no reconsideration of the environmental impacts described in the GPEIR.

No other substantial changes to the Stockton 2040 General Plan or to the circumstances of its adoption have occurred.

Changes to Chapters 4.1-4.15

These chapters are the environmental topic chapters that address the potential environmental impacts of the Stockton 2040 General Plan. Potential changes to these chapters associated with the proposed project are described in Chapter 3.0 of this Initial Study/Addendum. As concluded in Chapter 4.0 of this document, the proposed project would not involve any new significant environmental effects or cause any of the significant effects addressed in the GPEIR to be substantially more severe than were described in the GPEIR.

Changes to Chapter 5.0 Alternatives

Chapter 5.0 described alternatives to the Stockton 2040 General Plan, pursuant to CEQA requirements. As with the Stockton 2040 General Plan, the alternatives deal with issues at a plan level. Due to its relatively small size, which is less than 0.01% of the Stockton Planning Area and a small fraction of the proposed development contemplated by the 2040 General Plan, the proposed project development would not substantially alter the circumstances under which the alternatives were evaluated, nor would it make any of the alternatives more feasible to implement or more preferable to the adopted General Plan. In addition, because the proposed uses at the project site are consistent with the General Plan, the assumptions used to evaluate the alternatives would remain unchanged.

Changes to Chapter 6.0 CEQA-Required Assessment Conclusions

Chapter 6.0 of the GPEIR discusses the potential growth-inducing impacts of the Stockton 2040 General Plan, the significant and unavoidable environmental impacts as identified in the GPEIR, and the significant irreversible environmental changes associated with General Plan implementation. These issues were also evaluated at a plan level. The proposed project represents a fraction of the proposed development within the Planning Area and is consistent with the planned land uses for the project site. It would not substantially alter the circumstances under which these CEQA-required conclusions were reached.

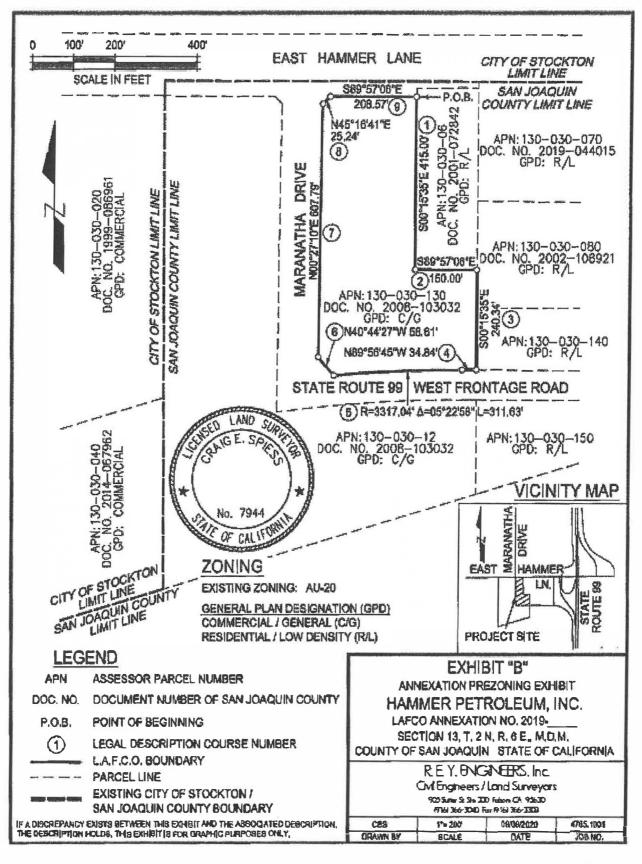
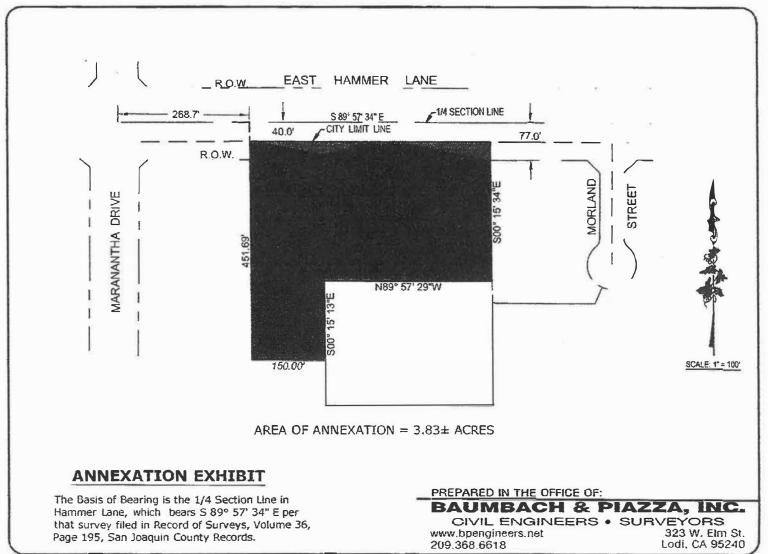




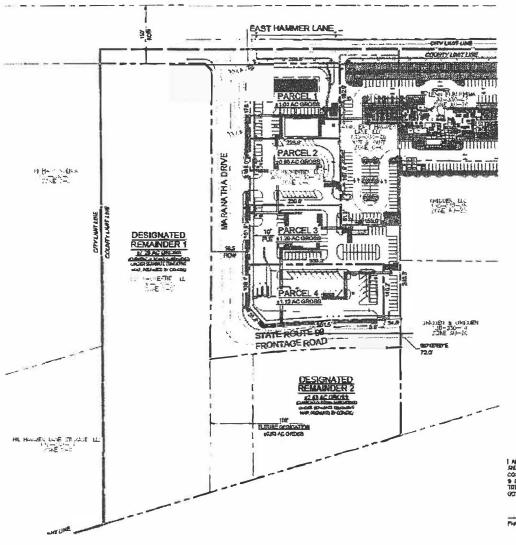
Figure 2-1 ANNEXATION/PREZONING MAP-COMMERCIAL CENTER SITE



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Figure 2-2 ANNEXATION MAP- HOTEL SITE



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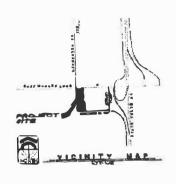


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SOURCE: Kimley-Horn

Figure 2-3 TENTATIVE SUBDIVISION MAP

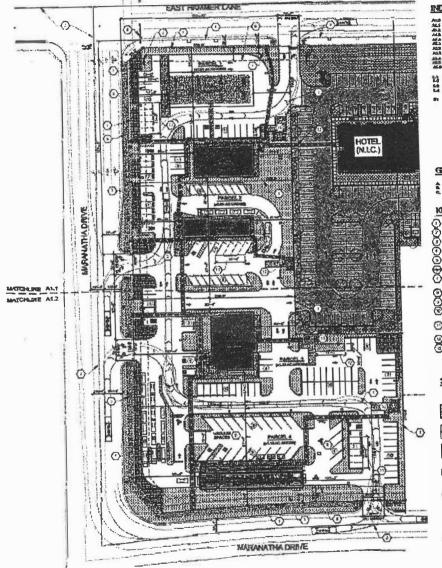


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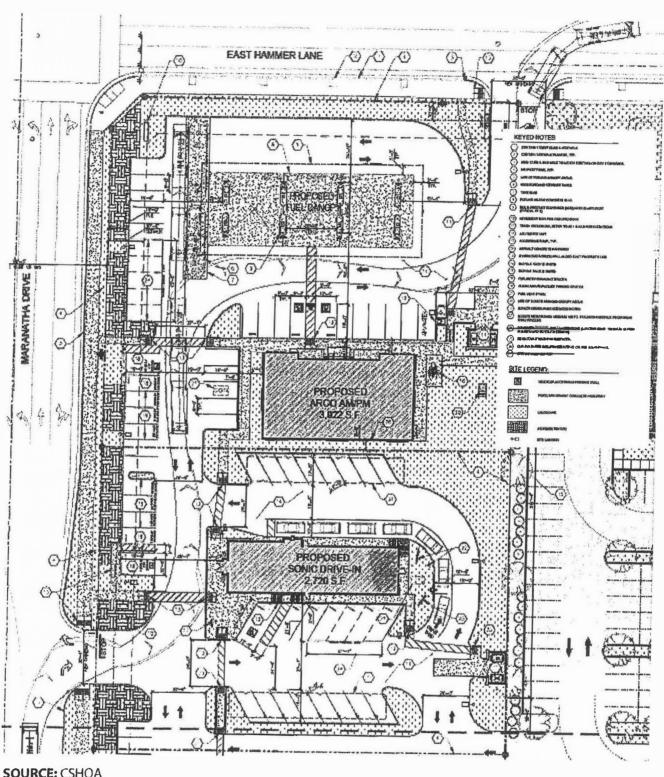
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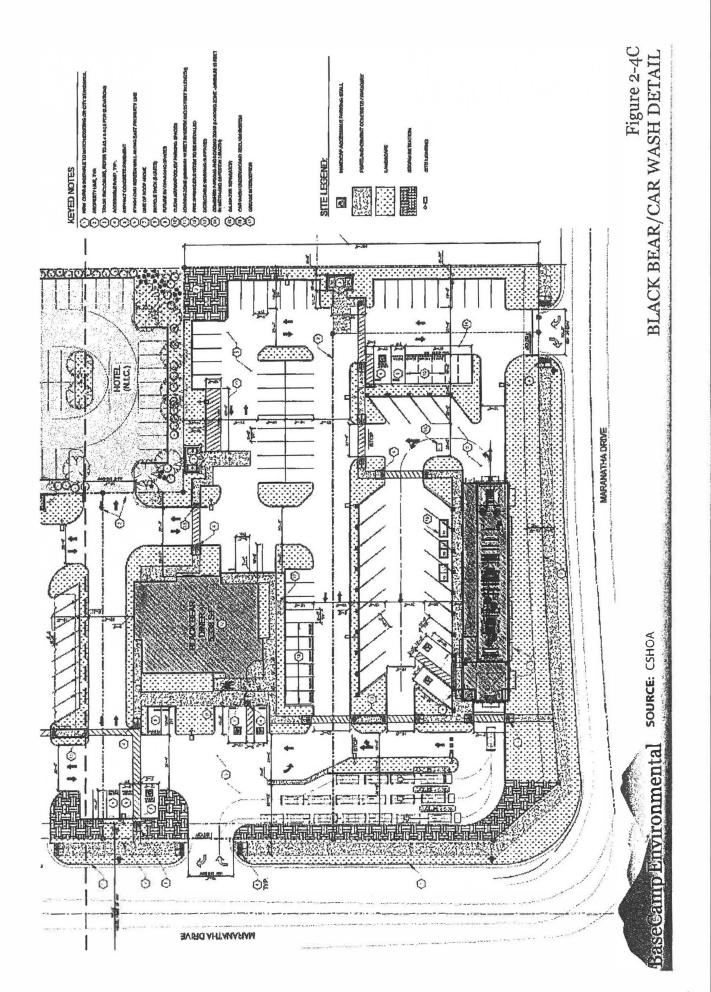
Figure 2-4A COMMERCIAL CENTER SITE PLAN

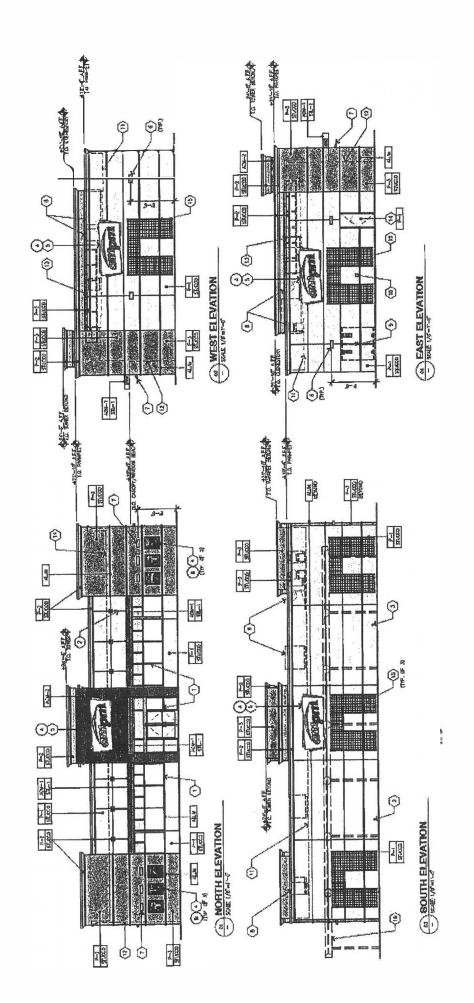


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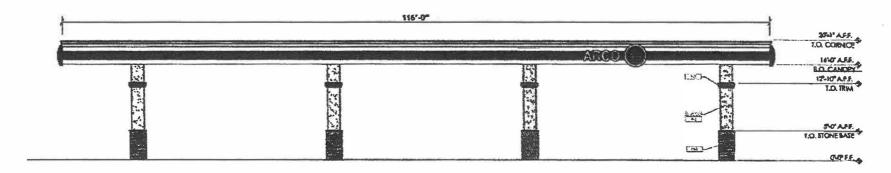
Figure 2-4B AMPM/SONIC DETAIL





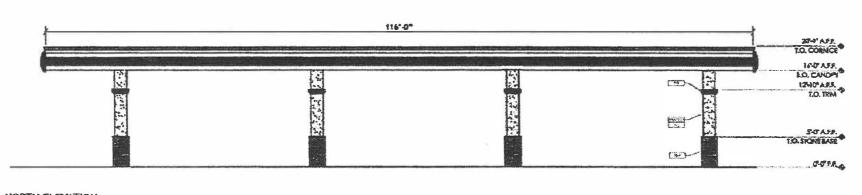


SOURCE: CSHOA



SOUTH ELEVATION

Scale: 3/32" = 1'-0"



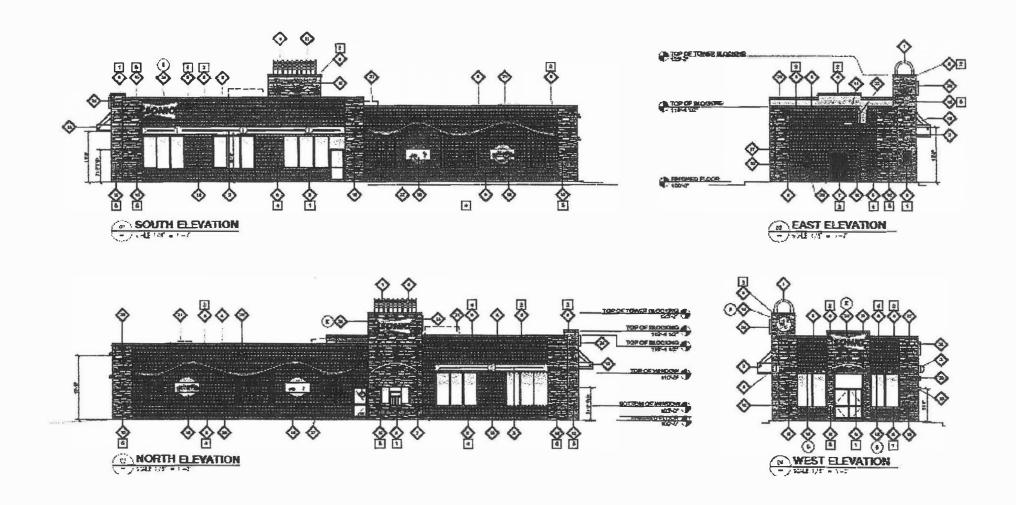
NORTH ELEVATION

Scale: 3/32" = 1'-0"

SOURCE: Loren Industries



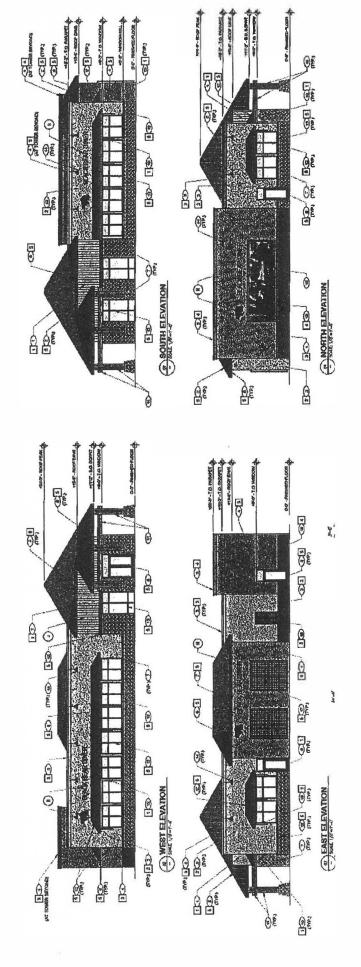
Figure 2-5B AMPM CANOPY ELEVATIONS



SOURCE: CSHOA

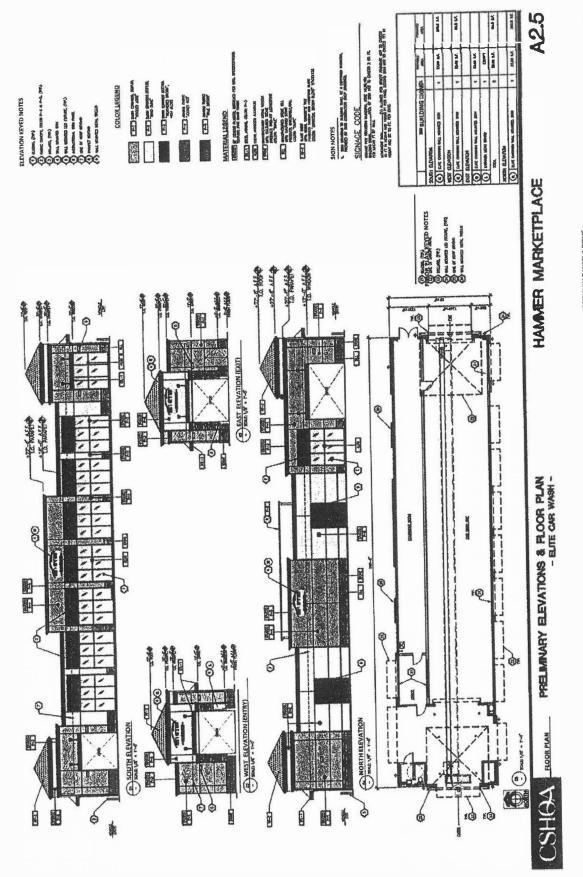


Figure 2-5C SONIC ELEVATIONS





SOURCE: CSHOA



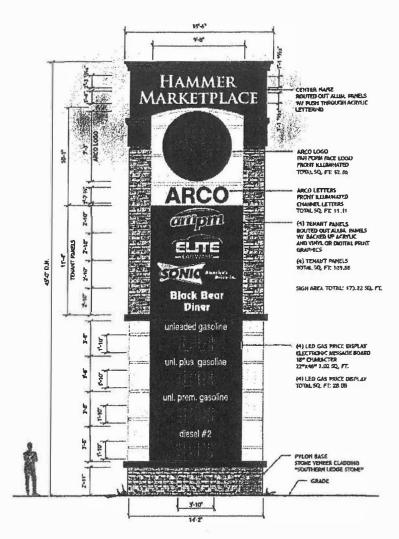
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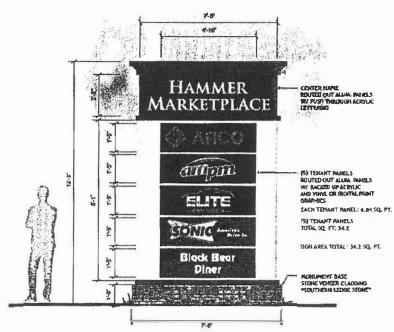
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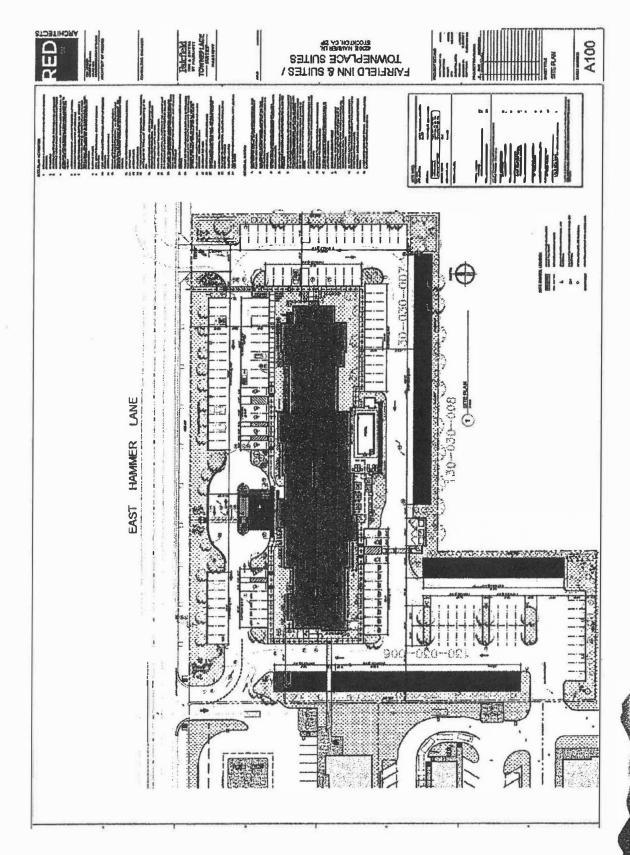




SOURCE: Loren Industries



Figure 2-5F COMMERCIAL CENTER SIGNAGE



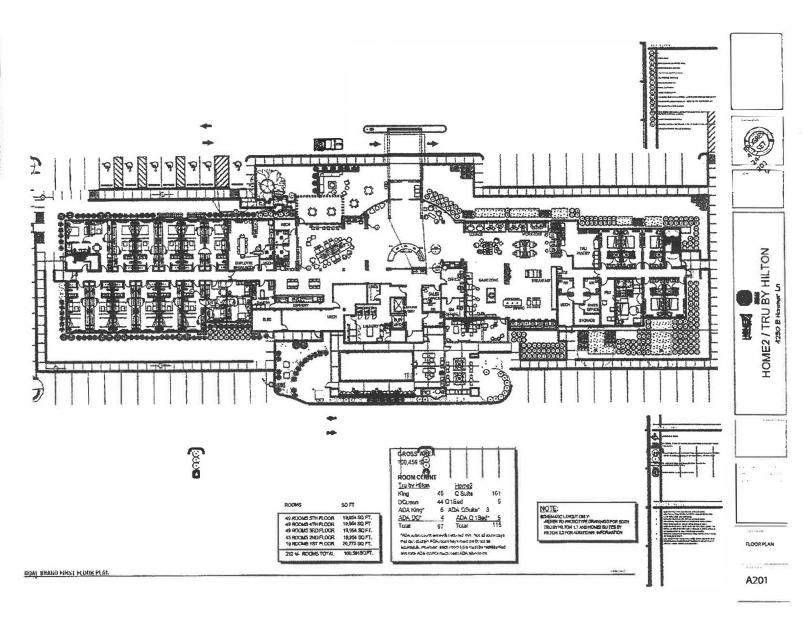




Figure 2-7 HOTEL FIRST FLOOR PLAN

3.0 POTENTIALLY SIGNIFICANT ENVIRONMENTAL EFFECTS OF THE REVISED PROJECT

3.1 INTRODUCTION

This chapter of the Initial Study/Addendum evaluates the potential environmental impacts of the proposed Hammer Lane Annexation and Development Project in comparison to the potential environmental effects of general commercial development of the project site as considered in the GPEIR. The analysis follows a template checklist of environmental issues analyzed in the GPEIR. In accordance with the requirements of CEQA Guidelines Section 15162 and 15168, the purpose of the checklist is to evaluate each of the environmental issues addressed in the GPEIR and determine whether the proposed project, changed circumstances, or new information of substantial importance could result in new significant environmental effects or a substantial increase in the severity of a previously identified environmental effect.

The checklist and accompanying narrative below describe the City's analysis and conclusions regarding the proposed project for each environmental issue in reference to the certified GPEIR. A "no" answer does not necessarily mean that there are no potential impacts related to the environmental issue, but that the project will not result in any change in the severity of the impact as discussed and if necessary as addressed with mitigation measures, in the GPEIR. Under these circumstances, a "no" answer indicates the proposed project does not result in any need to modify the conclusions of the GPEIR.

3.2 EXPLANATION OF CHECKLIST EVALUATION CATEGORIES

Conclusion in GPEIR – This column identifies the conclusion of the GPEIR relative to each environmental issue listed.

Does the project involve new impacts? – This column indicates whether the proposed project will result in new significant environmental impacts not previously identified or mitigated by the GPEIR, or whether the changes will result in a substantial increase in the severity of a previously identified significant impact, pursuant to CEQA Guidelines Section 15162(a)(1).

New circumstances involving new impacts? - This column indicates whether there have been substantial changes with respect to the circumstances under which the proposed project is undertaken that will require major revisions to the GPEIR, due to the involvement of new significant environmental impacts or a substantial increase in the severity of previously identified significant impacts pursuant to CEQA Guidelines Section 15162(a)(2).

New information requiring new analysis or verification? - Pursuant to CEQA Guidelines Section 15162(a)(3), this column indicates whether new information of substantial importance, which was not known and could not have been known with reasonable diligence at the time the GPEIR was certified, shows any of the following:

- The project will have one or more significant effects not discussed in the GPEIR;
- Significant effects previously examined will be substantially more severe than shown in the previous GPEIR;
- Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- Mitigation measures or alternatives which are considerably different from those analyzed in the previous GPEIR would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative.

Where this analysis finds that the conclusions of the GPEIR remain the same; no new significant impacts are identified; previously identified impacts are not found to be substantially more severe; and additional mitigation is not necessary, then the checklist questions are answered "No", and no additional CEQA analysis would be required.

