ATTACHMENT 2

The Proposed Downtown Manteca

Community Benefit District

(DMCBD)

MANAGEMENT DISTRICT PLAN

Being Established for a 5-year Term Pursuant to

California Streets and Highways Code Section 36600 et seq.

Property & Business Improvement District Act of 1994, as amended

MARCH 26, 2024

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MANAGEMENT DISTRICT SUMMARY

The *Downtown Manteca Community Benefit District (DMCBD* or *District)* is a Property and Business Improvement District established for a 5-year period by a consortium of property and business owners within the DMCBD area. The DMCBD was originally discussed in a series of meetings of property owners in Downtown Manteca in the Fall of 2022. Understanding that the timeline for formation in time for Fiscal Year 2024 would be very challenging, property owners felt that the time had come for such a special benefits district and that these services would be needed to accommodate potential new businesses, restaurants, and mixed use develops in Downtown.

The purpose of establishing this DMCBD is to provide and manage supplemental services and improvements for this important, historic, and growing business center, including security, landscaping, cleaning of the public rights of way, beautification, marketing, and administration services, programs, and improvements. The DMCBD is a unique benefit assessment district that will enable the DMCBD property owners and businesses working as a unit, to fund needed property and business-related improvement programs, services, and programs above what is provided by the City of Manteca.

Name: The name of the proposed property assessment district is the Downtown Manteca Property & Business Improvement District, which we will refer to as the Downtown Manteca Community Benefit District throughout the document, (DMCBD).

Location: The proposed DMCBD is in Downtown Manteca to include all of the parcels in and around N. Main Street, Yosemite Avenue, and the Transit Center in Downtown Manteca.

Benefit Zones: There will be one benefit zone within the proposed DMCBD.

Services: Civil Sidewalks, District Identity and Placemaking, Administration/management, and contingency/reserve.

Finance: Benefit assessment of real property (111 parcels and 71 property owners, and no residential condominiums at this point). No bonds shall be issued to fund DMCBD programs.

Budget: DMCBD property assessment revenue for Year 1 is projected to be $ 184,781. It is noted that the Assessment Engineer has determined that general benefits equate to 2% of the total adjusted DMCBD program costs resulting in a gross budget of $ 188,552 including $ 3,771 in general benefits. General benefit costs shall be derived from non-assessment revenue sources such as grants, program income, credits, interest, memberships, and other sources.

Year 1 – PROPOSED BUDGET (ASSESSMENT REVENUES/SPECIAL BENEFIT COSTS)

	Civil Sidewalks	District Identity and Place Making	Administration	Contingency/ Reserve	TOTAL
%	50%	25%	20%	5%	100%
$	$ 92,000	$ 46,000	$ 37,000	$9,781	$ 184,781

Data in the Survey of the proposed District

A special benefits district can only fund services that are over and above what the City of Manteca is currently funding in Downtown. A survey was mailed out in early October 2022 to all property owners in a wide area that was considered the greater downtown district. The priority special benefit services that resulted from the returned surveys include the 6 top issues:

1. The overwhelming majority of respondents believe that Downtown Manteca is "*relatively safe, however suffers from an unsafe image*." This is all about controlling the story of Downtown Manteca
2. Responding to the issue of homelessness, panhandling and loitering issues impacting Downtown
3. Supporting new public space designations and management of those public spaces
4. Managing parking in Downtown
5. Funding marketing, promotions, social media, and branding programs for Downtown
6. Funding regular sidewalk and gutter sweeping services in Downtown

The data to be used for the assessment methodology in the final plan includes the following:

- *435,1761 in gross building square footage*
- *13,321 linear frontage (2.5 miles)*
- *1,283,549 in gross lot size*

Benefits

"General Benefit" is defined as: *"A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied."* "Special Benefit" as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the DMCBD or to the public at large. The general benefits of the proposed DMCBD for the first year will equal $3,771, representing 2% of the combined special and general benefits budget of $188,552.

Formula

There is one benefit zone in the DMCBD. (A map showing the DMCBD boundaries and benefit zones is shown in Chapter 2 of this Plan). Year 1 property assessment rates per parcel are as follows:

YEAR 1 – Downtown Manteca Assessment Rates

Building Square Footage Annual Costs	Lot Square Footage Annual Costs	Linear Frontage Annual Costs
$0.17 per year	$0.05 per year`	$ 3.50 per year

Annual Cap

Assessment rate increases are capped at a maximum of 5% per year, subject to approval by the DMCBD Owner Association Board of Directors and approval by resolution of the City Council of Manteca. The basis for any annual increase is conditional upon the increasing costs of running the district, including, but not limited to increases in labor costs, insurance costs, vehicle and gas costs, special projects, etc. The assessment budget may be increased by new building square footage additions within the boundaries of the district, which would be over and above annual 5% maximum rate increases.

Establishment

The DMCBD establishment is a two-step process. First, petitions signed by DMCBD property owners representing at least 50% of the total assessment to be levied must be secured and submitted to the City. Based upon this plan, $92,391 in petitions of support must be submitted to the City to initiate the mail balloting procedure as required for property assessment districts as per the Streets and Highway Code PBID Act. Second, property owners will be sent a ballot to vote on the DMCBD establishment. Returned ballots in support of the DMCBD formation must outweigh those in opposition based on the amount of assessment to be levied.

