

Introduction

Following is the proposed municipal budget for Fiscal Year 2016-17. The proposed budget represents the implementation plan for executing the City Council's goals, policies and objectives for the upcoming year. The past decade has been one of the most challenging for the City. In the past 10 years, the City has grown from a population nearing 64,000 citizens to that of one nearing 74,000. During that time, the City's finances have been both buoyed by a robust economic picture with strong housing starts, and confronted by one of the most-severe national recessions since the Great Depression. To navigate through these diverse and rapidly changing fiscal conditions, the City had to realign goals, priorities and service levels to match the City's revenue base. With the support of Council, the community and our employees, the City has striven to reach and maintain fiscal stability and is now focused on fiscal resiliency.

As we begin the next fiscal year, the local economy has not only stabilized but is continuing to show continued signs of growth. Gains in the housing market in both new and resale homes is again reaching record levels. Consumer confidence has improved and continues to be strong. The UCLA Anderson Forecast predicts a healthy California and U.S. economic growth

pattern between 2016 and 2020. As the City moves into a period of growing revenues, the focus has now shifted to developing long-term strategies for economic growth and fiscal resiliency while enhancing current service levels. To this end, on April 7, 2015, Council adopted a new Reserve Policy. New General Fund Assigned balances included an Assignment for Economic Revitalization and an Assignment for Economic Emergencies and Uncertainties. Additionally, at the City Council's Goal-Setting Session for Fiscal Year 2016-17, direction was provided to fully fund the remaining two fund designations – Assignment for Capital Facilities and Assignment for Technology.

Economic Conditions

Sales tax and property tax continue to be the largest indicators of recovery and the staying power for our local economy. During the most-recent four quarters, statewide sales tax receipts has increased 3.2%. The City of Manteca mirrored that growth with an increase of 3.1%. The past 12-month year-to-date benchmark period shows an increase in San Joaquin County sales tax receipts of 5.8%. In comparison, the City showed gains of 10%, which exceed forecasted trends. The City continues to build upon the initial retail and commercial expansion of the City's economic base, which began in 2008 with the opening of Costco,

Bass Pro Shops, JC Penney and JM Equipment Company. Additional opportunities to expand our retail base continue to be available at the Promenade Shops at Orchard Valley and, in the past year, Ulta Beauty opened in Stadium Center. Economic Development staff continues to be diligent in attracting new business to our community while working on retention of our current businesses. Creative economic ventures and partnerships are evidenced by the development of CenterPoint Intermodal Center, anchored by Crothall Laundry, which opened in Summer 2014. In addition, negotiations continue with McWhinney Real Estate Services for a hotel resort/conference center, along with negotiations with Manteca Development Group, LLC for a Family Entertainment Zone.

During the next fiscal year, staff will continue to seek unique opportunities to attract retailers and other major businesses to our community. The addition of new business to our community not only assists with job creation and sales tax generation, but aids us in growing our property tax base.

As a result of our expanded property base and recovery in the housing market, property tax assessments for Fiscal Year 2015-16 grew by 9% in secured property tax. Part of this growth was a result of Proposition 8 reassessments to home values as of January 1, 2015. San Joaquin

Home values have continued to rebound. This increase in market value allowed for one-time increases to the adjusted Proposition 13 value. For Fiscal Year 2016-17, property tax is projected to increase by 6% as existing home values reach their Proposition 13 limits. It is important to note final numbers for property tax increases will not be finalized until early Fall.

Through new and diversified partnerships and continued economic development, the City will identify new sources of revenue, which will allow us to shore up our fiscal stability and move us to the necessary financial resiliency to address changing economic conditions.

Budget Goal Setting

On February 4, 2016, a mid-year budget update and budget goal-setting session was held with the City Council. Council confirmed the following 7 goals for the City:

1. Maintain a safe community in which to live and work.
2. Establish/maintain a sound economic base.
3. Maintain fiscal stability to support and maintain vital City services.
4. Provide a well-maintained, balanced and aesthetically pleasing community.
5. Enhance conservation/“green technology” programs.

6. Maintain and improve City infrastructure.
7. Plan for expansion of City facilities.

Encapsulated in these goals were a number of priorities including:

- Increase public safety
- Enhance preventative maintenance program for public safety
- Complete planning for a Conference Hotel/Water Park Resort and the Family Entertainment Zone (FEZ)
- Develop a marketing plan and a vibrant downtown
- Provide a balanced budget without eroding infrastructure and preserving essential services
- Maintain to meet established General Fund Reserve levels.
- Transition remaining 4 public safety positions from the Public Safety Endowment Fund
- Reinstate Internal Service Fund contributions
- Provide adequate resources to support defined City services and service levels including succession planning and increased staffing where possible
- Complete the Parks and Recreation Master Plan
- Continue sidewalk/street ADA inventory
- Analyze development impact fees
- Continue to provide increased staffing in Development Services

These priorities, as well as others, continued to be in the forefront as departments developed their budgets for adoption by Council. Throughout the budget document, program goals for the upcoming year have been identified. Staff has further noted those areas when the program goals and past-year achievements have directly supported Council's goals and priorities.

Budget Overview and Highlights

The General Fund proposed budget for Fiscal Year 2015-16 is \$35,331,915. This represents a 5.2% increase over the adjusted budget for Fiscal Year 2015-16 of \$33,571,826. The Citywide proposed budget is \$161,899,802. This includes new funding requests for capital improvement projects totaling \$58,015,465.

General Fund

The General Fund budget, as presented, fully funds all Assignments (Reserves) as established by the Council adopted Fund Balance Reserve Policy (R2015-56).

The proposed budget includes ongoing expenditures. Some of these are contractual obligations, while others have been included to meet Council's goals and priorities. These expenditures include:

1. Increases to employee compensation and benefits including a 2% salary increase effective January 1, 2017. The increases were included in the July 1, 2015-June 30, 2019 Memoranda of Understanding that were negotiated in 2015.
2. Increased contributions to the California Public Employees' Retirement System (PERS) based on current actuarial valuations.
3. Increased costs of fire dispatching services.
4. The transition of one Police Officer from the Public Safety Endowment Fund.
5. The addition of one Community Resource Officer, one Community Service Officer and one Fire Inspector.
6. The addition of a Human Resources/ADA Compliance Coordinator.
7. The addition of a Building Maintenance Technician.
8. Proposed increases to the City Attorney's contract.
9. Continuation of the General Fund subsidy to the Recreation Fund.
10. General Fund contributions to the Equipment and Vehicle Internal Service Funds from Unassigned Reserve Balances pending a new fleet and equipment replacement funding policy. These contributions are proposed to take place via operating transfers by June 30,

2015. Without these transfers, insufficient reserves exist in the Equipment Fund to allow for Fiscal Year 2016-17-requested purchases, and the reserve balance in the Vehicle Fund will be depleted

Additionally, the budget postpones the following:

1. Continued deferral of the General Fund contribution to the Gas Tax Fund. This deferral is based on the suspension of the Maintenance of Effort requirement for Proposition 42 funding that was eliminated with the passage of ABx8 6 and ABx8 9 – the “Fuel Swap of 2010.”

Economic Revitalization Assignment

In 2015, the City Council established an Economic Revitalization Assignment. The demise of redevelopment in California will significantly tie the hands of local agencies in pursuing economic development opportunities. This Economic Revitalization Assignment was established to capture funds provided to the City through the wind-down of redevelopment, and retain them specifically for economic development purposes. Although no policy has been adopted for the use of these funds, staff is reviewing a number of options for such a policy, and will likely present it to the Council within the first half of the 2016-17 fiscal year. Until then, staff

has received three requests for funding, which Council could well consider for these Economic Revitalization funds.

Manteca Convention and Visitors Bureau (MCVB)

Funding for the MCVB was discussed at length last year, as the City Council contemplated what level of funding, if any, to continue to provide to the MCVB. The City has provided funding to the MCVB beginning in 2003-04. To date, that funding has totaled \$1,161,941. The benchmark for this funding has historically centered on a share of the City's Transient Occupancy Tax (TOT), based on the assumption MCVB activities directly correspond to increase occupancy of local hotels/motels. Quantifying that direct correlation is becoming increasingly difficult, though increasing tourism in general should not be discounted – even without quantifying hotel vacancy rates. Staff is recommending that, if Council wishes to continue funding the MCVB, any assistance simply be provided as a contribution through this Economic Revitalization Fund, and not tied to TOT revenues generated in any one year. The MCVB has provided two funding options for Council to consider: One at a \$160,000 funding level and the other for \$120,000. In 2015-16, the City contributed \$135,630 to the MCVB. It should also be noted that,

as a condition of receiving the funds for 2015-16, the MCVB was required to complete a three-year audit. That audit was completed on schedule, and recommendations contained in the audit, and supported by City staff, have been implemented.

Manteca Chamber of Commerce (Chamber)

In recent years, the City has contributed to the Chamber simply at the \$1,000 annual membership level. City staff has taken a more-active role in Chamber activities, including participation in the Chamber's Downtown Revitalization Committee, Sign Committee and Legislative Committee. The Chamber has submitted a request for additional funding from the City, patterned after its President's Circle levels of sponsorship. The three options for funding are the Platinum level at \$10,000, the Gold level at \$5,000 and the Silver level at \$2,500. A description of what each of those membership levels includes is attached.

