

URBAN LAND INSTITUTE
ADVISORY PANEL BRIEFING BOOK
CITY OF STOCKTON, CA

Greater Downtown Investment & Revitalization Plan



Prepared by:
City of Stockton

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Resource Table

Section 1

The Assignment

The Assignment

In 1997, the Urban Land Institute (ULI) was commissioned to prepare a vision for the future of Downtown Stockton. ULI acknowledged downtown Stockton's key attributes – a strategic location with easy access by highways, rail and water; an attractive waterfront; a significant historic building stock; and competitively priced land as compared to the costly Bay Area and higher-priced Sacramento markets. ULI broke the downtown core into several distinct planning areas, and encouraged Stockton leaders to pursue an aggressive development strategy, moving multiple projects forward simultaneously.

With the surge in property values that occurred in the ten years following ULI's study, Stockton's significant redevelopment tax increment flow allowed the city to aggressively pursue many development projects. City leaders completed construction of the Stockton Events Center, including the Stockton Arena, and the minor-league baseball stadium (and provided assistance to the privately-financed adjacent full-service hotel); the Weber Point Events Center a new space for public enjoyment of the Stockton waterfront; DeCarli Plaza, with its innovative water park; and the award-winning Stockton Marina, with 66 boat slips and a combined 1,398 linear feet of guest dock on its North and South Shore; and the City Centre Cineplex, including the five restaurants in the theatre complex. Stockton's Redevelopment Agency also sponsored renovation of two of its historic treasures: Hotel Stockton and the Bob Hope Theatre. The same period of time also saw completion of the SJRTD multi-modal center; ACE Rail's Cabral Station historic renovation; San Joaquin Council of Government's offices and the San Joaquin County Administration Building project.

Downtown Stockton has been vastly improved by the investments completed since ULI last convened. However, revitalization in downtown Stockton is far from complete. Many pieces of the puzzle originally laid out by ULI have been placed, but many have not. The projects completed were largely public projects, and they are, for the most part, located in isolation. For example, it is quicker for patrons of the Stockton Arena to drive to the suburbs for dinner after an event than walk to the nearest downtown restaurant. ULI also recommended an aggressive approach to urban housing, and saw the capacity for about 300 units in multi-family projects on the Stockton Waterfront and in adaptively re-used historic structures. Except for the Hotel Stockton, none of this type of housing has been completed. Finally, Downtown Stockton lacks interstitial connections between uses that people from one block to the next.

Because Stockton focused on public facilities rather than public-private partnerships, Downtown Stockton still lacks significant private investment. Downtown lease rates have fallen precipitously, and the downtown office vacancy rate for improved office space is 50% vacant. The primary tool for public assistance of private development – tax increment financing – is now gone due to the California Supreme Court's recent decision upholding dissolution of redevelopment. While state-wide efforts to resurrect redevelopment continue, for the City of Stockton, the outcome is irrelevant: Stockton's property taxes have declined by an astonishing 57% in the last five years. Even if redevelopment were to survive, Stockton would have nothing to offer. Finally,

The Assignment

Stockton's home foreclosure rate has been among the top in the nation. While escalation of housing prices was beginning to enhance the economic feasibility of urban infill, declining home values make urban infill ever more difficult.

Despite the challenges, Stockton has seen a few trends that may offer ideas for new strategies.

- Stockton Collegiate Charter School recently placed a major stake in Downtown Stockton. Over 750 children in grades K through 12 attend school in the downtown core every day in a variety of new and historic downtown buildings. They walk to the Stockton Library, conduct gym classes in DeCarli Plaza, and frequent Stockton City Council meetings on field trips.
- University of the Pacific (UOP) has recently entered into an arrangement whereby UOP students can live at the University Plaza Waterfront Hotel in owner occupied condos recently converted into dorm-style student lofts.
- Cabral Station Square was recently renovated by the San Joaquin Regional Rail Commission, which included urban design and streetscape enhancements to the 2.4-acre property and surrounding neighborhood. This renovation was seen as an important first step in the revitalization of the surrounding, East Downtown Stockton neighborhood. There are currently plans for the proposed Cabral Station Neighborhood for a phased mixed use, transit oriented development.
- As a part of the Settlement Agreement with the Attorney General, City is developing General Plan amendments that require at least 4,400 units of Stockton's new housing growth be located in the study area. The City is also drafting amendments to the General Plan that development at the City's outskirts does not grow in a manner that is out of balance with development of infill, which may enhance interest in downtown development.

The City of Stockton is faced with an enormous challenge related to revitalization of its downtown core. The City seeks ULI's specific advice as follows:

- Given loss of redevelopment, what public-private strategies are available to support urban infill?
- Are there ways to modify our development requirements to enhance the viability of adaptive reuse?
 - Historic Building Code
 - Alternative fee structures
 - Flexible land use designations
- Stockton owns four historic hotels that we must attempt to adaptively re-use as a result of a lawsuit with Save Old Stockton. What approach do you recommend?
- Where should we encourage prospective developers to build so that we can build on our limited successes?
- Given limited resources, what are the most important next steps we should take to foster downtown revitalization?

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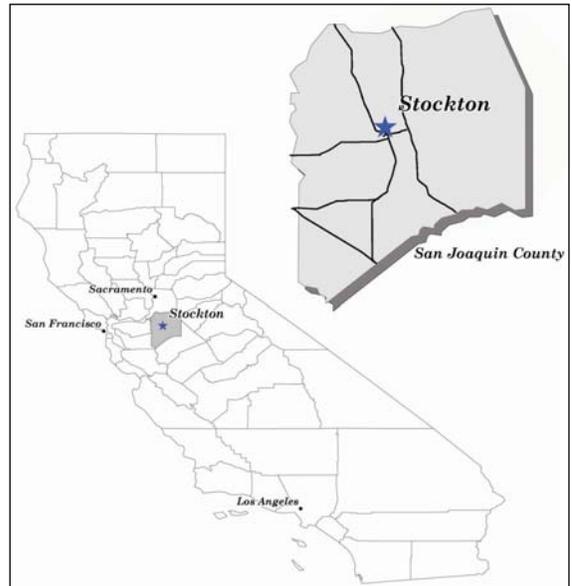
Section 2

Regional Setting

Location and Population
Regional Transportation
Stockton Fast Facts
History of the City of Stockton

Location and Population

The City of Stockton is located amid the farmland of the California Central Valley near the center of San Joaquin County, and serves as the County seat. The City is connected westward with San Francisco Bay by the San Joaquin River's 78-mile channel, and is with Sacramento, 40 miles to the north, one of the state's two inland sea ports. The City is framed by Interstate 5 to the west and State Route 99 to the east. The land area of the city is about 62 square miles, with about 3 square miles of water area.



Since incorporating in 1850, Stockton is one of the fastest growing communities in California. The table below shows long-term historic population trends for the City of Stockton. The city experienced its highest average annual growth rate (AAGR) between 1980 and 1990 when the population grew at an AAGR of 3.6 percent. The population growth slowed significantly between 1990 and 2000, and then increased again through the 2000s. Stockton's population was 291,707 as of the 2010 census, making it the 13th largest city in California.

POPULATION CHANGE									
Stockton, San Joaquin County, and California									
1990 to 2008									
	Stockton			San Joaquin County			California		
	1990	2000	2008	1990	2000	2008	1990	2000	2008
Population	210,943	243,771	289,927	480,628	556,229	685,660	29,758,213	33,873,086	38,049,462
Growth from Previous Period	-	32,828	46,156	-	75,601	129,431	-	4,114,873	4,176,376
AAGR from Previous Period	-	1.95%	2.34%	-	1.47%	2.74%	-	1.30%	1.51%

Sources: California Department of Finance 2008, 1990 and 2000 U.S. Census

Regional Transportation



Port of Stockton



SR4, I-5, and Channel

The region is served by a variety of transportation systems:

1. The San Joaquin Regional Transit District (SJRTD) is the primary public transportation system operating in Stockton. Their services include: Stockton Metropolitan Area Fixed Route Service, Intercity Fixed Route Service, Interregional Commuter Service, Stockton Metropolitan Area ADA Dial-A-Ride, and SJRTD Hopper Service.
2. The Altamont Commuter Express (ACE) is a heavy rail service that connects the Central Valley with the Silicon Valley and other destinations in the San Francisco Bay Area. The Robert J. Cabral ACE Station is located within the study area, at 949 E. Channel Street. Construction of a multi-modal center is planned adjacent to the ACE Station. The ACE service began in 1998.
3. Amtrak provides passenger rail service with two stations in Stockton, both located within the study area. The San Joaquin Street station connects Stockton with Bakersfield, Sacramento, and the San Francisco Bay Area. Joint Amtrak facilities located at the downtown Robert J. Cabral ACE Station are currently unstaffed, but does provide free short-term parking and bus service to the San Joaquin Street Station.
4. Greyhound Bus Lines has a station within the study area at 121 South Center Street. Greyhound also has scheduled stops at the ACE and Amtrak Stations, although these are limited service stops.
5. Union Pacific (UP) and Burlington Northern Santa Fe (BNSF) are two major transcontinental railroads that operate within the Stockton area. BNSF operates a 425-acre intermodal facility in Lathrop on the southeast edge of the City. UP operates a major intermodal facility and other terminal operations in south Stockton. Both provide rail service to Mexico and Canada and both serve the Port of Stockton.

Several short line railroads also operate in Stockton. The Central California Traction Company (CCT), jointly owned by BNSF and UP, operates 52 miles of

Regional Transportation

freight service between Stockton and Lodi and is the short line operator for the Port of Stockton. CCT connections are made with BNSF, UP, and the Stockton Terminal & Eastern (STE) Railroads, which runs from Stockton to Linden. Twenty-five miles of freight service operated by STE includes connections with BNSF, UP, Tidewater Southern, and CCT.

6. The Stockton Metropolitan Airport (SMA) is located in the southern part of the City between I-5 and SR 99. The Airport is served by an 8,650-foot carrier certified runway, which has an available take-off distance of 11,037 feet, and a 4,458-foot general aviation runway. Six air carrier gates adjoin the 44,355 square-foot terminal building. SMA currently offers non-stop service to Las Vegas and Palm Springs with Allegiant Air, and is located less than 4 miles from the study area. Alternative airports with scheduled passenger services are located in Sacramento, San Francisco, Oakland, or San Jose.
7. The Port of Stockton is a deep water port located 75 nautical miles east of the Golden Gate Bridge. The Port of Stockton is the third largest landholder port in California, has a Foreign Trade Zone designation and a deep water channel that has an average depth of 37 feet. The 2,000-acre port contains over 7.7 million square feet of warehousing facilities and berthing space for approximately 17 vessels. In summer 2012, the Port will begin operating the Marine Highway Project, which is a multi-million dollar program that will employ barges to transport shipping containers between the Port of Oakland and the Port of Stockton as well as the Port of West Sacramento.
8. A well-defined interstate network connects various localities. Interstate 5 (I-5) is a major north-south freeway that connects the United States to Mexico and Canada. It runs through the western portion of the City, generally providing four travel lanes in each direction through the central portion of Stockton and three lanes in each direction along the remaining segments.

State Route 99 (SR 99) traverses the Central Valley, and connects Stockton with Sacramento and the major cities of the San Joaquin Valley, including Bakersfield, Tulare, Visalia, Fresno, Madera, Merced, and Modesto and provides connections to Southern California.

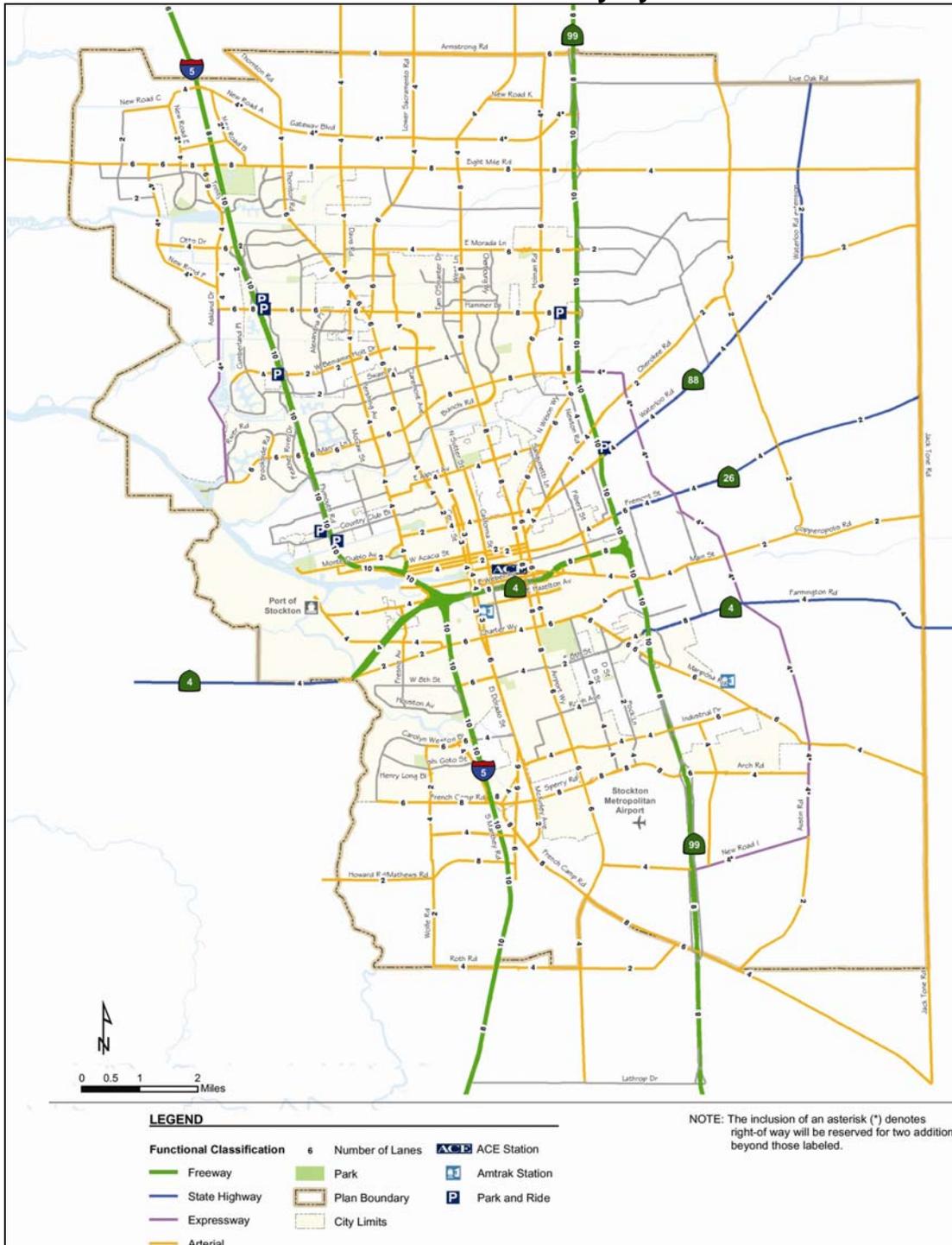
The portion of State Route 4 (SR 4) between I-5 and SR 99 also functions as a freeway. Known as the Crosstown Freeway, it traverses the City in an east-west direction just south of the downtown area. This 4-mile section is accessed by four interchanges, excluding the freeway-to-freeway interchanges located at the eastern and western ends of the City.

9. Truck routes in Stockton consist primarily of the State Highway and the major arterials within the City. Of particular importance are Highway 99 (east side of the city) and Interstate 5 (west side of the city), which are major truck routes

Regional Transportation

connecting Central Valley cities to other metropolitan areas throughout the state. Approximately 200 major trucking lines and contract carriers do business in and around the Stockton area utilizing these routes.

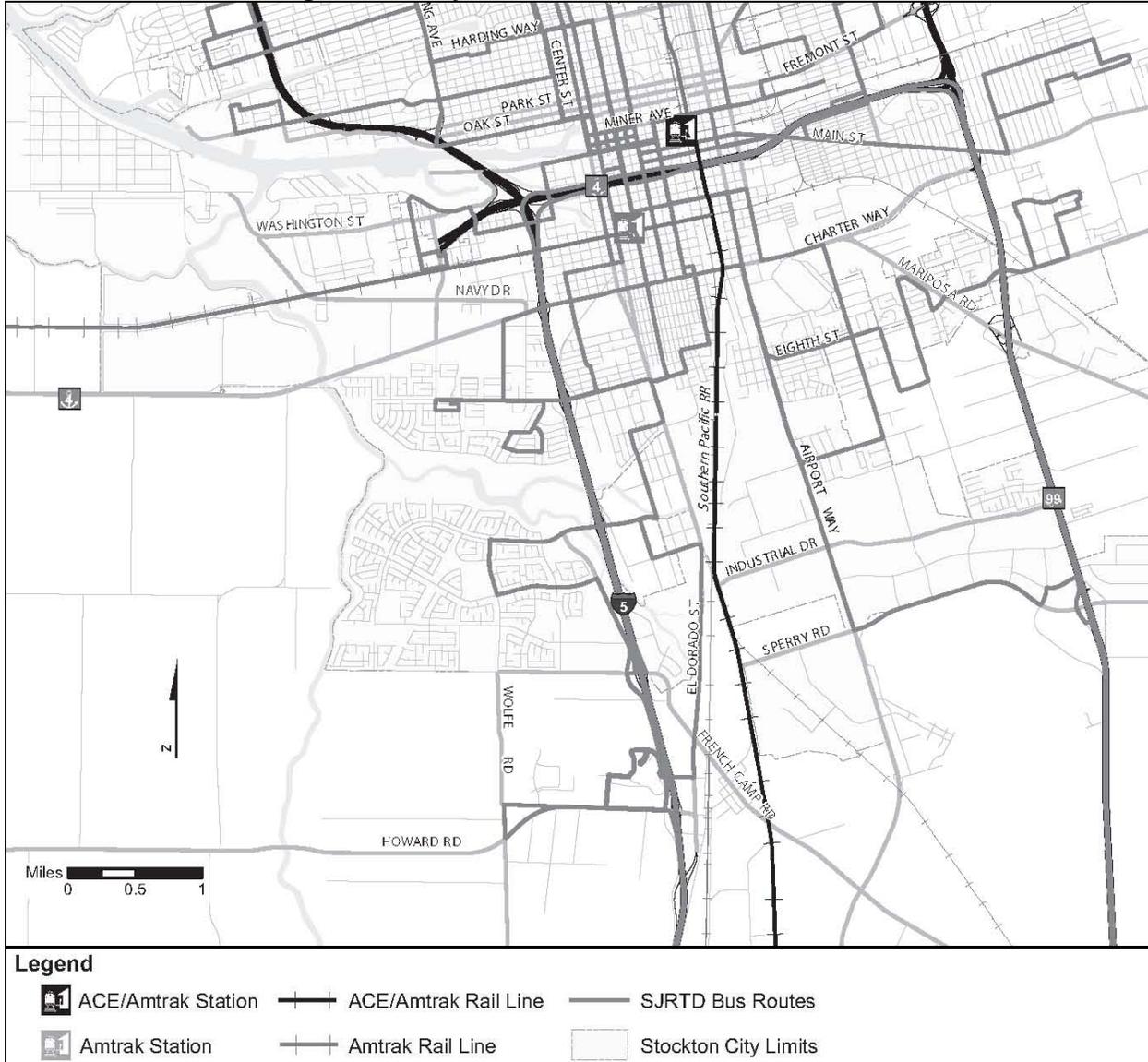
2035 General Plan Roadway System



Regional Transportation

The figure below illustrates the various transit services provided in Stockton, including fixed-route local, intercity, and inter-regional bus service, and heavy commuter rail.

Existing Transit System in Southern Area of Stockton



Source: City of Stockton 2035 General Plan

City of Stockton Workforce

Stockton's labor pool is as dynamic as the Stockton community. With its continued expansion and productivity levels, the labor pool is a valuable resource contributing greatly to the city's steady growth in job development. Consisting of a large skilled and semi-skilled workforce of approximately 293,500 (California Department of Finance 2011 estimate) and an affordable wage structure, it presents a distinct hiring opportunity for prospective employers. Stockton is the 13th largest city in California.

Population by Gender (2010)*

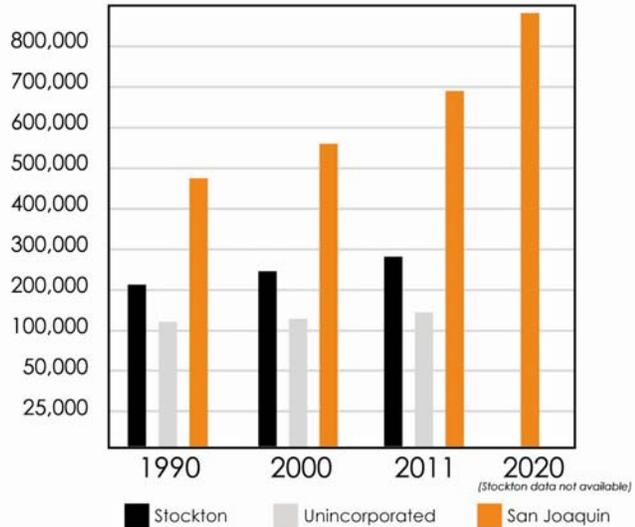
Gender.....	Total
Male:.....	142,925
Female:.....	148,782

Population by Age (2010)*

0-4 years.....	24,593
5-19 years.....	73,655
20-44 years.....	99,907
45-64 years.....	64,300
65 and up.....	29,252

Average age is 30.8 years

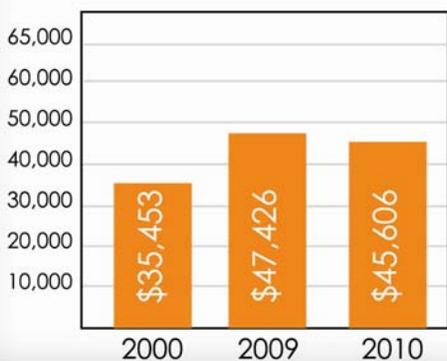
Population Trends**



Population by Ethnicity (2010)*

White.....	108,044	37.0%
Black or African American.....	35,548	12.2%
American Indian/Alaskan Native.....	3,086	1.1%
Asian.....	62,716	21.5%
Native Hawaiian/Pacific Islander.....	1,822	0.6%
Other.....	60,332	20.7%
Two or more races.....	20,159	6.9%
Hispanic or Latino.....	117,580	40.3%

Median Household Income*



Sources: * US Census Bureau **California Department of Finance.

City of Stockton Fast Facts

	Estimate	Percent
Social Characteristics		
Average household size	3.11	--
Average family size	3.65	--
Population 25 years and over	163,870	
Educational Attainment for 25 years and over		
Less than High School Diploma	--	27.4
High School Diploma or Equivalent	--	24
Some college, no degree	--	22.8
Associate's degree	--	8.2
Bachelors degree	--	12.3
Graduate or professional degree	--	5.3
Economic Characteristics		
In labor force (population 16 years and over)	126,298	61.4
Mean travel time to work in minutes (workers 16 years and over)	26.9	(X)
Median household income (in 2009 inflation-adjusted dollars)	47,426	(X)
Median family income (in 2009 inflation-adjusted dollars)	53,131	(X)
Per capita income (in 2009 inflation-adjusted dollars)	20,090	(X)
Families below poverty level	(X)	15
Individuals below poverty level	(X)	19.4
Housing Characteristics		
Total housing units	97,372	
Occupied housing units	89,178	91.6
Owner-occupied housing units	48,716	54.6
Renter-occupied housing units	40,462	45.4
Vacant housing units	8,194	8.4
Owner-occupied homes	48,716	
Median value (dollars)	318,900	(X)

Source: 2005-2009 American Community Survey

History of the City of Stockton

Native Americans lived in the Central Valley for thousands of years before the town of Stockton was built. When Europeans arrived, they found the Yatchicumne, a group of Northern Valley Yokuts people, living in the Stockton area. The Yokuts built their villages on low mounds to keep their homes above floods. A Yokuts village called Pasasimas was located on a mound between Edison and Harrison Streets on what is now the Stockton Channel in downtown Stockton.

The discovery of gold on the American River, east of Sacramento, on January 24, 1848, caused Stockton to transform from a small settlement to thriving commercial center supplying miners heading up to the Sierra foothills. Stockton got its start when Captain Charles M. Weber, a German immigrant, decided to try his hand at gold mining in late 1848, but soon discovered that serving the needs of gold-seekers was a more profitable opportunity. It was for this reason that he founded Stockton in 1849 when he purchased over 49,000 acres of land through a Spanish land grant.

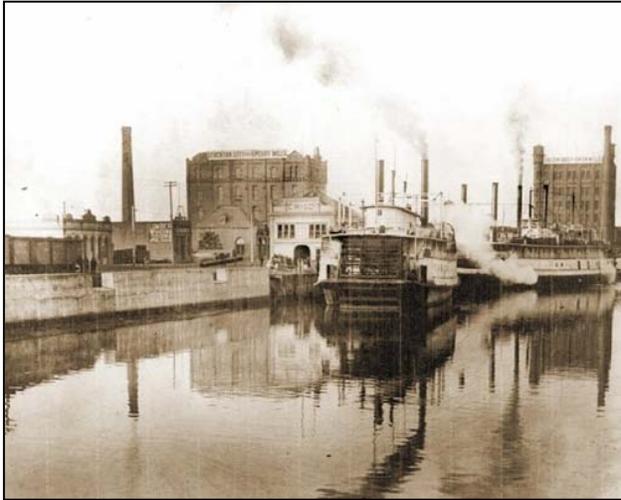
The area now known as Weber Point is the same spot where Captain Weber built the first permanent residence in the San Joaquin Valley. Stockton has boasted several names over the years, including Tuleburg and Mudville, but Captain Weber decided on Stockton in honor of Commodore Robert F. Stockton and laid out the original 288 blocks around the San Joaquin River's Stockton Channel and Mormon Channel. Stockton was the first community in California to have an English name; every other community up to that point had been Spanish or Native American in origin.

The deep water of Stockton Channel made an attractive port and became the passenger and freight connection from the hinterlands to the coast. Stockton was dubbed "The Manufacturing City of California" in an 1870 aerial drawing that featured industries ringing Stockton's channels. Ferryboats carrying passengers, industrial goods, and agricultural products ran from the 1850's to the 1930's before being replaced by the railroad and automobile.

Stockton experienced its most rapid growth as a result of its role as a major gold rush supply and transportation center in the mid-1800s. In 1850, the City of Stockton was incorporated and by 1854, the City had grown to 7,000 inhabitants, making it the fourth largest city in the State. In the later half of the 19th century, as gold mining waned, disenchanted miners turned to agriculture, with Stockton becoming a major shipping point for overseas grain trade. Agriculture was also the catalyst for other related industry such as flourmills, shipyards, agricultural machinery, financial institutions, and tanneries. A notable event in the history of Stockton's developing agricultural economy was the invention of the first commercially successful track-type tractor by Benjamin Holt, who in 1883 founded the Stockton Wheel Company.

With Stockton's thriving agricultural economy came associated residential development. Many of the residential neighborhoods in the central portion of the City were developed by the owners of businesses and industries in the City and reflect the relative affluence of the owners. These homes, dating to the late 1800's, reflect the high Victorian style.

History of the City of Stockton



Stockton Channel in 1885

Shipping has been an important aspect of the local economy throughout the City's history. This is largely due to its location, at the edge of the delta, and in an area conducive to transporting goods. With the incorporation of the City, the resources on Rough and Ready Island became linked to reclamation and farming activities associated with the creation of the Port of Stockton. Albert Lindley purchased the island in 1912 and promoted the industrial development of the property and the dredging of the San Joaquin River for a deep-water port (Busby, 1996). In 1933, the Port of Stockton and the deepwater channel to San Francisco Bay were

completed, making it the most eastern deep-water port located on the west coast.

During the early to mid- 20th century, the war efforts brought military construction to the shipyards and revitalized the downtown area. By 1944, Lindley and other landowners sold almost all of Rough and Ready Island to the U.S. Navy for the Naval Supply Annex (NSA), Stockton. Closed in 1996, the island's facilities had served as a major communications outpost for submarine activities in the Pacific during the Cold War. The site is slowly being redeveloped as commercial property.

Successful growth in outlying areas during the later part of the 20th century came at the expense of the urban core. With suburbanization, downtown Stockton began deteriorating and many industries began to move to the suburban areas. After the 60s, much of the downtown retail moved to north Stockton, and Stockton's central business district experienced serious decline. Downtown Stockton became characterized by deteriorated retail, under-used office and commercial space, marginal hotels, and a concentration of social services and residents heavily dependent upon public assistance.

To combat further deterioration in the urban core, the City established redevelopment areas and (tax increment financing districts). The West End Redevelopment Project Area was established in 1961. The Midtown and South Stockton Redevelopment Project Area Plans were approved in 2002, and the Waterfront Redevelopment Project Area Plan was adopted in 2009 with the merging of three independent Redevelopment Areas: Rough and Ready Island, Port Industrial and West End. Much of the recent work in this area has focused on Stockton's waterfront and the head of the Stockton Channel.

In downtown Stockton, public funding was used to finance the rehabilitation or construction of the Bob Hope Theater, Regal City Centre Cinemas and IMAX, San

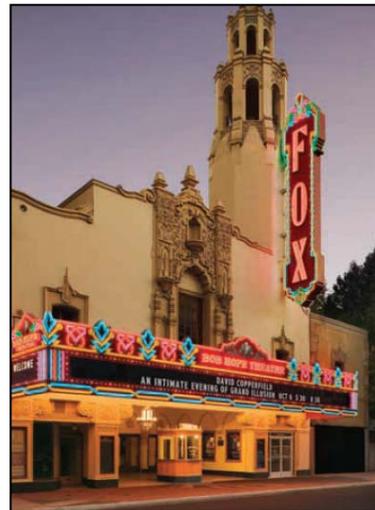
History of the City of Stockton

Joaquin RTD Downtown Transit Center, Weber Point Event Center, Hotel Stockton, Stockton Arena, San Joaquin County Administration Building, Dean DeCarli Waterfront Square, and the Stockton Ballpark. In 2003, the San Joaquin Regional Rail Commission (SJRRRC) restored and reopened a previously abandoned rail depot as the Robert J. Cabral Station to serve the Altamont Commuter Express (ACE) with service between Stockton and San Jose. The majority of the funds came through "Measure K," a local voter-approved ½ cent sales tax dedicated to transportation improvement projects.

A new Downtown Marina and adjacent Joan Darah Promenade were added along the South Shore of the Stockton Deep Water Channel during 2009. Various public art projects were also installed throughout the area. Other projects under consideration include the revitalization of the Robert J. Cabral Train Station neighborhood, and a new San Joaquin County Court House.



