



Balancing Community and Commerce

44 N. SAN JOAQUIN STREET SUITE 374 STOCKTON, CA 95202 209-468-3198

EXECUTIVE OFFICER'S REPORT

DATE: July 14, 2026
TO: LAFC -09-26 Project File
FROM: J.D. Hightower, Executive Officer 
SUBJECT: **Murray Ranch Reorganization to the City of Stockton**

DETERMINATION

The attached Administrative Resolution conditionally approves the reorganization of approximately 37.42 acres of territory comprised of two (2) parcels, 2560 East Hall Avenue (APN 170-030-11, 28.56 acres) and 2530 East Section Avenue (APN 170-040-75, 8.84 acres) to the City of Stockton.

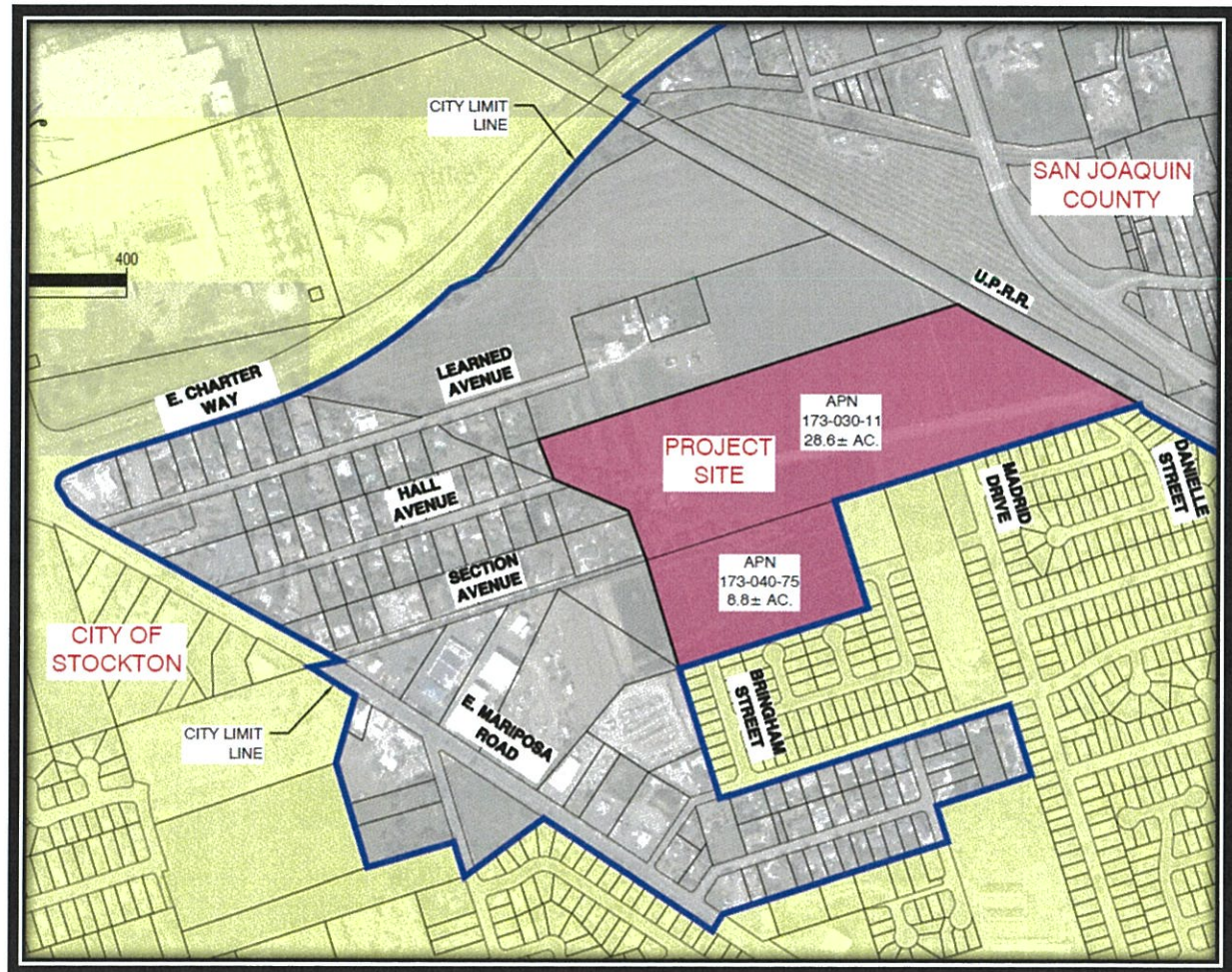
The reorganization was initiated by the City of Stockton on July 29, 2025 via City Council Resolution 2025-07-29-1603 (see Attachment 1) and at the same hearing was pre-zoned by the City as Residential, Low (RL) by Ordinance 2025-07-29-1603 (see Attachment 2). The reorganization includes annexation to the City of Stockton and detachment from the Eastside Fire Protection District. The City, County and District executed a project specific property tax sharing agreement (A-26-35) on March 17, 2026 (see Attachment 3)

The annexation plan was made part and included in the City's Resolution, Attachment 1. This plan evaluates a subdivision for a 217 single-family lots, four (4) open space/park lots, streets, and utilities. Being adjacent to other existing single family neighborhoods, the proposed public streets and subdivision improvements include the extension of streets, water and sewer mains from these neighborhoods. The subdivision design allows for the preservation of open space for 14 existing valley oak trees. An eighty-five foot (85') building setback from the Burlington Northern/Santa Fe Railroad (BNSF) tracks, as well as an 8' sound wall along the territory's shared boundary with BNSF is also part of the development plan.

The application was submitted to LAFCo on March 19, 2026 and a Certificate of Filing for the project was issued on April 9, 2026.

The Murray Ranch annexation meets the criteria of State Government Code Section 56662, that a determination can be made regarding the annexation request without a notice and hearing. The territory of the annexation proposal is uninhabited pursuant to the Government Code 56079.5 with no (0) registered voters residing within the boundaries of the territory proposed for annexation. With 100% owner consent, a protest hearing is waived.

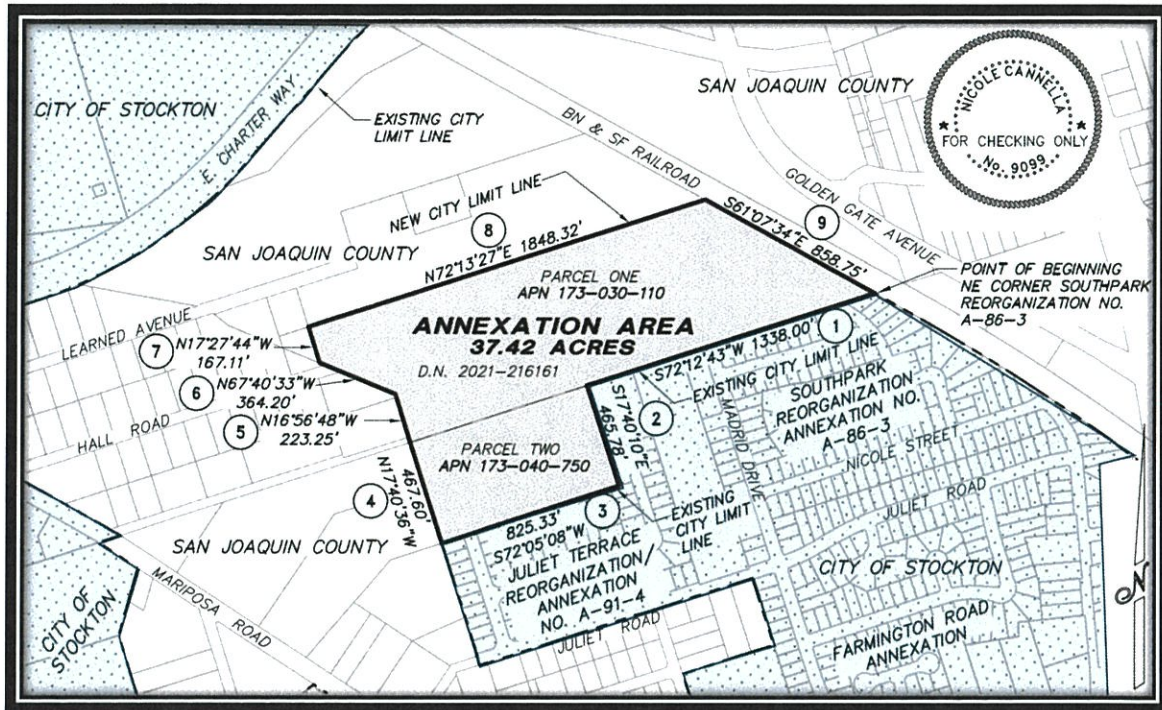
LOCATION:



Vicinity Map

The territory of the reorganization, 2560 East Hall Avenue and 2530 East Section Avenue, is 37.4-acre in size and is located southwest of the BNSF tracks, east of Mariposa Road, north of the Southpark and Juliet Terrace reorganizations (approved in 1987 and 1992 respectively), and south of Dr. Martin Luther King, Jr. Boulevard. Pursuant to CKH Section 56668(f) the territory includes the entirety of the two parcels (APN 170-030-11 & 170-040-75) that are owned by the same entity, the Pelowski Robert & Pelowski Barbara Trust in care of Douglas G. Murray.





Murray Ranch Annexation Plat

The proposed territory is within the City's adopted Sphere of Influence, adjacent to the northern boundary of the Juliet Terrace Reorganization Annexation with Susan Way and Bringham Street stubbing dead-end streets to the territory. The proposed territory is also north of the Southpark Reorganization Annexation with Madrid Drive and Danielle Street stubbing to the southern boundary of proposed annexation territory.

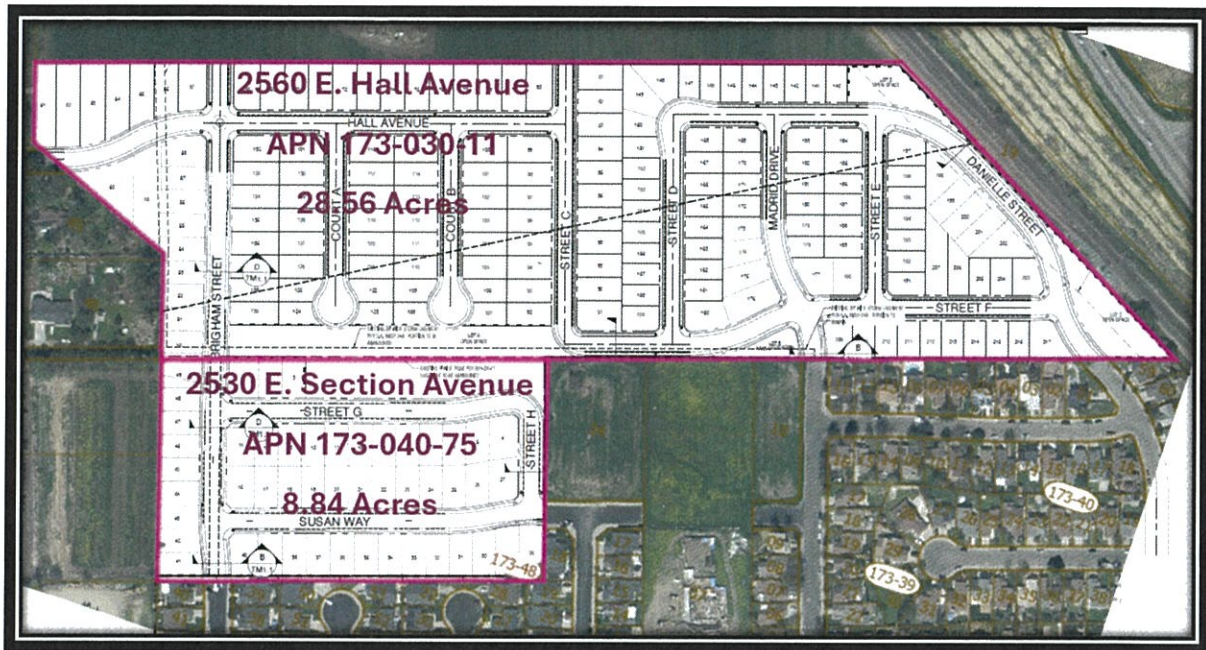
Although adjacent to existing neighborhoods within the incorporated city limits, the Murray Ranch area is currently in the 30 year time horizon of the City of Stockton Sphere of Influence (SOI). As part of this request, the City is requesting an amendment to its Sphere of Influence map to include the territory within the 5 to 10 year planning time horizon.

The Commission's policy and procedures stated that when an agency seeks to move territory already within its sphere from one sphere horizon to another and amendment to its SOI is necessary. The Commission's policy is that in determining the 0-30 year timeframe, LAFCo shall consider and accord reasonable deference to each local agency's policies with respect to the rate of residential and non-residential growth, anticipated absorption of land, and the agency's policies and strategies for economic and employment growth.

For the City of Stockton, encouraging housing and population growth is warranted in that during the past year, the City's population declined by 641 residents. The



SOI amendment to accommodate residential development is necessary to encourage population growth.



ANALYSIS

The proposed annexation is consistent with State open space and agricultural goals. Government Code Section 56377 states that, "In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, Development ... shall be guided away from existing prime agricultural lands ... toward areas containing nonprime agricultural lands ... should be encouraged."

The soils within the territory are nonprime agricultural lands. The entirety of the soils within the territory are mapped as Galt-Urban with a California Modified Storie Index of Very Poor. The Galt-Urban soil is not mapped as irrigated, served by California Water Service (Private), and has a USDA Non-irrigated rating of 3.



Tables – California Revised Storie Index (CA) – Summary By Map Unit

Summary by Map Unit – San Joaquin County, California (CA077)

Summary by Map Unit – San Joaquin County, California (CA077)

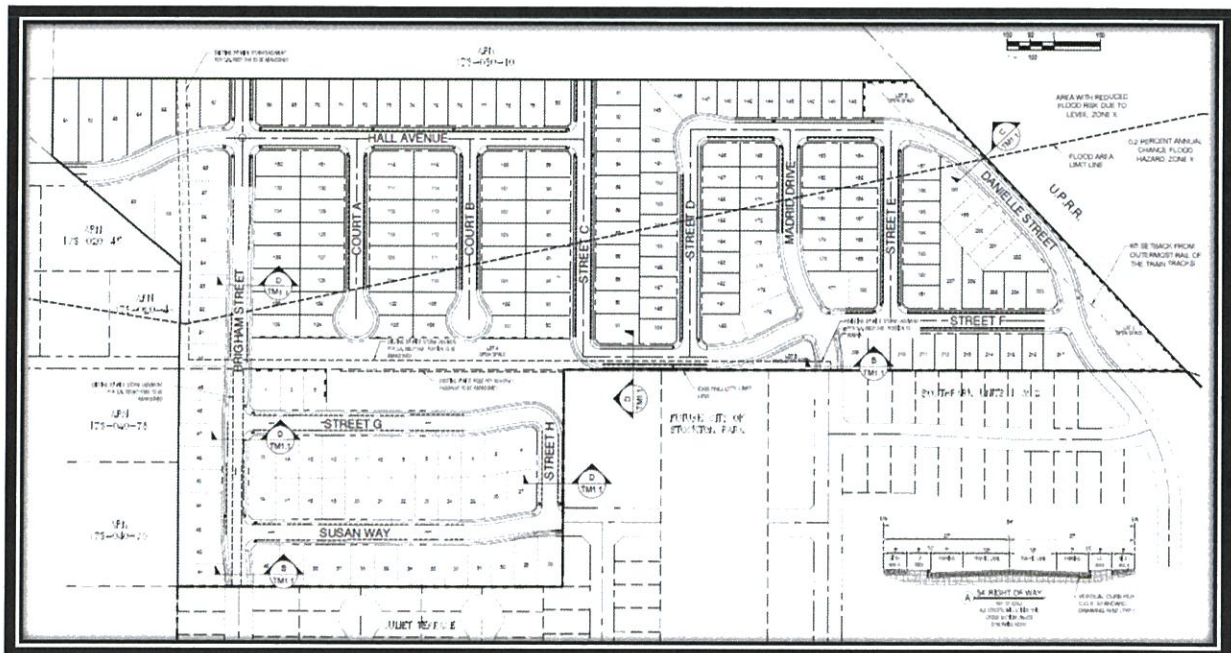
Map unit symbol	Map unit name	Rating	Component name (percent)	Acres in AOI	Percent of AOI
162	Galt-Urban land complex, 0 to 1 percent slopes, MLRA 17	Grade 5 - Very Poor	Galt (55%)	38.7	100.0%
Totals for Area of Interest				38.7	100.0%

Tables – Nonirrigated Capability Class – Summary By Map Unit

Summary by Map Unit – San Joaquin County, California (CA077)

Summary by Map Unit – San Joaquin County, California (CA077)

Map unit symbol	Map unit name	Rating	Acres in AOI	Percent of AOI
162	Galt-Urban land complex, 0 to 1 percent slopes, MLRA 17	3	38.7	100.0%
Totals for Area of Interest			38.7	100.0%



The Murray Ranch annexation plan also preserves 14 mature oak trees. This noteworthy because Government Code Section 56059 states, "Open space means any parcel ... which is substantially unimproved and devoted to an open-space use, as defined in Section 65560". Section 65560(H)(3) goes on to further define that "Open-space land" means ... space for outdoor recreation, including, but not limited to, areas of outstanding scenic, historic and cultural... areas particularly suited for park and recreation purposes." The City owns an adjacent parcel, 2839 Susan



Way (APN 173-480-34), that is noted on the tentative subdivision map above as a future park site. The annexation plan integrates 2.04 acres and links preserved oak trees to the future park and neighborhood as well as a bio-retention area for storm water management.

Pursuant to Government Code Section 56668, the most applicable factors to be considered in the review of this proposal are:

- (a) **Population and Population Density:** The development plan for the annexation calls for 217 single-family detached lots (5.79 dwelling units/acre). The State estimates that on 01/01/2026 the average persons per dwelling unit was 3.07 for a total expected population of 667 residents within the annexation boundaries (approximately 18 persons per acre).



- (a) **Community Services:** Necessary urban services will be provided by the City of Stockton, PG&E and CalWater. The City will provide wastewater, storm water, streets and park maintenance, law enforcement and fire protection as well as all other services provided by the City. Overall the annexation plan found that existing public services and improvements proposed by the project would be adequate to serve the territory and its future residents. Territory development will require the extension of services provided by service providers. The level and range of these public services is described in the annexation plan and additional details in the project's environmental checklist. The design, engineering, and construction of these



services and infrastructure improvements will be financed by the developer subject to all applicable City of Stockton standards and specifications.

- (d) **Planned, Orderly, Efficient Patterns of Urban Development:** The Murray Ranch annexation is within the City's existing Sphere of Influence and within an area of peninsula of unincorporated territory west of SR 99. The Commission's policy is that "Proposals to annex ... or otherwise correct illogical distortion of boundaries will normally be approved." Furthermore, it is the Commission's policy that, "Annexations to agencies providing urban services shall be progressive steps toward filling in the territory designated by the affected agency's adopted sphere of influence. Proposed growth shall be from inner toward outer areas." Such is the case with the Murray Ranch territory.

