

Meeting Date: 9/9/2014

Report Type: Consent

Report ID: 2014-00637

Title: Memorandum of Understanding- FY2014/15 New Measure A Ongoing Annual Programs and Amendment to Agreement on Operating Protocols for Measure A Development Impact Fees

Location: Citywide

Recommendation: 1) Pass a Resolution authorizing the City Manager to execute the Memorandum of Understanding with the Sacramento Transportation Authority (STA) for the FY2014/15 New Measure A Ongoing Annual Programs; and 2) pass a Resolution approving an amendment to the Agreement on Operating Protocols for the Measure A Sacramento Countywide Transportation Mitigation Development Impact Fee Program.

Contact: Lucinda Willcox, Program Manager, (916) 808-5052; Nicholas Theocharides, Engineering Services Manager, (916) 808-5065, Department of Public Works

Presenter: None

Department: Public Works Department

Division: Engineering Services Admin

Dept ID: 15001111

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Resolution (Memorandum of Understanding)
- 4-Exhibit A (STA Memorandum of Understanding)
- 5-Resolution (Amended Agreement)
- 6-Exhibit A (Amended Agreement on Operating Protocols)

City Attorney Review

Approved as to Form
Gerald Hicks
8/28/2014 4:01:07 PM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 8/21/2014 6:56:52 AM

Description/Analysis

Issue: The City is required to enter into an annual Memorandum of Understanding (MOU) with the Sacramento Transportation Authority (STA) to receive Measure A - Construction (Fund 2025) funds and Measure A - Road Maintenance (Fund 2026) funds. The MOU governs ongoing annual programs for which Measure A revenues are allocated throughout the year as STA receives them from the State Board of Equalization. The MOU authorizes the City to receive and expend funds in accordance with STA's approved anticipated expenditures and ensures the funds are expended exclusively on eligible activities. On August 21, 2014, the STA Board approved the MOU. FY2014/15 is the fifth year the City is receiving the New Measure A funds.

In order to receive its share of countywide transportation sales tax, Measure A called for the implementation of the Sacramento Countywide Transportation Mitigation Development Impact Fee Program (Measure A Mitigation Fee Program) to be adopted by each participating jurisdiction. The City adopted its program effective April 1, 2009. On August 21, 2014, the STA Board adopted an amendment to the fees based on reexamination of the fees for certain uses, reducing fees for retail, supermarkets, and adding fees for specific uses. The City Council needs to take action to implement this new fee schedule.

Policy Considerations: The action requested herein is consistent with the City's Strategic Plan goals to expand economic development throughout the City and achieve sustainability and livability.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): The FY2014/15 MOU is not subject to the provisions of the California Environmental Quality Act (CEQA) under the general rule (Section 15061 (b) (34)) that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Projects funded with Measure A undergo individual environmental review.

Sustainability Considerations: Expenditure of Measure A funds supports numerous programs that support sustainability, including bicycle, pedestrian, and infill development programs.

Other: None.

Commission/Committee Action: None.

Rationale for Recommendation: Approval of the MOU is required so the City

can continue to expend Measure A funds received in FY2014/15. Amendment to the fee schedule is required to implement the revised fees.

Financial Considerations: The MOU for ongoing programs authorizes the City to receive and expend funds. Funds are received and programmed in connection with annual budget and capital improvement program preparation process.

The City collects mitigation fees as prescribed under the Ordinance and forwards the fees to the Sacramento Transportation Authority (STA).

Local Business Enterprise (LBE): None, since no goods or services are being procured with this action.

Attachment 1

Background

The New Measure A (1/2-cent transportation sales tax) was approved by countywide votes in 2004. The Measure A Expenditure Plan included a development impact fee to fund a portion of the costs of the transportation improvements (“Measure A Mitigation Fee Program”). Each participating jurisdiction was required to adopt the Measure A development impact fee and to remit those revenues to STA.

On January 27, 2009, the City Council adopted Resolution 2009-054, approving the Agreement on Operating Protocols for the Measure A Mitigation Program with the Sacramento Transportation Authority (STA). The City Council also adopted Ordinance No 2009-005, which added Chapter 18.48 to the Sacramento City Code to establish Measure A development impact fees, effective April 1, 2009.

The City has implemented the Mitigation Fee Program and has been remitting the fees to the STA consistent with the Protocols and Fee Schedule.

Last Spring, STA reconvened a working group of impact fee program managers which recommended that the fee structure be amended in two ways.