Historic Hotel Stockton
on East Main Street



Historic Bob Hope Theatre



San Joaquin RTD Downtown Transit Center



Downtown Marina, Stockton Arena, and University Plaza
Waterfront Hotel

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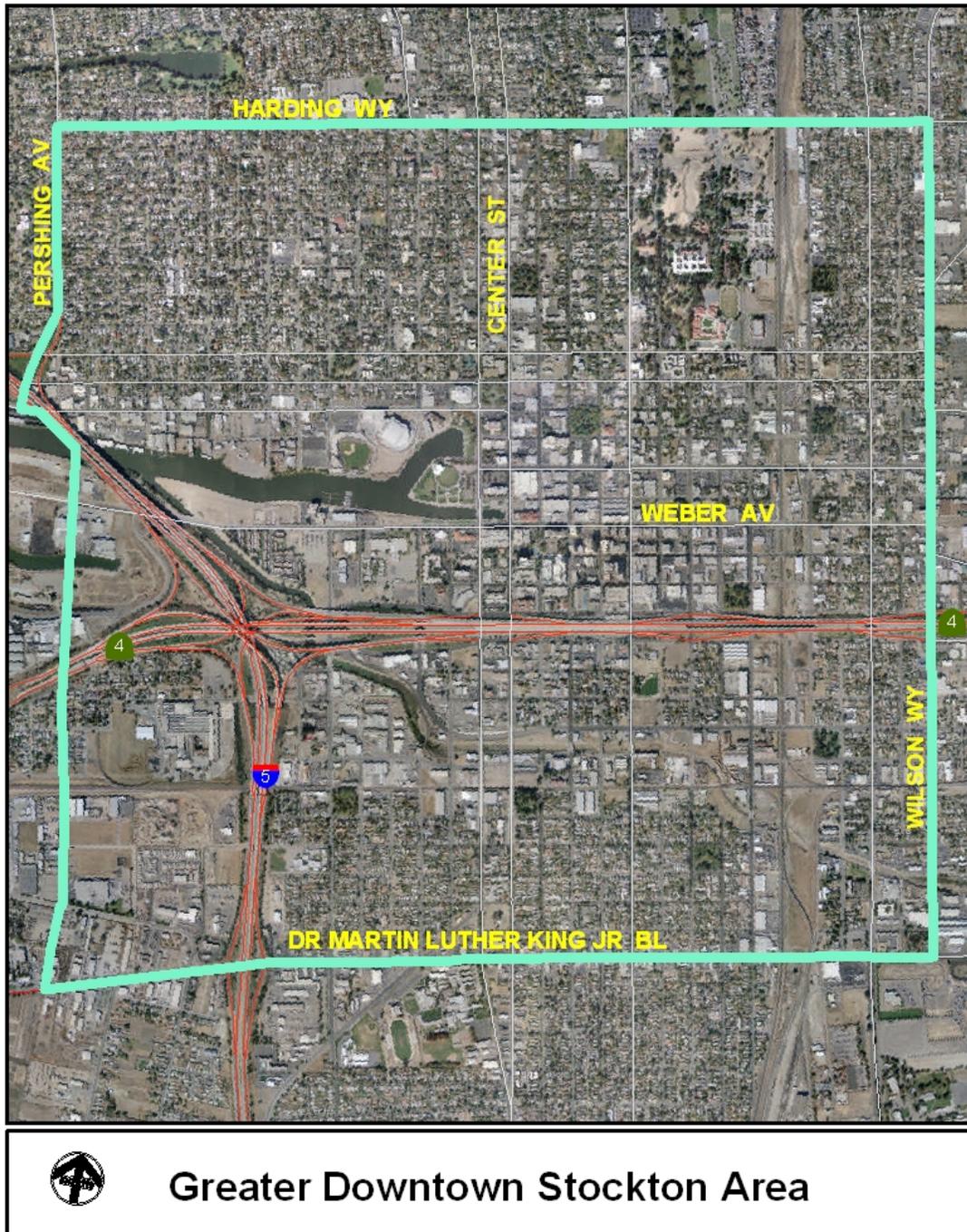
Section 3

The Study Area

- Location and Size of the Study Area
 - Existing Land Use
 - Natural Features
 - Stockton Waterfront
 - Barriers to Development
 - Transportation Infrastructure
 - Status of Transit
 - Infrastructure and Utilities
 - Historic Resources
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Location and Size of the Study Area

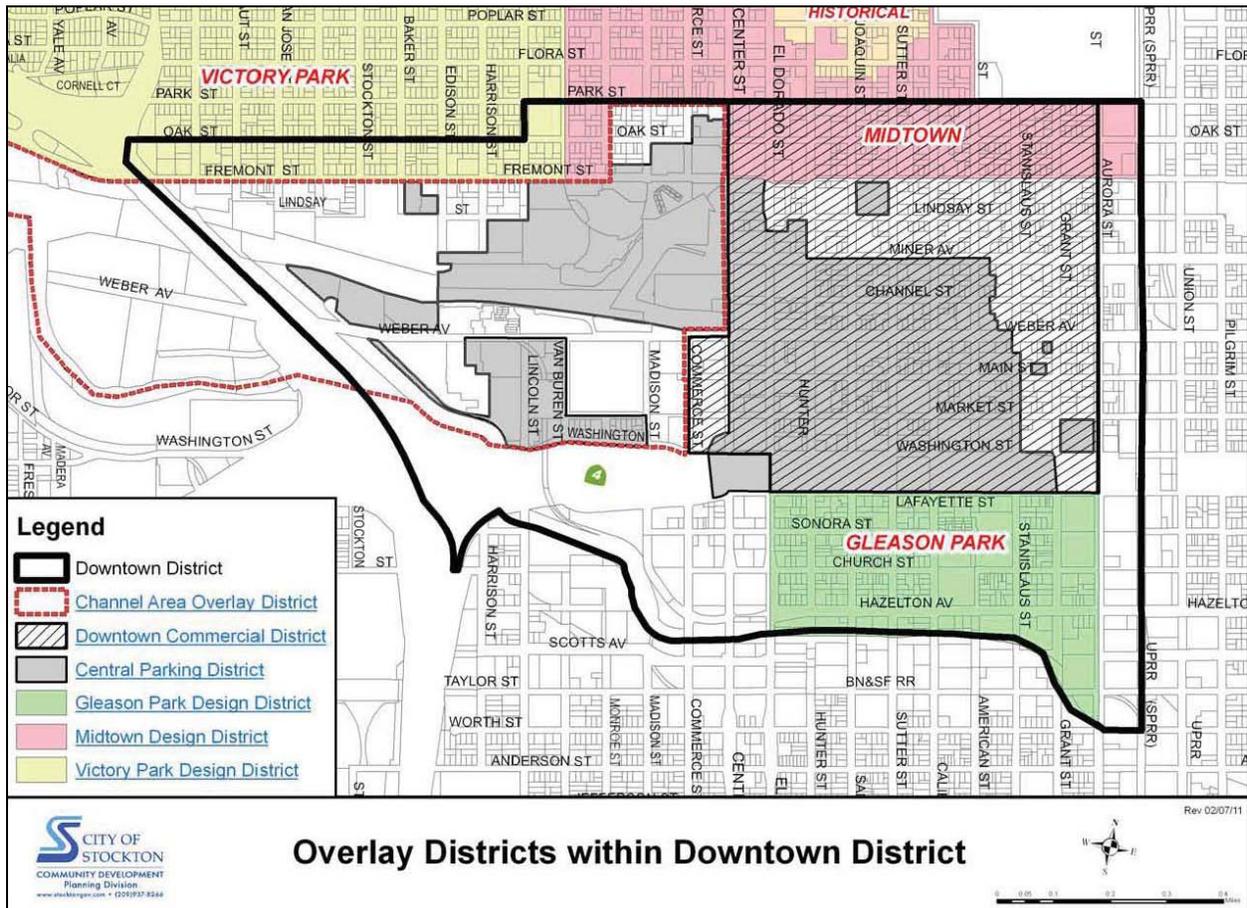
The Study Area is bounded by Harding Way to the north, Pershing Avenue to the west, Wilson Way to the east, and Dr. Martin Luther King Jr. Boulevard (formerly known as Charter Way) to the south. This area includes the downtown core and adjacent neighborhoods. It is approximately 2,734 acres in size (including rights-of-way).



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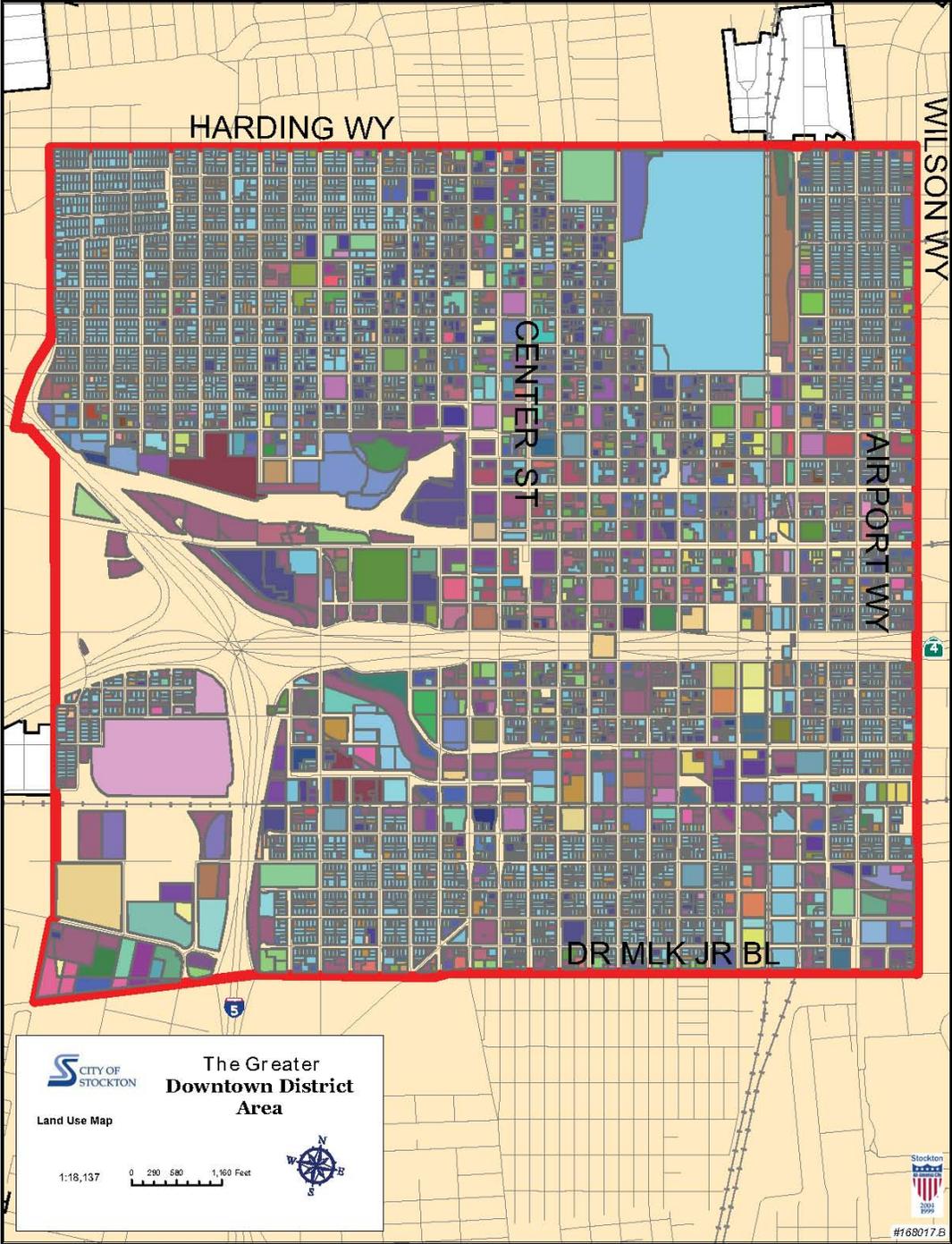
Location and Size of the Study Area

In certain portions of this document, greater detail is provided for the centralized portion of the Study Area, also referred to as the Downtown District. This District is generally bounded by Park Street on the north, Union Pacific Railroad Tracks on the East, Hazelton Avenue on the south, and I-5 on the west. The Downtown District is approximately 844 acres in size (including rights-of-way).



Existing Land Use

The Study Area is characterized as a mixed-use, urban area. The existing land use patterns are shown below.



Existing Land Use

The Greater Downtown District Area

Legend

Land Use Code

	1101		3443		5173		5932		6332		6812
	1102		3494		5181		5940		6339		6831
	1103		3496		5184		5941		6360		6835
	1104		3497		5189		5942		6372		6839
	1210		3499		5191		5951		6374		6911
	1229		3550		5192		5961		6376		6919
	1239		3997		5193		5969		6379		6920
	1241		3999		5195		5970		6392		6991
	1242		4111		5196		5991		6393		6992
	1251		4112		5197		5992		6394		6993
	1253		4113		5198		5994		6397		6994
	1290		4115		5199		5995		6399		6999
	1510		4211		5211		5997		6411		7111
	1900		4221		5220		5999		6412		7112
	2111		4291		5230		6111		6419		7199
	2134		4299		5240		6112		6491		7212
	2143		4590		5252		6121		6492		7219
	2185		460		5310		6122		6493		7222
	2197		4600		5391		6129		6494		7231
	2198		4712		5410		6131		6499		7290
	2394		4719		5421		6133		6511		7399
	2421		4721		5422		6141		6512		7417
	2431		4813		5440		6142		6513		7424
	2440		4824		5450		6151		6515		7449
	2491		4829		5461		6152		6516		7610
	2499		4833		5491		6153		6517		7620
	2510		4835		5499		6154		6519		7690
	2540		4839		5511		6156		6520		7900
	2591		4854		5512		6159		6591		8222
	2599		4859		5520		6160		6592		8229
	2643		4921		5530		6190		6593		8291
	2650		4923		5591		6211		6599		9100
	2710		5111		5599		6214		6611		9400
	2740		5112		5650		6220		6619		9510
	2750		5122		5660		6222		6621		9520
	2789		5129		5690		6231		6622		
	2790		5141		5711		6232		6623		
	3140		5142		5712		6241		6624		
	3261		5146		5719		6242		6625		
	3263		5147		5720		6251		6626		
	3270		5149		5732		6253		6629		
	3390		5152		5810		6290		6710		
	3426		5159		5820		6311		6721		
	3429		5161		5910		6312		6722		
	3432		5171		5920		6319		6730		
	3437		5172		5931		6320		6811		

CITY LIMITS



#168017.BL

Existing Land Use

Below is an exhibit illustrating existing land uses in the Downtown District. A table containing the predominant land uses within the Downtown District is also provided.



Existing Land Use	Acreage
Total parcel acreage in Downtown District	528.0
Undeveloped and unused land area	88.4
Multi-family unit	36.1
Single Family Unit	31.3
Automobile parking	28.2
Vacant Floor area	21.9
Under construction (nonresidential)	18.2
Executive, legislative, and judicial functions	15.8
Floor coverings-retail	13.4
Eating places	11.4
Other entertainment assembly, NEC	10.9
Vocational or trade schools	10.5
Automobile repair services	9.0
Two-Family Unit	7.8
Hotel, tourist courts, and motels	7.1
Banking services	6.8

Existing Land Use



The Greater Downtown District Area Land Use

Legend

1101	4291	5422	6142	6519	8222
1102	4299	5440	6151	6520	8291
1103	4590	5461	6152	6591	9100
1104	460	5491	6153	6593	9400
1210	4600	5499	6156	6599	9510
1229	4719	5511	6159	6611	9520
1241	4721	5512	6160	6622	
1251	4813	5520	6190	6623	
1253	4824	5530	6211	6625	
1290	4829	5591	6214	6626	
1510	4833	5599	6220	6710	
1900	4835	5650	6222	6721	
2134	4921	5690	6231	6722	
2185	4923	5711	6232	6730	
2198	5142	5712	6241	6811	
2394	5146	5720	6251	6812	
2499	5149	5810	6290	6831	
2540	5152	5820	6312	6835	
2591	5159	5910	6320	6839	
2710	5161	5931	6339	6911	
2740	5171	5932	6376	6919	
2789	5172	5940	6379	6920	
3140	5173	5941	6392	6991	
3390	5181	5942	6393	6992	
3429	5184	5970	6397	6993	
3443	5196	5991	6399	6994	
3494	5197	5992	6411	7111	
3497	5198	5999	6412	7112	
3499	5199	6111	6419	7212	
3997	5211	6112	6492	7219	
3999	5230	6121	6493	7222	
4111	5240	6122	6494	7231	
4112	5310	6129	6499	7449	
4113	5391	6131	6511	7610	
4115	5410	6133	6512	7620	
4211	5421	6141	6517	7690	



Natural Features



The Study Area is located at or near sea-level, thus it is generally flat with mild slopes. The Study Area is nearly fully urbanized. The significant natural resource is the water, represented by the San Joaquin River Delta and Stockton Channel. The waterfront is the City's most important natural resource.

The City has sought to achieve three main objectives along the waterfront:

- Protect the Channel as a natural resource and amenity;
- Encourage pedestrian access and use to and along the waterfront; and
- Promote economic development that maximizes the amenity of the Delta.

For many years, the emphasis had been on the eastern edge of the Channel, primarily within the Central Business District. More recent Redevelopment Agency planning efforts focused on developing the waterfront, while ensuring there was a strong system of roadway, bridge, and multi-modal connections to the waterfront from surrounding neighborhoods and the Cabral ACE Station. Thus far, Redevelopment Agency's efforts have resulted in several successful projects, totaling over \$500 million, including the Dean DeCarli Waterfront Plaza, City Centre Cineplex, Downtown Marina, the Stockton Events Center which includes the Stockton Ballpark (home of the Oakland A's single A baseball team), a 10,000-seat indoor arena and home to the Stockton Thunder ECHL ice hockey team, a six-level parking garage, and an adjacent waterfront hotel.



Stockton Waterfront

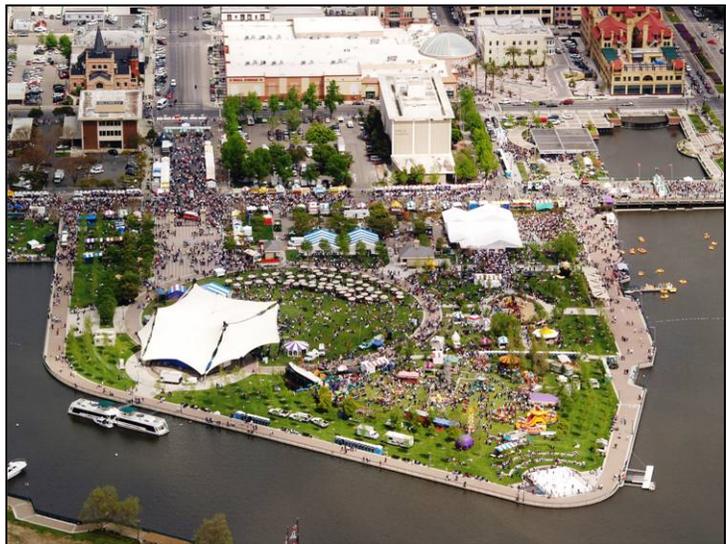


On the North Shore, Fremont Street has been the commercial and service commercial transition between the historic Weber neighborhood and the industrial waterfront. To the south were maritime uses such as boatyards and industrial uses such as iron works. Redevelopment and City investments in these areas have begun the transition and are acting as catalysts for private reinvestment in the Midtown Neighborhood and downtown.

Weber Point and Weber Avenue were the historic central address for industrial activities. Weber Avenue was the railroad and dock interface where warehouses, manufacturing and commerce intersected supporting the evolution of the San Joaquin River Valley's evolution as California's principal agricultural region. This area started to transition in the 1970's with early attempts in creating a low-density commercial area.

Just a ten minute walk from the waterfront area, the San Joaquin Regional Rail Commission has recently completed a major restoration and enhancement of the Robert J. Cabral Station, a highly successful commuter rail station that will also become a local hub for California's new high-speed rail system.

The waterfront has never looked better and is now positioned to accommodate a vibrant downtown community. While there are attractive, accessible public spaces, the parks are currently underused because of a lack of a downtown resident population. The City has recognized this development "gap" and has prepared many strategic and long-range planning documents targeting downtown redevelopment that includes a variety of new housing types. However, the Attorney General's Settlement Agreement has shifted this from a strategic plan to a legally enforceable requirement with specific performance deadlines.



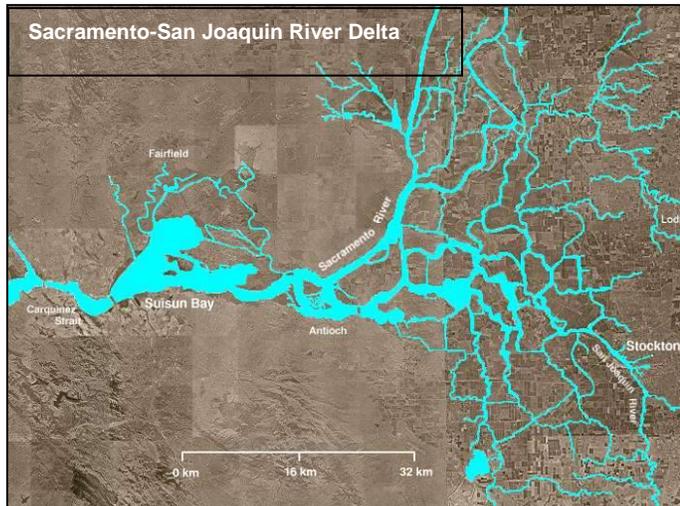
An aggressive, comprehensive process with a clear roadmap is required to ensure success.

Barriers to Development

Natural barriers include the San Joaquin River Delta, which is an expansive inland river delta and estuary. The Delta is formed at the western edge of the Central Valley by the confluence of the Sacramento and San Joaquin rivers, and lies just east of where the rivers enter Suisun Bay (an upper arm of San Francisco Bay). The Delta is recognized for protection by the California Bays and Estuaries Policy. Stockton is located on the San Joaquin River on the eastern edge of the delta.

While the Delta is a great asset and amenity, it divides a large portion of the downtown area.

In addition, the Delta Plan is a requirement of the Sacramento-San Joaquin Delta Reform Act of 2009 (Delta Reform Act). The Delta Reform Act established a new state agency called the Delta Stewardship Council (Council). The Council is responsible for the development, adoption, and implementation of the Delta Plan by January 1, 2012

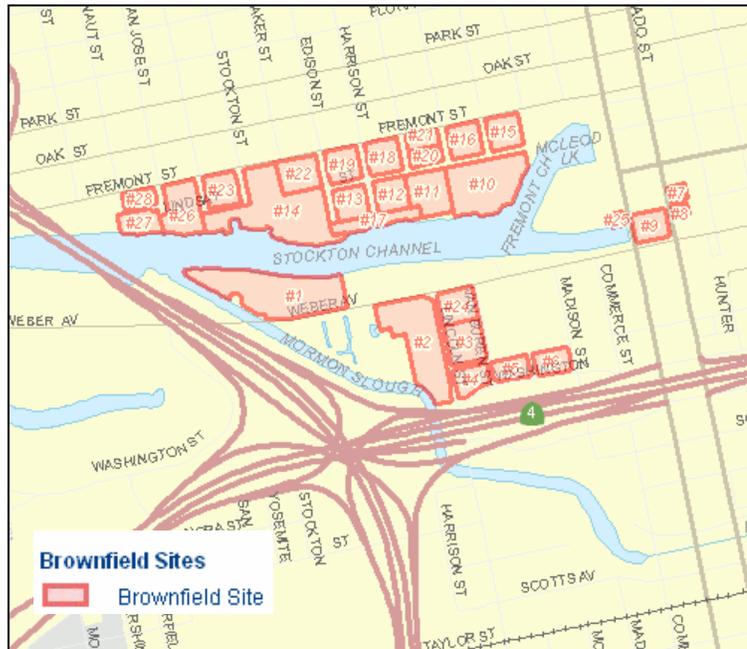


(delayed). The Delta Plan when completed is intended to be a legally enforceable, comprehensive, long-term management plan for the Delta that achieves co-equal goals of providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem. The Delta Plan has jurisdiction over the legal Delta. Over half of the City of Stockton (including the Downtown) is within the legal Delta. The City is concerned that the Delta Plan as currently drafted could act as a de facto reversal of prior planning and development approvals and indirectly usurp the City's existing land use authority. The practical effect of the implementation of the Delta Plan could be to create new barriers to growth and redevelopment within the City existing urban footprint.

Man-made barriers include I-5 and SR 4, which divide the Study Area into several sections. In addition, the Union Pacific rail line runs north-south, separating the east edge of the Study Area from the western portion.

Barriers to Development

Brownfields - In 2005, in an effort to re-establish the Stockton Deep Water Channel as the center of the community, the City of Stockton Redevelopment Agency prepared a report describing select waterfront properties with known environmental conditions. The areas covered by the report include properties owned by the City located in the Channel Head, North Shore, and South Shore of the Channel, as well as properties not owned by the City. This effort was funded in part by a Brownfields Redevelopment grant from the U.S. Environmental Protection Agency (EPA) Region IX. The term “Brownfields” refers to abandoned, idled, and under-used industrial and commercial facilities where expansion or redevelopment is complicated by real or perceived environmental contamination.



The report entitled “Known Environmental Conditions Report” includes a total of 28 identified areas. These 28 areas include fourteen that were discussed in a late 1990’s pilot program and have been updated to include more recent reports and cleanups that have since taken place.

The objective of the Known Environmental Conditions Report was to summarize relevant soil and groundwater environmental information from available sources, identify information gaps, and provide recommendations for obtaining necessary information. The compilation of data provides interested parties pertinent information concerning the 28 areas. The 156 page report attempts to summarize all available data, but does not provide a complete characterization of the areas.

Flood zones – see Stormwater section under Infrastructure and Utilities, page 3-23.

Transportation Infrastructure

The Study Area is served by a diverse transportation network that includes streets, interstates, transit, rail, and pedestrian options.

Streets – The Study Area has a well-defined grid and local street network. Most of the blocks are 300 feet long. The local street network has sufficient capacity to accommodate traffic.

Freeways and Highways – I-5 is a major north-south freeway that traverses the western edge of the downtown area. It generally provides four travel lanes in each direction through the central portion of Stockton. SR 4, known as the Crosstown Freeway, traverses the City in an east-west direction just south of the downtown core area. This 4-mile section is accessed by four interchanges, and connects I-5 to SR 99.

Transit/Bus Service – The Study Area is served by several bus routes operated by the San Joaquin Regional Transit District (RTD), which operates all Stockton Metro Area transit services, and connecting service throughout San Joaquin County. Most RTD routes operate between 6:00am and 8:00pm on weekdays. Only half of the routes operate on weekends and most of those have very infrequent service (60+ minutes). Metro Express routes operate every 10 to 15 minutes on weekdays between 5:30am and 10:00pm and operate every 30 minutes on the weekend. RTD served 4.1 million passenger trips in Fiscal Year 2011. See figure below for RTD's service characteristics as of September 2011. RTD now operates a simpler, more frequent weekend service than that shown below.

Stockton Climate Change Action Plan Transit Network Plan for 2012-2020							
SJRTD Existing Services (2011)							
Route	Type	Weekday Hours	Weekday Freq	Saturday Hours	Saturday Freq	Sunday Hours	Sunday Freq
23 Stockton Lodi	Regional	5:45am to 7:15pm	60/60	8:30am to 6:00pm	60	8:30am to 6:00pm	60
27 Stockton ARPT-Manteca-Tracy	Regional	5:30am to 8:30pm	90-120	8:15am to 5:45pm	120	8:15am to 5:45pm	120
40 Metro Express	Rapid Bus	5:00am to 11:00pm	15/30	7:00am to 8:00pm	30	7:30am to 8:00pm	30
44 Metro Express	Rapid Bus	5:45am to 7:30pm	10-15 (or 30)	7:30am to 7:30pm	30	8:00am to 7:30pm	30
51 El Dorado San Joaquin Malls	Local	6:00am to 11:00pm	45 to 60	8:00am to 6:45pm	90-120	8:00am to 6:00pm	120
52 California to Kaiser	Local	5:45am to 7:00pm	60	No Service		No Service	
54 San Joaquin-Houston-Manthey	Local	5:45am to 9:00pm	45 to 60	9:00am to 5:30pm	60 to 180	9:00am to 5:15pm	60 to 180
55 MLK to DTC	Local	5:45am to 8:15pm	60	8:45am to 6:00pm	120	9:30am to 4:15pm	120
60 Monte Diablo - DTC	Local	6:00am to 8:30pm	45 to 60	No Service		No Service	
61 Fontana - Malls (interline with Rt 80)	Local	5:45am to 10:00pm	60	No Service		No Service	
63 Ben Holt - Malls	Local	6:15am to 7:00pm	60	No Service		No Service	
65 Kelly - Don - Otto	Local	5:45am to 7:45pm	60 to 90	10:00am to 5:45pm	120	10:00am to 3:45pm	120
66 Ponce De Leon - Trinity	Local	6:00am to 6:30pm	80	No Service		No Service	
68 Swain-Malls	Local	No Service		9:45am to 5:00pm	120	10:00am to 4:15pm	120
71 West Lane - Holman	Local	6:00am to 9:45pm	60	9:15am to 6:00pm	60 to 120	9:30am to 4:45pm	120
73 Mariners - Holman	Local	5:45am to 8:00pm	60	9:15am to 5:45pm	120	9:15am to 5:45pm	120
74 Hammer - Malls	Local	6:15am to 6:15pm	90-120	No Service		No Service	
75 Calworks - DTC	Local	6:30am to 6:15pm	80	No Service		No Service	
76 Eastland Plaza - Los Angeles	Local	6:15am to 7:45pm	50 to 90	8:45am to 5:15pm	90 to 150	8:45am to 5:15pm	90 to 150
77 Eastland Plaza to DTC	Local	6:00am to 5:00pm	60	No Service		No Service	
80 DTC - Oro	Local	5:30am to 10:30pm	60	7:30am to 6:30pm	150	9:00am to 5:45pm	150
81 El Dorado - DTC	Local	5:30am to 10:30pm	30 to 60	7:00am to 6:30pm	90-120	9:00am to 6:00pm	90-120
83 APRT to DTC	Local	6:00am to 8:45pm	30 to 45	8:00am to 5:15pm	120	8:45am to 5:00pm	120
85 Togninani - Airport Way	Local	6:30am to 10:00pm	75 to 90	7:00am to 6:15pm	75 to 90	8:15am to 6:15pm	75 to 90
1 Northwest Stockton	Hopper Local - Deviated Fixed Route	8:45am to 5:45pm	60	No Service		No Service	
2 Northwest Stockton	Hopper Local - Deviated Fixed Route	8:45am to 5:45pm	60	No Service		No Service	
3 Northeast Stockton	Hopper Local - Deviated Fixed Route	8:45am to 5:45pm	60	No Service		No Service	
4 Central Stockton	Hopper Local - Deviated Fixed Route	8:45am to 6:15pm	60	No Service		No Service	
5 Central Stockton	Hopper Local - Deviated Fixed Route	8:45am to 6:15pm	60	No Service		No Service	
6 Northeast Stockton	Hopper Local - Deviated Fixed Route	8:45am to 5:45pm	60	No Service		No Service	
7 South Stockton	Hopper Local - Deviated Fixed Route	8:45am to 6:15pm	60	No Service		No Service	
310 Charter - ACE - DTC	Weekday Ltd Crosstown	2 AM & 3 PM trips		No Service		No Service	
315 MLK - DTC - Houston	Weekday Ltd Crosstown	1 AM & 3 PM trips		No Service		No Service	
325 Pacific - Myrtle	Weekday Ltd Crosstown	6 trips for the day		No Service		No Service	
330 Pershing - DTC	Weekday Ltd Crosstown	1 AM & 2 PM trips		No Service		No Service	
335 Pershing - Thornton	Weekday Ltd Crosstown	1 AM & 1 PM trip		No Service		No Service	
340 Morada - Bianchi	Weekday Ltd Crosstown	1 AM & 1 PM trip		No Service		No Service	
345 Kermit - Kaiser	Weekday Ltd Crosstown	3 AM & 2 PM trips		No Service		No Service	
360 Alpine - Holman	Weekday Ltd Crosstown	1 AM & 1 PM trip		No Service		No Service	
390 Pock - Myrtle	Weekday Ltd Crosstown	1 AM & 1 PM trip		No Service		No Service	
370 ARPT - Rosemarie	Weekday Ltd Crosstown	1 AM & 1 PM trip		No Service		No Service	
380 Myrtle - Charter	Weekday Ltd Crosstown	2 AM & 1 PM trip		No Service		No Service	

Transportation Infrastructure

Bus Rapid Transit - Bus Rapid Transit routes provide fast, frequent, reliable and easy to understand service along key corridors. RTD now has two BRT routes operating in the Stockton Metro Area:

- Metro Express 40 (Weber Transit Center to Hammer Lane via Pacific Avenue)
- Metro Express 44 (Weber Transit Center to Stockton Airport via South Airport Way)

BRT is implemented along corridors where: 1) development and density can provide the ridership potential that supports the transit investment and 2) transit can ultimately be given higher priority for traffic operations than automobiles.

In 2007, RTD implemented the first phase of Metro Express, its BRT service for Stockton (and the first BRT service in San Joaquin County). RTD's primary Metro Express route (Route 40) brings passengers to downtown Stockton along the Pacific Avenue corridor from Hammer Lane, connecting Delta College, Weberstown/Sherwood Malls, University of the Pacific, the Miracle Mile, and the Stockton Arena and Ballpark, and continues in service south of the DTC as the Route 44.

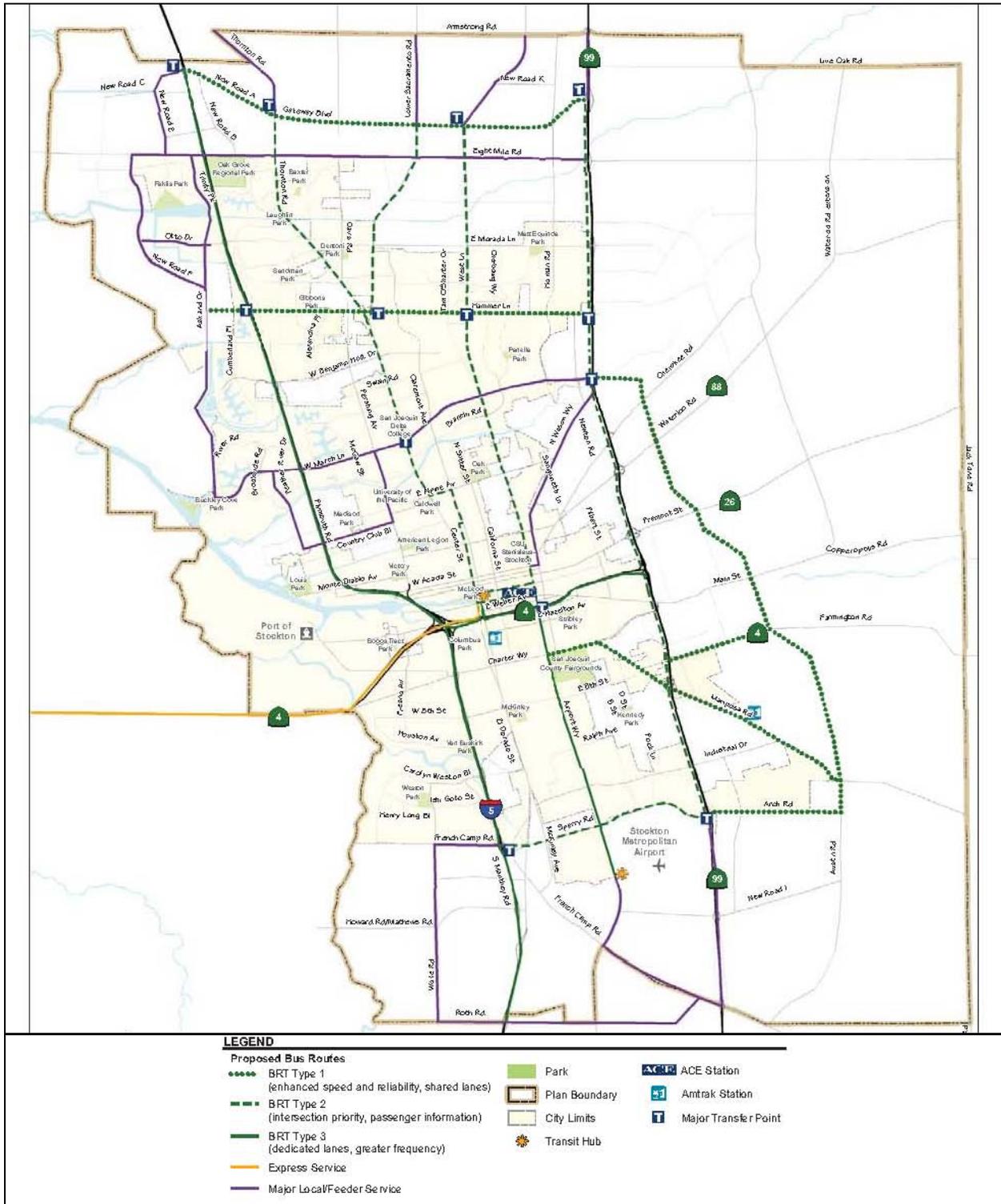
In January 2011, RTD implemented the second phase of Metro Express on Airport Way bringing south Stockton and south county residents to the Downtown Transit Center. This route (Route 44) serves the Stockton Airport, San Joaquin County Fairgrounds, and the Cabral Station (ACE, Amtrak) and continues in service north of the DTC as the Route 40 (see above).

