

INTER-REGIONAL
PARTNERSHIP
Alameda County
Contra Costa County
San Joaquin County
Santa Clara County
Stanislaus County



Date: May 15, 2002

To: Inter-Regional Partnership Members

From: IRP Staff

RE: Manteca Letter

The City of Manteca has forwarded a letter to the Inter-Regional Partnership through staff (see attachment). The letter encourages the IRP staff to recommend to the Partnership that the City of Manteca's Tara Business Park be designated a Jobs/Housing Opportunity Zone and lists Manteca's concerns with limiting the number of Zones per county to two. In addition, the City has requested an opportunity to make a presentation to the IRP.



CITY OF MANTECA

ADMINISTRATION

March 14, 2002

Staff to the Inter-Regional Partnership:

Julia E. Greene, Executive Director
San Joaquin Council of Governments
6 South El dorado Street Suite 400
Stockton, CA 95202

Alex Amoroso, Principal Planner
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94064-2050

Gary Dickson, Executive Director
Stanislaus Council of Governments
900 H Street Suites C & D
Modesto CA 95354

Re: Opportunity Zone Designation for Manteca's Tara Business Park

We encourage you to recommend to the Inter-Regional Partnership that Manteca's Tara Business Park be designated as an Opportunity Zone. The proposed Tara Business Park represents an opportunity to provide jobs that match the area workforce:

- bringing jobs to where the housing is, thereby improving the jobs/housing balance,
- improving the quality of life for area residents,
- strengthening the local, regional and inter-regional economy,
- reducing traffic congestion and air pollution.

These outcomes correspond exactly to the goals of the Opportunity Zone Pilot Project. The City of Manteca is committed to developing a "class A" business park tailored to the research and development industries that will perfectly interface with the area's workforce. However, without incentives to facilitate and guide this development, the business park may never come to fruition and a critical opportunity would be lost.

As you know, the Inter-Regional Partnership's Evaluation Committee evaluated and scored the original Opportunity Zone proposals. Manteca's Tara Business Park proposal was ranked 4th out of the 13 proposals. The high score for the proposal is not surprising due to the ideal geographic location of our proposal, the intense need for job creation in this area, and the commitment of the City to guide and support this development.

Greene/Amoroso/Dickson

March 14, 2002

Page 2

Despite the high score of our proposal, the Inter-Regional Partnership Board indicated that they would not grant opportunity zone designation to the Tara Business Park. This direction was in consideration of a previously undisclosed "rule" that limits each county in the partnership to a maximum of two Opportunity Zones. The limitation of a maximum of two Opportunity Zones per County is unjustified, would result in bizarre outcomes, is unfair and does not comply with the intent of the legislation.

- 1) **The limitation was not disclosed in the RFP and was applied with no notice or discussion after all proposals had been reviewed, evaluated, and scored.** The RFP that was submitted September 17, 2001 did not include any discussion of this limitation. The RFP did include numerous statements that the proposed areas would be judged on their merits based on included and well delineated criteria.
- 2) **The limitation is inconsistent with the State legislation that created the program.** The enabling legislation, AB 2864, suggests that the Opportunity Zones be "equitably distributed" across the 5 county area. "Equitably distributed" does **not** have the same legal meaning as "equally divided". In fact, the legislation specifies numerous objective criteria that must be used to evaluate the proposals based on the ability to address the goals specified in the legislation. The legislation even mandates the creation of a 5 county GIS system and requires that it be used to evaluate the proposals. One specified purpose of this inter-regional GIS system was to allow comparison of proposals from diverse areas in various counties across the region.
- 3) **The application of this limitation creates bizarre outcomes.** The actual outcome of limiting the opportunity zones to two per county would result in the awarding of an Opportunity Zone to the 9th ranked project while denying opportunity zone status to the 4th ranked project. The limitation ignores the reality that the problem of jobs/ housing imbalance impacts some areas more severely than others and that some areas are more critical than others in addressing the issue. The application of this limitation sacrifices the fundamental goals of the Opportunity Zone program. Use of this limitation would result in the granting of opportunity zones to low scoring projects in areas distant from the focus of the problem, while high scoring projects in areas where the problem is at its worst are rejected.
- 4) **It was unfair to extend the due dates to allow jurisdictions that had not submitted applications an chance to be granted an Opportunity Zones.** The modifications of deadlines to serve particular areas, undermines the integrity of this process. All applicants should be subject to the same rules and procedures or, at least suffer some penalty for lack of conformance with the program procedures.

As staff to the Inter-Regional Partnership, you have the opportunity to evaluate these issues and advise the IRP board on what is fair and what truly serves the best long term interest of the 5 county area. We understand the desire to assure participation in this

Greene/Amoroso/Dickson

March 14, 2002

Page 2

program by all the counties in the partnership. But, surely you can develop a compromise that allows all counties to participate without contravening the primary goals of the Opportunity Zone program, undermining the integrity of the process, and damaging the credibility of the Inter-Regional Partnership itself.

We are aware that the designation of the opportunity zones is but the first stage of this effort to address jobs/housing imbalance. Given the State budget situation, all the counties and cities in the Inter-Regional Partnership area will need to be aggressive, persistent and united in order to assure that real and effective incentives are provided to the Opportunity Zones. We look forward to playing an integral part of that effort.

I appreciate your consideration of these important issues and hope to be able to discuss this situation further. Please call me at 239-8455 for more information or to discuss potential solutions to this problem.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Adams', with a long horizontal line extending to the right.

Robert F. D. Adams
City Manager

C: Mayor and Council