REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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Consent
November 28, 2006

Continued from 11-28-06

Honorable Mayor and
Members of the City Council

Title: Bridge Funding for Sacramento Intermodal Transportation Facility Project (PN: CF41)

Location/Council District: Citywide

Recommendation: Adopt a **Resolution**: 1) Appropriating $11,600,000 from Contingency (Measure A Construction-Fund 201, Gas Tax-Fund 203, Major Street Construction Tax-Fund 209, State Route 160-Fund 213 and State Route 275-Fund 217) to the Intermodal Infrastructure Project (PN: CF41) for a period not to exceed the end of Fiscal Year 2007/08.

Contact: Hinda Chandler, Associate Architect, (808-8422)

Presenters: None

Department: Transportation

Division: Office of the Director

Organization No: 3416

Description/Analysis

Issue: In order to proceed with proposed site transactions regarding the Sacramento Intermodal Transportation Facility Project (Intermodal) (PN: CF41), interim funding is necessary within the immediate timeframe until permanent funding can be obtained to supplement available resources. This "bridge" financing is to be provided through loans from several transportation contingency funds as shown in the table below.

Source Fund	Current Contingency Balance (as of 11/14/06)	Loan Amount
Fund 201 - Measure A Construction Contingency	$ 7,261,401	$6,990,500

Source Fund	Current Contingency Balance (as of 11/14/06)	Loan Amount
Fund 203 – Gas Tax Contingency	1,754,000	500,000
Fund 209 – Major Street Construction Tax Contingency	4,513,978	2,889,500
Fund 213 – State Route 160 Contingency	1,328,000	580,000
Fund 217 – State Route 275 Contingency	658,000	640,000
Total:	**$ 15,515,379**	**$11,600,000**

The New Measure A Sales Tax Program Plan of Finance allows for the accelerated allocation of sales tax capital revenues to local jurisdictions. Annually for 4 years, starting this month, The Sacramento Transportation Authority (STA) is issuing a series of revenue anticipation notes in order to deliver these funds. In FY2007/08, the City of Sacramento will be eligible to receive $16,390,905 per the New Measure A Sales Tax Program Plan of Finance for the Intermodal project.

In November 2007 staff will return to Council following the STA Board approval of the FY2007/08 New Measure A Capital Allocation and Expenditure Contracts with a request:

(1) to execute a contract with the STA to transfer $16,390,905 of New Measure A (Fund 291) funds to the City of Sacramento for the Intermodal project; and

(2) to request reimbursement of $11,600,000 to the Department of Transportation for contingency funding advanced to the Intermodal Project (PN: CF41) as referenced above

The reimbursement request in the amount of $11,600,000 will include provisions to replace Measure A-Fund 201, Gas Tax-Fund 203, Major Street Construction Tax-Fund 209, State Route 160-Fund 213 and State Route 275-Fund 217 Contingency as originally provided to support the advance of the project schedule and allow for the Transportation Capital Improvement Program (CIP) to proceed as planned with no impact to projects and programs.

This bridge funding would bring the total appropriation for site transaction (PN:CF41) to $30 million.

Funding Source	Appropriation Amount
New Measure A (Fund 291)	$15.9 Million
Transportation Contingencies	$11.6 Million
CRCIP Intermodal	$ 2.5 Million
TOTAL	**$ 30 Million**

Policy Considerations: The Intermodal Infrastructure Project (PN: CF41) is consistent with the goals of the City of Sacramento's Strategic Goal to improve and diversify the transportation system and to enhance and preserve neighborhoods.

Environmental Considerations: The appropriation of funding to the Intermodal Infrastructure Project (PN:CF41) will not have an environmental impact. However, the Intermodal project implementation is subject to environmental review in compliance with the California Environmental Quality Act (CEQA) and that assessment is currently underway. Subsequently, the project will be assessed with respect to the National Environmental Policy Act (NEPA).

Rationale for Recommendation: The Intermodal project is included in the New Measure A program. The proposed Intermodal property acquisition is anticipated to exceed the amount currently available. In order to proceed in a timely manner, these proposed loans are from available contingency in each source transportation fund.