The City's General Plan identifies several future BRT corridors, some of which are on the fringes of the metro area and which would connect the proposed Transit Villages to the central core of the City (see exhibit on following page). In the City's Transit Gap report, the following recommendations were included regarding potential BRT services:

- Implement a new cross-town BRT route on Hammer Lane by 2013 (In July of 2010, the RTD received a \$5.2 million grant for the Hammer Lane Bus Rapid Transit (BRT) Corridor project through the Federal Bus and Bus Livability Grants Program. RTD is currently preparing a final plan for implementing this service.)
- Conduct a comprehensive study that focuses on prioritizing future BRT corridors (e.g. West Ln., Charter Way/MLK Blvd., El Dorado St., California St.)

RTD will begin operation of its third Metro Express corridor in 2012. This route will operate along Hammer Lane and connect I-5 and SR 99 to RTD's other Metro Express routes at the Hammer Triangle (intersection of Pacific Avenue, and Lower Sacramento and Thornton roads).

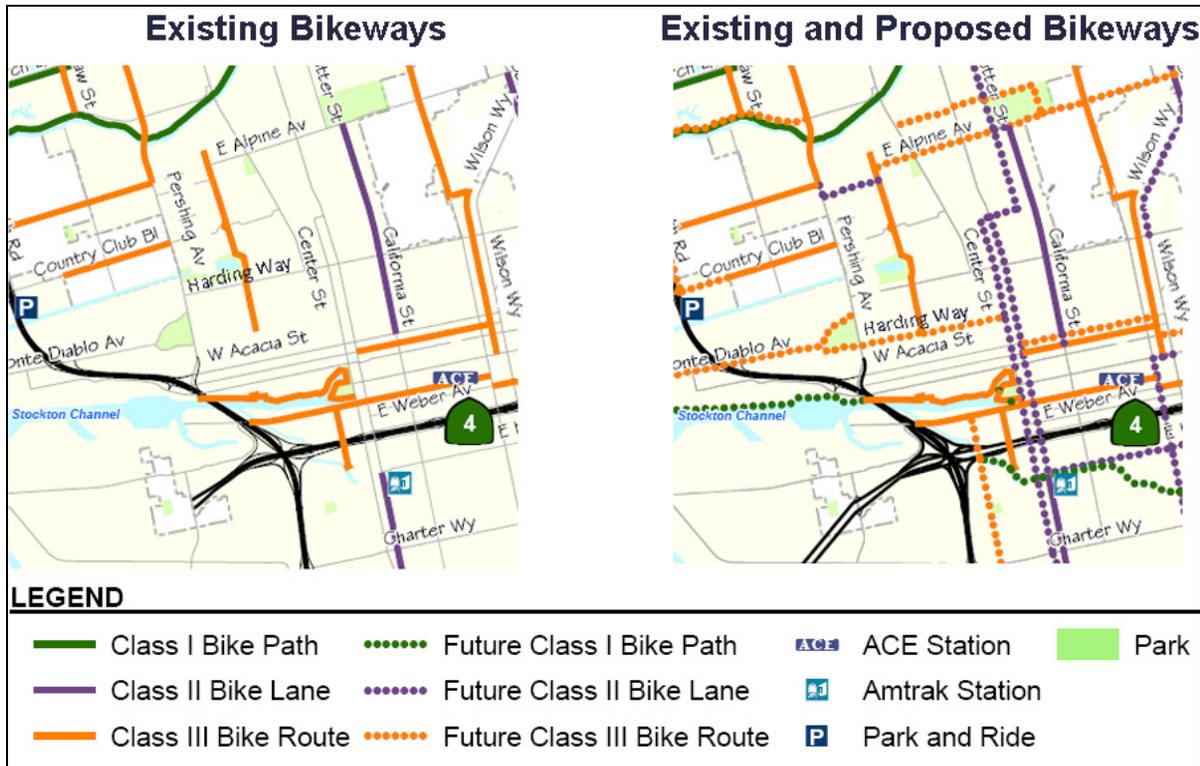
Transportation Infrastructure



Transportation Infrastructure

Rail Service – Passenger service is provided in the Study Area by ACE (Altamont Commuter Express) and Amtrak. The ACE is a heavy rail service that connects the Central Valley with the Silicon Valley and other destinations in the San Francisco Bay Area. Cargo rail service is provided in the Study Area by UP and BNSF.

Bicycle and Pedestrian Facilities – The Study Area is served by sidewalks and bicycle facilities. The small blocks and grid system are conducive to walking. See the exhibit below for existing and proposed bikeways in the Study Area.



Source: City of Stockton Bicycle Master Plan

Parking – The City of Stockton's Central Parking District (CPD) administers the City's surface lots and parking structures in the downtown area, including the Stewart Eberhardt Parking Structure located at El Dorado Street and Weber Avenue. The CPD is operated by an Advisory Board appointed by the City Council. Capital improvements, maintenance and operating expenses of the CPD are funded by an assessment on all properties located within the District, charges for monthly and hourly parking privileges and other income from contract agreements with other entities. The following exhibit illustrates public parking lots and garages in the Study Area.

Transportation Infrastructure



Status of Transit

A Transit Gap Analysis was completed in early 2010 by city staff and the consulting firm TMD. The primary findings/recommendations were:

- The San Joaquin Regional Transit District's (RTD's) physical network coverage of the Stockton Metro Area is sufficient.
- The RTD's span of service (days and hours of operation) is sufficient.
- RTD should consider a number of "quality of service" improvements to attract new riders including:
 1. Increase frequency on key corridors
 2. Improve service reliability
 3. Improve the system's ease of use and streamline routes where appropriate
 4. Expand the Metro Express Bus Rapid Transit Program
 5. Implement New Service Standards
 6. The Gap Analysis also included some recommendations for promoting transit supportive policies and funding.

In 2011, the City of Stockton had a Transit Plan/Program completed as a part of its Climate Action Plan for reducing its Greenhouse Gas Emissions to 15% below 2005 levels by the year 2020. The final outcome of this effort is a comprehensive plan, with a program of specific actions and quantifiable measures, which the City can use to address issues in the CAP and assist the San Joaquin Regional Transit District (RTD) in identifying future policies/programs and related revenue sources to increase transit system utilization. The basic objectives of the Transit Plan / Program are to:

- Improve the Public Transit Network
- Eliminate potential last mile barriers that keep people from using transit
- Adopt transit supportive policies
- Identify long-term funding solutions to support the existing and future transit system and transit-oriented-development

The Transit Plan/Program's recommendation to improve transit Downtown applies to Bus Rapid Transit (BRT). The Regional Transit District (RTD) has two BRT routes in operation and will be starting a third route (Hammer Lane) within two years. An additional BRT route beginning Downtown and extend north to Eight Mile Road further connecting housing and employment centers in the City should be explored.

Infrastructure and Utilities

Portions of the Study Area lack certain basic public infrastructure and/or improvements that are needed to accommodate potential development, including: public street improvements including curbs, gutter, sidewalks, street lighting, and landscaping; and underground utilities, sanitary sewers and storm drains in streets or alleys.

Development in the Study Area will require construction of numerous public capital improvement projects that will enhance the area. However, a baseline assessment of existing conditions is not available for the Study Area, and will need to be prepared before moving forward. Once a baseline assessment has been achieved, the proposed objective is to consider the timing and location of specific public improvements with planned private development so that a critical mass of public and private investments and the desired catalyst effect is created within the Study Area. As a strategy, the City could consider design, funding and installation of proposed public improvements on an “area-basis” and coordinate installation of other public improvements in roadway designs whereby such improvements are intended to support private development. Examples of such improvements include curb/gutter/sidewalk/landscape/lighting, passive and/or engineered water design features, etc. This would be a pro-active action by the City to make development in the Study Area more attractive.

“The challenge remains the lack of public financing mechanisms available to assist in the installation of public infrastructure to accommodate development.”

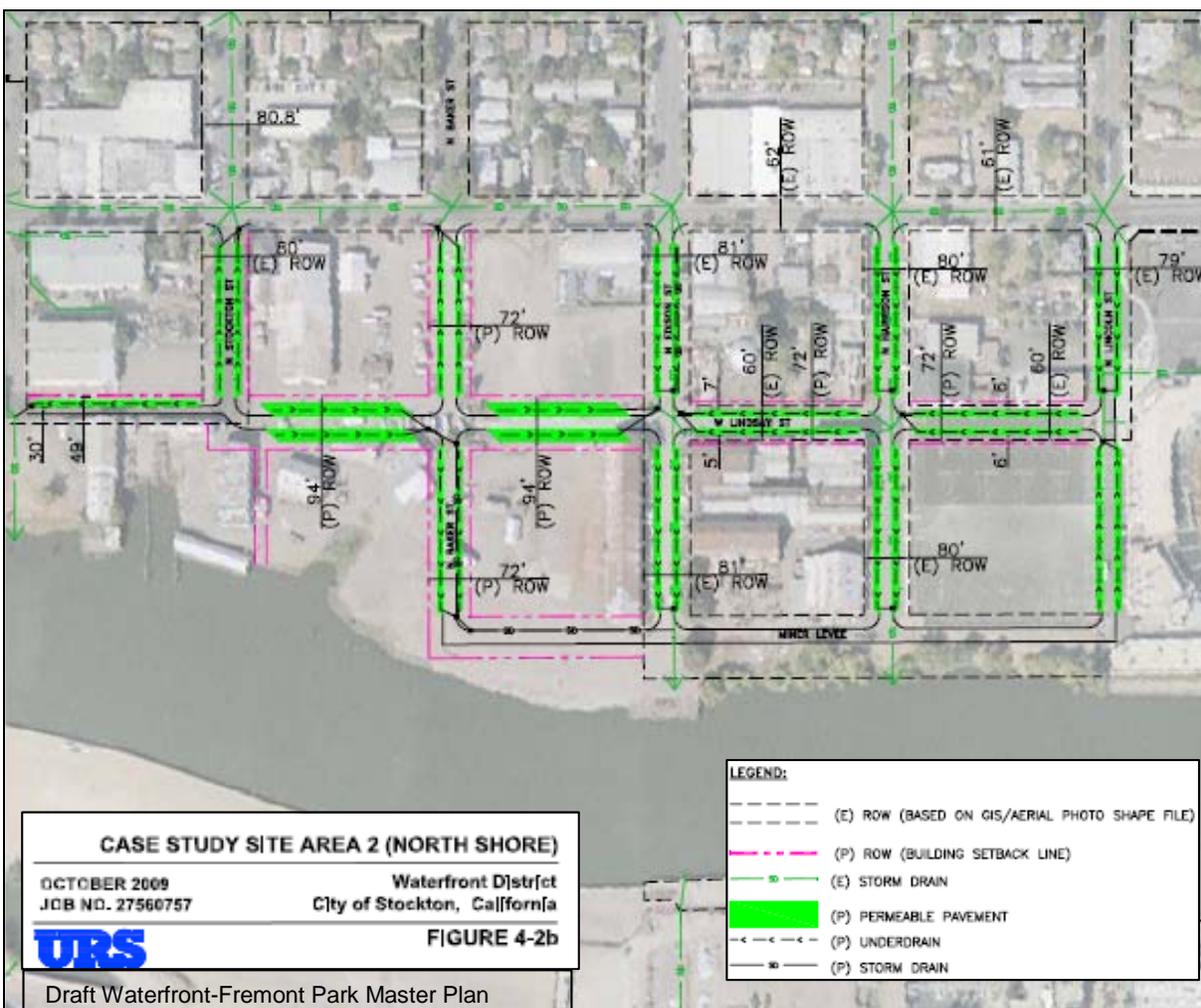
As suggested by the Draft Waterfront-Fremont Park Master Plan (available for review), this area-wide approach is based on the concept of installing public infrastructure/improvements for a designated sub-area instead of on a parcel-by-parcel or site-by-site basis; and having such infrastructure/improvements support all of the planned development activity within the designated sub-area. This approach could result in such improvements being installed in a more cost effective manner, and could potentially reduce the cost obligation or site area dedication requirement of proposed private development – thereby increasing the potential economic productivity of proposed private development (new construction, rehabilitation, adaptive reuse).

The sequencing of public and private investment should be an important feature in the planning of the Study Area. At a strategic level, sequencing can increase the market interest and quality of investment; and also reduce costs and time required to make improvements. At a practical level, sequencing provides an orderly implementation process lessening impacts on existing businesses and residents.

The challenge remains the lack of public financing mechanisms available to assist in the installation of public infrastructure to accommodate development. The City of Stockton Capital Improvements Program (CIP) is one potential method for funding of off-site public infrastructure and improvements including water, sewer, storm-water, streets, curb/gutter/sidewalks, landscaping and street lights. However, many past CIP funding sources have disappeared during this economic downturn. The CIP generally includes a variety of federal, state, regional and local funding sources designated to fund such

Infrastructure and Utilities

improvements, with the priorities and criteria for allocation of CIP funding established by the City in the context of a separate annual budget document. CIP funding could be a means to financing certain public infrastructure and improvements that would help facilitate development (new construction, rehabilitation, rehabilitation/building expansion, adaptive reuse) in the Study Area.



- **Water** – The City of Stockton Metropolitan Area (COSMA) is divided into four water storage and distribution systems: North Stockton, Central Stockton, Walnut Plant Area (WPA), and South Stockton. The Study Area is located entirely within the Central Stockton Storage and Distribution System.

Citywide. The entire Central Stockton Storage and Distribution System is in one pressure zone. There are 12 storage tanks within the system ranging in size from approximately 0.74 mgd to 3.80 mgd. The system is connected to the Stockton East Water District (SEWD) Water Treatment Plant via a 42-inch transmission main. Water is distributed through 18-, 20-, and 24-inch-diameter transmission mains running east-west and 14-, 20-, and 27-inch-diameter mains

Infrastructure and Utilities

running north-south. The remainder of the system consists of local lines with diameters of 12 inches or less.

Study Area. All of the Study Area is serviced by Cal Water, a private water utility agency.

According to mapping provided by Cal Water during preparation of the 2009 Draft Environmental Impact Report for the Waterfront Redevelopment Plan Amendment, within the area along the North Shore, there appears to be an existing 12-inch water main running east-west along Fremont Street. The rest of the North Shore area is serviced with smaller north-south pipes that connect to the Fremont Street trunk main.

Based on Cal Water mapping, there appears to be two 12-inch mains that run east-west at the northern edge of the South Shore. The first is on Weber Avenue, and the second branches off Weber Avenue to Tuleburg Levee. Off of these 12-inch mains a number of 6- and 8-inch lines service the rest of the South Shore area.

As shown on mapping provided by Cal Water, there is an 8-inch main running east-west on Weber Avenue (a continuation of the 12-inch water main running on Weber Avenue along the South Shore). The 8-inch main connects to a 6-inch line that runs parallel along the northern side of Weber Avenue. This main also eventually turns north to serve the northwestern portion of the Peninsula to the west of I-5.

There are no apparent water storage facilities except for a water tower located at the corner of Lindsay Street and Edison Street, on the North Shore. According to Cal Water, the water system of this area generally operates in one pressure zone.

- **Wastewater** - City wastewater treatment and collection facilities are under the purview of the City's Municipal Utilities Department (MUD) and are comprised of the Stockton Regional Wastewater Control Facility (RWCF) and the City of Stockton Wastewater Collection System Facilities. The RWCF provides secondary and tertiary treatment of municipal wastewater from throughout the city. The RWCF has a current average day/maximum month flow capacity of 48 million gallons per day (mgd); actual dry weather flows are estimated at 35 mgd. Treated effluent from the RWCF is dechlorinated and discharged to the San Joaquin River.

The City's wastewater collection system is divided into ten designated sub areas or "systems." Pump stations are located throughout the city and are integral to the wastewater collection system. Most of the pump stations discharge to pressure sewers that convey flow under pressure either directly to the RWCF or to a downstream gravity sewer.

Infrastructure and Utilities

According to the City of Stockton 2035 Wastewater Master Plan, the northern part of the Study Area is roughly part of Wastewater Collection Area 3, while the southern part of the Study Area is part of Wastewater Collection Areas 5 and 6. Mapping provided by MUD shows that the North Shore contains shallow sanitary sewer (SS) collection lines running east-west on Fremont Street. A number of north-south collection lines branch off of the Fremont Street trunk line to serve the rest of the area. The Fremont Street line flows east to a deeper 16-inch trunk sewer in Harrison Street and then onto a 12-inch line in Lincoln Street.

MUD mapping also shows that the South Shore contains a number of larger lines, including a 15-inch east-west line on Weber Avenue, which connects to a 15-inch north-south line on Lincoln Avenue. A 16-inch east-west line on Market Street also connects to Lincoln Avenue. The Lincoln Avenue line flows south.

The Wastewater Master Plan describes RWCF (treatment plant) deficiencies and improvements that will be required to accommodate anticipated infill development under the 2035 General Plan. The Master Plan shows conceptual alignments for future trunk sewers, future pump stations, pump stations requiring upgrades, and existing trunk sewers in need of replacement.

- **Solid Waste** - Since 2004, the City has had two franchise agreements to provide solid waste, recycling, and green/food waste collection services to all residents and commercial customers. The franchise agreements require at least 50 percent recycling of all material collected, as mandated by Assembly Bill (AB) 939. The City also has a non-exclusive industrial waste collection agreement, which also requires at least 50 percent recycling of all material collected. In 2004, the Stockton Municipal Code was amended to include a mandatory Construction and Demolition Program to recycle at least 50 percent of construction and demolition debris.

Prior to transport to landfills, most of the City's solid waste is transported to transfer stations in the region, where recyclable materials are separated out. The residual waste from the transfer stations is transported to one of the area landfills. Using 2035 General Plan build out projections for the area, assuming ongoing compliance with the AB 939 waste diversion mandate of 50 percent, build out by 2035 would generate nearly 200 tons of solid waste per day on average being transferred to the landfills. Even with solid waste reduction measures, new or expanded solid waste disposal facilities may be required in order to expand the permitted capacity of landfills serving the Study Area.

- **Stormwater** – The City depends on its creeks, rivers, and sloughs to collect and convey storm runoff to the San Joaquin River and the Delta. The primary watercourses that drain the city 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. Most storm

Infrastructure and Utilities

drains and pump stations within the service area have adequate capacity to collect stormwater drainage.

Since the 1990's, the Locally Constructed Flood Control Project of the San Joaquin Area Flood Control Agency (SJAFCA) has sponsored the construction of many flood protection facilities, providing Federal Emergency Management Agency (FEMA) 100-year protection to large parts of the city. However, flooding still remains an issue in localized floodplain Delta areas, even with periodic levee reconstruction and active levee maintenance programs to help control the risk.

In October 2009, FEMA reissued the Flood Insurance Rate Maps (FIRMs) for the city. The FIRMS refer to the "one-percent annual chance of flood" or "100-year flood" also known as the "base flood." The one-percent annual chance flood is the flood that has a one-percent chance of being equaled or exceeded in any given year. The FIRMS designate "Special Flood Hazard Areas" in areas subject to flooding by the one-percent annual chance flood. The FIRMS also refer to the "base flood elevation," which is the water-surface elevation of the one-percent annual chance flood.

Most of the Study Area is within a "Zone X" category indicating areas of 0.2-percent annual chance flood, areas of one-percent annual chance flood with average depths of less than one foot or with drainage areas less than one square mile, and areas protected by levees from one-percent annual chance flood. Most of the North Shore area is located in "Zone A," indicating a Special Flood Hazard Area (SFHA) subject to inundation by the one-percent annual chance flood, with base flood elevations not determined.

New homes, business, and other structures can be built in SFHAs, however they must meet special design and construction



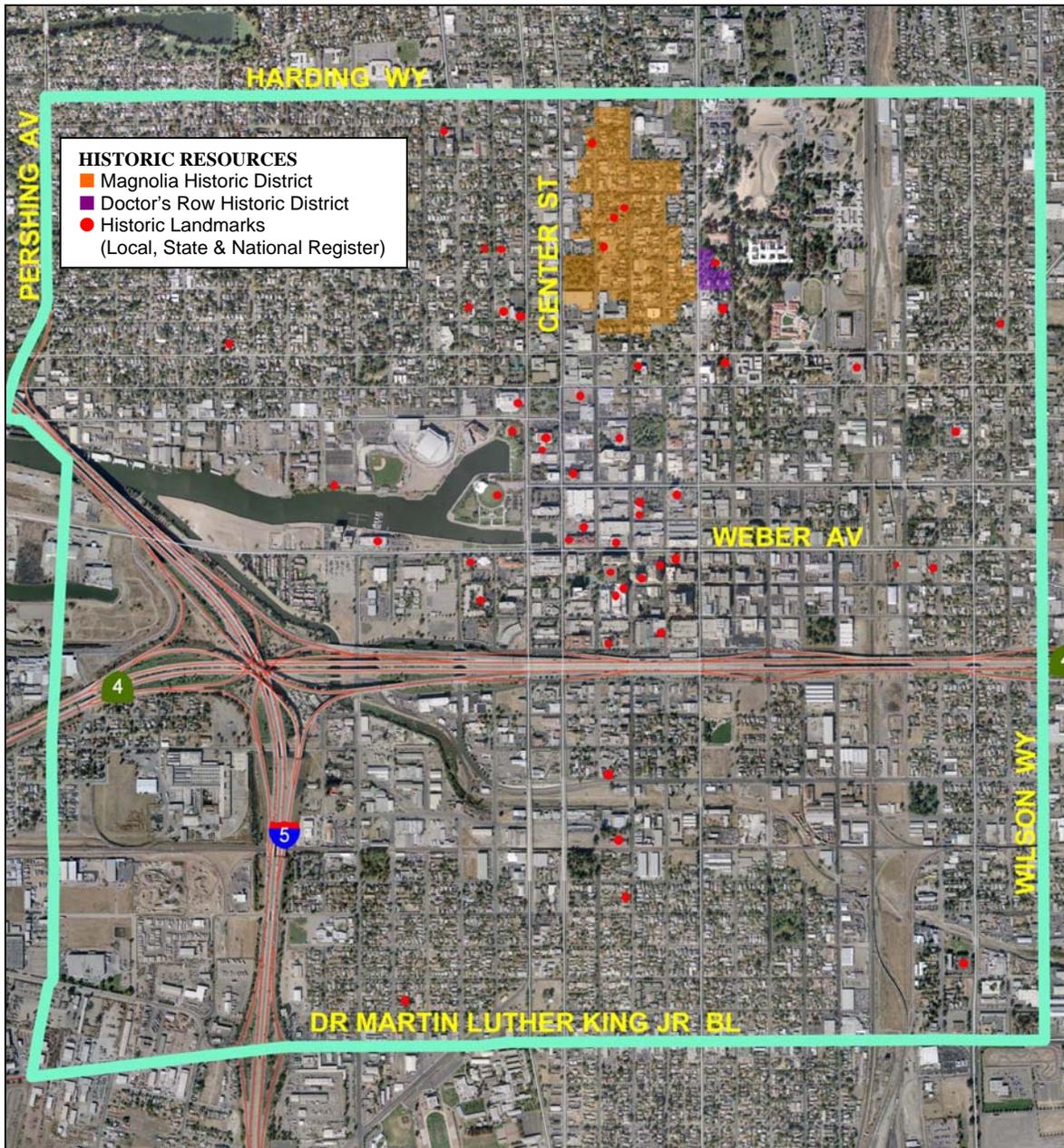
requirements aimed at minimizing potential flood damage to the structure. Among the requirements, habitable spaces must have the floor elevated above the 100-year flood elevation, which can be 10 feet or more above grade in some areas.

Improvements, such as additions and remodels, can be made to existing homes, businesses, and other structures within SFHAs, however, if the cost of the improvement equals or exceeds 50 percent of the market value of the existing structure, it must be brought into compliance with current SFHA construction requirements, which may involve significant alterations, including elevating all habitable areas of the structure above the 100-year flood elevation.

Historic Resources

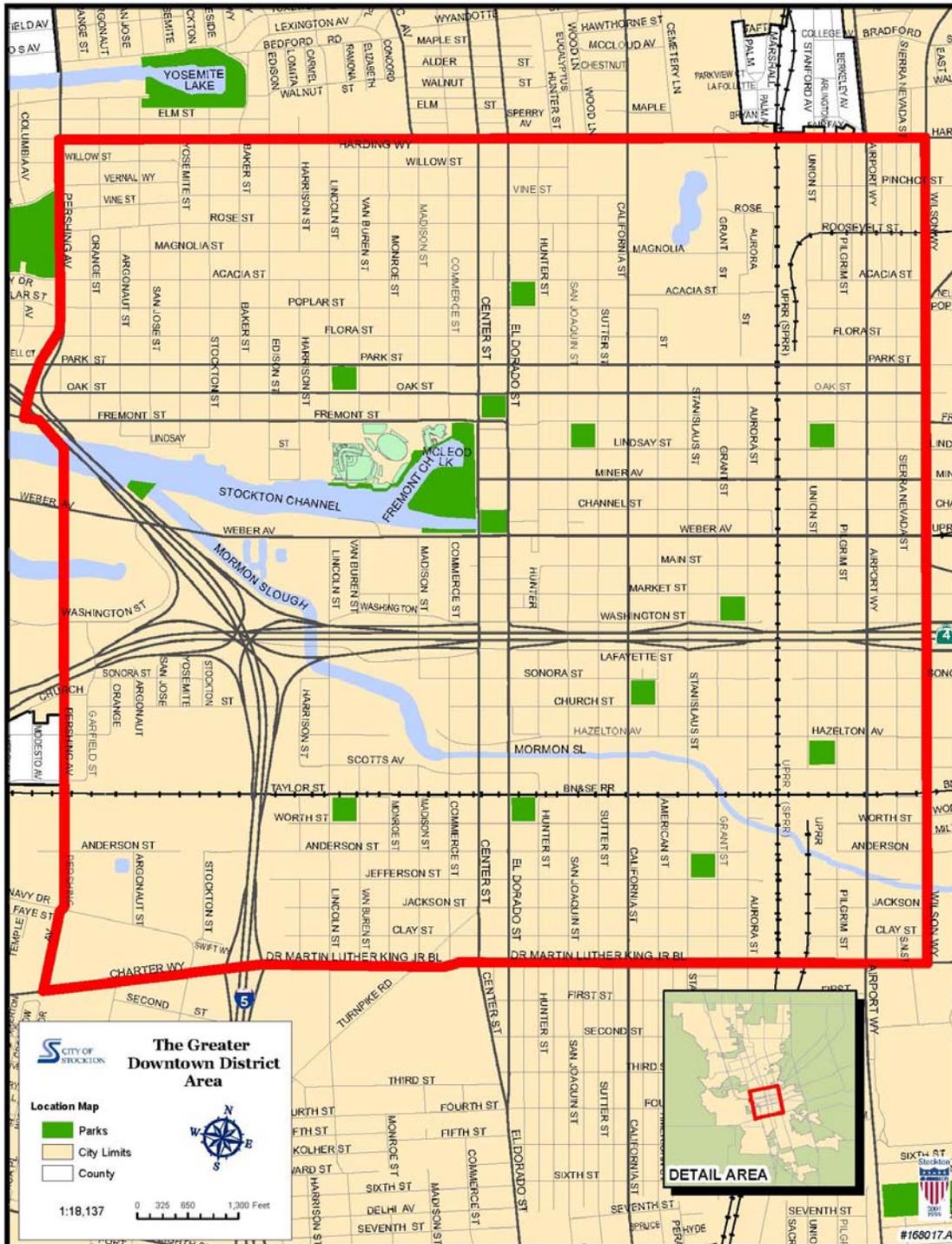
The Study Area includes two locally designated Historic Preservation Districts, the Magnolia Historic Preservation District and Doctor's Row District, and an area designated the "Old City" that aligns with the Study Area. Within the Study Area, there are also 51 landmarks, including local landmarks, State Historic Landmarks, and those listed on the National Register.

The most recent Historic Resources Survey was completed in 2000, and will be available for review by the ULI Panelists.



Parks and Recreation

The City of Stockton maintains and operates 63 parks citywide. Parks range from two-acre neighborhood sites to 64-acre parks. A wide range of activities are associated with city parks – from picnic areas, assorted game courts, swimming pools, baseball diamonds, football and soccer fields, tot lots, fountains, tennis courts, and more. The exhibit below provides park locations within the Study Area.



Parks and Recreation

The Weber Point Event Center is located along the water in the Study Area. It is rented throughout the year for festivals, concerts and a variety of community celebrations, including the Asparagus Festival. There is an interactive water feature and children's play area, and a public promenade that takes advantage of the panoramic Delta view. Nearby DeCarli Waterfront Square, McLeod Lake Park, and Martin Luther King, Jr. Plaza are also available to rent for special gatherings.



DeCarli Waterfront Square



Weber Point Event Center

In 2002, the City of Stockton was awarded a \$2.2 million grant from the State of California's Murray-Hayden Urban Youth Services Grant Program to renovate the El Dorado Bowl into the IMPACT Teen Center. It is owned by the City of Stockton and operated by Family Resource & Referral Center. It offers recreational sports activities, community cultural activities, workshops geared to teens and parents, enrichment activities, including theatre and music, after-school homework club/tutoring, and health and fitness activities. The 18,000 square-foot building features: 4 bowling lanes, a half-court basketball area, snack bar, meeting rooms, classrooms, computer lab, and climbing wall. The teen center is located at 725 N. El Dorado Street.



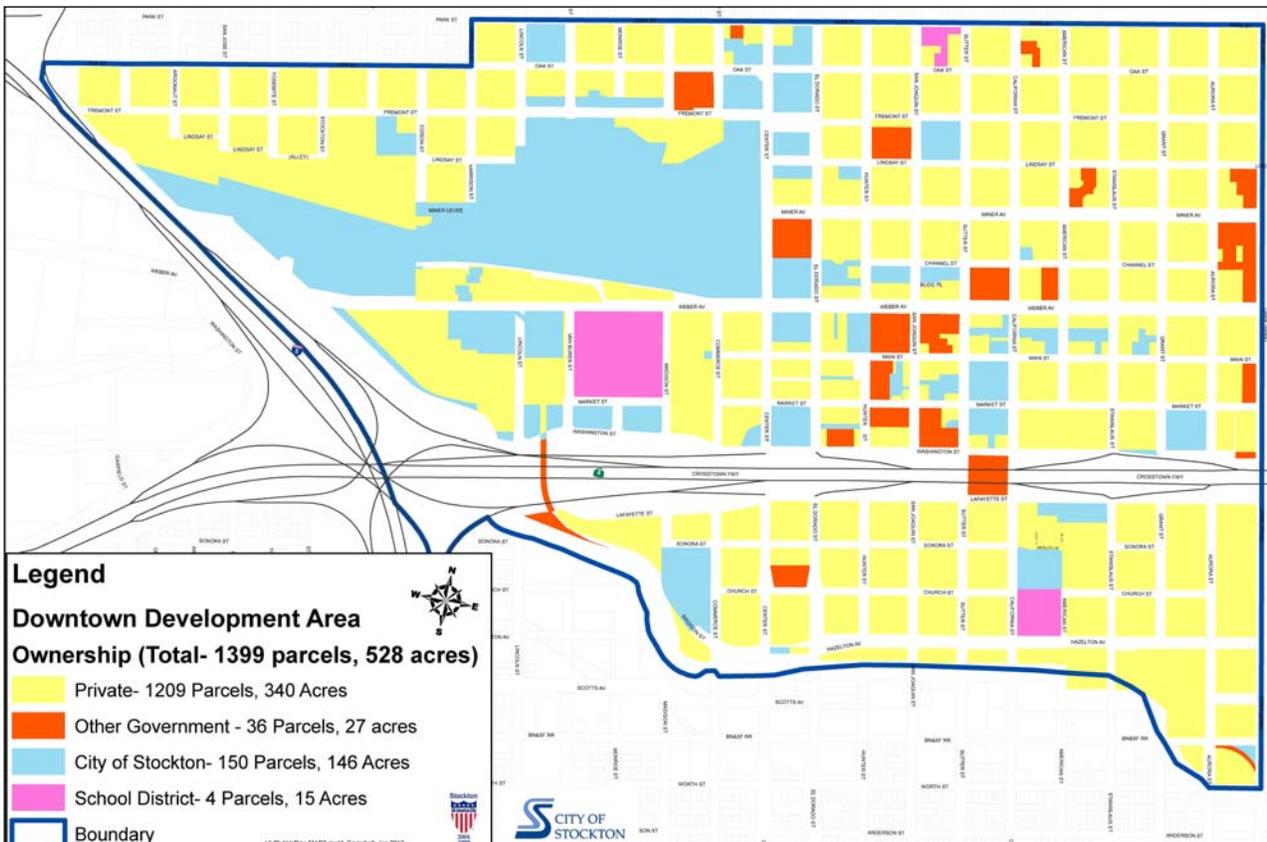
Podesto IMPACT Teen Center

Property Ownership

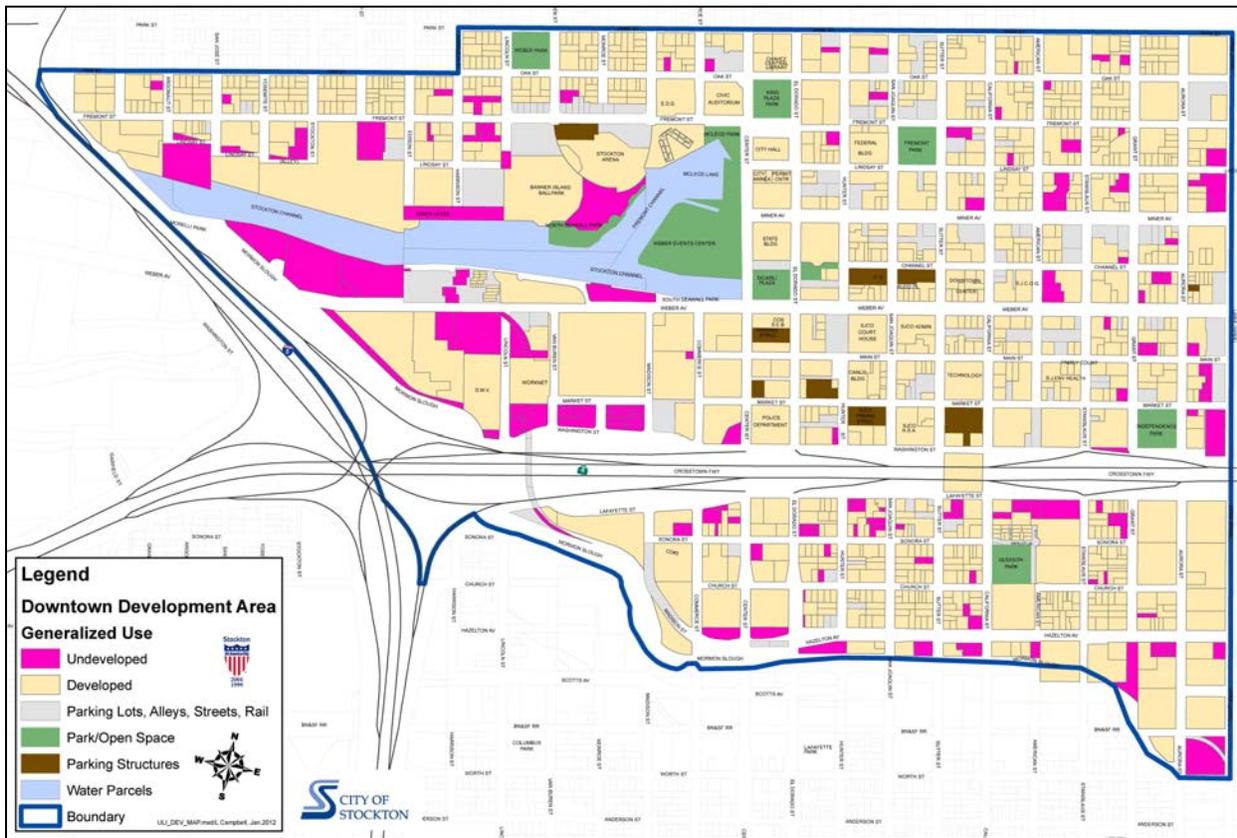
The Study Area contains 6,316 parcels, totaling 1,689 acres. The ownership information is summarized in the table below.

