



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
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CONSENT
May 11, 2010

Honorable Mayor and
Members of the City Council

**Title: Agreement: North Natomas Transportation Management Association (TMA)
2010 Services**

Location/Council District: North Natomas (Council District 1)

Recommendation: Adopt a **Resolution** authorizing the City Manager to 1) execute an agreement with the TMA for services in the 2010 calendar year and 2) transfer \$118,200 from the Contingency of the North Natomas Development Fee Fund and establish a budget in a like amount to fund the TMA contract.

Contact: Mark Griffin, Fiscal Manager, Finance, 808-8788

Presenters: None

Department: Finance Department

Division: Public Improvement Financing

Organization No: 06001321

Description/Analysis

Issue: An annual service contract is required for the provision of transportation services funded through the North Natomas Financing Plan (Financing Plan). This item will establish the 2010 service contract with the TMA and provide funding of \$118,200. Calendar year 2010 marks the end of support from the Financing Plan. The total allowed funding is capped at \$1,126,000 for the life of the program (from 2003 to 2010 as modified by Agreement 2007-1106). Only \$118,200 remains to be allocated.

TMA support from the Financing Plan was designed as "start up" funding until the tax base from the North Natomas TMA Community Facilities District No. 99-01 was adequate to support the service. Tax revenues are now sufficient to support the service.

Policy Considerations: Adoption of the resolution is consistent with the intention of the Financing Plan to provide public transportation and an air quality mitigation strategy and with the Strategic Focus Area of Sustainability and

Livability.

Sustainability Considerations: The authorization for this service agreement is consistent with the Sustainability Master Plan goals in reducing activities that generate smog and greenhouse gas emissions.

If approved, the transportation services provided through the TMA would provide a variety of transportation options that would reduce the dependence and/or reliance on the private automobile.

Environmental Considerations: The City Council's action in approving this resolution is solely for the purpose of entering into a service agreement and is, therefore, not a project for the purposes of the California Environmental Quality Act.

Committee/Commission Action: None

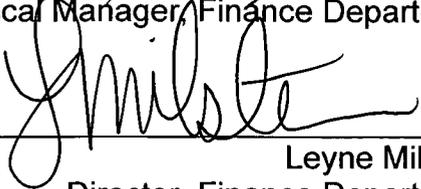
Rationale for Recommendation: The TMA has contracted annually with the City for the provision of shuttle and other transportation services in the North Natomas area. Annual funding is a part of the development impact fee program of the Financing Plan. This item will approve the service contract for calendar year 2010 below the funding level authorized in the Financing Plan.

Financial Considerations: There is no impact on the General Fund. The recommended agreement provides a dollar level of support anticipated in the Financing Plan. Funds are available and will be used in compliance with the Financing Plan.

The recommended action will transfer \$118,200 from the Contingency of the North Natomas Community Development Fund and establish a budget in a like amount to fund the TMA contract.

Emerging Small Business Development (ESBD): Not applicable to this report.

Respectfully Submitted by: 
Mark Griffin
Fiscal Manager, Finance Department

Approved by: 
Leyne Milstein
Director, Finance Department

Recommendation Approved:


Gus Vina
Interim City Manager

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BACKGROUND

The North Natomas Transportation Management Association (TMA) has the role and responsibility to provide transportation and air quality mitigation services within the North Natomas Transportation Management Association Community Facilities District (CFD) No. 99-01 as established in Resolution 99-374 and Agreement 2000-030.

The special taxes collected from the CFD will provide ongoing funding to the TMA for transportation and air quality mitigation services. The purpose of this agreement is to transfer the shuttle service funding support from the North Natomas Public Facilities Fee (NNPFF) collected in the North Natomas Financing Plan (Financing Plan) to the TMA for shuttle service. This agreement is not related to the CFD funding and it is solely between the City and the TMA.

As detailed in the Financing Plan, the NNPFF is collected to fund various public facilities, which include the shuttle service provided through the TMA. The Financing Plan has provided financial support to help fund the shuttle service, and the City has executed an agreement with the TMA in each year of support for this purpose. The Financing Plan is only one of several financing mechanisms used to finance the shuttle service in the North Natomas area. Furthermore, the Financing Plan maintains a schedule of support for the shuttle service in years and in dollars. The support for shuttle service will eventually cease when the total committed amount from the Financing Plan is disbursed to the TMA.

With the 2005 update to the Financing Plan, the funding basis has been modified from the specific number of shuttles purchased to the number of operation hours provided. With each increment of 2,500 hours of operation, or part thereof, the TMA is entitled to \$48,000 in support of funding in each calendar year. The TMA is projecting at least 6,825 hours of operation of shuttle service in calendar year 2010. This would normally generate a support level of \$144,000. However, 2010 marks the end of support from the Financing Plan. Total allowed funding is capped at \$1,126,000 for the life of the program (from 2003 to 2010 as modified by Agreement 2007-1106). Only \$118,200 remains to be allocated.

TMA support from the Financing Plan was designed as "start up" funding until the tax base from the North Natomas TMA Community Facilities District No. 99-01 was adequate to support the service. Tax revenues are now sufficient to support the service.

RESOLUTION NO.

Adopted by the Sacramento City Council

NORTH NATOMAS TRANSPORTATION MANAGEMENT ASSOCIATION 2010 SERVICE AGREEMENT AND RELATED FINANCIAL TRANSACTIONS

BACKGROUND

- A. The North Natomas Transportation Management Association ("TMA") has the role and responsibility to provide transportation and air quality mitigation services within the North Natomas Transportation Management Association Community Facilities District No. 99-01 ("CFD 99-01") as established in Resolution 99-374 and Agreement 2000-030.
- B. The North Natomas Financing Plan (Financing Plan) provides support for transportation services in the amount of \$48,000 annually for each 2,500 hours of operation or part thereof.
- C. The TMA is prepared to provide at least 6,825 hours of operation in calendar year 2010, which would normally result in a support level of \$144,000. However, 2010 marks the end of support from the Financing Plan. Total allowed funding is capped at \$1,126,000 for the life of the program (from 2003 to 2010 as modified by Agreement 2007-1106). Only \$118,200 remains to be allocated. The balance will be provided from CFD 99-01.
- D. The proposed funding level has been anticipated by the Financing Plan and is available from development impact fees collected for the purpose of supporting transportation services.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1:** The City Council hereby finds that the recitals set forth above are true and correct and are incorporated herein by reference as findings.
- Section 2:** The City Manager is hereby authorized to execute an agreement with the TMA to provide transportation and air quality mitigation services within the North Natomas Transportation Management Association Community Facilities District No. 99-01 in calendar year 2010 in the amount of \$118,200.
- Section 3:** The City Manager is hereby authorized to transfer \$118,200 from the Contingency of the North Natomas Development Fee Fund and establish a budget in a like amount to fund the TMA contract.