1. The list of specified land uses should be expanded to include several additional types of development, including: Assisted Living, Congregate Care; Child Day Care; Private School; Auto Repair/Body Shop; Extended Stay Hotel/Motel; Gym/Fitness Center and; Drive Through Car Wash.
2. The existing fee for “Retail” should be adjusted to reflect “dwelling unit equivalency” as currently calculated in the County and City’s local impact fee programs. This change will result in reducing the rate for Retail Use from \$4,180 per thousand square foot to \$1,692 per thousand square foot.

On August 21, 2014, the STA adopted these amendments to the Agreement on Operating Protocols for the Measure A Mitigation Program. City Council action is required to implement the new fee schedule.

RESOLUTION NO.

Adopted by the Sacramento City Council

AUTHORIZING EXECUTION OF THE FY2014/15 MEMORANDUM OF UNDERSTANDING FOR NEW MEASURE A ONGOING ANNUAL PROGRAMS

BACKGROUND

- A. The City is required to enter into an annual Memorandum of Understanding (MOU) with Sacramento Transportation Authority (STA) in order to receive and expend New Measure A - Construction (Fund 2025) and New Measure A - Maintenance (Fund 2026) funds.
- B. The MOU authorizes the City to receive and expend funds on eligible activities.
- C. On August 21, 2014, the STA Board approved the agreement language and authorized the STA Executive Director to sign the agreement.

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

- Section 1. The City Manager is authorized to execute the FY2014/15 Memorandum of Understanding for New Measure A On-Going Annual Programs.
- Section 2. Exhibit A is incorporated into and made part of this resolution.

Table of Contents:

Exhibit A - Memorandum of Understanding

SACRAMENTO TRANSPORTATION AUTHORITY
MEMORANDUM OF UNDERSTANDING

MEASURE A
ON-GOING ANNUAL PROGRAMS

This Memorandum of Understanding is made as of August 21, 2014 by and between the *Sacramento Transportation Authority*, a local transportation authority formed pursuant to the provisions of Public Utilities Code 180000 et seq., hereinafter called “Authority”, and the *City of Sacramento*, hereinafter called “Entity.”

THE PARTIES AGREE AS FOLLOWS:

1. Purpose. The purpose of this Memorandum of Understanding (MOU) is to provide for the allocation by the Authority of sales tax revenue for On-going Annual Programs and the expenditure thereof by Entity.
2. Definitions. Unless the context otherwise requires, as used in this MOU, the following terms shall have the following meanings:
 - a. “Act” means the Local Transportation Authority and Improvement Act set forth in the provisions of the Public Utilities Code commencing with Section 180000.
 - b. “Board” means the Governing Board of the Sacramento Transportation Authority.
 - c. “On-going Annual Programs” means the following programs established by New Measure A as defined in Attachment A to this MOU:
 - City Street and County Road Maintenance
 - Traffic Control and Safety Program
 - Safety, Streetscaping, Pedestrian and Bicycle Facilities
 - d. “Distribution Factor” means the percentage of Formula-Based program revenue to be allocated to Entity, set by the Board on an annual basis based on the Ordinance requirement that funding to the County and cities for On-going Annual Programs be distributed based 75% on relative population and 25% on total maintained street/road mileage.
 - e. “Measure A” or “New Measure A” or “Ordinance” means Sacramento Transportation Authority Ordinance No. STA 04-01.

3. Revenue Allocations. The amount of revenue allocated to Entity for each of the On-going Annual Programs shall be determined annually by the Board based on gross Measure A revenue projections, requirements of the Ordinance, and, where applicable, the Distribution Factor. Gross Measure A revenues for FY 2014-15 are estimated to be \$105,960,652.

In the event that STA subsequently concludes that total revenues for On-going Annual Programs in any fiscal year are likely to be less than originally estimated, STA shall give notice to Entity of the expected change. Entity will be required to adjust its annual expenditures for On-going Annual Programs accordingly.

4. Disbursements. Allocations for On-going Annual Programs shall be disbursed as funds are received from the State Board of Equalization (currently monthly).

5. Entity Obligations.

- a. Allocations for each On-going Annual Program shall be expended by Entity only for purposes that are consistent with the Definitions of Eligible Expenditures set forth in Attachment B.
- b. Entity shall keep a separate account for each On-going Annual Program. Interest earned on unexpended funds in each account shall be retained in the account and expended only on qualified expenditures for that Program.
- c. The use and expenditure of Measure A sales tax revenue by Entity shall be in full compliance with the provisions of the Act, the Ordinance, applicable resolutions of the Board, this MOU, and all other applicable contractual and legal requirements.
- d. Entity shall file a pavement and bridge maintenance system report on a biennial basis with the Authority regarding progress in maintaining local streets and roads.
- e. Entity shall file with the Authority an annually updated five-year program for use of the funds.