Manteca Mural Society

In past years, the Manteca Mural Society was able to obtain redevelopment funding through the Façade Improvement program. The funds were used to help offset the cost to install historical murals throughout the City. The Manteca Mural Society is requesting funding

in the amount of \$50,000 to complete the Veterans Mural Project. Two of the five murals have been completed, and the third, the Korean Mural, is currently being painted. The Mural Society is requesting \$50,000 to complete the final two murals – the World War I and Vietnam murals. Mural Society members are requesting the \$50,000 from this Economic Revitalization Fund “to help us continue painting murals for Manteca which helps beautify our city, promotes tourism, builds community pride and preserves Manteca’s history.”

San Joaquin Partnership

In past years, the annual contract between the City and the Partnership has been funded through the General Fund, as an Economic Development program. Staff is recommending the Economic Revitalization fund be the preferred funding source for this \$35,000 contract.

It is estimated the Economic Revitalization Fund will receive approximately \$750,000 per year through the wind-down of redevelopment.

Fire Grant Fund

On September 15, 2015, Council approved receipt of the Staffing for Adequate Fire and Emergency

Response (SAFER) Grant, which provides up to \$1,272,234 for personnel expenditures for six Firefighters for a maximum 2 years. The Fire Grant Fund was established to account for the revenues and expenditures related to this grant. The 6 Firefighters funded by this grant were hired in January 2016.

Public Safety Sales Tax Fund

In November 2006, the citizens of Manteca passed a one-half-cent sales tax for public safety. As part of the adoption of this sales tax measure, a Citizen’s Oversight Committee was formed to ensure that all expenditures meet the guidelines as set forth in the adopted ordinance. Sales tax projections for fiscal year-end June 30 are projected to be \$5.4 million, and \$5.6 million for the upcoming year. In response to declining revenues experienced during the recession, a revised staffing plan was approved in Fiscal Year 2009-10. The Public Safety Sales Tax Fund provides funding for 15 Police protection personnel and 15 Fire protection personnel in complete fulfillment of the revised expenditure plan.

Public Safety Endowment Fund

In response to critical public safety needs identified during the Fiscal Year 2012-13 budget study session, Council authorized the addition of 4 Police personnel to reinstate the

City's Gang Prevention Unit, and committed to funding 1 Firefighter position and the additional operating costs of Fire Station No. 4 for an initial period of 4 years. These positions were added at that time, in addition to the 2 public safety personnel that had previously been funded from the Endowment Fund. In January 2012, the City began participation in the Community Corrections Partnership Task Force (CCPTF). The task force provides funding for one Officer assigned to the CCPTF. Since this funding is authorized on an annual basis and is subject to discontinuation, Council authorized the use of these funds to offset the cost of the Gang Prevention Unit. One of the City Council's goals was to identify alternative funding for these 7 positions and to transition them to the identified funding sources. Beginning in Fiscal Year 2014-15, three of these positions were transitioned to the General Fund. An additional position is proposed for transfer in Fiscal Year 2016-17. With each upcoming budget year, staff will endeavor to transition the 3 remaining personnel to the General Fund.

Golf Course Fund

The Golf Course continues to face the same challenges of decreased consumer disposable income that has impacted the General Fund. For a brief period, revenues appeared to be stabilizing. However,

during the past several years, revenues have once again declined. One of the past challenges to achieving fiscal stability in the Golf Course Fund had been the ongoing debt service related to the clubhouse. In prior years, the debt service represented 22% of all expenditures. The final debt service payment for the expansion of the Golf Course and construction of the parking lot and tennis courts was made in Fiscal Year 2013-2014, thereby eliminating all debt service requirements beginning in Fiscal Year 2014-15.

The General Fund continues to assist the operations of the Golf Fund in specific ways:

1. General administrative and overhead charges were suspended beginning in Fiscal Year 2007-08. While staff has prepared an updated cost allocation plan in conjunction with the Fiscal Year 2016-17 budget, due to the financial position of this fund the recommendation to suspend overhead charges continues.
2. In the past, the City Council has approved a contribution from the General Fund equal to the recreational benefit the Golf Course provides to the citizens of Manteca. The 2016-17 preliminary budget includes a proposed contribution of \$155,000.

Areas of Consideration/Future Concerns

As the City begins to reach fiscal stability, several areas of concern remain. In order to remain on the path of fiscal recovery, the City needs to incorporate the following as part of its long-term planning:

1. CalPERS revised actuarial assumptions

On February 18, 2014, the CalPERS actuarial Board approved revised assumptions regarding mortality, retirement ages, and disability retirements. Impacts from these changes are reflected in the City's 2016-17 retirement contribution rates and have been included in the proposed budget

The CalPERS board continues to take strong measures to stabilize and sustain the CalPERS Pension Fund including the adoption of a Funding Risk Mitigation Policy in November 2015. The manner in which the policy will be implemented is still being discussed. Initial estimates are that the impact will be a minimum of a 5% increase to employer contribution rates of a yet to be determined number of years.

2. Sustainability of the Development Services Fund

With the elimination of the Redevelopment Agency, funding used to offset the costs of economic planning in redevelopment areas was eliminated. As result of this action, sufficient revenues are not received to offset expenditures associated with the Development Services Fund. In Fiscal Year 2013-14, Council took action to eliminate the discount for planning fees for projects with multiple entitlement applications. This allowed for the addition of one Assistant Planner.

To continue to meet Council's priority of increasing Community Development staffing levels in order to establish a strong economic base and maintain vital City services, in Fiscal Year 2014-15 Council approved personnel requests for a Development Services Technician, a Chief Building Official and the conversion of a Senior Engineer to a City Engineer. These positions will allowed for continued succession planning in this division.

The Fiscal Year 2016-17 Preliminary Budget includes

requests for additional positions (Assistant Engineer, Assistant Planner, Construction Inspector, Building Inspector, Development Services Technician) to continue to support development services:

Reserve levels allow for the current funding for these additional positions through June 30, 2017. However, beginning July 1, 2016 revenues from building and planning activities are insufficient on a long-term basis to cover necessary expenditures for this fund. Staff is completing the Building Safety and Fire Prevention Fee Study (CIP #16057) and will be bringing forward a revised fee structure in order to establish appropriate fees and recovery levels. Additionally, the General Plan Update (CIP 16023) to include zoning code conformity was approved in the 2014-15 Capital Improvement Program requests. Council approved the use of funds from the Assignment for Economic Revitalization to fund this project. An additional funding request of \$120,000 has been requested for Fiscal Year 2016-17. Staff is again recommending the use of

funds from the Assignment for Economic Revitalization.

3. Sustainability of the Solid Waste Fund

In Fiscal Year 2003-04, the City Council approved a Solid Waste Fee Study. Prior to May 2004, the last rate increase had occurred in 1998. As with the water and sewer rates that had previously been adopted, staff's recommendation was for an automatic annual inflation adjustment of 3% or CPI, whichever was greater. Council elected to authorize rate increases of 3% for three years beginning July 1, 2005. No additional rate increases have been authorized since July 1, 2007. With the need to replace Solid Waste vehicles and equipment in order to meet California Air Resource Board (CARB) requirements, as well as increases to employee retirement costs, existing fund balance reserves have been decreasing. The need to conduct a fee study and update the current fee schedule was identified in the Fiscal Year 2015-16 Preliminary Budget and is critical for the continued fiscal stability of this fund. On April 5, 2016, Council awarded a contract to International Engineering Services, Inc. to

complete a Solid Waste Fee study. The results of this study and corresponding changes to rates will be brought forward during the first half of the next fiscal year.

4. Long-term Storm Drain Improvements and Continued Maintenance

In 2001, the City's User Utility Tax was suspended. Since then, there has not been a dedicated source of funding for storm drain maintenance and capital improvements. Included for review were several staff positions and required equipment to address storm drain maintenance. Until further review and identification of a dedicated funding source or the long-term impact on the General Fund can be further discussed, these requests have not been included in the Preliminary Budget.

5. Parks Infrastructure

As is the case with the maintenance of storm drain infrastructure, the need to identify resources for improvements to aging Parks infrastructure is rising. In conjunction with the Parks Master Plan, to be presented in Fiscal Year 2016-17, a detailed list of deferred parks

maintenance projects will be identified. In the interim, a smaller project for parks irrigation controllers (CIP 17025) has been included in the Capital Improvement Plan, and is recommended to be funded via the General Fund Capital Facilities Assignment/Reserve.

6. Transportation

Deferred street maintenance continues to be a critical issue. With further declines in gas taxes, revised gas tax proposals by the State and dwindling dedicated funds for transportation and road maintenance projects, several projects in the CIP have been partially identified as unfunded (CIP 17043 and CIP18007). Unless additional resources are identified, the projects in question will need to be delayed or reduced in scope to match available revenues.

Personnel Revisions

In coordination with the preparation of the Fiscal Year 2016-17 budget, positions were reviewed for consistency and equity. Upon review, several positions were identified for proposed reclassification and others are recommended for addition. Several of these positions have been discussed, including those

pertaining to Public Safety and Development Services. Details of all of the recommendations can be found in the Personnel Summary Section of the budget with related costs. In recommending these reclassifications and additions to personnel, funding allocations were reviewed to ensure any impact to the General Fund would be sustainable.