Duration

As allowed by State PBID Law, the District will have a five (5) year operational term from January 1, 2025, to December 31, 2029. The proposed established District operation is expected to begin services on January 1, 2025. If the District is not renewed, services will end on December 31, 2029.

Background

New City America was hired by the City of Manteca in the summer of 2022 to investigate the formation of a new Downtown Manteca Community Benefit District, to be formed under the Property Business Improvement District Act of 1994, (amended), found in Section 36600 of the California Streets and Highway Code. A study and survey sent to property owners confirmed support for the formation of the district to commence services in 2025.

II. Downtown Manteca CBD BOUNDARIES

General
The proposed Downtown Manteca CBD is located along N. Main Street and Yosemite Avenue in the heart of Manteca. The DMCBD includes the historic linear commercial corridor of N. Main Street and is geared to capture the areas with potential new multi-family residential developments, cultural activities and events in Downtown.

All of the property owners within the boundaries have been sent two mailings during this investigation process. The first, mailed in early August 2022, was to determine their support for the establishment of a special benefits district and the response to this survey was used to determine the final boundaries of the proposed district. The second letter, was mailed in early December, it was a property verification form requesting owners to verify the property data that New City America had obtained from the County Assessors records was accurate.

Boundary Description
The Downtown Manteca CBD encompasses approximately 19 blocks.

Benefit Zones
The District consists of one benefit zone.

District Boundary Rationale
The Downtown Manteca CBD boundaries are comprised of the commercial core parcels where the main economic activity of the historic center city is based. The commercial parcels fronting N. Main Street and Yosemite Avenue are the heart of the commercial core of Downtown Manteca. These parcels highlight an array of commercial retailers, service stores, banks and financial centers and a great mix of quality restaurants/bars/cafes.

Northern Boundary
The northern boundary of the Downtown Manteca CBD is defined by the parcels which are located as follows:

Starting with the two parcels on North Main Street near E. North Street, it includes the west side parcel # 217-226-002 and across the street on the east side of North Main Street, includes parcel # 223-091-017. These two parcels will represent the northern boundary of the proposed DMCBD. No District programs and services will be provided north of the northern District boundary.

Eastern Boundary
The eastern boundary of the Downtown Manteca CBD shall include the following parcels on the north and south side of Yosemite Avenue, on the east side of the intersection of Yosemite and N. Grand Avenue. Those parcels on the north side of Yosemite include 223-102-012, 233-102-011 and 233-102-010. The parcel on the south side of Yosemite Avenue, at Yosemite Avenue and N. Grant Avenue includes parcel # 223-020-001. Continuing to the south, parcels running on the

eastern edge of the parcels fronting along N. Main Street including #221-020-033, 221-020-032, 221-020-035, 221-020-027 and 221-020-010. On the south side of Moffat Blvd. the Downtown transportation center, parcel # 221-030-025. No District programs and services will be provided east of the eastern District boundary.

<u>Southern Boundary</u>

The southern boundary of the Downtown Manteca CBD shall include the parcels along the railroad tracks consisting of parcels # 217-210-064, 219-400-001, 219-400-007, 219-410-014, 219-410-015 and 221-030-025. No District programs and services will be provided south of the southern District boundary.

<u>Western Boundary</u>

The western boundary of the Downtown Manteca CBD is at the far western end of the City owned parcels at Pierce Avenue and Manteca Avenue including parcels # 217-210-071 and parcel 217-210-064. No District programs and services will be provided west of the western District boundary.

The Property and Business Improvement District Law of 1994, California Streets & Highway Code § 36632 states, *"Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments and shall not be subject to any assessment pursuant to this part."*