6. Entity Certifications

- a. Maintenance of Effort. Entity certifies that it is currently in compliance, and will remain in compliance throughout the term of this Contract, with the maintenance of effort requirements set forth in the Ordinance:
 - i. Entity shall continue to make local (non-federal, non-state, non-Measure A) transportation expenditures consistent with baseline performance standards adopted by the STA Governing Board.

- ii. Entity shall continue to impose its local (non-SCTMFP) transportation mitigation fees at rates that are not less than the local transportation mitigation fees imposed by Entity during Fiscal Year 2008-2009 unless supported by a Fee Study adopted by the City Council.
 - b. Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP). Entity certifies that it is implementing the SCTMFP in accordance with STA Resolution STA-06-0006 and the SCTMFP Agreement on Operating Protocols.
7. Reporting. Within 30 days after each calendar quarter, Entity shall submit quarterly status reports in approved STA format for each On-going Annual Program for which Entity receives funding. Reports shall include:
 - Amount of funds received
 - Amount of funds expended
 - Specific listing of expenditures made, including type of expenditure, quantity of work accomplished, and location of work accomplished, if applicable
 8. Audits. Annual audits of the Measure A program will be performed by an independent auditor and reviewed by the Independent Taxpayer Oversight Committee (ITOC). As part of that audit, Entity expenditures will also be audited. Expenditures found to be in noncompliance with this MOU shall be disqualified and may be withheld from future payments.
 9. Designation of Measure A Manager. Entity shall designate a Measure A program manager who shall be the responsible representative of Entity to Authority staff in connection with administration of this MOU.
 10. Signs. When a *capital* project is completed and open for public use, Entity shall post reflective signage stating that the project is funded with Measure A funds. The signs shall be substantially similar to that depicted in Attachment A.
 11. Indemnity and Hold Harmless. Entity shall indemnify and save harmless the Sacramento Transportation Authority, its officers, employees, and agents, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, and expenses of every type and description to which any or all of them may be subjected, by reason of or resulting from, directly or indirectly, the performance of this MOU by Entity whether or not caused in part by passive negligence of a party indemnified hereunder. The foregoing shall include, but not be limited to, any attorney fees reasonably incurred by Authority.

The parties promise and agree to abide by the terms of this Memorandum of Understanding as set forth above.

SACRAMENTO TRANSPORTATION AUTHORITY

By 

Dated: August 21, 2014

CITY OF SACRAMENTO

By: _____
(Authorized Officer)

(Officer's Printed Name)

(Officer's Title)

- Attachment A: Public informational sign template
- Attachment B: Definitions of Eligible Expenditures

APPROVED AS TO FORM:


CITY ATTORNEY

ATTACHMENT A
Project Signage



ATTACHMENT A
Project Signage



SACRAMENTO
GO

City of Rancho Cordova

**Your
Measure A
Transportation
Sales Tax
at Work**



CITY OF RANCHO CORDOVA
CALIFORNIA
INCORPORATED 1957

Sacramento Transportation Authority

ATTACHMENT B

Measure A Expenditure Categories
DEFINITIONS OF ELIGIBLE EXPENDITURES

Adopted March 8, 2007

City Street and County Road Maintenance Program

The preservation and keeping of public street and road rights-of-way and each type of structure, safety device, planting, illumination equipment and associated facilities in the safe and useable condition to which it has been constructed or improved. Upgrades to appurtenances such as bicycle lanes, curbs, gutters, and sidewalks to currently accepted community standards may be performed in association with the repair of public streets and roads.

Includes roadway reconstruction, patching, repairing, surface treating, joint filling, scarifying, reshaping, and restoring material losses; cleaning, painting, and repairing bridges and structures (including those reserved for the exclusive use of non-motorized transportation); pavement sweeping; repainting of pavements, striping, and markings to equivalent standards; patching operations including base restoration; applying dust palliatives; jacking concrete pavements; resealing street or road shoulders and side street and road approaches; reshaping of drainage channels and side slopes; restoration of erosion controls; cleaning culverts and drains; removing slides and restoring facilities damaged by slides; routine landscape maintenance; replacing top soil, sod, plantings, and irrigation facilities on street and roadside; repairing curb, gutter, sidewalk, rip-rap, culverts, and drains; repainting, repairing, and servicing of signs, guardrails, traffic signals, lighting standards, and associated traffic control and safety devices; furnishing power for street and road lighting and traffic control devices.

Associated Measure A revenues are distributed annually to the County and to the Cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, and Sacramento: 75% according to relative population and 25% according to relative street and road mileage within each jurisdiction. The data source for relative population is the annual population estimates for cities and counties published by the California Dept. of Finance. Relative street and road mileage is determined by the cumulative number of lanes miles on the city or County street/road system as reported annually by each affected local entity.