Property Owner	Acres
San Joaquin Regional Rail Commission	5.50
City of Stockton	137.36
Cal Water Service Company	3.24
San Joaquin County	17.68
Housing Authority of SJ County	2.76
San Joaquin Council of Governments	0.76
State	9.52
Federal	1.73
Stockton Unified School District	35.17
Stockton Redevelopment Agency	30.83
San Joaquin Regional Transit District	1.78
Stockton Port	1.48
Railroad	90.46
Dameron Hospital	5.28
Private owners	1345.68
Total Area	1,689.22

Within the Study Area, the Downtown District contains 1,399 parcels, totaling 528 acres. Of this total, approximately 188 acres are owned by public or quasi-public entities or private universities. The remaining 340 acres are held in private ownership.



Vacant Land



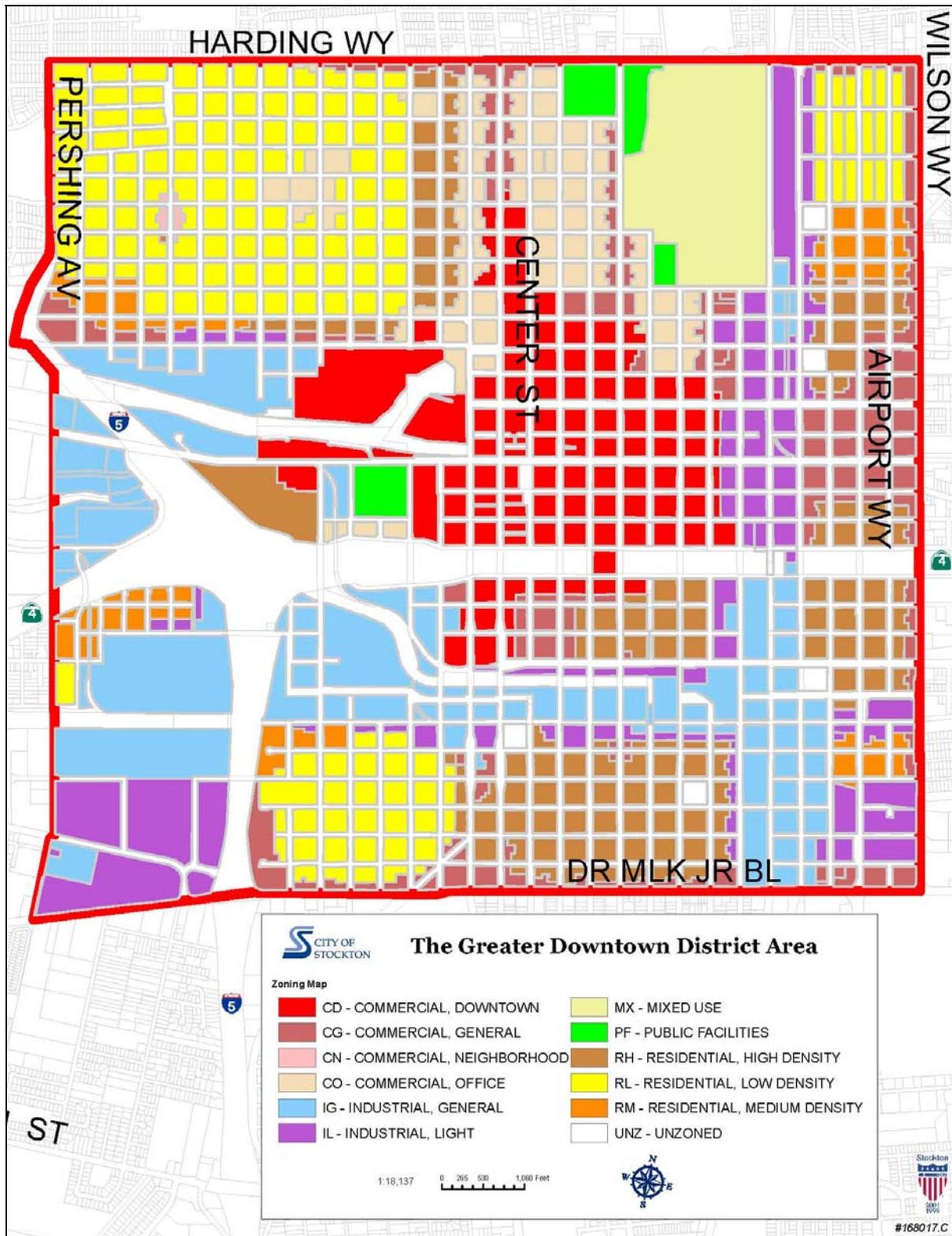
There is an estimated 88 acres of undeveloped land distributed on approximately 1,399 parcels in the Downtown District.

Undeveloped Land Summary

- Average Parcel Area – 16,253 square feet
- Largest Undeveloped Parcels (single ownership)
 1. Stockton Redevelopment Agency – 3.7 acres
 2. Stockton Redevelopment Agency – 3.0 acres
 3. Private owner (Wu) – 2.3 acres
- Largest ownerships for Undeveloped Parcels (combined parcels)
 1. Stockton Redevelopment Agency – 14.6 acres
 2. City of Stockton – 8.3 acres
 3. Private owner (Wu) – 2.6 acres
- Total Undeveloped Parcels – 237 parcels

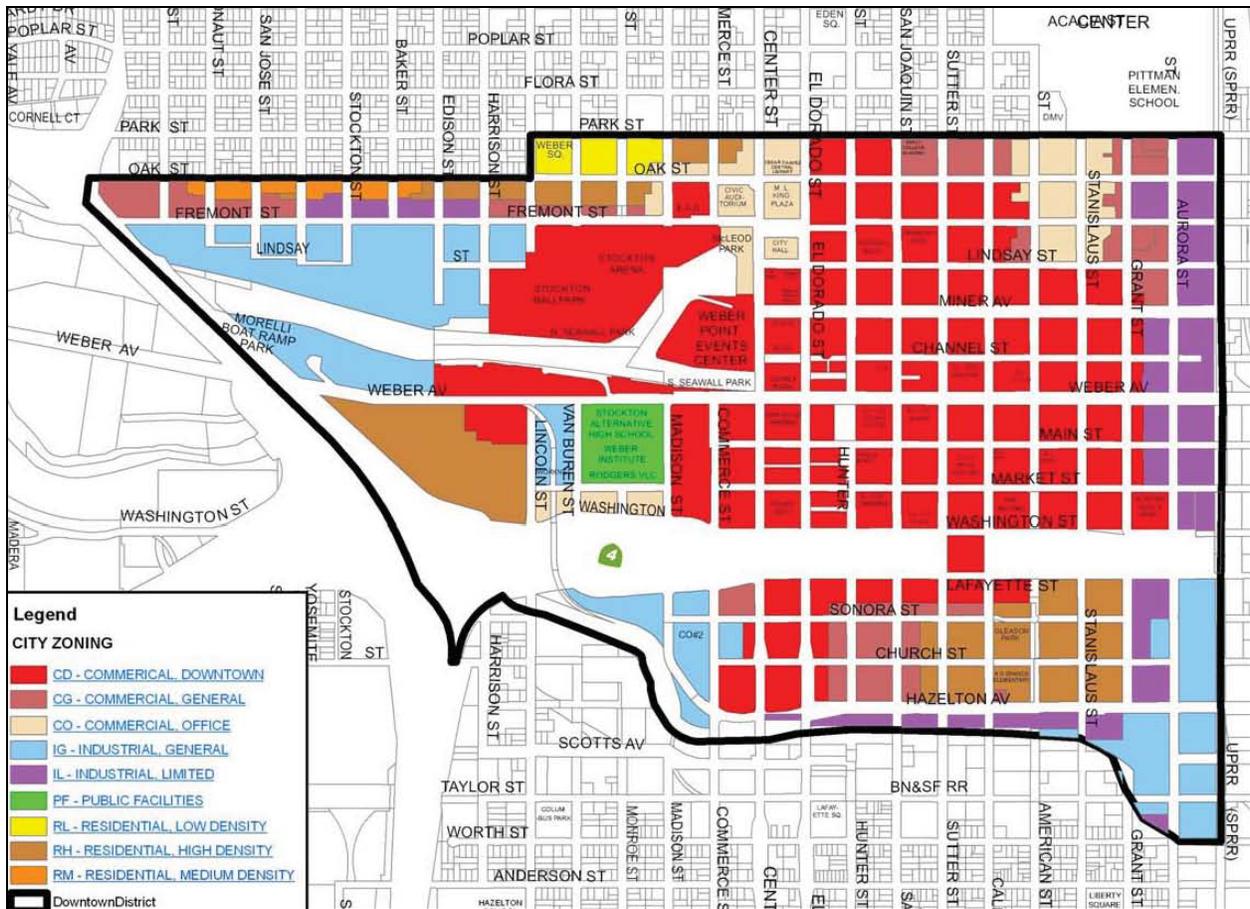
Existing Zoning

The exhibit below identifies the existing zoning designations within the Study Area.

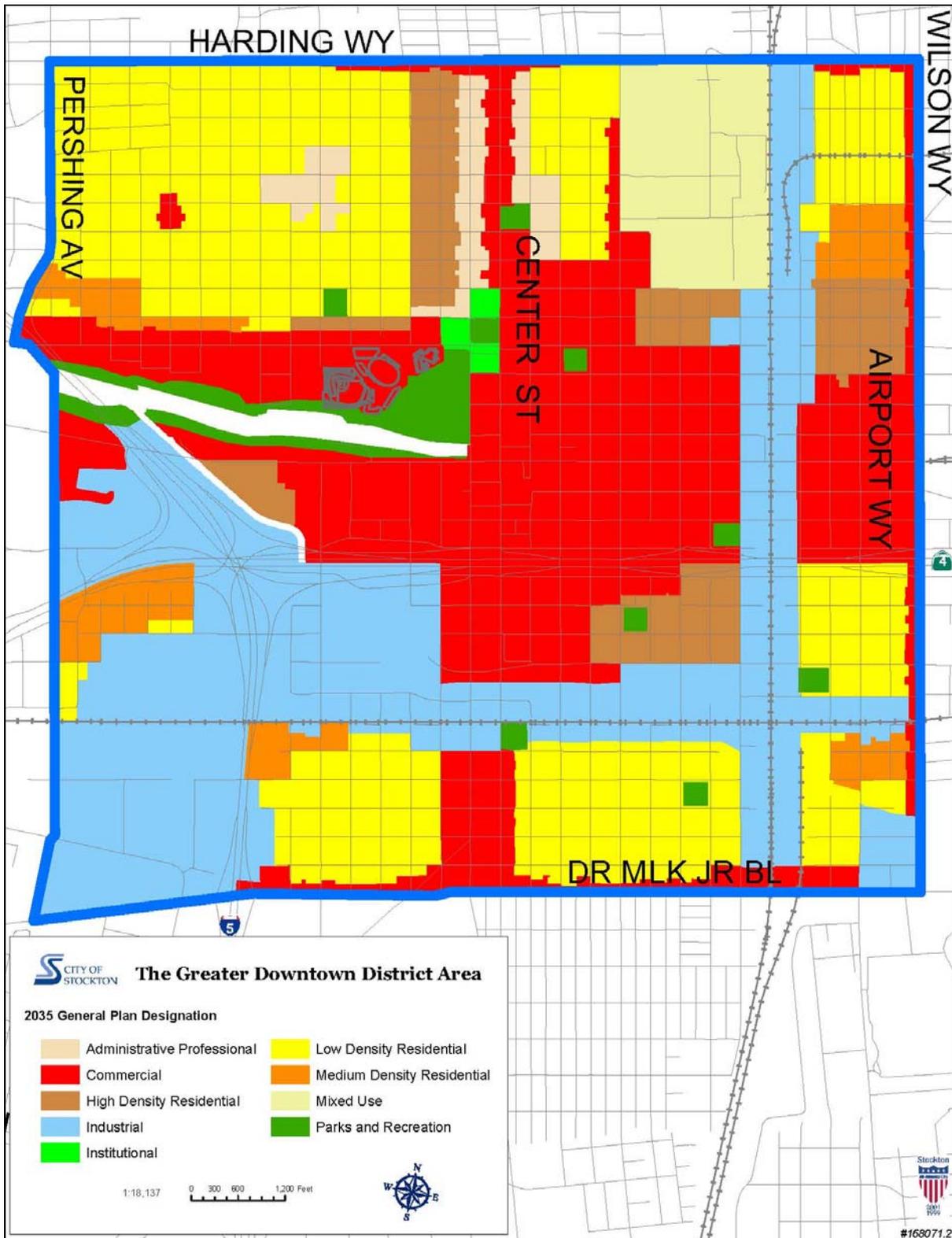


Existing Zoning

The exhibit below provides a more detailed view of the zoning for the downtown core area, which is centrally located within the Study Area.



General Plan Land Use Designations



Community Facilities

Schools – Within the Study Area, there are three elementary schools (grades K-8), five high schools within the Stockton Unified School District. There are also two public charter schools downtown that were opened by Stockton Collegiate International Schools in 2010, one for grades K-5, and another for grades 6-12.

Colleges –

- Located in Stockton's historic Magnolia district, the CSU Stanislaus – Stockton Center is San Joaquin County's only public higher education institution beyond community college. Nine undergraduate programs, three master's degree programs, and four credential programs are offered in addition to MBA courses and a comprehensive Executive MBA program. California State University, Stanislaus – Stockton Center currently occupies two buildings on the 102-acre Stockton site known as University Park. Academic programs and services are located in Acacia Court.
- The Richmond-based Kaiser Permanente School of Allied Health Sciences branched out to Stockton through a unique collaboration with California State University, Stanislaus, at its University Park campus in the heart of the city. The Kaiser school offers three allied health programs on the Stockton campus at 612 E. Magnolia St. and is based on demand from San Joaquin Valley students. It also addresses the critical shortage of specialized medical professionals in the region. The collaboration between a state university and a private, nonprofit health care provider ties in well with the recent launch of the Health Careers Academy, also based at University Park. Health Careers Academy is a new charter high school sponsored by Stockton Unified School District that will focus on preparing high school students for health care jobs.
- The University of Pacific (UOP) is a private, comprehensive university that is located north of the Study Area. It hosts approximately 3,500 undergraduate and 2,800 postgraduate students. UOP's main campus in Stockton is home to nine schools and colleges, with more than 80 majors and programs of study. UOP is well-known for its small class sizes, dedicated faculty, and numerous opportunities for real-world learning, including opportunities to study overseas. UOP's undergraduate schools routinely are ranked among the best in the nation by U.S. News and World Report, the Princeton Review, and Fiske's College Guide. In several surveys conducted by several college ranking organizations during the past decade, UOP has been named among the top-10 most beautiful campuses in the United States. UOP's nine schools and colleges include: College of the Pacific, Conservatory of Music, Gladys L. Benerd School of Education, Eberhardt School of Business, School of Engineering and Computer Science, School of International Studies, Thomas J. Long School of Pharmacy and Health Sciences, Arthur A. Dugoni School of Dentistry, Office of Research and Graduate Studies. The Pacific McGeorge School of Law is located off of the main campus in Sacramento.

Community Facilities

Libraries –

- The Cesar Chavez Central Library is located in the Study Area at 605 N. El Dorado St. It is a full service, public library with computer and Internet access, free classes and workshops, as well as live music concerts and art exhibits.
- San Joaquin Law Library is located at 20 N. Sutter Street in the Kress Legal Center. The first floor of the building hosts the County's Public Law Library which always features art exhibits of local and nationally renowned artists. The library also offers computer access.

Hospitals –

- Dameron Hospital is located within the Study Area, located at 525 West Acacia Street. Dameron Hospital is a fully accredited, 202-bed community hospital offering a broad range of medical, surgical and health maintenance services for emergency and acute care, and has over 1,200 employees. There are facilities for inpatient, outpatient, and occupational patient care. Dameron Hospital's service areas include Cardiology, Emergency/Urgent Care, Home Health, Radiology, and Occupational Health. In addition, the Start of Life Center, its maternity department, delivers more babies than any other hospital in San Joaquin County.
- St. Joseph's Medical Center, a member of Dignity Health, is located just north of the Study Area. St. Joseph's is a not-for-profit, fully accredited, regional hospital with 359 beds, physician staff of over 400, and more than 2,400 employees. They are the largest hospital and private employer in Stockton. St. Joseph's specializes in cardiovascular care, women and children's services including neonatal intensive care, comprehensive cancer services, and emergency services. They offer a full range of inpatient and outpatient services including a regional cancer center, emergency services, and an outpatient surgery center.

St. Joseph's also operates a Behavioral Health Center which provides comprehensive behavioral health services for psychiatric and chemical dependency disorders. The Behavioral Health Center is a licensed, 35-bed inpatient hospital which also provides day treatment and outpatient services.

Museums –

- The Children's Museum of Stockton is a not-for-profit educational and cultural resource whose mission is to provide children, families and schools with a center of discovery and learning through interactive exhibits, programming, and workshops. It was opened in 1994 and is located near the downtown waterfront at 402 W. Weber Avenue. Over three-fourths of the 22,000 square foot structure is occupied by Kidsworld, which is a children's version of a miniature city. Over

Community Facilities

40 exhibits including a bank, hospital, grocery store, recycling, art center, and a post office engage children in a hands-on exploration of a functioning city.

- The Haggin Museum, an art and history museum located just outside of the Study Area, has been referred to by *Sunset* magazine as "one of the unsung gems of California." The museum has been located in the center of Victory Park for 80 years. The art gallery includes dozens of paintings by renowned 19th- and early 20th-century American and European artists. The history galleries focus on San Joaquin Valley's past and the accomplishments of its residents, such as Charles Weber, Stockton's founder; Benjamin Holt, inventor of the Caterpillar track-type tractor; Tillie Lewis, the "Tomato Queen" and the Stephens Bros. Boat Builders.

The Haggin Museum is a non-profit institution that relies primarily on membership dues to maintain the facility and special fund-raising efforts for capital improvements.

Theaters –

- Regal Cinemas Stockton City Center Stadium 16 & IMAX is located in the heart of downtown at the Janet Leigh Plaza, at 222 N. El Dorado Street. The plaza and large glass dome surrounding the theatre are reminiscent of a Spanish plaza as locals gather here to enjoy outdoor dining, ice cream shops, and water fountains. The IMAX screen is a recent addition to the Downtown Cinema.
- The Bob Hope Theater (previously Fox California Theatre) is located at 242 E. Main Street within the Study Area. Fox West Coast Theaters invested nearly half a million dollars to build the Spanish Colonial Revival Style of Fox California in 1930. The Fox was the largest vaudeville house in California, with 2,170 seats. It showed movies, as well as stage acts and other variety acts. Attendance declined in the early 1970s and the theater closed its doors in 1973 due to growing competition from drive-ins and television.

In 1979, efforts were made to save the historic structure and the Fox Theatre was placed on the National Register of Historical Places. Today, it is one of only two movie palaces left in the Central Valley. In 1991, The Redevelopment Agency of the city of Stockton included the Fox California as part of an effort to revitalize the downtown area and other parts of the city. In the late 1990s, the mayor and city council began a large scale renovation of the Fox. The renovation was funded by the Redevelopment Agency (\$2,550,000) as well as federal and state grants (\$1,241,184). After closing for renovations in 2002, the Fox was reopened in September 2004 as the Bob Hope Theatre. The theater is used for live performances, cinema, private parties, and other special events.

Community Facilities

Attractions –

- Weber Point Event Center, 221 N. Center Street (Intersection of Center and Miner) – The Weber Point Event Center is located on the waterfront and features festivals, concerts, and a variety of community celebrations. There is an interactive water feature, colorful children’s play area, and a promenade that features the panoramic Delta view.
- Downtown Marina and Joan Darrah Promenade, 445 W. Weber Avenue (behind the Waterfront Warehouse) – The marina features long-term and guest docks, restrooms, and parking. It is located next to a variety of restaurants, baseball park, and Stockton Arena, and offers a view of downtown and the Stockton Port. The waterfront promenade is used for walking, jogging, and also contains public art.
- Banner Island Ballpark, 445 W. Fremont Street – The Banner Island Ballpark serves as the home of the Stockton Ports minor league baseball team. The ballpark seats over 5,000 people and faces out to the waterfront. Although it is not on an island, the ballpark is called Banner Island because several decades back, this area was almost completely surrounded by water.
- Stockton Arena, 248 W. Fremont Street – The Stockton Arena serves as the home of the Stockton Thunder Hockey Team, and Stockton Cougars Indoor Soccer, and also hosts multiple events throughout the year. The 10,000 seat arena accommodates events such as hockey, soccer, basketball, and football games, rock concerts, graduations, as well as art and job fairs. An on-site Kings Room features a full bar and showcases comedy and music events.
- Farmers’ Market, East Main Street in front of Bob Hope Theatre – Every year, from May through October, there is a Farmers’ Market that is organized by the San Joaquin Certified Farmers’ Market. The market offers fresh fruit, vegetables, and cut flowers as well as baked goods, oils, vinegars, honey, nuts, and fresh eggs.

Catalyst Projects

Cabral Station Square - The renovation of the historic Southern Pacific station in downtown Stockton by the San Joaquin Regional Rail Commission (SJRR) included urban design and streetscape enhancements to the 2.4-acre property and surrounding neighborhood, new administrative facilities, and a signature, 75-foot clock tower, and is seen as an important first step in the revitalization of the surrounding, East Downtown Stockton neighborhood.

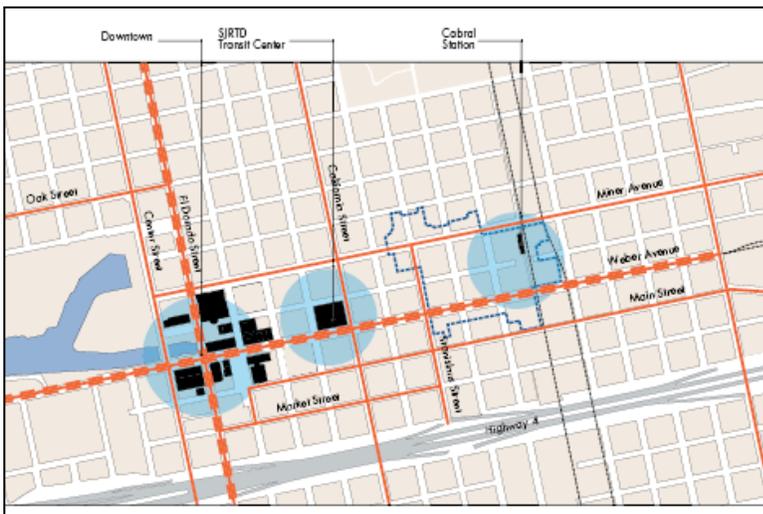


New administrative facilities and Clock Tower



Establishing a Civic Presence and Revitalizing the Adjacent Neighborhood

Cabral Station Neighborhood - The proposed Cabral Station Neighborhood is a phased mixed use, transit oriented development bordered by the beautifully restored Altamont Commuter Express Train Depot on the eastern edge of downtown Stockton. ACE offers commuter service to San Jose. Conceptual plans and drawings have been developed for housing types, commercial building types and street designs to guide future preservation and revitalization activities in the area.



Catalyst Projects

Stockton Courthouse - The County Courthouse is expected to be under construction beginning mid 2013 through the middle of 2015. It will be located in Hunter Square Plaza. The new courthouse will house 30 courtrooms, in a 13-story building, which would make it the tallest building downtown. The site is owned by the City of Stockton, which formally agreed in August 2009 to donate the property for the courthouse to the state.



The court currently shares a building in downtown Stockton with the County. The existing adjacent facility, constructed in 1963, lacks adequate security, is overcrowded, and is in very poor physical condition.

University Lofts - The University Lofts at the University Plaza Waterfront Hotel is a full-scale student housing project offering 51 dorm-style lofts and 42 condo-style lofts. The property sits along the North Shore in the heart of downtown Stockton's waterfront.



B&M Building (Currently in escrow) - Located at the center of Janet Lee Plaza, across from the cinema, the 3 story B&M is one of the oldest buildings in Stockton. Plans are to build out the ground floor as a "Visitor's Center" and café/pub; build out the second floor and lease to the Convention and Visitor's Bureau; and build out the third floor to tenant's needs.



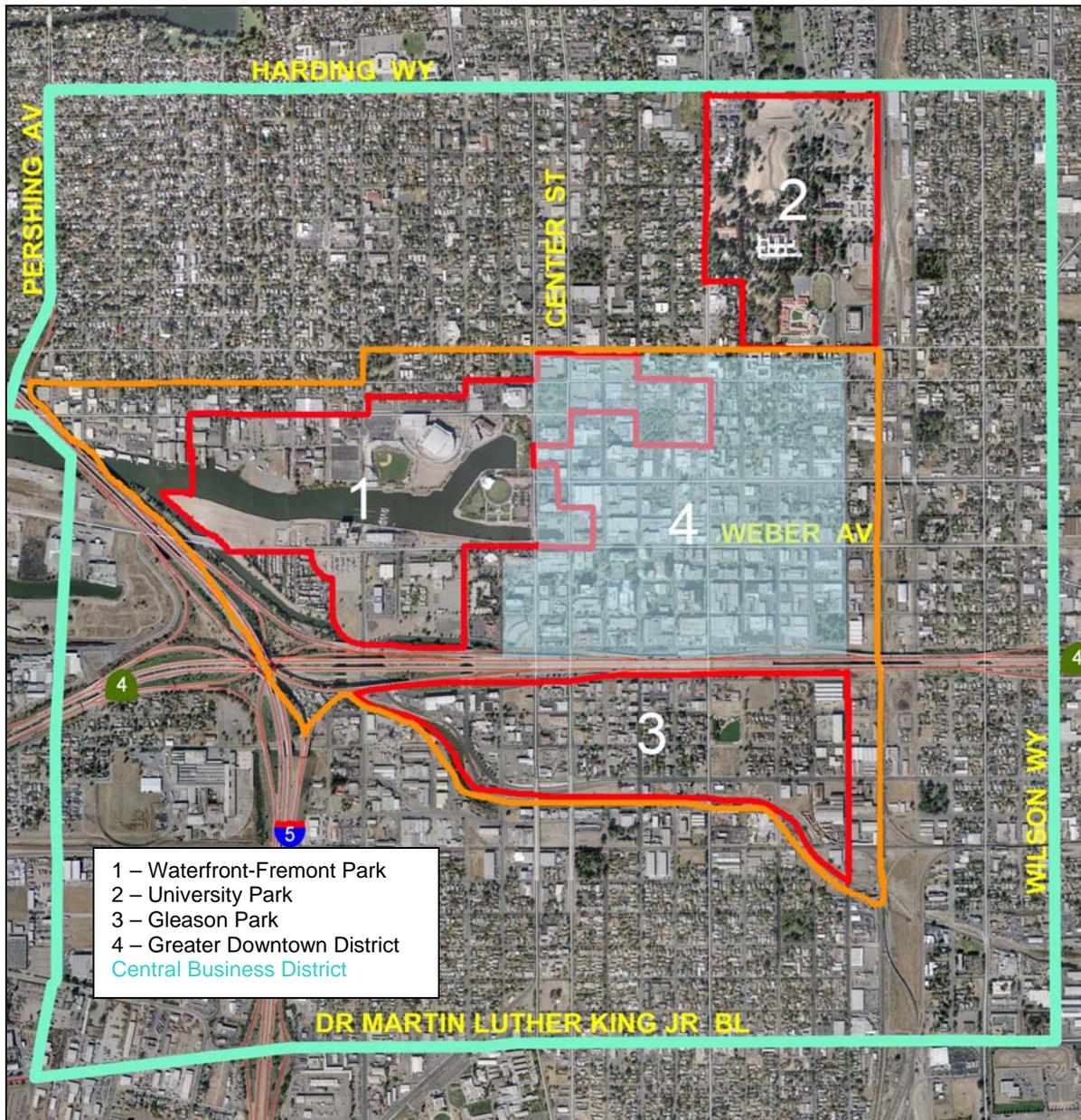
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Section 4

Development Context

Planning Areas
1997 ULI Study Area
University Park
Gleason Park
2035 General Plan Districts and Opportunity Areas
Downtown District Area
Draft Waterfront and Fremont Park Neighborhoods Master Plan Area

Planning Areas

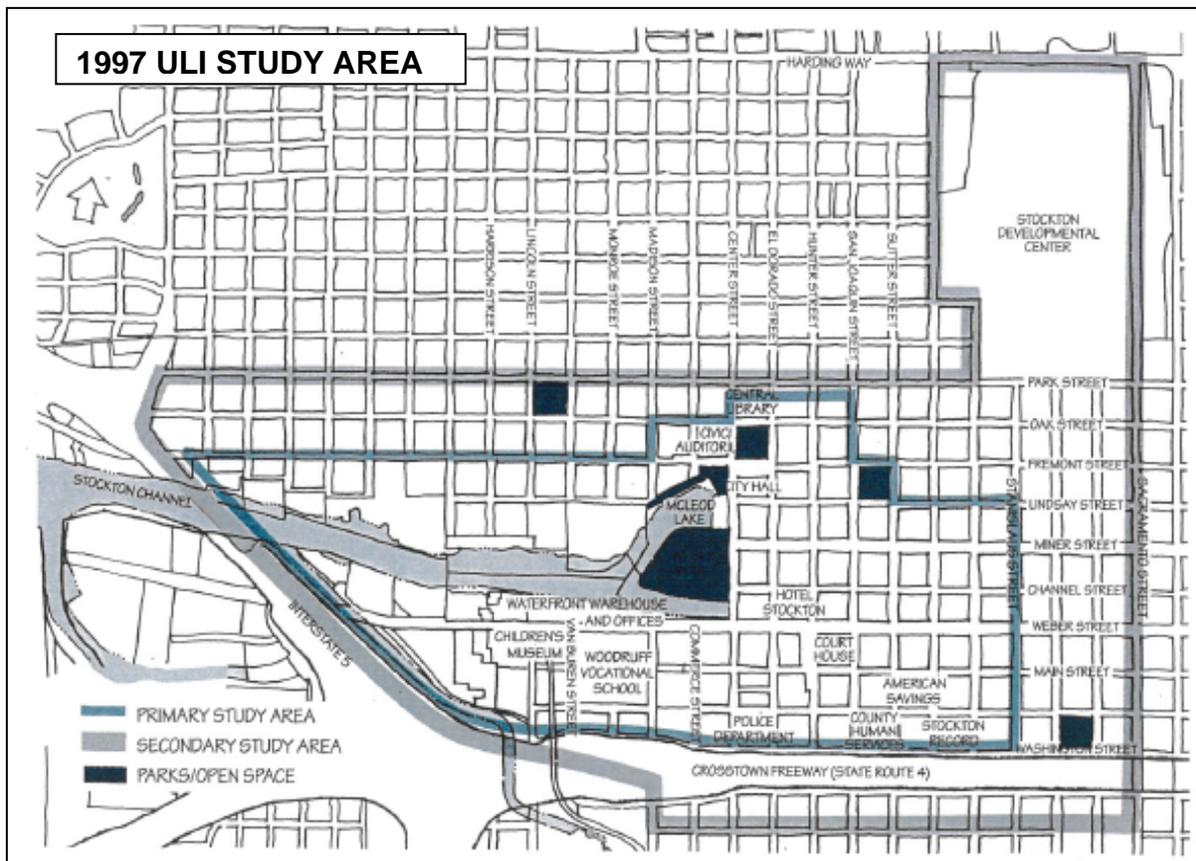


There have been several studies in recent years that have defined the study area by planning district. The names and boundaries have not been consistently applied in these studies. The names and boundaries used in this briefing book are an amalgamation of the boundaries used in the past studies and should be viewed as a general boundary description.

1997 ULI Study Area

In 1997, a team of ULI panelists examined downtown Stockton to create a “Strategy for Revitalizing the Central Business District and Waterfront.” The panel of experts provided strategic advice on a variety of land use and real estate issues primarily focused around the north and south shores of the waterfront and the Central Business District. Tasked with exploring downtown’s market potential, the panelists suggested development strategies, formulated planning and design ideas and framed implementation procedures to ensure downtown could become a productive part of Stockton’s urban fabric. The study produced many great ideas, which were implemented in the years that followed the ULI visit.