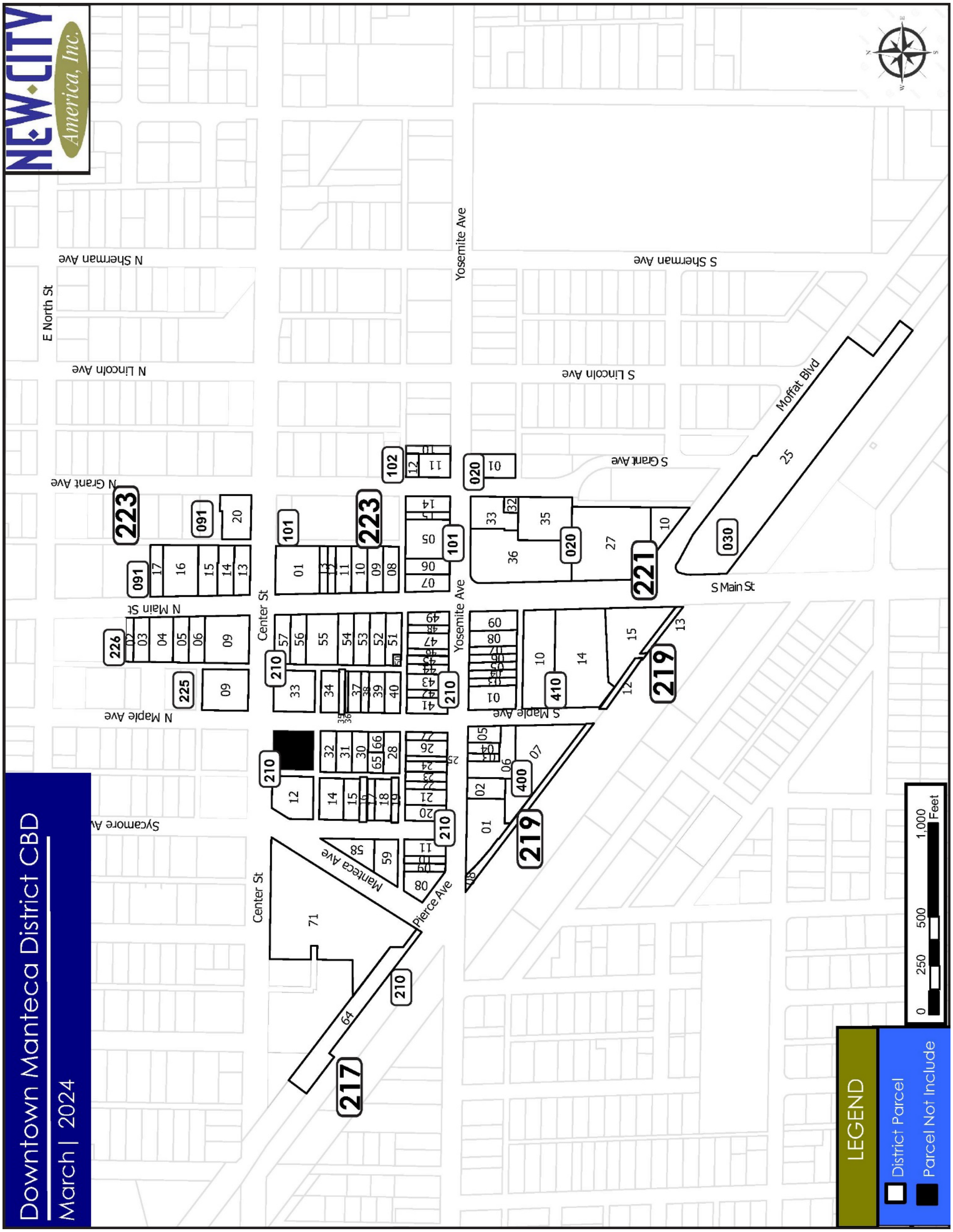
<u>Summation:</u>

A list of all parcels included in the proposed established DMCBD is shown as Appendix 1, attached to this report identified by their respective San Joaquin County assessor parcel number. The boundary of the proposed established DMCBD is shown on the map to be found on page 8 of this report.

All identified assessed parcels within the above-described boundaries shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in this report and in the Management District Plan. All DMCBD funded services, programs, and improvements provided within the above-described boundaries shall confer special benefit to identified assessed parcels inside the District boundaries and none will be provided outside of the District boundaries. Each assessed parcel within the DMCBD will proportionately and specially benefit from the District funded programs and services (i.e., Civil Sidewalks, District Identity and Place Making, Administration and Contingency).

These services, programs, and improvements are intended to improve commerce, employment, rents and occupancy rates, and investment viability of individually assessed parcels and businesses on them within the DMCBD. The DMCBD confers special benefits on each individually assessed parcel by reducing crime, improving aesthetics and marketing goods and services available from individually assessed parcels and the businesses on them within the District, all considered supplemental in a competitive properly managed business district.

ATTACHMENT 2



III. Proposed 5-Year Downtown Manteca CBD Work Plan and Budget

Overview

The programs and activities to be funded by the DMCBD will include Civil Sidewalks, District Identity and Place Making, Administration services, and Contingency. The property uses within the boundaries of the District that will receive special benefits from District funded programs, services and improvements are currently a unique mix of retail, office, grocery, restaurant, auto related, the transportation center, civic, and other neighborhood serving retail uses. District funded activities are primarily designed to provide special benefits as described below to identify assessed parcels and array of land uses within the boundaries of the District.

In the case of the DMCBD, the very nature of the purpose of this District is to fund supplemental programs, services and improvements to assessed parcels within the District boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. The City of Manteca does not provide these supplemental programs and services. All benefits derived from the assessments to be levied on assessed parcels within the District are for services, programs and improvements directly benefiting each individual assessed parcel within the District.

The projected program special benefit cost allocation of the District assessment revenues for the 5-year District term assuming a 5% maximum annual assessment rate increase, as approved by the Management Board of Directors as well as the City Council, is shown in the Table on page 11 of this Plan.

Work Plan Details

The special benefit services to be provided by the DMCBD are all designed to contribute to the cohesive commercial fabric and to ensure economic success and vitality of the District. The assessed parcels in the DMCBD will specially benefit from the District programs in the form of increasing commerce, creating demand on business and property and improving economic success and vitality through meeting the CBD goals: to improve sanitation, beautification, landscaping, and to attract new and retain existing businesses and services, and ultimately to increase commerce and improve the economic viability of each individual assessed parcel.