Mitigation required? - This column indicates whether mitigation measures are required to address project impacts. These include any mitigation measures identified in the GPEIR. If "None" is indicated, the GPEIR and/or this Addendum conclude that no impact occurs with the proposed project or the project impact is not significant. In both cases, no additional mitigation measures are needed.

3.3 ENVIRONMENTAL TOPICS

3.3.1 Aesthetics

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Scenic vistas	Less than significant	No	No	No	None required
b) Scenic resources, including but not limited to trees,	Less than significant	No	No	No	None required

rock outcroppings, and historic buildings within a State scenic highway					
c) Visual character and quality	Less than significant	No	No	No	None required
d) Light and glare	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

Long-range views of open space and agricultural fields along the periphery of the city and riparian areas along the San Joaquin River and the Calaveras River are described as scenic vistas in the GPEIR. At the periphery of the city where these conditions occur, future development could adversely affect scenic vistas. General Plan policies and actions, Municipal Code requirements and the City's design review process would reduce development impacts on scenic vistas in these areas to a less than significant level. The project site is not located within any of these periphery areas.

There are no State-designated scenic highways in the GPEIR Study Area, but the San Joaquin County General Plan designates portions of I-5 and Eight Mile Road that traverse the GPEIR Study Area as scenic roadways. General Plan policies and actions, and Stockton Municipal Code sections, would reduce any potential impact from development in the City to a less than significant level. The project site is not located near either of these routes.

Scenic resources that contribute to the City's visual quality are described in the GPEIR as watercourses, existing open space, agricultural fields, and riparian areas as well as the Delta. Future development has the potential to degrade the quality of these resources. General Plan policies and actions and the City's design review process would prevent adverse impacts, produce a stable and desirable urban environment and result in less-than-significant impacts on visual character.

The GPEIR recognizes that future development would involve new street lighting or other lighting that would substantially increase lighting and potential glare levels. Exterior lighting is required to comply with City standards, which would ensure that impacts of new development associated with light and glare would be less than significant.

Project Site

The commercial site is flat, vacant land covered mostly with grasses and weeds. The hotel site contains a small church and school; a single-family residence has been recently removed together with most trees and shrubs Two oak trees that would qualify as Heritage Oaks remain on the site (see Section 3.3.4, Biological Resources). Views from the project site are urban in nature, including retail commercial, vacant commercial property and an existing single- family, primarily single-story residential subdivision to the north across Hammer Lane, This subdivision is enclosed by a six-foot masonry wall, which inhibits Hammer Lane Annexation Initial Study/Addendum

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views of lands outside the subdivision boundary as well as views from the adjacent streets into the subdivision. Views to the south include open space lands designated for commercial development. Lands farther south are in agricultural production, mainly orchards.

Environmental Impacts and Mitigation Measures

a) Scenic Vistas.

The project site does not offer scenic vistas due to surrounding urban development and tree cover. The proposed project would have no impact in this issue area. Hammer Lane west of SR 99 is constructed to its ultimate planned width. The GPEIR did not identify significant aesthetic impacts along Hammer Lane.

b) Scenic Resources.

The project site is not adjacent to a designated scenic road. There are no significant scenic resources on the project site, other than two remaining oak trees. Section 3.3.4, Biological Resources, discusses impacts on oak trees and actions to reduce impacts. The proposed project would be subject to the General Plan policies and applicable provisions of the Municipal Code. Project impacts would be less than significant, consistent with the GPEIR findings in this issue area.

c) Visual Character and Quality.

The proposed project site is not near any prominent visual or aesthetic features. Views of nearby orchards are secondary to surrounding commercial development and land approved for commercial development. Project structures would be subject to design review to ensure consistency with City design guidelines, and any roof-top mechanical units and equipment would be screened by parapets. The project would be required to comply with the provisions of the Municipal Code, along with applicable General Plan Land Use Element policies and actions reducing potential impacts on visual character and quality to less than significant, consistent with the GPEIR findings in this issue area.

d) Light and Glare.

The proposed project would introduce an increased amount of lighting on the project site, mainly outdoor safety and security lighting, consistent with lighting requirements for commercial areas considered in the GPEIR. Development on the project site would comply with Municipal Code Sections 16.32.070 and 16.36.060(B), which set standards for outdoor lighting that minimize off-site spill light and glare, would reduce potential lighting impacts to a level that would be less than significant, consistent with the GPEIR findings in this issue area.

3.3.2 AGRICULTURAL AND FORESTRY RESOURCES

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Conversion of farmland	Significant and unavoidable even with mitigation	No	No	No	None required
b) Williamson Act contracts	Significant and unavoidable	No	No	No	None required
c) Conflict with zoning for forest land/timberland	No impact	No	No	No	None required
d) Conversion of forest land	Less than significant	No	No	No	None required
e) Indirect conversion of farmland or forest land	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

The General Plan designates approximately 16,160 acres of farmlands of concern under CEQA for urban uses and would, over time, result in the conversion of these lands. The General Plan includes policies and actions that aim to concentrate growth and protect agricultural lands outside of the City from conversion. In addition, the GPEIR includes Mitigation Measure AG-1, which is shown in the MMRP in Appendix A. This mitigation requires participation in the City's agricultural conservation program, including dedication of agricultural conservation easements, or payment of an in-lieu mitigation fee. Nevertheless, even with these policies and actions, the impact related to farmland conversion was considered significant and unavoidable.

The GPEIR also identifies the potential for new development impacts on approximately 2,086 acres of prime farmland and 1,440 acres of non-prime farmland under active Williamson Act contracts. No mitigation is available for these effects, resulting in a significant and unavoidable impact. The project site is not subject to any Williamson Act contracts.

The City does not have zoning districts for forest or timberland. Limited forest areas exist in certain portions of the GPEIR Study Area, but none are located in the project vicinity. General Plan policies and actions would minimize any potential losses of forest land resulting in a less than significant effect in this issue area.

Project Site

The project site and surrounding areas have historically been used for agriculture, but urban development has displaced much of the agriculture in the area. The project site has not recently been in active agricultural use and does not include important farmlands as defined under CEQA. The project site has existing on-site development and is near existing urbandensity single-family residences to the north and approved commercial development to the west. Active orchard land exists to the south of the project site.

Environmental Impacts and Mitigation Measures

a) Conversion of Farmland.

The 2016 Important Farmland Map of San Joaquin County, the most recent map available, has designated the proposed project site as Farmland of Local Importance and Urban and Built-Up Land. Farmland of Local Importance is not prime agricultural land and does not require mitigation for its conversion. GPEIR Mitigation Measure AG-1 would not apply to the project, as it addresses only Prime Farmland, Unique Farmland, and Farmland of Statewide Importance. Neither the County General Plan nor the Stockton General Plan has designated the project site for future agricultural use. Project impacts related to conversion of agricultural lands would be less than significant, consistent with the GPEIR findings in this issue area.

b) Williamson Act Contracts.

None of the parcels within the project site are under a Williamson Act contract. Therefore, the proposed project would have no impact related to Williamson Act contracts.

c) Conflict with Zoning for Forest Land/Timberland.

The project site is not zoned for forest or timberland; therefore, it would have no impact on this issue.

d) Conversion of Forest Land.

The project site is not in an area designated as forest land. Existing trees on the project site are not considered commercial timber. Because of this, the project would have no impact on forest land.

e) Indirect Conversion of Farmland or Forest Land.

The project is in an area largely developed and designated for urban development. The project site is within the City's Sphere of Influence and the proposed 10-year planning horizon, as set forth in the City's interim Municipal Service Review. Urban infrastructure has been extended to the project vicinity in anticipation of development of surrounding lands. The project would not involve any activity that would indirectly convert agricultural land to non-agricultural uses and therefore would have no impact in this issue area.

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Generation of long-term criteria pollutant emissions	Significant and unavoidable even with mitigation	No	No	No	GPEIR Mitigation Measure AQ-3
b) Emissions from construction activities	Significant and unavoidable even with mitigation	No	No	No	GPEIR Mitigation Measure AQ-2
c) Emissions from development projects	Significant and unavoidable even with mitigation	No	No	No	GPEIR Mitigation Measure AQ-3
d) Short-term and long-term emissions from general plan buildout	Significant and unavoidable even with mitigation	No	No	No	None required
e) Toxic air contaminant exposure	Less than significant with mitigation	No	No	No	GPEIR Mitigation Measure AQ-5
f) Objectionable odors	Less than significant with mitigation	No	No	No	None required

Environmental Setting

GPEIR

New development would result in new transportation, area source and energy-related air pollutant emissions and contribute to the overall emissions inventory in the San Joaquin Valley Air Basin. Emissions from development pursuant to the General Plan would exceed the SJVAPCD regional significance thresholds and would affect compliance with existing adopted Air Quality Management. Construction activities would temporarily increase criteria pollutant emissions, varying by project type and size.

The General Plan contains numerous policies and actions that would contribute to minimizing long-term emissions, and various SJVAPCD rules and regulations, applicable to development projects, would also contribute in reducing emissions. Additional contributions to emission reductions would be made by GPEIR Mitigation Measures AQ-1 through AQ-5 (MMRP in Appendix A). These mitigation measures require participation in several City programs to reduce air quality impacts, including preparation of technical

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analyses of potential reductions in construction and operational emissions, analysis of potential health risks and participation in the SJVAPCD Rule 9510 Indirect Source Review program. The GPEIR concluded, however, that impacts would remain significant and unavoidable, even with implementation of these policies, actions, and mitigation measures.

New development could generate new sources of toxic air contaminants (TACs), including carbon monoxide (CO) "hotspots" at congested intersections and TACs from various industrial and commercial processes. General Plan policies and actions, along with applicable SJVAPCD rules and regulations, would reduce potential health risk impacts to sensitive receptors to a less-than-significant level.

New development could generate new sources of odors, which are regulated under SJVAPCD Rule 4102, Nuisance. GPEIR Mitigation Measure AQ-6 requires projects that have the potential to emit nuisance odors, primarily industrial projects, beyond the property line to submit an odor management plan that reduces potential odors to acceptable levels. Implementation of this mitigation measure would reduce potential odor impacts to a level that would be less than significant.

Project Site

The project site is located within the northern portion of the San Joaquin Valley Air Basin (Air Basin). The Air Basin is designated Nonattainment/Extreme by the federal government, and Nonattainment/Severe by the state, for ozone. Both the state and federal governments classify the basin as Nonattainment for fine particulate matter (PM_{2.5}). The state also classifies the basin as Nonattainment for particulate matter (PM₁₀). Except for the Fresno urbanized area, the Air Basin is in attainment of, or unclassified for, carbon monoxide and other applicable standards.

Table 3-1 provides estimated air pollutant emissions, both construction and operational, for the proposed project and compares these emissions to the SJVAPCD significance thresholds. Emissions were estimated using the CalEEMod model, and results of the CalEEMod run are available in Appendix B of this Addendum. None of the projected emissions would exceed SJVAPCD significance thresholds.

TABLE 3-1 SJVAPCD SIGNIFICANCE THRESHOLDS AND PROJECT AIR POLLUTANT EMISSIONS

		ROG	NO _x	CO	SO_x	PM ₁₀	PM _{2.5}
Significance Thresholds ¹		10	10	100	27	15	15
Construction Emissions ²		0.60	2.05	1.87	<0.01	0.32	0.19
	Exceeds Threshold?	No	No	No	No	No	No
Operational Emissions ³		2.48	8.90	11.49	0.04	2.58	0.73
	Exceeds Threshold?	No	No	No	No	No	No

^{*}Applies to both construction and operational emissions. Emissions in tons per year.

Sources: CalEEMod Version 2016.3.2, SJVAPCD 2015.

Environmental Impacts and Mitigation Measures

a) Generation of Long-Term Criteria Pollutant Emissions.

As shown in Table 3-1, the estimated project emissions would not exceed the general plan mitigation measures AQ-2 and AQ-3 as well as SJVAPCD thresholds. Moreover, the estimates do not take into consideration project features that would tend to reduce emissions (e.g., proximity to public transit, installation of sidewalk, water conservation and waste reduction requirements). Even without mitigation, project effects on criteria pollutant emissions would be less than significant.

Project development would be required to comply with SJVAPCD Rule 9510, Indirect Source Review. Rule 9510 requires specified development projects to reduce construction emissions of NO_x and PM₁₀ exhaust by 20% and 45% respectively, and operational emissions of NO_x and PM₁₀ by 33.3% and 50% respectively. Rule 9510 requirements would further reduce the project's less than significant effects. Implementation of GPEIR mitigation measures would contribute to Rule 9510 emission reductions and may result in additional reductions. Project development would not generate long-term criteria pollutant emissions in amounts significant enough to affect attainment of adopted Air Quality Management Plans. Project impacts related to long-term criteria pollutant emissions would be less than significant, consistent with the GPEIR findings in this issue area.

b) Emissions from Construction Activities.

As noted in Table 3-1 above, construction emissions from proposed development of the site are not expected to exceed SJVAPCD significance thresholds. As noted above, the project's emissions would not affect attainment of adopted Air Quality Management Plans

² Maximum tons in a calendar year.

³ Unmitigated emissions.

and would therefore be less than significant, consistent with the GPEIR findings in this issue area.

c) Emissions from Development Projects.

As noted in Table 3-1 above, operational emissions from proposed development of the site are not expected to exceed SJVAPCD significance thresholds. As noted above, the project's emissions would not affect attainment of adopted Air Quality Management Plans and would therefore be less than significant.

d) Short-Term and Long-Term Emissions from General Plan Buildout.

As noted in Table 3-1, construction and operational emissions generated by the proposed development on the project site would not exceed SJVAPCD significance thresholds. As noted above, the project's less than significant emissions would not affect attainment of adopted Air Quality Management Plans and would therefore be less than significant. Also, proposed development is consistent with the land use designations of the Stockton 2040 General Plan for the project site. Project impacts related to development emissions would be less than significant.

e) Exposure to Toxic Air Contaminants (TACs).

SJVAPCD guidelines indicate that potential CO impacts at intersections could be significant if a traffic study for the project indicates that the Level of Service (LOS) on one or more streets or at one or more intersections in the project vicinity will be reduced to LOS E or F, or if the project will substantially worsen an already existing LOS F on one or more streets or at one or more intersections in the project vicinity (SJVAPCD 2015). Based upon a traffic study for the project (KD Anderson 2020), the existing LOS at the Hammer Lane/Maranatha Drive intersection is B, and future development in the project vicinity would cause the LOS at the intersection to decline to C, which does not meet the criteria for significance of CO impacts.

Project construction would involve emissions of diesel PM, which is classified as a TAC, near sensitive receptors. Diesel PM emissions would have adverse effects only for people that experience long-term exposure, and construction emissions would cease once work is completed. Therefore, impacts of diesel PM construction emissions on nearby sensitive receptors are considered less than significant. Operational emissions of diesel PM, mainly from delivery trucks, are estimated by CalEEMod to be slightly greater than 0.5 tons annually (see Appendix B, exhaust PM₁₀). This level is not expected to lead to significant exposure by any nearby sensitive receptors, including the residential subdivision north of the site.

The project would include a fueling station with two underground storage tanks and 16 pumps. Fueling can emit vapors that are considered TACs. As part of the County's evaluation of the previous Hammer Petroleum project, a screening-level health risk assessment was conducted to determine if emissions from fueling station operations would pose a significant health risk to the residences across Hammer Lane from the project site. The results of the health risk assessment, available in Appendix B, indicate

that public risk from exposure to TAC emissions from the fueling would not be significant for chronic or acute health effects (EPS 2019). Overall, project impacts related to exposure to TACs would be less than significant. All of the above-described effects of the project would be consistent with the GPEIR findings in this issue area.

f) Objectionable Odors.

GPEIR Table 4.3-5 lists odor sources of concern as identified by SJVAPCD, along with the screening distance from each source. The project does not contain any of the odor sources identified in GPEIR Table 4.3-5, nor is the project site within screening distance of any of these sources. Project impacts related to odors are considered less than significant, consistent with the GPEIR findings in this issue area.

3.3.4 BIOLOGICAL RESOURCES

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Special-status species	Less than significant	No	No	No	None required
b) Riparian and other sensitive habitats	Less than significant	No	No	No	None required
c) Federally protected wetlands	Less than significant	No	No	No	None required
d) Fish and wildlife movement and native nursery sites	Less than significant	No	No	No	None required
e) Local biological resource policies and ordinances	Less than significant	No	No	No	None required
f) Conflict with habitat conservation plans	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

New development pursuant to the General Plan involves potentially significant effects on several special-status species. For the most part, these species are covered by required participation in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP requires preconstruction surveys by a qualified biologist, payment of SJMSCP fees and developer compliance with Incidental Take Minimization Measures specified by the SJMSCP management agency. The net result

of development project participation in the SJMSCP is the reduction of biological impacts on covered species to a less than significant level.

Development may also have potential impacts on special-status species not covered by the SJMSCP. These potential effects are addressed by policies and actions in the General Plan that would reduce potential impacts to a less-than-significant level.

The GPEIR identifies riparian vegetation areas (i.e., areas adjacent to streams) and three sensitive natural communities - coastal and valley freshwater marsh, great valley oak riparian forest, and valley oak woodland - as biologically sensitive. Various General Plan actions reduce potential development impacts on these resources to less than significant. There are, however, none of these resources on or near the project site.

Similarly, new development could impact federally protected wetlands through dredging or filling, or by developing upstream of wetlands and affecting water quality. Development in these areas require a wetland delineation and permit from agencies with jurisdiction. The GPEIR concluded that potential impacts to federally protected wetlands would be less than significant. There are, however, no such resources on or near the project site.

Waterways may provide wildlife movement corridors, but no wildlife movement corridors are mapped in the General Plan or GPEIR. New development could impact migratory mammal and bird species, but the GPEIR indicates that compliance with a range of General Plan policies and actions would reduce potential movement impacts to a level that would be less than significant.

The City of Stockton's Heritage Tree Ordinance (Stockton Municipal Code Section 16.72.245) protects specific types of oak trees, called Heritage Oaks, from removal without a permit. Projects that comply with the Heritage Tree Ordinance would have a less-than-significant impact on oak trees. No other local biological resource policies or ordinances were identified in the GPEIR, and no habitat conservation plans are applicable to the Stockton area other than the SJMSCP.

Project Site

The project site is largely vacant land located at the southeast corner of Hammer Lane and Maranatha Drive. The general project vicinity contains a mix of urban development, vacant land and orchards. Historically, the site has been used for agricultural purposes. Existing development on the hotel site includes a small church and a school; a single-family residence was recently demolished and removed from this site.

Based on site visits by BaseCamp Environmental personnel, vegetation on the project site currently consists of grasses and weeds, with scattered shrubs and a few trees on the hotel portion of the site. The trees include a mature oak tree with a diameter of 55 inches at two feet above grade and a semi-mature oak tree with a diameter of 23 inches at two feet above grade (Gianelli Company 2020). Site vegetation is dominated by a mixture of non-native annual grasses and weedy species that tend to colonize quickly after land disturbance, such as black mustard, thistle, and wild radish. The western portion of the site is regularly mowed and disked for weed

control. There are no riparian or other sensitive vegetation communities located on the project site.

Wildlife common to ruderal habitats are likely to occur on the project site. Such wildlife species, which are closely associated with urban development, include the house sparrow, European starling, rock dove, western scrub-jay, black-tailed jackrabbit, raccoon, opossum, striped skunk, and house mouse.

Environmental Impacts and Mitigation Measures

a) Special-Status Species.

Searches of the U.S. Fish and Wildlife Service (USFWS) IPaC database and the California Natural Diversity Database (CNDDB) maintained by the California Department of Fish and Wildlife (CDFW) for the previous Hammer Petroleum project indicated the potential presence of several special-status plant and wildlife species. Most of these species are, however, considered unlikely to occur because of lack of suitable habitat. However, the project has the potential for incremental impacts on habitat for two special-status species: Swainson's hawk and burrowing owl. Both species are covered by the SJMSCP. Required compliance with the SJMSCP, including implementation of required Incidental Take Minimization Measures, would reduce potential proposed project impacts on these species to a level that would be less than significant, consistent with the GPEIR findings in this issue area.

b) Riparian and Other Sensitive Habitats.

The proposed project site does not include any riparian or other sensitive vegetation community described in the GPEIR. The project would have no impact on riparian or other sensitive communities.

c) Federally Protected Wetlands.

Site inspections and a review of the National Wetlands Inventory reveal no wetlands or other Waters of the U.S. on or adjacent to the proposed project site. The project would have no impact on federally protected wetlands.

d) Fish and Wildlife Movement and Native Nursery Sites.

The proposed project site is not adjacent to or near any streams. Given its location in a developing area, the project site is unlikely to provide wildlife corridors. Scattered trees on the project site could potentially be used by migratory birds for nesting. However, compliance with the SJMSCP and other General Plan actions would minimize impacts on wildlife, including migratory birds, resulting in less than significant impacts in this issue area, consistent with the GPEIR findings in this issue area.

e) Local Biological Resource Policies and Ordinances.

A consulting arborist found two oak trees on the hotel portion of the project site that would qualify as Heritage Oaks under the City's Heritage Tree Ordinance (Gianelli Company 2020). The arborist report is shown in Appendix C of this IS/Addendum. If

project development requires removal of either of these trees, then a permit would be required in accordance with the Heritage Tree Ordinance. If a permit for removal is approved, the removed trees are required to be replaced on a 3:1 basis at the discretion of the City, in accordance with Stockton Municipal Code Section 16.130.060. Compliance with the Heritage Tree Ordinance and related provisions would ensure that project impacts related to local biological resource policies or ordinances would be less than significant, consistent with the GPEIR findings in this issue area.

f) Conflict with Habitat Conservation Plans.

The project would participate in the SJMSCP and would therefore comply with SJMSCP provisions. No other habitat conservation plans apply to the project site. The project would have no impact related to habitat conservation plans.

3.3.5 CULTURAL AND TRIBAL CULTURAL RESOURCES

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Historical resources	Less than significant	No	No	No	None required
b) Archaeological resources	Less than significant	No	No	No	None required
c) Paleontological resources	Less than significant	No	No	No	None required
d) Human remains	Less than significant	No	No	No	None required
e) Tribal cultural resources	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

New development under the General Plan could adversely affect archaeological and historical resources as well as tribal cultural resources by physically altering such resources or their surroundings. General Plan actions require identification of archaeological resources, evaluation of potential historical resources and early consultation with Native American representatives to identify locations of tribal importance. General Plan policies and actions require protection of archaeological, historical and tribal cultural resources when significant, including training of construction workers on appropriate avoidance and minimization measures and contingency measures if cultural resources are encountered during construction. Implementation of these actions and code provisions would reduce impacts on cultural resources to a less-than-significant level. The GPEIR did not identify any archaeological, historical or tribal cultural resources on or near the project site.

In its consideration of paleontological resources, the GPEIR noted that few fossils have been identified within the GPEIR Study Area, but there are geologic formations that could contain previously unidentified fossils. General Plan actions require identification and protection of paleontological resources if encountered, including through a treatment plan, in accordance with appropriate standards, where avoidance is not feasible. These actions would reduce impacts on paleontological resources to a level that would be less than significant. [Note: since certification of the GPEIR, a subsequent update to CEQA Guidelines Appendix G places paleontological resources in the Geology and Soils section of the Environmental Checklist.]

Human remains associated with archaeological sites or within previously unidentified historical cemeteries could be impacted by ground-disturbing activities associated with development. The Stockton Municipal Code requires notification of the County Coroner and Community Development Department Director and evaluation of the remains by a qualified archaeologist if human remains are discovered during construction. The Municipal Code contains provisions for the treatment of human remains if they are of Native American origin, and the CEQA Guidelines establish further requirements. In total, the GPEIR finds that these actions would reduce impacts related to human remains to a less than significant level.

Project Site

The project site is located within territory inhabited by the Northern Valley Yokuts. The project vicinity was historically used for a dairy operation until 1909, when new landowners planted cherry and walnut orchards.

According to the Central California Information Center of the California Historical Resources Information System records, three cultural resource studies have been conducted on the project site, and six studies have been conducted within a one-quarter- mile radius of the site. Two cultural resources have been recorded within, adjacent to, or overlapping the project site, and five have been recorded within a one-quarter-mile radius of the site. None of these resources are listed or eligible for listing on the National Register of Historic Places, the California Register of Historical Resources, California Points of Historical Interest, California State Historic Landmarks, or the California State Historic Resources Inventory.

A Native American site determined eligible for listing in the National Register of Historic Places (NRHP) was recorded in the immediate vicinity of the project site during environmental studies and construction of the Hammer Lane/SR 99 interchange. Due to the cultural resource sensitivity of the area, it was determined during the preparation of the Hammer Petroleum EIR that the commercial center site should be surveyed and subjected to subsurface testing to determine whether the previously recorded Native American site extended onto the property. Testing, consisting of 675 feet of backhoe trenches along the northern and western boundaries of the property was completed and monitored by Native American tribal representatives. The confidential testing report (Roper 2019) is available to qualified reviewers at the Stockton Permit Center.

The testing effort revealed no intact cultural deposits such as midden soil or human remains, and the supervising archaeologist concluded that it was unlikely that development

of the Hammer Petroleum project would affect important archaeological, historical, or other cultural resources. The archaeologist recommended that all construction personnel receive brief "tailgate" training by a qualified archaeologist in the identification of buried cultural resources, including human remains, and protocol for notification should such resources be discovered prior to excavation for project development. The same conclusion and recommendations would apply to the proposed retail commercial project, which is located on the same site as the proposed Hammer Petroleum project.

If buried archaeological deposits are encountered during development activities, the archaeologist recommended that work in the immediate vicinity of the discovery cease until the finds have been evaluated by a qualified archaeologist. Should human remains be encountered during development, the County Coroner must be contacted immediately; if the remains are determined to be Native American, then the Native American Heritage Commission must be contacted as well.