With everything the City has accomplished downtown since 1997 - such as Weber Point Event Center, Stockton Arena, the minor-league baseball stadium, Hotel Stockton, DeCarli Plaza, Stockton Marina, Joan Darrah Promenade, City Centre Cineplex, Robert J. Cabral Station, Downtown Transit Center - Stockton is ready for the next phase of panelists to bring fresh ideas in an effort to successfully complete the transformation of downtown into a truly functioning urban center.



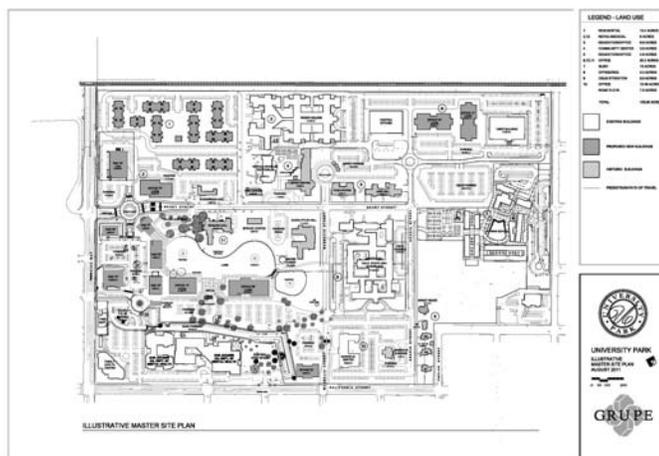
University Park



University Park is located on 103 acres northeast of the Central Business District. It is shown on the 1997 ULI Study Area map within the “Secondary Study Area.” Designated as a national historic site, University Park's primary land use is education with the California State University, Stanislaus-Stockton Center (CSUS) at its core surrounded by office, retail, medical and residential uses, and a community center for large events. Since 2003, over \$40,000,000 has been invested at University Park.

The current master plan projects 500,000 square feet of office and medical space, 60,000 square feet of retail, 200 residential units, with the balance of the project dedicated for education and training. Mixed use zoning allows for flexibility within an ever changing market. The site is primed for development - 400,000 square feet of vacant buildings have been demolished and new underground infrastructure, and site amenities such as new entrances, fencing and a 3.5 acre man-made lake have been installed. Twenty acres have been developed for new uses, including a new Stockton Unified School District (SUSD) K-8 elementary school, a new SUSD charter high school featuring a health care theme, 70,000 square feet of new office space with for-profit and non-profit users, and a 14,000 square foot neighborhood market. University Park currently has 19 tenants within 13 buildings.

A unique feature is the offering of a seamless education - a child can start in day care or pre-school, continue through the SUSD K-8, attend the SUSD health-themed high school, and then attend CSUS and obtain a college degree. In addition, the developer, Grupe Commercial Company (GCC) is enabling partnerships between CSUS and Kaiser Permanente's School of Allied Health Sciences (KPSAHS) to create a medical education center to offer phlebotomy, sonography, and radiography programs. Eventually CSUS hopes to offer a Bachelor of Science in Health Sciences and an accelerated Bachelor of Science in nursing in collaboration with CSU Sacramento.



UNIVERSITY PARK
STOCKTON, CA
GRUPE
ILLUSTRATIVE MASTER SITE PLAN
August 2011



Gleason Park



The Gleason Park Redevelopment Project includes six city blocks south of the Crosstown Freeway and north of Hazelton Avenue. This mixed use project includes the redevelopment of a park, an elementary school, two new affordable housing projects, and the potential for new retail development adjacent to Lafayette Avenue.

Gleason Park Apartments, one of the two affordable housing projects, was developed by Mercy Housing California (Mercy). It provides 92 apartment and townhomes to very low- and low-income families and individuals. The development is conveniently located near A.G. Spanos Elementary School and the newly renovated Gleason Park, once an area plagued by drugs and crime, but now a safe place for children to play.

For Gleason Park Apartments, the Redevelopment Agency (Agency) and City loaned Mercy a total of \$5,991,000 (\$4,091,000 in redevelopment funds and \$1,900,000 of HOME Investment Partnerships funds). The City and Mercy also were co-applicants to the State Department of Housing and Community Development (HCD) for an Infill Infrastructure Grant of \$1,482,000. With the total project cost coming in around \$23 million, the leveraging of Agency and City funds brought in an additional \$15.5 million.

The second project, **Vintage Plaza**, was developed by Visionary Home Builders of California (Visionary). The project consists of 16 single rental family homes and a duplex, also available to very low- and low-income families and individuals. The rental homes were designed to continue the tradition and charm of the old Victorian architecture that once defined the Gleason Park neighborhood.

For Vintage Plaza, the Agency and City loaned Visionary \$2,374,243 (\$1,894,243 in redevelopment funds and \$480,000 of HOME Investment Partnerships funds). The total project cost is approximately \$6.5 million.

The development and implementation of the six-block Gleason Park Master Plan resulted in additional non-City funds for the reconstruction of Gleason Park, and construction of the new A.G. Spanos Elementary School. The Agency acquired the property for these two housing projects and the school. Due to the elimination of Redevelopment Agencies by the State, these types of projects will no longer be possible without the Agency's ability to assemble property.

2035 General Plan Districts and Opportunity Areas

Stockton's 2035 General Plan identifies several districts which include existing developed portions of the community that have unique opportunities and challenges. As used in the General Plan, these districts are an identifiable part of the developed community that are comprised of neighborhoods and supporting commercial areas. Roadways, waterways, and other physical elements also played a role in the definition of a district. The General Plan districts "A" and "B" fall within the study area.



These districts were defined by the age of neighborhoods, land use types, streets, development patterns, and logical contiguous areas. Within these districts are discrete neighborhoods, commercial areas, corridors, and other community planning features.

A. Downtown District

- Central (Downtown) Stockton
- Downtown government, cultural, entertainment, and commercial center
- High density housing and mixed-use development
- Urban waterfront
- Will require ongoing revitalization and district management effort

B. Historic Central City District

- Original shipping, train, and street car city
- Contains original 1850 and 1870 blocks
- Includes greater downtown neighborhoods and parks
- Includes Stockton's historic residential neighborhoods (Victory Park, Midtown and Magnolia Park Historic Districts), commercial and industrial areas
- Hub for highway and transit system
- Requires special approach to preserving and marketing area as historic districts and in-town neighborhood

Within the community, a number of corridors and neighborhoods were identified as having unique attributes that require additional attention to ensure their long-term viability. These areas were defined as "Opportunity Areas" within the General Plan. There are three Opportunity Areas within the study area designated by the General Plan: Downtown, University Park, and Amtrak/ACE Corridors.

2035 General Plan Districts and Opportunity Areas

General Plan Opportunity Areas within the ULI Study Area:

1. Downtown Stockton Opportunity Area

- **Coverage:** The Downtown opportunity area is bound by Fremont Street, Aurora Street, Hazelton Avenue, and Interstate 5.
- **Predominant Uses:** A mix of government, retail, entertainment uses and restaurants, high density housing, and office uses.
- **Area Overview:** This opportunity area includes the typical mix of government, cultural and commercial uses that a city the size of Stockton would exhibit. There are major opportunities for reinvestment in the Downtown District, including high-density housing, mixed-use development, entertainment venues, an urban waterfront, and increased office uses. While these opportunities are prevalent throughout the area, a highly organized and concentrated effort of ongoing revitalization and district management will be required to attain the ultimate vision of Stockton's Downtown.

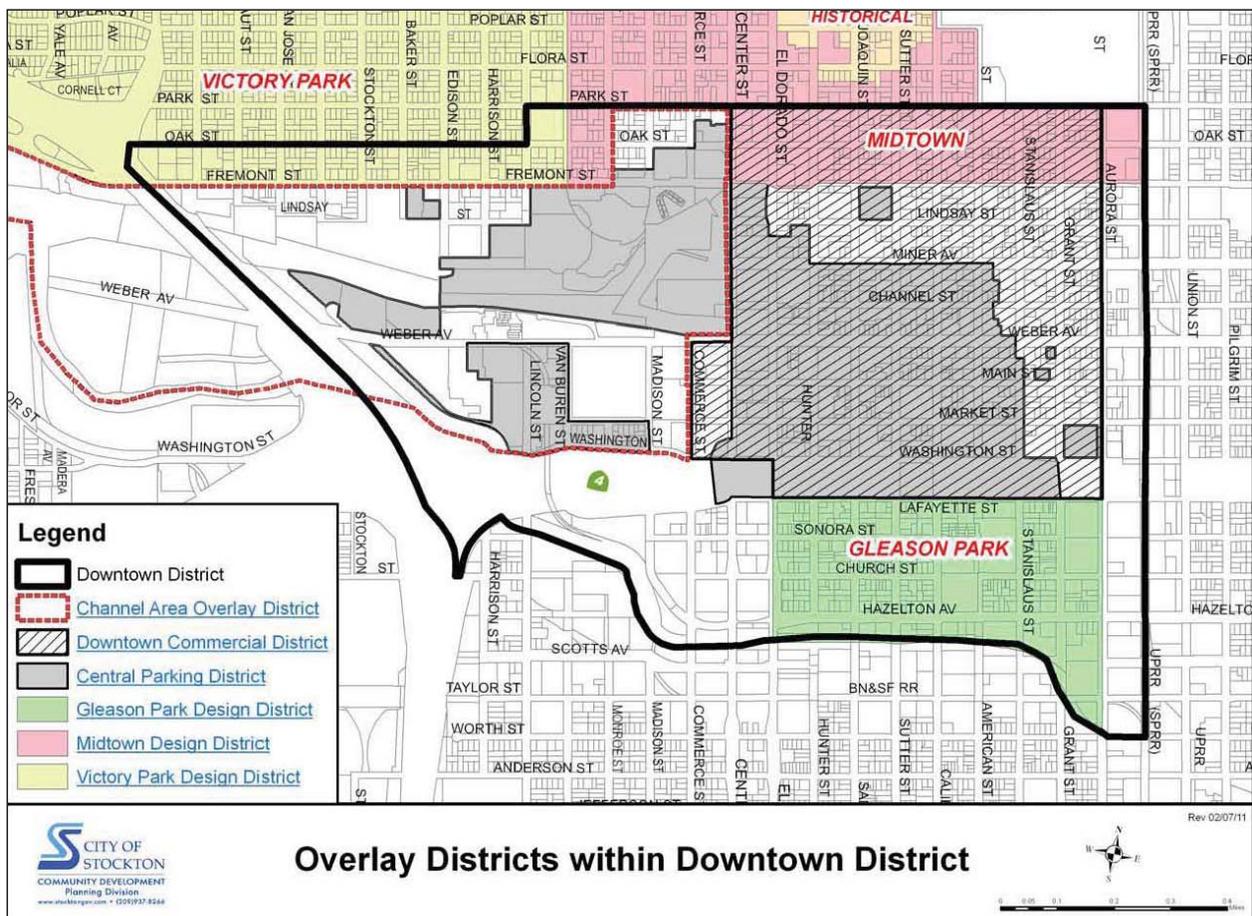
2. University Park Opportunity Area

- **Coverage:** Includes parcels bound by Harding Way, California Street, Park Street, and the railroad.
- **Predominant Uses:** Satellite CSU Campus.
- **Area Overview:** University Park is a former state hospital site converted to a CSU satellite campus located just north of Downtown. Reuse of the site will include a mix of neighborhoods south of Park in original central Stockton blocks. It is adjacent to ACE Train and has many opportunities for higher density infill and neighborhood revitalization. Planned uses include higher density housing, educational facilities, office uses, limited retail, and an elementary school.

3. Amtrak / ACE Corridors

- **Coverage:** This is the longest of the opportunity corridors in the General Plan, running the entire length of the General Plan Planning Area in a north/south direction, and connecting from the Downtown towards the Bay area to the west.
- **Predominant Use(s):** This corridor is a cross section of the community, passing through a range of land uses from agricultural, to residential, to industrial.
- **Area Overview:** This corridor is a key transportation entry into Stockton, and for Amtrak riders, this view is their main perception of Stockton. At issue is a range of clean up, code enforcement, screening, and removal activities that need to occur along the entire corridor.

Downtown District Area



Overlay Districts within Downtown District

The Downtown Development Handbook was created to serve as a useful reference for the business community and members of the public to better understand Stockton's development process for downtown Stockton. It serves as a guide to navigate the City's planning entitlement process and also provides direction to other aspects of developing downtown within the Downtown District.

There are numerous elements to consider when developing in the Downtown District. In addition to Citywide standards, there are additional policies, regulations, and considerations that must be addressed in the Downtown District. As illustrated in the above exhibit, the Downtown District has numerous overlays, including the Channel Area Overlay District, the Downtown Commercial District, the Gleason Park Design District, part of the Victory Park Design District, part of the Midtown Design District, and the Central Parking District.

Draft Waterfront and Fremont Park Neighborhoods Master Plan Area

The draft Waterfront and Fremont Park Neighborhoods Master Plan area falls within the ULI study area. The draft plan focuses on the North and South Shores of the Waterfront, in addition to the Fremont Park neighborhood.



The draft Waterfront and Fremont Park Neighborhoods Master Plan (Plan) was prepared to implement citywide housing and sustainability policies found in the 2035 Stockton General Plan, and recommendations from both the 2006 Downtown Stockton Strategic Action Plan and the 2007 Greater Downtown Housing Strategy. An informational presentation was made concerning the status of the Plan at the City Council's December 16, 2008 meeting. In June 2009, the Economic Development Department facilitated two workshops on the Plan: one for the City Council and Planning Commission, and the other for interested property owners, business owners, and community members. The Economic Development Department also facilitated a stormwater best management practices (BMP) workshop for the Waterfront area in mid-2009.

The Plan provides overall strategic direction to leverage public and private investment regarding land use, circulation, urban design and implementation. Within the North Shore, South Shore and Fremont Park sub-areas are four catalyst sites. These sites provide the greatest opportunity for redevelopment. These areas have vacant parcels, low density and/or blighted conditions and the potential to have a positive influence over adjacent areas when they are redeveloped. The four catalyst sites have been planned at a higher level of detail demonstrating the overall opportunities that may also be available on other sites in the larger planning area. Detailed planning for these sites

Draft Waterfront and Fremont Park Neighborhoods Master Plan Area

includes economic feasibility analysis, as well as site-specific pro formas. Infrastructure needs and deficiencies were studied in an effort to provide future road and infrastructure planning. Catalyst sites described in the Plan were evaluated by the Draft Environmental Impact Report (EIR) for the Proposed Stockton Waterfront Redevelopment Plan Amendment. In early 2009, the EIR was certified after the required public meetings and comment period.

The Plan also provides quantitative and qualitative directions for the planning area in the form of development standards and design guidelines. Most importantly, the Plan approaches the Waterfront's North and South Shore areas and Fremont Park as neighborhoods - where every investment contributes to a larger vision and aspirations for Greater Downtown Stockton.

To conclude the draft plan, implementations measures still need to be addressed.

Draft Report Text

- Creating desirable addresses
- Living on the water
- Providing recreation on the water
- Integrating cultural and historic resources
- Expanding and connecting open spaces
- Planning for a mixed-mode, low carbon future

prepared by:
City of Stockton
Redevelopment Department
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Chris Grubbs

**Stockton Waterfront and Fremont Park
Neighborhoods Master Plan**
10-26-09 draft report

Section 5

Economic and Demographic Summary

Stockton and San Joaquin County Fast Facts
Demographics of the Study Area
Stockton Housing Market
Retail Market
Office Market

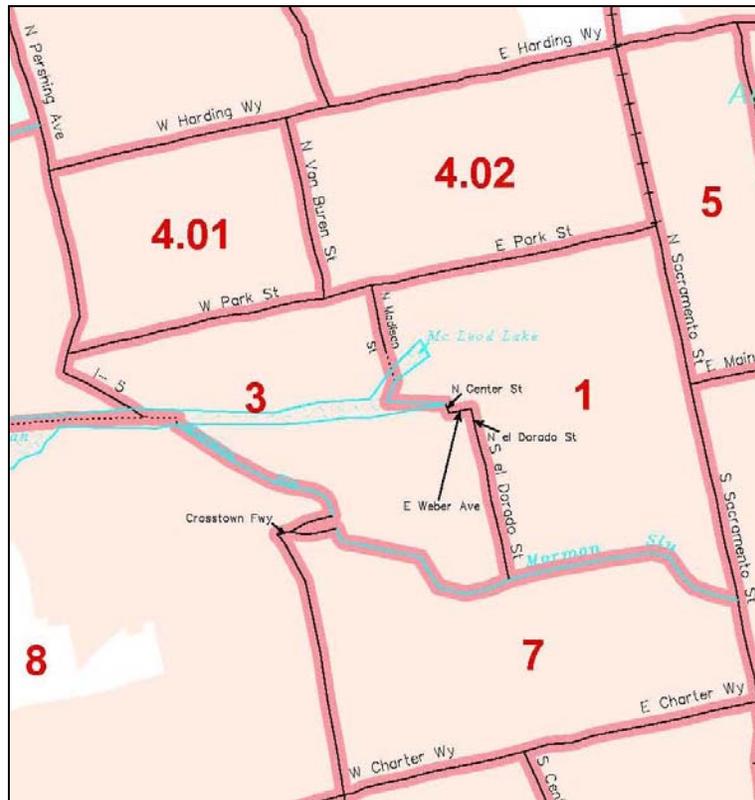
Stockton and San Joaquin County Fast Facts

	Stockton	San Joaquin County
People QuickFacts		
Population, 2010	291,707	685,306
Population, percent change, 2000 to 2010	19.7%	21.6%
Population, 2000	243,771	563,598
Persons under 5 years, percent, 2010	8.4%	7.9%
Persons under 18 years, percent, 2010	29.9%	29.3%
Persons 65 years and over, percent, 2010	10.0%	10.4%
Female persons, percent, 2010	51.0%	50.2%
White persons, percent, 2010	37.0%	51.0%
Black persons, percent, 2010	12.2%	7.6%
American Indian and Alaska Native persons, percent, 2010	1.1%	1.1%
Asian persons, percent, 2010	21.5%	14.4%
Native Hawaiian and Other Pacific Islander, percent, 2010	0.6%	0.5%
Persons reporting two or more races, percent, 2010	6.9%	6.4%
Persons of Hispanic or Latino origin, percent, 2010	40.3%	38.9%
White persons not Hispanic, percent, 2010	22.9%	35.9%
Living in same house 1 year & over, 2005-2009	78.2%	80.6%
Foreign born persons, percent, 2005-2009	26.7%	23.1%
Language other than English spoken at home, pct age 5+, 2005-2009	43.3%	37.3%
High school graduates, percent of persons age 25+, 2005-2009	72.6%	76.0%
Bachelor's degree or higher, pct of persons age 25+, 2005-2009	17.6%	17.1%
Mean travel time to work (minutes), workers age 16+, 2005-2009	26.9	29.8
Housing units, 2010	99,637	233,755
Homeownership rate, 2005-2009	54.6%	62.5%
Housing units in multi-unit structures, percent, 2005-2009	27.7%	19.1%
Median value of owner-occupied housing units, 2005-2009	\$318,900	\$355,000
Households, 2005-2009	89,178	207,667
Persons per household, 2005-2009	3.11	3.1
Per capita money income in past 12 months (2009 dollars) 2005-2009	\$20,090	\$22,767
Median household income 2005-2009	\$47,426	\$52,201
People of all ages in poverty - percent, 2005-2009	19.4%	15.7%
Business QuickFacts		
Manufacturers shipments, 2007 (\$1000)	2,506,558	8,272,476
Merchant wholesaler sales, 2007 (\$1000)	3,701,777	9,001,313
Retail sales, 2007 (\$1000)	3,340,068	7,109,680
Retail sales per capita, 2007	\$11,739	\$10,687
Accommodation and food services sales, 2007 (\$1000)	343,526	745,809
Geography QuickFacts		
Land area in square miles, 2010	61.67	1,391.32
Persons per square mile, 2010	4,730.1	492.6

Source: US Census Bureau City & County QuickFacts

Demographics of the Study Area

The Study area generally encompasses census tracts 1, 3, 4.01, 4.02, and 7 (shown below). Except where shown otherwise, the tables include aggregate totals for the study area and include census tracts 1, 3, 4.01, 4.02, and 7 as shown in the map. Data is derived primarily from 2005-2009 American Community Survey 5-Year Estimates. The American Community Survey has typical margin of errors ranging from slight to significant. This limitation should be taken into consideration when interpreting data.



Demographics of the Study Area

1. Population	Stockton	Study Area	% of City
2000	243,771	20,875	8.56%
2010	291,707	18,820	6.45%

2. Race	Total	% of Total
Total	18,820	
White alone	11,094	58.95%
Black or African American alone	1,827	9.71%
American Indian and Alaska Native alone	154	0.82%
Asian alone	2,423	12.87%
Native Hawaiian and Other Pacific Islander alone	50	0.27%
Some other race alone	2,641	14.03%
Two or more races:	631	3.35%

3. Hispanic or Latino Ethnicity	Total	% of Total
Not Hispanic or Latino	8,589	45.64%
Hispanic or Latino	10,231	54.36%

4. Age Distribution	Total	% of Total
Total:	18,820	
Male:	10,463	55.60%
Female:	8,357	44.40%
Under 5 years	1,620	8.61%
5 to 9 years	1,245	6.62%
10 to 14 years	1,203	6.39%
15 to 19 years	1,239	6.58%
20 to 24 years	1,610	8.55%
25 to 29 years	1,797	9.55%
30 to 34 years	1,449	7.70%
35 to 39 years	1,193	6.34%
40 to 44 years	1,361	7.23%
45 to 49 years	1,496	7.95%
50 to 54 years	1,016	5.40%
55 to 59 years	986	5.24%
60 and 61 years	302	1.60%
62 to 64 years	300	1.59%
65 and 66 years	186	0.99%
67 to 69 years	298	1.58%
70 to 74 years	537	2.85%
75 to 79 years	485	2.58%
80 to 84 years	272	1.45%
85 years and over	225	1.20%

5. Education	Total	% of Total
Population 25 years and over	11,903	
Less than 9th Grade	3,322	27.91%
9th - 12th, no diploma	1,924	16.16%
High school graduate, GED, or alternative	2,909	24.44%
Some college, no degree	2,158	18.13%
Associate's degree	476	4.00%
Bachelor's degree	704	5.91%
Graduate or professional degree	410	3.44%

Demographics of the Study Area

6. Median Income	Household	Family
Census Tract 1	14,378	19,138
Census Tract 3	33,060	42,802
Census Tract 4.01	52,645	61,339
Census Tract 4.02	17,322	31,523
Census Tract 7	39,570	44,107
City of Stockton Median Income	47,426	53,131

7. Housing Units	Total	% of Total
Total Housing Units	8,237	
Occupied	6,908	83.87%
Owner occupied	1,726	
Renter occupied	5,182	
Vacant	1,329	16.13%

8. Housing Tenure	Total	% of Total
Tenure by Household Size		
Owner Occupied Housing	1,726	100.00%
Householder 15 to 24 years	37	2.14%
Householder 25 to 34 years	205	11.88%
Householder 35 to 44 years	284	16.45%
Householder 45 to 54 years	381	22.07%
Householder 55 to 59 years	296	17.15%
Householder 60 to 64 years	60	3.48%
Householder 65 to 74 years	260	15.06%
Householder 75 to 84 years	170	9.85%
Householder 85 years and over	33	1.91%
Renter Occupied Housing	5,182	100.00%
Householder 15 to 24 years	547	10.56%
Householder 25 to 34 years	1,247	24.06%
Householder 35 to 44 years	998	19.26%
Householder 45 to 54 years	1,122	21.65%
Householder 55 to 59 years	192	3.71%
Householder 60 to 64 years	284	5.48%
Householder 65 to 74 years	385	7.43%
Householder 75 to 84 years	302	5.83%
Householder 85 years and over	105	2.03%
Tenure by Age of Householder		
Owner occupied	1,726	100.00%
Householder 15 to 24 years	37	2.14%
Householder 25 to 34 years	205	11.88%
Householder 35 to 44 years	284	16.45%
Householder 45 to 54 years	381	22.07%
Householder 55 to 59 years	296	17.15%
Householder 60 to 64 years	60	3.48%
Householder 65 to 74 years	260	15.06%
Householder 75 to 84 years	170	9.85%
Householder 85 years and over	33	1.91%

Demographics of the Study Area

8. Housing Tenure (continued)	Total	% of Total
Tenure by Age of Householder		
Renter occupied:	5,182	100.00%
Householder 15 to 24 years	547	10.56%
Householder 25 to 34 years	1,247	24.06%
Householder 35 to 44 years	998	19.26%
Householder 45 to 54 years	1,122	21.65%
Householder 55 to 59 years	192	3.71%
Householder 60 to 64 years	284	5.48%
Householder 65 to 74 years	385	7.43%
Householder 75 to 84 years	302	5.83%
Householder 85 years and over	105	2.03%

9. Age of Structure	Total	% of Total
Total:	8,237	100.00%
Built 2005 or later	26	0.32%
Built 2000 to 2004	74	0.90%
Built 1990 to 1999	366	4.44%
Built 1980 to 1989	441	5.35%
Built 1970 to 1979	608	7.38%
Built 1960 to 1969	1,054	12.80%
Built 1950 to 1959	995	12.08%
Built 1940 to 1949	999	12.13%
Built 1939 or earlier	3,674	44.60%

Source: 2005-2009 American Community Survey 5-Year Estimates

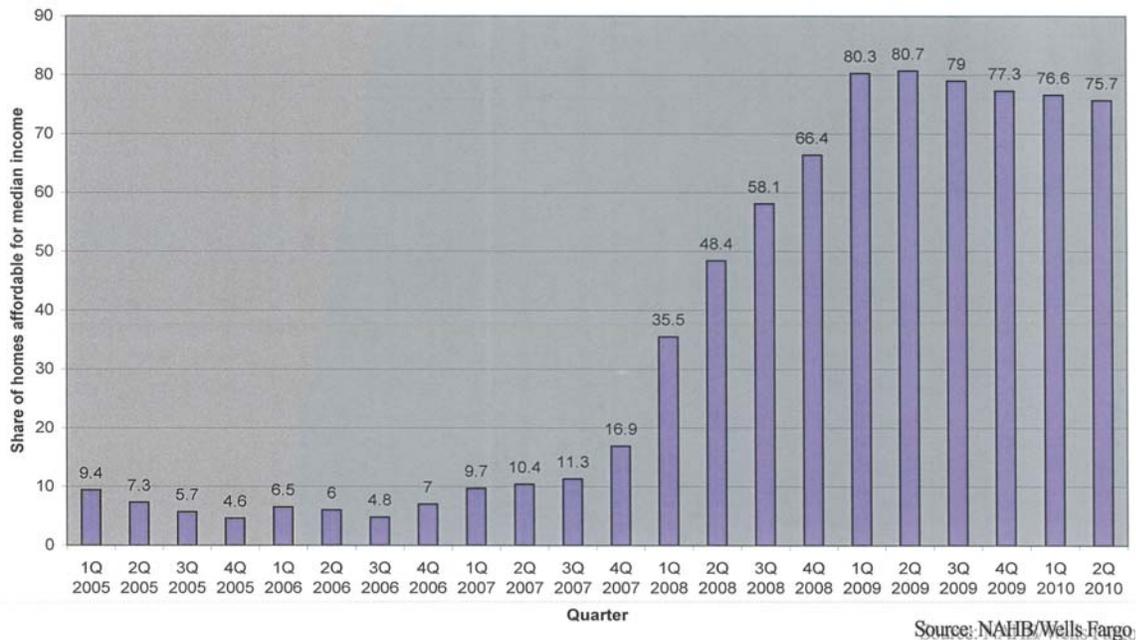
Stockton Housing Market

1. Housing Market Overview - Between 1998 and 2009, there was a significant boom and bust in local housing markets. Local markets exploded with construction and sales activity fueled largely by sub-prime loans for homeowners. According to data from the California Association of Realtors, from January 2002 to June 2006 the median home price in Stockton more than doubled, from about \$158,000 to \$390,000 and then fell back to around \$113,500 by February 2009. This trend occurred throughout California and in the surrounding cities of San Joaquin County, yet Stockton was one of the hardest hit markets in the nation when homeowners defaulted on sub-prime loans and went into foreclosure.

Since 2007, Stockton has been, and continues to be, disproportionately affected by foreclosures. Stockton and San Joaquin County have often led the nation in the number of foreclosures. From January 2008 through December 2011, almost 15,000 homes have gone through foreclosure. This represents almost one in every six homes. In addition, since the peak of home prices in 2006, the value of a median-priced house in Stockton has declined by 68%, (from \$376,500 in January 2006 to \$119,000 in October 2011).

One positive effect of the foreclosure crisis is that homes are now more affordable. In 2006, less than 5 percent of households in Stockton could afford a median priced home. Today, almost 85% of households can afford homes. See the exhibit below for a summary of Stockton's housing affordability index.

Stockton affordability index



Stockton Housing Market

2. Market Snapshot for 2011 (source: PMZ Real Estate)



3. Housing Stock - Single-family detached homes make up the majority of the City's housing stock. In 2008, they represented 65% of the housing units. Large multi-family complexes (5 or more units) make up the next largest segment, accounting for 18% of the housing stock. This is followed by small multi-family complexes (9%), attached single-family units (7%), and mobile homes (1%).

Within the Study Area, 44% of the units are single-family units. The majority were constructed over 30 years ago, with 44% of them units constructed over 70 years ago. The following chart summarizes the housing characteristics within the Study Area and the City.

Stockton Housing Market

Housing Summary Study Area, Stockton				
	Study Area (2008)		City (2007)	
Total Housing Units	6,900		96,553	
Housing Types:				
Single-Family	3,032	43.9%	69,321	71.8%
2 to 4 units	997	14.4%	8,487	8.8%
5 or more units	2,854	41.3%	17,457	18.1%
Other	25	0.4%	1,288	1.3%
Age of Housing (occupied units):				
Less than 10 years	84	1.22%	14,551	16.2%
10 to 30 years	722	10.4%	26,350	29.4%
31 to 70 years	3,046	44.1%	39,899	44.5%
70+ years	3,056	44.2%	8,890	9.8%
Tenure (occupied units):				
Owner-Occupied Units	1,726	24.9%	49,327	55.0%
Tenant Occupied Units	5,182	75.1%	40,282	45.0%
Median Monthly Housing Cost				
Owner-Occupied Units		\$1,220		
Tenant-Occupied Units		\$715		
Sources: City of Stockton Housing Element, May 2010; American Community Survey				

- 4. Affordable Housing Needs** - The City of Stockton has a great need for affordable housing. Almost half of the households in the City have incomes at or below 80% of the Area Median Income (AMI). For renters, almost 70% have incomes at or below 80% AMI. Since almost 75% of the occupied units within the Study Area are occupied by renters, this demonstrates a great need for affordable housing within the Study Area.

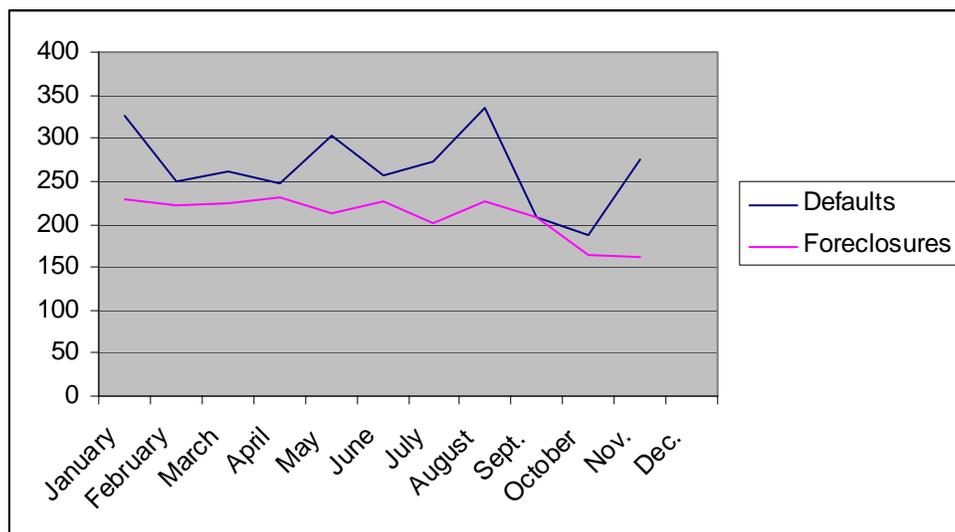
With the loss of Redevelopment and the continued reduction in federal funds, the City's ability to assist with the provision of affordable housing is diminishing. One additional funding source that the City has received resulting in affordable housing is \$16 million that the City has received through two allocations of Neighborhood Stabilization Program (NSP) funds. The Neighborhood Stabilization Program was

Stockton Housing Market

created in 2008 to help stabilize and revitalize communities most affected by foreclosures. To date, the City of Stockton has used the funds to acquire, rehabilitate and resell over 50 single-family homes to qualifying homebuyers and to purchase two apartment complexes, which together will provide over 50 affordable housing units.

- 5. Public Housing** – The Housing Authority of the County of San Joaquin manages the Housing Choice Vouchers Program (formerly Section 8) for all of San Joaquin County. This program provides assistance to help low-income residents of San Joaquin County, including residents of Stockton, to afford safe, decent, and sanitary rental housing. They also own and manage three public housing sites, including the Franco Center Apartments which is within the Study Area. The Franco Center Apartments, located on Washington Street across from the Stockton Police Department, consists of 110 studio and one and two bedroom apartments and provides affordable housing for income-eligible seniors. Their other sites are both located in south Stockton and provide affordable housing for low-income families. Conway Homes consists of 436 individual single - story family homes and duplexes, ranging from one to five bedrooms in size. Sierra Vista Homes consists of 391 single story and two story duplexes, triplexes, and four-plex family homes, also ranging from one to five bedrooms in size.
- 6. Foreclosures** – According to RealtyTrac U.S. Foreclosure Market Report, Stockton continues to experience housing foreclosures, which will keep land and housing costs down. In 2008, Stockton's foreclosure rate nearly doubled to 9.5 percent of all homes. In addition, the resale of foreclosed homes is keeping housing prices down. According to ForeclosureRadar.com, auction sale prices for foreclosed homes run an average of 28 percent less than estimated market value.

Defaults and Foreclosure Activity, Stockton 2011

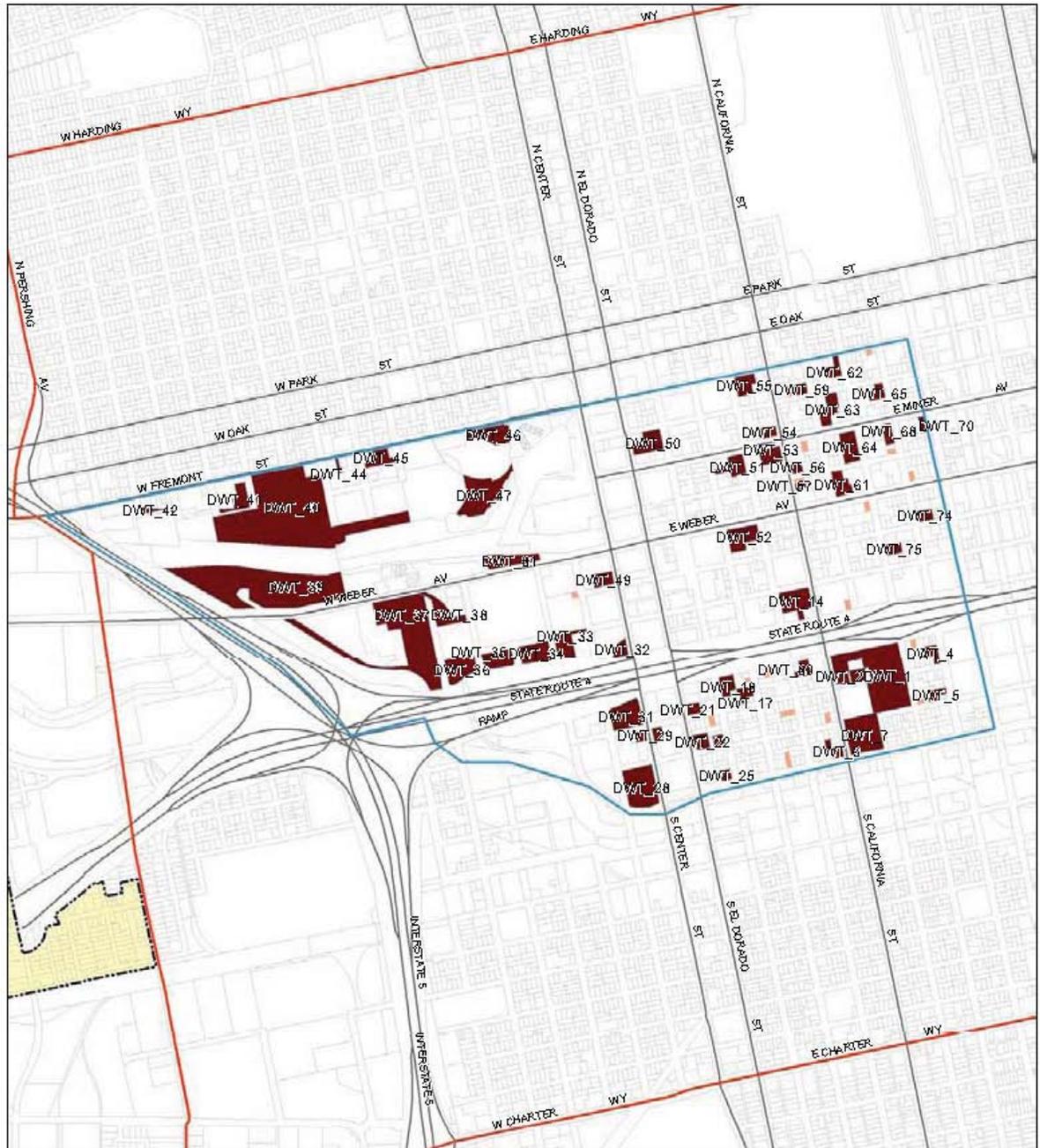


Stockton Housing Market

- 7. Planned Residential Development** – Only one known residential project is being planned within the Study Area. The Cabral Station Neighborhood Revitalization project envisions that the area surrounding the ACE Train Station in Stockton will include a combination of circulation improvements, street improvements, residential infill projects, and selective redevelopment projects to create a dense, viable, mixed-income neighborhood that will provide a number of civic, retail, and open space amenities for its residents in close proximity to downtown Stockton and connected to the greater Bay Area by the ACE commuter train service.
- 8. Potential Infill sites** – There are approximately 70 acres of housing opportunity sites (vacant and underutilized sites) within the study area, with a realistic unit capacity of 368 housing units. The City of Stockton Housing Element Appendix A: Residential Land Inventory (pages 4-182 through 4-193), provides detail for these parcels. The inventory for vacant underutilized sites includes all of the following characteristics:
- Vacant sites zoned for residential use;
 - Vacant sites zoned for non-residential use that allows residential development;
 - Residentially zoned sites that are capable of being developed at a higher density; and
 - Sites zoned for non-residential use that can be redeveloped for, and as necessary for, residential use.

The corresponding maps titled Housing Opportunity Sites: Greater Downtown Area and Housing Opportunity Sites: Downtown Area illustrate the locations of these sites. (see following exhibits)

Stockton Housing Market



Legend

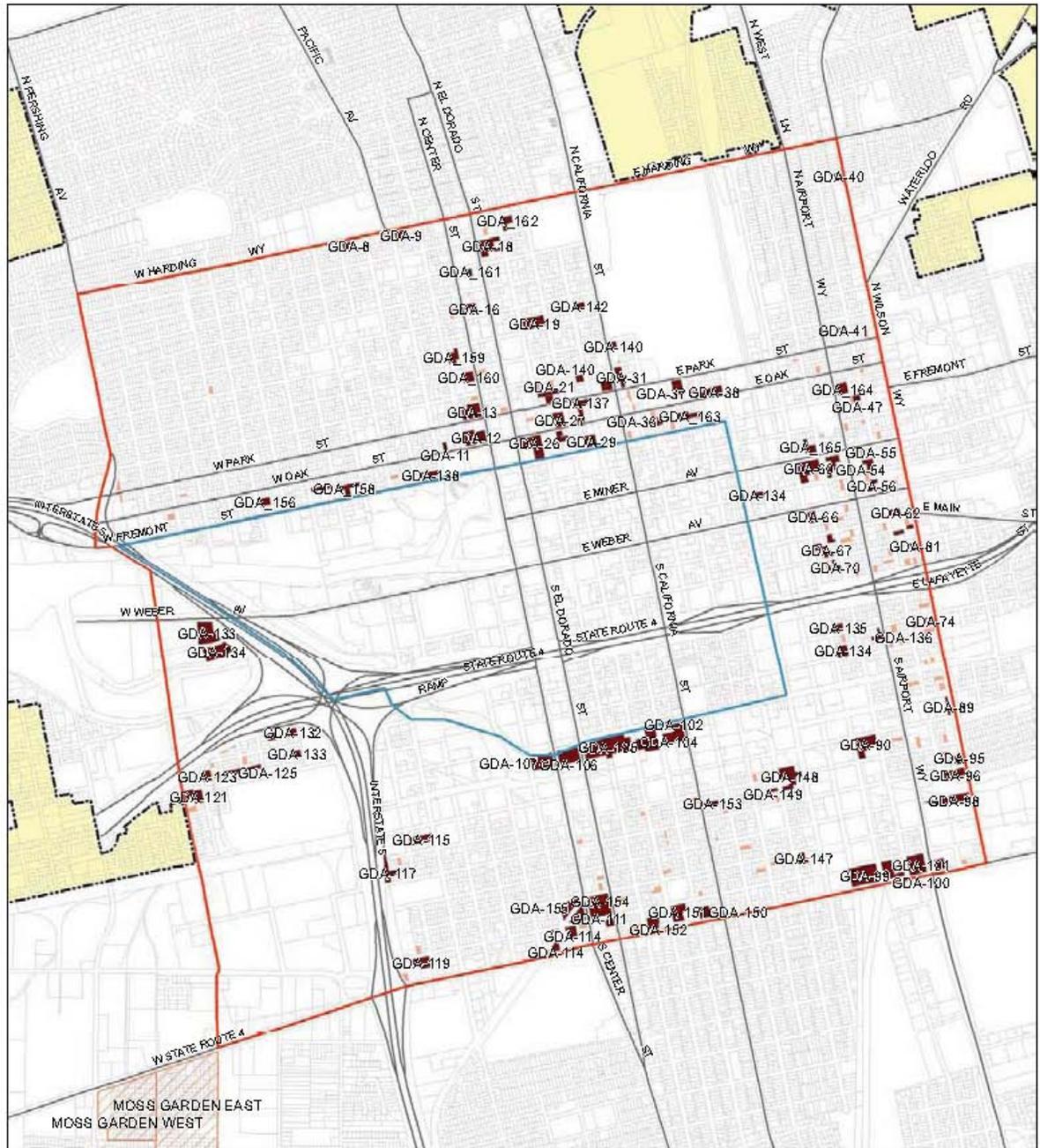
City Limits	Approved Subdivisions/Projects
Downtown - General Plan	Low Density Residential Sites
Greater Downtown Area	Small Single Sites
Major Streets	Housing Opportunity Sites

Miles
 0 0.075 0.15 0.225 0.3 0.375

mintierharnish
planning architects
 Source: City of Stockton, March 2009;
 Mintier Harnish, March 2009

Housing Opportunity Sites: Downtown Area

Stockton Housing Market



Legend

- City Limits
- Downtown - General Plan
- Greater Downtown Area
- Major Streets
- Approved Subdivisions/Projects
- Low Density Residential Sites
- Small Single Sites
- Housing Opportunity Sites


 0 0.1 0.2 0.3 0.4 0.5 Miles


 Source: City of Stockton, March 2009; Mintier Harnish, March 2009

 **Housing Opportunity Sites: Greater Downtown Area**

Stockton Housing Market

Residential Permit Activity - The following table provides a 10-year residential permit history for the City of Stockton. The pattern shows a surge in residential activity from 2003-2005, followed by a significant decline. Current housing permit levels are far below historical annual rates.

New Housing Units Based on Finaled Building Permits 2000-2011

Year	Total	Permit Type		
		Single-Family	2-4 Units	5+ Units
2000	1,163	1,135	12	16
2001	1,534	1,534	-	-
2002	1,750	1,675	3	72
2003	2,866	2,555	11	300
2004	2,945	2,640	39	266
2005	2,706	2,571	22	113
2006	1,507	1,392	29	86
2007	836	750	16	70
2008	342	311	10	21
2009	257	196	6	55
2010	162	162	-	-
2011	182	131	1	50
Total	16,250	15,052	149	1,049
Annual Avg.	1,354	1,254	12	87

Source: City of Stockton Community Development Department, 2011

Retail Market

Retail Market Overview – Total retail inventory in the Stockton area is estimated at 7,780,032 square feet at the end of the fourth quarter 2011, according to the attached C.B. Richard Ellis report. With approximately 769,970 square feet, the vacancy rate was 9.9%. Net absorption was negative 15,884 square feet. The fourth quarter ended with 100,000 square feet under construction, or awaiting final permitting.

The retail market has certainly struggled downtown. While the area around the cinema rents for \$1.50 to \$1.80 per square foot triple net, other retail space may rent for \$0.75 per square foot modified gross. Just as with office space, the retail sector is struggling to find creative uses to fill their space.

Retail Competition– The downtown area retail market faces competition from several regional shopping centers, power centers and retail strip centers located along the arterials. Some of the more notable shopping centers within 10 miles of downtown include Park West Place, Weberstown Mall, Sherwood Mall, Stone Creek Village, Lincoln Center, the Miracle Mile, and retail along March Lane.



Quick Stats

	Current	Yr.	Qtr.
Vacancy	9.3%	↓	↓
Avg. Asking Lease Rate	\$1.37 NNN	↑	↓
Net Absorption*	7,605 SF		↓
Under Construction	490,000 SF	↑	↔
Completed Construction	0 SF	↔	↔

*The arrows are trend indicators over the specified time period and do not represent a positive or negative value. (e.g., absorption could be negative, but still represent a positive trend over a specified period.)

Hot Topics

- A Walgreens Drug Store will anchor a proposed 43,230 square foot neighborhood shopping center. The project, on 5.6 acres at 7850 West Lane, has Walgreens as the only confirmed tenant.
- Construction has begun on a Walmart Supercenter in north Stockton with an opening expected by this time next year. It is Stockton's second Walmart Supercenter; the other is at 3223 E. Hammer Lane.
- John's Incredible Pizza Co., unable to reach "satisfactory terms" as it sought a lease renewal, called it quits in Stockton and closed its 44,000 SF pizza and entertainment palace at March Lane and Pershing Avenue.



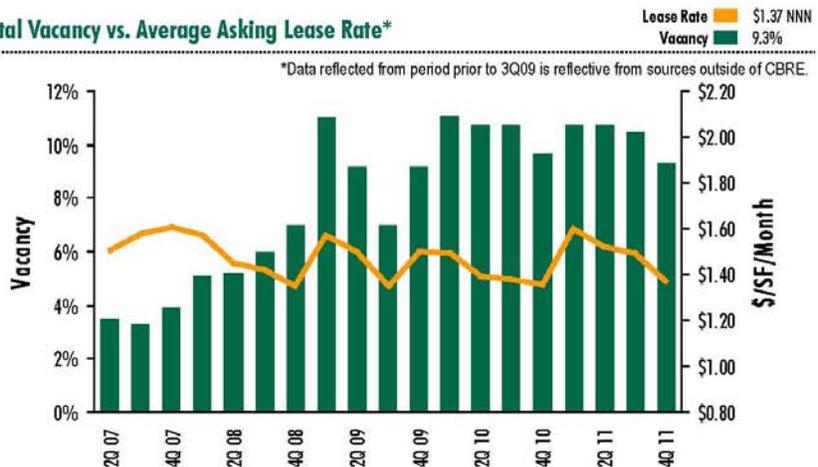
The fourth quarter saw positive signs of life in the Central Valley retail market. It was apparent, based on the increased volume of completed transactions, that landlord and tenant expectations were finally starting to align. The shift led to an increase in positive absorption and overall tenant confidence. Strong retail sales figures and holiday sales forecasts provided a much needed shot in the arm to many tenants. The optimism led to an increase in active requirements for retail space from local, as well as franchise and corporate concepts in the local region.

The tough economic conditions throughout the Central Valley continued to deter high-end concepts from entering the marketplace. High unemployment rates coupled with relatively low household income levels drove the emergence and expansion of new discount-oriented retail operations. During the fourth quarter, a transaction was completed between Centro Mart and Dollar General for the purchase of the four remaining Centro Mart locations in the Central Valley by the discount concept who has been making a strong push into the area.

The demographics in the Central Valley have also proven to be a driving force behind new retail requirements. Hispanic population levels in Stanislaus and San Joaquin Counties have increased by roughly 23% over the last ten years which has created an obvious need for retail uses to serve the increasing Hispanic community. Two new retail locations were announced during the fourth quarter which reflect this ongoing trend. Mi Pueblo Food Center out of San Jose is set to open a new location in Tracy, and Ranch San Miguel of Stockton will begin operation of their fifth location in Livingston.

Further retail development remains on hold in the Central Valley with a surplus of existing inventory yet to be absorbed. The few active retail construction projects were tenant-driven and any new projects will likely be as well, until inventory is reduced to a point where tenant demand and achievable rents justify new construction.

Total Vacancy vs. Average Asking Lease Rate*



© 2011, CBRE

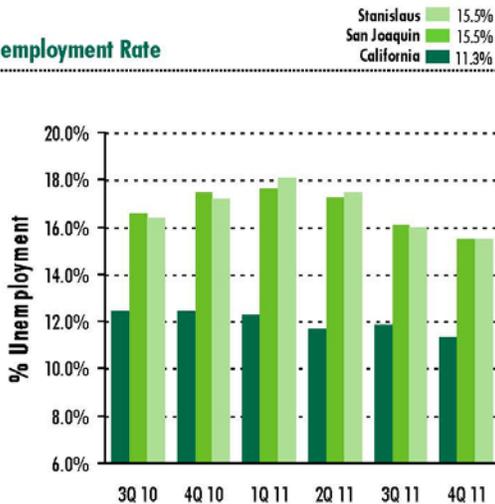
Retail Market

Market Statistics

Submarket	GLA SF	Vacant SF	Vacancy Rate %	Availability Rate %	Net Absorption SF	Under Construction SF	Avg Asking Lease Rate \$/SF/MO
Ceres	454,202	39,421	8.7%	8.7%	(500)	0	\$1.52
Lathrop	136,832	13,725	10.0%	10.0%	0	0	\$1.71
Lodi	1,553,634	99,546	6.4%	6.5%	38,208	300,000	\$1.34
Manteca	2,235,675	269,307	12.0%	17.5%	(55,407)	0	\$1.61
Modesto	8,731,907	662,689	7.6%	9.1%	(10,440)	90,000	\$1.20
Ripon	190,828	20,700	10.8%	10.8%	25,199	0	\$1.21
Riverbank	620,252	7,380	1.2%	11.9%	0	0	\$1.25
Salida	13,700	4,881	35.6%	35.6%	2,874	0	\$2.00
Stockton	7,780,032	769,970	9.9%	12.4%	(15,884)	100,000	\$1.30
Tracy	2,941,417	336,087	11.4%	14.3%	(9,070)	0	\$1.89
Turlock	2,933,658	340,901	11.6%	18.1%	32,625	0	\$1.22
Market Total	27,592,137	2,564,607	9.3%	12.2%	7,605	490,000	\$1.37
Community Center	5,010,278	673,823	13.4%	21.6%	19,625	0	\$1.32
Freestanding	1,339,121	112,601	8.4%	9.2%	(5,972)	100,000	\$1.14
Lifestyle	775,036	53,884	7.0%	9.3%	0	0	\$1.26
Neighborhood Center	8,412,980	782,608	9.3%	10.0%	(37,120)	90,000	\$1.40
Power Center	5,317,376	209,095	3.9%	9.1%	1,747	300,000	\$1.76
Regional Center	3,914,315	188,555	4.8%	5.8%	15,939	0	Varies
Strip/In-Line	2,823,031	544,041	19.3%	20.0%	13,386	0	\$1.26
Market Total	27,592,137	2,564,607	9.3%	12.2%	7,605	490,000	\$1.37

Note: Only retail properties over ±5,000 square feet are included in this survey. Rates are based on price per square foot, per month, NNN.

Unemployment Rate

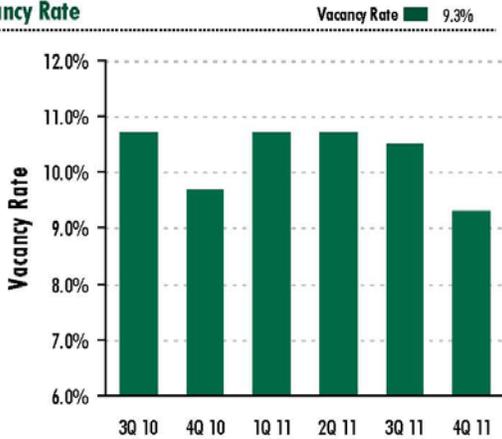


Both Stanislaus and San Joaquin counties experienced a decrease in the unemployment rate for the third consecutive quarter to close out 2011 on a positive note. Stanislaus decreased from 16.0% to 15.5% while San Joaquin declined from 16.1% to 15.5%. Stanislaus jobs decreased by 2,300 while San Joaquin decreased by 2,900.

The State of California recorded an unemployment rate of 11.3% as of November 2011 while the U.S. unemployment rate was 8.6%.

Retail Market

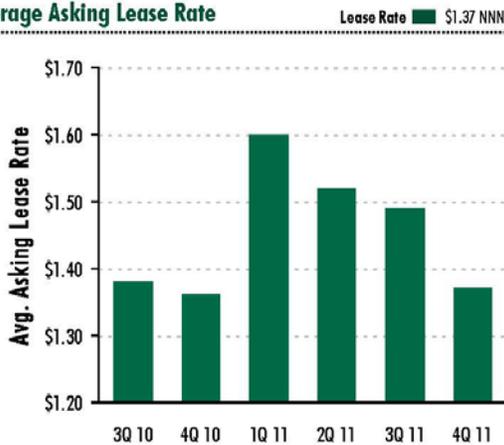
Vacancy Rate



Retail vacancy rates in the Central Valley were noticeably lower in the fourth quarter of 2011 than at any point previously in the year. This is an encouraging sign for the overall condition of the retail market, and reflects the positive absorption and tenant stabilization that has taken place in recent months.

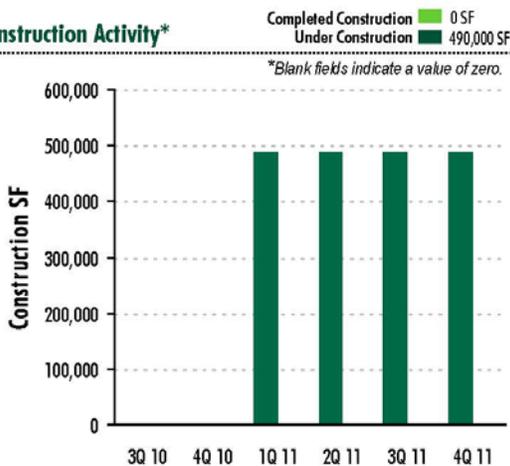
Prime pad and end-cap spaces continued to be in high demand, although the limited inventory of prime space will require tenants to start looking towards in-line and secondary locations as the trend continues.

Average Asking Lease Rate



The fourth quarter statistics reflect a drop in the average asking lease rate for retail space. This may however, be a result of more accurate market research rather than an actual trend in reduced asking rents. In today's market, most asking rental rates on marketing material are used as a starting point to negotiate from. With such little competition for standard "shell" retail space, it can be assumed that most reasonable landlords would be willing to negotiate with both lease rates and concessions for qualified tenants.

Construction Activity*



Construction activity remained tenant-driven and is generally limited to single-tenant developments such as drug stores, fast food or bank sites. There are a small number of multi-tenant retail developments under construction currently, but they have been in progress for years and only broke ground once the bulk of the tenants were secured. A high volume of existing inventory along with relatively high development costs in relation to market rents, make new construction financing nearly impossible to obtain without credit-worthy tenants in place.

Retail Market

MarketView Central Valley Retail

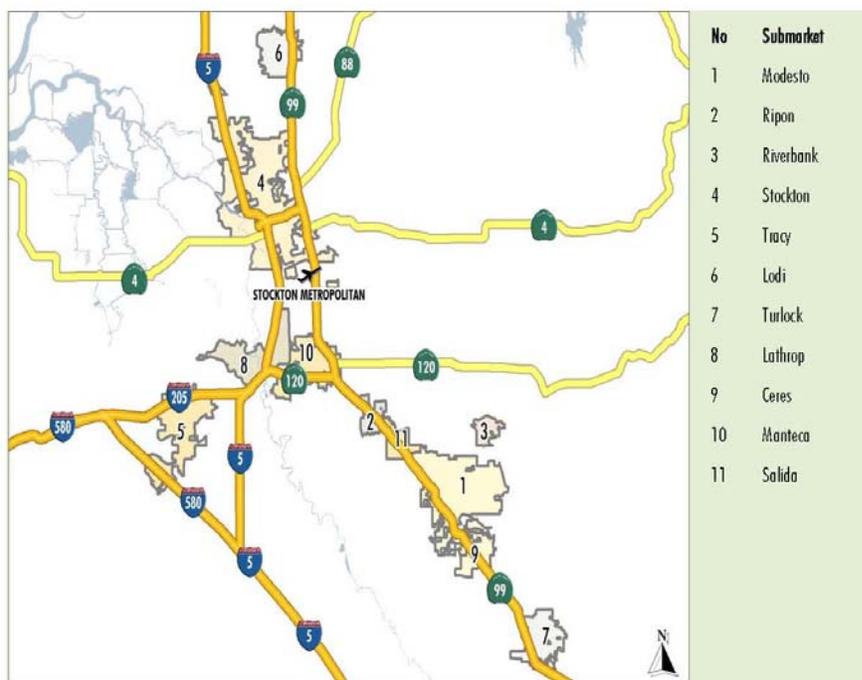
4Q 2011 Sale Transactions

Size (SF)	Buyer	Address
150,000	Halle Properties, LLC	Home Depot, 250 Commerce Ave, Manteca
60,849	MO Manteca, LLC	Raley's, 1280 W Lathrop Rd, Manteca
16,125	Gerry Schwarzblatt Trust	Smart & Final, 801 9 th St, Modesto

4Q 2011 Lease Transactions

Size (SF)	Tenant	Address
40,000	Mi Pueblo Food Cener	3225 N Tracy Blvd, Tracy
14,805	Dollar General	510-560 N Main St, Tracy
5,165	Roger Dunn Golf	5759 Pacific Ave, Stockton

Submarket Map



Market Definitions

Asking Lease Rate

Average of Asking Lease Rates for each property weighted by the associated Available Space. Includes Direct Available Space unless otherwise indicated

Completions

Rentable Building Area completed during the period

Market Coverage

'Existing' completed competitive properties

Net Absorption

The change in Occupied Sq. Ft. during the period for all Existing properties

Gross Leasable Area (GLA)

The sum of the Rentable Building Area for all competitive properties

Occupied Square Feet

Rentable Building Area less Vacant Space

Under Construction

Buildings that have begun construction as evidenced by site excavation or foundation work and is on-going

Available Space

Space being marketed to potential occupants, in Rentable Sq. Ft. (direct and sublease combined, unless otherwise indicated)

Availability Rate

Available space as a percentage of the Base Inventory or Building Sq. Ft

Vacant Space

Available Space that is physically vacant, in Rentable Sq. Ft

Vacancy Rate

Vacant space as a percentage of the Base Inventory or Building Sq. Ft

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Office Market

Office Market Overview - Total Class-A office inventory in the downtown market area amounted to 3,424,525 square feet as of the end of the fourth quarter 2011. According to the attached report by C.B. Richard Ellis, the downtown market ended 2011 with a vacancy rate of 21.8%. The vacancy rate was down over the previous quarter, with net absorption totaling 1,183 square feet in the fourth quarter. Rental rates of Class-A office space over 5,500 square feet averaged \$1.36 per square foot. The fourth quarter ended with 32,000 square feet under construction, or awaiting final permitting.

Due to the older building stock, there is difficulty in addressing the condition of the space to be rented and updates required to accommodate the user's needs. Building owners are very motivated to build-out their space, but not sure what industries to target. Depending on the condition of the space, rent downtown for Class-B or Class-C office space can vary anywhere from \$0.50 to \$1.30 per square foot per month and the lease format would be typically "modified gross" where the tenant pays only janitorial and utilities. The monthly industry average downtown is typically \$0.08 to \$0.10 per square foot for janitorial and \$0.15 to \$0.18 per square foot for electric. Even with lease rates on the low end, motivated building owners have been offering one months free rent, moving allowances and free parking in a desperate attempt to attract tenants. However, vacancy rates of rentable Class-B and Class-C space downtown hovers around 50%.

Other factors to consider for building owners include the overall costs to run the building and the cost of parking. For buildings that are dependent on City parking lots, the cost to lease is increased by about \$0.10 per square foot – sometimes more.

Because of the challenges with filling downtown office space, many landlords are searching for creative or alternative uses to fill their buildings. For example, one downtown developer has been targeting educational uses, such as charter schools and accompanying uses.

Office Competition– There is a handful major office centers in the Stockton area that compete with downtown. These include several areas along March Lane, Robinhood Drive, Trinity Parkway, and a smaller pocket in the Brookside neighborhood on the west end of March Lane. Due to the updated vacant office space in these alternative areas, many office tenants tend to fill these spaces before considering downtown.



CBRE

MarketView

Central Valley Office

www.cbre.com/research

Fourth Quarter 2011

Quick Stats

	Current	Yr.	Change from last	Qtr.
Vacancy	17.0%	↑	↑	↑
Avg. Asking Lease Rate	\$1.33 FSG	↓	↓	↓
Net Absorption*	(2,043) SF	↑	↑	↑
Under Construction	32,000 SF	↔	↔	↔
Completed Construction	0 SF	↓	↔	↔

*The arrows are trend indicators over the specified time period and do not represent a positive or negative value. (e.g., absorption could be negative, but still represent a positive trend over a specified period.)

Hot Topics

- The market recorded 2,043 SF of negative net absorption in the fourth quarter.
- Market activity has been limited to renewals and to the movement of tenants to higher quality, Class A properties. The decreasing availability of Class A properties is beginning to have an effect on certain Class B locations.
- There was no completed construction in the fourth quarter of 2011.
- Average asking lease rates saw a slight decrease to \$1.33/SF FSG in the fourth quarter.

The Central Valley office market continued to fluctuate during the fourth quarter with bifurcated trends between property class and submarkets. The overall market recorded almost 26,000 SF of negative net absorption in 2011 and saw the vacancy rate increase slightly to 17.0% compared to 16.1% at the end of 2010. By dissecting these numbers further we see activity in the most desirable submarkets has generally increased and within the core Class A product the vacancy rate is continuing to fall.

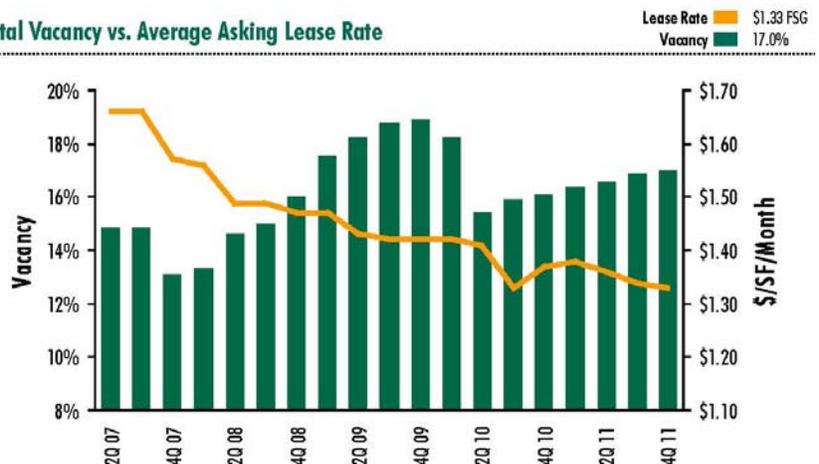
As economic conditions remain difficult to predict there is a level of hesitancy in deal making. Termination or contraction options are present in most new leases. Deal velocity has been greatest in Downtown Modesto, North Central and Northwest Stockton submarkets. Class B activity continues to be sparse, however tenants entering the marketplace are finding less options compared to a year ago and the contraction in Class A markets is beginning to have an effect on select Class B locations. For owners outside of the core markets, attracting activity and retaining existing tenants continues to be a challenge. Landlords possessing top of market Class A

properties are beginning to limit the heavy incentive packages as occupancy reaches acceptable levels.

Overall the market has continued to see consolidations as well as some smaller entities closing offices driving the aggregate availability rate up from 17.1% in the first quarter to 18.1% at the end of the year. Additionally, the majority of activity has remained limited to renewals and to tenants relocating to higher quality spaces, rather than new tenants entering the market.

As a byproduct of the continued improvement within top tier locations and submarkets, there are signs of life for stabilized investment sales. Buyers frustrated by a lack of acceptable opportunities in larger neighboring markets are expanding their search to include the Central Valley. As of the end of the fourth quarter CBRE is tracking multiple investment grade projects under contract as well as a few notable new offerings recently introduced to the market which are receiving a high level of interest. Going into 2012 anticipate a few market setting investment transactions to occur during the first half of the year.

Total Vacancy vs. Average Asking Lease Rate



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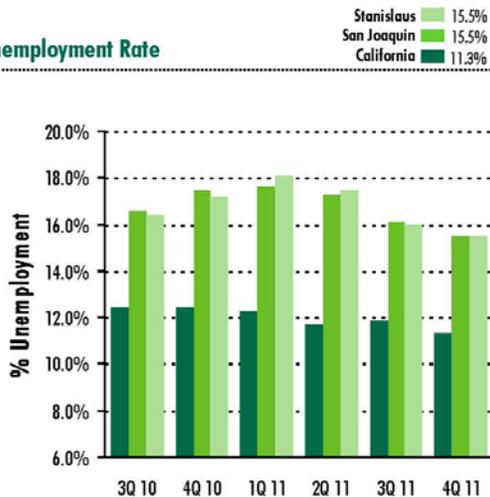
Office Market

Market Statistics

Submarket	Net Rentable Area	Vacant SF	Vacancy Rate %	Availability Rate %	Net Absorption SF	YTD Net Absorption	Under Construction SF	Avg Asking Lease Rate \$/SF/Mo
Downtown	3,424,525	745,280	21.8%	21.7%	1,183	9,960	32,000	\$1.36
Lodi	830,127	167,768	20.2%	21.6%	(2,209)	(14,815)	0	\$1.28
Manteca/Lathrop	659,673	150,661	22.8%	22.8%	2,553	8,354	0	\$1.46
Modesto	3,915,404	548,230	14.0%	15.0%	(4,571)	(13,884)	0	\$1.41
North Central Stockton	2,504,450	355,307	14.2%	17.7%	(876)	9,958	0	\$1.20
Northwest Stockton	1,337,665	174,112	13.0%	13.2%	(2,706)	(22,413)	0	\$1.41
Tracy	414,582	87,276	21.1%	20.7%	4,583	(4,704)	0	\$1.19
Market Total	13,086,426	2,228,634	17.0%	18.1%	(2,043)	(27,544)	32,000	\$1.33

NOTE: Only existing single and multi-tenant office properties over 5,000 sq. ft., excluding government-owned buildings and medical buildings, are included in this survey. Average asking rate is based on direct leases only; excludes sublease space. Rates are based on price per square foot, per month, for full service.

Unemployment Rate

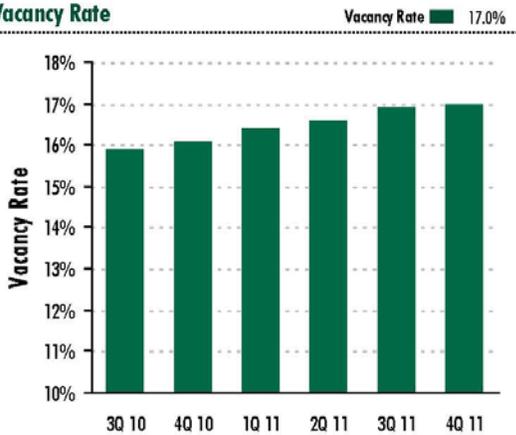


Both Stanislaus and San Joaquin counties experienced a decrease in the unemployment rate for the third consecutive quarter to close out 2011 on a positive note. Stanislaus decreased from 16.0% to 15.5% while San Joaquin declined from 16.1% to 15.5%. Stanislaus jobs decreased by 2,300 while San Joaquin decreased by 2,900.

The State of California recorded an unemployment rate of 11.3% as of November 2011 while the U.S. unemployment rate was 8.6%.

Office Market

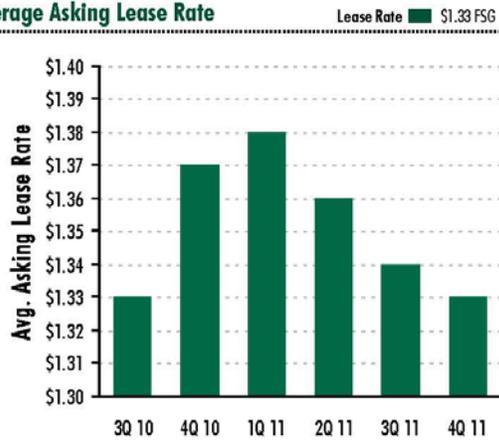
Vacancy Rate



The vacancy rate finished the fourth quarter at 17.0% and has now seen modest increases for seven consecutive quarters. Manteca/Lathrop reported the highest vacancy rate in the market, at just under 23%. The Central Valley's most desirable submarket, Northwest Stockton, was the only submarket with a vacancy rate below 14%.

The majority of activity stemmed from renewals or tenants upgrading from lower quality space. It is speculated that vacancy rates for Class A properties will continue to decrease. Select, well-located Class B properties have begun to see positive activity as a result of the decline of availability in Class A properties.

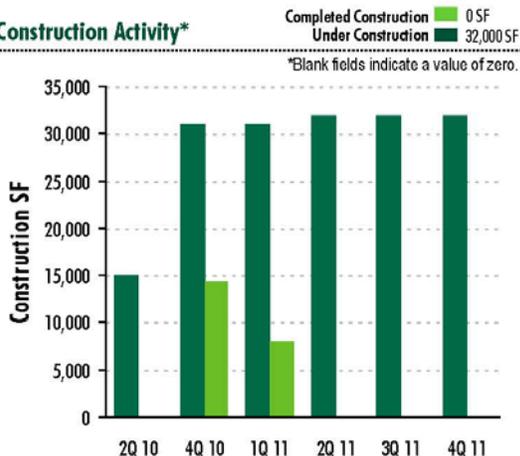
Average Asking Lease Rate



The average asking lease rate has decreased by \$0.01/SF full service gross (FSG) from last quarter, finishing the year at \$1.33/SF FSG, and is expected to remain relatively stable for the next few quarters. Rates in Class A properties have likely stabilized while Class B and C rates will likely continue to feel downward pressure until activity increases.

REO and distressed property sales, typically Class B and C properties, could potentially play a role in keeping asking rates down, as new owners with lower costs are able to offer lower rates.

Construction Activity*



Construction activity remained flat in the fourth quarter with a total of 32,000 SF under construction, all in the Downtown submarket. There is 23,000 SF under construction for the Department of Home Land Security as well as a 9,000 SF medical build-to-suit. There was no completed construction in the fourth quarter. Construction activity remains limited to build-to-suit and pre-leased projects, primarily with government tenants.

Looking forward, there remains a lack of entitled land within the Central Valley. As markets continue to stabilize, there will begin to be a demand for well-located, build-ready sites.

Office Market

MarketView Central Valley Office

4Q 2011 Significant Sale Transactions

Size (SF)	Buyer	Address
7,560	Center for Sight	1899 W March Lane, Stockton

4Q 2011 Significant Lease Transactions

Size (SF)	Tenant	Address
6,880	iMortgage	3555 Deer Park Dr, Stockton
6,710	Catholic Healthcare West	510 E Magnolia St, Stockton
5,202	WMB Architects, Inc	5757 Pacific Ave, Stockton

Submarket Map



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Rentable Building Area completed during the period

Market Coverage

'Existing' completed competitive properties

Net Absorption

The change in Occupied Sq. Ft. during the period for all Existing properties

Base Inventory, Base or Building Square Feet (NRA)

The sum of the Rentable Building Area for all competitive properties

Occupied Square Feet

Rentable Building Area less Vacant Space

Under Construction

Buildings that have begun construction as evidenced by site excavation or foundation work, and is on-going

Available Space

Space being marketed to potential occupants, in Rentable Sq. Ft. (direct and sublease combined, unless otherwise indicated)

Availability Rate

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Vacant Space

Available Space that is physically vacant, in Rentable Sq. Ft

Vacancy Rate

Vacant space as a percentage of the Base Inventory or Building Sq. Ft

Section 6

Government Activity

Type of Government and Organizational Structure

Sources of Revenue

Critical Issues

Redevelopment Efforts

Special Services District (Business Improvement District)

Current Plans Affecting the Study Area

Government Initiatives Affecting the Study Area

Regulations Affecting the Study Area

Type of Government and Organizational Structure

Type of Government – Stockton's current form of government is that of City Manager-Council. The City Council is the governing body for the City of Stockton. The Council consists of seven (7) members, six (6) Council members and the Mayor, each of whom have the right to vote on all matters coming before the Council. The six (6) Council members are nominated from districts and elected by the City at-large. The Mayor and Council members are limited to no more than two (2) terms; however, service prior to January 1, 1989 does not disqualify any person from further service.



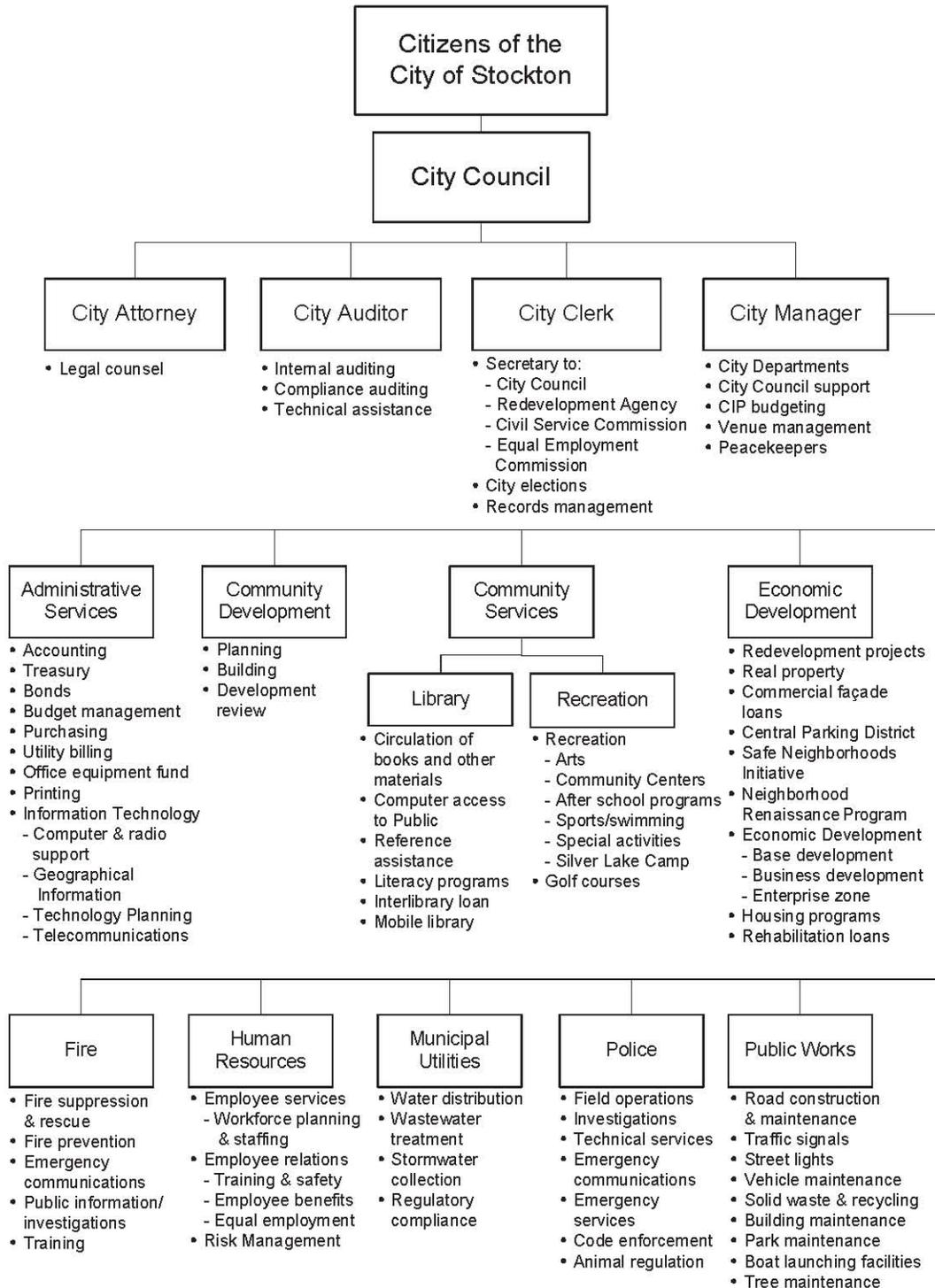
The City of Stockton is a charter city. A city charter works similar to a constitution. City charters are adopted, amended or repealed by a majority vote of the city's citizens. Under a charter, cities are allowed to tailor its elective offices and organizations to the unique local needs and conditions. A charter transfers power from the state legislature to the city in regards to the cities municipal affairs. This gives the cities voters more control over their local government. However, cities operating under a charter are still subject to general laws passed by the state legislature, which are not municipal in nature.

In general charter cities are allowed more freedom to make decision where general law cities must follow a number of California Codes including government codes, labor codes and election codes.

The organization of the City of Stockton is shown on the following page. All of the departments shown are responsible for delivering services that impact the quality of life in the study area. On file for review by the ULI Panel Members will be the 2011-2012 Annual Budget which provides more information on the organizational structure and priorities for 2012.



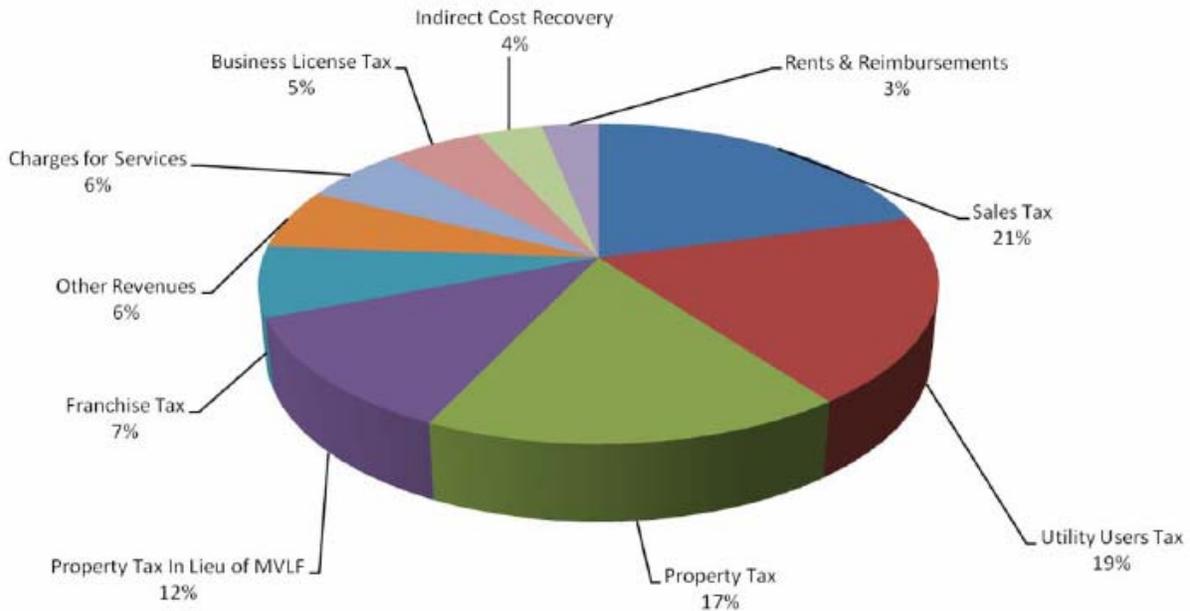
Type of Government and Organizational Structure



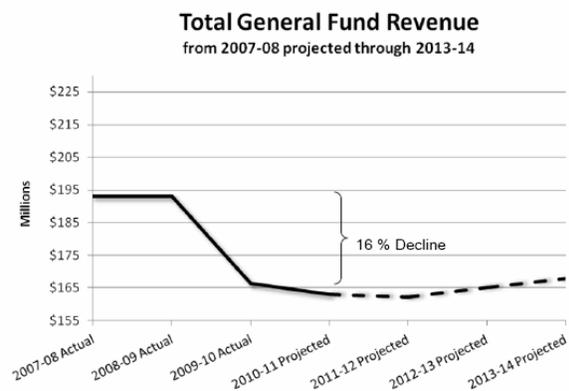
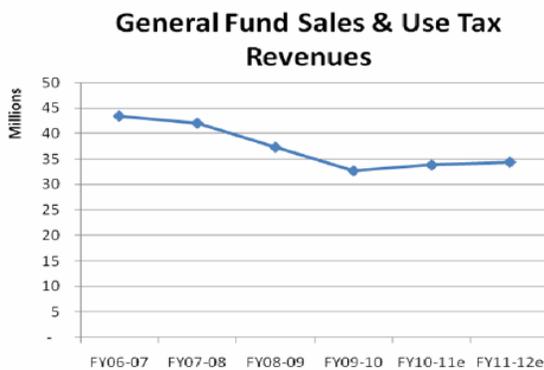
Sources of Revenue

Sources of Revenue – The City of Stockton’s total budget for fiscal year 2011-2012 is \$603,458,802. The General Fund is comprised of the following revenue sources:

FY2010-11 General Fund Revenues

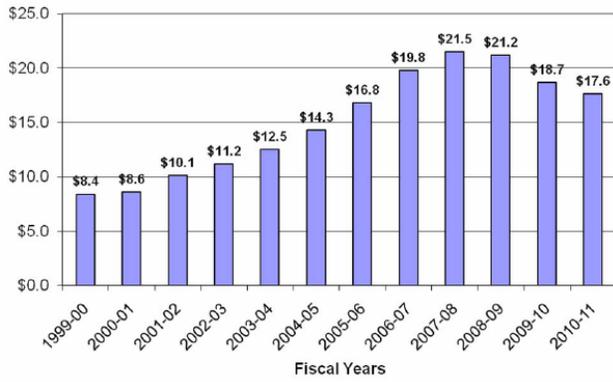


The illustrations below and on the following page provide a summary of the major growth/revenue changes in the City. Construction activity has severely declined. Due to declining property values, the amount of property taxes paid to the City of Stockton has drastically declined for each of the past five years. The size of city government has been reduced, yet the cost of government has continued to rise.

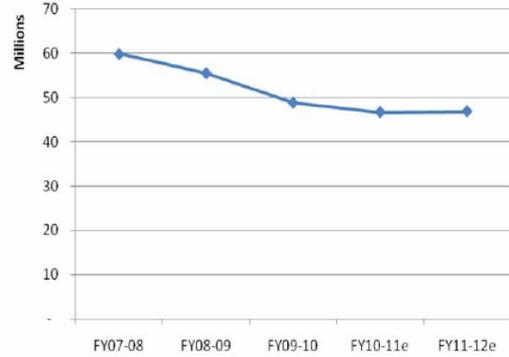


Sources of Revenue

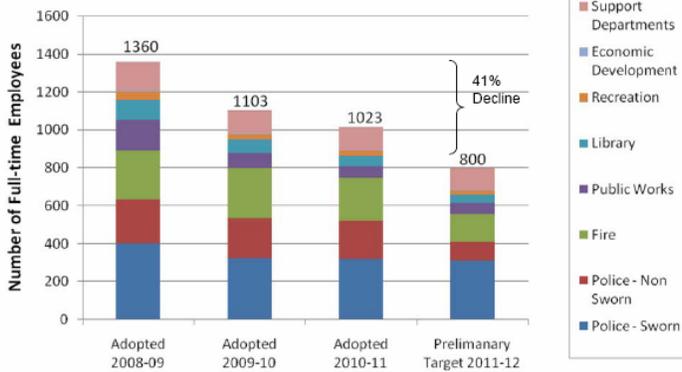
Stockton Assessed Value of Property (in \$ billions)



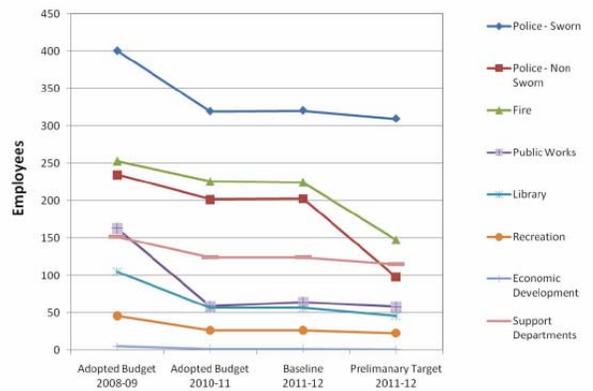
General Fund Property Tax Revenues



Personnel Change by Department
(Adopted 2008-09 to Preliminary Target 2011-12)



Staff Reductions by Program



Critical Issues

Below are critical issues that impact development in the Study Area and must be considered:

Regulatory Barriers - Zoning ordinances are one of the most common barriers for developers in the study area. Conventional zoning codes tend to encourage lower-density, single-use and automobile dependent land use. Zoning codes limiting densities and building heights may work in direct conflict with the types of high density or mixed-use projects suitable for infill areas. When zoning codes are not conducive to infill development, developers must pursue rezoning ordinances or numerous variances which can impact a project to the point where it may be no longer financially feasible to build. Another barrier is the complexity of the planning review and permitting processes. Most municipal codes and regulations prohibit or discourage mixed use, narrow streets and driveways, and wider sidewalks. The time and complications associated with lengthy review processes are usually compounded in infill areas.

Lack of Investment and Job Creation – It is no secret that Stockton has been hit harder by the recent recession than other communities. The current unemployment rate hovers around 20 percent. The per capita income is 37% less than the statewide average and the much publicized foreclosure rate is currently third in the nation. The City's relative success in this area has an indirect impact on our public safety goal.

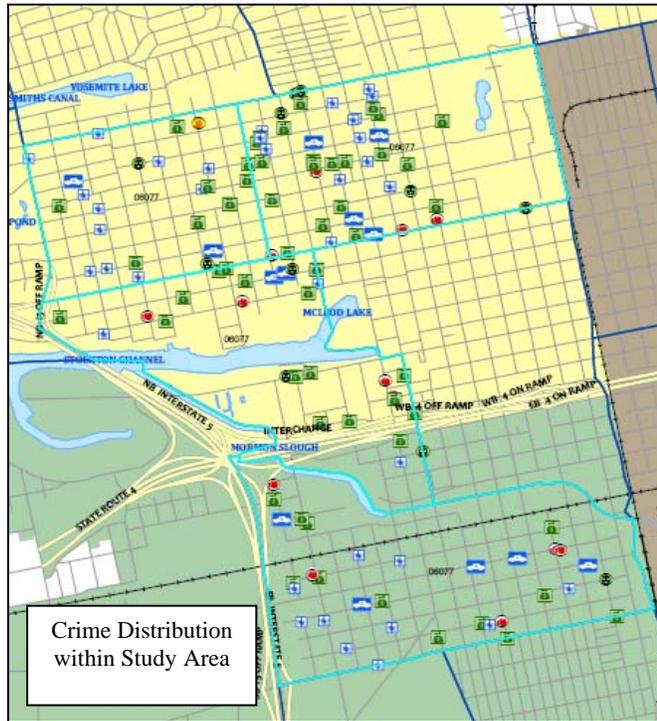
The City cannot control or make an impact on parts of the economy. However, as a regulatory and land use planning agency, it can have a potentially great impact on businesses that wish to expand or locate here. Furthermore, many of the regulatory plans, e.g. General Plan, Development Code, development fees, were developed when the City was experiencing huge growth.

As a result, the City would benefit from a top down assessment of its regulatory plans, fee structure, departmental performance and the underlying factors that support it – all with the goal of retooling the organization to support economic activity that will produce jobs without unduly harming the environment. The City needs to completely rethink its regulatory role and organizational performance, including organizational culture, all through a new lens.

Again, notwithstanding its direct service delivery role, the City should support the convening of the various stakeholders that impact its economy, e.g. San Joaquin Partnership, Port of Stockton, San Joaquin County, Council of Governments, in order to develop an actionable Economic Development Plan. This project should assess the economic trends, our strengths and weaknesses, and develop street level plans to accentuate the strengths and minimize our weaknesses all with the goal of enhancing economic investment that produces jobs for our citizenry.

Critical Issues

Public Safety, both real and perceived – The level of crime in Stockton is unacceptable. The sense of safety by Stocktonians appears to have reduced in the recent past. The relative increase in crime from 2010-2011 is disconcerting and the total amount of crimes (on a per capita basis) is some of the highest in the nation. Violent crimes increased 3 percent overall, while burglaries decreased 8 percent, and the homicide rate increased by 18 percent this last year. Yet, the number of arrests went down 27 percent. This last figure is directly a result of fewer officers on the street.



While the data supports the assertion that much of the violent crime is associated with gangs and drugs, and the odds of being a victim to a violent crime are low, there are simply too many victims of violent and property crime in our City. Furthermore, we have direct evidence that our perceived sense of public safety is one key factor impacting our ability to attract new high wage employers to the City.

The sources of crime are complex and therefore the strategies of reducing it are equally complex and must come from multiple disciplines. Poverty, youth employment and activities outside school, gangs, school performance, parenting, substance abuse, mental health, faith based institutions, law enforcement and criminal justice system performance are just some of the causes and possible sources for reducing crime.

 2011 Crime Statistics within Study Area	
Crime	Incidents
Aggravated Assault	13
Arson	1
Auto Theft	14
Burglary	40
Larceny	61
Rape	1
Robbery	12
Total Incidents	142

Critical Issues

Historic Building Code – One of the challenges in attracting new development to Stockton’s downtown is the existing building stock, where the majority of the structures are more than, or close to, 100 years old. Most have never been updated. One potential solution could be use of what is known as the “Historic Building Code.” The current California Building Code (referred to as the 2010 CBC) is based on the 2009 International Building Code (IBC), which has been adopted by all states either in its entirety or portions thereof. The 2010 CBC applies throughout California by law.

Below are the most relevant portions of the 2010 CBC that apply to Stockton’s older downtown building stock. There is nothing unique regarding new construction here; the same code sections apply statewide. However, certain sections can be helpful in providing flexibility for existing buildings including:

- **Chapter 34-Existing Buildings** - Many existing buildings in the downtown area are pre-1933 un-reinforced masonry (URM) construction. There are provisions for seismic upgrading that allow flexibility for existing buildings, particularly if there is no change in occupancy or a change to a less hazardous occupancy.

An example of this type of change would be from a transient use, such as a hotel, to a non-transient use such as condominium/apartment/live-work units, or to office use, where the occupants are familiar with the building and use it on a continuing basis, rather than a one-time occupancy.

This chapter also allows for certain conditions, such as an existing fire escape to continue providing a legal means of egress, given that such fire escape is in operable working condition. Or, an existing stairway remaining in use, even if it does not meet current code standards for rise and run dimensions.

- **Part 8-Historic Building Code**
In addition to the provisions under Chapter 34 - Existing Buildings, the historic building code allows for even more flexibility in order to preserve character-defining features of these structures.

One of the more important and valuable components of existing and historic buildings is the presence of an automatic fire sprinkler system. This can compensate for many otherwise non-compliant conditions in providing for occupant life safety---or as fire officials say, the ability *‘to put the wet stuff on the red stuff’*. Oftentimes, even if a building does not have an existing fire sprinkler system, it can be economically viable to install one, given the flexibility that will then apply throughout the building.

While fire and life safety issues remain paramount in all buildings throughout California, the 2010 CBC recognizes that there are reasonable and safe alternatives that allow adaptive reuse of existing historic buildings.

Critical Issues

Financing Barriers to Infill - Infill developers striving to provide mixed use projects in the urban core run into financing barriers, particularly on small projects, which make financing more expensive than in less developed suburban areas. Because infill and redevelopment projects are often concerned with providing amenities such as transit and pedestrian orientation, access to retail and employment opportunities and green space and residential dwelling units located above commercial development, the capital lending markets consider such projects as risky. New infill projects do not fit the development profile of high-end office development, for example, in many urban core areas. Private financing sources are generally more expensive than the standardized capital lending markets available on the urban fringe.

Infrastructure Barriers to Infill - Deteriorated infrastructure, patterns of disinvestment and abandonment, and lack of such supporting facilities and services as grocery stores and convenience retail stores are challenging to a developer interested in infill projects. One popular view is that existing infrastructure is underused and constitutes an asset for infill development. However, relying on excess capacity in existing infrastructure is not always that easy. Often, existing infrastructure is out of date or nonexistent, and capacity needs be added for the kinds of mixed use infill projects that could be developed in the urban core. High-density infill housing on existing lots may require additional infrastructure investment (e.g., alley upgrades, underground cable, or drainage) to comply with market demand for off-street parking and garbage removal.

Redevelopment Efforts

Until recently, there were four redevelopment project areas within the City of Stockton, three of which were within the study area. Nearly all the study area is within an area previously designated for redevelopment by the City of Stockton. The City of Stockton Redevelopment Agency was established in 1955 in an effort to define and address areas within the City that required redevelopment, due to blight, lack of affordable housing, and/or economic distress within a given geographic area.

In June of 2011, the California Legislature adopted two bills concerning redevelopment, Assembly Bill (AB) 26 and AB 27, AB 26 called for dissolution of redevelopment agencies and established the process by which their affairs should be wound down. AB 27 was deemed the "pay-to-play" bill, allowing redevelopment agencies to stay in business if they made certain "voluntary" remittance payments to the state, totaling \$1.7 billion state-wide. Passing of the two bills led the City of Stockton to undertake an in-depth look at the status of its tax increment (TI) flow to determine whether it could meet its share of the remittance obligation - \$8.3 million - required by AB 27. In the meantime, the California Redevelopment Association filed a law suit challenging the constitutionality of both bills. The California Supreme Court took jurisdiction of the case and promised a quick decision.

During the housing boom, Stockton housing prices climbed as buyers looked for homes within commute distance from the San Francisco Bay Area. Stockton saw its property taxes rise, and importantly, experienced significant boost in tax increment flow. In 2007, Stockton's TI topped more than \$26 million. Over the period of escalating TI flow, Stockton issued three bonds - 2003 Housing Bonds (\$13 million) the 2004 Arena Bonds (\$47 million) and the Strong Neighborhoods Initiative (SNI) Bonds (\$116 million). After 2007 when TI flow began its decline, City officials began to worry about the cash flow required to service outstanding debt. In 2010, the Redevelopment Agency began repurchasing and retiring outstanding SNI bonds as, given the concern about City finances, bonds could be purchased at a discount. In all, the City spent (\$20 million) on its bond repurchase program.

Analysis of Redevelopment finances made clear that Stockton could not make the remittance payment required to continue its redevelopment agency. Tax Increment flow for the 2011-12 tax year is estimated at \$12.5 million, less than half the amount received in 2007. In fall 2011, City staff began taking steps to unwind the redevelopment agency regardless of the outcome of the court case.

On December 29, 2011, the California Supreme Court issued rulings regarding AB 26 and AB 27. It found that AB 26, the bill that would dissolve all redevelopment agencies, was constitutional, but that AB 27, the pay-to-play bill, was not.

Up until the state legislature's efforts to dissolve redevelopment, the City's Redevelopment Agency had been highly successful in promoting redevelopment efforts in the respective redevelopment project areas. Although the economic recession,

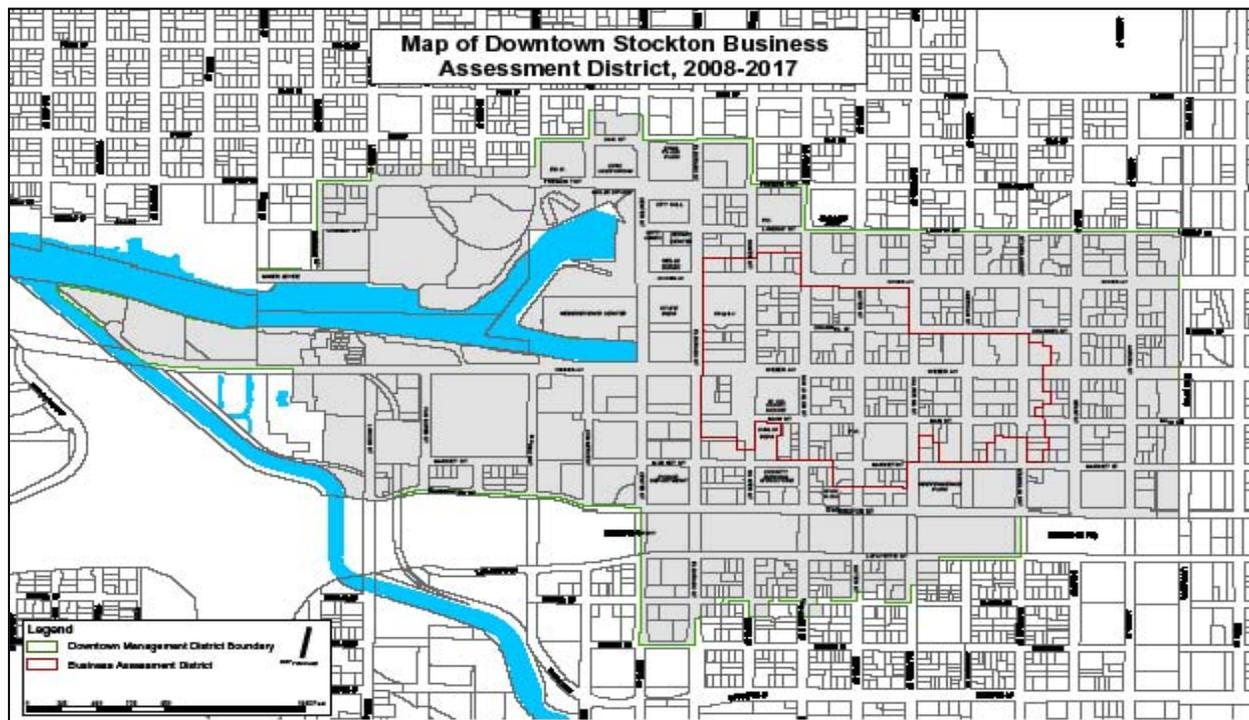
Redevelopment Efforts

together with a severe decline in property valuations, had hampered recent redevelopment efforts; RDA staff had successfully worked with private and community-based partners to realize several achievements. Some of these projects include the rehabilitation or construction of the Bob Hope Theater, Regal City Centre Cinemas and IMAX, San Joaquin RTD Downtown Transit Center, Weber Point Event Center, Hotel Stockton, Stockton Arena, Dean Decarli Waterfront Square, the Joan Darrah Promenade and Marina, and the Stockton Ballpark.

Special Services District (Business Improvement District)

A portion of the study area is within a Property Based Improvement District (PBID) administered by the Downtown Stockton Alliance (DSA). The DSA is a non-profit organization dedicated to the development, promotion and maintenance of historic downtown Stockton as a regional business, cultural and entertainment destination. Its goals are to provide safety, a higher level of maintenance, marketing, advocacy and other activities which benefit the downtown properties and businesses. With 84.6% ballot support from downtown property owners, the DSA was renewed for a ten-year term on July 10, 2007.

In 2008, a downtown Hospitality and Entertainment District was created, with increased security and marketing, funded by a new assessment on hospitality businesses with extended hours. The DSA is the first city in California to utilize both a property and business assessment to maximize potential for economic growth. A key component of the Hospitality District is creation of a Hospitality Resource Panel (HRP), comprised of assessed business owners, to provide for a unique peer-to-peer management of the district.



Current Plans Affecting the Study Area

Numerous studies and long range plans exist that affect the Study Area. The following documents will be on file and available for ULI Panel Members to review.

A. Stockton General Plan 2035 (Adopted December 2007) – The 2035 General Plan sets out a hierarchy of goals, policies, and implementation programs to guide future development in the City, encouraging infill development and providing guidance for the orderly expansion. The Goals and Policies Report is divided into five parts. Part C – Districts and Villages and Part D – Interconnected Infrastructure have much relevance to downtown planning. Part C contains Chapter 7, the Districts and Villages element which establishes goals, policies and implementation measures for central Stockton, neighborhoods, corridors and villages. Chapter 7 also contains a list of Neighborhood Opportunity Areas. Downtown Stockton is listed as Opportunity Area No. 13 (Figure 7-2, page 7-6). General Plan Goal DV-2 and related Policies and Implementation measures focus on the Downtown (beginning on page 7-10).

Part D – Interconnected Infrastructure contains Chapter 8 Transportation and Circulation that describes the transportation system in the City including: the Downtown Transit Center, Bus Rapid Transit system, and the inter-regional serving Altamont Commuter Express (ACE).

B. 2009 Housing Element - The purpose of the state of California mandated Housing Element is to identify the community's housing needs, to state the community's goals and objectives with regard to housing production, rehabilitation and conservation to meet those needs. The 2009 Housing Element also evaluates the progress made toward meeting the goals of the previous 2004 Housing Element. Major Findings of the Existing Needs Assessment begin on Page 4-7 of the document and provide a snapshot of Stockton demographics and the time of Housing Element development.

C. Settlement Agreement - The Settlement Agreement was signed in October of 2008 and is between the City of Stockton, Attorney General of California, and the Sierra Club. The Settlement Agreement resolved a lawsuit filed by the Sierra Club and threatened to be joined by the Attorney General, challenging the adequacy of the Environmental Impact Report for the City's 2035 General Plan.