Local Arterial Program

The construction, improvement and/or upgrading of specified arterial streets and roads into multi-modal transportation corridors consistent with contemporary urban design standards to facilitate the safe and efficient movement of high volumes of local and sub-regional motor vehicle, bicycle, and pedestrian traffic.

Includes environmental review and mitigation, engineering, design, inspection, and construction; acquisition of rights-of-way or other property interests; installation, improvement, or upgrades to associated traffic signs and traffic signals, medians, landscaping, incidental drainage, bicycle lanes or pathways, curbs, gutters, and sidewalks; labor, paving, materials and supplies for the construction of specified arterials (including new structures) and for the addition of lanes to or other expansion, upgrading, reconstruction, and implementation of operational improvements of specified arterial streets and roads.

Traffic Control & Safety Program

The installation or implementation of physical features and operational programs to improve the operation and safety of the local street and road network for motor vehicles, bicycles, pedestrians, and persons with disabilities. Such improvements may involve an expansion of vehicle capacity at intersections.

Includes assessment and evaluation of operational deficiencies, needs, and opportunities; environmental review and mitigation, engineering, design, and inspection; acquisition of rights-of-way or other property interests; improved traffic signage, traffic signals, pavement markings, and incidental drainage; implementation, upgrade, expansion, and operation of an integrated traffic signal and control system; traffic channelization; Transportation Systems Management (TSM) including planning, design, implementation, outreach, and evaluation measures to promote efficient and effective use of the transportation system by all users regardless of travel mode.

Associated Measure A revenues are distributed annually to the County and to the Cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, and Sacramento: 75% according to relative population and 25% according to relative street and road mileage within each jurisdiction.

Transit Operations, Maintenance, & Safety

The operation and maintenance of the existing Sacramento Regional Transit District (District) bus, shuttle, and light rail system and new transit capital specified in the Expenditure Plan as authorized to be conducted by Chapter 5 (commencing with Section 102200) of Part 14, Division 10 of the California Public Utilities Code.

Includes routine maintenance of bus, shuttle, and rail vehicles; purchase of associated parts, equipment, materials, and fuel; labor to maintain and operate the transit fleet and to administer the District; reconstruction or replacement of transit vehicles consistent with lifecycle use; repair and maintenance of fixed assets including light rail tracks and rail bed, overhead catenary, structures, buildings, and transit stations and stops; furnishing power for light rail system and transit stops.

Rail Transit Improvements

The construction, extension, improvement, and/or upgrading of specified Sacramento Regional Transit District (District) light rail transit corridors, and the improvement and/or upgrading of the Capitol Corridor regional rail segment within Sacramento County to facilitate improved commuter rail service, as consistent with Chapter 5 (commencing with Section 102200) of Part 14, Division 10 of the California Public Utilities Code.

Includes planning, environmental review and mitigation, engineering, design, and inspection; acquisition of rights-of-way or other property interests; construction, installation, improvement, or upgrades to trackage, overhead catenary, associated signs and signals, buildings, structures, and stations; purchase of rail vehicles and associated equipment; labor, materials, and supplies for the construction of specified rail transit corridors and associated stations (including new structures) and for the addition of track or other expansion, upgrading, reconstruction, and implementation of operational improvements in specified rail transit corridors.

Neighborhood Shuttle System

A competitive grant program among local public transit providers to promote the development or expansion of shuttle routes in residential and commercial areas that have no—or infrequent—transit service. The objective is to connect neighborhoods to the light rail system and to bus routes on major arterials.

Eligibilities, schedules, and grant application procedures are set forth in a separate guidelines document (pending).

Senior & Disabled Transportation Services

The provision by the Consolidated Transportation Services Agency (CTSA) of Sacramento County—per Chapter 5, Section 15975(a) of Part 13, Division 3 of the California Government Code—of specialized public transportation operations for seniors and persons with disabilities.

Includes acquisition, reconstruction, and replacement of specialized transit vehicles and associated equipment; construction of buildings and structures or other improvements; purchase of associated parts, equipment, materials, and fuel; routine maintenance of specialized transit vehicles and associated assets; labor to maintain and operate the vehicle fleet, real property or other property interests, and to administer the CTSA.

Regional Bus/Carpool Connectors/Extensions

The provision by Caltrans of enhanced vehicle capacity on specified segments of the State highway system and the improvement of specified freeway connection ramps for exclusive use by buses, carpools, and other eligible vehicles.