The proposed hotel site had not been subject to prior archaeological survey. Solano Archaeological Services was retained to conduct a record search and survey of the hotel site during the preparation of this Initial Study/Addendum. The confidential report (Solano Archaeological 2020) is available to qualified reviewers at the Stockton Permit Center.

Solano Archaeological researched the pre-historic, ethnographic and historical setting of the project site and conducted outreach to potentially affected Native American tribes. Solano also obtained a search of the California Historical Resources Information System records from the Central California Information Center at CSU Stanislaus. Solano conducted an intensive pedestrian survey of the site.

The record search indicated that the existing single-family house formerly located on the hotel site had been recorded in conjunction with prior archaeological work; however, the record indicated that the home was not eligible for listing on the National or California historic registers. This home was recently demolished. Past survey records indicate that the project site had been subject to archaeological survey in 2003, 2006 and 2008 and several other studies in the general vicinity. The research noted the presence of the recorded Native American site as discussed above.

In accordance with AB 52, the City contacted representatives of seven Native American tribes that the Native American Heritage Commission indicated should be contacted about the project, as the project site may be within a geographic area traditionally and culturally affiliated with these tribes and therefore may have Tribal Cultural Resources of value to them. Responses were received from three of the tribes contacted. The Ione Band of Miwok Indians requested a copy of the Solano Archaeological Services; no further contact was made. The United Auburn Indian Community indicated that no known Tribal Cultural Resources associated with the tribe were on the project site and provided recommendations for the treatment of inadvertent discoveries. The Wilton Rancheria recommended that a tribal monitor be present to treat and dispose of any finds. No other tribes contacted the City.

The pedestrian survey had limited ground visibility on the western parcel, but soils on the east parcel were substantially disturbed by demolition and cleanup activity. The existing church and school buildings were recorded as being of historic age; these structures were determined to be not eligible for historic listing. One new site was identified during the Hammer Lane Annexation Initial Study/Addendum

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survey consisting of three isolated artifacts (isolates), consisting of large mammal bone fragments with no other associated artifacts or midden. The isolates were determined not eligible for historic listing, but their condition suggested they could be from a cultural resource context. As a result of this and proximity to other Native American sites of importance, Solano Archaeological recommended that all subsurface construction activity be monitored by a qualified, professional archaeologist. The previous Roper recommendations that would apply to inadvertent discoveries of buried archaeological resources would also apply on the hotel site. These requirements are consistent with the GPEIR. The Solano Archaeological recommendation is reflected in the mitigation measures below.

Environmental Impacts and Mitigation Measures

a) Historical Resources.

A records search conducted by the Central California Information Center for the previous Hammer Petroleum project indicated the presence of one potential historical resource on the project site – a single-family residence with ancillary buildings. This residence was removed; it was not listed or eligible for listing on the National Register of Historic Places or the California Register of Historical Resources or designated by the City or the County as an historical resource. As such, the residence was not considered to have significant historic value. Project impacts on historical resources are considered less than significant.

b) Archaeological Resources.

A records search conducted by the Central California Information Center for the previous Hammer Petroleum project indicated the presence of one potential archaeological resource on the project site. Subsequent testing of the site, including trenching, did not reveal the presence of any archaeological resources. A recent archaeological survey of the hotel site revealed the presence of several archaeological isolates that, together with other indications of potential archaeological sensitivity, indicate that the hotel site is sensitive for the discovery of buried archaeological materials during project construction. The archaeologist recommended archaeological monitoring of project site grading. This is not specifically provided for in General Plan actions or Municipal Code requirements, but is a more stringent requirement, consistent with the cultural resource sensitivity of the site and GPEIR requirements.

However, it is acknowledged that unknown archaeological resources may be encountered during project construction. As noted, General Plan actions and the Stockton Municipal Code require appropriate evaluation of unanticipated archaeological deposits. As a condition of approval for the project, all subsurface construction activity on the hotel site shall be monitored by a qualified professional archaeologist. Compliance with Municipal Code requirements, together with the following mitigation measure would reduce proposed project impacts on archaeological resources to a level that would be less than significant, consistent with the GPEIR findings in this issue area.

c) Paleontological Resources.

There are no known paleontological resources on the project site; however, it is possible that such resources could be encountered during construction activities. Compliance with

Municipal Code requirements and with General Plan Action LU-5.2D would reduce proposed project impacts on paleontological resources to a level that would be less than significant, which is consistent with the GPEIR findings in this issue area.

d) Human Remains.

There are no known human remains on the project site, and it is unlikely that any remains would be encountered given past agricultural and development activities. However, it is possible that unknown human remains could be encountered during construction activities. Compliance with Municipal Code requirements and with General Plan Action LU-5.2D would reduce proposed project impacts on human remains to a level that would be less than significant, which is consistent with the GPEIR findings in this issue area.

e) Tribal Cultural Resources.

As noted in b) above, an archaeological resource was recorded on the project site, but subsequent testing, which was monitored by a Native American representative, did not reveal the presence of any significant tribal resources. Tribal outreach during the cultural resource analysis of the hotel site did not reveal any additional tribal concerns. Compliance with Municipal Code requirements and with General Plan actions would reduce proposed project impacts on tribal cultural resources to a level that would be less than significant, consistent with the GPEIR findings in this issue area.

3.3.6 GEOLOGY, SOILS, SEISMICITY, AND MINERAL RESOURCES

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Fault rupture and other seismic hazards	Less than significant	No	No	No	None required
b) Soil erosion and loss of topsoil	Less than significant	No	No	No	None required
c) Unstable geologic units and soils	Less than significant	No	No	No	None required
d) Expansive soils	Less than significant	No	No	No	None required
e) Adequacy of soils to support wastewater disposal systems	Less than significant	No	No	No	None required
f) Loss of availability of mineral resources	Less than significant	No	No	No	None required

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Environmental Setting

GPEIR

According to the GPEIR, there are no fault rupture or landslide hazards in the Stockton area; however, ground shaking is a potential hazard throughout Stockton, and seismically induced liquefaction is a potential hazard in some locations. State regulatory protections against these seismic hazards are provided by the Alquist-Priolo Earthquake Fault Zoning Act of 1972, the Seismic Hazards Mapping Act of 1990, and the California Building Code, adopted by the City. Compliance with these existing State and local laws and regulations ensure that the impacts associated with seismic hazards are minimized to a less-than-significant level.

The GPEIR noted that potential exists for soil erosion as a result of construction activities. Compliance with existing regulatory requirements, such as implementation of erosion control measures specified in the California Building Code, Chapter 15.48 of the Stockton Municipal Code, and the City's grading permit process, would mitigate the potential impacts of soil erosion and loss of topsoil to the maximum extent practicable.

The majority of the GPEIR Study Area does not appear to be subject to unstable geologic materials that are prone to subsidence, lateral spreading, or collapse. California Building Code requirements, along with the City's grading and building permit process, can provide protections where potentially serious geologic risks are known to be present and would reduce potential impacts to a less-than-significant level.

Soil plasticity (i.e., expansive or "shrink/swell" soils) in the Stockton area varies from site to site. Compliance with existing State and local laws and regulations, such as the California Building Code and the City's Municipal Code, and the City's grading and building permit process, would ensure that the impacts associated with development on expansive soils are minimized to the extent practicable, reducing impacts to a level that would be less than significant.

The GPEIR Study Area has been classified as an MRZ-1 zone, signifying that it is in an area where the available information indicates that no significant mineral deposits are present, or where little likelihood exists for their presence. This issue was considered by the GPEIR to be less than significant.

Project Site

The Geologic Map of the Sacramento Quadrangle (Wagner et al. 1981) designates the underlying geology of the project site as the Modesto Formation, consisting of Quaternary sediments. According to a custom soil report for the site, the soil type underlying the project site is Stockton clay, 0 to 2 percent slopes (USDA NRCS 2020), a common soil type in northeast Stockton. This is a deep to hardpan, somewhat poorly drained soil formed in alluvium from mixed rock sources. Permeability and runoff of the soil are slow, and its shrink/swell potential is high. Erosion hazard is very low.

Environmental Impacts and Mitigation Measures

a) Fault Rupture and Other Seismic Hazards.

The flat topography of the project site and its distance both from an active fault and from wet areas make it unlikely the project site would experience fault rupture, liquefaction, or landslides. The site could experience ground shaking; however, as noted in the GPEIR, compliance with the adopted California Building Code seismic requirements would reduce potential impacts related to seismic hazards to a level that would be less than significant, consistent with the GPEIR findings in this issue area.

b) Soil Erosion and Loss of Topsoil.

The underlying soil on the project site is Stockton clay, which has a low potential for wind and water erosion. The project would be subject to erosion control measures in the California Building Code, Chapter 15.48 of the Stockton Municipal Code, and the City's grading permit process. Also, the project site would be subject to the City's MS4 program, which incorporates the Construction General Permit process. The Construction General Permit, issued by the SWRCB, requires preparation of a Storm Water Pollution Prevention Plan (SWPPP) to address potential water quality issues associated with construction, as well as the incorporation of post-construction Best Management Practices that provide long-term water quality protection. Consistent with the GPEIR, project impacts related to soil erosion would be less than significant, consistent with the GPEIR findings in this issue area.

c) Unstable Geologic Units and Soils.

No potential geologic instability has been identified on the project site. The project would be required to comply with California Building Code requirements, along with conditions attached during the City's grading and building permit process as described in the GPEIR. Compliance with these measures would reduce potential impacts to a level that would be less than significant, consistent with the GPEIR findings in this issue area.

d) Expansive Soils.

Stockton clay soil has a high shrink-swell potential, which could adversely affect buildings and infrastructure on the project site. As described in the GPEIR, compliance with applicable State and local laws and regulations, such as the California Building Code and the City's Municipal Code, and the City's grading and building permit process, would reduce potential expansive soil impacts associated with the project to a level that would be less than significant, consistent with the GPEIR findings in this issue area.

e) Adequacy of Soils to Support Wastewater Disposal.

The GPEIR stated that development under the Stockton 2040 General Plan is not expected to require the use of septic systems or alternative wastewater disposal systems, which is also true for the project, which would connect to the City's wastewater collection and treatment system. This issue was considered less than significant in the GPEIR; the project would have no impact in this issue area.

f) Loss of Availability of Mineral Resources.

The project site does not have locally designated or known mineral resources, and no

mineral extraction activities, including oil or natural gas pumping, occurs on the site. Because of this, the project would have no impact on the availability of mineral resources.

3.3.7 GREENHOUSE GAS EMISSIONS

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) GHG Emissions	Significant and unavoidable even with mitigation	No	No	No	None required
b) Conflict with GHG reduction plans, policies, and regulations	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

Development allowed under the General Plan would contribute to global climate change through direct and indirect emissions of GHGs from land uses within the GPEIR Study Area. Anticipated development would generate a net increase of approximately 3.12 million vehicle miles per day. Implementation of General Plan goals, policies, and actions would contribute to reducing GHG emissions compared to a no-project buildout scenario. These policies and actions promote multi-modal and active transportation improvements support infill and mixed-use development and further support balanced development, which will help reduce vehicle miles traveled.

GPEIR Mitigation Measure GHG-1 requires the City to update its Climate Action Plan and consider incorporating specified GHG reduction measures that could apply to individual development projects. However, due to the magnitude of growth associated with the Stockton 2040 General Plan, it is anticipated that an increase in GHG emissions would remain substantial and were considered significant and unavoidable.

Project Site

The proposed project would be subject to the requirements of the City of Stockton Climate Action Plan (CAP), which sets a GHG emission reduction target of 10% below 2005 GHG emission levels by 2020. The CAP incorporates a Development Review Process through which development projects document the incorporation of measures that would produce a reduction from 2020 business-as-usual GHG emissions consistent with State objectives. The project would be subject to these requirements, including development Best Management Practices that would result in the required reduction in GHG emissions (City of Stockton 2014).

Environmental Impacts and Mitigation Measures

a) GHG Emissions.

Construction and operational GHG emissions generated by the project were estimated using the CalEEMod model (see Section 3.3.3, Air Quality). Results of the CalEEMod run are available in Appendix B of this Initial Study/Addendum. Under unmitigated conditions, the project would generate approximately 363 metric tons carbon dioxide equivalent (CO₂e) of GHGs for the entire construction period, while operational GHG emissions would be approximately 4,517 metric tons CO₂e annually.

CalEEMod also estimated annual operational GHG emissions accounting for incorporation of project features and regulatory requirements that would reduce GHG emissions. These include:

- Installation of sidewalk along currently unimproved frontage per City standards.
- Close access to public transit stops.
- Increased diversity of land uses in area.
- Proximity to downtown Stockton and job centers.
- Reduction of indoor and outdoor water use by 20% in accordance with SBX7-7 targets.
- Recycling and composting of 75% of waste in accordance with AB 939 targets.

With implementation of these features and requirements, GHG operational emissions from proposed development would be approximately 3,584 tons per year, a reduction of approximately 21% from unmitigated emissions.

It should be noted that the GPEIR used as one of its significance thresholds for GHG emission impacts a "bright line" threshold of 900 metric tons CO₂e per year for projects. The proposed development on the project site would exceed this threshold. However, exceeding the bright-line significance criteria does not necessarily indicate that the proposed project would generate a significant and unavoidable impact. Typically, based on how the bright-line threshold is applied in other air districts, the bright-line thresholds are utilized as a screening criterion to identify whether a full analysis of GHG emissions is warranted. This analysis has been done, consistent with the GPEIR. This development is consistent with the Stockton 2040 General Plan, so emissions generated by the proposed development would not alter the GHG analysis and conclusions in the GPEIR.

Moreover, under the City's Climate Action Plan, approximately 83% of the reductions needed to achieve the City's GHG reduction goal are achieved through state-level programs, and 17% are achieved through City-level programs. Based on these percentages, approximately 5% of GHG reductions would be required by local measures. Therefore, a project that can attain at least a 5% reduction in GHG emissions from business-as-usual levels would have impacts on GHG reduction plans that would be less than significant. The mitigated GHG operational emissions for the project are approximately 21% less than the unmitigated (or "business as usual") GHG operational emissions. This reduction would be

consistent with the GHG reduction target for projects set forth in the Climate Action Plan. Project GHG emission impacts, therefore, are considered less than significant.

b) Conflict with GHG Reduction Plans, Policies, and Regulations.

The proposed project is consistent with the development anticipated in the General Plan, the land use map of which was used in estimating the vehicle miles traveled (VMT) generated by proposed future development. The VMT, in turn, was used to estimate GHG emissions from the transportation sector, which was the largest source of GHG emissions. The proposed development would not lead to a significant variation in anticipated GHG emissions to be generated under the General Plan. Therefore, project impacts related to GHG reduction plans would be less than significant.

3.3.8 HAZARDS AND HAZARDOUS MATERIALS

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Hazardous material transportation, use, and disposal	Less than significant	No	No	No	None required
b) Hazardous materials upset and accident conditions	Less than significant	No	No	No	None required
c) Release of hazardous materials near schools	Less than significant	No	No	No	None required
d) Hazardous materials sites	Less than significant	No	No	No	None required
e) Public/public-use airport hazards	Less than significant	No	No	No	None required
f) Private airstrip hazards	No impact	No	No	No	None required
g) Emergency response and emergency evacuation plans	Less than significant	No	No	No	None required
h) Wildland fire hazards	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

As discussed in the GPEIR, construction and operation of new development allowed by Hammer Lane Annexation Initial Study/Addendum 3-24 May 2021

the General Plan would involve the routine use and handling of hazardous materials (e.g., diesel gasoline and fertilizers) and could involve the use of petroleum-based fuels for maintenance and construction equipment. General Plan policies and actions would help reduce the risks associated with the transport, use, and disposal of hazardous materials. All new development will also be subject to existing federal, State, and local regulations related to hazmat transport, use, and disposal. These actions and regulations would reduce hazardous materials impacts to a less-than-significant level.

New development that involves the on-site use of hazardous materials, and generation of hazardous waste could increase the frequency of accidents involving hazardous releases. General Plan policies and actions as well as a range of federal, state, and local regulations govern these uses as well as agency response to release incidents. With implementation of proposed policies and actions and related federal and state programs, impacts would be less than significant.

The GPEIR indicated that development on and near contaminated sites could create a hazard to the public or the environment. New development must prepare hazardous materials or contamination inventories and identify any required cleanup measures. These and other related measures would result in a less-than-significant impact in this issue area.

New development pursuant to the General Plan has the potential to impact or physically interfere with an adopted emergency response plan or emergency evacuation plan. General Plan policies and actions include direction that new development provide adequate access for emergency vehicles and evacuation routes. Implementation of the relevant General Plan policies and actions would make potential impacts less than significant.

Project Site

Data on hazardous waste and hazardous material use and transportation sites are maintained in the State GeoTracker (State Water Resources Control Board) and EnviroStor databases (California Department of Toxic Substances Control). The EnviroStor database indicates no record of active hazardous material sites on or within one-half mile of the project site (DTSC 2019). The GeoTracker database indicates no record of active sites on the project site and only one site classified as active within one-half mile - a now-closed gas station at 6100 Highway 99 Frontage Road, east of and on the opposite side of SR 99 from the project site. The last record of remedial activity on this site was in 2013 (SWRCB 2019).

Environmental Impacts and Mitigation Measures

a) Hazardous Materials Transportation, Use, and Disposal.

In general, the proposed project would not involve the use of significant amounts of hazardous materials except for the proposed fueling station at the commercial center, which would store gasoline and diesel fuel in underground tanks. Fuel transportation would be subject to federal tank, placard, and shipment documentation and reporting requirements. Underground tank installation would be subject to the Underground Storage Tank program, implemented by the County Environmental Health Department. The project also would be required to submit a Hazardous Material Business Plan that addresses the on-site use and storage of fuels as well as plans for response to spills or upset conditions. With Hammer Lane Annexation Initial Study/Addendum

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implementation of these programs and regulations, project impacts related to the transportation, use and disposal of hazardous materials would be less than significant, consistent with the GPEIR findings in this issue area.

b) Hazardous Materials Upset and Accident Conditions.

As noted in a) above, the only activity on the project site using significant amounts of hazardous materials would be the fueling station. Transportation of fuels to the project site would involve potential for hazardous materials spills, but transport is subject to state and federal regulations designed to minimize the risk of release of hazardous materials into the environment. Also, proposed fuel dispensing equipment would be subject to SJVAPCD Rules 4621 and 4622 that require vapor recovery systems, among other requirements. This would limit releases of potentially hazardous vapors into the environment. With implementation of these programs and regulations, project impacts related to potential upsets and accidents would be less than significant, consistent with the GPEIR findings in this issue area.

c) Release of Hazardous Materials near Schools.

CEQA Guidelines Appendix G indicates that a project may have a potentially significant impact if it emits hazardous emissions or handles hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school. An existing school is located on the project site, the "one.Ethics" Community School, which is an alternative school managed by the San Joaquin County Office of Education. However, this school would be moved and the existing building demolished prior to hotel project construction. After the move, the nearest school to the project site would be Cesar Chavez High School, approximately one-half mile to the southwest. As described in a) and b) above, the project is unlikely to release any hazardous materials but would involve no impact related to hazardous material emissions within one-quarter mile of schools.

d) Hazardous Materials Sites.

A search of the DTSC's EnviroStor and SWRCB's GeoTracker databases for the previous Hammer Petroleum project found no record of any hazardous material or contamination sites on or adjacent to the project site. Previous agricultural use on the project site may have left some agricultural chemical residues in the soil, but the project site has not been used for agriculture in recent years. General Plan Action SAF-2.6B requires new development to prepare a hazardous materials inventory and/or prepare Phase I or Phase II hazardous materials studies, including any required cleanup measures; with the implementation of this requirement project impacts related to hazardous material sites would be less than significant, consistent with the GPEIR findings in this issue area.

e) Public/Public-Use Airport Hazards.

The GPEIR identified potential hazards within safety zones around Stockton Metropolitan Airport. However, the airport is southeast of Stockton, and the project site is not within any of the airport safety zones. Consequently, the project would have no impact related to public/public-use airport hazards.

f) Private Airstrip Hazards.

The GPEIR stated that the GPEIR Study Area, which includes the project site, does not contain any private airstrips. Because of this, the project would have no impact related to airstrip hazards.

g) Emergency Response and Emergency Evacuation Plans.

Project construction work would mostly occur on the parcels. Work on adjacent roads would be limited to roadway frontage improvements and connection to utility lines, which is not expected to require closure or major restrictions on public use of the roads. Once construction work is completed, the project would not obstruct any roadways. Two driveways from Maranatha Drive, one driveway from SR 99 Frontage Road, and one driveway from Hammer Lane would provide access to and from the site for emergency vehicles. Project impacts on emergency vehicle access or emergency evacuation plans would be less than significant, consistent with the GPEIR findings in this issue area.

h) Wildland Fire Hazards.

The GPEIR noted that the General Plan would have a significant environmental impact if it would locate people or structures in a High or Very High Fire Hazard Safety Zone, as defined by Cal Fire. The GPEIR Study Area, including the proposed project site, is not located in such zones. The project site is in an urbanizing area, so wildfires are unlikely to occur. The project would have no impact related to wildland fire hazards.

3.3.9 HYDROLOGY AND WATER QUALITY

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Water quality standards and discharge requirements	Less than significant	No	No	No	None required GPEIR Mitigation Measure HYDRO-5
b) Groundwater supplies	Less than significant	No	No	No	None required
c) Groundwater recharge	Less than significant	No	No	No	None required
d) Change in	Less than	No	No	No	None required

drainage patterns causing erosion	significant				
e) Change in drainage patterns causing flooding	Less than significant	No	No	No	None required
f) Stormwater drain infrastructure	Less than significant with mitigation	No	No	No	GPEIR Mitigation Measure HYDRO-5
g) Degradation of water quality	Less than significant	No	No	No	None required
h) Housing within 100-year flood hazard area	Less than significant	No	No	No	None required
i) Change of flood flows within 100- year flood hazard area	Less than significant	No	No	No	None required
j) Flooding from dam or levee failure	Less than significant	No	No	No	None required
k) Seiche, tsunami, and mudflow hazards	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

The GPEIR describes the potential water-related effects of construction and development activities as well as effects associated with operations of new urban uses. The City of Stockton has adopted a Storm Water Management Plan and a Stormwater Quality Control Criteria Plan that set the requirements and procedures to be followed for new development projects to minimize water quality impacts of runoff. These include conformance with the State Construction General Permit, which requires development to prepare and follow a plan to control erosion and sedimentation from construction sites. The Stockton Municipal Code establishes limitations on the amount and quality of discharges into the City's stormwater system. The General Plan includes additional policies and actions that would further minimize potential water quality impacts. Together, these regulations, plans and actions would result in a less-than-significant water quality impact.

According to the GPEIR, available groundwater supplies are forecast to increase, and groundwater as a proportion of total urban water supplies is forecast to decrease. Previous and ongoing City water supply planning efforts, including efforts dictated by General Plan policies and actions, and overall City water conservation and efficiency requirements documented in the General Plan, led the GPEIR to conclude that new development pursuant to the General Plan would have a less-than-significant impact on groundwater supplies.

New development would increase the total amount of impervious areas in the GPEIR Study

Area, which could reduce the area's capacity for groundwater recharge. However, under the General Plan, priority projects would be required to implement multiple Best Management Practices that minimize impervious areas and retain, reuse, and/or infiltrate stormwater. General Plan Action SAF-3.2.B requires new development to employ Low Impact Development approaches that also reduce impervious area. The GPEIR considered groundwater recharge impacts after implementation of these measures to be less than significant.

The GPEIR noted that development allowed under the General Plan could convert existing undeveloped lands to urban uses, which would alter the existing drainage pattern, causing an increase in the peak flows and volumes discharged from the developed land during storm events. This, in turn, could result in substantial erosion or siltation downstream if discharged directly to downstream receiving waters. Storm drainage and runoff impacts could be significant without mitigation. However, Mitigation Measure HYDRO-5 in the GPEIR would require new development to complete project-related stormwater plans covering drainage, flood control, and storm water quality/permitting, among other matters. Implementation of this mitigation measure would reduce potential impacts to a level that would be less than significant.

Project Site

There are no streams or other surface waters on or adjacent to the project site. The nearest stream is the Calaveras River, located more than one mile south of the project site. Because of the relatively flat topography of the area and historical agricultural activities, drainage patterns in the area have been extensively modified over time. Remaining streams in the Stockton area have been largely modified and are confined within levee systems. Minor drainage features have been largely eliminated or replaced by man-made surface and underground drainage systems.

The project site is within the Eastern San Joaquin County groundwater subbasin. Groundwater in the project vicinity generally follows the surface topography, gradually sloping from east to west. Groundwater levels at the project site are more than 50 feet below the ground surface. Groundwater levels can be influenced by subsurface groundwater flow from areas of higher elevation to the east and by local irrigation practices.

According to the Flood Insurance Rate Maps prepared by the Federal Emergency Management Agency (FEMA), the project site lies within an area classified as Zone X. Zone X denotes areas outside the 100-year floodplain, but within the 500-year floodplain (FEMA 2009). Based on information provided by San Joaquin County, the project site would not be subject to a 200-year flood at a depth of 3 feet or greater (San Joaquin County 2020), which is the Central Valley urban standard for flood protection under SB 5 and companion bills.

Environmental Impacts and Mitigation Measures

a) Water Quality Standards and Discharge Requirements.

Development under the proposed project would be required to obtain a Construction General Permit and to conform to the Stockton Storm Water Master Plan, the Storm Water Quality Control Criteria Plan, and other City requirements related to storm water quality. As a result, project impacts related to water quality standards would be less than significant, consistent with the GPEIR findings in this issue area.

b) Groundwater Supplies.