The Settlement Agreement includes the following requirements:

- Preparation of a Climate Action Plan (Public release of Draft Climate Action Plan - January 19, 2012);
- Formation of a Climate Action Plan Advisory Committee (CAPAC – formed and active);
- Green Building Ordinance (adopted);
- Transit Plan / Program (Completed August 2011, included in Climate Action Plan document);
- Infill / Downtown Development – requires City to develop General Plan policies or programs to support infill / downtown development and submit to

Current Plans Affecting the Study Area

the City Council for consideration. The City is developing General Plan amendments to assure 4,400 housing units of Stockton's new housing growth be located in the Greater Downtown Stockton Area (study area), 14,000 of Stockton's new housing be located within the 2008 City limits, and to incentivize infill, with a focus on the Downtown. The City is proposing 3,000 units in the Greater Downtown Area by the year 2020.

- D. Climate Action Plan (in progress)** – The primary purpose of the Climate Action Plan (CAP) is to comply with the terms of the 2008 Settlement Agreement with the Attorney General and the Sierra Club by designing a feasible strategy to reduce community-generated Greenhouse Gas Emissions (GHG), consistent with statewide GHG reduction efforts (Assembly Bill 32 [AB 32], California Air Resources Board (CARB) Scoping Plan) for consideration and potential adoption by the City Council.

The Settlement Agreement requires that the CAP include GHG inventories, identify goals for reducing GHG emissions and vehicle miles traveled (VMT), and identify specific measures to reduce GHG emissions. GHG reduction measures are included in the CAP and would result in VMT growth less than population growth as required per the goal in the 2008 Settlement Agreement.

The Draft Climate Action Plan has not yet been released for public review.

- E. Transit Plan/Program** - The Transit Plan / Program is aimed at supporting the Climate Action Plan's goal of reducing greenhouse gas emissions by 2020 (The Transit Plan / Program is attached to the Climate Action Plan as Appendix D). The basic objectives of the Transit Plan / Program are to:
- Improve the Public Transit Network
 - Eliminate potential last mile barriers that keep people from using transit
 - Adopt transit supportive policies
 - Identify long-term funding solutions to support the existing and future transit system and transit-oriented-development

The Transit Plan/Program provides the following recommendation to improve Transit in Downtown Stockton:

- West Lane/Airport Way Bus Rapid Transit (BRT) – The Regional Transit District (RTD) has two BRT routes in operation and will be starting a third route (Hammer Lane) within two years. An additional BRT route should be explored. This BRT route would begin in the Downtown and extend north to Eight Mile Road further connecting housing and employment centers in the City.

- F. Greater Downtown Housing Strategy (August 2007)** – The Housing Strategy was initiated by the Stockton Redevelopment Agency to establish action-oriented steps to achieving new housing development in and around Downtown Stockton. The first section of the document describes the features of a pilot program for the Fremont

Current Plans Affecting the Study Area

Park Neighborhood. The second section outlines tasks for developing plans and CEQA documents for the Waterfront Neighborhood. The third section identifies tasks for integrating housing into the Arts District/Hospitality District. The fourth section provides an overview of the features of a Residential Mixed-use Overlay as a regulatory incentive. The fifth section describes a financial incentive program for infill housing and mixed use development. Finally, the Action Plan assigns key tasks, responsibility, and timing of recommended implementation activities for the Housing Strategy.

- G. Delta Plan** – The Delta Plan is a requirement of the Sacramento-San Joaquin Delta Reform Act of 2009 (Delta Reform Act). The Delta Reform Act established a new state agency called the Delta Stewardship Council (Council). The Council is responsible for the development, adoption, and implementation of the Delta Plan by January 1, 2012 (delayed). The Delta Plan when completed is intended to be a legally enforceable, comprehensive, long-term management plan for the Delta that achieves co-equal goals of providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem. The Delta Plan has jurisdiction over the legal Delta. Over half of the City of Stockton (including the Downtown) is within the legal Delta. The City is concerned that the Delta Plan as currently drafted could as a de facto reversal of prior planning and development approvals and indirectly usurp the City’s existing land use authority. The practical effect of the implementation of the Delta Plan could be to create new barriers to growth and redevelopment within the City existing urban footprint.

The most recent version of the Delta Plan can be found at the following link: http://deltacouncil.ca.gov/sites/default/files/documents/files/Fifth_Staff_Draft_Delta_Plan_080211.pdf

- H. Branding Study (July 2008)** – This Branding, Development and Marketing Plan outlines a specific course of interrelated actions to brand downtown Stockton as the Events Center for Stockton and the Central Valley and as a vibrant entertainment district for residents and visitors alike. The plan was developed by reviewing current facilities, products and marketing efforts, gauging the community need for a gathering place, and evaluating the downtown’s potential to become a vibrant community center with the right mix of events, venues, retail tenants, and other needed amenities to attract locals and tourists. It reflects an analysis of Stockton’s regional competitors, as well as its marketing strengths, weaknesses, opportunities and threats.
- I. Downtown Stockton Alliance Strategic Plan (2011)** – The Downtown Stockton Alliance Board developed a strategic plan to create a vibrant “24-7” urban lifestyle in Downtown Stockton. The Board compiled a SWOT (Strengths, Weaknesses, Opportunities and Threats) assessment identifying the potential and challenges existing in Downtown Stockton. The focus of the SWOT analysis is to address three areas of interest: Advocacy, Economic Development and Facilitation. One of the

Current Plans Affecting the Study Area

first activities identified in the Strategic Plan designed to distinguish the Downtown was the Downtown Economic Development Summit, “New Eye on Downtown.” At the Summit, there were specific recommendations made for the revitalization of the Downtown. These recommendations have been incorporated into the Strategic Plan and are summarized below:

1. Create a Downtown Neighborhood Incentive Zone. Adopt “piloted” streamlining and incentive strategies for that zone
2. Make the Climate Action Plan (CAP) relevant by focusing its strategies, in the form of revised General Plan (GP) policies and/or ordinances, on creating a thriving Downtown “Neighborhood.”
3. Work with landowners at the City’s edge to implement GP and CAP policy to secure a farmland buffer at time of project approval or sooner and to fund a ballot measure to secure a permanent growth boundary.
4. Infill Inclusionary Zoning Overlay “Lite:” Implement GP, AG Settlement and CAP policy by adopting an overlay on major development outside the Downtown to build in Downtown at a set ratio (of at least 10:1).
5. Assess the City’s plans, regulations, and codes to confirm the need for realignment to achieve the City’s stated goals of Downtown revitalization and infill including: Residential Code to allow leading edge housing types (e.g. microdevelopment; student housing, lofts; co-housing; Building
6. Codes related to seismic, sprinklering, etc. (but not below State Code requirements).
7. Take a tiered approach to historic preservation. Work with the Cultural Heritage Board to identify and map three tiers of buildings: those few buildings too dilapidated to save; those that warrant façade protection at all costs; and those to save. Incorporate the tiered approach into an adaptive reuse ordinance for the Downtown Neighborhood.
8. Work with property owners on a site inventory of opportunity sites in the Downtown Neighborhood Incentive Zone. Provide this information to infill builders/investors.
9. Select a pilot neighborhood adjacent to the Downtown to focus. Targeted efforts on neighborhood-leadership led beautification/neighborhood crime fighting effort.
10. Infill Builders tour of Downtown neighborhood infill sites and workshop to receive input on proposed incentives.

J. Gleason Park Neighborhood Master Revitalization Strategy (1999) –This Strategy addressed the needs of a 22 square block area located immediately south of the Crosstown Freeway. It is a close-knit neighborhood that had become overridden with crime and absentee landlords that had let their buildings deteriorate. The community provided significant input into revitalization strategies to: 1) strengthen the commercial base; 2) reclaim Gleason Park as a community resource; and 3) renovate and develop new housing that would attract responsible residents to the area. Gleason Park has since been renovated, a new elementary school has

Current Plans Affecting the Study Area

been constructed by Stockton Unified School District, and two housing projects that provide over 100 units of affordable housing were completed in the area in 2011.

K. Miner Avenue Streetscape Plan (in progress) – Miner Avenue was once a thriving retail corridor anchored by Stockton's "Auto Row". Now, commercial vacancies and deteriorated buildings line the street. The Miner Avenue Streetscape Project is a 10 block "complete street" project being prepared jointly by the City and the San Joaquin Regional Rail Commission. The Miner Avenue Streetscape Plan will provide a comprehensive design for the corridor and re-establish Miner Avenue as a prominent "complete street" that emphasizes multi-modal transportation between the Robert J. Cabral Rail Station and Weber Point. The plan will make recommendations for building locations, land uses, and façade enhancements that will activate the street with transparent storefronts, good signage, and safe lighting. Specific catalyst sites along the street will be identified for subsequent public and private investment. Another component of the project is designing Best Management Practices (BMTs) into the storm drainage system which will reduce runoff into the Citywide collection system and provide a possible incentive for future development on parcels adjacent to the street. Through the preparation of the plan, it is hoped that Miner Avenue will be strengthened as a retail and transportation corridor, and most importantly, qualify the City to apply for additional grant monies for construction of the street improvements outlined in the Miner Avenue Streetscape Plan.

L. Robert J. Cabral Station Master Plan –

- **Robert J. Cabral Station Neighborhood: A Plan for Revitalizing East Downtown Stockton (December 2005)** – This report summarizes the results of public design activities to produce a conceptual plan to revitalize the blocks surrounding the Robert J. Cabral train station in east downtown Stockton. Identifies key physical problems and physical design improvements. A proposal for site planning and circulation improvements to the immediate station areas is central to the plan.
- **Robert J. Cabral Station Master Plan Update (December 2007)** – Serves as an update to the 2005 Master Plan, and includes a detailed description of the "Phase I" improvements which began in 2008. It also includes strategies and recommendations for parking, signage, and wayfinding for the entire project area, which can be implemented in the future.

M. Stockton Waterfront Revival Vision and Action Plan (1995) – This document is the result of the work, over a nine-month period in 1995, of the Waterfront Revival Task Force chaired by then Mayor Joan Darrah. The charge of the Task Force was to define and implement a set of policies, strategies, and actions that will create an environment that invites private sector investment to the Waterfront. The result of this process has been to create an amended long-term vision of the Waterfront Area

Current Plans Affecting the Study Area

that balances economic and physical conditions. Accompanying this amended vision is an action outline that lists specific projects, preliminary cost estimates, possible funding sources, and timing.

- N. ULI Publication: “Downtown Stockton, CA” (June 1997)** – Panelists from across the nation took a hard look at the downtown studies and proposals completed to date from a market feasibility and implementation angle in order to assess how downtown development might be stimulated.
- O. University Park Master Plan** – University Park is centrally located on 103 acres in Stockton's Enterprise Zone and Midtown Redevelopment Area at California Street and Harding Way. Designated as a national historic site, University Park's primary land use is education, with the California State University, Stanislaus-Stockton Center at its core, surrounded by office, retail, medical and residential uses and a community center for large events. The campus will provide employees opportunities to live and work on campus or nearby. University Park's flexible master plan offers both an infill option within the campus, and the option to adaptively reuse historic buildings.
- P. Waterfront and Fremont Park Neighborhoods Master Plan** – The Waterfront and Fremont Park Neighborhoods Master Plan will implement citywide housing and sustainability policies found in the 2035 Stockton General Plan and recommendations from the 2007 Greater Downtown Housing Strategy. The Master Plan is being developed through community-based process including study sessions with the Planning Commission and City Council, working groups, and community workshops. It will provide overall strategic framework as well as specific quantitative and qualitative directions for guiding public and private investment. The Master Plan emphasizes the creation of new waterfront neighborhoods and enhancement of existing neighborhoods rather than piecemeal approach to development. It identifies the role of public and private partners in the waterfront's evolution and its contribution to revitalizing downtown and adjacent neighborhoods. To conclude the draft plan, implementations measures still need to be addressed.
- Q. Waterfront Connections Plan** – The Waterfront Connections Plan proposes to establish a 2.5 mile pedestrian and bicycle trail linking Louis Park to Downtown on the North Shore of the Stockton Channel, and connecting it to the Joan Darrah Promenade. On the South Shore, it proposes to extend the Promenade to the end of West Weber Avenue. The trail alignment will follow the waterfront's edge to the greatest extent practical. This plan also includes a system of public access connections from surrounding neighborhoods in order to maximize the use of this trail system for both recreational and multi-mode access purposes.

Current Plans Affecting the Study Area



This project is being funded in part, through a Smart Growth grant by the San Joaquin County Council of Governments. Once complete, it will provide the foundation for detailed design and engineering, and ultimately, the phased construction of the trail. It is envisioned that construction will begin in approximately 2015 and may take as long as twenty years to complete.

This program will help to build a smart growth transportation network for greater downtown, create an alternate way to access downtown from adjoining neighborhoods, open up downtown waterfront visually and physically, and spur the redevelopment of adjoining properties.

R. Downtown Development Handbook – The City created this packet to be a useful reference for the business community and members of the public to better understand Stockton’s development process. The Downtown Development Handbook serves as a guide to navigate the City’s planning entitlement process and also provides direction to other aspects of developing downtown. It is intended to provide information in conjunction with the “Planning Entitlements Flow Chart” and “Historic Structures” flow chart presented on page 3. The “Planning Entitlements Regulatory Flow Chart” shows the process that development projects must complete. Embedded hyperlinks connect the flow chart to additional pages that further detail procedures and provisions within each step along the way. It reflects current procedures and requirements and is best utilized by accessing the document and associated links online.

S. Save Old Stockton (SOS) Settlement Agreement – In late 2007, the City of Stockton proposed to demolish seven historic downtown hotels to provide temporary surface parking. SOS sued the City and in April 2008, the Court issued a preliminary injunction preventing the imminent demolitions. The Court found a likelihood of success on SOS's claim that the City had not considered feasible alternatives to demolition. In April 2009, the case settled when the City agreed to pursue adaptive reuse of four of the hotels and one other threatened buildings. These include the Commercial, Main, Terry and St. Leo Hotels (City-owned) and the Kendall Building (privately-owned).

Government Initiatives Affecting the Study Area

A. Community Development Department Public Facilities and Mitigation Fee Deferral Program - Adopted by City Council on September 14, 2010, the intent of the program is to defer a number of public facility and mitigation fees in order to reduce up-front building permit costs to spur new development. Not all public facility and mitigation fees are deferred under this program. Certain fees for residential development are deferred until close of escrow, generally for purposes of sale of a residential unit or development.

For commercial and industrial development, the trigger for demand of deferred fees is first certificate of occupancy, either temporary or final. The deferral program sunsets September 30, 2013, except for new residential development in the Greater Downtown Stockton Area (GDSA) where the deferral remains in-force until further City Council action. The indefinite extension of the residential program within the GDSA is in response to the settlement agreement with the State Attorney General's Office. The GDSA aligns with the Study Area.

Deferral periods are two years for development outside of the GDSA while projects within the GDSA are afforded three years. Deferred fees include City Office Space, Community Recreation Centers, Delta Water Supply System, Fire Stations, Libraries, Parklands, Police, Street Improvements, Traffic Signals, Water Utility Connections and Wastewater PFF in addition to Agricultural and Air Quality Mitigation fees. Application for deferral of fees is made ahead of building permit issuance and an administrative fee is collected to cover the City's administrative costs. This program is related to the Fee Reduction Program, as discussed below.

B. Stockton's Economic Recovery Incentive Program – Adopted by the City Council on September 7, 2010, it was the intent to reduce certain Public Facilities Fees as part of Stockton's Economic Recovery Incentive Program in order to stimulate new development, attract new companies, improve the unemployment rate, and jump start the local economy. For residential new development within the Greater Downtown Area (Study Area), the following Public Facilities Fees shall not be collected: city office space, community recreation centers, libraries, police stations, street improvements, fire stations, and parkland. This program will automatically sunset on December 31, 2015, unless extended by the City Council.

C. Small Business Development

1. Small Business Micro Loan - The City of Stockton's new Small Business Micro Loan Program assists local businesses with their financing needs. The program provides loans of up to \$30,000 to entities located within Stockton city limits. Interest rates begin at current Prime Rate, plus 2% with a maximum loan term of five years. Funds may be used for operating capital (including permit and license fees), furniture, fixtures and equipment, rehabilitation, and manufacturing equipment. A \$35 non-refundable

Government Initiatives Affecting the Study Area

application fee is required and businesses receiving loan proceeds must create or retain at least one full-time equivalent job.

2. **Commercial Façade Improvement Forgivable Loan Program** - The city offers a Façade Improvement Forgivable Loan to enhance the exterior of commercial, nonresidential properties (including nonprofit groups).
 - i. Up to \$10,000 with an additional \$10,000 in matching funds for every 50 lineal street frontage. Limited to exterior, cosmetic improvements to the building (e.g., painting, awnings, new doors, windows and other decorative elements). Maximum of \$100,000 per project.
 - ii. Grant is packaged as a forgivable loan with a lien placed on the building. If property is kept free of graffiti and blight for a five-year period, the debt is forgiven and the lien is released.
 - iii. Up to an additional \$2,500 is available for professional architectural services.
 - iv. Preference will be given projects that contribute to the overall economic development and/or quality of life within targeted areas.
 - v. Additional requirements include:
 1. Davis-Bacon and/or State Prevailing Wages (whichever is higher) apply for all onsite labor.
 2. A \$513 application fee is required (as of July 1, 2010).
 3. All projects are subject to design and historic review.
 4. A \$1,163.99 design review fee is required (as of July 1, 2010).
 5. All projects must be competitively bid with outreach to women and minority-owned businesses.
 6. Must be the property owner to apply.
3. **Emergency Grant Program** - The City will grant up to \$5,000 to commercial property owners to fix code violations that endanger the health or safety of employees or the general public. The responsible party (property owner or business owner) must be able to demonstrate that alternate sources of funds (savings, loans, etc.) are not available to fix the problem.
4. **Enterprise Zone Public Facilities Fee Programs** – Rather than paying “development fees” at the time a building permit is issued, the developer of a qualified nonresidential project may elect to contractually defer a portion of those fees under one of two programs. Projects must be located within the Stockton/San Joaquin Enterprise Zone and the City of Stockton. For all programs, a deed of trust or other acceptable security equal or greater than the value of the deferral is required.
 - i. Five-year Program
 1. To be eligible for this program, the total qualified Public Facilities Fees must be \$20,000 or greater.
 2. Down Payment - 20% of qualifying fees, plus all other fees due at time of permit issuance

Government Initiatives Affecting the Study Area

3. Payment Schedule - Five equal annual installments, plus interest calculated on the unpaid principal (first year's interest is waived)

- ii. Ten-year Program

1. To be eligible for this program, the total qualified Public Facilities Fees must be \$20,000 or greater.
2. Down Payment - 10% of qualifying fees, plus all other fees due at time of permit issuance
3. Payment Schedule - Ten equal annual installments, plus interest calculated on the unpaid principal (water and sewer connection fees must be paid over five years).

D. Enterprise Zone State Tax Incentives – Downtown Stockton businesses operating within the San Joaquin County Enterprise Zone are entitled to state tax credits up to \$37,400 for each qualified employee. The San Joaquin County Enterprise Zone offers substantial reductions in operating costs to businesses locating or expanding within the zone by accessing a variety of State tax incentives and local benefits. Enterprise zones are the only areas within the State able to offer actual State income tax advantages. Reduced income taxes translate into lower operational costs and increased profits.

- Hiring Credit
- State & Use Tax Credits
- Business Expense Deductions
- Net Operating Loss Carryover
- Net Interest Deduction for Lenders

E. San Joaquin Revolving Loan Fund (RLF) - The \$10 million San Joaquin County Revolving Loan Fund, administered by San Joaquin County Economic and Employment Development Department (EEDD), offers "gap" financing assistance to business owners or entrepreneurs in San Joaquin County. The loans made through the RLF are for working capital, equipment, leasehold improvements, and purchase of land and buildings to be used by the business. The RLF will take a subordinate position to conventional commercial lenders and SBA. The RLF will also consider loans with limited collateral and will offer terms of debt repayment. The RLF guidelines seek one job created or retained for each \$20,000 of RLF dollars loaned.

- RLF loan packaging fees are waived for Enterprise Zone businesses.
- Businesses located within the Enterprise Zone receive a one-half percent interest rate reduction. Additional interest rate deductions are available if applicant is an export business or contracts to hire through the San Joaquin County Employment & Economic Development Department.
- Loans available from \$25,000 to \$1,000,000.
- Flexible repayment terms and no prepayment penalties.

Government Initiatives Affecting the Study Area

F. Measure K – Measure K is the ½-cent sales tax dedicated to transportation projects in San Joaquin County intended to provide a balanced transportation network of highways, local streets, rail and bus transit; and promote air quality and quality of life. Thus far, SJCOG has set aside \$65 million in Federal, State and Measure K funds for their Smart Growth Incentive Program (SGIP).

The program is aimed at remedying the existing over \$1.0 billion deficiency in transportation funding in San Joaquin County while promoting improved air quality and quality of life. With its passage in November 1990, Measure K began laying the groundwork for two decades of 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. In its 20-year life, the Measure K program is expected to generate approximately \$735 million in revenues. Its multimodal approach to transportation clearly distinguishes Measure K from other countywide sales tax programs.

The Measure K program is administered by the San Joaquin Council of Governments (SJCOG) as the Local Transportation Authority for San Joaquin County. SJCOG was established as the Local Transportation Authority when San Joaquin County voters approved the enactment of the Measure K program in 1990. A Local Transportation Authority is a public agency designation authorized by California State law that enables SJCOG to collect the 1/2-cent sales tax and use the money to fund a specific list of transportation projects and programs as outlined in the Measure K Expenditure Plan. The purposes of the Expenditure Plan are to define the categorical allocations of the local retail tax revenues by transportation mode or facility and to identify the specific projects and programs to be funded under each category. Additionally, the Expenditure Plan outlines the distribution of all categorical allocations between San Joaquin County and the cities within the county.

Regulations Impacting the Study Area

Regulations impacting the Study Area – All of the following regulations will be on file for ULI Panel Members to review.

All development within the City is subject to the Development Code (Chapter 16), stormwater (Chapter 13), streets and sidewalks (Chapter 12), transportation (Chapter 10) building and fire codes, and FAA height requirements. Some of the provisions that stand out in relation to the study area include:

A. Development Code (2004) - The purpose and intent of the development Code is to implement the 2035 General Plan by classifying and regulating the uses of land and structures within the City. Much of the land within the Downtown District is within the Commercial Downtown (CD) Zoning District. The CD Zoning District allows for a wide variety of land uses and development intensity. The intent of the CD zoning district is to encourage a mixture of high intensity uses to create a lively, pedestrian-friendly environment, with high visual quality. Residential densities of up to 87 dwelling units per net acre are allowed. There are no height limitations in the CD zoning district. Specific sections of the Development Code that specifically pertain to the Study Area include the following:

1. **16.28.040 Channel area (-CHA) overlay district** – No structure shall be added to, constructed, erected, or enlarged; no use shall be enlarged, extended, or intensified; no new use of premises shall be introduced; and no former use shall be re-established without a Commission use permit in this district. The City maintains design guidelines for this area to ensure minimum design criteria.



2. **16.28.060 Magnolia historic (-MHD) overlay district** - This overlay district aligns with the locally designated Magnolia Historic District. The purpose of the district was preservation of the historic district, and to allow mixed uses specific to the exceptionally larger historic homes, such as live-work, and bed and breakfasts, while requiring less parking. However, the exceptional zoning offered through this overlay district has not been successful.

Regulations Impacting the Study Area

3. Design Review Districts – There are six design review overlay districts within the study area:

- a. The Magnolia Historical District – aligns with the Magnolia Historic Overlay District (zoning).
- b. The Channel Area – aligns with the Channel Area Overlay District (zoning).
- c. The Midtown District – generally northeast of Fremont and Van Buren Streets in the northeast portion of the study area.
- d. The Victory Park District – generally northwest of Fremont and Van Buren Streets in the northwest portion of the study area.
- e. The Gleason Park District – generally bounded by Lafayette Street, Aurora Street, Mormon Slough, and El Dorado Street, just south of the cross-town freeway.
- f. Downtown Commercial – see graphic.

Any new construction or remodeling of structures within a Design Review District requires review by the City's Design Review Committee, which is composed of architects from the community. Historic properties require additional review by the City's Cultural Heritage Board.



4. Historic Preservation – In addition to specific guidelines for development within the Magnolia Historic District, and for designated landmarks, the City has adopted a demolition ordinance, which applies to structures greater than 50 years of age. The ordinance effectively makes demolition permits discretionary for structures greater than 50 years of age.

B. Citywide Design Guidelines (2004) – The Design Guidelines present minimum design criteria for the achievement of functional and attractive developments that fit within the context of their surroundings. They are used during the development approval process in compliance with the City's design review procedures contained in Chapter 16 of the Stockton Municipal Code. Specific sections of the Citywide Design Guidelines that specifically pertain to the Study Area include the following:

- **Section 4.03: Downtown Commercial Guidelines** – This section provides design guidelines for Stockton's Downtown Commercial District. The guidelines are intended to promote quality new development and renovation of existing buildings that will strengthen the unique urban and historic character of Stockton's downtown, enhance pedestrian activities, and encourage continued

Regulations Impacting the Study Area

economic growth and investment through the promotion of well-designed projects. The design guidelines in this section apply to the following types of projects in the Downtown Commercial District: development of new buildings, additions to existing buildings, exterior remodeling/rehabilitation of existing buildings, parking lots, new signs and awnings and refurbishing of existing signs and awnings, other on-site improvements.

- **Section 4.04: Stockton Channel Area Design Guidelines** - The focus of the channel area design guidelines is the primarily underdeveloped North and South Shores of the Channel. The North Shore area separates the active waterfront from the residential/mixed use neighborhood to the north and is visually connected to both Weber Point and the South Shore. The North Shore is envisioned as a mixed use neighborhood that could accommodate multi-family residential, live-work units, multi-use arena, ballpark, hotel, retail shops, restaurants, offices, and recreational uses. The South Shore offers opportunities for mixed use redevelopment and infill projects at the edge of the Channel. The area just to the south of this area is envisioned as a combination of housing, cultural, and recreational uses, and open space. The special design guidelines in this section apply to new development, redevelopment, and remodeling – commercial, industrial, mixed use, residential, and public facilities – in the North and South Shore areas of the Stockton waterfront.
- **Section 3.02: Single-Family Residential Design Guidelines for Special Districts** – This section provides design guidelines for residential structures located within seven of Stockton’s unique (mostly pre WWII) neighborhoods. Of the seven residential neighborhoods included, the four that are located in the Study Area include: Gleason Park/Downtown, Midtown, Victory Park, and Magnolia Historic District. A map identifying the location of these neighborhoods can be found on page 3.02-2 of the Citywide Design Guidelines.

Section 7

Private Sector Involvement

Local Citizens Group
Business Organizations

Local Citizens Group

Save Old Stockton (SOS) is a local citizens group led by city planner Joy Neas and architect Linda Derivi dedicated to the preservation of historic downtown buildings. On November 4, 2009, the Stockton Cultural Heritage Board honored Save Old Stockton with the 2009 Captain Charles M. Weber Award for their work in preserving the Hotel Terry, Hotel St. Leo, Hotel Main, and the Commercial Building. This award recognizes those who have done extraordinary work in celebrating the community's past and furthered the understanding of its collective cultural heritage.

Save Old Stockton has also been involved in the following:

1. On April 14, 2009 the Stockton City Council adopted the preservation ordinance which establishes a review process for historic buildings before demolition can take place.
2. On August 25, 2009 the Stockton City Council made Hunter Square Plaza a historic site raising Stockton's historic site total to 4 and the Central Police and Fire Alarm Station, next to the former Lexington Hotel, a historic landmark raising Stockton's landmark total to 52.

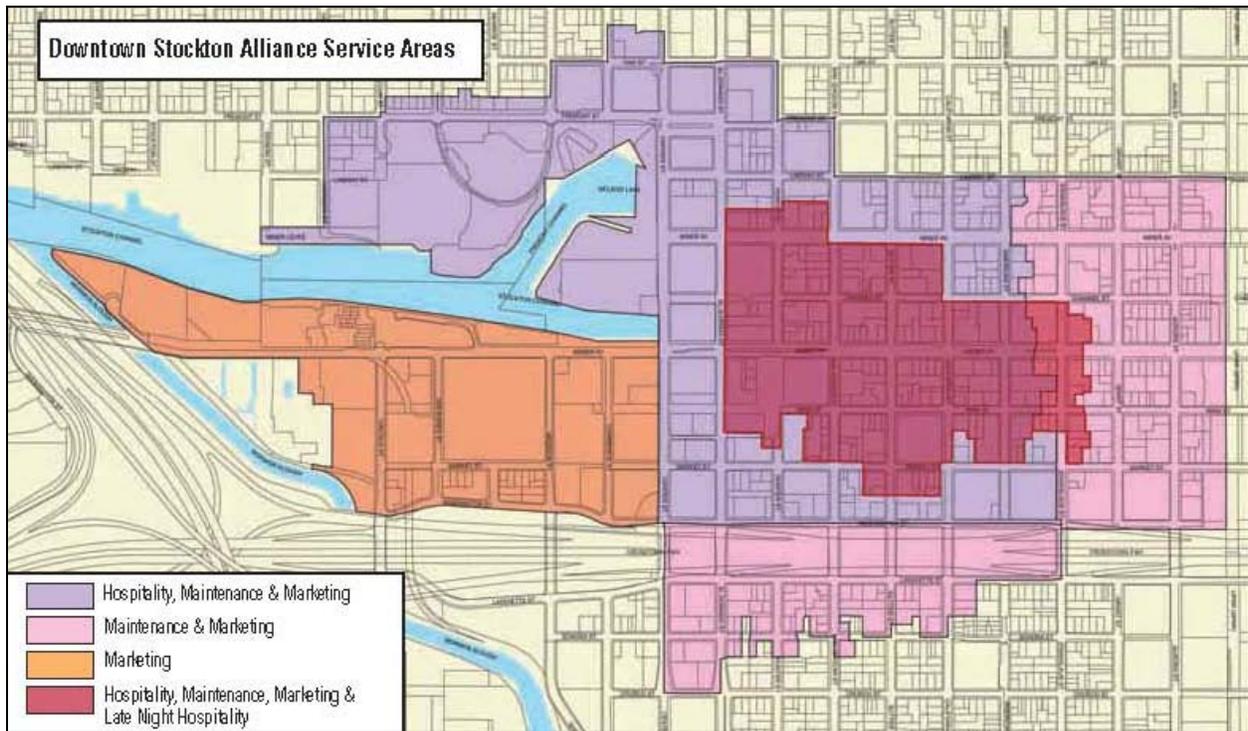
Business Organizations

The following business oriented organizations are involved in the study area:

1. **Greater Stockton Chamber of Commerce** – The Greater Stockton Chamber of Commerce is San Joaquin County’s largest business organization that has been promoting and growing local business since 1901. It is located in the Historic Waterfront Warehouse. Its mission is to aggressively develop and promote an economically vibrant business community.

2. **Downtown Stockton Alliance** – The Downtown Stockton Alliance (DSA) is a public/private partnership uniting almost 1,000 property owners and downtown businesses. Its mission is to develop, promote, and maintain historic Downtown Stockton as a regional business, cultural and entertainment destination. The DSA is funded by a Property Based Improvement District (PBID) which allows property owners to self assess on properties and a Business Improvement District (BID) which allows business owners to self assess their business. The DSA focuses in five critical areas as determined by the Downtown Management District Plan:
 - **Maintenance:** The DSA coordinates a 90-block maintenance program, with daily litter abatement, steam cleaning and pressuring washing for alleys, streets and sidewalks.
 - **Community Safety and Hospitality:** Uniformed Community Outreach Ambassadors roam a 50-block area of the central business district 7am – 6pm Monday through Thursday, until 10pm on Fridays and Saturdays and in the morning on Sundays.
 - **Marketing, Events and Promotion:** Through the use of collaborative retail promotions like Taste of San Joaquin and Pub Crawls, district-wide advertising, special events like the Art Walk and Farmers Market and media relations, the DSA is increasing the destination appeal of Downtown Stockton.
 - **Economic Development:** The DSA has initiated an aggressive marketing program to attract new downtown investment. We play a significant role in recruiting businesses, retaining existing businesses, undertaking market research and preparing marketing materials for new business.
 - **Public Policy:** As the collective voice for downtown business and property owners, the DSA serves as the champion of downtown public policy for issues such as parking, business incentives, zoning and signage.

Business Organizations



For more information, visit the DSA's website at: <http://www.downtownstockton.org/>

Resource Table

Current Plans Affecting the Study Area

- A. Stockton General Plan 2035 (Adopted December 2007)
- B. 2009 Housing Element (Adopted May 2010)
- C. Settlement Agreement (2008)
- D. Climate Action Plan (in progress – no link to document)
- E. Transit Plan/Program (in progress – no link to document)
- F. Greater Downtown Housing Strategy (August 2007)
- G. Delta Plan (2011)
- H. Branding Study (July 2008)
- I. Downtown Stockton Alliance Strategic Plan (2011)
- J. Gleason Park Neighborhood Master Revitalization Strategy (1999)
- K. Miner Avenue Streetscape Plan (in progress)
- L. Robert J. Cabral Station Master Plan
 - Robert J. Cabral Station Neighborhood: A Plan for Revitalizing East Downtown Stockton (December 2005)
 - Robert J. Cabral Station Master Plan Update (December 2007)
- M. Stockton Waterfront Revival Vision and Action Plan (1995)
- N. ULI Publication: “Downtown Stockton, CA” (June 1997)
- O. University Park Master Plan (2003)
- P. Waterfront and Fremont Park Neighborhoods Master Plan (draft available)
- Q. Waterfront Connections Plan (2012)
- R. Downtown Development Handbook (2011)
- S. Save Old Stockton (SOS) Settlement Agreement (2009)

Regulations Impacting the Study Area

- A. Development Code (2004)
 - 16.28.040 Channel area (-CHA) overlay district
 - 16.28.060 Magnolia historic (-MHD) overlay district
 - Design Review Districts
 - Historic Preservation
- B. Citywide Design Guidelines (2004)
 - Section 4.03: Downtown Commercial Guidelines
 - Section 4.04: Stockton Channel Area Design Guidelines
 - Section 3.02: Single-Family Residential Design Guidelines for Special Districts