Includes environmental review and mitigation, engineering, design, inspection, project management, and construction; acquisition of rights-of-way or other property interests; installation, improvement, or upgrades to associated access/egress ramps, traffic signage, medians, and landscaping; labor, paving, materials and supplies for the construction of specified projects (including new structures) and/or for the addition of lanes to or other expansion, upgrading, reconstruction, and implementation of operational improvements on specified freeway segments and interchanges.

Local Freeway Interchange Congestion Relief Upgrades

The construction, improvement, or upgrading of specified interchanges to mitigate traffic congestion on the effected local arterial and associated State highway. Arterial-freeway interchange improvements will be implemented by the local jurisdiction in which the project is located. Freeway-freeway interchange improvements will be implemented by Caltrans.

Includes environmental review and mitigation, engineering, design, inspection, and construction; acquisition of rights-of-way or other property interests; installation, improvement, or upgrades to associated traffic signs, traffic signals, pavement markings, medians, landscaping, bicycle lanes or pathways, curbs, gutters, sidewalks, and drainage; labor, paving, materials and supplies for the construction of specified interchanges (including new structures) and for the addition of lanes to or other expansion, upgrading, reconstruction, and implementation of operational improvements of specified arterial streets and roads. Improvements to arterial/freeway interchanges should permit bicyclists and pedestrians to safely and efficiently traverse the effected freeway segment.

Safety, Streetscaping, Pedestrian and Bicycle Facilities

The construction, improvement, and/or upgrading of transportation facilities and corridors to provide bicyclists, pedestrians, and persons with disabilities safe and efficient travel routes and to improve the aesthetics of local streets and roads. One million dollars per year will be expended exclusively for maintenance, operations, and improvements to the paved bikeway network within the portion of the American River Parkway managed by the Sacramento County Department of Regional Parks.

Includes environmental review and mitigation, engineering, design, inspection, and construction; acquisition of rights-of-way or other property interests; installation, improvement, or upgrades to traffic signs and traffic signals, landscaping, bicycle lanes or pathways, curbs, gutters, and sidewalks; barrier and hazard removal; labor, materials and supplies for the construction or reconstruction of bikeways and sidewalks (including new structures) and for other expansion, upgrading, reconstruction, and implementation of operational improvements to facilitate bicycle and pedestrian travel and improved streetscapes.

Associated Measure A revenues (with the exception of the \$1 million allocated annually to the Sacramento County Department of Regional Parks for maintenance, operations, and improvements to the bikeway network in the American River Parkway) are distributed annually to the County and to the Cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, and Sacramento: 75% according to relative population and 25% according to relative street and road mileage within each jurisdiction.

Transportation-Related Air Quality Program

The development, implementation and evaluation by the Sacramento Metropolitan Air Quality Management District of projects and programs to mitigate the regional impacts of motor vehicle emissions.

Includes air quality monitoring; public relations and information; programs to accelerate the retirement or replacement of older, high-polluting motor vehicle engines; programs to accelerate the dissemination of new, cleaner engine technologies; other programs demonstrated to effectively contribute to reduced vehicle emissions.

Smart Growth Incentive Program

A competitive grant program among local public agencies to facilitate land use planning and development/redevelopment projects that promote pedestrian, bicycle, and transit travel and a reduced reliance on personal automobiles. This program will be funded exclusively via the Countywide development fee component of Measure A. At least \$5 million will be expended exclusively for environmental mitigation associated with construction of the I-5/SR99/SR50 connector road.

Eligibilities, schedules, and grant application procedures are set forth in a separate guidelines document (pending).

Transportation Project Environmental Mitigation Program

The development and implementation of projects and programs to mitigate some of the anticipated environmental consequences of constructing and operating the capital projects set forth in the Measure A expenditure plan. This program will be funded exclusively via the Countywide development fee component of Measure A.

Includes purchase of open space, significant natural habitat, and property easements; construction of replacement or alternative natural habitat; stormwater runoff abatement and erosion controls; other programs demonstrated to effectively mitigate the environmental impacts of constructing and operating the capital projects set forth in the Measure A expenditure plan. At least \$5 million will be expended exclusively for environmental mitigation associated with construction of the I-5/SR99/SR50 connector road.

Eligibilities, schedules, and grant application procedures are set forth in a separate guidelines document (pending).

Program Administration

Overall management and oversight of the Measure A sales tax program.

Includes employment of administrative and clerical staff; contracting for specialized services of a limited-term; acquisition and/or lease, maintenance, and operations of office space, office equipment, materials, and supplies; operation of an Independent Taxpayer Oversight Committee (ITOC); other such administrative and planning activities as deemed necessary and appropriate by the Governing Board.

RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING AMENDMENT TO THE AGREEMENT ON OPERATING PROTOCOLS FOR THE MEASURE A MITIGATION FEE PROGRAM

BACKGROUND

- A. On July 29, 2004, the Sacramento Transportation Authority (STA) adopted Ordinance No. 04-01, which established the Sacramento Countywide Transportation Mitigation Fee Program (“Measure A Mitigation Fee Program”) to be implemented by the County of Sacramento and each city within the county by April 1, 2009.
- B. On November 2, 2004, the voters in Sacramento County approved an extension of the one-half cent Measure A transportation sales tax to become effective April 1, 2009.
- C. On January 27, 2009, the City Council adopted Resolution 2009-054, approving the Agreement on Operating Protocols for the Measure A Mitigation Program with the Sacramento Transportation Authority (STA).
- D. On January 27, 2009, the City Council adopted Ordinance No 2009-005, which added Chapter 18.48 to the Sacramento City Code to establish Measure A development impact fees.
- E. On August 21, 2014, the STA adopted amendments to the Agreement on Operating Protocols for the Measure A Mitigation Program revising certain fees.

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

Section 1. The City Manager is authorized to approve the Amendment to the Agreement on Operating Protocols for the Measure A Mitigation Fee Program and amending the Fee Schedule effective September 21, 2014.

Section 2. Exhibit A is incorporated into and made part of this Resolution.

Table of Contents:

Exhibit A – Amended Agreement on Operating Protocols

MEASURE A
SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM
AGREEMENT ON OPERATING PROTOCOLS
Amended – August 2014

This amended Agreement on Operating Protocols for the Sacramento Countywide Transportation Mitigation Fee Program (Agreement) is made by and between the Sacramento Transportation Authority (STA) and the City of Sacramento (City).

RECITALS

- A. Sacramento Transportation Authority Ordinance No. STA-04-01 (Ordinance) imposes a one-half of one percent retail transactions and use tax that is statutorily dedicated for transportation planning, design, construction, operation and maintenance in Sacramento County.
- B. The Ordinance establishes the 30-year Sacramento Countywide Transportation Mitigation Fee Program (“SCTMFP”), to be implemented by the County and each incorporated city during the period April 1, 2009 through March 31, 2039.
- C. The Ordinance provides that the County and each incorporated city must, as a condition of receiving its allocation of local street and road maintenance formula funds from the retail transactions and use tax revenues, adopt the 30-year SCTMFP Fee (Fee) for the period April 1, 2009 through March 31, 2039 in accordance with guidelines adopted by the Sacramento Transportation (STA) Governing Board.
- D. The SCTMFP Fee schedule shall be uniform throughout the unincorporated and incorporated areas of the County.
- E. The City of Sacramento has adopted Resolution No. 2006-706 acknowledging its obligations imposed by the SCTMFP.
- F. The City began implementing the SCTMFP Fee on April 1, 2009, and must remit the SCTMFP Fee revenues to the STA within 60 days of the end of each six-month period ending June 30 and December 31 of each year.
- G. The STA shall reallocate the SCTMFP Fee revenues to local jurisdictions to be expended on Measure A capital projects in the impacted areas where the fees were generated in accordance with the SCTMFP and the Measure A Capital Allocation Plan.
- H. STA Resolution STA-06-006 adopting the Sacramento Transportation Mitigation Fee Program (SCTMFP) Nexus Study and Setting SCTMFP Fee Rates Effective April 1, 2009 provides that protocols related to SCTMFP Fee implementation issues, including but not limited to, required dates of Fee remittances to STA and documentation to be submitted by each participating agency, shall be established by future resolution of the STA and contracts between the STA and the participating agencies.

- I. This Agreement, as amended, when approved by resolution of the STA and executed by the City, shall constitute the current protocols related to SCTMFP Fee implementation issues.
- J. This amended Agreement is uniform among the County and all incorporated cities.

NOW, THEREFORE, the parties agree as follows:

1.0 DEFINITIONS

- 1.1 "AB 1600" means the Mitigation Fee Act set forth in Government Code Sections 66001 – 60025.
- 1.2 "Development Project" or "Project" shall have the same meaning as provided in Government Code Section 66000(a), as such section may be amended from time to time.
- 1.3 "Executive Director" means the Executive Director of the Sacramento Transportation Authority.
- 1.4 "Expenditure Plan" means the Sacramento County Measure A Transportation Expenditure Plan 2009-2039 that was adopted as part of the Ordinance.
- 1.5 "Governing Board" means the Governing Board of the Sacramento Transportation Authority.
- 1.6 "Independent Taxpayer Oversight Committee" means the committee appointed by the STA Governing Board as required by the Ordinance to supervise Measure A fiscal and performance audits regarding the use of all sales tax funds and to provide independent review to ensure that all Measure A funds are spent in accordance with the provisions of the Ordinance.
- 1.7 "Industrial Use" means any Development Project that involves manufacturing, transportation, logistics, or similar uses.
- 1.8 "Measure A" or "the Ordinance" means Sacramento Transportation Authority Ordinance No. STA-04-01.
- 1.9 "Multi-Family Residential Use" means any Development Project that uses a single parcel for two or more dwelling units within one or more buildings, including duplexes, townhouses, condominiums, and apartments.