While the proposed budget includes the addition of staffing in a number of areas, and equity adjustments within the existing organization, one position that is not included in the recommended staffing additions is the Assistant City Manager position. This position has remained vacant since 2011, when the then-Assistant City Manager was appointed City Manager. The goal has been to revisit the reinstatement of this position once the economy improved and other positions Citywide that had been eliminated were considered for reinstatement. I had planned to include a recommendation for funding for both the Assistant City Manager and an Administrative Assistant position. The Administrative Assistant was to be proposed to provide much-needed assistance to the City Manager, and the entire Administration Department, including Economic Development. Currently, those duties fall to the City Clerk/Legislative Department, which is already short staffed. Although I truly believe both of

these positions are needed to improve the effectiveness of this department, they are not being proposed as recommended positions. The City is actively recruiting for a new City Manager and, thus, the decision as to how to best staff this department – and other departments – should fall to the new City Manager

Conclusion

While the past several years have been challenging for the City, staff has continued to maintain service levels and meet Council goals and priorities, including the completion of the following:

- Moffat Boulevard Community Center
- 2015 Annual Maintenance Project
- Virtual Server & Storage Upgrades
- Municipal Solid Waste Mater Plan
- North Plant Aeration Basin Optimization
-

Additional completed projects are listed on page F-7 of the budget.

During the next fiscal year, Economic Development staff will work to identify additional opportunities to both stabilize and expand our employment base. Meetings with our top employers will be conducted so we can ensure we are meeting their needs, and to

develop successful partnerships between the business community and the City. Staff will continue to seek ways to maintain service levels, while continuing to lay the foundation for fiscal stability.

Staff has developed a budget that strikes a balance of maintaining service levels within the limits of available resources, and continues to fund new projects to allow for future development and enhanced community amenities, while protecting our citizens from an uncertain financial outlook.

In preparing the Preliminary Budget, we have made our best efforts to balance these competing, but equally important, goals. Staff wishes to thank the Council for your leadership and support throughout

the past year. I also wish to express my gratitude to our Finance Director Suzanne Mallory and her staff, along with staff from the I.T. Division, for their tireless dedication to finalizing this Preliminary Budget. This is the second budget prepared in our new financial software system, and it took this team of dedicated professionals to make it happen.

KLM

Karen L. McLaughlin

City Manager

Acknowledgements

Developing the Preliminary Budget is a team effort, involving the time and talents of City employees, department managers and staff members from the Finance Department. This year, the extended budget development was interwoven with the ongoing demands of day-to-day operations.

Without the dedication of these City staff members, this budget would not have been possible. With Council's continued support of long-term planning and willingness to provide leadership in difficult circumstances, together we can develop a plan for the long-term financial stability of our City.



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Manteca, CA 95337
www.visitmanteca.org
(209) 823-7229

May 2, 2016

Manteca City Council
1001 W. Center Street
Manteca, CA 95337

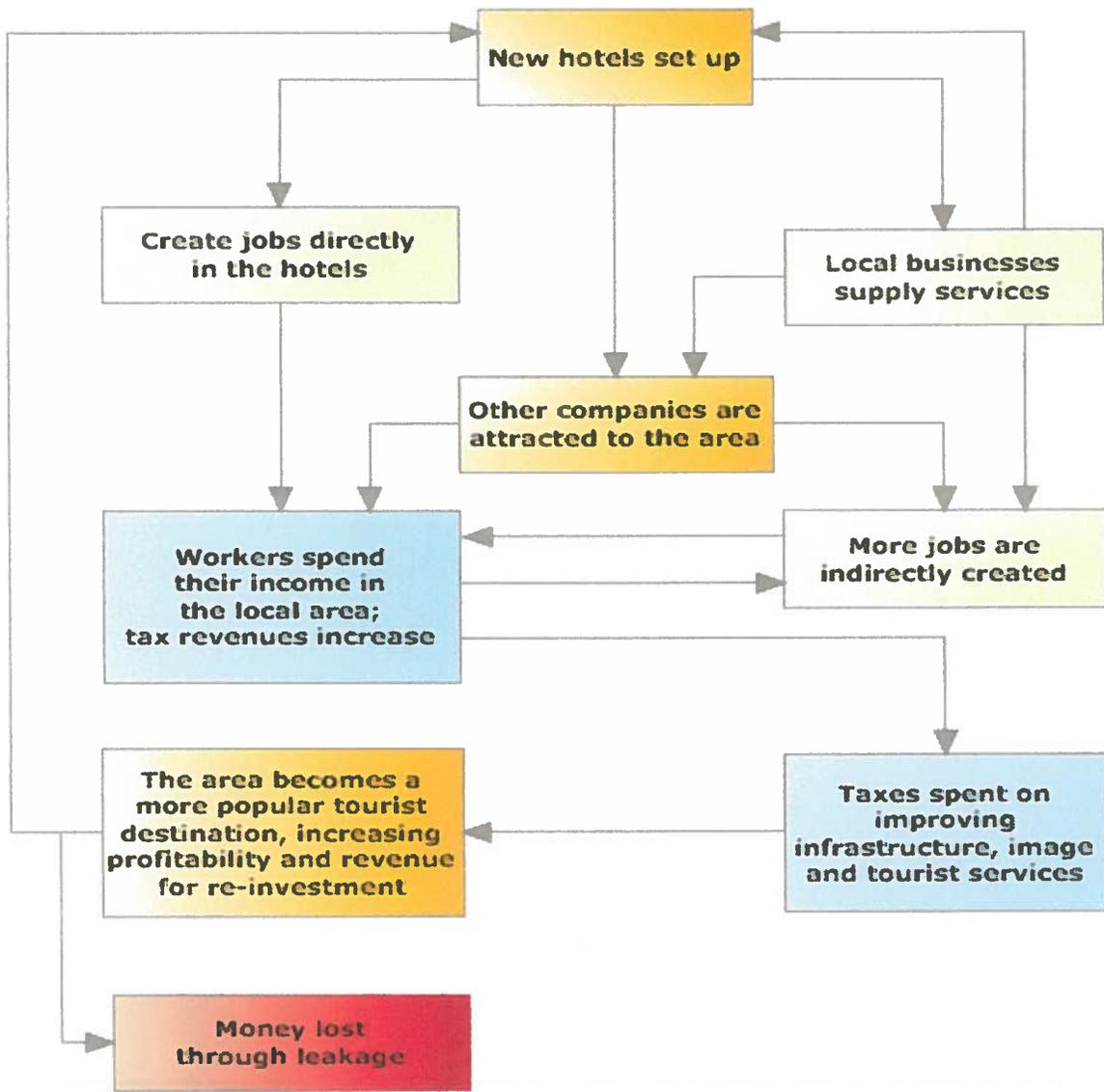
Dear Mayor DeBrum and Members of City Council:

Now is not the time to cut funding to MCVB. We have worked hard all year promoting Manteca, while supplying City with reports, undergoing a successful audit, and acting quickly to fulfill requirements to receive our funding. We understand our need to quantify MCVB efforts toward Manteca tourism success, but this takes time, planning, and funding. With so much work behind us, now is the time to grow our renewed MCVB to become the powerful Manteca marketing entity we have worked so hard to build.

This report highlights our efforts to attract tourism and concludes with budget proposals for leaner MCVB operations. Proposals focus on maximizing our marketing budget, with goals of attracting groups and tracking visitors and money they spend in Manteca.

Tourism dollars are critical to our city's economic cycle. While this report focuses on data pertaining to San Joaquin County and Manteca, the fact that tourism is vital to economy is echoed by experts worldwide. According to a study by Barcelona Field Studies Centre, "Tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary sectors of industry. This is known as the multiplier effect, which in its simplest form is how many times money spent by a tourist circulates through a country's economy" (www.geographyfieldwork.com).

The Tourist Multiplier Effect



(Chart printed with permission from Barcelona Field Studies Centre, www.geographyfieldwork.com)

Our hard work is sure to pay off, boosting the multiplier effect for Manteca. Please understand how important it is we keep our current level of funding, so that we can continue marketing Manteca with renewed focus and goals.

Sincerely,

Virginia Camacho
MCVB President & CEO



Manteca Convention and Visitors Bureau

A Report Answering City Requests
For Quantifiable Link Between MCVB Marketing Efforts
And Transient Occupancy Tax (TOT) Revenue

Report Includes 2017 MCVB Budget Proposals

Virginia Camacho
MCVB President and CEO
May 2, 2016

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Introduction: Answering City's Request Regarding TOT and MCVB

This report answers City of Manteca's request for quantifiable link between MCVB marketing efforts and Transient Occupancy Tax (TOT), or bed tax, revenue. Hotel-stay data is an obvious source of information about growth of tourism. TOT funds generated measure tourism impact. Since 100 percent of TOT funds are allocated to the City, with City directly in charge of how to use this revenue, we are wise to put high value on this fund. However, a TOT-specific analysis is, at best, a limited measure of tourism impact and a limited measure of our MCVB success. While TOT, or bed tax, is the benchmark commonly reviewed in discussions related to tourism success, travel impact is wide reaching, going beyond filling hotels.