Year 1 – PROPOSED BUDGET (ASSESSMENT REVENUES/SPECIAL BENEFIT COSTS)

CIVIL SIDEWALKS

Examples of this category of special benefit services and costs may include, but are not limited to:

- Regular sidewalk and gutter sweeping
- Periodic sidewalk steam cleaning
- Beautification of the district
- Enhanced trash emptying (over and above city services)
- Timely graffiti removal, within 72 hours as necessary
- Maintenance of existing and new public spaces
- Installation and maintenance of hanging plants, planting flowers throughout the district.
- Possibly funding private security to respond to issues of trespassing and petty crime
- Personnel to manage in-house or contracted maintenance and/or security teams.

DISTRICT IDENTITY AND PLACEMAKING

Examples of this category of special benefit services and costs may include, but are not limited to:

- Website development and updating
- Traditional events done by the City or businesses within Downtown
- Social media, public relations firm
- Enhancing current City holiday and seasonal decorations
- Branding of Downtown Manteca CBD properties so a positive image is promoted to the public including the development of a new logo.
- Banner programs
- Public art displays
- Public space design and improvements
- Personnel to manage in-house or contracted public relations, web site maintenance or social media contractors.

ADMINISTRATION/PROGRAM MANAGEMENT

Examples of this category of special benefit services and costs may include, but is not limited to:

- Staff and administrative costs, contracted or in-house
- Directors and Officers and General Liability Insurance
- Office related expenses
- Rent
- Financial reporting and accounting
- Legal work

CONTINGENCY/CITY AND COUNTY FEES/RESERVE

Examples of this category of special benefit services and costs include, but is not limited to:

- Delinquencies, City/County fees, reserves

Final DMCBD First Year Budget

Category of Services	Percentage of Budget (rounded)	1st Year Allocation (rounded)
Civil Sidewalks	50%	$ 92,000
District Identity and Placemaking	25%	$ 46,000
Administration	20%	$ 37,000
Contingency/Reserve	5%	$ 9,781
Total Budget	**100%**	**$184,781**

PROGRAM & ACTIVITY BUDGET

Each identified assessed parcel within the DMCBD will be assessed the full amount of the proportionate special benefit conferred upon it based on the level of District funded services provided. The projected District program special benefit (assessment) cost allocation budget for Year 1 is shown in the preceding Table found above.

To carry out the District programs outlined in the previous section, a Year 1 assessment budget of $ 184,781 is projected. Since the District is planned for a 5-year term, projected program costs for future years (Years 2-5) are set at the inception of the District. While future inflationary costs, new building square feet resulting from developments, and other program cost increases are unknown at this point, a built-in maximum increase of 5% of the assessment rate, per annum, commensurate to special benefits received by each assessed parcel, is incorporated into the projected program costs and assessment rates for the 5-year District term.

The District shall adhere to the budget and Management District Plan during the term of the DMCBD. While some variation is permissible to account for unexpected circumstances, the funding allocated to each funding category expressed as a percentage of the total budget, shall not vary by more than 10% of total budget from each year's percentage in the Management District Plan. Any proposed variation that exceeds 10% of the total budget shall be subject to review and approval from the City Manager's Office. Any surplus or unspent funds, per category, shall be accumulated year to year over the life of the DMCBD.

A 5-year projected DMCBD budget is shown in the following Table:

<u>YEAR 1-5 PROJECTED DISTRICT ASSESSMENT BUDGET SUMMARY (Special Benefit Costs)</u>

(Assumes 5% max assessment rate increase per year)

Year	Civil Sidewalks	District Identity and Place Making	Administration	Contingency	Total
%	**50%**	**25%**	**20%**	**5%**	**100%**
1	$ 92,000	$ 46,000	$ 37,000	$ 9,781	$ 184,781
2	$ 96,600	$ 48,300	$ 38,850	$ 10,270	$ 194,020
3	$ 101,430	$ 50,715	$ 40,793	$ 10,784	$ 203,721
4	$ 106,502	$ 53,251	$ 42,832	$ 11,323	$ 213,907
5	$ 111,827	$ 55,913	$ 44,974	$ 11,889	$ 224,602

The Assessment Engineer (see attached Engineer's Report) has found that the general benefits (i.e. general benefits to assessed parcels within the District, the general public and surrounding parcels outside the DMCBD) of the proposed programs, services and improvements (i.e. Civil Sidewalks, District Identity and Place Making, Administration services, and contingency) represent 2% of the total benefits generated and, in turn, 2% ($3,771) of the total adjusted costs of the DMCBD funded improvements, activities and services provided.

Total Year 1 adjusted costs are estimated at $184,781. General benefits are factored at 2% of the total adjusted costs (**see Finding 2 in the attached Engineer's Report)** with special benefits set at 98%. Article XIIID Section 4(b) of the California Constitution limits the levy of property assessments to costs attributed to special benefits only. The 2% general benefit cost is computed to be $ 3,771 with a resultant 98% special benefit limit computed at $188,552. *<u>Based on current property data and land uses, this is the maximum amount of Year 1 revenue that can be derived from property assessments from the subject District.</u>*

All program costs associated with general benefits will be derived from sources other than District assessments. Sample "other" revenue sources are shown in the following Table:

<u>DMCBD First Year Special and General Benefit Revenue Sources</u>

Revenue Source	Revenue	% of Total
District DMCBD First Year Assessments	$ 184,781	98%
Grants, donations, sponsors, program income, etc.	$3,771	2%
TOTAL	**$ 188,552**	**100%**

The DMCBD assessment rates may increase annually for each individual parcel during the 5-year effective operating period. The assessment rate cannot, however, exceed 5% per year, commensurate to special benefits received by each assessed parcel. These rates must be approved by the Owners' Association Board of Directors as well as be included in the Annual Planning Report to the City. Any increases must be approved by resolution by the City of Manteca City Council. Any accrued interest and delinquent payments will be expended within the budgeted categories.