- 1.10 “Normalized cost per trip” means the single family residential fee rate per Section 2.1 divided by the average weekday trip generation rate for a single family residence (9.52) per the Institute of Transportation Engineers (ITE) *Trip Generation Manual*. The normalized cost per trip is \$118.49, and will be adjusted annually per Section 2.2.
- 1.11 “Office Use” means any Development Project that involves business activities, associated with professional or administrative services, and typically consists of corporate offices, financial institutions, legal and medical offices, personal services, or similar uses.
- 1.12 “Participating Agencies” means the County of Sacramento, the City of Citrus Heights, the City of Elk Grove, the City of Folsom, the City of Galt, the City of Isleton, the City of Rancho Cordova, and the City of Sacramento. Each may be referred to individually as “Participating Agency.”
- 1.13 “Retail Use” means any Development Project that involves retailing of merchandise, generally without transformation, retail food services, and rendering services incidental to the sale of merchandise at a fixed point of sale.
- 1.14 “Sacramento Countywide Transportation Mitigation Fee Program” or “SCTMFP” means the 30-year transportation mitigation fee program established by the Ordinance.
- 1.15 “SCTMFP Fee” or “Fee” means the fee imposed pursuant to the SCTMFP.
- 1.16 “Senior Residential Use” means any Development Project that qualifies as housing for older persons pursuant to Government Code Section 12955.9.
- 1.17 “Single Family Residential Use” means any Development Project that uses a single parcel for only one residential dwelling unit. “Single Family Residential Use” also includes any Development Project that involves one primary dwelling and one accessory dwelling on a single lot.
- 1.18 “Weekday trip generation per ITE” means a technically supportable methodology based on the Institute of Transportation Engineers (ITE) *Trip Generation Manual* to calculate the expected average weekday trip generation based on the type(s) and size of new land use set forth in the development application.”

2.0 UNIFORM FEE

- 2.1 Uniform Fee. Effective September 21, 2014, the City shall collect the applicable uniform SCTMFP Fee, as amended, for each Development Project occurring within the City’s jurisdiction. The applicable Fee for each use is as follows:

Single Family Residential:	\$1,128 per unit
Senior:	\$ 902 per unit
Multi Family Residential:	\$ 790 per unit
Senior:	\$ 677 per unit
Office Use:	\$1,355 per 1,000 square feet
Retail Use:	\$1,692 per 1,000 square feet
Industrial Use:	\$ 902 per 1,000 square feet
Hotel/Motel	\$ 654 per sleeping room
Extended Stay Hotel/Motel	\$ 581 per sleeping room
Golf Course	\$ 940 per acre
Movie theater	\$2,148 per screen
Religious center	\$1,050 per 1,000 square feet
Hospital	\$1,893 per 1,000 square feet
Service station	\$1,468 per fueling pump
Supermarket	\$1,692 per 1,000 square feet
Warehouse/self storage	\$ 282 per 1,000 square feet
Assisted Living	\$ 325 per bed
Congregate Care	\$ 239 per unit
Child Day Care	\$ 519 per student
Private School (K-12)	\$ 294 per student
Auto Repair/Body Shop	\$1,692 per 1,000 square feet
Gym / Fitness Center	\$1,692 per 1,000 square feet
Drive-through Car Wash	\$1,692 per 1,000 square feet
All Other	<i>Weekday trip generation per ITE multiplied by normalized cost per trip</i>

2.2 Annual Adjustment. The STA shall annually adjust the SCTMFP Fee schedule to reflect change in construction costs based on the McGraw-Hill Engineering News Record (ENR) 20-City Construction Cost Index. The adjustment will take effect July 1, and STA shall notify participating agencies of the required annual adjustment at least 60 days in advance of the effective date.

2.3 Calculation of Fee for Mixed Use Projects. For Projects that include two or more different types of uses, the amount of the fee imposed on the entire Development Project shall be proportionally determined based on the relative footprint associated with the various uses.

3.0 PARTICIPATING AGENCY OBLIGATIONS PRIOR TO APRIL 1, 2009.

Prior to April 1, 2009, the City shall take all necessary steps required by applicable law, including but not limited to AB 1600, to enable implementation of the SCTMFP Fee no later than April 1, 2009. Failure to meet such legal requirements shall not exempt the City from the requirement that SCTMFP Fees be collected as a prerequisite to the City's receipt of Measure A local street and road maintenance formula funds.