Financial Considerations: Within the New Measure A Sales Tax Program Plan of Finance, the FY2007/08 allocation for the Intermodal project is anticipated to total $16,390,905 and will be received during FY2007/08 after STA issues a series of revenue anticipation notes. With the adoption of the New Measure A Capital Allocations and Expenditure Contracts, staff will recommend that the $11,600,000 advanced from the Department of Transportation be repaid. If the contingency repayment in the amount of $11,600,000 is completed with the acceptance of the FY2007/08 STA revenue anticipation notes allocation, CIP projects and programs will not be affected by this temporary loan of contingency funds.

Emerging Small Business Development (ESBD): None. No goods or services are being procured through this action

Respectfully Submitted by: _____
Francesca Lee Halbakken
Operations Manager, Planning & Policy

Approved by: _____
Jerry Way
Director of Transportation

Recommendation Approved:

for _____
RAY KERRIDGE
City Manager

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Attachment 1

BACKGROUND

The Intermodal project is a regional transportation center serving multiple modes with upgraded facilities that has long been a high priority for local jurisdictions and transportation operators. The project is also considered to be a landmark destination that would serve as a catalyst for the Railyards Development

The City is proceeding with the Intermodal concurrently and in coordination with the private Railyards Development. In the immediate timeframe, there is the opportunity to enter into an acquisition transaction involving the Intermodal site with the Railyards developer, Thomas Enterprises. This would greatly advance the implementation of the regional transportation center. Further information on the site transaction will be provided in a separate agenda report.

Since the Intermodal is a project in the New Measure A Plan, it is eligible for the funding that will be provided through the revenue anticipation bonds. From these bond proceeds, the City has requested approximately $66.5 million in roughly equal increments during the next 4 years for the project The first year's new Measure A increment of $15,913,500 and the proposed loaned funds of $11,600,000 will go toward the site transaction. The second year's increment of $16,390,905, which will be available prior to the end of FY2007/08, will reimburse the transportation funds for the loan.

RESOLUTION NO.

Adopted by the Sacramento City Council

BRIDGE LOANS FOR SACRAMENTO INTERMODAL TRANSPORTATION FACILITY PROJECT (PN: CF41)

BACKGROUND

A. The Intermodal project can be greatly advanced through a pending proposed site transaction.

B. The site transaction occurring imminently will require interim funding which would be available from contingencies in Transportation Funds (Measure A Construction-Fund 201, Gas Tax-Fund 203, Major Street Construction Tax-Fund 209, State Route 160-Fund 213 and State Route 275-Fund 217), in addition to funding that can be directly allocated to it.

C. The Transportation Funds advanced to the Sacramento Intermodal Transportation Facility Project (PN: CF41) (Measure A Construction-Fund 201, Gas Tax-Fund 203, Major Street Construction Tax-Fund 209, State Route 160-Fund 213 and State Route 275-Fund 217) will be reimbursed prior to the end of FY2007/08 from the FY2007/08 New Measure A allocation for the Intermodal project.

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

Section 1. The FY20006/07 Capital Improvement Program budget is amended by appropriating $11,600,000 from transportation fund contingency to the Sacramento Intermodal Transportation Facility Project (PN: CF41) as shown below:

Source of Funding	Loan Amount
Fund 201 – Measure A Construction Contingency	$ 6,990,500
Fund 203 – Gas Tax Contingency	$ 500,000
Fund 209 – Major Street Construction Tax Contingency	$ 2,889,500
Fund 213 – State Route 160 Contingency	$ 580,000
Fund 217 – State Route 275 Contingency	$ 640,000
	$11,600,000

Section 2. When the FY2007/08 New Measure A Capital Allocations and Expenditure Contract is approved, staff is directed to amend the FY2007/08 Capital Improvement Program budgets by appropriating the

FY200708 allocation of New Measure A (Fund 291) to the Sacramento Intermodal Transportation Facility Project (PN: CF41) and defunding $11,600,000 from the project to the transportation funds contingency as referenced above.