The project site would connect to the City's water supply system and not result in any direct demand on groundwater supplies. Water supply for the site would be obtained from the overall City water supply composed of surface and groundwater sources. The project would have no direct or significant impact on groundwater supplies, consistent with the GPEIR findings in this issue area.

c) Groundwater Recharge.

The proposed project would increase the impervious surface area on the site. However, the project would comply with City requirements regarding storm water, including Low Impact Development approaches and applicable Best Management Practices, consistent with the requirements of the General Plan and GPEIR. Project impacts on groundwater recharge would be less than significant.

d) Change in Drainage Patterns Causing Erosion.

The project site is currently undeveloped and generally flat. There is no indication of any defined drainage patterns on the site. Proposed development of the project site would alter existing storm drainage patterns, due to grading and the installation of pavement and storm drainage facilities. Actions described in a) and c) above would reduce potential impacts related to this issue to a less-than-significant level. As noted, the project would comply with all these measures; therefore, project impacts would be less than significant.

e) Change in Drainage Patterns Causing Flooding.

Installation of impervious surfaces would likely increase runoff, thereby increasing the potential for localized flooding. However, General Plan policies and actions addressing flooding, as well as the installation of a storm drainage system, would reduce impacts to a level that would be less than significant. Proposed improvements on the project site would result in the generation of new stormwater runoff due to the introduction of impervious surfaces such as buildings and parking areas. The project would comply with all these measures and actions; therefore, project impacts would be less than significant.

f) Stormwater Drain Infrastructure.

The project would submit plans for utility installation and connection, including storm drainage facilities, in accordance with City standards. This would be consistent with the requirements of GPEIR Mitigation Measure HYDRO-5. Because of this, project impacts on storm water infrastructure would be less than significant.

g) Degradation of Water Quality.

As described above, the GPEIR stated that construction and operation of development allowed by the General Plan could degrade water quality. However, various actions and regulations described above would reduce water quality impacts to a level that would be less than significant. The project would not affect water quality other than as described above; therefore, its impacts would be less than significant, consistent with the GPEIR findings in this issue area.

h) Housing within 100-Year Flood Hazard Area.

The project site does not propose housing and is not within a 100-year floodplain. Therefore, it would have no impact in this issue area.

i) Change of Flood Flows within 100-Year Flood Hazard Area.

As noted, the project site is not within a 100-year floodplain and would therefore have no effect on flood flows within a 100-year flood hazard area. Therefore, it would have no impact on this issue.

j) Flooding from Dam or Levee Failure.

The project site is not near any levees, so it would not be subject to flooding from levee failure. The project site is potentially subject to inundation from failure of Camanche Dam, the south dikes of Camanche Reservoir, Pardee Dam, and Salt Springs Dam. As discussed in the GPEIR, considering the efforts by multiple agencies to maintain the structural and operational safety of the dams, the likelihood of a dam failure resulting in floodwaters affecting the project site is considered small. Project impacts related to flooding from dam or levee failure would be less than significant, consistent with the GPEIR findings in this issue area.

k) Seiche, Tsunami and Mudflow Hazards.

The project site is not in an area that would experience seiche, tsunami, or mudflow hazards; therefore, no impact in this issue area would occur.

3.3.10 LAND USE AND PLANNING

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Division of established community	Less than significant	No	No	No	None required

b) Conflict with plans, policies, and regulations adopted to avoid or mitigate environmental	Less than significant	No	No	No	None required
environmental effect					

Environmental Setting

GPEIR

The GPEIR compared consistency of the General Plan with local and regional plans and planning regulations adopted for the purpose of avoiding or mitigating environmental impacts in the GPEIR Study Area. These plans included the San Joaquin County General Plan, the Stockton Metropolitan Airport Land Use Compatibility Plan, the Regional Smart Growth Transit-Oriented Development Plan, the RTP/SCS, the San Joaquin County Regional Blueprint, and the Delta Plan. The various provisions of the General Plan, and the adopted land use designations, including the Commercial designation of the project site, were determined not to conflict with these land use plans. The land use and planning impacts of implementing the General Plan were determined to be less than significant.

Project Site

The project site is in unincorporated San Joaquin County, adjacent to the northeastern limits of the City of Stockton. The western portion of the site has been in orchard use but is now vacant. The eastern portion of the site contains vacant land, a church and a school; a single-family residence was recently demolished.

Land uses adjacent to the project site include vacant land and commercial orchards to the south, a residential subdivision and undeveloped land to the north, and a residence, gasoline station and SR 99 to the east. There is currently undeveloped land to the west across Maranatha Drive, but this site was recently approved by the City for development as an automobile dealership (CarMax). Most of the Hammer Lane frontage west of the site and east of Pacific Avenue has been developed for commercial use, including a range of shopping centers and several automobile dealerships.

The San Joaquin County General Plan designates the project site as Low Density Residential, and the site is currently zoned by the County as AU-20, Agriculture-Urban Reserve, 20-acre minimum. The Agriculture-Urban Reserve zone is applied to areas planned for future urban development but retained in agricultural use to facilitate compact, orderly urban development and to assure the proper timing and economical provision of services and utilities.

The City of Stockton has included the project site in its Planning Area for both the recently adopted Stockton 2040 General Plan and the foregoing 2007 General Plan. In both cases, the project site is designated Commercial.

Environmental Impacts and Mitigation Measures

a) Division of Established Community.

The nearest land use to the project site that could constitute a community is the residential subdivision north of the project site. The subdivision is already divided from the project site by the major arterial street, Hammer Lane. The project would not encroach upon the subdivision or substantially alter Hammer Lane. Other land uses in the vicinity have either existing or proposed commercial or other development. Outside of the subdivision, there is little in the character of an organized community in the vicinity. The project would have no impact related to division of communities.

b) Conflict with Plans, Policies, and Regulations Adopted to Avoid or Mitigate Environmental Effect.

The proposed project would be consistent with the adopted General Plan. Other adopted land use plans, such as the Delta Plan and the Airport Land Use Compatibility Plan, are not directly applicable to the project or the project site due to its location outside their defined planning areas. Implementation of applicable General Plan policies and actions would ensure that the project is consistent with other applicable plans. Project impacts related to this issue would be less than significant, consistent with the GPEIR findings in this issue area.

3.3.11 NOISE

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Exposure to or generation of noise exceeding local standards	Less than significant	No	No	No	None required
b) Groundborne vibration and noise	Less than significant	No	No	No	None required
c) Permanent increase in ambient noise levels	Significant and unavoidable	No	No	No	None required
d) Temporary or periodic increase in ambient noise levels	Less than significant	No	No	No	None required
e) Exposure to noise from public/public- use airports	Less than significant	No	No	No	None required
f) Exposure to noise from private	Less than significant	No	No	No	None required

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Environmental Setting

GPEIR

Future development under the General Plan would create new stationary and mobile noise sources or expand existing sources with potential to impact adjacent or nearby sensitive receptors. New development would also include development of new noise- sensitive land uses in the vicinity of noise sources, exposing them to potential noise impacts. The General Plan contains goals, policies, and actions that would prevent or mitigate substantial permanent long-term increases in noise from new development and transportation-related sources. The General Plan, in combination with the requirements of the City's Noise Control Ordinance, would avoid substantial permanent increases in overall community noise and have less than significant impacts in this issue area.

The General Plan establishes significance thresholds for noise. A project will have a significant impact if it results in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project, under the following conditions:

- A 5-dBA increase, if after the increase, the ambient noise level remains in the range
 of what would be "normally acceptable" at the land use where the noise is being
 received; or
- A 3-dBA increase, if after the increase, the ambient noise level exceeds the range
 of what would be "normally acceptable" at the land use where the noise is being
 received.

Through enforcement of applicable General Plan goals, policies, and actions, along with the requirements of the City's Noise Control Ordinance, impacts of stationary source noise from long-term operations would be less than significant. However, potential noise increases from long-term traffic growth were considered significant and unavoidable, even with traffic mitigation measures identified in the GPEIR.

The GPEIR also considered short-term construction-related noise from new development as significant. Construction equipment can generate high levels of noise, with typical equipment often generating noise levels ranging from 71 dBA to 101 dBA at 50 feet. Construction of individual projects allowed under the General Plan would temporarily increase the ambient noise environment and would have the potential to affect noise-sensitive land uses in the vicinity. Municipal Code Chapter 16.60 establishes City standards and requires acoustical analysis and noise attenuation/mitigation measures in conjunction with new development that would involve noise impacts. Impacts from temporary or periodic increases to ambient noise levels would be reduced to a less—than-significant level.

The GPEIR also considered potential annoyance or architectural damage from vibration in localized areas. For the construction phase of future development, the Planning Department must require that the project use the best available technology to minimize

excessive vibration from construction equipment so that construction-related vibrations are reduced below applicable Stockton Municipal Code and Federal Transit Administration guidelines for both annoyance and architectural damage.

Also, Section 16.32.100 of the Stockton Municipal Code includes qualitative limits for vibration levels within the city. Uses that generate vibration must not generate ground vibration that is perceptible without instruments by the average person at any point along or beyond the property line of the parcel containing the activities. Vibrations from temporary construction, demolition, and vehicles that leave the subject parcel are exempt from the provisions of this section. These existing requirements would ensure that development allowed under the General Plan would not result in perception of excessive noise and vibration by sensitive receptors. Impacts would be less than significant.

Project Site

The primary noise source at the project site is traffic on Hammer Lane. There are no railroads, airports, or industrial uses in the vicinity of the project. According to the GPEIR, traffic noise levels along the project site segment of Hammer Lane were estimated to reach 70 dB within 99 feet of the Hammer Lane centerline, 65 dB within 213 feet of the centerline and 60 dB within 458 feet of the centerline (City of Stockton 2018).

Traffic on SR 99 east of the project site is another potential noise source. The San Joaquin County General Plan Background Report indicated that traffic noise levels along SR 99 at the Hammer Lane interchange reached 70 dB within 338 feet of the SR 99 centerline, 65 dB within 729 feet of the centerline and 60 dB within 1,570 feet of the centerline (San Joaquin County 2016). Much of the project site is within the 60-dB noise contour of SR 99, but the site is not within any higher-decibel contours. While SR 99 noise contributes to ambient noise levels at the site, these contributions are secondary to the more proximate Hammer Lane noise. There are no other significant noise sources near the project site.

Environmental Impacts and Mitigation Measures

a) Exposure to or Generation of Noise Exceeding Local Standards.

The Stockton Municipal Code (Section 16.60.050) requires the preparation of an acoustical study in instances where a project has the potential to affect sensitive noise receptors. For this project, potential sensitive receptors are residences in the residential subdivision across Hammer Lane, north of the project site. Potential noise impacts associated with the project were evaluated in an Environmental Noise Assessment conducted by j.c. brennan and associates, available in Appendix D of this Addendum (j.c. brennan 2020).

The noise assessment evaluated the existing ambient noise environment on and near the project site, including nearby residential areas, along with existing traffic noise levels on Hammer Lane and Maranatha Drive. It then compared anticipated ambient and traffic noise levels associated with proposed development on the project site with these existing noise conditions. The Stockton 2040 General Plan states that, if existing noise standards are currently exceeded, a proposed project shall not incrementally increase noise levels by more than 3 dBA. Existing noise conditions in nearby residential areas exceed the City's 60 dBA noise standard established in the General Plan. Existing noise on the hotel site exceeds the City 65 dBA standard for associated outdoor use areas.

Hammer Lane Annexation Initial Study/Addendum

Traffic Noise Impacts

Traffic noise generated by the proposed project was estimated using data from the project traffic analysis (see Section 3.3.14, Transportation and Appendix E of this Initial Study/Addendum). Under the Existing Plus Approved Projects Plus Project scenario evaluated in the traffic analysis, the project would result in increases in traffic noise levels between 0 dB and 1 dB L_{dn}/CNEL, which is substantially below the 3 dB significance threshold defined in the General Plan. On this basis, the project would have a less than significant traffic noise effect.

Convenience Store and Fueling Station Noise Impacts

The proposed AMPM convenience store and fueling facility would generate noise associated with vehicles arriving or departing, car doors slamming, and people talking. Assuming a typical source-receptor distance, measured from the entrance to the project site to the nearest residences to the north (approximately 200 feet), and assuming 236 peak hour trips occurring in the north portion of the site, j. c. brennan predicted peak hour noise level from the commercial center site at the nearby residential area at 45 dBA L_{eq}, which complies with the Stockton Municipal Code exterior noise level standards of 55 dBA L_{eq} during the daytime period and 45 dBA L_{eq} during nighttime without accounting for intervening noise barriers. The predicted noise levels are significantly less than the measured background noise levels. This is consistent with the findings of the GPEIR.

Fast-Food Restaurant Drive-Thru Lane Noise Impacts

The proposed Sonic restaurant includes a drive-thru lane. To quantify the noise emissions from the proposed drive-thru, data from a Sacramento-area drive-thru restaurant was used. The drive-thru speaker apparatus used at the test site is typical of most drive-thru speakers. Based upon the measured noise levels and assuming 55 peak hour trips, the L_{eq} would be 54 dBA at a distance of 30 feet. The nearest residential property line is located approximately 420 feet to the north from the drive-thru speaker. At this distance, drive-thru noise levels are predicted to be 31 dB L_{eq} , substantially below the applicable Stockton noise standard; noise impacts from this source would be less than significant, consistent with the GPEIR findings in this issue area. The drive-thru analysis does not account for any shielding from the intervening building facades, which would further reduce noise received at the residential area.

Car Wash Noise Impacts

The proposed car wash would operate during the daytime hours and cease operations at 9:00 p.m. The nearest residences are located 750 feet to the north. Based upon manufacturer data provided by the project applicant, the car wash will result in a noise level of 70 dBA Leq at 70 feet from the tunnel exit, which is the noisiest portion of the car

wash. From this result, the predicted noise level at the nearest residences to the north is 50 dBA L_{eq} . The predicted noise levels comply with the Stockton Municipal Code exterior noise level standard of 55 dB L_{eq} "daytime" (7:00 AM - 10:00 PM) noise level standard and would be significantly less than the measured background noise levels. No nighttime noise would be generated by the car wash.

Hotel Noise Impacts

The proposed hotel will be required to achieve an exterior noise level standard of 65 dB L_{dn}/CNEL, applied in the outdoor areas, such as the proposed pool. The project will also be required to achieve an interior noise level standard of 45 dB L_{dn}/CNEL. The exterior noise environment adjacent to the proposed hotel is dominated by traffic on Hammer Lane and SR 99. While a recent CEQA court case has indicated that impacts of the local environment on a project are not the subject of CEQA discussion, such impacts are analyzed here as it would affect hotel visitors.

The measured background noise levels due to traffic at the site indicates that the overall existing noise environment is approximately 70 dB $L_{dn}/CNEL$. Future traffic noise levels could increase by up to +1 dB, based upon projected increases in traffic volumes. For this analysis, it is assumed that the first floor will be exposed to traffic noise levels of approximately 71 dB $L_{dn}/CNEL$. Upper floors would be expected to be exposed to traffic noise levels of 3 dB higher due to lack of ground absorption and clearer line of sight to SR 99. Therefore, the second through fourth floors are assumed to be exposed to traffic noise levels up to 74 dB $L_{dn}/CNEL$.

The proposed pool area for the hotel is located approximately 320 feet from Hammer Lane and 900 feet from SR 99. There is significant shielding of traffic noise at the pool area by the hotel building. The predicted noise level due to traffic is less than 61 dB L_{dn}/CNEL, which would comply with the exterior noise level standard of 65 dB L_{dn}/CNEL.

The noise assessment estimated interior noise levels within the hotel, using data on building construction. The estimated interior noise levels range from 43 dB L_{dn} on the first floor to 45 dB L_{dn} on the second to fourth floors. Based on these results, project impacts related to hotel noise would be less than significant, although the noise assessment made the following recommendations:

- First floor units will require windows with an STC rating of 30.
- Second through fourth floor units will require windows with an STC rating of 34.
- All units will require interior gypsum board to be applied to resilient channels on walls parallel to Hammer Lane. This includes both the north-facing and southfacing facades.

The proposed project complies with Municipal Code standards through preparation of the project acoustical study included in Appendix D. The acoustical study finds that the project's noise impacts on sensitive receptors, mainly residences and hotel guests, would be less than significant, consistent with the GPEIR findings in this issue area.

b) Groundborne Vibrations and Noise.

An analysis of the previous Hammer Lane project, using methodology prescribed by Caltrans, determined that the maximum ground vibration produced by a large bulldozer at the eastern portion of the commercial center site would produce a peak particle velocity of 0.089 inches per second (in/sec) at the existing school. The estimated peak particle velocity is above the "Barely Perceptible" threshold of 0.04 in/sec but below the "Distinctly Perceptible" threshold of 0.25 in/sec. Moreover, bulldozer work would be temporary and would cease once grading work is completed. Project development would not generate noticeable vibrations resulting from its operations, and impacts related to groundborne vibrations would be less than significant, consistent with the GPEIR findings in this issue area.

c) Permanent Increase in Ambient Noise Levels.

As described in a) above, the proposed development would result in a permanent increase in ambient noise levels over existing conditions, as the site is currently vacant. However, as determined by the noise assessment, noise increases associated with the proposed development would not exceed 3 dBA. In some cases, predicted noise levels are significantly less than the measured background noise levels. Impacts on permanent noise levels from noise generated on the site are considered less than significant, consistent with the GPEIR findings in this issue area.

d) Temporary or Periodic Increase in Ambient Noise Levels.

Project construction would involve temporary increases in ambient noise levels, due to the use of construction equipment and vehicle traffic to and from the construction site. Activities involved in construction would potentially use equipment that would generate maximum noise levels ranging from 76 to 90 dB at 50 feet, as shown in Table 3-2, consistent with the analysis of construction noise included in the GPEIR.

TABLE 3-2 CONSTRUCTION EQUIPMENT NOISE LEVELS

Type of	Predi	cted Noise	Levels (L	max dB)	Distance to Nois	Distance to Noise Contour (feet)		
Equipment	50 ft	100 ft	200 ft	400 ft	70 dB L _{max}	65 dB L _{max}		
Backhoe	78	72	66	60	126	223		
Compactor	83	77	71	65	223	397		
Compressor (air)	78	72	66	60	126	223		
Concrete Saw	90	84	78	72	500	889		
Dozer	82	76	70	64	199	354		
Dump Truck	76	70	64	58	100	177		

Excavator	81	75	69	63	177	315
Generator	81	75	69	63	177	315
Jackhammer	89	83	77	71	446	792
Pneumatic Tools	85	79	73	67	281	500

Source: j.c. brennan and associates 2020.

Construction activities would be temporary in nature and are anticipated to occur during normal daytime working hours. Project construction noise would cease once construction work is completed. The existing land uses most sensitive to noise – the church, school, and residential area to the north - would be demolished prior to start of project construction work. However, Municipal Code requirements prohibits construction noise from disturbing adjacent residential parcels between 10:00 p.m. to 7:00 a.m., thereby avoiding noise at nighttime, which is considered the most noise-sensitive time for residences. Project impacts related to construction noise are therefore considered less than significant, consistent with the GPEIR findings in this issue area, although the noise assessment recommends the following:

- All construction equipment shall be fitted with factory-equipped mufflers and be in good working order.
- The City shall limit construction activities to the hours of 7:00 a.m. to 7:00 p.m., Monday through Saturday, with no construction on Sundays or national holidays without a written permit from the City.

It is expected that these recommendations would be incorporated as conditions of approval for the project. These recommendations would further reduce construction noise impacts on noise-sensitive land uses.

e) Exposure to Noise from Public/Public-Use Airports.

As noted in the Hazards section, Stockton Metropolitan Airport is approximately eight miles south of the project site. The proposed project site is not within any of the noise contours established in the Airport Land Use Compatibility Plan. Consequently, the project would have no impact related to public/public-use airport noise exposure.

f) Exposure to Noise from Private Airstrips.

As noted in the Hazards section, the GPEIR Study Area does not contain any private airstrips. However, the GPEIR noted that there are two heliports: the A.G. Spanos Companies HQ Heliport in the northwest corner of the Study Area, and the San Joaquin General Hospital Heliport in its southern part. Neither heliport is in the vicinity of the project site. Because of this, the project would have no impact related to airstrip noise exposure.

3.3.12 POPULATION AND HOUSING

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Population growth inducement	Significant and unavoidable	No	No	No	None required
b) Displacement of housing units	Less than significant	No	No	No	None required
c) Displacement of people	Less than significant	No	No	No	None required

Environmental Setting

GPEIR

The General Plan and GPEIR account for anticipated residential development and population growth through 2040. The General Plan projections fall within the San Joaquin County Council of Government's (SJCOG) projections for housing and population growth. On the other hand, the proposed General Plan anticipates more job growth by 2040 than the SJCOG projections. The General Plan calls for orderly and planned growth, and projected residential growth is not substantial given regional projections. However, the projected employment growth under the proposed General Plan was considered significant and unavoidable, as this growth would significantly exceed SJCOG's employment projections and there is no feasible mitigation for this impact.

Development under the General Plan would displace some existing housing units; however, other units would be constructed. The net result would be an increase in housing stock; therefore, impacts related to displacement were considered less than significant.

As of January 1, 2020, the population of San Joaquin County was estimated at 773,632, an increase of 12.9% from its 2010 population of 685,306 as recorded by the U.S. Census Bureau. The population of Stockton was estimated at 318,522, an increase of 9.2% from its 2010 population of 291,707 (California Department of Finance 2020).

Project Site

The commercial site is vacant; the hotel site contains a small church and school. There is presently no population or housing on the project site. A single-family residence had been recorded on the project site, but this residence was removed (see Section 3.3.5, Cultural Resources).

Environmental Impacts and Mitigation Measures

a) Population Growth Inducement.

The project is consistent with the existing General Plan land use designations for the site. Therefore, proposed development of the site would be consistent with the General Plan growth projections; no unplanned population or employment growth would be associated with the proposed project. Project impacts on population and employment growth would be less than significant, consistent with the GPEIR findings in this issue area.

b) Displacement of Housing Units.

The project would not displace any housing units. The project would have no impact regarding displacement of housing units.

c) Displacement of People.

As discussed in b) above, the project would not displace any housing units; as such, it would not displace any people and would have no impact regarding displacement of people.

3.3.13 PUBLIC SERVICES AND RECREATION

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?	
a) New or expanded fire protection facilities	Less than significant	No	No	No	None required	
b) New or expanded police protection facilities	Less than significant	No	No	No	None required	
c) New or expanded park facilities	Less than significant	No	No	No	None required	
d) Increased use of parks and recreational facilities	Less than significant	No	No	No	None required	
e) New or expanded recreational facilities	Less than significant	No	No	No	None required	
f) New or expanded school facilities	Less than significant	No	No	No	None required	
g) New or expanded library facilities	Less than significant	No	No	No	None required	

Environmental Setting

GPEIR

Projected growth under the General Plan would result in needs for additional fire and police facilities, staffing, and equipment to maintain or improve current response times. General Plan actions would support expansion of police, fire protection, and emergency medical response services needed to serve existing and new development. The Stockton Municipal Code has established Public Facilities Fees on the issuance of permits for new development that provides a funding mechanism for construction of City offices, fire stations, libraries, police stations, community recreation centers, street improvements, and water and sewage facilities. Stockton voters approved Measure W in 2004, which provides additional funding for fire and police services through a sales tax increase. While the GPEIR addresses fire protection issues on a programmatic level, it considers fire and police protection impacts to be less than significant.

New population resulting from development under the General Plan would increase demand for parks and recreational facilities in accordance with adopted service standards. The General Plan identifies potential locations of future park facilities, and it includes policies and actions that support the provision of park land and facilities; Public Facilities Fees applicable to new development would provide a funding source for park acquisition and development. The GPEIR addresses park and recreational facility issues on a programmatic level, finding park and recreational facility impacts to be less than significant.

The GPEIR Study Area is currently served by five school districts. New housing in each school district would result in an increased student population, which could result in the need for new or expanded school facilities. Additional funding for school improvement projects in all the districts comes from payment of adopted developer impact fees, which are deemed to fully mitigate the impacts of new development on school facilities, per California Government Code Section 65996. On this basis, overall new development impacts related to school facilities were considered less than significant.

Similarly, future development would increase demand for and utilization of library facilities. General Plan policies and actions, and Public Facility Fees for libraries, would ensure that adequate library services and facilities are available to meet increasing demand. The GPEIR addresses library facility issues on a programmatic level, finding library facility impacts to be less than significant.

Project Site

Currently, fire protection service to the project site is provided by the Waterloo-Morada Fire District, and police protection service is provided by the San Joaquin County Sheriff's Department. Upon annexation, the site would receive fire protection service from the Stockton Fire Department and police protection service from the Stockton Police Department. The project site is currently within the boundaries of the Stockton Unified School District and would remain so upon annexation. The project site currently has access

to the combined City/County library system and to public parks and recreational facilities managed by the City and the County, and it would continue to do so upon annexation. There are no fire, police, park, or library facilities in the immediate vicinity of the project. As noted in Section 3.3.8, Hazards and Hazardous Materials, the "one. Ethics" Community School, an alternative school managed by the San Joaquin County Office of Education, is located on the hotel portion of the project site. Cesar Chavez High School is located approximately 0.5 air miles southwest of the site on Holman Road.

Environmental Impacts and Mitigation Measures

a) New or Expanded Fire Protection Facilities.

The project would generate additional demand for Stockton Fire Department services. The closest Fire Department station to the project site is Station 13, located at 3606 Hendrix Drive, approximately 1.8 miles north. Commercial development can be served by the Stockton Fire Department without new or expanded facilities. Additionally, the project will be required to contribute Public Facility Fees to future construction of Fire Department facilities required by urban expansion. Project impacts on fire protection facilities would be less than significant, consistent with the GPEIR findings in this issue area.

b) New or Expanded Police Protection Facilities.

The project would generate additional demand for Stockton Police Department services. Commercial development can be served by the Stockton Police Department without new or expanded facilities. Additionally, the project will be required to contribute Public Facility Fees to future construction of Police Department facilities required by urban expansion. Project impacts on police protection facilities would be less than significant, consistent with the GPEIR findings in this issue area.

c) New or Expanded Parks.

The project would not involve any direct effects on City parks. Since the proposed project is commercial and does not propose residences, it would not generate a demand for new or expanded parks. The project would have no impacts on parks.

d) Increased Use of Parks and Recreational Facilities.

As noted in c) above, the project would not involve any direct effects on City parks. Similarly, it would not generate an increase in demand for or use of parks or recreational facilities. The project would have no impacts on demand for parks or recreational facilities.

e) New or Expanded Recreational Facilities.

Since the proposed project is commercial and does not propose residences, it would not generate a demand for new or expanded recreational facilities. The project would have no impacts on recreational facilities.

f) New or Expanded School Facilities.

The project involves commercial development, which does not directly generate new

student load. Nevertheless, the developer would be required to pay development impact fees to the Stockton Unified School District toward the construction of new schools. As noted above, the payment of impact fees is considered adequate mitigation for CEQA purposes. Project impacts on schools would be less than significant, consistent with the GPEIR findings in this issue area.

g) New or Expanded Library Facilities.

Since the proposed project is commercial, does not propose residences, and would not result in new population growth, it would not generate a substantial demand for new or expanded library facilities. The project would have no impact on library facilities.

3.3.14 TRANSPORTATION AND TRAFFIC

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Vehicle traffic on local roadways and freeway segments	Significant and unavoidable even with mitigation	No	No	No	None required
b) Vehicle traffic on regional roadways and freeway segments	Significant and unavoidable even with mitigation	No	No	No	None required
c) Air traffic patterns	Less than significant	No	No	No	None required
d) Hazards due to design feature or incompatible uses	Less than significant	No	No	No	None required
e) Adequate emergency vehicle access	Less than significant	No	No	No	None required
f) Conflict with policies, plans, and programs regarding public transit, bicycle, or	Less than significant	No	No	No	None required
pedestrian facilities					

Environmental Setting

GPEIR

New development pursuant to the General Plan would result in significant traffic impacts to roadway and freeway segments in Stockton as measured in Levels of Service (LOS). One of these segments is in the vicinity of the proposed project site.

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SR 99 between Fremont Street and Hammer Lane, which is projected to operate at LOS F under cumulative conditions with the General Plan. While the GPEIR described mitigation measures to reduce impacts on the identified segments, none were described for the segment of SR 99 between Fremont Street and Hammer Lane. Hammer Lane west of SR 99 is constructed to its ultimate planned width. The GPEIR did not identify significant traffic impacts along Hammer Lane. Even with implementation of mitigation measures, however, the overall traffic impacts of General Plan implementation were considered significant and unavoidable. [Note: after certification of the GPEIR, State law went into effect that prohibits the use of LOS in determining the significance of the environmental impacts of a project on transportation.]

The General Plan would result in significant LOS impacts on other roadway and freeway segments serving the San Joaquin County region. While the GPEIR described feasible mitigation measures to reduce impacts on the identified segments, some of the traffic impacts of GPEIR implementation were considered significant and unavoidable even with mitigation.

The GPEIR identified several transportation plans relevant to General Plan implementation, including the SJCOG Regional Transportation Plan/Sustainable Communities Strategy, the San Joaquin Regional Transit District Short Range Transit Plan, and the Stockton Bicycle Master Plan. The General Plan identifies policies and actions that would build upon these adopted plans and ensure that adequate public transit, bicycle, and pedestrian facilities are provided within Stockton. Implementation of the General Plan measures would not conflict with adopted plans, programs, and policies regarding bicycle or pedestrian facilities, or decrease the performance and safety of such facilities. Therefore, the GPEIR found that impacts on these transportation modes would be less than significant.

Because the General Plan is a program-level planning effort, it does not directly address project-level effects on issues such as air traffic patterns, design features, and emergency access. However, the General Plan policies address these concerns and would reduce these concerns to a level that would be less than significant.

Project Site

A Traffic Impact Analysis (TIA) of the project, available in Appendix E of this Initial Study/Addendum, evaluated the potential impacts on local roadways of the proposed development on local roadways. The methodology used in preparing the report consisted of estimating LOS at intersections and roadway segments, both without and with the proposed development, and assessing impacts in accordance with the City of Stockton TIA Guidelines. Impacts were analyzed at nine intersections, including five proposed driveways that would allow access to the proposed development, and on three roadway segments: Hammer Lane between Holman Road and Maranatha Drive, Hammer Lane between Maranatha Drive and the SR 99 Southbound Ramps, and Maranatha Drive south of Hammer Lane. Figure 5 of the traffic report (see Appendix E), illustrates the location of the intersections analyzed in the report.

The report evaluated LOS at the intersections and roadway segments near and adjacent to the project under Existing conditions and Existing Plus Approved Projects baseline conditions (i.e., including projects previously approved or under construction in the area), the latter both without and with development on the project site. Under Existing conditions, all existing intersections and roadway segments analyzed in the report operate at an acceptable LOS. The same is true under Existing Plus Approved Projects conditions without development.

SJRTD fixed-route buses in the vicinity of the project site include Routes 340, 345, 360, 371, 375, and 535, along with Metro Express Route 43 and Metro Hopper Routes 6 and 8. A Class II bike lane extends along Hammer Lane from Maranatha Drive to the SR 99 interchange, and a Class I bike path extends along a utility corridor approximately one-quarter mile north of the project site. Sidewalks have been installed on both sides of the segment of Hammer Lane from Holman Road to SR 99, but no sidewalks have been installed on either side of Maranatha Drive south of Hammer Lane.

Environmental Impacts and Mitigation Measures

a) Vehicle Traffic on Local Roadways and Freeway Segments.

Under Existing Plus Approved Projects conditions with the proposed project all nine intersections of the intersections evaluated in the TIA would operate at LOS C or better, including the driveways. This exceeds the minimum LOS considered acceptable by City guidelines. The three roadway segments also would operate at LOS C or better, exceeding the minimum acceptable LOS as provided by City standards (KD Anderson 2020). Since all intersections and roadway segments in the area would continue to operate at an acceptable LOS even with the proposed development and its anticipated traffic volumes, no mitigation measures are required, and project traffic impacts on local roadways and freeway segments are considered less than significant, consistent with the GPEIR findings in this issue area.

b) Vehicle Traffic on Regional Roadways and Freeway Segments.

As described in a) above, even with traffic from proposed development, the intersections and roadway segments analyzed in the traffic report would operate at an acceptable LOS, including the intersections of Hammer Lane with the SR 99 southbound and northbound ramps. As a result, the proposed development would be consistent with the Stockton 2040 General Plan and GPEIR and their analysis of impacts on regional roadways and freeway segments. Project impacts would be less than significant in this issue area, consistent with the GPEIR findings in this issue area.

It should be noted that the State now requires that traffic impacts of projects be analyzed using the vehicle miles traveled (VMT) metric. Stockton 2040 General Plan Policy TR-4.3 addresses the topic of VMT as an impact in CEQA documents. The policy advises using the threshold recommended by the California Office of Planning and Research (OPR). OPR issued a Technical Advisory that recommended a net increase in total VMT as a significance threshold for retail commercial projects (OPR 2018). The traffic report incorporated this significance threshold, determining the net change in vehicle travel by comparing project-related travel to the amount of travel that would occur without approval of the proposed project (KD Anderson 2020).

The traffic report stated that the proposed development is consistent with the Commercial designation of the Stockton 2040 General Plan; the GPEIR's analysis of VMT was based

on this same assumption using Institute for Transportation Engineers (ITE) trip generation data. The methodology used in the traffic report compared VMT associated with the project with GPEIR predictions of VMT for the project site and other commercial development, indicating that a net increase in total VMT might indicate a significant transportation impact. The traffic report determined that the project would not increase VMT compared to assumed future development under the current General Plan designation. As a result, VMT impacts are considered less than significant, consistent with the GPEIR findings in this issue area.

c) Air Traffic Patterns.

As noted in Section 3.3.8, Hazards and Hazardous Materials, the project site is not within any of the safety zones of Stockton Metropolitan Airport. There are no other airports or airstrips in the project vicinity. The project proposes a 141-room hotel, an approximately 3% addition to the estimated countywide supply of hotel/motel rooms, so the project is not expected to substantially influence passenger traffic at the airport. The proposed project would have no impact related to air traffic patterns.

d) Hazards Due to Design Features or Incompatible Uses.

The existing intersection of Hammer Lane and Maranatha Drive is designed to City standards and controlled by an existing traffic signal. The TIA noted that the intersection provides more than enough capacity to accommodate the traffic that would be generated by the project, as evidenced by the acceptable LOS level at the intersection with the project (KD Anderson 2020). Project driveways would also be required to be designed to City standards, subject to City approval.

Project construction would involve movement of construction equipment onto and from the site and in-street construction for roadway frontage improvements and connection to utility lines. As noted in Section 3.3.8, Hazards and Hazardous Materials, this is not expected to require closure or major restrictions on public use of the roads, and the project would not obstruct any roadways and would provide adequate access to and from the site. Project impacts related to potential road hazards would be less than significant, consistent with the GPEIR findings in this issue area.

Vegetation, structures, and horizontal and vertical curvature can potentially impair the distance at which approaching vehicles can be seen by drivers waiting to depart a project site driveway. This distance is referred to as sight distance. Sight distance determines the amount of time a driver has to execute a maneuver. The traffic report evaluated potential sight distances issues from the proposed driveways and concluded that impacts would be less than significant with no mitigation required.

The project would not generate a large number of truck trips. However, because of their relatively large turning radius, fuel trucks may be unable to connect with fuel delivery points without traveling outside of project site driveway curb cuts, or traveling outside of on-site driveways. As part of the traffic report, a truck turning path analysis was conducted to assess the ability of fuel trucks to access the project site and connect with fuel delivery points without traveling outside of designated driveways. The analysis concluded that fuel delivery trucks would be able to approach the fuel delivery points, deliver fuel, and depart the fuel delivery points without traveling outside of designated driveways. As a result, this

impact is considered less than significant.

As noted in the traffic report, LOS would be acceptable at the Hammer Lane and the North Project Driveway. However, with the anticipated traffic volumes and the 40 mph speed limit on Hammer Lane, vehicles slowing down to make the eastbound-to-southbound right turn on the driveway could potentially conflict with vehicles traveling at full speed making the eastbound through movement. An eastbound-to-southbound right-turn lane at this location is recommended. The right-turn lane would provide spatial separation between vehicles making the inbound right turn movement and vehicles making the through movement, and would avoid the potential of conflict between these vehicles. The project applicant will incorporate this feature in the final site plan when it is prepared and submitted to the City.

In summary, the traffic report evaluated several potential traffic hazard issues associated with the project and concluded that none were significant. Project impacts related to traffic hazards would be less than significant.

e) Adequate Emergency Vehicle Access.

Access to the proposed project site would be provided by two driveways off Maranatha Drive, one driveway off SR 99 Frontage Road, and two driveways off Hammer Lane, along with internal connections between the commercial center and hotel areas. With these driveways and connections, adequate access would be provided for emergency vehicles to the project site. Project impacts on emergency access would be less than significant, consistent with the GPEIR findings in this issue area.

f) Conflict with Non-vehicular Transportation Plans.

Proposed development would not interfere with, nor adversely affect, bus routes and bicycle and sidewalk facilities. The project would add to these facilities by installing sidewalk along the Maranatha Drive and SR 99 Frontage Road frontages. The project would have no impact related to non-vehicular transportation plans.

3.3.15 UTILITIES AND SERVICE SYSTEMS

Environmental Issue Area	Conclusion in GPEIR	Does the project involve new impacts?	New circumstances involving new impacts?	New information requiring new analysis or verification?	Mitigation required?
a) Adequacy of water supplies	Less than significant	No	No	No	None required
b) New or expanded water facilities	Less than significant	Yes	No	No	None required
c) Wastewater treatment requirements	Less than significant	No	No	No	None required
d) New or expanded wastewater facilities	Less than significant	Yes	No	No	None required
e) Adequacy of wastewater treatment capacity	Less than significant	No	No	No	None required
f) New or expanded storm water facilities	Less than significant	Yes	No	No	None required
g) Adequacy of landfill capacity	Less than significant	No	No	No	None required
h) Compliance with solid waste statutes and regulations	Less than significant	No	No	No	None required
i) New or expanded	Less than	No	No	No	None required
energy supplies and facilities	significant				

ENVIRONMENTAL SETTING

GPEIR

The General Plan and GPEIR forecast total 2040 water supply available to be about 122,840 acre-feet per year, or approximately 109.6 million gallons per day (mgd). On that basis, the two water purveyors serving Stockton – the City and Cal Water – forecast that they will have sufficient water supplies to meet projected demands from development allowed by the General Plan, and therefore would not require increased water supplies. Therefore, the GPEIR found that impacts related to water supplies would be less than significant.

Planned new development would require additional water tanks, pumping facilities, and new and expanded water mains. General Plan and Water Master Plan policies and actions.

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that define the direction for and means of water utility infrastructure improvements as required to serve new development. While the GPEIR addresses water infrastructure issues on a programmatic level, it considers water infrastructure impacts less than significant.

Wastewater treatment requirements for discharges from the Stockton Regional Wastewater Control Facility are set forth in CVRWQCB Order No. R5-2014-0070-03. Development allowed by the General Plan would include new residential, industrial, and commercial demands on this system, subject to discharge limits and other regulations. The GPEIR projects that discharges from new development would not cause exceedances of wastewater treatment requirements for effluent from the Regional Wastewater Control Facility, and that impacts on the wastewater treatment facility would be less than significant. Total wastewater generation under the General Plan in 2040 would be approximately 59.7 mgd, a net increase of 22.5 mgd from existing conditions. Forecast wastewater generation and peak-hour wet-weather flows are within the wastewater treatment capacity of the Regional Wastewater Control Facility, resulting in a less-than-significant impact.

New development would require construction of new and replacement wastewater pump stations, new sewer mains and upsizing of existing mains. The GPEIR addresses wastewater infrastructure issues and finds that wastewater infrastructure impacts would be less than significant.

Anticipated storm drainage system requirements to accommodate 2040 development would require increases in storm water storage and pumping capacity outside of approved/pending development projects, which are responsible for their own separate storm water plans. The GPEIR addresses storm water infrastructure issues and finds them to be less than significant.

Development allowed under the General Plan is estimated to generate a net increase of about 193,381 tons of solid waste per year added to existing total of 310,000 tons per year after removal of recyclable material. The three landfills serving the GPEIR Study Area have a combined residual capacity of nearly 2.6 million tons per year, providing sufficient landfill capacity and resulting in a less than significant solid waste impact. General Plan and existing policies and programs would divert and recycle 50 percent of solid waste from construction and demolition and other recycling and composting in accordance with AB 939, AB 341, and AB 1826. Compliance with these requirements would reduce impacts to a level that would be less than significant.

Development allowed by the General Plan would increase demand for electricity and natural gas. Some of this development could occur in undeveloped areas and increase development intensity in already developed areas. Therefore, some new and/or expanded transmission and distribution lines and pipelines may be required to serve new development. The 2040 General Plan indicates there are sufficient electricity and natural gas supplies to serve allowable development under the Plan. In addition, the General Plan includes policies and actions that avoid and reduce inefficient, wasteful, and unnecessary energy consumption and promote energy efficiency in transportation. New projects also would comply with the energy conservation provisions of the California Building Code and CALGreen adopted by the City. While the GPEIR addresses energy infrastructure issues on a programmatic level, it considers energy supply and facility impacts to be less

than significant.

Project Site

In the unincorporated areas of San Joaquin County, domestic water needs are usually met on-site by individual owners through groundwater wells. Upon annexation, water service would be provided by the City of Stockton Municipal Utilities Department (COSMUD). A 24-inch water transmission main, is located along Hammer Lane. City water lines are located within Hammer Lane and the SR 99 West Frontage Road. The project includes extensions of the existing water system to serve the hotel site and installation of a new water line along the Maranatha Drive frontage of the commercial center project.

In the unincorporated areas of San Joaquin County, sewage disposal needs are usually met on-site by individual owners through individual or collective septic tank/leach field systems. Upon annexation, the project site would connect to the City's wastewater system. Existing sewer lines in Hammer Lane would be extended to serve the retail commercial and hotel elements of the project; sewer connections would be engineered to allow connection to future sewer service along Maranatha Drive to be constructed in conjunction with development of the Origone Ranch.

Currently, there are no storm drainage systems within or serving the project site. The project site would be served by the City's storm water drainage system upon annexation. In the project vicinity, there is one storm drainage line at least 39 inches in diameter beneath Hammer Lane, along with smaller-diameter drainage lines. Two lift stations are located on Hammer Lane near the railroad tracks. The project will include storm drainage treatment and storage facilities consistent with the City's Storm Water Management Plan and its Storm Water Quality Control and Criteria Plan, including underground detention and orifice control to meter the flows to pre-project conditions. Existing storm drains in Hammer Lane would be extended to serve the project; storm drain connections would be engineered to allow connection to future storm drainage service along Maranatha Drive, to be constructed in conjunction with future development of the Origone Ranch.

The San Joaquin County Department of Public Works, Solid Waste Division currently has overall responsibility for solid waste collection in the unincorporated area. Upon annexation, solid waste collectors franchised by the City would collect solid waste and send it to the County landfills.

Electrical usage within the County is served from a transmission network owned by PG&E. In the project vicinity, 115-kV transmission lines approximately parallel SR 99 to northeastern Stockton and the Morada area. PG&E electrical facilities in the project area include overhead 12-kV distribution lines located along Hammer Lane. Centralized natural gas service is available in most of the urbanized portions of the County from PG&E, the only provider of such service. Interregional gas mains are located along the SR 99 corridor, and branch lines extend to and through the cities, with service pipelines located primarily within city streets. PG&E gas lines are located along Hammer Lane.

Environmental Impacts and Mitigation Measures

a) Adequacy of Water Supplies.

The proposed project is consistent with Stockton 2040 General Plan Commercial land use designation for the site. Future water use on the site would be consistent with General Plan forecasts, which are based on planned land uses. The 2040 General Plan indicates that sufficient water supplies are available to meet projected demands from development. New water supplies would not be required to meet projected demands. Project impacts on water supplies would be less than significant, consistent with the GPEIR findings in this issue area.

b) New or Expanded Water Facilities.

Existing water mains are available in Hammer Lane. The commercial and hotel portions of the project will connect to these lines; the commercial project will also connect to a new 12-inch diameter water main to be installed in Maranatha Drive as part of the commercial center project. As the proposed project would be consistent with Stockton 2040 General Plan land use designations and with adopted Utility Master Plan Supplements, the project would not require additional infrastructure that is unplanned. Since all work would occur beneath existing roads, no significant environmental impacts related to water line installation are anticipated. Project impacts related to water infrastructure would be less than significant, consistent with the GPEIR findings in this issue area.

c) Wastewater Treatment Requirements.

The proposed project is a commercial development, which includes food service establishments. These establishments and other commercial activities would be subject to applicable City sewer regulations. The project would be consistent with Stockton 2040 General Plan land use designations for the site. Because of this, the project would not place an unusual demand upon wastewater treatment facilities. Project impacts on wastewater treatment would be less than significant, consistent with the GPEIR findings in this issue area.

d) New or Expanded Wastewater Facilities.

An existing sewer main is beneath Hammer Lane, and the proposed project would connect to this main through a main extension. As the proposed project would be consistent with Stockton 2040 General Plan land use designations and with adopted Utility Master Plan Supplements, the project would not require additional infrastructure that is unplanned. Since all work would occur beneath existing roads, no significant environmental impacts related to water line installation are anticipated. Project impacts related to wastewater infrastructure would be less than significant, consistent with the GPEIR findings in this issue area.

e) Adequacy of Wastewater Treatment Capacity.

As noted in c) above, the project would be consistent with Stockton 2040 General Plan land use designations for the site. Because of this, the project would not place an unusual demand upon wastewater treatment capacity. Project impacts on wastewater treatment capacity would be less than significant, consistent with the GPEIR findings in this issue area.

f) New or Expanded Storm Water Facilities.

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As the proposed project would be consistent with Stockton 2040 General Plan land use designations and with adopted Utility Master Plan Supplements, the project would not require additional infrastructure that is unplanned. The on-site storm drain system for the project site would include detention and orifice control to meter the flows to pre-project conditions. No off-site storm drainage facilities are planned for the proposed project other than connections to existing storm drainage lines, so no significant environmental impacts related to storm water line installation are anticipated. Project impacts related to storm water infrastructure would be less than significant, consistent with the GPEIR findings in this issue area.

g) Adequacy of Landfill Capacity.

The project site would have solid waste service provided by City franchisees upon annexation. The project would be consistent with Stockton 2040 General Plan land use designations for the site. Because of this, the project would not place an unusual demand upon landfill capacity. Project impacts on landfill capacity would be less than significant.

h) Compliance with Solid Waste Statutes and Regulations.

The proposed project would comply with all applicable codes, statutes, and regulations related to solid waste. The project would have no impact related to solid waste regulatory compliance.

i) New or Expanded Energy Supplies and Facilities.

Electrical and natural gas lines are available in the project vicinity. The project would be consistent with Stockton 2040 General Plan land use designations for the site. Because of this, the project would not place an unusual demand upon energy supplies. As noted, new development would be required to comply with adopted building codes and their energy conservation provisions. Project impacts on energy supplies and facilities would be less than significant.

4.0 FINDINGS AND CONCLUSION

Based on the analysis in Chapter 3.0 of this Initial Study/Addendum, the proposed Hammer Lane Annexation and Development Project would not result in any substantial change in the GPEIR environmental impact analysis, as it pertains to proposed commercial development of the site consistent with its Commercial land use designation under the Stockton General Plan. Compared to the GPEIR environmental impact conclusions, separately or in aggregate, the project would not result in new significant environmental effects or a substantial increase in the severity of significant effects as described in the adopted GPEIR.

Additionally, the City has not identified any changes in the circumstances of the project that would involve potential for new or more severe environmental effects than were described in the GPEIR. The City has not identified any new information related to the project that would involve potential for new or more severe environmental effects than were identified in the GPEIR.

The analysis and conclusions in the GPEIR adequately describe the potentially significant environmental effects of the proposed project and the mitigation needed to reduce those effects to a level that would be less than significant. The project conforms to the criteria for appropriateness of adopting an addendum described in CEQA Guidelines Section 15164. Therefore, it is appropriate for the City to adopt this Addendum to the previously adopted GPEIR for the Hammer Lane Annexation and Development Project.

5.0 REFERENCES

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Department of Public Works

Kris Balaji, Director of Public Works

Fritz Buchman, Deputy Director/Development
David Tolliver, Deputy Director/Operations
Najee Zarif, Deputy Director/Engineering
Kristi Rhea, Business Administrator

April 13, 2022

MEMORANDUM

TO: James E. Glaser, Executive Officer

LAFCo

CONTACT PERSON: Elizabeth Contreras, LAFCo Analyst

FROM: Alex Chetley, Engineering Services Manager

Development Services Division

SUBJECT: HAMMER LANE REORGANIZATION TO THE CITY OF STOCKTON (LAFC 06-22)

To annex a 8.33 acres and approx.. 710 linear feet of adjacent Hammer Lane right-of-way to the City of Stockton with concurrent detachments from the Waterloo-Morada Fire Department and

the San Joaquin County Resource Conservation District.

LOCATION: Located on the southeastern corner of the intersection of Hammer Lane and Maranatha Drive,

Stockton.

COMMENTS:

No Comments

AC:SC

X: LAFCO LAFCo Referrals Hammer Lane Reorganization to the City of Stockton (LAFC 06-22) Comments to LAFCo (LAFC 06-22).doc



Environmental Health Department

Jasjit Kang, REHS, Director

Muniappa Naidu, REHS, Assistant Director
PROGRAM COORDINATORS
Robert McClellon, REHS
Jeff Carruesco, REHS, RDI
Willy Ng, REHS
Melissa Nissim, REHS
Steven Shih, REHS
Michelle Henry, REHS

April 6, 2022

To: San Joaquin Local Agency Formation Commission

Attention Executive Officer: James E. Glaser

From: Frank Girardi; (209) 616-3044

Senior Registered Environmental Health Specialist

RE: Hammer Lane reorganization to the City of Stockton, (LAFC 08-21), SU0014830 (2688)

The San Joaquin County Environmental Health Department (EHD) is supportive of this project in regards to the provision of full public services. The EHD requests the following comments be added to the above project for consideration:

- 1. Destroy any abandoned well(s) under permit and inspection by the Environmental Health Department as required by San Joaquin County Development Title, Section 9-1115.5(e).
- 2. Open, pump, and backfill any septic tank, seepage pit or excavation, that is to be abandoned, under permit and inspection by the Environmental Health Department (San Joaquin County Development Title, Section 9-1110.3 & 9-1110.4).
- 3. Submit two (2) hardcopy sets, or one (1) electronic version, of food facility plans to the Environmental Health Department for review and approval prior to issuance of building permit(s) (California Retail Food Code, Article 1, 114380). The fee will be based on the current schedule at the time of payment.
- 4. A valid permit from EHD is required prior to operating food facility (California Retail Food Code, Chapter 13, Article 1, Section 14381).
- 5. Before any hazardous materials/waste can be stored or used onsite, the owner/operator must report the use or storage of these hazardous materials to the California Environmental Reporting System (CERS) at <u>cers.calepa.ca.gov/</u> and comply with the laws and regulations for the programs listed below (based on quantity of hazardous material in some cases). The applicant may contact the Program Coordinator of the CUPA program, Melissa Nissim (209) 468-3168, with any questions.
 - a. Any amount but not limited to the following hazardous waste; hazardous material spills, used oil, used oil filters, used oil-contaminated absorbent/debris, waste antifreeze, used batteries or other universal waste, etc. Hazardous Waste Program (Health &Safety Code (HSC) Sections 25404 & 25180 et sec.)
 - b. Onsite treatment of hazardous waste Hazardous Waste Treatment Tiered Permitting Program (HSC Sections 25404 & 25200 et sec. & California Code of Regulations (CCR), Title 22, Section 67450.1 et sec.)
 - c. Reportable quantities of hazardous materials-reportable quantities are 55 gallons or more of liquids, 500 pounds for solids, or 200 cubic feet for compressed gases, with some exceptions. Carbon dioxide is a regulated substance and is required to be reported as a hazardous material if storing 1,200 cubic feet (137 pounds) or more onsite in San Joaquin

County – **Hazardous Materials Business Plan Program** (HSC Sections 25508 & 25500 et sec.)

- d. Any amount of hazardous material stored in an Underground Storage Tank Underground Storage Tank Program (HSC Sections 25286 & 25280 et sec.)
 - i. If an underground storage tank (UST) system will be installed, a permit is required to be submitted to, and approved by, the San Joaquin County Environmental Health Department (EHD) before any UST installation work can begin.
 - ii. Additionally, an EHD UST permit to operate is required once the approved UST system is installed.
- e. <u>Storage of at least 1,320 gallons</u> of petroleum aboveground or any amount of petroleum stored below grade in a vault **Aboveground Petroleum Storage Program** (HSC Sections 25270.6 & 25270 et sec.)
 - i. Spill Prevention, Countermeasures and Control (SPCC) Plan requirement
- f. <u>Threshold quantities</u> of regulated substances stored onsite California Accidental Release Prevention (CalARP) Program (Title 19, Section 2735.4 & HSC Section 25531 et sec.)
 - i. Risk Management Plan requirement for covered processes
- 6. Any geotechnical drilling shall be conducted under permit and inspection by The Environmental Health Department (San Joaquin County Development Title, Section 9-1115.3 and 9-1115.6).

If you have any questions, please call Frank Girardi, Senior REHS, at fvgirardi@sjgov.org or (209) 616-3044.

Steven Shih, REHS Program Coordinator

City of Stockton, CA January 3, 2022

Hammer Lane Annexation - Vicinity Map



Property Information

Location Owner

Property ID 13003013-138958 Location 7620 N MARANATHA DR HAMMER PETROLEUM LLC



MAP FOR REFERENCE ONLY NOT A LEGAL DOCUMENT

City of Stockton, CA makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated 12/27/2021 Data updated 12/02/2021

Print map scale is approximate. Critical layout or measurement activities should not be done using this resource.

ADMINISTRATIVE REVIEW DRAFT ANNEXATION REPORT HAMMER LANE DEVELOPMENT ANNEXATION FILE NO.

SEPTEMBER 16, 2021

1.0 INTRODUCTION AND PROJECT INFORMATION

This report provides background information and analysis in support of the proposed Hammer Lane Annexation to the City of Stockton. The report addresses annexation compliance with applicable San Joaquin Local Agency Formation Commission (LAFCo) rules and regulations, describes the plan for provision of City services to the annexation area, analyzes the fiscal effects of the annexation and documents the availability of adequate potable water supply to the project. The contents of this document are as follows:

- 1.0 Introduction and Project Information
- 2.0 Consistency of Proposed Annexation with LAFCo Policy
- 3.0 City Services Plan for Proposed Annexation Area
- 4.0 Fiscal Effects of Proposed Annexation
- 5.0 Availability of Adequate Water Supply

The Hammer Lane Annexation project proposes annexation of three parcels totaling approximately eight acres into the City of Stockton, along with approximately 710 linear feet of adjacent Hammer Lane right-of-way. The proposed annexation area, hereinafter referred to as the "subject site," is located at the southeastern corner of the intersection of Hammer Lane and Maranatha Drive, adjacent to the northeastern Stockton city limits (Figures 1 through 4). The subject site consists of Assessor's Parcel Numbers (APNs) 130-030-06, 130-030-07, and 130-030-13.

In conjunction with the annexation, the City proposes to pre-zone the subject site to General Commercial (C-G) to permit proposed commercial development of the site. The pre-zoning would take effect upon annexation of the subject site to the City. Proposed pre-zoning and planned commercial development are consistent with the City's existing Commercial designation under its General Plan. The subject site is currently within the jurisdiction of San Joaquin County. APNs 130-030-06 and 130-030-07 currently have a County General Plan designation of Low Density Residential and zoning of AU-20 (Agriculture-Urban Reserve; 20-acre minimum parcel size). APN 130-030-13 currently has a County General Plan designation of General Commercial and zoning of C-G (General Commercial). The subject site lies within the City of Stockton's Sphere of Influence and 10-year planning horizon, as set forth in the City's interim Municipal Service Review. The subject site is designated Commercial in the City of Stockton General Plan.

The City has received and is processing two separate applications for annexation and prezoning of their respective portions of the site, and separate applications for development of the two projects, including a Land Development Permit and Design Review. The City has conducted a single environmental review of both elements of the overall project in accordance with the California Environmental Quality Act. Should the annexation application be approved, approval of the pre-zoning, Land Development Permits and Design Reviews will take effect upon annexation of the subject site to the City.

The westernmost (4.32 acres) of the project with frontage on Hammer Lane and Maranatha Drive, known as The Marketplace, consists of a fueling station with a convenience store, a quick-serve restaurant, a sit-down restaurant, and a carwash. Each of these uses will be located on an individual parcel, and each of the four individual parcels will require individual utility service. The easternmost 3.7_acres of the project fronting on Hammer Lane consists of a hotel and associated site improvements.

Each of the two projects also include associated site improvements and connections to utility service (Figures 5, 6 and 10). Utility services for the projects will tie into recent utility improvements made by the CarMax in conjunction with their approved auto sales project immediately west of Maranatha Drive. The CarMax improvements include extension of 1) a 12-inch sewer line east along Hammer Lane from Home Depot to the Maranatha Drive intersection; 2) an 18-inch storm drainage line along Maranatha Drive for future discharge to the future Origone Ranch project and a 10-inch sanitary sewer line along Maranatha Drive for future discharge to the future Origone Ranch, and 3) an 18-inch storm drainage line along Maranatha Drive from Hammer Lane to the 99 Frontage Road. The projects will also tie into an existing 12-inch water line located along Maranatha Drive and the 99 Frontage Road, which was installed as a part of the SR 99/Hammer Lane on-ramp redesign project. Improvements required for each of the two proposed projects are listed below and shown on Figure 10.

Utility Improvements for The Marketplace Project

Potable Water: Each of the four parcels will need to connect individually to the existing 12-inch potable water line along the west side of Maranatha Drive.

Sanitary Sewer: Extend new eight-inch sanitary sewer from the CarMax improvement in Hammer Lane south along the east side of Maranatha Drive to the vicinity of the 99 Frontage Road. Each of the four parcels will obtain a separate sewer connection to this line.

Storm Sewer: Each of the four parcels will need to connect individually to the 18-inch storm sewer installed by CarMax along the west side of Maranatha Drive. Development of each parcel will need to incorporate storm drainage detention and meter its discharge to the 18-inch drain.

Utility Improvements for the Hotel Project

Potable Water: Extend a 12-inch potable water line in Hammer Lane from the existing line at Maranatha Drive to the hotel site.

Sanitary Sewer: Extend an 8-inch sanitary sewer line in Hammer Lane from the CarMax improvement to the hotel site.

Storm Sewer: Extend a 12-inch storm sewer line in Hammer Lane from the CarMax improvement to the hotel site.

2.0 CONSISTENCY OF PROPOSED ANNEXATION WITH LAFCO POLICY REQUIREMENTS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 *et seq.*) provides LAFCo with its authority, procedures, and functions. The Act gives LAFCo power to "approve or disapprove with or without amendment, wholly, partially or conditionally," proposals concerning the formation of cities and special districts, annexation or detachment of territory to cities and special districts, and other changes in jurisdiction or organization of local government agencies.

Criteria for project consistency with the Cortese-Knox-Hertzberg Act are identified in California Government Code Section 56337 and are shown below. The following sections of this report provide information in support of each of these findings for the proposed annexation, as summarized below.

- 1) Lands within the annexation area are planned for urban uses in the Stockton General Plan.
 - As documented in Section 1.0 and shown on Figures 1, 2 and 7, the subject site is designated "Commercial" in the City of Stockton General Plan and is adjacent to the Stockton city limits.
- 2) The project is located within the City of Stockton Sphere of Influence and 10-year development timeframe.
 - As documented in Section 1.0 and shown on Figure 9, the subject site is within the City's Sphere of Influence and 10-year planning horizon.
- 3) The project proposes an orderly and logical boundary for annexation and is contiguous to the City limits.
 - As noted above, the project is in a developing commercial area and is designated for commercial development. As shown on Figure 8, the proposed annexation would permit a logical extension of existing ongoing commercial development along the Hammer Lane corridor.
- 4) The project creates a logical extension of the City boundaries and can be served by existing infrastructure.
 - As discussed in Section 1.0 and the above findings, the subject site is adjacent to the City boundary and represents a logical extension of those boundaries along the developing Hammer Lane corridor. All required City services and utilities are available to the subject site as described in Sections 3.0 and 5.0 and as shown on Figure 10.

3.0 CITY SERVICES PLAN

Pursuant to California Government Code Section 56653, the San Joaquin LAFCo requires that any application for a change of organization or reorganization be accompanied by a plan for providing services. The plan must include the following information:

- (a) An enumeration and description of the services to be extended to the affected territory.
- (b) The level and range of those services.
- (c) An indication of when those services can feasibly be extended to the affected territory.
- (d) An indication of any improvements or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (e) Information with respect to how those services will be financed.

The following City Services Plan meets the above requirements (a) through (d) with respect to annexation of the subject site. The subject site would require extension of existing City services, including public safety and utilities. Overall, existing public services, with improvements proposed as part of the project and illustrated on Figure 10, would be adequate to serve the subject site and planned commercial development. The proposed level and range of services to be provided are described in more detail below. The design and construction of required infrastructure improvements, both on- and off-site, will be the responsibility of the project developers, as required by project conditions of approval and subject to engineering approval by the City. Information with respect to how those services will be financed is provided in Section 4.0. Section 4.0 will meet requirement (e) above.

The City of Stockton provides a full range of municipal services. These municipal services include public safety (police, fire, paramedics, building), sanitation (solid waste disposal, sanitary wastewater, and stormwater utility), potable water utility, community development, library, parks and recreation, and general administrative services. Public safety and general services will be extended to the subject site upon annexation. Utility services will be provided upon completion and connection of required on-site and off-site improvements.

3.1 Domestic Water Service

Water systems in the City of Stockton metropolitan area use a combination of treated surface water and pumped groundwater from City wells. Stockton water purveyors include the City of Stockton Municipal Utilities Department (COSMUD), California Water Service Company, and San Joaquin County maintenance districts. Should the annexation be approved, water service to the subject site would be provided by the COSMUD. The City provides water to service areas in North Stockton and South Stockton. The subject site is in the North Stockton service area. Water service to the subject site will be obtained from

existing lines in the area; improvements required to make these connections are described below.

Sources of water provided by the City of Stockton include purchases from the Stockton East Water District (SEWD) and the Woodbridge Irrigation District, groundwater wells, and surface water from the Sacramento-San Joaquin Delta through the City's Delta Water Supply Project (DWSP). Water from SEWD is treated at its water treatment plant east of Stockton. Prior to operation of the DWSP in 2012, the City's planned delivery and allocation of SEWD treated water was 17,500 acre-feet per year (ac-ft/year) - 37.6 percent of SEWD's total supplies. The City currently plans to use only 6,500 ac-ft/year from SEWD. Under an agreement with the Woodbridge Irrigation District, the City purchases 6,500 ac-ft/year of water for municipal and industrial use. This water will augment the DWSP supply.

The DWSP provides the majority of the potable water supply for the City's service areas. It draws water from the San Joaquin River and treats it at a plant in north Stockton. The DWSP currently treats an average of 30 million gallons per day (mgd). The projected 2035 capacity of the DWSP is 60 mgd, with an annual production of approximately 50,000 acft/yr. The City's supply from the San Joaquin River is curtailed annually from February through June of each year due to restrictions imposed by the U.S. Fish and Wildlife Service and the California Department of Fish and Wildlife.

The DWSP has the objective of reducing groundwater overdraft and of protecting the underlying groundwater basin from further saltwater intrusion and water quality degradation. Extensive groundwater pumping in the past has caused movement of the saline waters eastward from under the Delta. With the DWSP now online, the City uses less groundwater in wet and average years, but it increases groundwater use in dry years to make up for reductions in surface water deliveries. The City has determined that the sustainable groundwater yield is 0.75 ac-ft/acre/yr, equivalent to a groundwater yield of approximately 50,000 ac-ft/yr. Based on available monitoring data, extraction rates appear to be below the maximum sustainable yield of the groundwater basin.

The South Stockton water system pumps from groundwater wells and receives surface water from the SEWD Water Treatment Plant, supplied in large part by the DWTP. There are 8 active groundwater wells in service in the North Stockton service area, with pump design flows ranging from 550 to 2,800 gallons per minute (gpm). Groundwater is used conjunctively with the City's surface water supplies.

The North Stockton water system distributes water from the DWSP, SEWD, and groundwater wells. The entire system is one pressure zone with the lowest ground surface elevation (5 feet above mean sea level) on the western side of the system and the highest elevation (35 feet above mean sea level) on the eastern side of the system. Additionally, there are two 3-million-gallon storage tanks near 14-Mile Slough and two 3.43-million-gallon storage tanks in northwest Stockton. These tanks deliver water through 18-, 24-, and 30-inch diameter mains. Additionally, a 48-inch diameter pipeline connects the system to the SEWD. The remainder of the distribution system consists primarily of mains of 12 inches in diameter or less.

The subject site is currently within the service area for the Stockton potable water system, and connection to the system will be available upon annexation. An existing 24-inch diameter City water transmission main and a parallel 12-inch diameter service line are located beneath Hammer Lane at the project site that also extend further east. An existing 12-inch diameter service line extends south along Maranatha Drive and east along the SR 99 Frontage Road. The four parcels created by The Marketplace will connect separately to this line in Maranatha Drive. Water service to the hotel project will be provided by extension of a 12-inch water line from Maranatha Drive east to the hotel site. The developer(s) will comply with plumbing, metering, and other water conservation measures in effect in the City of Stockton, including the policies in the City's 2020 Urban Water Management Plan (UWMP).

For this analysis, it is assumed that five water meters would be installed – one for each of the four commercial center buildings and one for the hotel. The existing water connection fee charged by COSMUD for non-residential development varies from approximately \$2,218 to \$28,359 per water meter, depending on the size of the meter. For this analysis, a water meter size of 1.5 inches is assumed, the connection fee for which is approximately \$9,644. In addition, a DWSP surface water fee is applied, ranging from approximately \$5,223 to \$278,544 per water meter, again depending on meter size. For a 1.5-inch water meter, the DWSP fee would be approximately \$21,206. Based on these assumptions, the total water connection fees for the proposed development would be \$48,220, and the total DWSP fees would be \$106,030. Water fees are payable upon issuance of a building permit. In addition, the City bills the property owner for water service on a monthly basis.

3.2 Wastewater

The subject site is not connected to a wastewater collection and treatment system; individual wastewater disposal systems serve the buildings currently on the site. Should the annexation be approved, the subject site would be served by the City's wastewater system.

The Stockton Regional Wastewater Control Facility (RWCF) provides primary, secondary, and tertiary treatment of municipal wastewater gathered from the city as a whole. The RWCF has a designed flow capacity of 55 million gallons per day (mgd) and average daily flow rate of 31.7 mgd. Treated effluent from the RWCF is dechlorinated and discharged to the San Joaquin River, The RWCF operations are regulated by its National Pollutant Discharge Elimination System (NPDES) Permit.

The City's wastewater collection system is divided into 14 designated subareas or "systems." The subject site is in the City's Wastewater Collection System No. 9. Pump stations are located throughout the city and are integral to the wastewater collection system. Most of the pump stations discharge to pressure lines that convey flow directly to the RWCF or to an available gravity sewer.

Installation of the System 9 collection system will be completed in conjunction with anticipated future development of the Origone Ranch lands to the south of the project site. Until completion of the Origone Ranch sewer connection, the proposed Marketplace project will be connected to an existing 12-inch diameter sewer line located in Hammer

Lane near the northwest corner of the site. This connection will require that The Marketplace construct an 8-inch sanitary sewer line along Maranatha Drive. The four parcels of this project will connect to this line separately. The hotel project will require the extension of a new 8-inch sanitary sewer line from Maranatha Drive to the hotel site.

Future development of the Origone Ranch lands will include the extension of sewer lines from the project site further south along the future alignment of Maranatha Drive to the existing System 9 pump station adjacent to SR 99. The CarMax project has constructed a 10-inch sanitary sewer in Maranatha Drive that will connect to the future Origone Ranch project. When this linkage is available, The Marketplace and hotel projects will be required to disconnect from the Hammer Lane line and connect to the new line in Maranatha Drive, which will provide permanent service to the site. These and other project-related utility improvements are described in detail in the City's will-serve letter for the commercial center development.

The subject site is within the North of Calaveras Sanitary Connection fee area. The existing sewer connection fee in that area is \$3,634 per single-family residential unit equivalent. For this project, the sewer connection fees for all proposed development, based on a residential unit equivalency of approximately 47 units, would be approximately \$65,063 (see Exhibit 7 for how estimate was derived). Sanitary sewer connection fees are payable upon issuance of a building permit. In addition, the City bills the property owner for wastewater services on a monthly basis.

3.3 Storm Drainage

The City of Stockton is situated just east of the Sacramento-San Joaquin Delta, a low-lying region of sloughs and channels connecting local waterways with the Suisun and San Francisco Bays. The city and surrounding areas depend on creeks, rivers, and sloughs to collect and convey storm runoff to the San Joaquin River and the Delta. The primary watercourses include the San Joaquin River, Bear Creek, Mosher Slough, Five Mile Slough, Fourteen Mile Slough, Calaveras River and Stockton Diverting Canal, Smith Canal, and French Camp and Walker Sloughs.

The project site is within the Calaveras River watershed. Sixteen storm drain pump stations discharge into the Calaveras River and the Stockton Diverting Canal. Of these, nine are considered major facilities pumping runoff from storm drains 36 to 72 inches in diameter. Most flow in the Calaveras River comes from the Diverting Canal, which discharges into the river upstream of the Union Pacific Railroad. Within the city, the Diverting Canal contains the predicted 100-year discharge of 15,000 cubic feet per second. Flood flows are contained within the channel banks along the Calaveras River and the Diverting Canal. The SJAFCA Locally Constructed Flood Control Project included levee modifications and some limited floodwall construction to ensure that 100-year flows would be contained. This work also extended into Mormon Slough upstream of the Diverting Canal.

The Stormwater Utility Division of COSMUD operates and maintains 620 miles of storm drains, 72 pump stations, and over 100 discharge pipes that collect and route runoff from the streets and gutters to local rivers, creeks, and sloughs. An existing 42-inch diameter storm drain line is located beneath Hammer Lane. The adjacent CarMax project and the

proposed Marketplace and hotel projects will temporarily direct storm drainage to this line and an existing pump station that discharges to the Calaveras River. The adjacent CarMax project has constructed an 18-inch storm drain in Maranatha Drive for this purpose. The four Marketplace parcels will connect separately to this line. The hotel project will need to construct a connecting 12-inch storm drain from Maranatha Drive east to the hotel site.

Master-planned storm drainage service for the project site and vicinity will be developed in conjunction with future development of the Origone Ranch project area. New facilities will include a new storm drainage collection system and pump station discharging to the Calaveras River. The 18-inch storm drain constructed by CarMax project in Maranatha Drive that will connect the subject site to the Origone Ranch system.

Stormwater discharges from the Stockton urbanized area contain substantial urban runoff pollution. Five Mile Slough, Mosher Slough, the Stockton Deep Water Channel, and the San Joaquin River are listed as "water quality impaired". The City of Stockton provides local management of the federal and state programs for implementation of the Clean Water Act's NPDES program. Stormwater quality is governed by CVRWQCB Order No. R5-2016-0040, NPDES No. CAS0085324. The regulations of the City's Grading and Erosion Control Ordinance and the Storm Water Management and Discharge Control Ordinance establish local oversight of the state general permit system and effective control of storm water quality impacts. The design of drainage facilities is regulated by the City. The City Department of Public Works Standard Specifications Section 71, Sanitary Sewers and Storm Sewers, and Section 79, Storm Water Basins, cover much of the design criteria for these facilities.

The City's General Plan commits the City to maintaining the existing storm drain and flood management facilities. It includes policies that ensure and require that stormwater drainage planning be addressed in conjunction with new development, including requirements for inclusion of Best Management Practices (BMPs) that reduce stormwater runoff pollution. Any costs associated with new facilities must be met or offset by the project, including costs of storm water BMP maintenance.

3.4 Solid Waste Disposal

City ordinance provides for mandatory collection of municipal refuse, which would apply to development on the subject site. The City's franchise haulers provide solid waste collection in Stockton. The waste provider bills the property owner for collection service on a monthly basis, based on the size of collection container utilized. Waste such as construction and demolition debris and manufacturer waste may only be collected and hauled with a valid City-issued Industrial Waste Collector Permit. There are currently two waste haulers permitted to collect and transport commercial waste within the City of Stockton limits: Republic Services and Waste Management. Solid waste is disposed at existing County-owned and private landfill facilities. There is no shortage of landfill space available to the City.

Recent information regarding individual jurisdiction diversion of solid waste from landfills is no longer available. The most recent information from 2006 indicates that about 33% of the City of Stockton's solid waste is landfilled while the remainder is handled by one or

more of the City's waste diversion (recycling) programs. In order to increase construction and demolition debris recycling, the City of Stockton adopted a Construction and Demolition Debris Ordinance in 2008; the ordinance requires construction and demolition contractors to divert from the landfill 50% of all waste generated, by weight, and to document these reductions in written reports filed with the City. Upon annexation of the subject site, construction associated with future development will be subject to this ordinance.

3.5 Natural Gas, Electric, Telephone, and CATV Services

Pacific Gas and Electric Company (PG&E) currently provides both natural gas and electricity services to the subject site and vicinity. Local telephone service is provided by AT&T, and cable television service is provided by Comcast. These systems are obligated to extend service to the subject site upon request. Developer/utility company cost-sharing agreements will be executed as required.

3.6 Police Protection

Law enforcement services to the subject site currently are provided by the San Joaquin County Sheriff's Department. Should the subject site be annexed, law enforcement will be the responsibility of the Stockton Police Department. The Police Department serves the area within City limits, currently covering more than 65 square miles. As of September 2017, the Police Department consisted of 485 sworn officers, 41 police telecommunicators, and 186 civilian staff. The staffing level is determined each year by the Stockton City Council and is subject to change as the Council, City Manager, and Chief of Police determine the needs of the city.

The service area is organized into six Community Policing Districts, one of which (Valley Oak) is adjacent to the subject site. It is the Police Department's policy to respond to all emergency calls within three to five minutes. Currently, there are no adopted service levels for the Police Department; however, it is understood that a higher level of service may be required as population increases. The project would receive law enforcement service during construction as well as upon completion of development.

Capital costs of Police Department expansion are accounted for by the City's Public Facility Fee (PFF) program. The City of Stockton has adopted a PFF for police facilities payable upon issuance of a building permit. For retail/medium density land uses, the fee is \$54 per 1,000 square feet. For guest rooms, the fee is \$99.50 per room. Based on these factors, an estimated \$14,920 in PFFs for police facilities would be generated. Additionally, in November 2014, Stockton's voters approved Measure A, which instituted a three-quarter cent (0.75%) sales tax to provide funding for law enforcement, crime prevention services, and other essential City services.

3.7 Fire Protection

Fire protection services for the subject site are currently provided by the Waterloo-Morada Fire District. The Fire District's existing service boundary is approximately 36 square miles and is located to the east of Stockton, south of Live Oak Road, west of Beecher Road, and north of State Route 26. Included within the service area are the communities of Morada

and Waterloo. The majority of the land within the Fire District is designated for agriculture and for rural residential and industrial uses.

Should annexation occur, the subject site will be detached from the Waterloo-Morada Fire District, and fire protection services will be provided by the Stockton Fire Department. The Fire Department provides fire protection, fire prevention, paramedic emergency medical, and other related services to all areas of the City of Stockton, as well as on a contract basis to the Lincoln, Eastside, Boggs Tract, and Country Club Fire Districts. The Fire Department currently serves an area of about 86 square miles and has about 181 total personnel. Other services provided include fire hydrant maintenance, training, fire dispatch, hazardous materials intervention, and weed abatement services.

The Fire Department has twelve stations located throughout the greater Stockton metropolitan area. The closest station to the subject site is Station 13, located at 3606 Hendrix Drive, approximately 1.8 miles north of the subject site. The station is equipped with one engine one emergency medical service rescue vehicle and is staffed by three firefighters, two of whom are also paramedics. The response time to the site from Station 13 would be between three and four minutes. The second responder would be Station 11, located at 1211 East Swain Road, approximately 1.9 miles southwest of the subject site. This station has a single engine company with three firefighters. The response time to the site from this station would be from five to seven minutes.

To provide adequate fire protection services, future development will coordinate with the Fire Department during planning and design phases to ensure site access, response time, sprinkler requirements, water system design, and hydrant placement are acceptable. Improvements to the City of Stockton water system will also be constructed in conformance with the Uniform Fire Code fire flow standards, and hydrants will be placed in accordance with Fire Department standards. Also, the Stockton Fire Department participates in the California Disaster and Civil Defense Master Mutual Aid Agreement (MMAA). This agreement allows the City to share resources with all fire department agencies in San Joaquin County and request assistance from the County fire districts when additional services are required. The City currently provides most of the fire services within and around the City limits, since some of the County fire districts have reduced staffing, supply shortages, or operations on a temporary basis. The existing mutual aid agreement allows the City and County agencies to share resources when needed.

As with police facilities, capital costs of fire station expansion are accounted for by the City's PFF program. The City of Stockton has adopted a PFF for fire stations payable upon issuance of a building permit. For retail/medium density land uses, the fee is \$61 per 1,000 square feet. For guest rooms, the fee is \$44.50 per room. Based on these factors, an estimated \$7,281 in PFFs for fire stations would be generated by future development.

3.8 Schools

The subject site is within the boundaries of the Stockton Unified School District (SUSD). The nearest public school to the project site is Cesar Chavez High School, located at 2929 Windflower Lane, less than one-half mile to the southwest. SUSD experiences overcrowding in their schools; however, SUSD coordinates with residential developers to

ensure that sufficient capacity would exist within the school system to accommodate residential-related student generation.

The City will designate the subject site for commercial development; no residential development that would house families with school-age children would occur. Nevertheless, to assist in meeting school construction costs, the SUSD would collect developer fees from future development on the subject site in accordance with State law, based on a non-residential development rate of \$0.61 per square foot. Based upon total square footage of proposed development, an estimated \$59,767 in school impact fees would be generated. Project development will contribute to these fees in conjunction with building permit issuance.

3.9 Parks and Recreational Facilities

The City of Stockton provides park and recreational services. Panella Park is the nearest City park, approximately 1.1 miles southwest of the project site. Panella Park is equipped with picnic tables, playgrounds, sports fields, and restrooms. The Stockton General Plan establishes policies and standards for the size and siting of parklands.

PFFs for parklands are assessed only on new residential development; commercial development as proposed is exempt from parkland fees. However, commercial center development would be subject to the payment of a PFF for community recreation centers. For retail/medium density land uses, this fee would be \$20.25 per 1,000 square feet. An estimated \$334 in PFFs for community recreation centers would be generated. Proposed hotel development is exempt from this fee. As with other PFFs, these fees would be payable upon issuance of a building permit.

3.10 Libraries

The public library system is operated jointly by the City of Stockton and San Joaquin County. The nearest library to the project site is the Arnold Rue Branch Library, a "micro" library in the Arnold Rue Community Center on Lorraine Avenue in northeastern Stockton. A new library is planned for construction in northeast Stockton adjacent to the Ronald McNair High School campus, approximately two miles northwest of the subject site.

Capital costs of library expansion are accounted for by the City's PFF program. The City has adopted a PFF for libraries payable upon issuance of a building permit. For retail/medium density land uses, the fee is \$61 per 1,000 square feet. For guest rooms, the fee is \$44.50 per room. An estimated \$12,855 in PFFs for libraries would be generated by future development on the subject site.

3.11 Maintenance of Public Facilities/Other Governmental Services

The existing roadways of Hammer Lane, including the portion to be annexed by this project, and Maranatha Drive will be maintained by the City of Stockton. No new public roadways would be constructed in conjunction with annexation and development of the subject site. Future development will involve street improvements along frontages of Maranatha Drive and SR 99 Frontage Road, including curb, gutter, and sidewalk, all of which would be designed and constructed according to City standards. The Hammer Lane

frontage already has these improvements, although they would be altered to accommodate driveways to the proposed development.

With increased vehicular traffic resulting from the development of the subject site, the need for road maintenance will increase. Future development will be responsible for payment of adopted PFFs for street improvements and traffic signals to fund intersection and roadway segment improvements identified in the City's Street Improvement Plan. For retail/medium density land uses, street improvement fees are \$3,177 per 1,000 square feet; traffic signal fees vary by proposed land use. For guest rooms, street improvement fees are \$5,157 per room, and traffic signal fees are \$122 per room. Estimated street improvement fees from proposed development would be approximately \$779,609, and traffic signal fees would be approximately \$159,496. The City requires that these fees be paid prior to building permit issuance.

A Regional Transportation Impact Fee (RTIF) also will be required of future development on the subject site. The RTIF's objectives are to generate funding from new development projects that impact the Regional Transportation Network and to integrate these funds with federal, state, and other local funding to make transportation improvements identified in the RTIF Program. Proposed improvements in the RTIF Program that are in the vicinity of the project site include the SR-99/Eight Mile Road interchange, the SR-99/Morada Lane interchange, and bus rapid transit projects on March Lane and West Lane. The RTIF is \$1,016 per 1,000 square feet for retail land uses and \$1,760 per 1,000 square feet for hotel uses. Based on proposed development, the RTIF would be \$160,895.

Measure K was passed by voters in 1990 and extended for another 30 years by voter approval in 2006. This measure instituted a 1/2-cent sales tax dedicated to transportation improvement projects in San Joaquin County. Measure K provides funding for a system of improved highways and local streets, new passenger rail service, regional and interregional bus routes, park-and-ride lots, new bicycle facilities, and railroad crossings. San Joaquin County and cities within the County share thirty-five percent (35%) of the sales tax revenue for local street repair and for roadway safety programs. The local share of Measure K funds is distributed by formula based primarily on the City's proportionate share of the overall County population. Since the proposed annexation and development is not expected to change the City's population, there would be no substantial change in Measure K revenue for the City.

4.0 FINANCING OF CITY SERVICES AND FISCAL EFFECTS

California Government Code Section 56653 requires that the services plan for a subject site include information on how the extension of these services would be financed. For the purposes of this analysis, services extensions are classified as 1) public road improvements and utility services such as water, wastewater, storm water, electrical, gas, and communication systems that require construction of new pipelines, power lines, pump stations or other physical facilities needed to extend urban services to the subject site, and 2) general City services, such as police and fire protection, which generally speaking would be provided without major improvements to capital facilities. These concerns are addressed below in Sections 4.1 and 4.2, respectively.

4.1 Financing of Roads and Utility Improvements

Improvements needed to extend public road and utility services to the site would be constructed in conjunction with the development of proposed commercial structures, access, parking, and other on-site improvements. These improvements would include off-site improvements to the frontages of Maranatha Drive and SR 99 Frontage Road, along with required extensions of water and wastewater mains and electrical, gas, and communication lines.

As prescribed in the project conditions of approval, the project will be responsible for design and construction of required improvements to City roads and utility systems in accordance with adopted City standards. Unless improvements are deferred per a specific agreement with the City, they will be constructed prior to occupancy of the project site. The costs of extending electrical, gas and communication facilities will be borne by the project and the responsible franchise utility as prescribed in adopted rules and regulations. Costs of operating public infrastructure for the benefit of the project will be met through existing monthly service fee systems established by the City and franchise utilities.

Long-term capital improvement needs associated with new development, including the proposed project, are met through the City's adopted PFFs, which provide for expansion of City offices, libraries, community recreation centers, fire and police stations, street improvements, park land, surface water resource development improvement, air quality, and related administrative costs as these needs are identified. Similarly, the City has also adopted development fees for sanitary sewer and water connections, traffic signals, and street trees, along with various local benefit district fees. PFF and connection fee payments are required when building permits are issued, in accordance with the City's adopted fee schedule, which is annually updated to keep pace with infrastructure and public facility costs. As a result, the City operates from year to year with a fee structure that reasonably anticipates and collects fees sufficient to meet capital improvement needs associated with new development.

Estimated PFFs and connection fees for proposed commercial development of the subject site are summarized in Table 1 below. For more information on how the estimates were developed, please see the attached Exhibit 7.

Along with the PFFs and connection fees, the City also collects development-related fees for the following:

- Agricultural Land Mitigation Program (not applicable to this project)
- Air quality
- County facilities
- Habitat/Open Space for San Joaquin Council of Governments (SJCOG)
- Surface water for SEWD (\$0.283 per square feet of retail/0.30)
- Related administrative costs

Table 2 summarizes the estimated development-related fees for proposed commercial development of the subject site. These also include development impact fees collected by

other agencies, such as the Stockton Unified School District and SJCOG. Exhibit 7 provides more information on how the fee estimates were developed.

TABLE 1
ESTIMATED PUBLIC FACILITY AND CONNECTION FEES

FEE CATEGORY	ESTIMATED PROJECT FEES
City of Stockton Fees	
Community Recreation Center	\$334
City Office Space	\$7,280
Fire Stations	\$7,281
Libraries	\$12,855
Parkland	\$0
Police Stations	\$14,920
Street Improvement	\$779,609
Sewer Connection	\$65,063
Water Connection	\$48,220
Delta Water Supply	\$106,030
Regional Transportation	\$160,895
Traffic Signal	\$65,132
TOTAL CITY CAPITAL FEES	\$1,267,619

TABLE 2
ESTIMATED OTHER DEVELOPMENT-RELATED FEES

FEE	ESTIMATED PROJECT FEES
Agricultural Land Mitigation	\$0
Air Quality	\$28,284
County Facilities	\$59,242
Surface Water	\$151,716
Administration	\$34,409
School Impact Fees (SUSD)	\$59,767
Habitat/Open Space (SJCOG)	\$51,296
TOTAL OTHER FEES	\$384,714

4.2 Financing of General Services

The anticipated revenues to the City of Stockton, which would be the main provider of services, are presented here. As noted above, the design, engineering, and construction of these services and associated infrastructure improvements will be financed by developers of the subject site, subject to approval by the City. This section also analyzes financial impacts on the Waterloo-Morada Fire District, which currently provides fire protection services to the subject site and from which the subject site would be detached upon annexation to the City.

4.2.1 Estimated Change in Annual Revenue for City of Stockton

As a Charter City, the City of Stockton benefits from the same revenue sources as general law cities, as well as a utility user tax. The City receives a portion of the property tax collected within the City limits and payments from electrical distribution, cable television, and solid waste collection franchises. As discussed in Section 4.1, the City operates its public utilities (i.e., water and sanitary sewer) as enterprise functions, and it engages in public recreation activities on a quasi-enterprise basis, subsidized by its General Fund (e.g., golf courses, ice arena, civic auditorium).

The major sources of revenue that will be generated by the proposed future development for the City of Stockton General Fund are summarized in Table 3 below. Revenue estimates were generated primarily on a person-served basis, which accounts for project-related population and employee growth. Please see the attached Exhibits 1-6 for more information regarding the derivation of Table 3 figures. More detailed information regarding specific sources of revenues is provided below.

Property Tax

Property tax rates are set at 1% of assessed property value. The potential property tax revenues resulting from the project were based on information provided by the project applicant and the current City/County Revenue Sharing Agreement for annexations. As shown in Exhibit 3, the annual property tax assessed on the project site would be \$41,000,000.

Approximately 52.5% of every property tax dollar from the subject site is allocated among the Stockton Unified School District, San Joaquin Delta Community College, and the State's educational fund. This leaves an "available share" of property tax revenue of approximately 47.5% of the overall property tax revenue, which is divided between the County, the Waterloo-Morada Rural Fire District, and other County agencies. This division of the property tax is the basis for estimating the property tax the City will receive upon annexation and development of the subject site (see Exhibit 3).

TABLE 3
ESTIMATED RECURRING CITY OF STOCKTON GENERAL REVENUES
RESULTING FROM ANNEXATION AND BUILDOUT OF THE SUBJECT SITE

CATEGORY	AMOUNT
Property Taxes	
Secured Property Tax	\$38,950
Unsecured Property Tax	\$3,895
Property Transfer Tax	\$1,128
Property Tax in-Lieu of Motor Vehicle Fees	\$47,150
Sales and Transient Occupancy Taxes	
Direct Sales Tax	\$750,000
Transient Occupancy Tax	\$504,000
Other Revenue Sources	
Utility Users Tax	\$7,254
Franchises	\$2,830
Business Licenses	\$13,387
Document Transfer	\$229
Motor Vehicle Licenses	\$0
Investment Proceeds	\$672
Fire Contracts	\$918
Code Enforcement	\$749
Charges for Services	\$434
Fines & Forfeitures	\$74
Revenues from Other Agencies	\$525
Licenses & Permits	\$97
Sale of Fixed Assets	\$62
Miscellaneous Other Revenues	\$0
Indirect Cost Allocations	\$1,115
Refunds & Reimbursements	\$305
Rents/Leases/Concessions	\$748
Loan Repayment	\$105
TOTAL	\$1,374,627

Secured Property Tax

Based upon information from the San Joaquin County Auditor-Controller's Office, upon annexation, approximately 9.5% of total property tax revenue from the subject site would go to the City. Based on this information, the City's share of the total secured property tax amount after annexation and development would be \$38,950. Current property taxes paid on the subject site are approximately \$8,686.

Unsecured Property Taxes

Unsecured property taxes are derived from property that is not real estate such as business equipment, boats, aircraft, and possessory interests. For this analysis, it is assumed that the unsecured property tax is 10% of the secured property tax and that the amount of unsecured property tax the City would receive after annexation and development of the subject site would be \$3,895.

Other Property Taxes

Property transfer taxes are taxes charged as a percentage of the value of property that has a transfer of title. It is estimated that the amount of property transfer tax the City would receive after annexation of the subject site would be \$1,128. Exhibit 3 provides details on the property transfer tax estimate.

In 2004, the State Legislature and the Governor agreed to a swap of city and county vehicle license fee revenue for an additional share of property tax revenue to be provided to the local governments. This Property Tax in-Lieu of Motor Vehicle Fees is a substantial source of revenue based on property taxes. It is estimated that the amount of property tax in-lieu of motor vehicle fees associated with the subject site would be \$47,150. See Exhibit 3 for development of this estimate.

Sales Tax

The current sales tax rate in the City of Stockton is 9.00%, with the City receiving 2.25% of taxable sales: 1.25% of which is a result of measures approved by City voters (Measure A-0.75%, Measure W (police and fire) -0.25%, Measure M (library and recreation) -0.25%). Taxable sales activity would be generated mainly by the proposed commercial land uses on the project site; it is anticipated that the hotel would generate only limited sales tax from its activities. The project applicant for the commercial center estimates that total sales tax that would be generated by the center would be approximately \$3,000,000 per year. Based on the City share of sales tax revenue, the estimated sales tax revenue received by the City would be approximately \$750,000 per year.

Transient Occupancy Tax

A transient occupancy tax is charged to occupants of hotels, motels, and other lodgings. The City imposes an 8.00% transient occupancy tax rate. The applicant for the proposed hotel estimates that approximately \$6,300,000 in revenue would be generated by hotel use. Based on the tax rate, the estimated transient occupancy tax revenue received by the City would be approximately \$504,000 per year.

Utility User Tax

A utility user tax is levied against utility charges for all non-public users of gas, electric, water, telephone, and cable television services. This tax is 6% of a customer's monthly bill. As noted in Table 3 above, future development on the subject site would generate an estimated \$7,254 annually in utility user tax revenues. See Exhibits 1 and 5 for how the estimate of utility user tax was developed.

Franchise Tax

Franchise taxes are levied upon the providers of natural gas, electric, refuse removal and cable television service. The franchise tax, which is 2% for most utilities and 3% for cable TV, is levied upon the provider rather than the customer and is charged against all utility revenues. The anticipated future development on the subject site would generate approximately \$2,830 in franchise tax revenues annually (see Exhibits 1 and 5).

Business License Tax

The City of Stockton assesses a business registration fee and a license tax on any person engaged in or carrying on any profession, trade, calling, occupation, or business in the City. Beyond a registration fee of \$24, businesses are assessed at varying rates based typically on their gross receipts; gross receipts information for the annexation area is unknown. Future development on the subject site is estimated to yield an annual revenue of \$13,387 (see Exhibits 1 and 5).

Other Revenue Sources

The City has a variety of other revenue sources, which are listed in the City's budget. These include document transfer fees, licenses and permits, fines and forfeitures, rents/leases/concessions, sales of fixed assets, investment proceeds, and revenues from fire service contracts and from other agencies, among others. Exhibits 1 and 5 list these other sources. Not all these revenue sources would be associated with annexation and development of the subject site. However, to simplify the analysis, revenues from each of these sources have been estimated based upon the service population anticipated to be on the subject site at full development. Estimated revenues from these other sources would be \$6,033.

4.2.2 Estimated Change in Annual Expenditures for City of Stockton

An Addendum to the Stockton General Plan EIR, prepared specifically for the proposed annexation and development, concluded that project impacts on the City's water, wastewater, and storm drainage systems would be less than significant. The City's wastewater system has adequate capacity to accommodate additional wastewater from the project, and existing sewer lines in the area can carry the anticipated flow. Supplies for the City's water system are sufficient to satisfy potential project demand, and no new supplies would need to be obtained. The project developer would provide the necessary water and sewer connections to the City's systems, along with storm drainage facilities to accommodate runoff in accordance with City standards. The City would not need to provide new or expanded facilities for the project. Expenses to provide these City utilities

to the project site are expected to be minimal, and these expenses would be covered by monthly utility billing to the project activities.

The Addendum also concluded that project impacts on services provided by the City, primarily fire and police protection, would be less than significant. While the project would place an additional demand for service on the City's fire and police departments, no new or expanded facilities would be required to accommodate this demand. Regardless, proposed development will be required to pay PFFs to the City for fire and police facilities. Expenses to provide City fire and police services to the annexation area are also expected to be minimal.

It is expected that the annexation of a 710-foot segment of Hammer Lane would increase ongoing road maintenance costs of the City. A rough approximation of the increased maintenance cost associated with this segment can be obtained by dividing the total miles currently maintained by the City of Stockton into total street maintenance cost, then applying the results to the segments to be annexed. According to the FY 2019/20 budget for the City of Stockton, the City maintains 763 miles of streets at a cost of \$6,911,421. Based on these figures, the additional cost to maintain the annexed segment of Hammer Lane would be approximately \$1,218 annually.

An approximation of maximum potential increases in City services costs associated with the project was calculated by dividing total general fund expenditures by the City service population, and then multiplying that factor by the increase in service population on the subject site. The per-unit cost factor would be \$592.78. The expected increase in service population would be 80 (see Exhibit 2). Therefore, potential service costs to the City would be approximately \$47,422. See Exhibit 8 for a development of the expenditure estimate for the subject site. The increased cost to maintain the annexed segment of Hammer Lane would be part of this estimate.

4.2.3 Overall Impact of Project on City Budget

As indicated in Table 3, proposed future development of the subject site is expected to generate approximately \$1,374,627 in annual revenues to the City, which include property taxes, sales taxes, and transient occupancy taxes. With estimated annual expenditures of \$47,422, the City would have adequate annual revenues to provide services to the subject site. In addition, as indicated in Table 1, proposed future development would generate \$1,267,619 in one-time capital facility fees to the City to cover expenses associated with new or expanded public facilities and services. Additional fees would be paid to SUSD and SJCOG.

In summary, the City would be expected to expect to receive substantial revenues from proposed development of the subject site, while the expenses incurred in providing City services to the subject site would be less than the anticipated revenues. Thus, at the project level, the City would likely operate at a budget surplus.

3.4 Property Tax Impact to the Waterloo-Morada Rural Fire District

Based on information provided by the San Joaquin County Auditor-Controller's Office, the Waterloo-Morada Rural Fire District currently receives approximately 20 percent of the general one-percent property tax levy from the subject site. This currently generates approximately \$1,749 of property tax revenue for the Fire District, based on current valuation of the property. Upon annexation and development of the subject site, the assessed valuation of the site would increase substantially. However, as a part of the annexation process, the subject site would be detached from the Fire District, and the Fire District would no longer receive tax revenue from the site.

LAFCo policy dictates that adverse fiscal impacts resulting from such detachments from special districts or annexations that fail to provide adequate mitigation of the adverse impact on the district will not be approved would apply to this proposed detachment. It is expected that the City and the Fire District will reach an agreement that will reduce adverse revenue impacts on the Fire District resulting from the proposed annexation. LAFCo may determine an appropriate temporary mitigation, if any, and impose that temporary mitigation to the extent it is within its powers.

4.0 AVAILABILITY OF ADEQUATE WATER SUPPLY

California Government Code Section 56668(1) requires an assessment of the timely availability of water supplies for an annexation area. The 2020 UWMP for the City of Stockton's water system assessed the reliability of its water supply for its service area, which includes the subject site. The 2020 UWMP includes a description of the water supply sources, projected water use, and a comparison of water supply water demands during normal, single-dry, and multiple-dry years. The definitions of the three water year scenarios, as described by the State Department of Water Resources, are provided below.

- 1. Average year is a year, or an averaged range of years in the historical sequence that most closely represents median water supply availability to the agency. Normal and average are used interchangeably within the Department of Water Resources guidebook.
- 2. Single dry year is the year with the lowest water supply availability to the agency.
- 3. Multiple dry year is the lowest average water supply availability to the agency for a consecutive multiple-year period (three years or more) for a watershed since 1903. For the City of Stockton, a five-year period was used in the analysis.

As part of the 2020 UWMP, a Water Supply Reliability Assessment was conducted to determine the reliability of the City's water supply for all three water year scenarios from 2025 to 2045. Under the normal water year scenario, water supply would exceed demand by 36,596 to 47,322 acre-feet per year. Under the single dry water year scenario, supply would exceed demand by 13,656 to 24,022 acre-feet per year. Under the multiple dry year scenario, supply would exceed demand in a range from 12,456 acre-feet per year in the fourth dry year in 2040 and 2045 to 44,196 acre-feet per year in the fifth dry year in 2030.

A Water Master Plan Update prepared by the City in 2021 indicated that commercial activities use approximately 1.62 acre-feet of water per year. While water usage can vary greatly among commercial activities, for this analysis it is assumed that commercial water usage on the subject site would be the same. Based on the assumed water use, water demand from proposed development on the subject site would be approximately 13.0 acre-feet per year. When compared with the difference in water supply and demand described above, the City would have sufficient water supply for proposed future development on the subject site, even in multiple dry years. Water can be readily provided from existing sources, without the need to acquire additional supplies or water rights.

It should be noted that the demand figures used in this analysis do not consider the amount of water that may be saved by active and passive water conservation programs implemented by the City. The COSMUD has met, and expects to continue to meet, annual water demands within its service area during differing hydrologic periods with surface water, groundwater, water conservation, and other potential water supplies such as non-potable supplies from local communities, raw surface water from local irrigation districts, and water from active groundwater storage projects.