The City's General Plan designation for the territory and general area is Residential. Additionally, the territory is adjacent to the previously developed Juliet Terrace (JT) and Southpark (SP) annexation areas consistent with the General Plan. The development plan for the proposed Murray Ranch territory mimics both the JT and SP subdivisions in terms of density and design.

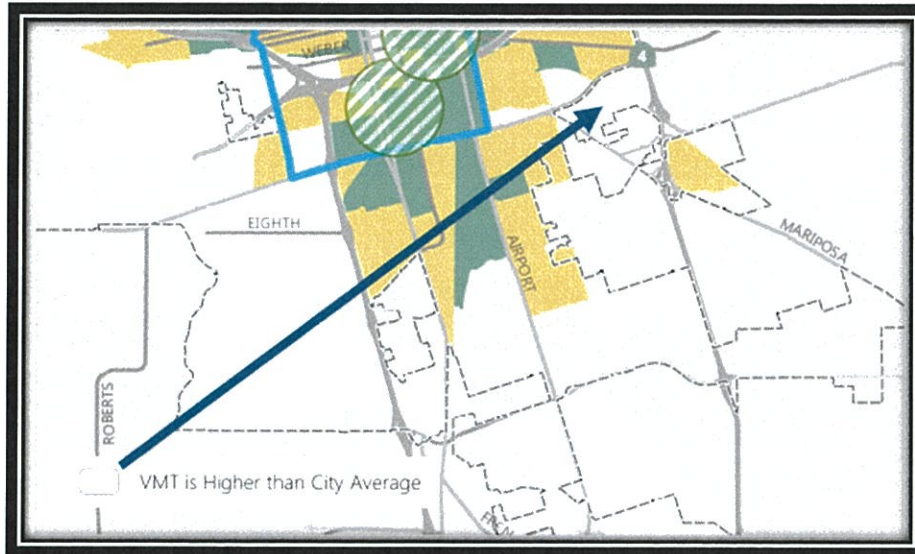
There is adequate infrastructure that is stubbed to the Murray Ranch territory to provide all necessary urban services. Public utilities will be extended, including water, sewer, storm, and dry utilities, from existing lines within Danielle, Madrid and Bingham Streets. These lines include 8" water mains, 8" sewer mains, a 54" storm water will be relocated and extended within Bingham Street; and public utility easements (PUE) will be along all street frontages. The adopted Commission policy is, "An annexation shall be approved only if ... demonstrates that adequate services can be provided with the timeframe needed by the inhabitants of the annexed area."

- (g) **Regional Transportation Plan (RTP):** The project proposes detached single-family homes within an average density of 5.8 dwelling units per acre consistent with general plan designation. The proposed project is forecasted to generate 2,050 average daily trips, 152 AM peak hour, and 204 PM peak hour trips during typical weekday conditions. The project aligns with the City of Stockton General Plan, zoning standards, design guidelines and all other applicable City standards and specifications related to land use designations, including density limits and circulation system. Development in accordance with the annexation plan is not anticipated to increase travel hazards and will provide adequate emergency vehicle access.

The RTP Vehicle Miles Travelled (VMT) 2046 goal is 25.53 miles per capita. The project is exempt from VMT analysis pursuant to the City's Traffic Impact Analysis Guidelines in that the project is consistent with the adopted General Plan and zoning. Although in area of higher VMT, minimizing VMT impact



are two transit stops within a half-mile of of the territory on Madrid Drive and Mariposa Road.



(k) **Ability to Provide Services & Sufficiency of Revenues:** Development in accordance with the annexation plan is forecasted to generate at the time of building permit issuance one time system development fees totaling \$12,129,444 or an average of \$55,896 per unit. These system development fees include fees for water, sewer, solid waste, police, fire, schools, and parks.

(l) **Timely availability of water supplies:** Water will be provided by CalWater, a private water company and PG&E will provide natural gas and electrical service. and The Murray Ranch Project will be served by CalWater, a private water company. CalWater's distribution system is supplied by ground water pumps operated by the company and surface water from the Stockton East Water District. The total daily water demand for the development plan is estimated to be between 32,349.5 gallons (CalWater 48.5 gpd/per capita) to 37,752 (COS MUD 56.6 gpd/per capita). Due to project's General Plan consistency, CalWater's water supply planning documents, including its UWMP and applicable water supply assessments, demonstrate that it has adequate supply to serve both existing customers and anticipated future development through 2040 under all hydrologic conditions as shown below.



		2025	2030	2035	2040	2045
FIRST YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
SECOND YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
THIRD YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
FOURTH YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
FIFTH YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0

Attachments:

Attachment 1 City of Stockton City Council Resolution 2025-07-29-1603

Attachment 2 City of Stockton Ordinance 2025-07-29-1603

Attachment 3 Property Tax Sharing Agreement (A-26-35)

Attachment 4 Murray Ranch Annexation Plan

Attachment 5 SJLAFCo Resolution of Approval

Exhibit A Legal Description

Exhibit B Boundary Map

Exhibit C Closure Calculation



Attachment 1

Resolution No. 2025-07-29-1603

STOCKTON CITY COUNCIL

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL AGENCY FORMATION COMMISSION FOR THE ANNEXATION OF ASSESSOR'S PARCEL NUMBERS 173-030-110 AND 173-040-750, WITH RELATED CITY SERVICES PLAN (P23-0125)

On December 8, 2023, the applicant, Tim Lewis Land Group LP, submitted a request to Prezone Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750 to Residential, Low (RL) Zoning for the purposes of future residential development. The legal parcels total approximately 37.4 acres and would be developed with single-family homes and open space; and

On March 27, 2025, the Planning Commission held a duly noticed public hearing, pursuant to Stockton Municipal Code (SMC) Chapter 16.88, to consider the proposed Prezoning, at which all times all interested parties had the opportunity to be heard; and

At the March 27, 2025, public hearing, and prior to acting on this request, the Planning Commission considered and recommended approval of the Prezoning by the City Council; and

On July 15, 2025, the City Council held a duly noticed public hearing, pursuant to Stockton Municipal Code (SMC) chapter 16.88, to consider the proposed Prezoning, at which all times all interested parties had the opportunity to be heard; and

At the July 15, 2025, public hearing, and prior to acting on this request, the City Council continued the public hearing to July 29, 2025, for the Prezoning of Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750; and

At the July 29, 2025, public hearing, and prior to acting on this request, the City Council approved Prezoning of Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

I. Boundary Changes/Annexations:

Pursuant to Stockton Municipal Code Section 16.216.070(H)(2), the following findings of fact are made to support the annexation request:

- a) The subject territory is located within the urban services area of the City, as shown in Exhibit 2: Prezone Map.
- b) APNs 73-030-110 and 173-040-750 have been prezoned, as described above.

- c) The subject territory is contiguous to the existing City limits, as shown in Exhibit 2: Prezone Map.
- d) The proposed annexation does not split a line of assessment and includes a future subdivision map application to ensure property ownership lines align with the City limit boundary established by the annexation. This finding is supported by San Joaquin County Local Formation Agency Commission Policy 10 (Definite and Certain Boundaries) which requires: (a) all boundaries shall be certain and conform to lines of assessment or ownership; and (b) acknowledgement by the City of Stockton that the Commission may impose a condition on the annexation requiring the recordation of a parcel map to avoid creating remnants of legal lots.
- e) The proposal does not create islands or areas in which it would not be easy to provide City services. The subject territory includes lands located within or in immediate proximity to existing utilities. The proposal utilizes said services without creating a feature that may make their delivery difficult to other areas.
- f) The 2040 General Plan Land Use Map designates the subject site as Low Density Residential. Pursuant to Table 2-1 (General Plan Relationship to Development Code) of the General Plan, the RL Zone is compatible with Low Density Residential General Plan Land Use Map designation.

The proposed annexation would further the following General Plan policy:

- Policy LU-6.2: Prioritize development and redevelopment of vacant, underutilized, and blighted infill areas.

Consistency of the annexation proposed with this policy is demonstrated through its ability to enable development of a new residential development on parcels that are in a vacant and contiguous location to the existing City limits.

II. Recitals

The following recitals are true and correct:

1. The proposed Project is consistent with the adopted Envision Stockton 2040 General Plan and its certified EIR (SCH# 2017052062), with City Council action taken on December 4, 2018. The Project is also consistent with the applicable general plan designation and all applicable general plan policies. Finally, there are no project-specific significant effects related to traffic, noise, air quality, or water quality; and the Project site has no apparent value as a habitat for endangered, rare, or threatened species.

2. The project is consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified. The Project is consistent with the General Plan density and implementing zoning as a residential project that conforms to the anticipated density and adopted development standards in the Municipal Code, with approval of a Waiver.

3. There are no project specific effects which are peculiar to the project or its site. The project is not located in an area with special consideration such as overlay zoning or items particular to the site. It is vacant land adjacent to the City boundary.

4. There are no project-specific impacts which the GPU EIR failed to analyze as significant effects. The adopted General Plan EIR analyzed the site as having a Residential land use designation, for which the proposed Project is compliant with in relation to anticipated impacts from a residential project of this size and nature.

5. There are no potentially significant off-site and/or cumulative impacts which the GPU EIR failed to evaluate. Because the adopted General Plan EIR evaluated the site as being residentially developed in the future, any technical analysis prepared, such as air quality and traffic, etc., evaluated a residential project at this location built to the maximum potential of the site. Therefore, there are no potentially significant off-site and/or cumulative impacts of said project.

6. There is no substantial new information which results in more severe impacts than anticipated by the GPU EIR. No new information has been presented which deviates from the residential development standards in the municipal code, or type of development project proposed. Therefore, no new impacts or more severe impacts are anticipated, requiring additional evaluation or an addendum to the adopted General Plan EIR.

7. The City Manager is authorized to file with the San Joaquin County Local Agency Formation Commission, as described in Exhibit 1 (City Services Plan), and Exhibit 2 (Prezone Map).

8. The San Joaquin County Local Agency Formation Commission is hereby requested to approve the above-noted annexation of territory to the City of Stockton as depicted on Exhibit 2.

9. The City Manager is authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED July 29, 2025.


CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:


KATHERINE ROLAND, CMC, CPMG
City Clerk of the City of Stockton



Attachment 2

ORDINANCE NO. 2025-07-29-1603

AN ORDINANCE AMENDING TITLE 16 OF THE STOCKTON MUNICIPAL CODE RELATED TO THE "ZONING MAP," IN SECTION 16.16.030 OF THE STOCKTON MUNICIPAL CODE, TO PREZONE AND ZONE PROPERTIES TO RESIDENTIAL, LOW (RL) ZONING LOCATED AT APNS 173-030-110 AND 173-040-750 (APPLICATION NO. P23-0125)

On December 8, 2023, the applicant, Tim Lewis Land Group LP, submitted a request to Prezone Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750 to Residential, Low (RL) Zoning for the purposes of future residential development. The legal parcels total approximately 37.4 acres and would be developed with single-family homes and open space; and

On March 27, 2025, the Planning Commission held a duly noticed public hearing, pursuant to Stockton Municipal Code (SMC) Chapter 16.88, to consider the proposed Prezoning, at which all times all interested parties had the opportunity to be heard; and

At the March 27, 2025, public hearing, and prior to acting on this request, the Planning Commission considered and recommended approval of the Prezoning by the City Council; and

On July 15, 2025, the City Council held a duly noticed public hearing, pursuant to Stockton Municipal Code (SMC) Chapter 16.88, to consider the proposed Prezoning, at which all times all interested parties had the opportunity to be heard; and

At the July 15, 2025, public hearing, and prior to acting on this request, the City Council continued the public hearing to July 29, 2025, for the Prezoning of Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750; and

At the July 29, 2025, public hearing, and prior to acting on this request, the City Council approved Prezoning of Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

SECTION I. FINDINGS AND INTENT

Pursuant to SMC Section 16.116.050(B)(1) and (3), Mandatory Findings of Fact for All Amendments, all of the following findings of fact, as applicable to this type of amendment, shall be made to approve an amendment:

A. The proposed Prezoning action ensures and maintains internal consistency with the general land uses, objectives, policies, programs, and actions of all elements of the General Plan on balance. The 2040 General Plan Land Use Map designates the subject site Residential. Pursuant to Table 2-1 (General Plan Relationship to Development Code) of the General Plan, the RL Zone is compatible with the General Plan Land Use Map designation

Attachment 2

of Residential.

B. The proposed Prezoning action would not create any inconsistencies with SMC Title 16 (Development Code) since it pertains to the Zoning Map only. The text of Title 16 (Development Code) would remain unchanged under this action.

C. The project is consistent with the 2040 General Plan Land Map designation of Low Density Residential applicable to the site. The project also furthers General Plan policies aimed at prioritizing development of vacant, underutilized, and blighted infill areas (Policy LU-6.2). All of this is accomplished in a development proposal that is compliant with applicable development standards within SMC Title 16 (Development Code) and the proposed Planned Development Permit request.

D. The Project site is physically suitable, including access, provision of utilities, compatibility with adjoining land uses, and absence of physical constraints, for the requested zoning designation and anticipated residential land use development. The Project site is surround by residential uses to the south and west, and will utilize existing roadway connection points for access to and from the site. Utilities are readily available in existing connections in the immediate vicinity.

SECTION II. PREZONING AND ZONING CLASSIFICATION

The City Council adopts this Ordinance for a Zoning Map Amendment, shown attached hereto as Exhibit 1, to Prezone of Assessor's Parcel Numbers 173-030-110 and 173-040-750, presently located in the County of San Joaquin, State of California, is hereby reclassified, upon annexation to the City of Stockton, to Residential, Low (RL) Zone.

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Attachment 2

SECTION III. SEVERABILITY

If any part of this Ordinance is held invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and the City Council hereby declares that it would have passed the remainder of this Ordinance, if such invalid portion thereof had been deleted.

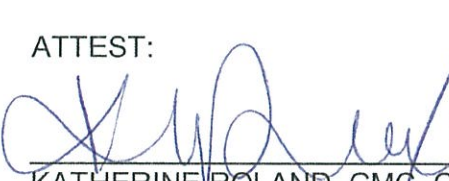
SECTION IV. EFFECTIVE DATE

This Ordinance shall take effect and be in full force thirty (30) days after its passage.

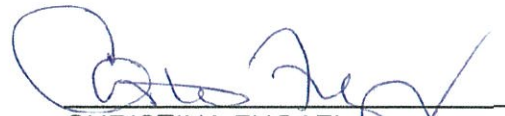
ADOPTED: 07-29-2025

EFFECTIVE: 08-28-2025

ATTEST:


KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton



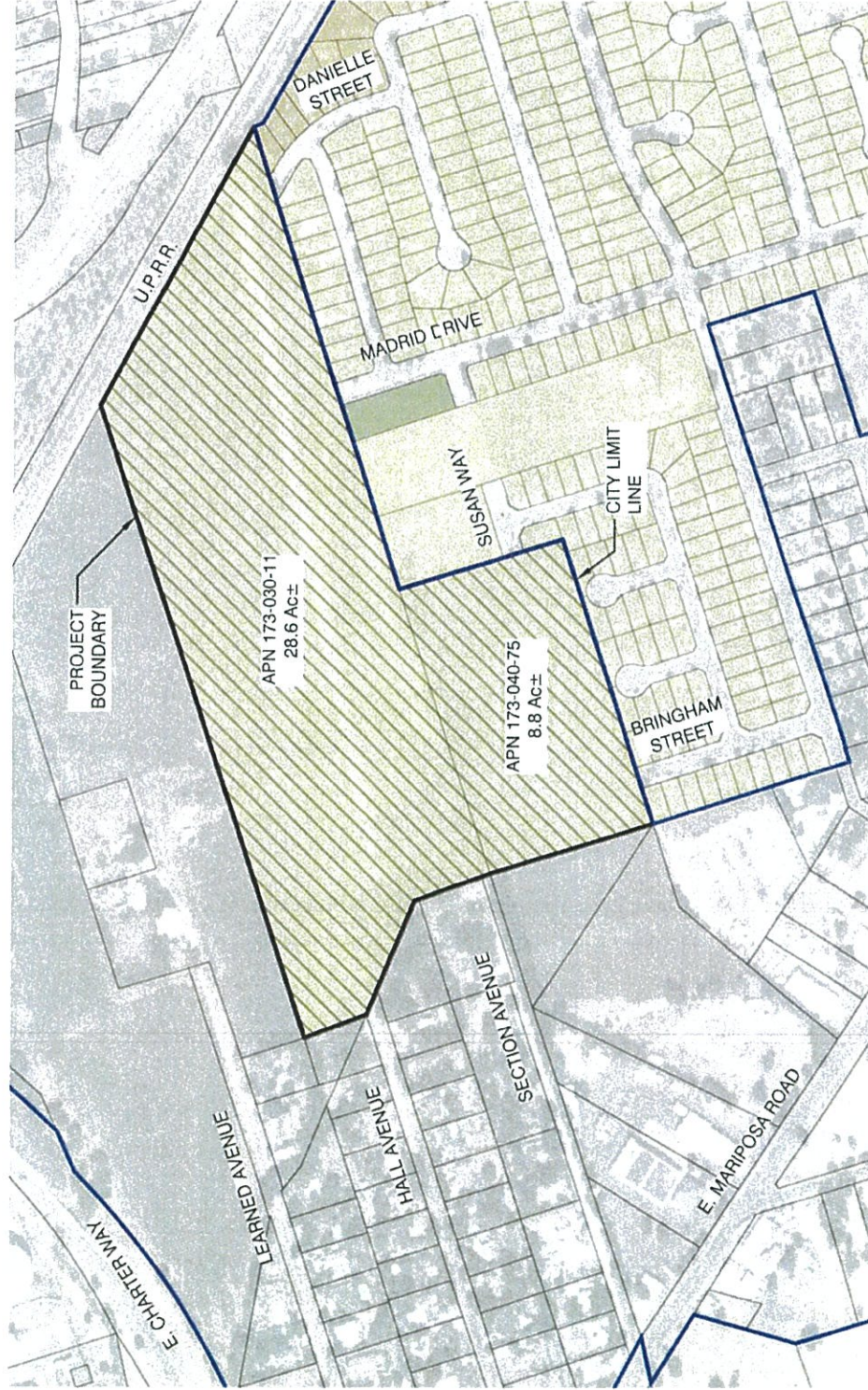

CHRISTINA FUGAZI
Mayor of the City of Stockton

Attachment 2

EXHIBIT 1

MURRAY RANCH PREZONE EXHIBIT

JUNE 2022



LEGEND

COLOR	PROPOSED ZONING
	RESIDENTIAL LOW DENSITY
	RESIDENTIAL LOW DENSITY WITH PD OVERLAY
	RESIDENTIAL MEDIUM DENSITY
	PUBLIC FACILITIES



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Attachment 3
Resolution No. 2026-03-03-1218

STOCKTON CITY COUNCIL

**RESOLUTION APPROVING AN AGREEMENT BETWEEN THE CITY OF STOCKTON
AND COUNTY OF SAN JOAQUIN FOR THE ALLOCATION OF PROPERTY TAX
FOR THE MURRAY RANCH ANNEXATION PROJECT**

On December 8, 2023, Tim Lewis Land Group, L.P., a California Limited Partnership submitted a pre-zone and annexation application to the City for a residential development project on two contiguous parcels identified as Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750, totaling 37.4 acres, located in the unincorporated area of the County (the "Murray Ranch Project" or "Project"); and

On July 29, 2025, via Ordinance No. 2025-07-29-1603, the City Council approved the pre-zoning of the Project; and

On the same day, the City Council authorized the filing of an annexation application with the San Joaquin Local Agency Formation Commission ("LAFCo") for annexation (Resolution No. 2025-07-29-1603); and

Local Agency Formation Commissions are established by the State Legislature and have authority to approve, disapprove, or amend annexation proposals. Each County (excluding San Francisco) has its own LAFCo; and

San Joaquin LAFCo requires that the City of Stockton (City) and County of San Joaquin (County) have an agreement in place for the allocation of property tax revenues in order for annexations to occur; and

Historically, the City has entered into several tax sharing agreements (project specific and/or master agreements) with the County of San Joaquin for the purpose of determining how property tax revenue will be divided after a property is annexed into the City. The most recent master tax sharing agreement expired on July 31, 2025; and

The City and County have negotiated the terms of a project specific Property Tax Allocation Agreement for the Murray Ranch Annexation Project (Exhibit 1); now, therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS
FOLLOWS:**

1. The City Council hereby approves the Property Tax Allocation Agreement for the Murray Ranch Annexation Project between the City of Stockton and County of

Attachment 3

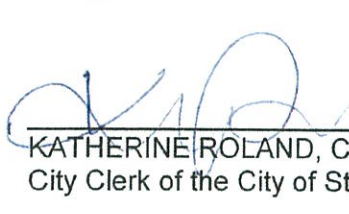
San Joaquin, attached hereto and marked Exhibit 1, and the City Manager is authorized and directed to execute same.