The Owners' Association Board of Directors shall determine the percentage increase to the annual assessment and the methodology employed to determine the amount of the increase. The Owners' Association Executive Director or staff shall communicate the annual increase to the City each year in which the District operates at a time determined in the Administration Contract held between the Owners' Association and the City of Manteca.

No bonds are to be issued in conjunction with the proposed established District.

Pursuant to Section 36671 of the Streets and Highways Code, any funds remaining after the 5th year of operation will be rolled over into the renewed budget or returned to stakeholders. District assessment funds may be used to pay for costs related to the following District established term. If the District is not established or terminated for any reason, unexpended funds will be returned to the property owners in the same proportion in which they were collected.

Manner of Collection

Assessments for the County of San Joaquin Property Tax Year fiscal beginning July 1, 2024 and ending June 30, 2029, shall be collected at the same time and in the same manner as ad valorum taxes paid to the County of San Joaquin (Operation Years 2025 - 2029). The District assessments shall appear as a separate line item on the property tax bills issued by the San Joaquin County Assessor. The City of Manteca is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement this Management District Plan.

IV PROPOSED ASSESSMENT FORMULA

The DMCBD programs and services described in this Management District Plan will be funded through benefit assessments against real property in the DMCBD and non-assessment revenues to fund the costs associated with general benefits conferred on assessed parcels within the District, the public at large and surrounding parcels outside of the DMCBD boundaries. The assessment formula has been developed to ensure that no parcel will be assessed an amount that exceeds the cost of the proportional special benefit that parcel derives from the programs, services, and improvements to be funded by the proposed benefit assessments. The assessment rates are based on the anticipated benefit to be derived by each individual parcel within the boundary of the DMCBD.

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed established DMCBD (i.e., Civil Sidewalks, District Identity and Place Making, Administration services, and Contingency), the assessment factors on which to base assessment rates relate directly to the proportionate amount of land area and street frontage and building square footage within district boundaries.

The “Basic Benefit Units” will be expressed as a combined function of land square footage (Benefit Unit “A”), street frontage (Benefit Unit “B”) and building square footage, (Benefit unit “C”). Based on the shape of the proposed established DMCBD, as well as the nature of the District program elements, it is determined that all identified assessed properties will gain a direct and proportionate degree of special benefit based on the respective amount of land area, street frontage and building square footage.

For the array of land uses within the District, the interactive application of land area, street frontage, and building square footage quantities are a common method of fairly and equitably spreading special benefit costs to these beneficiaries of District funded services, programs, and improvements. Each of these factors directly relates to the degree of special benefit each assessed parcel will receive from District funded activities.

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on District funded activities. The targeted weight of this factor, land area, should generate approximately 35% of the total first year District revenue.

Street Frontage is a direct measure of the static utilization of each parcel and its corresponding impact or draw on District funded activities, many of which are linear in nature (i.e., Landscaping, Sanitation and Beautification). The targeted weight of this factor, street frontage, should generate approximately 25% of the total District revenue.

<u>Building Square Footage</u> is a direct measure of the current and future improvements to the land area of each parcel and its corresponding impact or draw on District funded activities. The targeted weight of this factor, building square footage, should generate approximately 40% of the total District revenue. Assessing for building square footage is an appropriate gauge of the impact of employees, visitors, shoppers, and clients on a specific parcel.

<u>Commercial Condominium (non-residential portion of mixed-use buildings) - Parcels Defined</u>
Ground floor commercial condominiums will be treated as independent “mini” commercial buildings and assessed based on their actual building square footage, the footprint of land they cover or lot size of the commercial condominium, and the amount of direct primary street frontage on the exterior of the building. Ground floor commercial condominiums will pay 100% of the special benefits for their assessment.

<u>Residential Condominium Unit Parcels Defined</u>
Though there are currently no residential condominium units in the DMCBD, we anticipate there will be many over the next decade. Once built, the building square footage will be defined as the livable building square footage within the walls of the condominium residential unit parcel. They are included in a special category to designate their unique special benefits relative to the other commercial parcels within the DMCBD. Unlike the other commercial parcels in the District, including commercially operated apartment buildings, residential condominium parcels are assessed for building square footage only, and are not assessed for linear frontage and lot square footage.

Future residential condominium parcels will be assessed as a separate category. These residential condominium individual parcels will be assessed for their building square footage only at the rate of $0.17 per square foot per year for the first year of the DMCBD, or possibly higher if assessments have been increased annually as provided in this plan and completed in future years. The rationale for assessing future residential condominiums only for the building square footage rate is provided below.