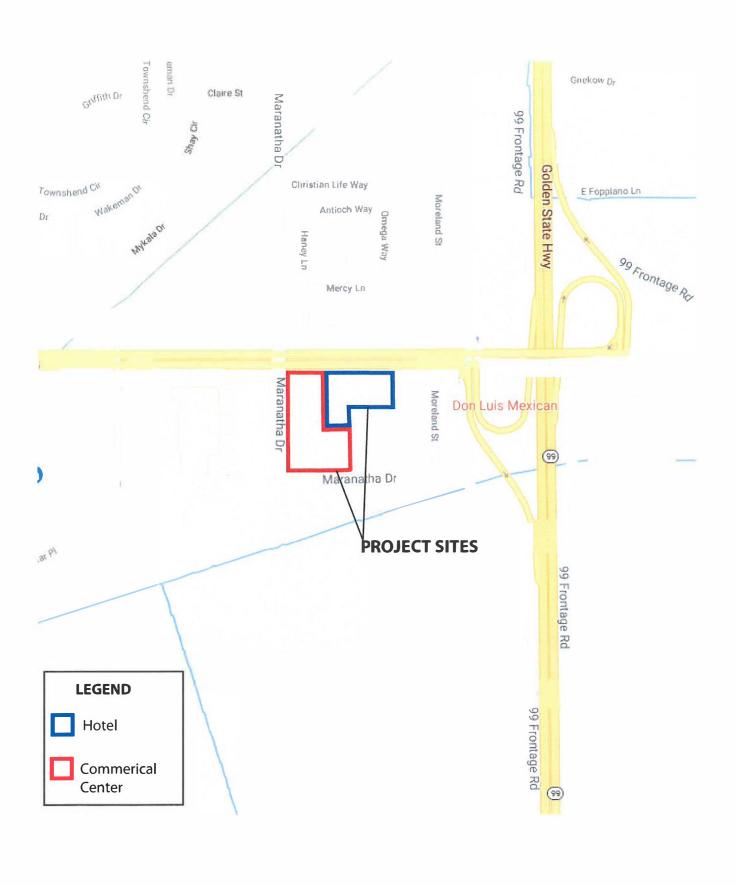
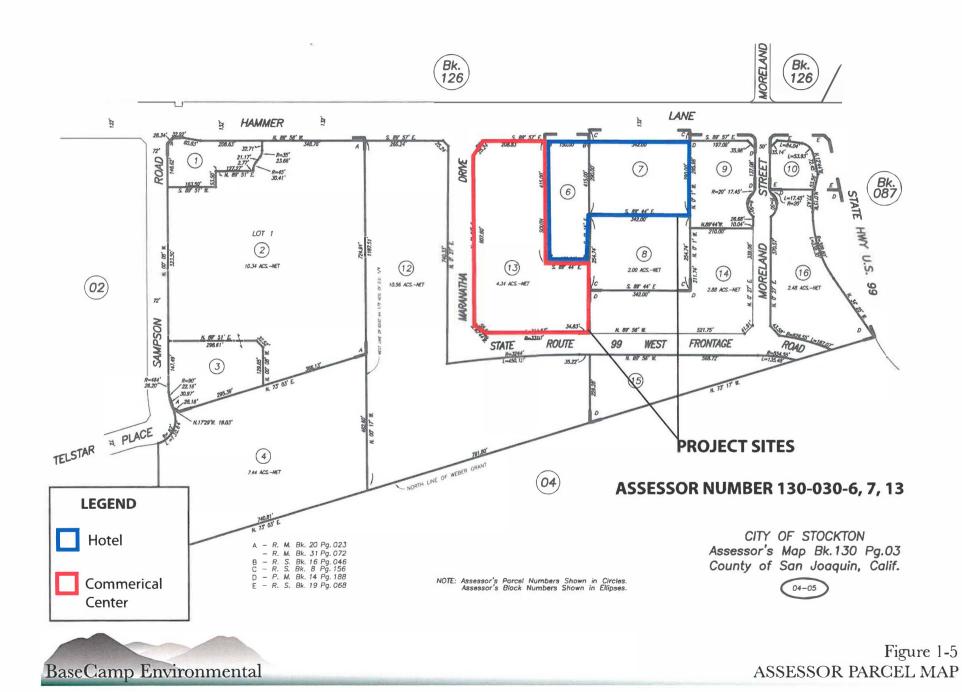




Figure 1-2 STREET MAP



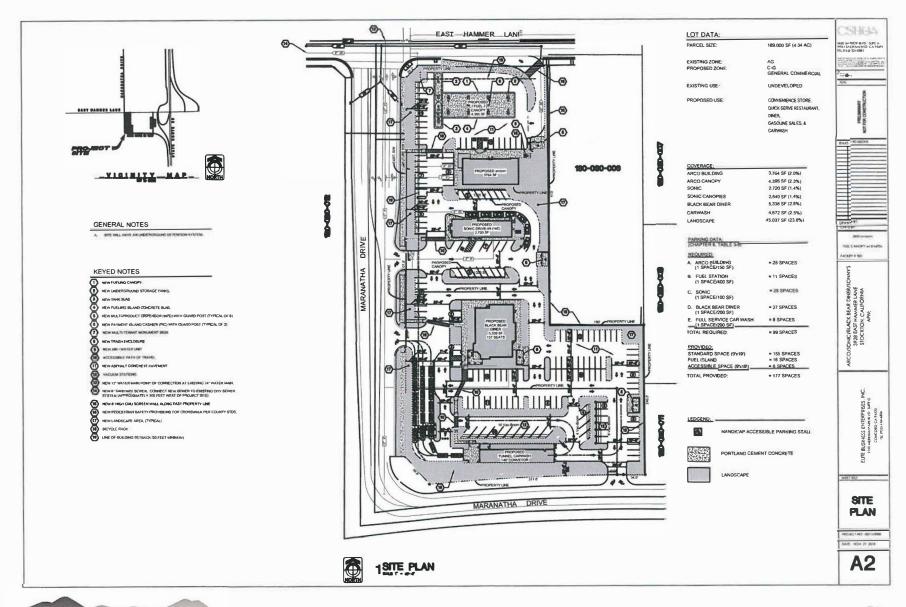
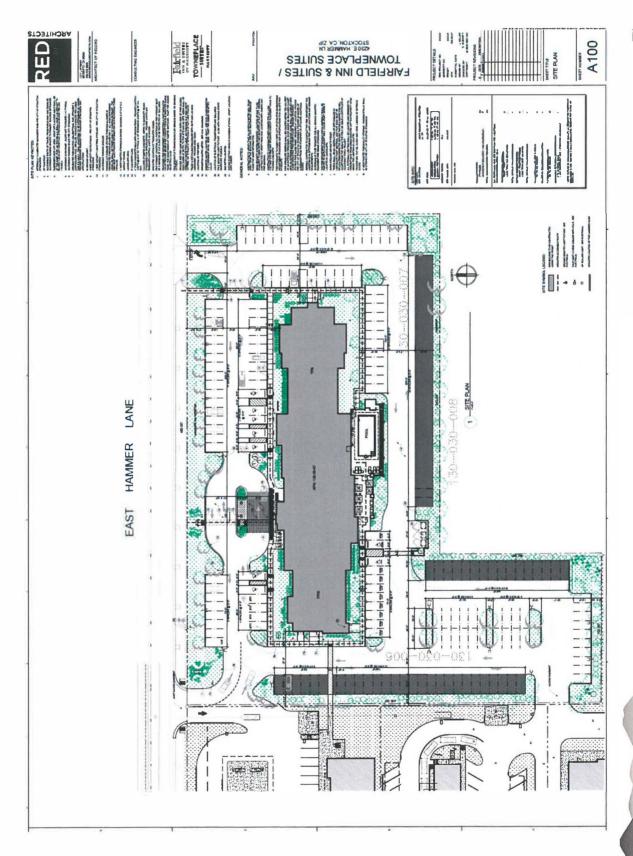


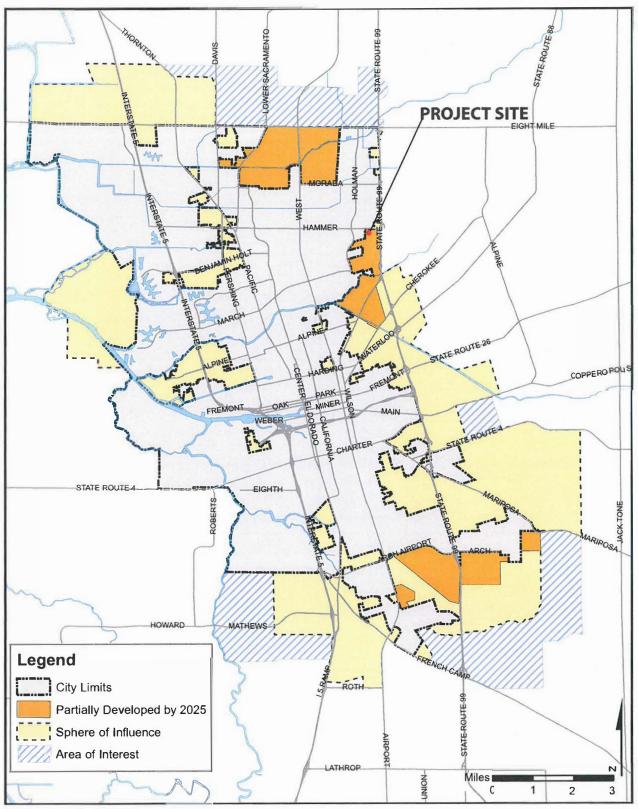
Figure 5 COMMERCIAL CENTER SITE PLAN





BaseCamp Environmental

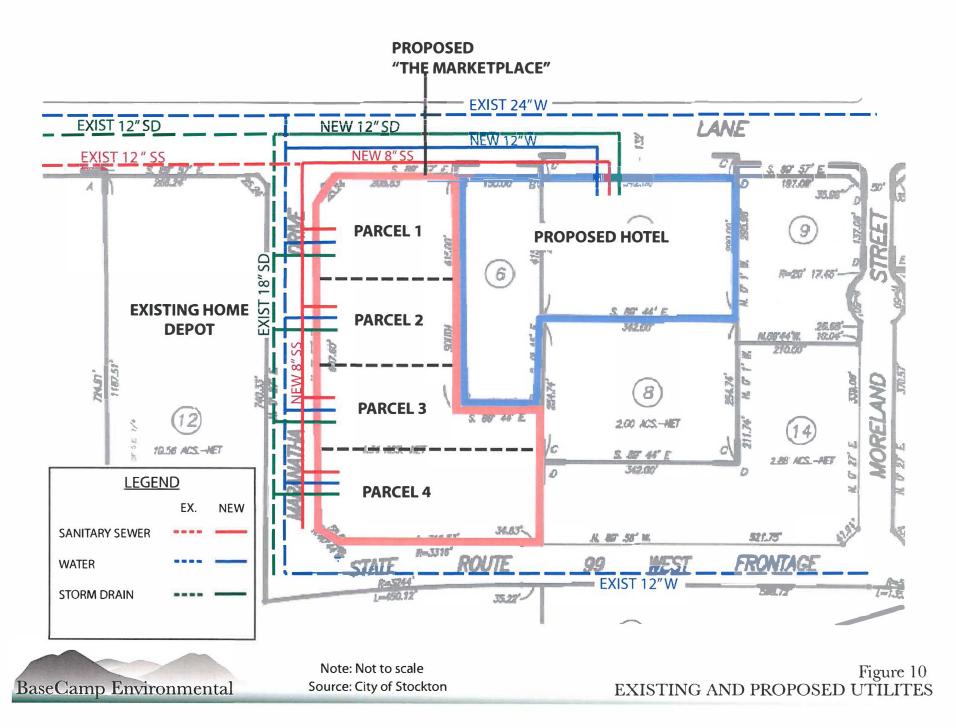
Figure 8 PROJECT DEVELOPMENT IN THE PROJECT AREA

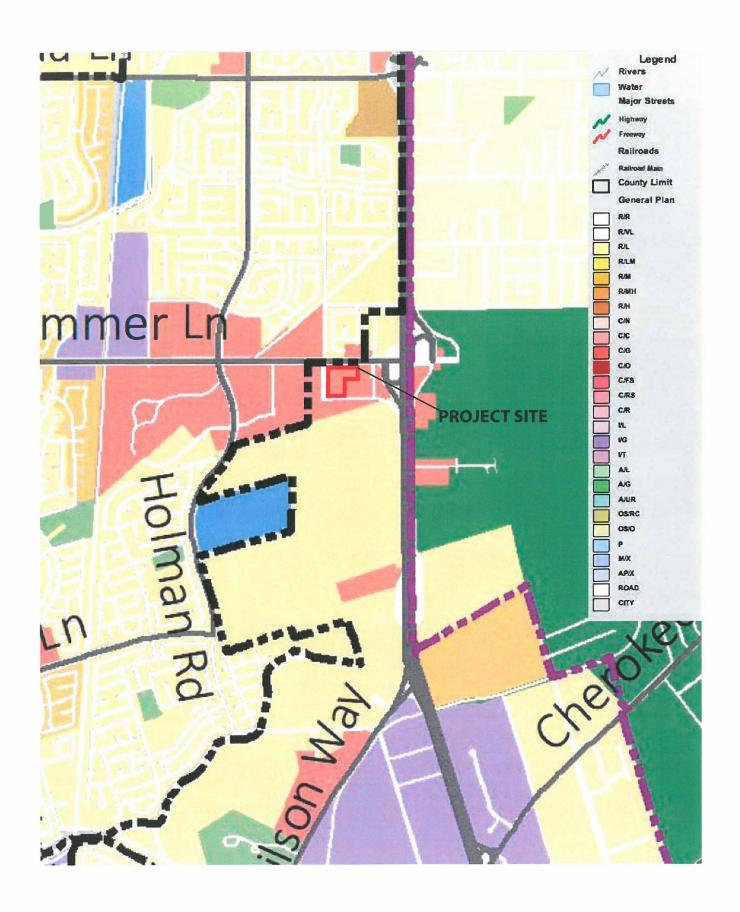


SOURCE: City of Stockton



Figure 9 SPHERE OF INFLUENCE





BaseCamp Environmental

Figure 7 GENERAL PLAN MAP

EXHIBITS 1-6 ESTIMATED PROJECT REVENUE SOURCES

EXHIBIT 1 CITY OF STOCKTON – PROPOSED HAMMER LANE ANNEXATION CITY OF STOCKTON GENERAL FUND REVENUE SUMMARY

I. CITY DEMOGRAPHIC DATA

2019 Estimated City Population [1]316,4102019 Estimated City Employees [2]119,5242019 Persons Served Population [3]388,124

II. CITY REVENUE SOURCES

General Fund Revenue Type	City Budget [4]	Recurring or Non-Recurring	Multiplier Type	Multiplier
Property Tax	\$35,857,327	Recurring	AV/square foot	NA
Utility Users Tax	35,017,000	Recurring	Persons Served	\$90.22
Sales and Use Tax	82,776,936	Recurring	NA	NA
Franchises	13,663,000	Recurring	Persons Served	\$35.20
Business Licenses	11,941,000	Recurring	Per Employee	\$99.90
Document Transfer	1,105,000	Recurring	Persons Served	\$2.85
Hotel/Motel Tax	3,400,000	Non-Recurring	NA	NA
In-Lieu of Motor Vehicle Fees	24,577,718	Recurring	AV Proportion	NA
Motor Vehicle License	155,000	Recurring	Per Capita	\$0.49
Investment Proceeds	3,245,909	Recurring	Persons Served	\$8.36
Fire Contracts	4,432,189	Recurring	Persons Served	\$11.42
Code Enforcement	3,617,190	Recurring	Persons Served	\$9.32
Charges for Services	2,096,603	Recurring	Persons Served	\$5.40
Fines & Forfeitures	358,862	Recurring	Persons Served	\$0.92
Revenues from Other Agencies	2,534,591	Recurring	Persons Served	\$6.53
Licenses & Permits	469,827	Recurring	Persons Served	\$1.21
Sale of Fixed Assets	300,000	Recurring	Persons Served	\$0.77
Districts/Area of Benefit Contribution	0	Non-Recurring	Persons Served	NA
Misc. Other Revenues	(47,595)	Recurring	Persons Served	\$0
Indirect Cost Allocation	5,382,463	Recurring	Persons Served	\$13.87
Refunds & Reimbursements	1,470,896	Recurring	Persons Served	\$3.79
Rents/Leases/Concessions	3,609,741	Recurring	Persons Served	\$9.30
Loan Repayment	505,756	Recurring	Persons Served	\$1.30
TOTALS	\$236,469,413			

- NOTES:
 [1] California Department of Finance, E-5 City/County Population and Housing Estimates, 1-1-2019.
 [2] San Joaquin County Forecast Summary, Center for Business and Policy Research, Eberhardt School of Business, University of the Pacific, July 7, 2016. 2019 figure interpolated from 2015 and 2020 figures.
- [3] Assumes City population plus 60% of employees.
- [4] Source: City of Stockton Fiscal Year 2019/20 Budget

AV – Assessed Valuation NA – Not applicable

EXHIBIT 2 CITY OF STOCKTON - PROPOSED HAMMER LANE ANNEXATION LAND USE AND DEMOGRAPHICS SUMMARY

I. RESIDENTIAL LAND USES

Residential Land Uses	Number of Units	Persons per Household [1]	Residential Population
Residential	0	3.39	0

II. **NON-RESIDENTIAL LAND USES**

Non-Residential Land Uses	Square Feet	Sq. Ft. per Employee [2]	Number of Employees
Commercial	11,822	383	62
Hotel	81,484	1,124	72
		TOTAL	134

III. **PROJECT DEMOGRAPHICS**

Residential Population	0
Direct Employees	134
Persons Served Population [3]	80

NOTES:
[1] Source: California Department of Finance, E-5 City/County Population and Housing Estimates, 1-1-2019.

^[2] Source: U.S. Green Building Council, Building Area Per Employee by Business Type.

^[3] Assumes residential population plus 60% of employees (see Exhibit 1).

^{*} All figures subject to rounding.

EXHIBIT 3 CITY OF STOCKTON – PROPOSED HAMMER LANE ANNEXATION PROPERTY TAX REVENUE

I. GENERAL PROPERTY TAX ASSUMPTIONS

Pre-Annexation - 1% General Property Tax Breakdown [1]

Public Agency	Property Tax Breakdown
County General Fund and other local agencies	27.4%
Waterloo-Morada Rural Fire District	20.1%
School districts and other agencies	52.5%
	TOTAL 100.0%

Property Tax Allocation **Upon Annexation** [1]

Public Agency	% Retained by City of Stockton	
County General Fund		38.0%
City of Stockton		9.5%
School districts and other agencies		52.5%
	TOTAL	100.0%

II. SECURED PROPERTY TAX ANALYSIS

Nonresidential Land Use Type	Estimated Assessed Valuation[2]	Total Secured Property Tax
Commercial	\$20,000,000	\$19,000
Hotel	\$21,000,000	\$19,950
TOTAL	\$41,000,000	\$38.950

III. UNSECURED PROPERTY TAX ANALYSIS

Nonresidential Land Use Type	Unsecured Tax (as % of Secured Tax)	Total Secured Property Tax	Total Unsecured Property Tax
Commercial	10.00%	\$12,000	\$1,900
Hotel	10.00%	\$12,600	\$1,995
TOTAL		\$24,600	\$3,895

IV. PROPERTY TAX TRANSFER ANALYSIS

Nonresidential Land Use Type	Property Turnover Rate [3]	Property Transfer Tax to City [4]	Total Property Transfer Tax
Commercial	5.00%	0.055%	\$550
Hotel	5.00%	0.055%	\$578
TOTAL			\$1,128

PROPERTY TAX IN-LIEU OF MOTOR VEHICLE FEE (MVF) ANALYSIS \mathbf{V} .

Nonresidential Land Use Type	Total Assessed Valuation	Property Tax In-Lieu of MVF per \$1,000 Assessed Value [5]	Total Property Tax In- Lieu of MVF
Commercial	\$20,000,000	\$1.15	\$23,000
Hotel	\$21,000,000	\$1.15	\$24,150
TOTAL	\$41,000,000		\$47,150

NOTES:

- [1] Source: San Joaquin County Auditor-Controller Office.
- [2] Source: Project applicants.
- [3] Based on typical OTA baseline assumptions.[4] Source: California Revenue and Taxation Code Section 11911-11929.
- [5] Based on City of Stockton Assessed Valuation and In-Lieu of MVF revenue items in City of Stockton Fiscal Year 2019/20 Budget. See Exhibit 1 for In-Lieu of MVF.

^{*} All figures subject to rounding.

EXHIBIT 4 CITY OF STOCKTON – HAMMER LANE DEVELOPMENT (PROPOSED ANNEXATION) SALES AND TRANSIENT OCCUPANCY TAX REVENUE ANALYSIS

I. DIRECT SALES TAX ANALYSIS

Nonresidential Land Use Type	Estimated Total Sales	City Share of	Total Sales Tax
	Tax [1]	Sales Tax	Revenue
Commercial	\$3,000,000	2.25%	\$750,000

II. TRANSIENT OCCUPANCY TAX ANALYSIS

Nonresidential Land Use Type	Estimated Hotel Revenue[1]	Transient Occupancy Tax Rate	Total Transient Occupancy Tax Revenue
Hotel	\$6,300,000	8.00%	\$504,000

NOTES:

[1] Source: Project applicants.

EXHIBIT 5 CITY OF STOCKTON – HAMMER LANE DEVELOPMENT (PROPOSED ANNEXATION) MULTIPLE REVENUE ANALYSIS

General Fund Revenue Type	Revenue Projection Basis [1]	Multiplier Factor 2	Estimated Project Revenue
Utility Users Tax	Persons Served	\$90.22	\$7,254
Franchises	Persons Served	35.20	\$2,830
Business Licenses	Per Employee	99.90	\$13,387
Document Transfer	Persons Served	2.85	\$229
Motor Vehicle License	Per Capita	0.49	\$0
Investment Proceeds	Persons Served	8.36	\$672
Fire Contracts	Persons Served	11.42	\$918
Code Enforcement	Persons Served	9.32	\$749
Charges for Services	Persons Served	5.40	\$434
Fines & Forfeitures	Persons Served	0.92	\$74
Revenues from Other Agencies	Persons Served	6.53	\$525
Licenses & Permits	Persons Served	1.21	\$97
Sale of Fixed Assets	Persons Served	0.77	\$62
Miscellaneous Other Revenues	Persons Served	0	\$0
Indirect Cost Allocation	Persons Served	13.87	\$1,115
Refunds & Reimbursements	Persons Served	3.79	\$305
Rents/Leases/Concessions	Persons Served	9.30	\$748
Loan Repayment	Persons Served	1.30	\$105
TOTAL	A10		\$29,503

NOTES:
[1] See Exhibit 2.
[2] See Exhibit 1.
* All figures subject to rounding.

EXHIBIT 6 CITY OF STOCKTON – PROPOSED HAMMER LANE ANNEXATION PROJECTED RECURRING GENERAL FUND REVENUE

CATEGORY	AMOUNT	PERCENT OF TOTAL
Property Taxes [1]		
Secured Property Tax	\$38,950	2.83%
Unsecured Property Tax	\$3,895	0.28%
Property Transfer Tax	\$1,128	0.08%
Property Tax in-Lieu of Motor Vehicle Fees	\$47,150	3.43%
Sales and Transient Occupancy Taxes [2]		
Direct Sales Tax	\$750,000	55.19%
Transient Occupancy Tax	\$504,000	37.09%
Other Revenue Sources [3]		
Utility Users Tax	\$7,254	0.53%
Franchises	\$2,830	0.21%
Business Licenses	\$13,387	0.99%
Document Transfer	\$229	0.02%
Motor Vehicle Licenses	\$0	0.00%
Investment Proceeds	\$672	0.05%
Fire Contracts	\$918	0.07%
Code Enforcement	\$749	0.06%
Charges for Services	\$434	0.03%
Fines & Forfeitures	\$74	0.01%
Revenues from Other Agencies	\$525	0.04%
Licenses & Permits	\$97	0.01%
Sale of Fixed Assets	\$62	0.01%
Miscellaneous Other Revenues	\$0	0.00%
Indirect Cost Allocations	\$1,115	0.08%
Refunds & Reimbursements	\$305	0.02%
Rents/Leases/Concessions	\$748	0.06%
Loan Repayment	\$105	0.01%
TOTAL	\$1,374,626	100.00%

- NOTES:
 [1] See Exhibit 3.
 [2] See Exhibit 4.
 [3] See Exhibit 5.
 * All figures subject to rounding.

EXHIBIT 7 PUBLIC FACILITY AND IMPACT FEE SUMMARY

EXHIBIT 7 CITY OF STOCKTON - PROPOSED HAMMER LANE ANNEXATION PUBLIC FACILITY AND IMPACT FEE SUMMARY

Fees from Commercial Center Development I.

FEE CATEGORY	FEE RATE	ESTIMATED PROJECT FEES
City of Stockton Fees [1]		
Agricultural Land Mitigation	Not applicable	\$0
Air Quality	\$689/1,000 sq. ft.	\$11,364
City Office Space	\$22.50/1,000 sq. ft.	\$371
Community Recreation Center	\$20.25/1,000 sq. ft.	\$334
County Facilities	\$430/1,000 sq. ft.	\$7,092
Fire Stations	\$61/1,000 sq. ft.	\$1,006
Libraries	\$48.50/1,000 sq. ft.	\$800
Parkland	Exempt	\$0
Police Stations	\$54/1,000 sq. ft.	\$891
Street Improvement	\$3,177/1,000 sq. ft.	\$52,401
Surface Water	\$0.283/(sq. ft./0.3)	\$7,780
Administration (2.5% of total fees above)		\$2,051
	SUBTOTAL	\$84,091
Sewer Connection	\$3,634/SFU equivalent [2]	\$59,939
Water Connection	1.5-inch meter	\$38,576
Delta Water Supply	1.5-inch meter	\$84,824
Administration (3.5% of total fees above)		\$6,417
	SUBTOTAL	\$189,756
Regional Transportation	\$1,060/1,000 sq. ft.	\$17,484
Traffic Signal	Factors vary per land use	\$47,930
	SUBTOTAL	\$65,413
	TOTAL	\$339,260

NOTES:
[1] Source: City of Stockton FY 2019-20 Fee Schedule.

^[2] For retail land uses, single-family unit (SFU) equivalent is square footage times 0.03 gallons per day divided by 300. * All figures subject to rounding.

II. **Fees from Hotel Development**

FEE CATEGORY	FEE RATE	ESTIMATED PROJECT FEES
City of Stockton Fees [1]		
Agricultural Land Mitigation	Not applicable	\$0
Air Quality	\$120/room	\$16,920
City Office Space	\$49/room	\$6,909
Community Recreation Center	Exempt	\$0
County Facilities	\$640/1,000 sq. ft.	\$52,150
Fire Stations	\$44.50/room	\$6,275
Libraries	\$85.50/room	\$12,056
Parkland	Exempt	\$0
Police Stations	\$99.50/room	\$14,030
Street Improvement	\$5,157/room	\$727,208
Surface Water	\$1,076/room	\$151,716
Administration (2.5% of total fees above)		\$24,682
	SUBTOTAL	\$1,011,943
Sewer Connection	\$3,634/SFU equivalent [2]	\$5,124
Water Connection	1.5-inch meter	\$9,644
Delta Water Supply	1.5-inch meter	\$21,206
Administration (3.5% of total fees above)		\$1,259
	SUBTOTAL	\$37,233
Regional Transportation	\$1,760/1,000 sq. ft.	\$143,412
Traffic Signal	\$122/room	\$17,202
	SUBTOTAL	\$160,614
	TOTAL	\$1,209,790

III. Total City Impact Fees and Fees by Other Agencies

TOTAL CITY PUBLIC FACILITY AND IMPACT FEES (Commercial and Hotel)		\$1,549,050
Fees by Other Agencies		
School Impact Fees (SUSD)	\$0.61/square foot	\$59,767
Habitat/Open Space (SJCOG)	\$6,412/gross acre	\$51,296

^{*} All figures subject to rounding.

NOTES:
[1] Source: City of Stockton FY 2019-20 Fee Schedule.
[2] For hotel/motel land uses, single-family unit (SFU) equivalent is number of rooms times 100 gallons/day divided by 300.

* All figures subject to rounding.

EXHIBIT 8 ESTIMATED PROJECT EXPENDITURES

I. **CITY EXPENDITURES**

Program Appropriations	City Budget [1]
Police	\$129,061,956
Fire	45,767,332
Administration	17,739,576
Public Works	15,008,881
Community Services	8,080,000
Other Programs	5,868,315
Economic Development	4,962,670
Debt Service	3,582,175
TOTAL	\$230,070,905

II. PROJECT EXPENDITURE ANALYSIS

2019 City of Stockton Persons Served Population [2]: 388,124

City Expenditures per Person Served: \$592.78

Persons Served Population on Subject Site [3]: 80

Total Subject Site Expenditures: \$47,422

[1] Source: City of Stockton Fiscal Year 2019/20 Budget

[2] See Exhibit 1. [3] See Exhibit 2.