2. The City Manager is authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this resolution.

PASSED, APPROVED, and ADOPTED March 3, 2026.


CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:


KATHERINE ROLAND, CMC
City Clerk of the City of Stockton



Attachment 3

County of San Joaquin & City of Stockton Property Tax Allocation Agreement for Murray Ranch Project

AGREEMENT entered into this 17th day of March, 2026 (the "Effective Date") by and between the City of Stockton, hereinafter referred to as "City" and the County of San Joaquin, a political subdivision of the State of California, hereinafter referred to as "County";

RECITALS:

WHEREAS, Robert Pelowski and Barbara Pelowski, Co-trustees of the Robert And Barbara Pelowski Living Trust dated January 25, 1999, entire undivided one-third (1/3) interest, David H. Murray, Trustee of the David H. Murray Revocable Living Trust, entire undivided one-third (1/3) interest, and Douglas Glen Murray and Jean Martin Murray, Co-trustees of the Douglas Glen Murray And Jean Martin Murray Revocable Family Trust dated October 22, 2013, entire undivided one-third (1/3) interest, collectively, own the property (hereinafter referred to as "Owner"), which consists of two contiguous parcels identified as Assessor's Parcel Numbers (APNs) 173-030-110 and 173-040-750 totaling 37.4 acres, located in the unincorporated area of the County (the "Property").

WHEREAS, on December 8, 2023, Tim Lewis Land Group, L.P., a California Limited Partnership ("Tim Lewis") submitted an application to the City for a residential development project on the Property (the "Application"). The Application requested pre-zoning of the Property to Residential, Low (RL) zoning for the purposes of future residential development of single-family homes and open space (the "Murray Ranch Project") and annexation of the Property into the City.

WHEREAS, on July 29, 2025, the City Council approved the pre-zoning of the Property (Ordinance No. 2025-07-29-1603).

WHEREAS, on the same day, the City Council authorized the filing of an annexation application with the San Joaquin Local Agency Formation Commission ("LAFCo") for annexation (Resolution No. 2025-07-29-1603).

WHEREAS, subdivision (d) of Section 56658 of the Government Code provides that the LAFCo shall not issue a certificate of filing for an annexation application if an agreement for the exchange of property tax revenues has not been adopted by and between the County and the City.

WHEREAS, City and County acknowledge that both City and County have increasing service responsibilities with restrained revenue resources. There is no consensus between City and County regarding the analysis of local government funding issues arising from annexations. City and County each have their own distinctive and differing perspectives on costs and revenues generated by annexed areas.

WHEREAS, by executing this Agreement, City and County hereby agree to allocate all property tax revenue derived from the Property in accordance with the terms and conditions set forth herein.

WHEREAS, Article 13A, Section 1 of the Constitution of the State of California limits ad valorem taxes on real property to one percent (1%) of full cash value.

WHEREAS, Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code (Section 95, *et. seq.*) provides for the allocation of property tax revenues.

WHEREAS, City and County must have an agreement for the allocation of property tax revenues upon annexation.

WHEREAS, this Agreement is for the allocation of property tax revenues upon annexation and is entered into on behalf of the Parties and any special district(s) whose service area or service responsibility would be affected by an annexation, and accordingly, this Agreement is in lieu of the negotiation process set forth in Section 99(b) of the Revenue and Taxation Code.

WHEREAS, the Parties acknowledge this Agreement satisfies all requirements of applicable law, including, but not limited to Section 99(b) of the Revenue and Taxation Code.

NOW, THEREFORE, in consideration of the promises and the following terms and conditions, the parties hereto agree as follows:

1. DEFINITIONS.

The words and phrases in this Agreement shall have meanings as set forth below:

- A. "Annexation Property Tax Base" shall mean the Base Year sum of the ad valorem tax allocated to Detaching Special Districts, as defined herein, and to County within the area being annexed.
- B. "Detachment" shall mean the removal from a special district of any portion of the territory of that special district.
- C. "Detaching Special Districts" shall mean those political subdivisions organized pursuant to the laws of the State of California whose functions within the area being annexed are terminated and/or assumed by City.
- D. "Base Allocation" shall mean the assessed valuation applicable to property and improvements within the area being annexed at the time the application for annexation was submitted to the Local Agency Formation Commission (LAFCo).
- E. "Base Year" shall mean the assessed valuation applicable to the property and improvements within the area being annexed at the time the application for annexation is submitted to the Local Agency Formation Commission (LAFCo).
- F. "Incremental Growth" shall mean the total increase or decrease in the property tax base over the Base Year within the annexed area.

2. PROPERTY TAX ALLOCATION.

Upon Annexation, including any approved detachment (Eastside Rural County Fire Protection District must detach for this agreement), City and County shall share in the Base Allocation thereof pursuant to the ratio of 10% CITY and 90% COUNTY and Incremental Growth thereof pursuant to a ratio of 40% CITY and 60% COUNTY.

2.1. Property Tax Allocation Agreement. Notwithstanding any other existing Property Tax Sharing Agreements between the Parties, City and County agree that this Agreement shall apply to determine the allocation between the parties of property tax and revenue generated from the area being annexed in lieu of the negotiation process set forth in California Revenue and Taxation Code Section 99(e).

3. APPLICATION OF AGREEMENT.

A. Term. The provisions of this Agreement shall apply to the Murray Ranch Annexation from the effective date of this Agreement.

B. Effective date. The effective date of property tax allocation for the Annexation shall be determined in accordance with Government Code Section 54902 and any succeeding statutory provisions. Currently, statements of boundary change must be filed with the State Board of Equalization on or before December 1 of the year immediately preceding the year in which property taxes are to be shared.

C. Future property taxes. The provisions of this Agreement would also apply to any property exempt from ad valorem taxes that subsequently became taxable within the area to be annexed.

4. JOINT REVIEW.

City and County may jointly review County property tax records from time to time or as requested by City to verify accurate distribution under the Agreement.

5. REGIONAL COOPERATION.

In consideration of the unique and mutual funding difficulties of both City and County, City and County will jointly develop and seek to implement changes in their activities that will improve the cost effectiveness of service delivery by both City and County, including but not limited to consolidation of services between governmental agencies and inter-agency contracting for services.

6. COUNTY CAPITAL FACILITIES FUNDING.

City recognizes the importance of regional services and facilities provided by the County for all residents of the entire County. City shall contribute to County's funding for regional facilities in accordance with the City's Resolution 05-0165 adopting the County facilities

fee ordinance and implementing the County Capital Facilities Fee (CFF) Program.
URBAN DEVELOPMENT COOPERATION.

A rational pattern of urban land uses is a common goal of City and County, as expressed in their respective General Plans. The efficient construction of urban infrastructure and the delivery of municipal services require cooperation between County and City within areas designated for urban development, specifically City's Sphere of Influence.

- A. County General Plan Policy. County affirms the policies expressed in its General Plan that support concentration of additional major urban development within urban centers.
- B. Urban Planning and Development Cooperation. The preparation of land use and infrastructure plans within City's Sphere of Influence, consistent with statutory guidelines, is encouraged. County shall refer all land use applications requiring discretionary approval within City's Sphere of Influence to City for review and comment.
- C. Capital Facilities Funding and Cooperation. City and County will cooperate in the development of infrastructure plans within City's Sphere of Influence.

7. COMMUNITY SERVICE FACILITIES

- A. Siting of Community Facilities. City and County recognize the importance of community services provided by County and other providers and also the importance of these services being convenient to residents of County making use of these services. Accordingly, as a part of the land use planning and rezoning for proposed municipal annexations, City will cooperate with County to identify community service needs of the local community.
- B. City may elect to adopt or add to existing development impact fees in lieu of providing community service facility sites. Such fees may be administered within City or may be included as a component of the above-mentioned County Capital Facilities Fee.

8. TERMINATION.

This Agreement may be terminated, by any party hereto, upon six (6) months' written notice which termination shall terminate the agreement for each and every party. Said termination shall not affect the Annexation for which the LAFCo Executive Officer has issued a certificate of filing prior to the end of the six (6)-month termination period.

9. GOVERNING LAW AND ATTORNEYS' FEES.

This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by either party because of any default under this Agreement or to enforce any provision of this Agreement, or to obtain a declaration of rights hereunder, the prevailing party shall be entitled to reasonable

attorneys' fees, court costs, and such other costs as may be fixed by the Court. The standard of review for determining whether a default has occurred under this Agreement shall be the standard generally applicable to contractual obligations in California.

10. NOTICES.

Any notice or communication required hereunder among City and County must be in writing, and may be given either personally, by email (with original forwarded by regular U.S. Mail), or by overnight delivery. The notice or communication shall be deemed to have been given and received when it is delivered to the Party to whom it is addressed. If the notice or communication is sent by email, notice shall be deemed to have been given and received upon receipt of the entire email, including all relevant attachments and provided original is forwarded by regular U.S. Mail), by the receiving Party. However, emails received after 5:00 p.m. on a normal business day or on a Saturday, Sunday, or holiday shall be deemed to have been given and received on the next normal business day. If given by courier, the notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Such notices or communications shall be given to the parties at their addresses set forth below:

To City (City Manager):

Johnny Ford
City Hall
425 N. El Dorado St.
Stockton, California 96202
Email: johnny.ford@stocktonca.gov

With Copies To (City Attorney):

Taryn Jones, Acting
City Hall
425 N. El Dorado St.
Stockton, California 95202
Email: taryn.jones@stocktonca.gov

To County (County Administrator):

Sandy Regalo
County Administration Building
44 N. San Joaquin St., Ste. 640
Stockton, California 95202-2931
Email: sregalo@sjgov.org

With Copies To (County Counsel):

Edward J. Kiernan
County Administration Building
44 N. San Joaquin St., Ste. 679
Stockton, California 95202-2931 Email:
ekiernan@sjgov.org

A Party may change the telephone or email contact information provided at any time by giving the other Party ten (10) days' written notice.

11. SEVERABILITY.

If any provision of this Agreement is held invalid, void, or unenforceable but the remainder of this Agreement can be enforced without failure of material consideration to any party, then this Agreement shall not be affected and it shall remain in full force and effect, unless amended by mutual consent of the parties. Notwithstanding this severability clause, each

subsection of Section 2 is material and substantial, and the failure of said subsection is the failure of material consideration, causing the agreement to be void from the date that the subsection is held invalid.

12. FURTHER ASSURANCES.

Each party shall execute and deliver to the other party or parties all such other further instruments and documents and take all such further actions as may be reasonably necessary to carry out this Agreement and to provide and secure to the other party or parties the full and complete enjoyment of its rights and privileges hereunder.

13. CONSTRUCTION.

All parties have been represented by counsel in the preparation of this Agreement and no presumption or rule that ambiguity shall be construed against a drafting party shall apply to interpretation or enforcement hereof. Captions on sections and subsections are provided for convenience only and shall not be deemed to limit, amend, or affect the meaning of the provision to which they pertain.

14. OTHER MISCELLANEOUS TERMS.

The singular includes the plural; the masculine gender includes the feminine, "shall" is mandatory; "may" is permissive.

15. TIME.

Time is of the essence of each and every provision hereof.

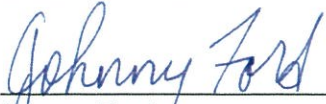
16. COUNTERPART.

This agreement may be executed in counterpart agreements, binding each executing party as if said parties executed the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

RECOMMENDED FOR APPROVAL:

CITY OF STOCKTON

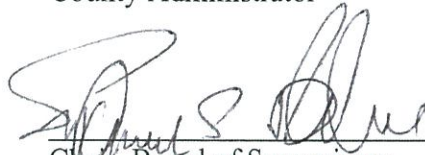


Johnny Ford
City Manager

COUNTY OF SAN JOAQUIN



Sandy Regalo
County Administrator

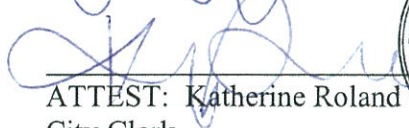


Chair, Board of Supervisors

Approved as to Form



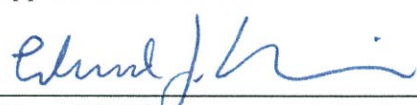
Taryn Jones
Acting City Attorney



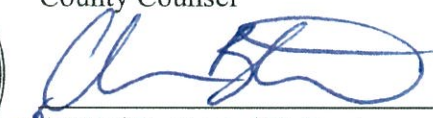
ATTEST: Katherine Roland
City Clerk



Approved as to Form

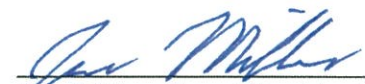


Edward J. Kiernan
County Counsel



ATTEST: Rachel DeBord
Clerk of the Board of Supervisors





Jess Miller, Board President
Eastside Fire District

Attachment 4

ANNEXATION PLAN

FOR THE

MURRAY RANCH SUBDIVISION PROJECT

JUNE 10, 2025

Prepared for:

San Joaquin County Local Agency Formation Commission
509 West Weber Avenue, Suite 420
Stockton, CA 95203
(209) 468-3198

and

City of Stockton
345 N. El Dorado Street
Stockton, CA 95202

Prepared by:

De Novo Planning Group
1020 Suncast Lane, Suite 106
El Dorado Hills, CA 95762
(916) 949-3231

D e N o v o P l a n n i n g G r o u p

A Land Use Planning, Design, and Environmental Firm

Attachment 4

ANNEXATION PLAN
FOR THE
MURRAY RANCH SUBDIVISION PROJECT

JUNE 10, 2025

Prepared for:

San Joaquin County Local Agency Formation Commission
509 West Weber Avenue, Suite 420
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ANNEXATION PLAN

MURRAY RANCH SUBDIVISION PROJECT –ANNEXATION PLAN

EXECUTIVE SUMMARY

Introduction

This Annexation Plan is designed to provide important background information to allow for a thorough justification of this annexation proposal and to ensure compliance with all San Joaquin Local Agency Formation Commission (LAFCo) rules and regulations and other all applicable regulatory requirements (including the California Government Code).

The City of Stockton (City) proposes to annex 2 parcels in an unincorporated area of San Joaquin County (County), totaling 37.4 acres. The proposed Project (hereinafter "Annexation Project") consists of a subdivision of land for the development of 217 single-family lots, four (4) open space/park lots, streets, and utilities. The entitlements requested include a Vesting Tentative Subdivision Map, Prezone to Residential, Low (RL) with a Planned Development (PD) overlay, and annexation into the City of Stockton. The Planned Development (PD) overlay is intended to allow for flexibility in design to vary building setbacks, lot sizes, and building coverages.

The Project site is within the City of Stockton's Sphere of Influence (SOI) but located outside the city limits and will require annexation approval by the City of Stockton and San Joaquin County Local Agency Formation Commission (LAFCo). The annexation request includes an amendment to the City's 10-year planning horizon to include the Project site and is a logical extension of the City limits.

Annexation Plan Contents

This Annexation Plan includes the following sections:

OPEN SPACE CONVERSION STATEMENT

The **Open Space Conversion Statement** provides background on the Annexation Project, describes the existing agricultural characteristics and uses of the annexation area, provides an analysis of the agricultural and conservation-related fees that the City would be required to pay, and provides a description of the type of soils located within the annexation area. This section also discusses the Annexation Project regarding the following (pursuant California Government Code Section 56377):

- a) Development or use of land other than open space uses shall be guided away from existing prime agricultural lands in open space use and towards areas containing non-prime agricultural lands, unless that action would not promote the planned orderly, efficient development of an area.
- b) Development of existing vacant or non-prime agricultural land for urban uses within the existing jurisdiction of a local agency or within the SOI of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open space uses which are outside of the existing jurisdiction of the local agency or outside the existing SOI of the local agency.

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RESIDENTIAL ENTITLEMENT MATRIX

The **Residential Entitlement Matrix** provides a discussion of the relationship between the additional population and units proposed and the total number of units that the City has planned to accommodate, to demonstrate consistency with the California Department of Housing and Community Development's (HCD) Regional Housing Needs Assessment (RHNA) allocation.

CITY SERVICES PLAN

The **City Services Plan** has been prepared to fulfill the following requirement:

"Pursuant to California Government Code Section 56653, the San Joaquin Local Agency Formation Commission (LAFCo) requires that any application for a change of organization or reorganization be accompanied by a plan for providing services. In accordance with Section 56653, the plan shall include:

- an enumeration and description of services to be extended to the affected territory;
- the level and range of those services;
- an indication of when those services can feasibly be extended to the affected territory;
- an indication of any improvements or upgrading of structures, roads, sewer or water facilities, or other conditions that the local agency would impose or require within the affected territory if the change of organization or reorganization is completed; and
- information with respect to how those services will be financed."