What Tourism Means to Us

Before we begin our case linking MCVB efforts to Manteca economy, it is important we look at what tourism means to us. The importance of tourism is summed up by this compelling paragraph opening the 2015 Dean Runyan *California Travel Impacts* report:

The multi-billion dollar travel industry in California is a vital part of the state and local economies. The industry is represented primarily by retail and service firms, including lodging establishments, restaurants, retail stores, gasoline service stations, and other types of businesses that sell their products and services to travelers. The money that visitors spend on various goods and services while in California produces business receipts at these firms, which in turn employ California residents and pay their wages and salaries. State and local government units benefit from travel as well. The state government collects taxes on the gross receipts of businesses operating in the state, as well as sales and use taxes levied on the sale of goods and services to travelers. Local governments also collect sales and use taxes generated from traveler purchases.
(www.deanrunyan.com)

Tourism and Our Local Economy

Tourism is a leading economic force of San Joaquin County and the entire Central Valley, in keeping with the California trend of skyrocketing travel industry, with over 500 million travel-related dollars spent in our valley cities. Statistics are compelling, with considerable growth in nearly all areas related to the travel industry with our valley cities as destination. Statistics for Sales Tax and employment, in addition to TOT, are impressive. Runyan's report depicts widespread impact and growth of tourism in our state, with statistics for San Joaquin County and the Central Valley region. 2014 brought impressive tourism statistics:

- Central Valley region travel spending generated 149 million local and 366 million state tax.
- San Joaquin County travel-generated employment represented 7,240 jobs, with 7 percent growth since 2013.
- San Joaquin County TOT revenue shows steady increase since 2010.

San Joaquin TOT Revenue

2010	2011	2012	2013	2014
\$3,687,000	\$3,973,000	\$4,310,000	\$4,833,000	\$5,185,000

Tourism and Manteca

Statistics in Runyan’s report are impressive, with important tourism facts broken down for our state and its regions. However, while TOT results are given per city, other travel-related income is not. MCVB may not have the budget for the expense of an official report detailing tourism spending in our city, but can look to trends in Manteca data to see tourism impact.

How can we establish a link to City income and tourism? That is where the TOT benchmark is best used, since TOT is the direct result of hotel stays. City TOT records, according to City of Manteca, show a steady climb in TOT, with the fourth quarter consistently bringing the most impressive TOT statistics.

Manteca Hotel TOT Revenue

Fiscal Years 2013-2015

(Figures rounded to the nearest dollar)

	2013	2014	2015
1st Quarter	\$154,981	\$177,380	\$206,833
2nd Quarter	\$121,587	\$161,118	\$179,406
3rd Quarter	\$140,811	\$152,086	\$188,796
4th Quarter	\$176,453	\$187,568	\$219,068
Fiscal Year Total	\$593,832	\$678,152	\$794,103

As TOT is the obvious marker of visitor impact on our city, it makes sense to look at the other sources of city income during times when our TOT is highest (fourth quarter). According to City of Manteca Sales Tax records, fourth quarter also demonstrates increase in Sales Tax generated by food products, restaurants, drug stores, and miscellaneous retail.

Manteca Sales Tax

(By quarter for selected categories impacted by tourism)

2015

Economic Category	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Food Products	\$425,153	\$410,721	\$418,625	\$402,695
Restaurants	\$282,848	\$273,321	\$280,771	\$268,965
Drug Stores	\$141,560	\$138,074	\$120,977	\$106,422
Miscellaneous Retail	\$27,345	\$23,725	\$25,050	\$25,073

2014

Economic Category	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Food Products	\$410,704	\$393,372	\$398,452	\$377,567
Restaurants	\$270,559	\$253,317	\$254,552	\$242,537
Drug Stores	\$127,429	\$126,021	\$117,465	\$98,538
Miscellaneous Retail	\$26,904	\$23,190	\$24,823	\$24,598

What Brings in Tourism

This relationship of high TOT to high Sales Tax demonstrates that Sales Tax is also an impressive tourism marker in our community. Overnight hotel stays bring TOT dollars and increased Sales Tax dollars. However, Sales Tax from visitors to our city results from day trips as well. These visitors are difficult to track without hotel stays and resulting TOT data. One could study zip codes on credit purchases made in Manteca, but this study would take considerable time and cost. What we can do is look at what is going on in Manteca during those quarters where TOT and Sales Tax data spike.

Fourth quarter in Manteca marks more than a time of great weather, schools closing, and vacations starting. It also marks the time of popular income-generating events in Manteca, one

of which is MCVB's Manteca Crossroads Street Faire. Another key Spring event is the April Soccer Tournament, put on by Manteca Futbol Club, contributing to an increase in TOT and Sales Tax.

Manteca Crossroads Street Faire

Our Street Faire is a valuable asset to our city. Its success may be measured not only by Sales Tax and TOT revenue for the weekend, but also by numbers of visitors and vendors attending the event. More people in our city bring instant revenue. Plus, we get the chance to expose people to what makes our city special. Our Faire and Carnival provide a great marketing opportunity, showcasing Manteca as a place to revisit.

According to Steve Lewis, of Manteca Bed Quarters, "The Street Faire, like any event held in downtown Manteca, is a wonderful venue to bring people to downtown. Anything that drives potential customers to downtown is a good thing." We agree with this downtown merchant when he states, "Event creates attention to Manteca for visitors to see and experience our city, as well as expand customer base for Bed Quarters."

Record crowds flock to our Faire, which has been rated "Top-10 Faire" by California faire vendors. While we don't have an official head-count for this year, the buzz around town is that this year's event drew more people than ever before, with estimates well beyond 50,000 guests. Manteca Bulletin reported over 30,000 visitors in 2014 and over 50,000 in 2015. We sold 250 booths to vendors from all around, with 148 commercial booths, 52 food vendors, and 50 craft booths sold. The Carnival netted record ticket sales as well.

Economic success may be tracked by Sales Tax generated directly by Street Faire sales, and by TOT generated by Faire guests and vendors. Faire-specific TOT data is not readily available, but we get a glimpse of potential with our Faire Surveys. This year's Faire survey was answered by 100 attendees, with data showing how Manteca benefits from influx of Faire visitors.

Faire Vendor and Guest Survey Results

	Stayed in Manteca Hotel	Dined in Manteca Restaurant	Shopped in Manteca Store
Vendor	4	15	16
Guest	4	33	31

While our sample is small, surveying 40 vendors and 60 guests, we are encouraged by results. We see the value of surveys to quantify and fuel our marketing efforts. Next year we will make surveys our priority.

Manteca Futbol

MCVB was instrumental in bringing Manteca Futbol to our community, whose soccer tournaments have been a reliable source of revenue for the City. We can look back to June 4, 2013 *Economic Impact Report*, produced by City, MCVB and Futbol Club to City Council, for convincing statistics about Futbol impact. According to the report, the 2013, April 27 and 28, Spring Invitational at Woodward Park brought in approximately \$4200 in TOT dollars and generated \$52,516 in additional revenue for the City (2015 MCVB *Proposal to the Manteca City Council*).

With soccer participation as high as ever, these numbers stay strong for Manteca. Soccer brings revenue and presents a great marketing opportunity. We promote Manteca to our soccer guests. We regularly distribute packets of "Manteca Goodness," with information and coupons from area eateries, shops, and things to do in Manteca. We also survey soccer participants and guests to help us better market our city.

More Measures of Success

Of course, there are other MCVB successes that are not tied immediately to TOT or Sales Tax dollars. Many efforts are simply for the betterment of our city, to boost image toward attracting and keeping visitors. Our projects to keep entry ways clean and update our Manteca signage for services in our city are difficult to attach a monetary value. These, as well as our Tourism Awards Event, boost city moral and make our "Family City" a place where you want to bring your family and stay awhile.

Our Website: A Great Tracking Resource

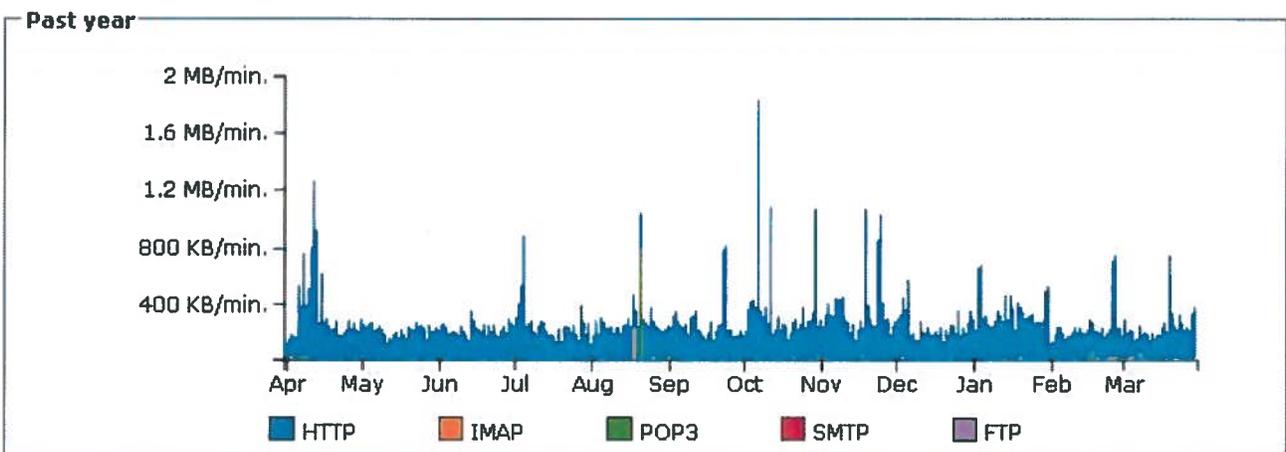
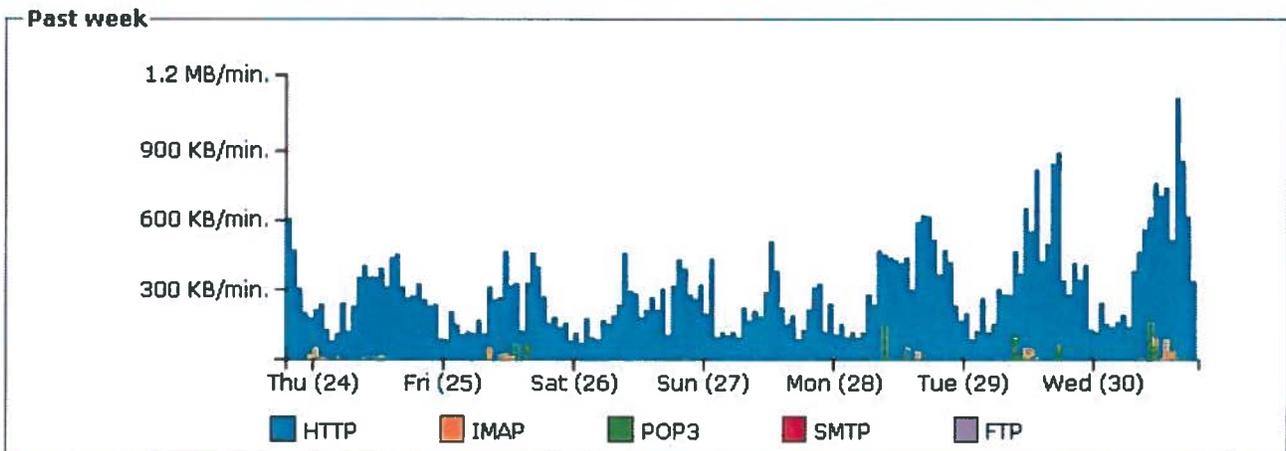
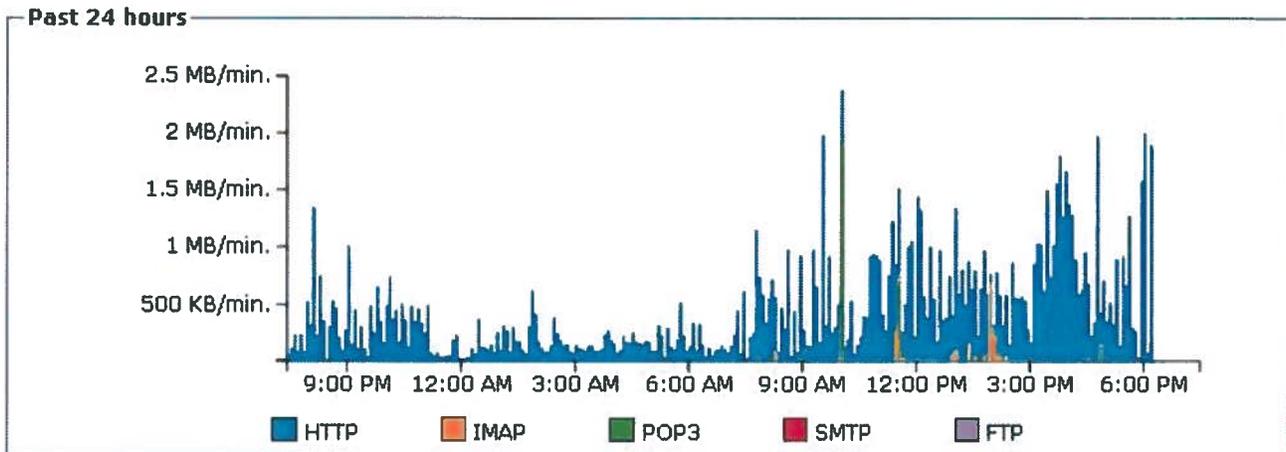
Our website attracts visitors, and is proving to be a powerful tool for evaluating what our visitors want. We have made great strides tracking visitor interest with our new website. We are encouraged by statistics showing increased activity; potential Manteca visitors are checking our site for things to do in Manteca. Our daily visitor average spiked to the highest for the year right before our Street Faire, with 1,332 visits to our site.

MCVB Website Visitor Summary

Summary by Month										
Month	Daily Avg				Monthly Totals					
	Hits	Files	Pages	Visits	Sites	KB Bytes	Visits	Pages	Files	Hits
Mar 2016	11380	10485	5365	1332	7355	10207954	39968	160955	314551	341429
Feb 2016	11357	10676	7276	1326	5653	9985794	38460	211004	309616	329353
Jan 2016	15689	13549	11206	1327	9450	15682828	41165	347393	420038	486360
Dec 2015	10910	10116	6942	535	3144	5074617	8029	104132	151740	163659
Nov 2015	15132	12382	11779	521	3458	10178103	9382	212026	222888	272390
Oct 2015	14173	12879	9171	698	6174	17577652	21651	284323	399274	439376
Sep 2015	11593	10535	7940	824	9544	11939614	24737	238210	316061	347798
Aug 2015	12567	11122	8143	546	5330	11245986	16939	252447	344790	389586
Jul 2015	14140	13096	6192	578	6883	11850972	17942	191978	405985	438361
Jun 2015	13560	12367	7693	524	5516	9759406	15724	230814	371029	406805
May 2015	12087	11004	6594	536	5953	9543090	16644	204440	341126	374723
Apr 2015	23518	21669	11358	657	8463	15620576	19716	340769	650081	705560
Totals						138666592	270357	2778491	4247179	4695400

It is interesting to note the correlation between spikes in website visitor activity and events in our city. Bandwidth charts reflect increased website activity leading up to our early April Street Faire. October spikes show heightened website activity in conjunction with Sunrise Kiwanis Pumpkin Faire and Dell'Osso Farms Corn Maze and Halloween Event.

Bandwidth Charts Generated March 30, 2016



We are able to track key phrases web visitors use to search for things to do in Manteca. We are encouraged by our recent study highlighting close to 80 key phrases, related to Manteca events, used on search engines. This is valuable information to help us develop a more informative site and provide what our visitors want when they seek out Manteca.

Key Phrases Used on Search Engines

Sample Phrase From List of 77 Key Phrases	Number of Times Phrase Was Searched	Percentage (Based on Total Searches Using the 77 Phases)
Manteca Street Faire 2016	20	11.40%
Manteca Convention and Visitors Bureau	6	3.40%
Visitmanteca.org	6	3.40%
Carnivals 2016 in 209 area	3	1.70%
Things to do in Manteca Ca this weekend	2	1.10%
Manteca Farmers Market	2	1.10%
Hosting an event at Delicato Winery	2	1.10%

Our website statistics show Manteca events are succeeding in generating visitor interest. We are excited about our website’s potential as a powerful marketing resource. We hope to run our MCVB office at full force to take advantage of this potential, so that our Manteca economy thrives as a result of the booming tourism industry.

We Understand Our City's Request

City requests we submit two MCVB action plans/budget proposals: one with funding provided by TOT, and the other without City providing TOT funding. We submit proposals per request, as well as a proposal with decreased TOT funding. We understand that City needs to see its investment in our marketing efforts pay off. While we are convinced our vision for Manteca is catching on, we understand City desire that MCVB bring measurable profits to Manteca. While we believe there are many measures of MCVB success for Manteca, we agree that TOT dollars represent quantifiable measure of investment payoff, with 100 percent of the proceeds staying in our city.

Our evaluation of MCVB brings us to an important conclusion: MCVB, with or without TOT funding, needs to restructure. We need to be leaner, more efficient and productive, and focus on filling hotel rooms. Even if we keep our current TOT funding level, we need to make drastic changes.

We see the benefits of transitioning to a virtual office down the road. Consumer planning and shopping habits have changed. Consumers rely on use of websites and social media, accessed by personal computers and hand-held devices. With TOT funding, and less expense for a field office and onsite staff, more funds will be available for marketing Manteca and better tracking of MCVB events.

Although a physical office may not be critical for the future MCVB, for now we can utilize a smaller, low-rent field office with the goal of eventual transition to a virtual office. We can cut office rent by reducing office size or sharing space. We can also cut the time our office is open, as well as hours worked by staff. This will free up funds to maximize and leverage marketing opportunities.

Our enhanced website will showcase YouTube videos, to promote Manteca, and offer tracking of visitor requests. The website will grow in features to encompass all facets of an eventual virtual office. The growing website and marketing will take the bulk of our budget.

Reduction in staffing will result in one full-time President/CEO, and one office clerk to work onsite three days a week, with tasks outsourced as needed. Cutting overhead costs will result in a greater marketing budget, with ability to grow our Street Faire and the Manteca Tourism Champion Awards event. Our focus will be narrowed to bring in groups, including small meetings.

**Proposed MCVB Budget, July 1, 2016-June 30, 2017
With 2% TOT and Street Faire, Carnival, and Website Ads**

Income	Source
\$7,000	Website Ads
\$10,000	Carnival
\$60,000	Manteca Crossroads Street Faire
\$160,000 (Approximate)	2% Transient Occupancy Tax
\$237,000	Total Proposed MCVB Income

Expense	Category
\$1,500	Dedicated Business Phone
\$2,000	Storage
\$3,000	Technical Support
\$4,000	Contingency Fund
\$5,000	Travel and Entertainment
\$5,000	Payroll Taxes, Insurance, and Retirement
\$7,000	Office Supplies and Printing
\$7,000	Special Events Production
\$7,000	Field Office, Utilities, Janitorial, and Supplies
\$8,000	Bookkeeping and Auditing
\$8,000	Directors and Officers Coverage, Liability Insurance, and Event Insurance
\$22,500	Website and Videos
\$35,000	Staff/Outsourced Office Support
\$52,000	Efforts to Fill Hotel Rooms Marketing, Promotions, Surveys, and Reports
\$70,000	President & CEO Salary
\$237,000	Total Proposed MCVB Expenses

**Proposed MCVB Budget, July 1, 2016-June 30, 2017
With 1.5% TOT and Street Faire,Carnival, and Website Ads**

Income	Source
\$7,000	Website Ads
\$10,000	Carnival
\$60,000	Manteca Crossroads Street Faire
\$120,000 (Approximate)	1.5% Transient Occupancy Tax
\$197,000	Total Proposed MCVB Income

Expense	Category
\$1,500	Dedicated Business Phone
\$2,000	Storage
\$3,000	Technical Support
\$4,000	Contingency Fund
\$5,000	Travel and Entertainment
\$5,000	Payroll Taxes, Insurance, and Retirement
\$5,000	Office Supplies and Printing
\$7,000	Special Events Production
\$7,000	Field Office, Utilities, Janitorial, and Supplies
\$8,000	Bookkeeping and Auditing
\$8,000	Directors and Officers Coverage, Liability Insurance, and Event Insurance
\$17,000	Website and Videos
\$25,000	Staff/Outsourced Office Support
\$29,500	Efforts to Fill Hotel Rooms Marketing, Promotions, Surveys, and Reports
\$70,000	President & CEO Salary
\$197,000	Total Proposed MCVB Expenses

Proposed Budget Without TOT

Without TOT, MCVB ceases operations. Manteca Community Foundation will take over Manteca Crossroads Street Faire. Through MCF donations, Manteca may continue to be promoted through event marketing and promotions on event website, print, audio, and social media.

Another Solution Worth Discussion

City investment in MCVB is a wise investment. We are the entity focused on building tourism, during a time when state, county, and city statistics all indicate a tourism boom. With reports of other sectors of economy struggling, per April 7 article in Modesto Bee, tourism is growing by leaps and bounds. Now is not the time to cut funding, when tourism is alive and well. We have plans unfolding that need time to mature, and we look forward to working with the City to promote Manteca and reap rewards.

We suggest the City consider raising TOT levied on our hotels, rather than cutting TOT to MCVB, to help meet rising City expenses. Manteca charges nine percent, while our sister cities, Escalon, Ripon, and Tracy, charge ten percent. We could raise our TOT by one percent, to meet the San Joaquin standard.

Yes, citizens are wary of yet another tax. However, this is when education is critical. MCVB continues to educate citizens on benefits of TOT and how we get our funding. Our "MCVB News" articles in Manteca Bulletin, during March and April, break down the importance of TOT and how it does not burden our own citizens.

Conclusion

We understand that City of Manteca must evaluate all aspects of its budget to best meet needs of its Manteca family and rising expenses. We know the City shares our vision for a thriving Manteca economy. It is just a matter of choosing the best path toward that result. We hope our goals and passion for Manteca are undeniable. We hope the City can see that keeping MCVB running at full capacity, with TOT funding, is important. With renewed focus, fine-tuned operations, and City support, we can position Manteca to cash in on the economic boom of the powerful tourism industry. In a time when economic indicators put tourism far ahead of the rest, investment in MCVB, as City marketing entity, is a wise investment.

Works Cited

City of Manteca, MCVB, and Futbol Club. *2013 Economic Impact Report*. Manteca, CA, 2013.

Dean Runyan Associates, Inc. for Visit California.
California Travel Impacts 1992-2014. Portland, OR, 2015.

Glover, Mark. "State exports continue to struggle at start of 2016."
The Modesto Bee 7 April 2016: 6A. Print.

MCVB. *MCVB Proposal to the Manteca City Council*. Manteca, CA, 2015.

City of Manteca Sales Tax records, 2014 and 2015 Fiscal Years,
provided by City Manager Karen McLaughlin.

Manteca Crossroads Street Faire data and surveys provided by MCVB staff.

Manteca website data (visitmanteca.org) provided by Jeffrey Ross, Network Engineer.

Manteca Convention & Visitors Bureau
Profit & Loss Budget vs. Actual
 July 2012 through June 2013

12:46 PM
 04/29/16
 Cash Basis

	Jul '12 - Jun 13	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Events Income	92,809.17	70,000.00	22,809.17	132.6%
City Budget Income	82,565.00	82,565.00	0.00	100.0%
Total Income	175,374.17	152,565.00	22,809.17	115.0%
Expense				
Expense-City Budget	0.00	59,000.00	-59,000.00	0.0%
Event Expenses	20,740.94	8,500.00	12,240.94	244.0%
Office Expenses	50,743.48	52,830.00	-2,086.52	96.1%
Employee Expenses	86,763.14	146,000.00	-59,236.86	59.4%
Total Expense	158,247.56	266,330.00	-108,082.44	59.4%
Net Ordinary Income	17,126.61	-113,765.00	130,891.61	-15.1%
Net Income	17,126.61	-113,765.00	130,891.61	-15.1%

Manteca Convention & Visitors Bureau
Profit & Loss Budget vs. Actual
 July 2013 through June 2014

12:46 PM
 04/29/16
 Cash Basis

	Jul '13 - Jun 14	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Events Income	117,115.96	98,113.00	19,002.96	119.4%
City Budget Income	101,537.00	101,537.00	0.00	100.0%
Total Income	218,652.96	199,650.00	19,002.96	109.5%
Expense				
Event Expenses	29,393.58	7,700.00	21,693.58	381.7%
Office Expenses	66,221.81	60,750.00	5,471.81	109.0%
Employee Expenses	100,412.68	131,200.00	-30,787.32	76.5%
Total Expense	196,028.07	199,650.00	-3,621.93	98.2%
Net Ordinary Income	22,624.89	0.00	22,624.89	100.0%
Net Income	22,624.89	0.00	22,624.89	100.0%

Manteca Convention & Visitors Bureau
Profit & Loss Budget vs. Actual
 July 2014 through June 2015

12:46 PM
 04/29/16
 Cash Basis

	Jul '14 - Jun 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Events Income	106,863.95	101,000.00	5,863.95	105.8%
City Budget Income	122,088.34	118,766.00	3,322.34	102.8%
Total Income	228,952.29	219,766.00	9,186.29	104.2%
Expense				
Event Expenses	26,695.63	38,000.00	-11,304.37	70.3%
Office Expenses	73,606.42	76,300.00	-2,693.58	96.5%
Employee Expenses	113,022.61	129,000.00	-15,977.39	87.6%
Total Expense	213,324.66	243,300.00	-29,975.34	87.7%
Net Ordinary Income	15,627.63	-23,534.00	39,161.63	-66.4%
Net Income	15,627.63	-23,534.00	39,161.63	-66.4%

Manteca Convention & Visitors Bureau
Profit & Loss Budget vs. Actual
 July 2015 through June 2016

12:49 PM
 04/29/16
 Cash Basis

	Jul '15 - Jun 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Events Income	89,293.79	93,000.00	-3,706.21	96.0%
City Budget Income	135,630.00	135,630.00	0.00	100.0%
Total Income	224,923.79	228,630.00	-3,706.21	98.4%
Expense				
Manteca Police Foundation	100.00			
United Way	50.00			
Event Expenses	34,834.38	25,500.00	9,334.38	136.6%
Office Expenses	78,928.99	72,800.00	6,128.99	108.4%
Employee Expenses	101,837.27	141,000.00	-39,162.73	72.2%
Volunteer Christmas Party	504.31			
Total Expense	216,254.95	239,300.00	-23,045.05	90.4%
Net Ordinary Income	8,668.84	-10,670.00	19,338.84	-81.2%
Other Income/Expense				
Other Income	218.00			
Refund - Workers Comp				
Total Other Income	218.00			
Net Other Income	218.00			
Net Income	8,886.84	-10,670.00	19,556.84	-83.3%



March 16, 2016

City of Manteca
City Manager/Manteca City Council
2001 W. Center St
Manteca, CA 95337

Dear City Manager Karen McLaughlin, Mayor DeBrum, Councilman Morowit, Councilman Silverman, Councilwoman Moorehead and Councilman Hernandez,

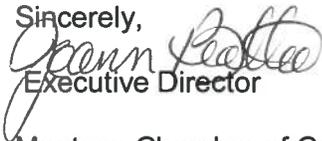
The Manteca Chamber of Commerce respectfully requests that the City of Manteca consider becoming a President's Circle Sponsor. The sponsorship would include the various entities of the City including the City Hall, Library, Golf course, Parks & Rec, Police, Fire, and Senior Center and customized to meet your needs.

Our President's Circle sponsorships have been essential to strategic, operational and programmatic improvements made within the Chamber. The Manteca Chamber of Commerce continues to grow and offer more to its members. In the past two years we have tackled the issue of ADA compliance, started a Downtown Committee, rebuilt our website, started Market & Music in Manteca, and hosted many events and Ribbon Cuttings, and much more!

Truly, there has never been a better time to be a President's Circle sponsor of the Manteca Chamber of Commerce. Looking to the coming year, the Chamber of Commerce is focused on pursuing new opportunities to strengthen advocacy, business and education efforts on behalf of our members and community – all of which will provide exclusive promotional opportunities for President's Circle sponsors.

With this in mind, the Manteca Chamber of Commerce respectfully and appreciatively requests your consideration in becoming a President's Circle sponsor. As you look at the upcoming budget, I hope you will consider partnering with us to help make our community a better place. I have enclosed the various levels of sponsorship for your convenience. Should you have any questions, please do not hesitate to contact me at joann@manteca.org or 209-823-6121.

Sincerely,



Executive Director

Manteca Chamber of Commerce

183 W. North Street Suite 6
Manteca, CA 95336
Phone: (209) 823-6121 Fax: (209) 239-6131
www.manteca.org



183 W. North Street
Manteca, CA. 95336
Phone: (209) 823-6121 Fax (209) 239-6131
www.manteca.org
chamber@manteca.org or joann@manteca.org

The Manteca Chamber of Commerce realizes that businesses plan for the budget year and that community involvement is part of a well-rounded marketing plan. Recognizing this, the Chamber prepared a Marketing/Sponsorship Package to allow the members to utilize their Chamber sponsorship opportunities as an integral part of their marketing plan.

Benefits

As a President's Circle member you will receive:

- A business profile in the Chamber of Commerce Directory.
- Name and logo on display at all Chamber events.
- Reserved seating at all Chamber events.
- Invitations to select President's Circle gatherings and meetings with legislators.
- Right to use President's Circle Logo.
- Yearly Membership in the Manteca Chamber of Commerce
- Name and Logo on Manteca Chamber of Commerce web site
- Featured in Weekly Email Blast to our Members

We will also work with you on an individual basis to accommodate your needs

Levels of Participation

Platinum

\$10,000

- Includes Annual Membership dues
- 15 email blast to Membership
- Featured semi-annually in the Manteca Bulletin “Member Spotlight
- 16 tickets to Installation Dinner (2 tables)
- 3 parade entries
- Premier sponsorship for Farmers Market
- Gold sponsorship for Holiday Parade & Street Fair
- Recognition on web-site, Member Directory (11,000 copies) and at all our events

Gold

\$5,000.00 Level

- Includes Annual membership dues
- 15 email blast to Membership
- Featured semi-annually in the Manteca Bulletin under “Member Spotlight”
- 8 tickets to Installation Dinner (table)
- 2 entries for Holiday Parade OR Logo & Name on Banner at the event
- Recognition at Farmers Market including booth space (9 weeks)
- Recognition on our Website Home Page
- Recognition at all our events
- Recognition and “Featured” in our Member Directory (11,000 copies)

Silver

\$2,500.00 Level

- Includes Annual membership dues
- 12 Email blast to Membership
- Featured annually in the Manteca Bulletin under “Member Spotlight”
- 4 tickets to Installation Dinner
- 1 entry for Holiday Parade OR Name & Logo at Event
- Recognition on our Website
- Recognition at all our events including weekly mixers
- Recognition in our Member Directory (11,000 copies)

Manteca Mural Society

Public Art for a Better Community

P.O. Box 1666 Manteca, CA 95336

March 22, 2016

Dear Manteca Council Members,

The Manteca Mural Society (MMS) is a non-profit organization founded on June 1, 2002. Over the past 13 years we have added 28 quality murals to various locations throughout the city of Manteca. For many years the Mural Society and the Manteca Redevelopment Agency partnered together to help fund these murals under the facade improvement category, bringing public art downtown. With the elimination of the Redevelopment Agency the Mural Society has struggled finding funds to continue painting murals.

We are currently working on a series of murals to commemorate the efforts of our military and our citizenry during World War I, World War II, the Korean War, the Viet Nam War, and the Global War on Terror. We already have two murals completed, and the third (Korean Mural) is currently being painted with the dedication to be held May 21, 2016. Each of these murals costs approx. \$25,000.

With the newly established Economic Revitalization Fund for the City of Manteca, the Manteca Mural Society would like to request a new collaboration be formed to help us continue painting murals for Manteca which helps beautify our city, promotes tourism, builds community pride, and preserves Manteca's history.

In the past we received two thirds of the cost for each mural from the Redevelopment Agency. We respectfully request \$50,000 funding for completion of the Veteran's Mural Project. The time frame from concept to dedication of a mural can take up to a year. The funds needed to pay upfront cost for the artist and materials are needed at least 6 months prior of completion of mural.

The MMS would like to dedicate the WWI mural and the completed Veteran's Mural Project as part of a comprehensive part of Manteca's Centennial Celebration on May 23, 2018. We would like to think that the city could center the community celebration around this event as this has been the MMS long term goal for this project. Funding assistance will fulfill our community's commitment to acknowledge art as an integral part of the community, recognize the city's acknowledgment of the men and women who have served our country, and demonstrate that the historical downtown of Manteca is not forgotten. This project is valued at over \$200K when all of the volunteer hours are considered.

On behalf of the MMS, thank you for considering this proposal and we look forward to working with you again.

Sincerely,



Charleen A. Carroll
President, Manteca Mural Society
209 823-1386



SAN JOAQUIN PARTNERSHIP

A Private Non-Profit Economic Development Corporation Serving San Joaquin County

Board of Directors:

Chairman – **Bob Gutierrez**
Food 4 Less

Vice Chairman — **Susan Dell’Osso**
The Cambay Group

Secretary/Treasurer – **Lewis Gale**
University of the Pacific

Greg Armstrong
No. CA Chapter - NECA

Richard Aschieris
Port of Stockton

Roger Coover
The Record

Michele Daugherty
ABC NorCal

Stephen DeBrum
City of Manteca

Mary-Elizabeth Eberhardt
Bank of Stockton

Bob Elliott
SJC Board of Supervisors

Nick Glerio
Pacific Gas & Electric Company

Bob Harmon
Farmers & Merchants Bank

Kevin Huber
Grupe Commercial Company

Bob Johnson
City of Lodi

Michael Maciel
City of Tracy

Cynthia Mitchell
Kaiser Permanente

David Nelson
A. G. Spanos Companies

Mark Rishwain
March Tower Associates

Steve Salvatore
City of Lathrop

Anthony Silva
City of Stockton

Douglass Wilhoit
Stockton Chamber of Commerce

Mark Winchell
City of Ripon

May 2, 2016

Karen McLaughlin
City of Manteca
1001 W. Center St.
Manteca, CA 95337

RE: 2016–2017 Fiscal Year Invoice

Dear Karen:

Enclosed is an invoice for the City of Manteca’s 2016-2017 fiscal year commitment to the San Joaquin Partnership. The Partnership, a countywide economic development corporation, is a public-private partnership between private stakeholders, San Joaquin County and its incorporated cities. *This unique structure has been successful for San Joaquin County’s economy in terms of 72,000 jobs being created the siting of some 415+ companies since inception of the Partnership twenty-five years ago.*

Right now what is most important is its current level of client activity during these economic times. In 2015 we had ten successful projects totaling more than 1200 jobs and retaining 267. We are currently working with 70 active client files. Of this, nine are considered critical projects totaling 974,000 square feet with a job potential of nearly 600. Three of the clients are in final decision mode with six in process!

Additionally, the Partnership is an active advocate for business in regard to development fee issues and monitoring transportation funding. We also provide detailed information and assistance to existing and prospective businesses about available incentives.

Our goal is prosperity for *all* of San Joaquin County and is a direct result of investment from the City of Manteca, San Joaquin County, its cities and the private sector making up the financial base to further the County’s economic development. ***In 2013 we opened an office in Silicon Valley and since then we have greatly increased exposure to our “Greater Silicon Valley” project- “Greater Silicon Valley: Your Next Growth Opportunity”.*** During 2016, we will continue showcasing our “business friendly” communities where businesses can ***Grow It, Make It, and Ship It!***

Enclosed is a copy of our 2015-2016 Annual Report, 2016 Marketing Program and 2016 Objectives. I look forward to working with you and the Council. If you have any questions, please do not hesitate to contact us at 209-956-3380.