Residential condominium parcels are assessed differently than multi-unit, market rate apartment rental buildings due to the frequency of special benefit services required by each parcel as described below. The multi-unit apartment buildings are commercial properties in which the tenant and property owner have an economic relationship as opposed to residential condominium buildings where individual property owners own separate “air space parcels” on a single floor. Future residential apartment buildings can be bought or sold just as like commercial buildings whereas residential condominium individual units are separately owned and must be individually bought and sold. Distinctions between residential apartment buildings with tenants and residential condominium building with individual parcel owners are explained as follows:

1. The Davis Sterling Act establishes rules and regulations for residential condominium owners based upon “separate interests” (i.e., ownership rights), as opposed to renters who only have a possessory interest.

2. Generally, residential condominium unit owners demonstrate greater care for their property and concerns about quality-of-life issues due to their investment in real estate.
3. Residential owners have the right to vote in a Proposition 218 hearing, tenants do not have that right.
4. Residential condominium owners are required to contribute to legally established Homeowners Associations to oversee building maintenance, tenants are not.
5. Residential tenants may have their dwelling units sold or have their rent raised arbitrarily due to the lack of ownership of their residential units.

The assessment methodology has been written to confer special benefits to future residential condominium individual assessed parcels since residential condominium owners have expectations about the care and maintenance of the building and its surroundings compared to the interest of residential tenants who have a possessory not an ownership interest.

Data generated from County records and validated by request of owner verification by mail:

Land Area/Lot Square Footage: 1,283,549 square feet of assessable land

Linear Frontage: 13,321 linear feet of assessable linear frontage

Gross Building Square footage 435,176 feet of assessable building square footage

Residential Condominiums 0 square footage

Year 1 – Projected DMCBD Assessment Revenue

	Land Area/ Lot Sq. Ft. Assessment	Linear Frontage Assessment	Building Square Footage Assessment	Total
Revenue **% of total**	**$ 64,177** **35%**	**$ 46,624** **25%**	**$ 73,980** **40%**	**$184,781** **100%**

The number of Benefit Units for each identified benefiting parcel within the proposed DMCBD was computed from data extracted from County Assessor records and maps as well as property verification forms mailed out to each parcel owner in the proposed District. These data sources delineate current land uses, property areas and dimensions of record for each tax parcel.
The assessment formula for the proposed established DMCBD is as follows:

Assessments = Land Area (Unit A) Sq Ft x Unit A Rate, plus
Street Frontage (Unit B) Lin Ft x Unit B Rate, plus
Building Square footage (Unit C) Sq ft x Unit C rate

YEAR 1 – Assessment Rates

Land Area Assessment Unit A	Linear Frontage Assessment Unit B	Building Square Footage Assessment Unit C
$ 0.05 per square foot	$ 3.50 per linear foot	$0.17 per square foot

Changes to Frontage, Building or Lot Parcel Size

Any changes in frontage, building, and lot parcel size, because of all three land adjustments including, but are not limited to lot splits, consolidations, subdivisions, street dedications, right of way setbacks shall have their assessment adjusted upon final City approval of such parcel adjustments.

Other Future Development

Other than future maximum rates with the frontage, building or parcel size assessment methodology delineated in this report, per State Law (Government Code Section 53750), future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or rates other than as stipulated in this Plan would require a new Proposition 218 ballot procedure to approve any such changes.

DMCBD – 5-year Maximum Assessment Rates

	Lot Sq. Ft	Linear Frontage	Bldg. Sq. Ft.	Condo Sq. Ft.
Y1	$ 0.050	$ 3.500	$ 0.170	$ 0.170
Y2	$ 0.053	$ 3.675	$ 0.179	$ 0.179
Y3	$ 0.055	$ 3.859	$ 0.187	$ 0.187
Y4	$ 0.058	$ 4.052	$ 0.197	$ 0.197
Y5	$ 0.061	$ 4.254	$ 0.207	$ 0.207

SAMPLE DMCBD FIRST YEAR ANNUAL ASSESSMENT CALCULATION:

A 5,000 sq. ft. lot with 50 linear feet in Downtown Manteca, street frontage and a 2,500 square foot building

Land/Lot size square footage:	5,000 x $0.05 cents per square foot = $250.00 plus
Liner Frontage:	50 linear feet x $3.50 per linear foot = $175.00 plus
Building Square Footage equals	2,500 x $0.17 cents per square foot = $425.00
TOTAL YEAR 1 ASSESSMENT:	**$ 850.00**
Cost Per Month:	$ 70.83
Cost Per Day:	$ 2.33

FUTURE RESIDENTIAL CONDOMINIUM ASSESSMENTS IN THE DMCBD:
Actual Building square footage of the Residential Condo
$0.17 per year x condo building square footage = Annual Assessment

The complete Year 1 – assessment roll of all parcels to be assessed by this DMCBD is included in this Plan as Appendix I.

V. PUBLICLY OWNED PARCELS

The State Constitution - Article 13D (Proposition 218) states that "*parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.*"

There are 21 publicly owned parcels within the District, all of which are identified as assessable and for which special benefit services will be provided. All 21 identified assessed parcels are owned by the City of Manteca, County of San Joaquin and the former Manteca Redevelopment Agency (RDA, now the Successor Agency).

Each of these City owned parcels will directly receive and proportionately specially benefit from improved Civil Sidewalks, District Identity and Place Making, Administration services, and contingency. These 21 identified assessed publicly owned parcels/facilities will specially benefit from District funded programs and services from cleaner and safer facility entrances and street frontages.

In the opinion of the Assessment Engineer, there is no clear and convincing evidence that these 21 publicly owned parcels will not proportionately specially benefit from District services, programs and improvements; therefore, each publicly owned parcel will be assessed at the rates with assessments to be based on the building square footage, lot square footage area and street linear frontage of each parcel.

The Table below lists all publicly owned parcels within the proposed established DMCBD and their Year 1 assessment amounts:

City of Manteca and Publicly owned parcels

APN	Public Agency	Site Address	Year 1 Assessment	% of Total
217-210-100-000	CITY OF MANTECA	309 W YOSEMITE AVE	$ 250.00	0.14%
217-210-110-000	CITY OF MANTECA	105 SYCAMORE AVE	$ 955.00	0.52%
217-210-120-000	CITY OF MANTECA	224 W CENTER ST	$ 1,391.35	0.75%
217-210-160-000	CITY OF MANTECA	126 SYCAMORE AVE	$ 469.45	0.25%
217-210-170-000	CITY OF MANTECA	124 SYCAMORE AVE	$ 479.50	0.26%
217-210-180-000	CITY OF MANTECA	116 N SYCAMORE AVE	$ 501.70	0.27%
217-210-190-000	CITY OF MANTECA	112 N SYCAMORE AVE	$ 239.95	0.13%
217-210-280-000	CITY OF MANTECA	113 N MAPLE AVE	$ 500.00	0.27%
217-210-340-000	CITY OF MANTECA	142 N MAPLE AVE	$ 550.00	0.30%
217-210-350-000	CITY OF MANTECA	140 N MAPLE AVE	$ 200.00	0.11%
217-210-360-000	CITY OF MANTECA	138 N MAPLE AVE	$ 82.50	0.04%
217-210-500-000	CITY OF MANTECA	113 N MAIN ST	$ 43.75	0.02%
217-210-510-000	CITY OF MANTECA	115 N MAIN ST	$ 551.30	0.30%
217-210-640-000	CITY OF MANTECA	111 POPLAR AVE	$ 1,698.80	0.92%

217-210-710-000	CITY OF MANTECA	320 W CENTER ST	$ 12,978.34	7.02%
219-400-070-000	CITY OF MANTECA	121 S MAPLE AVE	$ 3,195.66	1.73%
219-400-080-000	CITY OF MANTECA	314 W YOSEMITE AVE	$ 980.00	0.53%
219-410-120-000	CITY OF MANTECA	130 S MAPLE AVE	$ 272.50	0.15%
219-410-130-000	CITY OF MANTECA	201 S MAIN ST	$ 272.50	0.15%
221-030-250-000	CITY OF MANTECA	220 MOFFAT BLVD	$ 13,588.40	7.35%
		TOTAL	**$ 39,200.70**	**21.22%**
221-020-350-000	MANTECA REDEVELOPMENT	123 S GRANT AVE	$ 1,758.45	0.95%
		PUBLIC PARCEL TOTAL	**$ 40,959.15**	**22.17%**

VI. DMCBD DISTRICT GOVERNANCE

The governance or management of a CBD typically requires an “Owners’ Association” to carry out the CBD services and activities. The state PBID Law (36600 Streets & Highways Code) also requires that the Owners’ Association carry out specific additional functions. This includes preparation of an Annual Report to the City Council on the CBD activities for the past fiscal year and those proposed for the next fiscal year. The Owner’s Association may also recommend to the City Council from time to time, changes to the CBD boundaries, benefit zones, assessment formula or CBD programs and activities, all subject to public notification and, in some cases petition/balloting requirements.

Meetings of the Owners’ Association and its standing Committees shall be subject to the State of California “Brown Act” open meetings and public records access statutes.

VII. PROPOSED RULES AND REGULATION APPLIED TO THE DISTRICT

There are no specific rules or regulations applied to this CBD or its Owners’ Association.

VIII. OTHER ITEMS

No bonds will be issued for any DMCBD projects in conjunction with this formation.

IX. TIMELINE

Here is the rough timeline for the establishment of the new Downtown Manteca Community Benefit District to be formed under the PBID Act/Section 36600, Streets and Highway Code