Overall, existing public services, with improvements proposed as a part of the Murray Ranch Subdivision Project, would be adequate to serve the Annexation Project. The Murray Ranch Subdivision Project, including the Annexation Project would require extension of services provided by the City, including public safety and utility services. The level and range of these public services is described in this document and in additional detail in the Murray Ranch Subdivision Environmental Checklist. The design, engineering, and construction of these services and infrastructure improvements will be financed by the developer, subject to approval by the City of Stockton.

The San Joaquin LAFCo will rely on the environmental analysis prepared for the Annexation Project when evaluating any necessary boundary changes for the project.

TIMELY AVAILABILITY OF WATER SUPPLIES

The **Timely Availability of Water Supplies** section describes the availability of adequate water supplies to serve the annexation area. Eventual build out of the Murray Ranch Subdivision Project would total approximately 217 residential units on approximately 37.4 acres. The General Plan designates the Project site for residential use, and the Annexation Project is consistent with that land use designation. The City's General Plan Environmental Impact Report (EIR) evaluated the overall capacity for development within the General Plan area, including areas served by other water purveyors such as California Water Service (CalWater). CalWater is the designated water provider for the Project area and is responsible for meeting local water demand. Based on CalWater's existing entitlements, infrastructure, and planning documents—including its Urban Water Management

ANNEXATION PLAN

Plan—sufficient water supplies are available to serve the Murray Ranch Subdivision Project under normal, single dry, and multiple dry year conditions without requiring new or expanded water entitlements. The Annexation Project is considered planned growth and to the extent that the Annexation Project would require additional water supply, this was previously considered by the General Plan EIR. Therefore, water supplies were determined to be sufficient to serve the annexation area in a timely manner.

FAIR SHARE HOUSING NEEDS

The **Fair Share Housing Needs** section describes the extent to which this proposed annexation will affect the City's ability to achieve its respective fair share of regional housing needs, as determined by the San Joaquin Council of Governments (SJCOC) (consistent with Article 10.6 [starting with Section 65580] of Chapter 3). The City of Stockton has a surplus of sites available to meet its 2023-2031 RHNA allocation by income category, as the above-moderate income RHNA allocation is satisfied by units that have been previously approved or already built.

Justification and Findings

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

Consistent with the requirement for LAFCo to review the proposed annexation request pursuant to the criteria provided in California Government Code Section 56337, the following justifications and findings are made in support of approval of the annexation request.

- 1) Lands within the annexation area are planned for urban uses in the Stockton General Plan.
- 2) The annexation request includes an amendment to the City's 10-year planning horizon.
- 3) The Project proposes an orderly and logical boundary for annexation and is contiguous to the City limits.
- 4) The Project creates a logical extension of the City boundaries and can be served by existing infrastructure.

1. OPEN SPACE CONVERSION STATEMENT

The annexation area is in San Joaquin County, bounded by the limits of the City of Stockton on the south. The annexation area is located near E. Charter Way to the north, Union Pacific Railroad (U.P.R.R.) to the east, and Mariposa Road to the west. More specifically, it abuts to street stubs for Hall Avenue, Brigham Street, Madrid Drive, and Danielle Drive. The Envision Stockton 2040 General Plan Land Use Map (Figure 4) designates the entire Project site as Low Density Residential (LDR). Lands to the east and north are designated LDR. Lands to the north, east, south, and west are designated LDR. Lands designated as Industrial (I) and Medium Density Residential (MDR) are located to the southwest and southeast, respectively. The San Joaquin County General Plan designates the annexation area as Residential Low Density (R/L).

ANNEXATION PLAN

In reviewing to approve or deny proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open space lands to uses other than open space uses, the San Joaquin County LAFCo shall consider, pursuant to California Government Code Section 56377, the following:

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

Agricultural Lands

The development of a 217 single-family lot residential subdivision would change the existing character of the Project site from a predominately agricultural field to a residential neighborhood. The Project site contains areas designated as Farmland of Statewide Importance and Farmland of Local Importance and is zoned for Agriculture Urban Reserve by San Joaquin County. Most of the Project site is currently agricultural land, and is surrounded by existing development. The Project site is generally located in an area of the city that includes developed areas, residential and some undeveloped lands. The General Plan designates the Project site Low Density Residential and the Annexation Project includes a request for a pre-zone to Residential, Low Density (RL) District that supports residential development at specific densities and configurations, compatible with the areas that surround the Project site. The General Plan designates the Project site for urban land uses and the General Plan EIR already identified the Project site as an area for potential farmland conversion.

The Project site is not under a Williamson Act contract. The Annexation Project would not conflict with existing zoning for agricultural use, or a Williamson Act contract. The Annexation Project is subject to the requirements of the Stockton Agricultural Lands Mitigation Program which will involve a contribution of conservation easement-protected land or payment of in-lieu fees to the Mitigation Program as compensation for the agricultural land conversion impacts of the Project. The City of Stockton adopted the Agricultural Land Mitigation Program in 2007. The Program applies to projects that would convert agricultural lands, as defined by the most-recent Important Farmland Maps published by the California Department of Conservation. Projects may provide "agricultural mitigation land" on a 1:1 basis for each acre of land converted, including administrative costs of approximately \$1,000 per acre, or pay the established Agricultural Land Mitigation Fee of \$12,822 (San Joaquin Council of Governments [SJCOG] San Joaquin County Multi-Species Habitat Conservation and Open Space Plan [SJMSCP] Habitat Fees, 2020) per acre. The Agricultural Land Mitigation Program provides that agricultural mitigation lands will be dedicated to a qualifying management entity such as the Central Valley Farmland Trust. The fees would be collected by the City, held in a dedicated account, and then expended by the City to acquire agricultural mitigation

land or pay for the monitoring and administrative costs of the program. The fees may also be transferred to a qualifying entity for the same purpose.

The Project applicant would be required to participate in the City's Agricultural Lands Mitigation Program and contribute agricultural mitigation land or pay the established Agricultural Land Mitigation Fee. As such, the Project fees paid to SJCOG as administrator of the SJMSCP before issuance of a building permit, would result in the preservation of agricultural lands in perpetuity. The purchase of conservation easements and/or deed restrictions through the City's Agricultural Land Mitigation Program and the SJMSCP allows the agricultural landowner to retain ownership of the land and continue agricultural operations, preserving such lands in perpetuity. These properties will be developed in accordance to the City of Stockton's adopted standards and that if any changes in land use designations within 2 years of annexation approval. The City will be required to notify LAFCo of the intended changes in land use designations.

In addition to the agricultural mitigation fee, the City has adopted Municipal Code Chapter 16.36, which establishes the City's "Right-to-Farm" ordinance. The intent of this ordinance is to protect agricultural uses in the City. Specifically, Section Municipal Code Chapter 16.36.040 establishes the City's policy to preserve the City and County's agricultural operations while minimizing conflicts to new urban development. The City's "Right-to-Farm" ordinance serves to protect farmers from nuisance complaints. The ordinance requires owners and builders to notify their successors-in-interest of the potential conflicts and effects of agricultural activities, and the ordinance specifies that typical agricultural practices shall not be considered a nuisance.

In addition, prior to issuance of a City building permit for construction of a residential building, the owner of the property upon which the building is to be constructed is required to file a disclosure statement acknowledging the proximity of agricultural operations and the potential for inconvenience or nuisance associated with those uses. The disclosure statement notifies the purchaser that the property being purchased may be located close to agricultural lands and operations and that the purchaser may be subject to inconvenience or discomfort arising from the lawful and proper use of agricultural chemical and pesticides and from other agricultural activities, including, without limitation, cultivation, plowing, spraying, irrigation, pruning, harvesting, burning of agricultural waste products, protection of crops and animals from depredation, and other activities which occasionally generate dust, smoke, noise and odor.

The City of Stockton is a participant in the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP), which provides comprehensive measures for compensation and avoidance of impacts on various biological resources, including ancillary benefits to agricultural resources. For instance, many of the habitat easements that are purchased or facilitated by the SJMSCP are targeted for the protection of Swainson's hawk or other sensitive species habitat that are dependent on agricultural lands. The biological mitigation for these species through the SJMSCP includes the purchase of certain conservation easements for habitat purposes; however, the conservation easements are placed over agricultural land, such as alfalfa fields and row crops (not vines or orchards).

ANNEXATION PLAN

Soils

There are several methods for classifying soil quality for agricultural uses. One method involves a soil capability rating provided the National Resources Conservation Service (NRCS). This classification shows, in a general way, the suitability of soils for most kinds of field crops. Crops that require special management are excluded. The soils are grouped according to their limitations for field crops, the risk of damage if they are used for crops, and the way they respond to management. The criteria used in grouping the soils do not include major and generally expensive landforming that would change slope, depth, or other characteristics of the soils; nor do they include possible but unlikely major reclamation projects. In the soil capability system rating, soils are generally grouped at three levels, which are capability class, subclass, and unit. Capability classes, the broadest groups, are designated by the numbers 1 through 8. The numbers indicate progressively greater limitations and narrower choices for practical use.

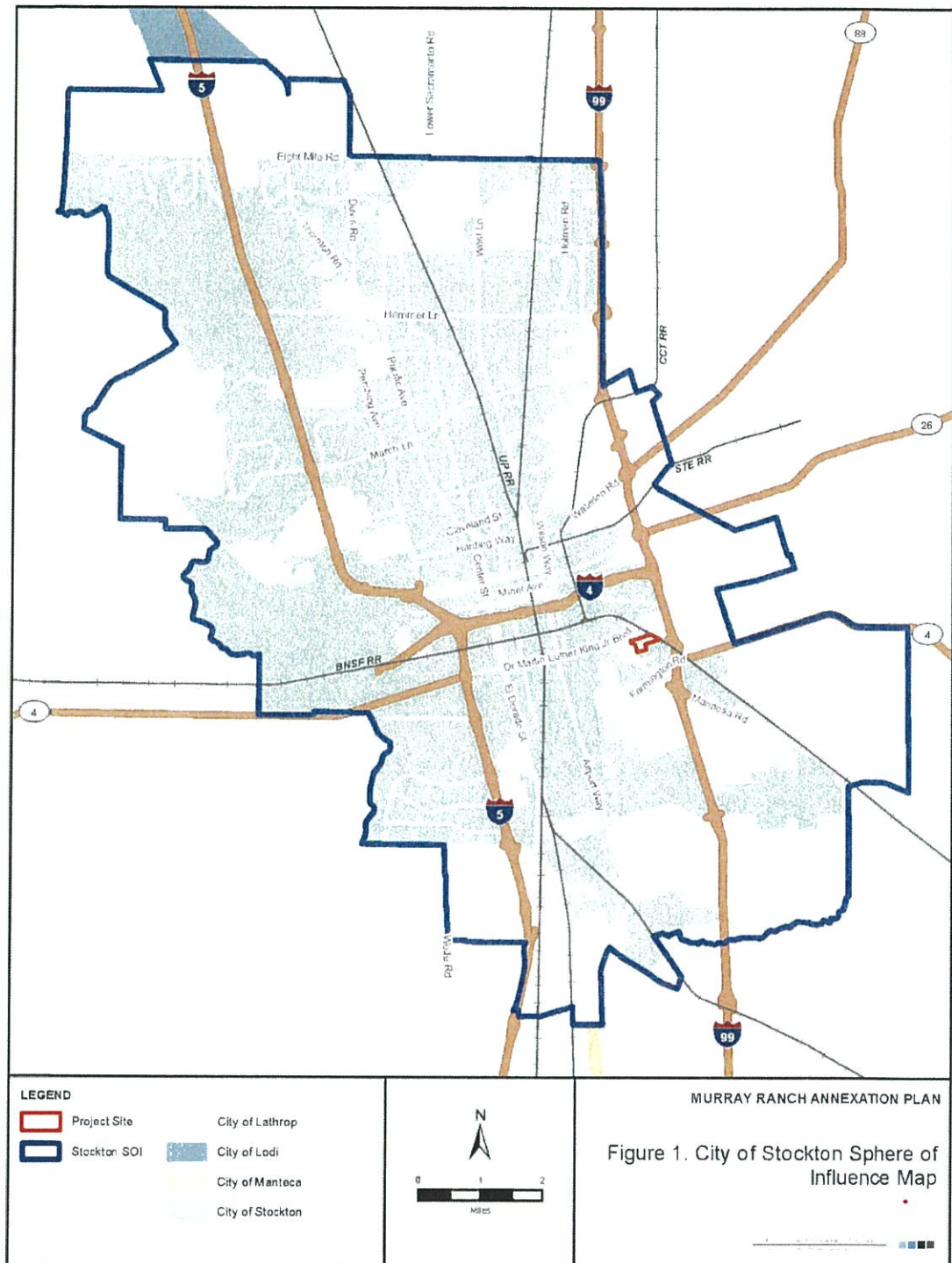
- Class 1 soils have slight limitations that restrict their use.
- Class 2 soils have moderate limitations that restrict the choice of plants or that require moderate conservation practices.
- Class 3 soils have severe limitations that reduce the choice of plants or that require special conservation practices, or both.
- Class 4 soils have severe limitations that restrict the choice of plants or that require special very careful management, or both.

Based on this classification system, the entirety of Annexation Project soils falls under Class 3 (irrigated and non-irrigated).

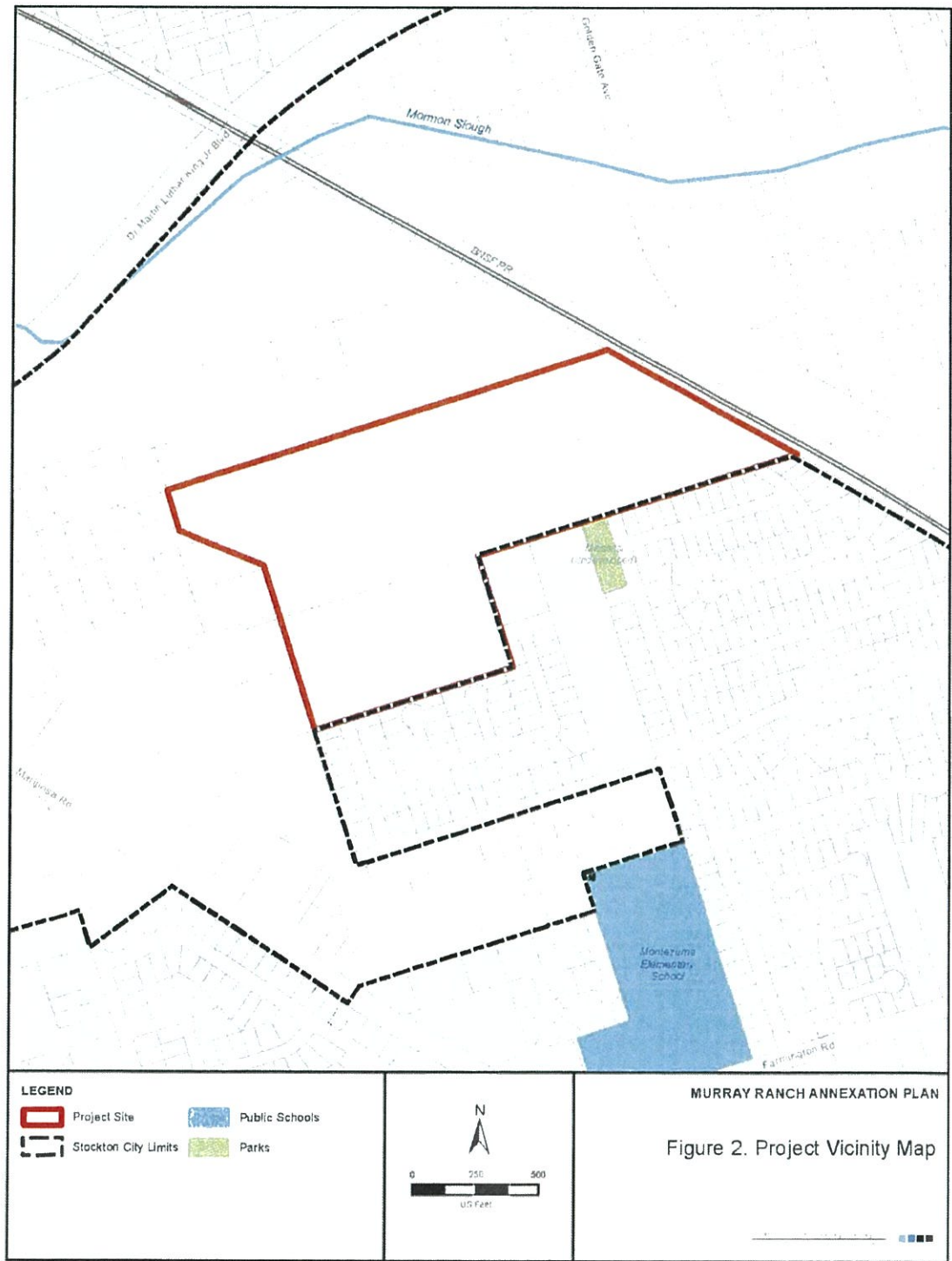
Justification for Approval

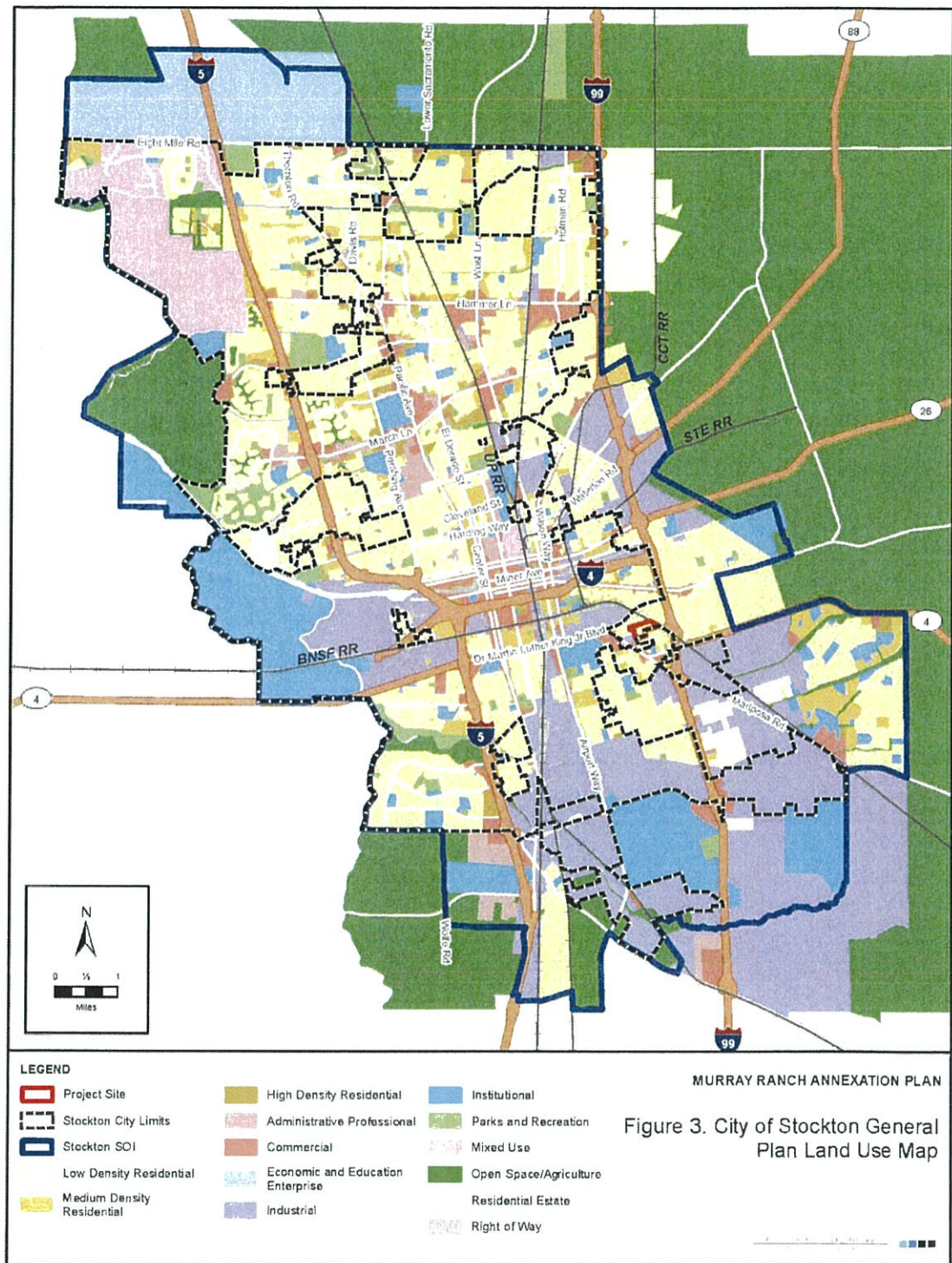
The annexation area is planned for urban uses in the Stockton General Plan. The annexation request includes an amendment to the City's 10-year planning horizon. Despite the impacts to agricultural land in San Joaquin County, the Project will promote planned, orderly, and efficient development. Lastly, the Project proposes an orderly and logical boundary for annexation and is contiguous to the City limits. Consistent with the requirement that LAFCo review the proposed annexation request pursuant to the criteria provided in California Government Code Section 56337, the following justification and findings are made in support of approval of the annexation request:

- 1) Lands within the annexation area are planned for urban uses in the Stockton General Plan.
- 2) The annexation request includes an amendment to the City's 10-year planning horizon.
- 3) The Project proposes an orderly and logical boundary for annexation and is contiguous to the City limits.
- 4) The Project creates a logical extension of the City boundaries and can be served by existing infrastructure.