4.0 COLLECTION OF SCTMFP FEES

- 4.1 Collection of Fees.
 - a. The City shall collect SCTMFP Fees at the time of issuance of a final building permit for a Development Project, or as otherwise required or permitted pursuant to Government Code Section 66007.
 - b. The amount of the SCTMFP Fees shall reflect the Fee schedule in effect at the time of payment.
 - c. SCTMFP Fees shall not be waived.
- 4.2 Payment by all Development Projects. Except as otherwise expressly provided by this Agreement, the SCTMFP Fee shall be payable by all Development Projects within the jurisdiction of the City for which building permits are issued on or after April 1, 2009.
- 4.3 Exemptions from the SCTMFP Fees. The following Development Projects shall not be subject to the SCTMFP Fee:
 - a. The rehabilitation or reconstruction of any lawful residential structure including an expansion of an existing dwelling unit, that does not create an additional dwelling unit.
 - b. The rehabilitation or reconstruction of any non-residential structure where there is no net increase in square footage. Any increase in square footage shall pay the established applicable fee rate for that portion of square footage that is new.
 - c. New low income housing as defined in Health and Safety Code Section 50079.5 and very low income housing as defined in Health and Safety Code Section 50105.
 - d. Any development project that is subject of a valid development agreement entered into pursuant to Government Code Section 65864 prior to April 1, 2009, that includes a provision exempting it from future fees or fee increases; provided, however, that if the term of such a development agreement is extended after April 1, 2009, the SCTMFP shall be imposed.
 - e. Any development project for which an application for a vesting tentative map authorization by Government Code Section 66498.1 was deemed complete prior to April 1, 2009.

5.0 REMITTANCE OF FEES

The City shall remit SCTMFP Fees collected to the Authority on a semi-annual basis, within 60 days after June 30 and December 31 of each calendar year. Each remittance shall be accompanied by a report specifying the fee generating activity for the reporting period within the City's jurisdiction, including information as to all permits issued by use, square footage for non-residential projects, any exemptions granted, and such other information as may be deemed appropriate by the Executive Director. The Executive Director shall separately account for the City's

SCTMFP Fees as part of the aggregate SCTMFP account and will prepare annual reports for presentation to the Independent Taxpayer Oversight Committee and the STA Governing Board.

6.0 AUDIT OF SCTMFP REVENUES

The Executive Director, in coordination with the Independent Taxpayer Oversight Committee, shall establish a program to audit the City's implementation of the SCTMFP and STA's expenditure of the SCTMFP Fees.

7.0 EXPENDITURE OF FEES

STA shall distribute SCTMFP Fees received, and any proceeds of Fee-based financing(s), to the local jurisdictions for expenditure in accordance with the Ordinance, a 5-Year capital program annually updated and approved by the STA Governing Board, applicable resolutions of the STA, Measure A allocation and expenditure contracts between the STA and local jurisdictions, and AB 1600.

8.0 ADMINISTRATION COSTS

The STA and City each shall absorb their administrative costs associated with the implementation and administration of the SCTMFP Fee and this Agreement. The City, at its discretion, may impose an additional fee on affected development to pay for administrative costs of implementing the SCTMFP.

9.0 ANNUAL REPORTS

STA shall prepare the annual reports required by Government Code Sections 66000 et seq. relating to the SCTMFP Fees. City shall provide any necessary assistance.

10.0 MISCELLANEOUS

- 10.1 Effective Date. This amended Agreement shall become effective on September 21, 2014.
- 10.2 If any one or more of the terms or provisions of this Agreement shall be adjudged invalid, unenforceable, void or voidable by a court of competent jurisdiction, each and all remaining terms and provisions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.
- 10.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

SACRAMENTO TRANSPORTATION AUTHORITY

By 

Brian A. Williams
Executive Director

Dated: August 21, 2014

CITY OF SACRAMENTO

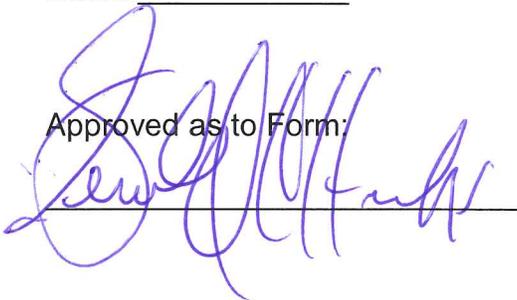
By: _____

(Authorized Officer)

(Title)

Dated: _____

Approved as to Form:



Attest:
