

1014400000—Airpark 599

Capital Maintenance & Improvements

Monica Nino, County Administrator

Special Revenue Fund	2017-2018 Actual	2018-2019 Adjusted	2019-2020 Requested	2019-2020 Recommended	Increase/ (Decrease)
Expenditures					
Services & Supplies	\$55,183	\$200,000	\$200,000	\$200,000	\$0
Centrally-Budgeted Expenses	0	0	8,979	8,979	8,979
<i>Total Appropriations</i>	\$55,183	\$200,000	\$208,979	\$208,979	\$8,979
Earned Revenues By Source					
Fund Balance	\$55,183	\$200,000	\$208,979	\$208,979	\$8,979
<i>Total Revenues</i>	\$55,183	\$200,000	\$208,979	\$208,979	\$8,979
Net County Cost	\$0	\$0	\$0	\$0	\$0

Purpose

Airpark 599 (formerly known as Airport East Business Park) is a 275-acre, mixed-use warehouse and distribution center development with retail and commercial components located adjacent to the Stockton Metropolitan Airport. This public/private partnership involves initial County capital contribution, combined with land development expertise of the County's development partner.

Board Strategic Priorities 2019-2020 through 2021-2022

The 2019-2020 recommended budget for Airpark 599 focuses on the implementation of the Board Strategic Priorities as adopted by the Board on April 9, 2019. The Board Strategic Priorities for fiscal years 2019-2020 through 2021-2022 are a continuation of the Board's original five key priorities established in 2015. The Board has updated and augmented the goals associated with these strategic priorities to reflect the Board's direction related to water issues, health, collaboration, and homelessness. The following highlights provide an overview of several projects, programs, and activities administered by the County Administrator's Office.

Promote Economic Development

In its current conceptual configuration, Airpark 599 is anticipated to include 3.7 million square feet of industrial space, in addition to approximately 178,500 square feet of retail and restaurant space. Up to 4,100 jobs may be created, depending on the number and type of businesses that are located in the development.

Program Discussion

The 2019-2020 recommended Airpark 599 budget totals \$208,979, which is an increase of \$8,979 from the 2018-2019 adjusted budget. The increase reflects the addition of Countywide Cost Allocation Plan charges. The recommended budget includes anticipated project-related costs such as engineering and planning, utility expenses, landscape maintenance, and attorney fees.

Over the past several years, County staff and consultants have been working with the Federal Aviation Administration (FAA) to obtain a release from restrictions related to a portion of the Airpark 599 development referenced as Parcel B-5. This property comprises approximately 32.5 acres of the overall Airpark 599 development, which is otherwise not encumbered by the same development restrictions. The requested release will allow the entire 275 acres to be treated similarly when negotiating lease terms with potential tenants. Various issues, including FAA staffing changes over the years, have continued to impact progress in moving the Airpark 599 project forward; however, it appears a resolution of the Parcel B-5 issues could be reached in 2019. This action is expected to provide momentum to the ongoing site planning work between the County and its development partner, Catellus Stockton, LLC. An amended Master Development Agreement is tentatively scheduled for consideration by the Board in early 2019-2020.

Airport East Project Fund

The Airport East Project Fund (#20048) was established in June 2008 with a contribution of \$13.0 million in County capital funds to reimburse project-related costs. As of March 31, 2019, the fund balance totaled \$6,713,500.