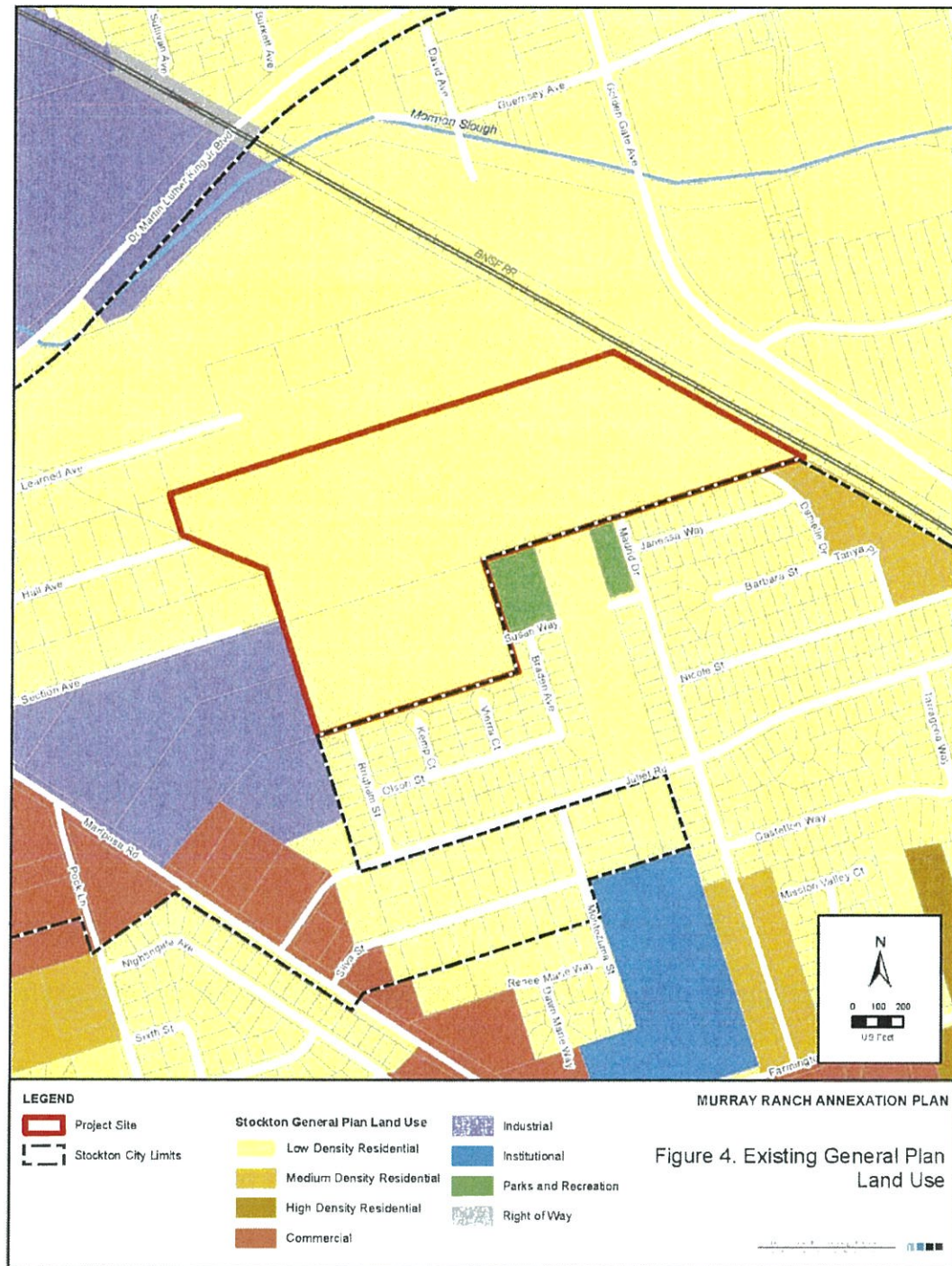


ANNEXATION PLAN





ANNEXATION PLAN



ANNEXATION PLAN

2. RESIDENTIAL ENTITLEMENT MATRIX

The City's approach to meeting its RHNA allocation relies on pending/under application (pipeline projects), vacant sites, and anticipated development of accessory dwelling units (ADU) and junior ADUs (JADU). Using this approach, the City has a surplus of sites available to meet its 2023-2031 RHNA allocation by income category. The City currently has 17 pipeline projects, for a total of 14,388 units that can be built. Anticipated units are based on the project design as approved by the City of Stockton or as submitted by the applicant. Of the 17 pipeline projects, five are 100 percent affordable. Of the total 14,388 units, 394 are in the lower-income category, 353 are in the moderate-income category, and the remaining 13,641 are in the above moderate-income category. Table 1 provides the City's list of pipeline projects.

TABLE 1 - PIPELINE PROJECTS SUMMARY

PIPELINE PROJECTS	TOTAL ACRES	LOWER INCOME CAPACITY	MODERATE INCOME CAPACITY	ABOVE MODERATE INCOME CAPACITY	TOTAL CAPACITY
Calaveras Quarters Motel Conversion	2.14	68	1	0	69
Cannery Park	291.82	0	3,267	490	522
Crystal Bay	174	0	67	1,276	1,343
Delta Cove	359.52	0	77	1,468	1,545
Elderberry Residential Project	18.8	0	0	42	42
Grand View Village	0.79	75	0	0	75
Harding Apartments	1.02	0	4	18	22
Hunter House New Apartments	0.69	120	0	0	120
La Passeggiata Affordable Housing Project	0.83	94	0	0	94
Mobile Homes on El Dorado	7.06	0	18	104	122
Sanctuary	1,950.46	0	0	5,758	5,758
Sonora Square Apartments	0.92	37		0	37
Swain Crossing Apartments	1.58	0	5	31	36
Tra Vigne	318.05	0		1,503	1,503
Trinity Parkway Apartments	4.32	0	18	102	120
University Park	103.47	0		359	359
Westlake at Spanos Park	361.31	0	131	2,490	2,621
Total	3,621.10	394	353	13,641	14,374

SOURCE: CITY OF STOCKTON, 2023

The Murray Ranch Subdivision Project includes the addition of 217 new residential units to the City of Stockton. As noted previously, the Stockton General Plan EIR (the EIR) provides the Development Projections that are used in the EIR (See General Plan Draft EIR, pp. 3-20). The EIR explains that it uses a "horizon-year projection," which is based on an estimate of the amount of development that would occur by 2040. The EIR also uses a Buildout Projection which represents full buildout of the General Plan, but with a date uncertain. Each projection is described below:

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The horizon-year projection includes the following (See General Plan Draft EIR, pp. 3-20):

- 40,900 new dwelling units, including:
 - 26,300 new single-family units
 - 14,600 new multi-family units
- 132,200 new residents
- 13.8 million square feet of new commercial and office space
- 35.6 million square feet of new industrial space

The full buildout projection includes the following (See General Plan Draft EIR, pp. 3-22):

- 119,700 new dwelling units, including:
 - 43,800 new single-family units
 - 75,900 new multi-family units
- 386,700 new residents
- 50.9 million square feet of new commercial and office space
- 242.4 million square feet of new industrial space

The EIR indicates that there are almost 7,000 acres of vacant land within the SOI (i.e. the EIR Study Area) (See General Plan Draft EIR, pp.3-22), which specifically includes the Annexation Project site. The EIR indicates that a land use demand forecast (prepared as part of a Market Analysis that supports the projections for the General Plan) for Stockton in 2040 results in between 19,800 and 41,000 new housing units, including between 13,800 and 28,700 new single-family units and between 5,900 and 12,300 new multi-family units (See General Plan Draft EIR, pp. 3-24). These projections are based in part on the land use inventory from the General Plan land use map, in addition to market and economic factors that drive growth. There is nothing peculiar about the Project as it relates to house capacity/demand provided in the Horizon-Year Projection, Full Buildout Projection, or the Market Study Projections.

The current annexation area is adjacent to existing infrastructure and could serve the local demand, as well as providing the connection for other pending and entitled projects to develop subsequently.

3. CITY SERVICES PLAN

Introduction

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

- an enumeration and description of services to be extended to the affected territory;
- the level and range of those services;
- an indication of when those services can feasibly be extended to the affected territory;

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- an indication of any improvements or upgrading of structures, roads, sewer or water facilities, or other conditions that the local agency would impose or require within the affected territory if the change of organization or reorganization is completed; and
- information with respect to how those services will be financed.

This Annexation Plan has been prepared to fulfill this requirement.

Discussion

The Annexation Project consists of a subdivision of land for the development of 217 single-family lots, four (4) open space/park lots, streets, and utilities. The proposed streets are to be public, and the subdivision improvements include the extension of the water and sewer mains from adjoining properties. The layout of the subdivision allows for the preservation of 14 of the existing valley oak trees, mostly within the proposed linear park and open spaces. Forty-seven valley oak trees would be removed and would require a heritage tree permit. As the project butts up against the Union Pacific Railroad (U.P.R.R.) to the east, an 85' building setback has been included from the outermost rail, as well as an 8' sound wall along the project's boundary.

The proposed development is described below.

Residential: The residential area is low-density and would consist of 217 single-family detached units on lots ranging in size from 3,600, 4,000, and 4,750 square feet. The three (3) lot sizes would be configured as follows: 1) 45' x 80', 2) 50' x 90', and 3) 50' x 95'. Given that the Project site is 37.4 gross acres, the project density would be 5.8 units per acre. This is consistent with the General Plan density limit of 6.1 units per gross acre.

Open Space/Park: The open space/park land area would consist of four (4) lots for neighborhood park and open space use. The four (4) lots include: Lot A – 2.04 acres, Lot B – 5,996 square feet, Lot C – 23,479 square feet, and Lot D - 14,251 square feet. The total area for the four (4) open space/park lots is 3.04 acres.

Street Design: The streets within the proposed residential subdivision are designed consistent with the right-of-way and curb-to-curb widths of the current City of Stockton standards. The curb and sidewalk design are also designed to match the existing surrounding neighborhoods such that the proposed subdivision becomes an extension of the existing neighborhood. This includes roll curb with monolithic sidewalks. The cul-de-sac bulbs are per the previous City standards, and are proposed to have an Emergency Vehicle Access (EVA) at the end of each bulb.

Utilities: Public utilities will be constructed with the Annexation Project, including the extension of water, sewer, storm, and dry utilities. They are more thoroughly described as follows:

- Water: 8" water mains will service each lot of the subdivision, and tie into all existing stubs in the surrounding streets. Fire hydrants will be installed per City of Stockton standards.
- Sewer: 8" sewer mains will service each lot of the subdivision, and tie into all existing stubs in the surrounding streets.

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- Storm: Storm mains will be installed within the subdivision to serve the project. Storm runoff will be treated by stormwater treatment devices, then conveyed into the existing 54" main that runs north to an outfall at Mormon Slough and a new proposed storm drain main. The 54" main will need to be relocated within the right of way of Brigham Street, then connect to the current alignment at the north end of the project. The existing 42" main that runs east to west through the project will be abandoned as part of the Project and will remain in place.
- Existing septic system and water well to be abandoned or destroyed per San Joaquin County standards.
- Dry utilities will be installed within 10' Public Utility Easements (P.U.E.) along all street frontages.

The City provides a full range of municipal services, including public safety (fire, police, and building), sanitation (wastewater treatment and collection), libraries, parks, and recreation services. Municipal services would be extended to the annexation area upon development of the annexation area. The following discussion includes a description of existing City public services and utilities (including those to be extended), the level and range of these services (where applicable), when these services can feasibly be extended into the affected territory, improvements, or other conditions that the local agency would improve or require within the affected territory, information on how these services would be financed, and planned improvements.

The construction of on-site infrastructure improvements would be required to accommodate development of the Annexation Project, as described below.

Water

The Murray Ranch Project would be served by CalWater. The General Plan EIR concluded that CalWater will have sufficient water supplies to meet the projected demands from development allowed by the General Plan, and therefore has sufficient water supplies available to serve the Murray Ranch Subdivision Project from existing entitlements and resources and would not require new or expanded entitlements during normal, dry, and multiple dry years. CalWater's water supply planning documents, including its UWMP and applicable water supply assessments, demonstrate that it has adequate supply to serve both existing customers and anticipated future development through 2040 under all hydrologic conditions.

A comparison of CalWater's projected water supplies and demands is shown in Table 2 for Normal, Single Dry, and Multiple Dry Years, which shows that there is no supply deficit projected under hydrologic conditions through 2040.

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TABLE 2: SUMMARY OF PROJECTED WATER SUPPLY DURING HYDROLOGIC NORMAL, SINGLE-DRY, AND MULTI-DRY YEARS FOR THE CALIFORNIA WATER SERVICE, STOCKTON DISTRICT (AF)

		2025	2030	2035	2040	2045
FIRST YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
SECOND YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
THIRD YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
FOURTH YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0
FIFTH YEAR	TOTAL SUPPLY	24,776	24,627	24,589	24,521	24,564
	DEMAND TOTAL	24,776	24,627	24,589	24,521	24,564
	DIFFERENCE	0	0	0	0	0

SOURCE: CALIFORNIA WATER SERVICE COMPANY, STOCKTON DISTRICT 2020 UWMP, TABLE 7-4.

Based on the analysis described above, CalWater's existing and projected potable water supplies are sufficient to meet the City's existing and projected future potable water demands, including those future water demands associated with the Project, through year 2040, under all hydrologic conditions.

A. GROUND WATER

Cal Water's Stockton District operates 12 active and standby groundwater wells. These wells serve as a supplemental and emergency water source. The combined production capacity of these wells varies depending on operational status and regulatory constraints, but design capacities for individual wells typically range between 800 and 3,000 gallons per minute (gpm). Based on the 2020 UWMP, Cal Water's groundwater pumping capacity is approximately 23.6 million gallons per day (mgd), though actual usage is often significantly lower due to the availability and reliability of treated surface water from Stockton East Water District (SEWD)'s Dr. Joe Waidhofer Water Treatment Plant (DJWWTP).

Groundwater supplies are pumped from the Eastern San Joaquin Groundwater Subbasin (DWR Basin 5-022.01), which is actively managed under a Groundwater Sustainability Plan (GSP) prepared by the Eastern San Joaquin Groundwater Authority pursuant to the Sustainable Groundwater Management Act (SGMA). Cal Water coordinates with the Authority and local agencies to support long-term basin sustainability (Eastern San Joaquin GSP, 2020).

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Groundwater wells are permitted and regulated by the California Division of Drinking Water (DDW) and must meet water quality and operational standards. Some wells are designated as standby wells and are only used during high-demand periods or emergencies. Inactive wells, those not currently permitted or functional, are excluded from capacity calculations in compliance with DDW requirements.

B. SURFACE WATER

The Cal Water Stockton District relies on a blend of surface water from SEWD and local groundwater to meet customer demand. Surface water serves as the primary source of supply for the district under normal conditions, with groundwater supplementing the system during high-demand periods, dry years, or in the event of interruptions to surface water delivery.

CalWater obtains treated surface water from SEWD, which sources water from the Mokelumne River. SEWD treats the surface water at the DJWWTP and delivers it directly to CalWater's distribution system via dedicated transmission pipelines. Cal Water does not operate its own surface water treatment plant in the Stockton District; instead, it depends on SEWD for treated surface water deliveries. Unlike the City of Stockton's Delta Water Supply Project, Cal Water does not currently exercise independent surface water rights from the San Joaquin River or operate an intake facility.

Due to differing pressure zones and infrastructure design, water from different supply sources is managed separately within Cal Water's distribution system. However, Cal Water maintains interties with other agencies (including the City of Stockton) to enable emergency or supplemental deliveries when needed.

While CalWater's system differs from the City of Stockton's Delta Water Supply Project (which draws from the San Joaquin River and treats the water at its own Delta Water Treatment Plant), both systems rely on SEWD's infrastructure as a major water source in the region. Through a wheeling agreement, Cal Water also conveys SEWD-treated water to the Walnut Plant service area, which is otherwise served by the City of Stockton.

CalWater monitors disinfection byproduct levels and residual chlorine concentrations throughout its system and coordinates water quality management strategies with SEWD to maintain compliance with state and federal drinking water regulations.

C. EXISTING TRANSMISSION AND DISTRIBUTION SYSTEM

CalWater supplies a combination of locally produced groundwater and surface water purchased from the Stockton East Water District. CalWater operates 25 groundwater wells, 17 booster pumps, and 8 storage tanks to deliver approximately 22 million gallons of water daily to more than 43,000 service connections. CalWater delivers water to residential, commercial, industrial, and governmental customers. Residential customers account for most of CalWater's service connections and 57 percent of its water uses. Non-residential water uses account for 37 percent of total demand and system water losses account for 6 percent.

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D. WATER CONSERVATION

Consistent with California Water Code Sections 11950 – 11954, the City has implemented various water conservation efforts, as well as a Water Shortage Contingency Plan which identifies actions that can be taken to respond to catastrophic interruption of water supply.

The City Council adopted a Water Conservation Ordinance in 1988, enacted in the Stockton Municipal Code, Sections 13.28 and 13.32, which include both voluntary and mandatory conservation stages. From 1990 to 1992, mandatory water reduction stages were in force due to the prolonged years of drought. The City initiated a voluntary reduction stage in 1993 and has maintained a voluntary reduction stage since that time. Cal Water supports and enforces water conservation measures in coordination with the City's policies and plans.

E. GENERAL PLAN

The City's General Plan includes policies and implementation programs related to maintaining an adequate water supply for the City's population. Following adoption of the General Plan, CalWater updated its Water Management Plan based on the growth projections of the General Plan. Based on existing water use patterns, the water supply is projected to be available through 2045. The area served would include all potential development which includes the Annexation Project location.

F. TIMING AND EXTENSION OF WATER SUPPLY TO THE ANNEXATION AREA

The Development Area will construct a potable water distribution system with pipe sizes ranging from six inches to 12 inches. Stubs from the transmission pipelines will be constructed to connect to the Project potable water distribution system.

The developer's contribution to water supply as part of the Annexation Plan has been estimated based on an approximate total development impact fee of \$995,379 for surface water supply. This development impact fee is allocated proportionately at a rate of \$4,587. However, since this Project is located within the California Water Service area, a formal service application must be submitted. This application will be reviewed by CalWater to prepare a comprehensive and project-specific cost estimate. Until that process is completed, the final water connection contribution remains to be determined.

Stormwater

The City provides and maintains a system of storm drains, detention basins, and pumping facilities, as well as monitoring and operational control of the storm drain system. Additionally, the City enforces storm drain regulations established by the U.S. Environmental Protection Agency and the State of California.

Urban stormwater drainage in the City is provided by a storm drain system that is separate from the municipal sewer system. COSMUD operates and maintains approximately 620 miles of pipe, 72 pump stations, and more than 100 discharge pipes. The local storm drain facilities collect and route runoff from the streets and gutters through surface canals and stormwater retention basins, as well as through a network of underground gravity and force mains (pipelines), pump stations, and

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outfalls into rivers, creeks, and the Delta, including outfalls to the San Joaquin River, Bear Creek, Pixley Slough, Mosher Slough, Five Mile Slough, Fourteen Mile Slough, Calaveras River and Stockton Diverting Canal, Smith Canal, French Camp Slough, Walker Slough, Weber Slough, North Littlejohns Creek, and Duck Creek (City of Stockton, 2018).

The City operates under Municipal Stormwater Permit Requirements Order No. R5- 2016-0040. The Stormwater Utility Division also manages the City's National Pollutant Discharge Elimination Permit (NPDES) and all the monitoring, testing, education, and programs required under the permit.

The NPDES Stormwater Program regulates stormwater discharges from three potential sources:

- construction activities;
- industrial activities; and
- the municipal stormwater system.

A. EXISTING STORMWATER DRAINAGE SYSTEM

The City of Stockton SOI is situated just east of the Delta, a low-lying region of sloughs and channels connecting local waterways with the Suisun Bay and the San Francisco Bay. The City and surrounding areas within the SOI depend on creeks, rivers, and sloughs to collect and convey storm runoff to the San Joaquin River and the Delta. The primary watercourses that drain the SOI 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 drains and pump stations within the service area have adequate capacity to collect stormwater drainage (City of Stockton, 2020).

Stormwater runoff occurs when precipitation from rain and snow melts and does not absorb into the ground. As the runoff flows over the land or impervious surfaces (paved streets, parking lots, and building rooftops), it accumulates debris, chemicals, sediment, and other pollutants that could adversely affect water quality. Stockton's stormwater is collected in catch basins and transported untreated directly into our local rivers, creeks, and sloughs, and eventually to the Delta. Best management practices (BMPs) are the primary method to stop contaminants from entering the system.

Municipal Separate Storm Sewer System (MS4) permits are required under the Clean Water Act and require the discharger to develop and implement a Storm Water Management Plan to reduce the discharge of pollutants to the Maximum Extent Practicable (MEP). The management plans specify what BMPs will be used to address certain program areas: such as public education and outreach, illicit discharge detection and elimination, construction and post-construction, and good housekeeping for municipal operations.

Each year, the City is required to provide an annual report to the State on their stormwater program and BMPs.

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B. FUTURE STORMWATER DRAINAGE DEMANDS AND SYSTEM IMPROVEMENTS***200-Year Flood Protection in the Central Valley***

Portions of the City of Stockton lie within the 200-year flood hazard area; however, the annexation area is not located within the 200-year flood hazard area. State floodplain legislation (Senate Bill [SB] 5) for the San Joaquin River region has resulted in stricter development standards that began in early 2016. Urban areas that depend on levee protection are required to have a 200-year level of flood protection. SB 5 prohibits a city or county within the Central Valley Flood Protection Plan area from approving a development agreement, discretionary permit or entitlement, tentative map, or parcel map for any property within a flood hazard zone unless they can demonstrate any of the following:

- the project has already achieved the applicable level of flood protection,
- conditions have been imposed on the project approval that will eventually result in the applicable level of flood protection, or
- adequate progress is being made towards achievement of the applicable level of flood protection.

Adequate progress is defined as meeting all the following:

- The project scope, cost and schedule have been developed;
- In any given year, at least 90 percent of the revenues scheduled for that year have been appropriated and expended consistent with the schedule;
- Construction of critical features is progressing as indicated by the actual expenditure of budget funds;
- The city or county has not been responsible for any significant delay in completion of the system; and
- The above information has been provided to the Department of Water Resources (DWR) and the Central Valley Flood Protection Board and the local flood management agency shall annually report on the efforts to complete the project.

Section 16.90.020(B) requires the review authority's decision to approve a project in accordance with the City's established criteria for development in 200-year floodplains, which are consistent with accepted State and federal floodplain management practices. According to the City's established criteria, the annexation area would be considered an urban area, as it is located within the City's corporate limits. Thus, the Annexation Project may be approved provided that all properties within the annexation area would meet the urban level of flood protection.

C. TIMING

Drainage improvements will be constructed in order to maintain the service level standard. This is accomplished by constructing the storm drainage and flood protection facilities for each new area that is developed, and by ensuring that necessary facilities are developed efficiently prior to and during construction activities.

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D. STORM DRAINAGE WITHIN THE ANNEXATION AREA

Storm mains will be installed within the subdivision to serve the Annexation Project. Storm runoff will be treated by stormwater treatment devices, then conveyed into the existing 42" and 54" main that runs north to an outfall at Mormon Slough. The 54" main will need to be relocated within the right of way of Brigham Street, then connect to the current alignment just north of the project. The existing 42" main that runs east to west through the project will be abandoned as part of the Project but will remain in place.

All drainage collection and conveyance infrastructure would be sized and constructed according to adopted City of Stockton storm drainage hydrologic and hydraulic design criteria, design standards, and specifications. Onsite stormwater runoff would be directed into an underground pipe system which would collect the runoff and direct it to the central storm drainage basin.

The Annexation Project would incorporate site design measures, landscape features, and approved engineered treatment facilities (bioretention facilities or COSMUD-approved equivalent) for water quality treatment that minimizes imperviousness, retains or detains stormwater, slows runoff rates, and reduces pollutants in post-development runoff consistent with the City of Stockton NPDES SWMP and the City of Stockton and County of San Joaquin Stormwater Quality Control Criteria Plan.

The Annexation Project would alter the existing drainage through grading and development of urban uses. Additionally, the Annexation Project would result in increased impervious surfaces and result in an incremental reduction in the amount of natural soil surfaces available for infiltration of rainfall and runoff, with the potential to generate additional runoff during storm events. Additional runoff could contribute to increased erosion, siltation, and pollution, as well as an increase in flood potential or runoff that could exceed the capacity of the City's drainage system.

The overall design of Project's drainage infrastructure, including the storm basin, would be required to comply with the City of Stockton NPDES Stormwater Management Plan, which includes existing and enhanced program control measures for controlling the discharge of pollutants to the municipal storm drain system to the maximum extent practicable. In addition, General Plan Action SAF-3.2B requires new development to employ low impact development (LID) approaches that conserve natural areas and reduce impervious areas. The term LID means a storm water management and land development strategy that emphasizes conservation and the use of on-site natural features integrated with engineered, small-scale hydrologic controls to more closely reflect predevelopment hydrologic functions. The Annexation Project would be required to integrate LID measures to provide stormwater quality treatment. These LID measures would likely include both volume-based BMPs (i.e., bioretention, infiltration features, pervious pavement, etc.) and flow-based BMPs (i.e., vegetated swales, stormwater planter, etc.). The use of these features would be dependent upon the location and setting within the Annexation Project.

According to the City of Stockton and San Joaquin County Stormwater Quality Control Criteria Plan (SWQCCP), the Project would be considered both a Priority Project and a PLU Project, as the Project includes a residential subdivision of 10 housing units or more (Priority Project) and contains land uses with at least 10 developed dwelling units per acre (Priority Land Use [PLU] Project). Priority

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projects are required to prepare and submit a Project Stormwater Quality Control Plan with the initial building permit submittal, that demonstrates the Project incorporates site design measures, landscape features, and engineered treatment facilities (typically, bioretention facilities) that will minimize imperviousness, retain or detain stormwater, slow runoff rates, and reduce pollutants in post-development runoff. In particular, the Project Stormwater Quality Control Plan would specify BMPs required to be implemented by the Project and design specifications for selected BMPs. The Project Stormwater Quality Control Plan must be submitted for review and approval by the City of Stockton Department of Municipal Utilities.

Wastewater

Wastewater services would be provided by existing and planned City of Stockton collection and treatment system. Wastewater treatment would be provided at the City's existing Regional Wastewater Control Facility (RWCF). The RWCF provides secondary and tertiary treatment of municipal wastewater throughout the City. The remainder of the City is served by on-site private septic systems or lie outside the urban service area. The existing wastewater collection system service area includes residential, commercial, industrial, municipal, and mixed-use areas within the City, as well as 17 unincorporated County areas.

A. WASTEWATER COLLECTION

Municipal wastewater treatment and collection services in the Stockton City limits are provided by COSMUD. The existing City of Stockton wastewater collection system is divided into 10 designated sub-areas or "systems." The City's wastewater collection system comprises of just over 1,000 miles of gravity mains ranging from four to 84 inches in diameter, as well as 35 pump stations and approximately 37 miles of active force mains ranging from two to 42 inches in diameter. The Project site is located within Collection Service Area No. 6 (City of Stockton, 2022).

Current City standards call for all gravity sewers to be designed for full-pipe gravity flow. Surcharging results in sewers that do not meet this criterion under a given flow condition. For planning purposes, the available capacity is zero in gravity sewers, with a predicted peak flow equal to or greater than the full-pipe gravity flow capacity. The following standards are used in the design of gravity sewers. Pipes must be sloped to produce a minimum of two feet per second (fps) at peak flow. Flatter slopes (as low as 0.0006 foot per foot) have been allowed for some designs in Stockton to accommodate project-specific constraints. It can be difficult to maintain the desired grade during construction of pipelines at slopes less than 0.001 foot per foot. Initial flows during the early years will be lower than the design flows, causing velocities to be lower. During design, steeper slopes should be considered where feasible. Additional maintenance or other measures may be required to control odors in sewers with initially low velocities.

Force mains convey flow from pump stations to a downstream gravity sewer. There are approximately 158,000 lineal feet of force mains in the City's model, representing all City-owned force mains of significant length, as well as some private pumping and force main systems. City design standards recommend that force main velocities should be limited to "around seven (7) fps" for lengths up to 300 feet, and "around five (5) fps" for lengths in excess of 1,000 feet.

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Wastewater pumping stations are located throughout the City and are integral to the wastewater collection system. Most of the pump stations discharge to pressure sewers (force mains) that convey flow under pressure either directly to the RWCF or to a downstream gravity sewer.

B. WASTEWATER TREATMENT PLANT PERMITTING AND CAPACITY

Wastewater from the City is currently treated at the City of Stockton RWCF, which is owned and operated by the City. The City's *Wastewater Master Plan Update* (City of Stockton, 2022), *City of Stockton Sphere of Influence Plan/Municipal Service Review*, *San Joaquin Local Agency Formation Commission Final Draft* (City of Stockton, 2020), and *CRWQCB Central Valley Waste Discharge Requirements for the City of Stockton Regional Wastewater Control Facility* are the primary documents that outline the City's long term strategy for meeting future discharge and capacity requirements for a planning horizon that extends to build-out of the General Plan. The RWCF effluent is currently regulated by Central Valley Regional Water Quality Control Board (CVRWQCB) Order No. R5-2020-007, NPDES CA0079138. Currently, RWCF is designed to treat and provide a discharge of up to 55 mgd of tertiary treated wastewater to the San Joaquin River, within the Delta. RWCF collects and treats an average of 33 mgd of wastewater, from approximately 116,000 sewer connections in the City and nearby San Joaquin County areas. The City of Stockton RWCF sewer treatment plant is undergoing the Modifications Project to modernize the facility, accommodate growth through 2035 (with the ability to expand through 2045 and beyond), change the sewer treatment to an activated sludge process, and replace equipment and processes that are beyond their useful life. Modifications to the RWCF are required to maintain compliance with the RWCF NPDES permit, extend the useful life of existing facilities, improve working conditions for facility staff, and implement components of the City's Capital Improvement and Energy Management Plan. The City initiated the RWCF Modifications Project to (1) increase the reliability of the liquid and solids treatment processes, (2) improve reliability in treating existing and projected flows, (3) reduce energy costs and provide reliable renewable energy alternatives, and (4) reduce nitrate plus nitrite concentrations in the final effluent to comply with the RWCF NPDES permit. All existing and planned development areas and the unincorporated islands are expected to be served by the RWCF under the Envision Stockton 2040 General Plan buildout development conditions, regardless of water source, as a prudent planning assumption for the purposes of the City's Wastewater Master Plan Update (City of Stockton, 2023).

C. WASTEWATER QUALITY

The City's wastewater treatment plant is governed by a federal NPDES permit. The City is required by law to have its permit reviewed every five years by the Regional Water Quality Control Board (the State's regulating agency for the NPDES permit program). On February 20, 2020, the Central Valley CVRWQCB issued a wastewater discharge permit to the City of Stockton for the operation of its regional wastewater treatment facility.

D. WASTEWATER SYSTEM WITHIN THE MURRAY RANCH ANNEXATION AREA

8" sewer mains will service each lot of the subdivision, and tie into all existing stubs in the surrounding streets. Effluent from all tributary areas would be collected and conveyed through

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gravity sewer pipelines. All sewer collection and conveyance infrastructure would be sized and constructed according to adopted City of Stockton sewer hydrologic and hydraulic design criteria, design standards, and specifications.

City's wastewater treatment facility is approaching its functional capacity, and expansion of RWCF to meet anticipated demands resulting from growth in Stockton is the subject of an ongoing planning and engineering effort. RWCF has adequate capacity to serve anticipated short-term development within the City, and expansion plans provide for creation of additional capacity over time to meet anticipated demands generated from the annexation area and other growth areas of the City.

Occupancy of the Murray Ranch Subdivision Project would be prohibited without sewer allocation, as required by Stockton Municipal Code Section 13.12.100, Mandatory Sanitary Service Required. An issuance of sewer allocation from the City's available capacity would ensure that there would be a final determination by the wastewater treatment and/or collection provider that there is adequate capacity to serve the Annexation Project's projected demand, in addition to the provider's existing commitments. Additionally, any planned expansion to the RWCF with a subsequent allocation of capacity to the Annexation Project would ensure that there would not be a determination by the wastewater treatment and/or collection provider that there is inadequate capacity to serve the Annexation Project's projected demand in addition to the provider's existing commitments.

The developer's contribution to sewer connection as part of the Annexation Plan has been estimated based on an approximate total development impact fee of \$651,000 sewer connection. This development impact fee is allocated proportionately at a rate of \$3,000 per residential unit.

Solid Waste

The City of Stockton Public Works Department (Solid Waste & Recycling Division) provides solid waste hauling service for the City and would serve the Annexation Project. Waste collection services are provided weekly, as specified by the waste haulers that serve the City, which include Republic Services and Waste Management.

Solid waste from Stockton is taken to Forward Landfill in Manteca or the North County Landfill in Lodi. During inclement weather, occasional loads are taken to the Lovelace Material Recovery Facility in Manteca. Solid waste from Lovelace is disposed at Foothill Landfill in Linden. Construction and demolition materials and some commercial loads are processed at the East Stockton Transfer Station. Residuals from the East Stockton Transfer Station are disposed at Forward Landfill.

The permitted daily maximum disposal at the Forward Landfill is 8,668 tons per day. The total permitted capacity of the Forward Landfill is 59.16 million cubic yards, which was expected to accommodate an operational life until January 1, 2036. The remaining capacity of Forward Landfill is 24.7 million cubic yards.

The permitted daily maximum disposal at the Foothill Landfill is 1,500 tons per day. The remaining capacity is 125,000,000 cubic yards with an anticipated closure year of 2082. The permitted daily maximum disposal at the North County Landfill is 825 tons per day. The remaining capacity is 35,400,000 cubic yards with an anticipated closure year of 2048.

ANNEXATION PLAN

The Annexation Project would not generate significant or abnormal volumes of solid waste. Because the General Plan EIR determined that solid waste capacity is adequate to serve the demand resulting from General Plan build-out and the Annexation Project's use is consistent with the General Plan land use designation for the Project site. Should additional solid waste disposal needs become necessary, there would be available capacity at both Foothill Landfill and North County Landfill to accommodate the additional waste generated. Solid waste collection services would continue to be made available to new residents, owners, and tenants of the Project as units begin to become occupied.

The developer's contribution to sanitary connection as part of the Annexation Plan has been estimated based on an approximate total development impact fee of \$455,700 for combined fees. This development impact fee is allocated proportionately at a rate of \$2,100 per residential unit.

Electricity and Natural Gas

Pacific Gas and Electric Company (PG&E) is responsible for provision of electricity and natural gas to the City and the annexation area. PG&E delivers approximately 86,179 million kilowatt-hours (kWh) of electricity to its 15 million customers throughout the 70,000-square-mile service area in northern and central California. The PG&E service area is divided into seven distribution areas, with Stockton located in the Stockton Division of PG&E's Operations, Maintenance, and Construction Area 5.

PG&E is also responsible for the provision of natural gas to the City. Gas is delivered to the City and the City Planning Area through portions of PG&E's 48,198 miles of natural gas pipelines. Residents, owners, and/or tenants would be responsible for paying for electricity and natural gas services, based on the amount of energy used.

Police Services

Law enforcement services for the City of Stockton are provided by the Stockton Police Department (SPD). The SPD service area covers over 65 square miles. The average response time to in-progress life threatening emergencies is between three and five minutes. Depending on the nature of the call, the time of day, the location, and the number of on-duty personnel, response times to non-emergency calls can exceed 25 minutes. SPD serves the area to the City limits, while the San Joaquin County Sheriff's Department serves all adjacent unincorporated areas within the Stockton SOI (City of Stockton, 2020). Through a mutual aid agreement, SPD and the County Sheriff's Department can call upon each other to provide service when requested.

SPD consists of 485 sworn police officers and 227 civilian staff. Stockton's 2019 population was approximately 316,400, which resulted in a ratio of 1:533 sworn staff per 1,000 residents (City of Stockton, 2020). This ratio exceeds the City's General Plan Safety Element minimum standard of 1.5 sworn officers per 1,000 residents.¹ Although the Stockton General Plan states that the City strives to achieve a ratio of 1.5 sworn officers per 1,000 population, staffing levels in the City of Stockton ultimately are determined each year by the City Council in consultation with the City Manager and Chief of Police based on the needs of the City. Additional officers are planned to be hired, as the City

¹ City of Stockton General Plan, Public Facilities and Services Element, PFS-7.2.

population grows. The City's goal is to respond to all priority one emergency calls within an average of five minutes or less.

SPD is organized into two bureaus, Logistics and Operations, and five divisions, including Administrative Services, Field Operations Investigations, Special Operations, and Technical Services. Divisions are coordinated out of two facilities: the Headquarters, located at 22 E. Weber Avenue, and Operations, located at 22 E. Market Street (City of Stockton, 2020).

The SPD management team consists of the Chief of Police, who oversees Professional Standards, Fiscal Affairs and Planning, and Public Information Sections, an Assistant Chief of Police (currently vacant), and two Deputy Chiefs of Police, each overseeing a bureau, and five Police Captains, each overseeing a division (City of Stockton, 2020).

SPD has both traditional and specialized transportation equipment that it uses to conduct patrols, respond to emergencies, and provide programs. The transportation types include bicycles (16 units), marked vehicles (217 units), unmarked vehicles (208 units), motorcycles (27 units), animal control (8 units), and miscellaneous (9 units) (City of Stockton, 2020).

The City of Stockton General Plan includes policies and actions to ensure that SPD continues to provide adequate facilities and staffing levels. Below is a list of relevant policies and actions:

- Carefully plan for future development and proactively mitigate potential impacts (Policy LU-6.1).
- Maintain adequate staffing levels to support achieving the City's service level goals for police and fire protection (Action LU-6.1.G).
- Ensure that all neighborhoods have access to well-maintained public facilities and utilities that meet community service needs (Policy LU-6.3).
- Require development to mitigate any impacts to existing sewer, water, stormwater, street, fire station, park, or library infrastructure that would reduce service levels (Action LU-6.3.A).

The Fiscal Year 2024-2025 budget for SPD is \$16,453,310. The need for additional personnel in the future will be addressed by the Chief of Police, the City Manager, and the City Council as response times are reassessed annually and as budget allows. The budget for SPD is expected to increase, as development of the City of Stockton continues. Development of the area to be added to the 10-year planning horizon as part of the annexation to the SOI would provide additional revenues to SPD.

SPD has sufficient resources to serve the annexation area. Staffing levels at the SPD are adjusted based on Police Department response times and new hiring is expected to occur as the population of Stockton grows. Additional revenue would be provided directly to SPD, through the payment of development fees, by the applicants of the Murray Ranch Subdivision Project. Furthermore, the proposed developments would be more easily accessible by improved road infrastructure that would be developed in the future. This extension of services would occur concurrently with the development of the annexation area.

ANNEXATION PLAN

The developer's contribution to police services as part of the Annexation Plan has been estimated based on an approximate total development impact fee of \$128,247. This development impact fee is allocated proportionately at a rate of \$591 per residential unit.

Fire Services

The Stockton Fire Department (SFD) is responsible for the primary provision of fire services and emergency medical response for the City and its residents, including the surrounding unincorporated areas. SFD provides service to a 91-square-mile area, serving a population of approximately 336,000 people within the City and the County's Boggs Tract, Lincoln, Eastside, and Tuxedo-Country Club Fire Protection Districts. SFD is comprised of 187 sworn fire personnel and 46 civilian personnel (City of Stockton, 2023).

SFD consists of six operational divisions: Administration, Operations, Fire Prevention, Training, Communications/Dispatch, and Emergency Medical Services. SFD is led by a Fire Chief, who reports to the City Manager's Office (City of Stockton, 2022A). Each division is managed by a Deputy Chief or Division Chief (City of Stockton, 2022B).

SFD has 13 fire stations located throughout the City, with daily staffing levels of three-person fire engine companies, (4) four-person truck companies, two battalion chiefs and one chief's operator (City of Stockton, 2023). In addition, SFD has access to 7,000 hydrants in key locations providing adequate water for the surrounding areas (City of Stockton, 2020). Each fire station has one fire engine, and the truck companies are located at SFD Stations 2, 3, and 4, and 7. The Training Division and Communications Division are located at Station 2, the central fire station. The Hazardous Material Team is staffed by Station 3, and Urban Search and Rescue Team is staffed by Station 2 (City of Stockton, 2022B). The annexation area is expected to be served primarily by Station 12, which is located approximately 0.65 miles northeast of the annexation area.

The City of Stockton provides contractual fire services to the County's Boggs, Tract Eastside, Lincoln, and Tuxedo-Country Club Fire Protection Districts. These districts cover unincorporated areas in Stockton's SOI, and Boggs tract and Country Club are entirely within Stockton's SOI. These districts pay for services based on the proportion of the cost for fire services, as calculated by the ratio of assessed property value in the districts to the total assessed property value in the City (City of Stockton, 2020). In addition, SFD also provides emergency response services within the City limits and to the four adjoining County fire districts (Boggs, Tract, Tuxedo-Country Club, Eastside, and Lincoln Fire Protections Districts). In 2022, SFD received approximately 68,000 calls for services and responded to 44,665 emergency incidents, including 17,935 EMS emergencies and 4,658 fire incidents (City of Stockton, 2023). The Project site is located within the Eastside Rural Fire Protection District, which provides fire service to several unincorporated islands east and adjacent to the City of Stockton. The total service area of the District is approximately 7,451 acres (San Joaquin County LAFCO, 2023).

The Insurance Services Office (ISO) Public Protection Classification Program currently rates the Fire Department as 2 on a scale of 1 to 10, with 1 being the highest possible protection rating and 10 being the lowest. The ISO rating measures individual fire protection agencies against a Fire

ANNEXATION PLAN

Suppression Rating Schedule, which includes such criteria as facilities and support for handling and dispatching fire alarms, first-alarm response and initial attack, and adequacy of local water supply for fire-suppression purposes. As of 2019, the Stockton Fire Department ISO rating is a level 2 (City of Stockton, 2020).

The City of Stockton General Plan includes policies and actions to ensure that the SFD continues to provide adequate facilities and staffing levels. Below is a list of relevant policies and actions:

- Carefully plan for future development and proactively mitigate potential impacts (Policy LU-6.1).
- Monitor the rate of growth to ensure that it does not overburden the City's infrastructure and services and does not exceed the amounts analyzed in the General Plan EIR (Action LU-6.1.B).
- Maintain adequate staffing levels to support achieving the City's service level goals for police and fire protection (Action LU-6.1.G).
- Ensure that all neighborhoods have access to well-maintained public facilities and utilities that meet community service needs (Policy LU-6.3).
- Require development to mitigate any impacts to existing sewer, water, stormwater, street, fire station, park, or library infrastructure that would reduce service levels (Action LU-6.3.A).

The average response time for all types of calls between the years 2015 and 2016 (the most recent data available), was five (5) minutes and 47 seconds.

The FY 2024-2025 budget for the SFD is \$24,126,011. The need for additional firefighters in the future will be addressed as warranted. Development of the Annexation Project would provide additional revenues to the SFD, which would help to ensure that adequate fire service is extended to the annexation area.

The developer's contribution to fire services as part of the Annexation Plan has been estimated based on an approximate total development impact fee of \$169,477. This development impact fee is allocated proportionately at a rate of \$781 per residential unit.

School Services

The annexation area is located within the boundaries of the Stockton Unified School District (SUSD). The development impact fee is the source of school capital improvement funding provided by new development. The SUSD is eligible to levy Level II and III development impact fees on new residential and commercial development. Development impact fees for SUSD are \$5.04 per square foot of residential development. The Annexation Project includes the development of 217 additional housing units. The number of students generated by the proposed residential would be consistent with the levels assumed in General Plan EIR as the Annexation Project is consistent with General Plan's land use assumptions for the Project site.

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The SUSD serves 33,000 K-12 students in Stockton (2023-2024 school year). The SUSD operates 56 school sites, including 41 K-8 schools, four comprehensive high schools, three small high schools, one alternate high school, one special education school, and 5 dependent charter schools. With the payment of school fees to the applicable school districts, timely extension of school services to the annexation area is expected.

The developer's contribution to the school services as part of the Annexation Plan has been estimated based on an approximate total development impact fee of \$2,493,491. This development impact fee is allocated proportionately at a rate of \$11,491 per residential unit.

Parks and Recreation

Under the park standards outlined in the City's General Plan, the City aims to provide 2 acres of neighborhood parkland, 3 acres of community parkland, and 3 acres of regional parkland per 1,000 residents. With the existing population of 319,731 residents, the City is currently deficient in meeting its park service standards in all categories. The General Plan has established a parkland standard of 2 acres of neighborhood parkland, 3 acres of community parkland, and 3 acres of regional parkland per 1,000 residents. Based on the 679 new residents, the proposed Project would require 1.358 acres of neighborhood park, 2.037 acres of community park, and 2.037 acres of regional park.

The proposed project includes 4 separate lots dedicated to open space and recreation. Lot A is a 2.04 acres linear park that contains numerous valley oaks trees and aquatic/drainage habitat. This area is intended to be left intact and serve as passive open space and recreation. Lot B is a 0.138-acre park space that is intended to be attached to a larger park that was approved with a separate subdivision to the south of the park. Lot C is a 0.539-acre open space lot that is intended to be passive open space. Lot D is a 0.327-acre open space lot that is intended to be passive open space. Amenities that may be included within the 4 park/open space lots include linear paths, benches, tot lot, and shade structures. The exact design and amenities of these four lots will be determined through the improvement design process with the City of Stockton. The design process will also determine what proportion of the lots is eligible for park credit.

The Annexation Project would be subject to Municipal Code, Section 16.72.060(C), Park Land Dedications and Fees, which required for the dedication of land and/or the payment of fees to the City for park and recreational purposes and/or the construction of park and recreational facilities.

The developer's contribution to the Parks and Recreation fee as part of the Annexation Plan has been estimated based on an approximate total development impact fee of \$607,166. This development impact fee is allocated proportionately at a rate of \$2,798 per residential unit.

Other Government Facilities

The Project would be subject to Stockton Municipal Code Section 16.72.260, Public Facilities Fee (PFF), which requires payment of a PFF fee on issuance of building permits for development in the City to pay for municipally owned facilities, including but not limited to City office space, libraries, and community recreation centers. Payment of the fee is required to implement the goals and objectives of the General Plan and to mitigate the impacts caused by future development in the City.

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The payment of fees has been identified to finance public facilities and/or compensation measures, and to pay for each development's fair share of the construction costs of these improvements, and/or the costs of the compensation measures. For the Annexation Project, the project total fees due at the time of building permit issuance, including the impact fees identified previously for water, sewer, solid waste, police, fire, schools, and parks is \$12,129,444, which equates to an average of \$55,896 per unit.

Findings

Overall, existing public services, with improvements proposed as a part of the Project, would be adequate to serve the Project and its future residents. The Annexation Project would require the extension of services provided by the City, including public safety and utility services. The level and range of these public services is described in this document and in additional detail in the Murray Ranch Subdivision Project Environmental Checklist. The design, engineering, and construction of these services and infrastructure improvements will be financed by the developer subject to approval by the City of Stockton.

4. TIMELY AVAILABILITY OF WATER SUPPLIES

The Annexation Project includes a total area of 37.4 acres that is intended for the development of up to 217 residential units and 4 separate lots dedicated to open space and storm drain treatment. The construction of the Annexation Project would increase water demand on-site. Water service for the Annexation Project will be provided by CalWater. CalWater's UWMP outlines the available water supply and projected demands through the year 2045, including under normal, single-dry, and multiple-dry year scenarios. According to the UWMP, CalWater receives its water supply from both surface water (primarily from SEWD) and groundwater extracted from the Eastern San Joaquin Groundwater Subbasin. The UWMP demonstrates that CalWater District has sufficient water supplies to meet projected future demands for its service area under all hydrologic conditions, including during extended drought periods.

The General Plan designates the Project site for Residential use and the Annexation Project is consistent with that land use designation. Furthermore, the General Plan EIR concluded that CalWater will have sufficient water supplies to meet the projected demands from development allowed by the General Plan, and therefore has sufficient water supplies available to serve the Annexation Project from existing entitlements and resources, and would not require new or expanded entitlements during normal, dry, and multiple dry years. The Annexation Project is considered planned growth and to the extent that the Annexation Project would require additional water supply.

As identified above, the Annexation Project would not result in insufficient water supply availability to serve the Project from existing entitlements and resources.

ANNEXATION PLAN

5. FAIR SHARE HOUSING NEEDS

The extent to which the proposal would affect the City in achieving its respective fair share of regional housing needs, as determined by the SJCOG consistent with Article 10.6 (commencing with Section 65580) of Chapter 3, Division 1 of Title 7 is provided below.

The annexation area is currently under San Joaquin County jurisdiction and is not subject to the City of Stockton's Housing Element. The San Joaquin County General Plan currently designates the annexation area for Low Density Residential (R/L). The annexation request includes an amendment to the City's 10-year planning horizon, and is planned in the City of Stockton General Plan for Low Density Residential (maximum density is 6.1 dwelling units per acre [du/ac]). Additionally, the San Joaquin County Zoning Ordinance currently designates the annexation area for AU-20 (Agriculture-Urban Reserve, 20 Acres).

It is expected that the units built as part of the Murray Ranch Subdivision Project will be developed at market rate and would therefore be included within the above moderate and/or moderate-income categories (as defined by RHNA).

Table 3 shows the City's remaining RHNA allocation based on income category and the need which has already been satisfied during the Housing Element period (i.e., January 1, 2023, to December 31, 2031) by already built and approved units. To ensure that the City has sufficient capacity to accommodate the RHNA allocation throughout the planning period, HCD recommends in its "Housing Element Site Inventory Guidebook" (Government Code Section 65583.2) that the City create a buffer in the sites inventory of 15 to 30 percent more capacity than required, especially for capacity to accommodate the lower-income RHNA allocation. As shown in Table 3, the City has taken this approach and assumed a 30 percent buffer across all income categories.

TABLE 3 – UNIT NEEDS BASED ON BUILT AND APPROVED UNITS (JAN. 1, 2023 – DEC. 31, 2031)

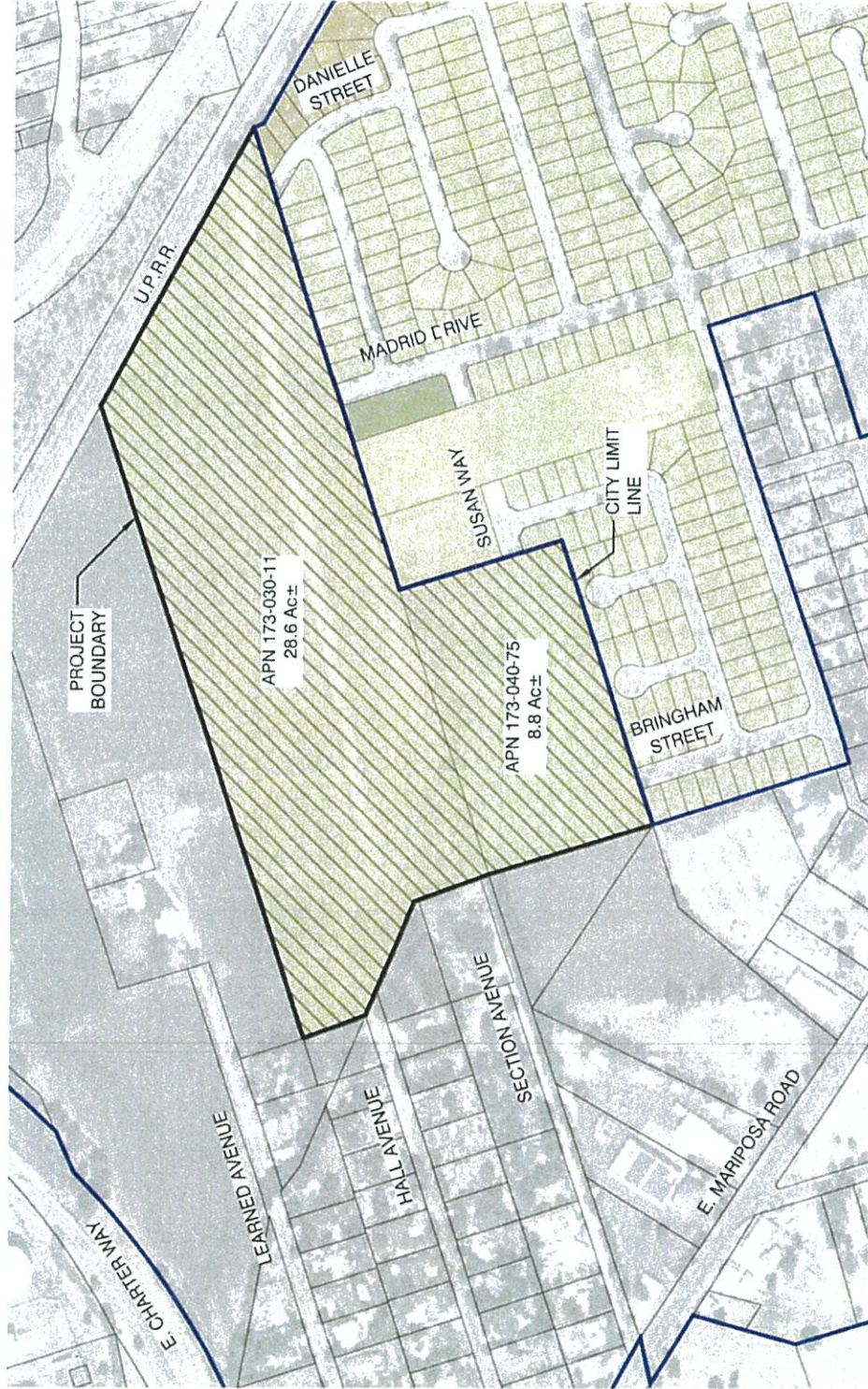
INCOME CATEGORY	RHNA	RHNA WITH 30% CUSHION	PIPELINE PROJECTS	VACANT SITES	TOTAL CAPACITY	SURPLUS UNITS	SURPLUS OF RHNA WITH 30% CUSHION
Extremely Low	1,232	1,602	131	1,543	1,674	442	72
Very Low	1,233	1,603	186	1,544	1,730	497	127
Low	1,548	2,012	77	1,544	1,729	181	(283)
Moderate	2,572	3,344	353	3,112	3,519	947	175
Above Moderate	6,088	7,914	13,641	124	13,783	7,695	5,869
Total	12,673	16,475	14,388	7,867	22,435	9,762	5,960

SOURCE: CITY OF STOCKTON, 2023.

As shown in Table 3, the City has a surplus of sites available to meet its 2023-2031 RHNA allocation by income category. The current Stockton Housing Element, adopted by the City Council and reviewed and approved by HCD, has identified residential land inventory within the Land Use Element of the General Plan to meet the RHNA allocation for the current period.

MURRAY RANCH PREZONE EXHIBIT

JUNE, 2022



LEGEND

COLOR	PROPOSED ZONING
	RESIDENTIAL LOW DENSITY
	RESIDENTIAL LOW DENSITY WITH PD OVERLAY
	RESIDENTIAL MEDIUM DENSITY
	PUBLIC FACILITIES



Attachment 5

**ADMINISTRATIVE RESOLUTION NO. 26-1565
BEFORE THE EXECUTIVE OFFICER OF THE SAN JOAQUIN LOCAL AGENCY
FORMATION COMMISSION APPROVING THE 37.42 ACRE REORGANIZATION
LOCATED AT 2560 EAST HALL AVENUE (APN 170-030-11, 28.56 ACRES) AND 2530
EAST SECTION AVENUE (APN 170-040-75, 8.84 ACRES) TO THE CITY OF STOCKTON
(LAFC 09-26)**

WHEREAS, the above Murray Ranch Reorganization proposal was authorized to be filed by the City of Stockton City Council Resolution 2025-07-29-1603 on July 29, 2025; and

WHEREAS, the City evaluated the Murray Ranch Reorganization in accordance with the requirements of the California Environmental Quality Act (CEQA) and the CEQA Guidelines, and found that the project is consistent with the City's General Plan for which an Environmental Impact Report (EIR) was certified on December 4, 2018; and

WHEREAS, CEQA Guidelines, Special Situations, Section 15183, "mandates that projects which are consistent with ... general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site."; and

WHEREAS, on August 27, 2025, the City of Stockton, as the lead agency for the Project, recorded a Notice of Exemption for the Murray Ranch Reorganization pursuant to and in accordance with the California Environmental Quality Act (CEQA); and

WHEREAS, pursuant to State Code of Regulations, Section 15096, the Commission is a responsible agency that considered the Notice of Exemption prepared by the City of Stockton and the Commission has evaluated its own conclusions as to whether and how to approve the proposed reorganization; and

WHEREAS, on March 17, 2026, the City of Stockton, San Joaquin County and the Eastside Fire Protection District executed a Property Tax Allocation Agreement for the Murray Ranch Project; and

WHEREAS, the City of Stockton filed an application for Murray Ranch Reorganization to the Commission and a Certificate of Filing issued on April 7, 2026, by the Executive Officer for processing in accordance with the Local Government Reorganization Act; and

WHEREAS, the Murray Ranch Reorganization boundary filed by the City of Stockton is co-terminus with the boundaries of two (2) parcels of land, 37.42 acres commonly referred to as 2560 East Hall Avenue (APN 170-030-11, 28.56 acres) AND 2530 East Section Avenue (APN 170-040-75, 8.84 acres); and

WHEREAS, the 37.42 acre territory of the Murray Ranch Reorganization comprises less than one percent (0.06%) of the approximately 62,600 acre City of Stockton Sphere of Influence; and

WHEREAS, the City of Stockton has multiple planning processes in place to assess whether levels of service provided are adequate to accommodate new growth, including the City of Stockton General Plan, the City's annual budgeting process, master planning processes for water supply and distribution, wastewater and sewer systems, storm water management, parks and open space as well as fire protection and law enforcement services; and

WHEREAS, the territory of the Murray Ranch Reorganization is currently zoned by San Joaquin County as Agricultural Urban Reserve (AU(20)); and

WHEREAS, the AU(20) zoning designation is applied to, "areas planned for future urban development in order to facilitate compact, orderly urban development and appropriate timing and economical provision of services and utilities."; and

WHEREAS, 2530 East Section Avenue (APN 170-040-75) within the Reorganization territory is considered legal non-conforming in that the property is smaller than twenty (20) acres; and

WHEREAS, the territory of the Murray Ranch Reorganization is within the City of Stockton Sphere of Influence; and

WHEREAS, the Murray Ranch Reorganization General Plan Land Use Element Map Designation as Residential and the City Council approved Pre-zoning to Residential, Low via Ordinance 2025-07-29-1963 with an effective date of August 28, 2025; and

WHEREAS, State Government Code Section 56375(a)(1) states that the Commission shall have the power and duty to review and approve with or without amendment, wholly, partially, or conditionally proposals for changes of organization, consistent with written policies, procedures, and guidelines adopted by the commission"; and

WHEREAS, State Government Code Section 56662 states that the Commission may make determinations without a notice and hearing regarding Reorganization, detachment or reorganization requests and waive protest proceedings entirely if said request meets certain criteria; and

WHEREAS, State Government Code Section 56662(1) states that the Commission may make a determination without a notice and hearing if the territory is uninhabited; and

WHEREAS, pursuant to Government Code Section 56662(1), the Murray Ranch Reorganization territory is considered uninhabited with zero (0) registered voters residing within the boundaries of the territory; and

WHEREAS, State Government Code Section 56662(2) states that the Commission may make a determination without a notice and hearing if an affected local agency has not submitted a written demand for notice and hearing during the 10-day period as described in subdivision (c);

WHEREAS, pursuant to Government Code Section 56662(2) the Notice of Request for Comments was issued on April 7, 2026 allowing agencies and no written demands for notice and hearing were received; and

WHEREAS, State Government Code Section 56662(3)(B), the Commission may make a determination without notice and hearing if the proposal is accompanied by proof, satisfactory to the commission, that all the owners of land within the affected territory have given their written consent to the proposal; and

WHEREAS, the proposed reorganization has 100% property owner consent to be annexed as on September 10, 2025 written consent was signed by a co-trustee, Jean Martin Murray, of both properties, 2560 Hall Avenue and 2530 Section E. Section Avenue, was submitted as part of the application by the City of Stockton; and

WHEREAS, a Notice of Pending Territorial Boundary Change was published and posted on the Commission's website on March 26, 2026; and

WHEREAS, a sign of Pending Territorial Boundary Change was posted on the site on April 7, 2026; and

WHEREAS, there has not been any requests for a public hearing received regarding proposed Reorganization; and

WHEREAS, a boundary map for the reorganization prepared in accordance with State Board of Equalization protocol was approved by the County Surveyor on July 13, 2026; and

WHEREAS, the project staff report by the Executive Officer evaluated the applicable factors set forth in Section 56668 of the California Government Code.

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

Section 1. Certifies that, as a Responsible Agency, the Executive Officer of the Commission has independently reviewed, considered, and concurs with the City's Notice of Determination adopted by the City of Stockton on July 29, 2025 and recorded on August 27, 2025.

Section 2. Finds that the proposal is uninhabited pursuant to State Government Code Section 56079.5.

Section 3. Finds that no written request for Notice and Hearing were received by either affected public agencies or members of the public.

Section 4. Pursuant to California Government Code Section 56663, the commission waives protest proceedings pursuant to State Government Code Part 4 (commencing with Section 57000).

Section 5. Prior to the recordation of a Certificate of Completion, the applicant shall submit payment of all fees and costs incurred and expected for the processing, evaluation and approval of the Reorganization to the satisfaction of the Executive Officer.

Section 6. In the event that the zoning of the territory associated with the Murray Ranch Reorganization is amended within twenty-four (24) months of this approval, then the City of Stockton shall notify the Commission pursuant to State Government Code Section 56375(e).

Section 7. Prior to any ground disturbing activities on the site, the applicant shall submit plans for review and approval to the San Joaquin County Department of Environmental Health for the following factors and site conditions:

- a) Any existing wells or septic systems to be abandoned shall be destroyed under permit and inspection by the EHD (San Joaquin County Development Title, Section 9-605.010 & 9-601.020).
- b) Written Confirmation is required from the Public Works Department that improvements have been constructed or financial arrangements have been made for any improvements for public sewer required by the agency. In addition, written confirmation from the Public Works Department that the agency has or will have the sewer capacity to serve the development is also required (San Joaquin County Development Title, Section 9-600.020).
- c) The applicant shall provide written confirmation from the water providers that improvements have been constructed or financial arrangements have been made for any improvements required by the agency and that the agency has or will have the capacity to serve the proposed development. Said written confirmation shall be submitted prior to the issuance of a building permit (San Joaquin County Development Title, Section 9-602.010).
- d) Any geotechnical drilling shall be conducted under permit and inspection by The Environmental Health Department (San Joaquin County Development Title, Section 9-601.01 0(b) and 9-601.020(i)).

Section 8. Prior to any ground disturbing activities on the site, the applicant shall submit proof of participation in the San Joaquin Multi-Species Habitat Conservation Plan administered by SJCOG, Inc.; or, submit proof of issuance of all necessary permits from the appropriate local, state and federal agencies regarding habitat conservation.

Section 9. Prior to the issuance of a permit for future site development, the applicant shall submit plans to Caltrans District 10, Office of Metropolitan Planning for review and comment.

Section 10. The City of Stockton, shall defend, indemnify, and hold harmless SJLAFCo, its agents, officers, and employees, from any claim, action, or proceeding against SJLAFCo, its agents, officers, and employees, to attack, set aside, void or annul SJLAFCo's approval of the Murray Ranch Reorganization, adoption of this Resolution, or any of the terms and conditions set forth herein.

Section 11. As allowed under Government Code Section 56107 and Government Code Section 56883, the Executive Officer may make non-substantive corrections to this Resolution to address any technical defects, clerical errors, mistakes, irregularities, or omissions.

Section 12. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable.

Section 13. The Executive Officer of the Commission finds that the proposed Reorganization, as amended, to the City of Stockton will be for the interest of residents, landowners and businesses within; and, to the territory proposed to be incorporated into the City of Stockton.

ADMINISTRATIVELY ADOPTED this 21st day of July 2026.


J.D. HIGHTOWER, EXECUTIVE OFFICER
San Joaquin Local Agency
Formation Commission

ATTEST:


MITZI STITES, COMMISSION CLERK/ANALYST
San Joaquin Local Agency Formation Commission

EXHIBIT "A"

LAFC 09-26

MURRAY RANCH REORGANIZATION TO THE CITY OF STOCKTON

Being all of Parcels One and Two as described in the Corrective Grant Deed to Douglas Glen Murray and Jean Martin Murray, Co-Trustees of the Douglas Glen Murray and Jean Martin Murray Revocable Family Trust recorded December 29, 2021, as Document No. 2021-216161, San Joaquin County Records, situate in a portion of Sections 45 and 46 of the C.M. Weber Grant, "El Rancho del Campo de los Franceses", in San Joaquin County, State of California, being more particularly described as follows:

BEGINNING at the northeasterly corner of the Southpark Reorganization & Annexation No. A-86-3, recorded on January 22, 1987, as Instrument No. 87006507, San Joaquin County Records to the City of Stockton, said point being also the northeasterly corner of that certain subdivision entitled "Southpark Unit No. 2" filed for record in Book 29 of Maps & Plats, at Page 70, San Joaquin County Records, said point being also on the southwesterly line of the Burlington Northern & Santa Fe (BN&SF) railroad right of way (100 feet wide); thence along the existing Stockton city limit line the following three (3) courses:

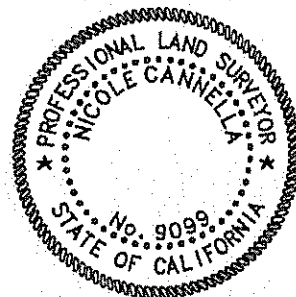
1. Along the southerly line of said Parcel One, South 72°12'43" West 1338.00 feet to the northwesterly corner of Lot 83 of that certain map entitled "Juliet Terrace" filed for record in Book 38 of Maps & Plats, at Page 45, San Joaquin County Records;
2. Along the West line of last said subdivision, being also the easterly line of said Parcel One, South 17°40'10" East 465.78 feet to the southeasterly corner of said Parcel Two;
3. Along the northerly line of said "Juliet Terrace", being also the Southerly line of said Parcel Two, South 72°05'08" West 825.33 feet to the southwesterly corner of said Parcel Two, said point being also the northwest corner of Lot 73 of said "Juliet Terrace", thence leaving said existing City Limit Line the following six (6) courses:
4. Along the Westerly line of said Parcel Two, North 17°40'36" West 467.60 feet to the southwesterly corner of said Parcel One, said point being also the southwesterly corner of Parcel C of that certain Parcel Map recorded in Book 2 of Parcel Maps, at Page 95, San Joaquin County Records;
5. Along the westerly line of said Parcel One, North 16°56'48" West 223.25 feet;
6. Continuing along said westerly line, North 67°40'33" West 364.20 feet;
7. Continuing along said westerly line, North 17°27'44" West 167.11 feet to the northwesterly corner of said Parcel One;
8. Along the northerly line of said Parcel One, North 72°13'27" East 1848.32 feet to the northeasterly corner of said Parcel One, said point being also on the westerly line of said BN&SF Railroad right of way;
9. Along the easterly line of said Parcel One, being also said southwesterly line of BN&SF Railroad right of way, South 61°07'34" East 858.75 feet to the point of **BEGINNING**.

Containing 37.42 Acres, more or less

SUBJECT TO all easements and/or rights-of-way of record.

This legal description as described is delineated on the accompanying "Plat to Accompany Legal Description" and made a part hereof for reference purposes.


Nicole Cannella, P.L.S. 9099



6.12.26

5/23/2024

Murray Ranch Annexation

		North: 2167660.3719 East : 6348352.9749
Line Course: S 72°12'43" W	1338.00'	North: 2167251.6190 East : 6347078.9427
Line Course: S 17°40'10" E	465.78'	North: 2166807.8174 East : 6347220.3182
Line Course: S 72°05'08" W	825.33'	North: 2166553.9480 East : 6346435.0015
Line Course: N 17°40'36" W	467.60'	North: 2166999.4679 East : 6346293.0190
Line Course: N 16°56'48" W	223.25'	North: 2167213.0198 East : 6346227.9465
Line Course: N 67°40'33" W	364.20'	North: 2167351.3598 East : 6345891.0434
Line Course: N 17°27'44" W	167.11'	North: 2167510.7645 East : 6345840.8990
Line Course: N 72°13'27" E	1848.32'	North: 2168075.0472 East : 6347600.9802
Line Course: S 61°07'34" E	858.75'	North: 2167660.3719 East : 6348352.9749

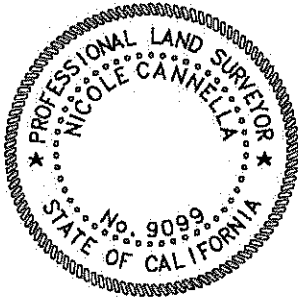
Perimeter: 6,558.33 AREA: 1,630,052 SF 37.421 ACRES

Mapcheck Closure - (Uses listed courses, radii, and deltas)

Error Closure: 0.00352 Course: N27°40'37"E

Error North: -0.00312 East: -0.00164

Precision 1:1,862,339.29





SAN JOAQUIN
—COUNTY—
Greatness grows here.

Environmental Health Department

Attachment 5

Jasjit Kang, REHS, Director

Muniappa Naidu, REHS, Assistant Director

PROGRAM COORDINATORS

Jeff Carruesco, REHS, RDI

Willy Ng, REHS

Steven Shih, REHS

Elena Manzo, REHS

Natalia Subbotnikova, REHS

April 14, 2026

To: San Joaquin Local Agency Formation Commission
Attention: JD Hightower, Executive Officer

From: Sastina Thammavongsa; (209) 616-3068 
Registered Environmental Health Specialist

RE: **LAFC 09-26, Referral, SU-2601239**
2560 E. Hall Ave., & 2530 Section Ave., Stockton, Murray Ranch Reorganization to the City of Stockton
APN(s): 173-030-11 & 173-040-75

The San Joaquin County Environmental Health Department (EHD) recommends the following conditions as a part of developing this project:

- 1) Any existing wells or septic systems to be abandoned shall be destroyed under permit and inspection by the EHD (San Joaquin County Development Title, Section 9-605.010 & 9-601.020).
- 2) Written Confirmation is required from the Public Works Department that improvements have been constructed or financial arrangements have been made for any improvements for public sewer required by the agency. In addition, written confirmation from the Public Works Department that the agency has or will have the sewer capacity to serve the development is also required (San Joaquin County Development Title, Section 9-600.020).
- 3) The applicant shall provide written confirmation from the water providers that improvements have been constructed or financial arrangements have been made for any improvements required by the agency and that the agency has or will have the capacity to serve the proposed development. Said written confirmation shall be submitted prior to the issuance of a building permit (San Joaquin County Development Title, Section 9-602.010).
- 4) Any geotechnical drilling shall be conducted under permit and inspection by The Environmental Health Department (San Joaquin County Development Title, Section 9-601.010(b) and 9-601.020(i)).

California Department of Transportation

OFFICE OF THE DISTRICT 10 DIRECTOR
P.O. BOX 2048 | STOCKTON, CA 95201
(209) 948-7943 | FAX (209) 948-7179 TTY 711
www.dot.ca.gov



April 27, 2026

SJ-4-PM S19.449

LAFC 09-26

Murray Ranch Reorganization

Mr. J.D. Hightower, Executive Officer
San Joaquin Local Agency Formation Commission
5000 S. Airport Way, Suite #209
Stockton, CA 95206

Dear Mr. Hightower:

The California Department of Transportation appreciates the opportunity to review LAFC 09-26, the proposal to annex 37.4 acres from San Joaquin County to the City of Stockton. The land will be used for 217 single family homes and is located west of the SR 4/SR 99 interchange, south of Martin Luther King Blvd, west of the railroad tracks, and on the east terminus of Section Avenue and Hall Avenue. The Department has the following comments:

1. Caltrans has no objection to the proposed annexation but any future development must be submitted for review and comment prior to project approval.

If you have any questions or comments, please contact me at (209) 483-2582 or Nicholas Fung at (209) 986-1552.

Sincerely,

A handwritten signature in blue ink that reads 'Nicholas Fung'.

FOR

Tom Dumas
Chief, Office of Metropolitan Planning