Task	***Responsibility***	***Estimated Timeline***
Approval of the plan by the City Attorney	City Attorney, Barbara Harb, City Manager Toni Lundgren	Late April 2023
Mail out petitions and summary of plan to all property owners	New City America and CBD Steering Committee	Early May
City Council action instructing the City Manager to sign the petition and vote in the mail balloting procedure	Barbara and Toni	May
Work on petition drive, hold public meetings as needed	New City America, City and CBD Steering Committee	To be determined
Submit 50% threshold of weighted petitions to Jennifer	Barbara writes up Resolution of Intent and Staff report, (working with NCA)	Resolution of Intent to be adopted on adopted on April 2nd, 2024th
Ballots mailed out by City Clerk including package of materials and public hearing date	City Clerk working with NCA staff for contents	Need to be mailed out, first class mail, by the week of April 15th, 2024 to meet the San Joaquin County Assessor Tax deadline
Ballots returned to City Clerk by mail	City Clerk	April, May and early June
Notice posted in local newspaper	City Clerk	As per government code
Public Hearing held, testimony given, ballots opened and counted by City Clerk	Staff report submitted by Barbara. If weighted returned ballots of support exceed weighted returned ballot opposed City Council can adopt a Resolution of Formation that allows for transferring CBD assessments to County for levy of assessments on the benefitting property owners	June 4th, 2024, public hearing date at the City Council
First meeting of the interim Board of Directors, including DBA and DMCBD Steering Committee members	To be determined if NCA will play this role, up to City	To be determined, once the DMCBD has been formed
Corporation formed for transfer of funds from the City to the new Owners Association	Interim Board to determine the name, bylaws, interim Board members, Interim officers, City contract, banking relationship, etc	After a contract with the new management corporation has been signed
Funds collected by County (or the City) and then sent to the new 501c3	City staff	Late December 2024, early January 2025

APPENDIX 1

YR 1
ASSESSMENT ROLL

ATTACHMENT 2

APN	Annual Assessment
217-210-080-000	$2,017.50
217-210-090-000	$1,040.33
217-210-100-000	$250.00
217-210-110-000	$955.00
217-210-120-000	$1,391.35
217-210-140-000	$750.00
217-210-150-000	$996.91
217-210-160-000	$469.45
217-210-170-000	$479.50
217-210-180-000	$501.70
217-210-190-000	$239.95
217-210-200-000	$2,043.68
217-210-210-000	$1,307.50
217-210-220-000	$624.00
217-210-230-000	$708.00
217-210-240-000	$566.61
217-210-250-000	$231.40
217-210-260-000	$1,605.00
217-210-270-000	$918.01
217-210-280-000	$500.00
217-210-300-000	$1,047.74
217-210-310-000	$1,104.52
217-210-320-000	$936.73
217-210-330-000	$4,135.00
217-210-340-000	$550.00
217-210-350-000	$200.00
217-210-360-000	$82.50
217-210-370-000	$1,239.12
217-210-380-000	$794.00
217-210-390-000	$500.00
217-210-400-000	$2,128.00
217-210-410-000	$1,902.75
217-210-420-000	$757.96
217-210-430-000	$1,879.55
217-210-440-000	$447.73
217-210-450-000	$541.04
217-210-460-000	$845.00
217-210-470-000	$2,710.00
217-210-480-000	$250.00
217-210-490-000	$884.20
217-210-500-000	$43.75
217-210-510-000	$551.30
217-210-520-000	$1,305.60
217-210-530-000	$930.00
217-210-540-000	$1,357.77
217-210-550-000	$1,160.00
217-210-560-000	$1,711.28
217-210-570-000	$2,175.29
217-210-580-000	$2,956.91
217-210-590-000	$2,364.15
217-210-640-000	$1,698.80
217-210-650-000	$417.25
217-210-660-000	$592.25
217-210-710-000	$12,978.34
217-225-090-000	$2,575.48
217-226-020-000	$560.00
217-226-030-000	$1,108.00
217-226-040-000	$1,563.40
217-226-050-000	$927.50
217-226-060-000	$966.59
217-226-090-000	$2,781.42
219-400-010-000	$2,453.70
219-400-020-000	$1,312.46
219-400-030-000	$342.50
219-400-040-000	$833.00
219-400-050-000	$1,993.00
219-400-060-000	$2,757.45
219-400-070-000	$3,195.66
219-400-080-000	$980.00
219-410-010-000	$2,370.00
219-410-030-000	$681.47
219-410-040-000	$646.62
219-410-050-000	$675.86
219-410-060-000	$912.50
219-410-070-000	$475.26
219-410-080-000	$2,250.00
219-410-090-000	$2,254.20
219-410-100-000	$4,388.19
219-410-120-000	$272.50
219-410-130-000	$272.50
219-410-140-000	$4,859.40
219-410-150-000	$3,034.71
221-020-010-000	$2,042.50
221-020-100-000	$1,400.11
221-020-270-000	$6,685.80
221-020-320-000	$652.50
221-020-330-000	$3,416.85
221-020-350-000	$1,758.45
221-020-360-000	$5,735.66
221-030-250-000	$13,588.40
223-091-130-000	$1,546.70
223-091-140-000	$1,523.00
223-091-150-000	$1,494.72
223-091-160-000	$3,021.04
223-091-170-000	$468.40
223-091-200-000	$3,137.80
223-101-010-000	$3,191.54
223-101-050-000	$4,266.50
223-101-060-000	$525.00

223-101-070-000	$3,193.97
223-101-080-000	$535.00
223-101-090-000	$1,770.00
223-101-100-000	$541.90
223-101-110-000	$545.00
223-101-120-000	$272.50
223-101-130-000	$442.96
223-101-140-000	$1,525.00
223-101-150-000	$950.70
223-102-100-000	$555.21
223-102-110-000	$1,483.87
223-102-120-000	$292.00