Sincerely,

Mike Ammann
President & CEO



SAN JOAQUIN PARTNERSHIP

A Private Non-Profit Economic Development Corporation Serving San Joaquin County

DATE	INVOICE #
5/2/2016	10028

BILL TO
City of Manteca Attn: Karen McLaughlin 1001 W. Center Street Manteca, CA 95337

DUE DATE
7/1/2016

ITEM	DESCRIPTION	AMOUNT
Public-Annual	2016 Investment to the San Joaquin Partnership, Inc. Please note that the San Joaquin Partnership is a (501) (c) (6) non profit corporation. Payments are not deductible as charitable contributions for Federal income tax purposes. They are deductible as business expenses for most taxpayers; Taxpayer ID #94-3140077. Make check payable to: San Joaquin Partnership, Inc. Mail check to: San Joaquin Partnership, Inc. 2800 W. March Lane, Suite #470 Stockton, CA 95219	35,000.00

Thank you for your continued support in the San Joaquin Partnership

Total	\$35,000.00
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Marketing San Joaquin USA In 2016

The **mission** of the San Joaquin Partnership is to **lead a cooperative countywide competitive economic development team** that improves the overall economy by attracting private investment that creates new jobs.

The San Joaquin Partnership also **assists** local communities and businesses in **expansion and retention of employers**. In addition **support** educational opportunities that **increase the skills** of the labor force and **marketing a positive image** are all part of the following marketing program.

The 2016 Marketing & Outreach Program **targets** the following industries (example past location)

- Food Processing (Pearl Crop)
- Fulfillment /Logistics Centers (Federal Express Ground)
- Advanced/Specialized Manufacturing (Tesla)
- Construction Materials (Pace Supply)
- Medical Equipment & Supplies (Medline)
- Office/Professional Services/IT (Franklin Templeton)
- Agricultural Technologies (Agro-Culture Liquid Fertilizers)
- Energy Resources & Technologies (Community Fuels)

“Grow It! Make It! Ship It! San Joaquin USA Brand

In 2016, the San Joaquin Partnership will maintain and build new relationships, awareness and communicate positively to the above industry targets through the following events, conferences, trade shows, social media and sales presentations with (marketing partners)

Conferences

- Industrial Asset Management Council (*New Orleans & Indianapolis - Team, CA*)
- International Economic Development Council (*Cleveland*)
- Team California Consultants' Forum (*Sacramento*)
- CA Association of Local Economic Developers - CALED (South SF)
- IEDC Federal Forum (Washington DC - Manteca)
- Select USA (Washington DC)
- Logistics Development Forum (Chicago - Tracy)
- SIOR Fall (New York)

Industry Expositions/Trade Shows

- Westpack (*Anaheim, CA - with Central Valley EDC*)
- Society of Industrial & Office Realtors – Nor Cal/So Cal Chapter Events (*Multiple Events - Central Valley EDC*)

Missions & National Outreach

- Atlanta - Broker/site Consultant Visits with CCVEDC)
- Sacramento Legislative & Broker Calls (CCVEDC)
- San Francisco Bay Area – Broker/Site Consultant Visits*
- Southern California - Broker/Site Consultant Visits*

Greater Silicon Valley Brand

The Partnership will continue its collaboration with San Joaquin County to market the "Greater Silicon Valley" brand implemented in 2013 and operate an office within TiE Silicon Valley with the following goals.

- Attract new investment and expanding Silicon Valley technology firms, suppliers and manufacturers to San Joaquin communities.
- Connect San Joaquin County entrepreneurs and startups with Silicon Valley mentor services (TiE Silicon Valley), funding sources, talent to hire and selling services and products into Silicon Valley.

Events, Exhibition & Outreach

- Joint Venture Silicon Valley - State of the Valley Conference (*Santa Clara, CA - local community representatives and marketing table*)
- Annual TiECon Sponsorship/Marketing Booth(*Santa Clara, CA - local community representatives*)
- Gateway to Growth Insert - paper and digital (local advertisers, Silicon Valley Business Journal)
- Multiple evening events, conferences within Silicon Valley, San Francisco and East Bay (Churchill Club, California Technology Council - member of advisory board)

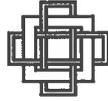
Business Retention & Expansion

Support Business Team San Joaquin, a collaboration of the San Joaquin County Economic Development Agency, community economic development leaders, EDD, and the San Joaquin Partnership provides cooperative services to retain and grow local companies.

Retention & Expansion Highlights:

San Joaquin Partnership collaborated to assisted 3 businesses (Medline, Pearl Crop and TAP Plastics) with expansions creating 400 new (and some seasonal) jobs, while retaining 267 positions.

In addition, the president is a member of the City of Stockton Development Oversight Commission and member of the Stockton Metropolitan Airport Advisory Commission.



SAN JOAQUIN PARTNERSHIP

A Private Non-Profit Economic Development Corporation Serving San Joaquin County

San Joaquin Partnership 2016 Objectives

The Mission of the San Joaquin Partnership is to attract and retain business and industry in San Joaquin County to enhance the quality of life for our communities. To further this mission, the objectives for 2016 are outlined herein.

- Attract and site new business and industry
 - *Maintain a national marketing presence while beginning planning for international attraction or foreign direct investment program*
 - *Continued outreach through expanded state and regional partnership participation in targeted industries conferences and events, tradeshow and media presence*
- Assist in the retention and expansion of existing business and industry
 - *Continue development of a countywide cooperative “business team” San Joaquin that leverage resources to make retention calls and overcome retention issues*
 - *Lend support to WorkNet and communities on a scheduled basis, though public/private collaboration, to restructure meeting process with local employers on a regular basis.*
- Participate in Federal, State and Local policy development with “One Voice”, CALED, and CCVEDC to maintain a competitive business climate and to maintain a superior Northern California market position.

Participate with member agencies in the development or support of policies and programs to respond to political events related to the California state budget (Delta Plan) strategy that may have a significant impact on economic development in San Joaquin County.

Participate with member agencies (SJCOG, ACE) in the development of infrastructure and financing techniques to create a cost-competitive environment for business attraction, retention and expansion.

San Joaquin Partnership
2016 Objectives

- Continue speaking engagements to broadened knowledge of SJP's economic development strategic plan through outreach program to service and association members.

The following Annual Action Plan and Program Objectives are included in the 2016 Budget and Marketing and Outreach Plan.

1. Performance Measurements

In any successful organization, a relevant measurement of achievement is essential to determine success of the collective effort. In terms of the Partnership, those quantified measurements are described below.

Projected Activity 2016

Contacts	200
Client files open	90
Sited/Expanded Projects	12-15

Projected Employment and Capital Investment

Projects	15
Employment	1200-1500
Capital Investment	\$150 - \$200 million

2. Strategic Targeting

A. Target Industries & Associations

- ***Specialized Manufacturers***
 - Medical Equipment & Supplies
Focus: Hospital/Home Care supplies and Biometrics/Laser Technologies
 - Food Processing
Focus: Wine, Organics, Snack Foods and Nutritional Products
 - Agriculture Technologies
Focus: Fuels, Biomaterials, Horticulture and Fertilizers/Feeds
 - Energy Resources & Technology
Focus: Fuel Cells, Biomass, Waste, Solar, Wind, "Green" Technology, Data Center
 - Construction Materials Manufacturing
Focus: Building Components/Roof Tiles/Landscape Amenities
- ***Back Office & Information Technology***
Focus: IT Support Vendors/Customer Support Centers
- ***Logistics/Distribution***
Focus: Transportation Components: Marine, Aviation & Rail
- ***Air Transportation***
Focus: Supplies/Maintenance/Services/Air Cargo

B. Geographic Target Markets

- Chicago
- Washington, D.C.
- Sacramento
- San Francisco Bay Area/Los Angeles (ongoing)

C. Business Attraction Resource Organization

- **International Economic Development Council (IEDC)**
Annual Meeting, September 25-29, Cleveland, OH
- **International Asset Management Council (IAMC)**
Spring Conference, March 14-16, New Orleans, LA
- **2016 Team California Consultants Forum**
April 20-21, Sacramento, CA - *Sponsor*
- **Select USA**
Annual Conference- June 19-21, Washington DC
- **CALED**
Annual Conference- April 26-28, San Francisco, CA
- **2016 Logistics Development Forum**
Industrial Conference- August 2-5, Chicago, IL
- **Advanced Technology Manufacturing Conference**
April 24-27, Las Vegas, NV
- **International Asset Management Council (IAMC)**
September 25-28, Cleveland, OH

D. Tradeshows

- **Westpac**
May 17-20, Las Vegas, NV –*Team CA*
September 16-18, San Diego, CA – *Team CA*
- **TiEcon**
Annual Show May 6-7, Santa Clara, CA

San Joaquin Partnership
2016 Objectives

3. Implementation of the Economic Strategic Plan

The Economic Strategic Plan completed six years of implementation through the San Joaquin Partnership and the Community Partner Groups. All of the Partner Groups completed their assigned objectives in year four except for Entrepreneurship which has formed its own non-profit organization.

- Entrepreneurship – San Joaquin Angels, Inc. – **Meeting monthly Business Plan Competition**
Seek out San Joaquin County entrepreneurs
Entrepreneurship education program

The Partnership staff continues to support the San Joaquin Angels through facilitation, process support and mentoring.

4. Membership and Financial Resources

The 2016 budget projects a continuation of the investors funding with 69% private and 31% public contributions.

To maintain this objective, there is an ongoing need to obtain additional new funding in the amount of \$40,000 in 2016. The Membership Committee is essential for retention and attraction of new investor support of continued success of San Joaquin Partnership programs

5. Community & Membership Events

In 2016 the Partnership will experiment with new kinds of events along with traditional programs such as the Annual Meeting, the Barbeque and the Holiday Reception as well as the Stockton Chamber Industrial Technology Barbecue..