

REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org



Consent
November 6, 2007

Honorable Mayor and
Members of the City Council

Title: Intermodal Site Acquisition (CF42)

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** authorizing the City Manager to execute the New Measure A Capital Allocation and Expenditure Contract with Sacramento Transportation Authority (STA) to accept \$16,390,000 of New Measure A funds for the Intermodal Site Acquisition (CF42).

Contact: Greta Ossman, Program Analyst, 808-5643; Dean Fujimoto, Supervising Financial Analyst, 808-5579

Presenters: None

Department: Transportation

Division: Engineering Services

Organization No: 3431

Description/Analysis

Issue: The New Measure A Plan of Finance allows for the accelerated allocation of sales tax capital revenues to local jurisdictions. STA has issued a series of revenue anticipation notes in order to deliver these funds. In FY2007/08 the City of Sacramento is eligible to receive \$16,390,000 in New Measure A funds for site acquisition and other appropriate expenditures related to the Intermodal Transportation Facility Property Acquisition (CF42). These funds are earmarked to repay the transportation fund loans that were borrowed in December 2006 as part of the purchase agreement with Thomas Enterprises. The approval of this resolution will allow staff to proceed with this financial transaction.

Policy Considerations: The New Measure A Capital Project Allocation and Expenditure contract is consistent with the goals of the City of Sacramento's Strategic Plan to improve and diversify the transportation system and enhance and preserve neighborhoods.

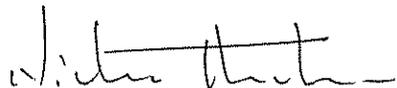
Environmental Considerations: Approval of the New Measure A Capital Project Allocation and Expenditure contract, is not a "project" as defined by the California Environmental Quality Act (CEQA) Guidelines Section 15378, because it does not involve an activity that will cause a direct or indirect change in the environment. Therefore, it does not require further environment review. Each phase of the Intermodal project is subject to individual environmental analysis.

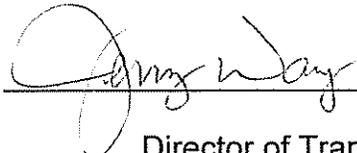
Rationale for Recommendation: This is the second contract from the STA Board allocating New Measure A bond funding toward the Intermodal Project. The first contract relating to funding for real property transactions for the Intermodal Project was executed in December 2006 pursuant to Resolution 2006-874 (AG2006-1366).

Executing this second contract will allow the City to submit for reimbursement of \$16,390,000 in funding that will repay Transportation fund loans, and begin repayment of the promissory note executed to purchase Parcel A as part of the purchase agreement with Thomas Enterprises.

Financial Considerations: The City is required to execute a Capital Project Allocation and Expenditure Contract with STA in order to submit for reimbursement and receive funds for projects that are expected to be funded by these bond proceeds.

Emerging Small Business Development (ESBD): None

Respectfully Submitted by: 
Nicholas Theocharides
Engineering Services Manager

Approved by: 
Jerry Way
Director of Transportation

Recommendation Approved:


RAY KERRIDGE
City Manager

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Table of Contents:

Report	Pg 1
Attachments	
1 Background	Pg 4
2 Resolution	Pg 5

Attachment 1

BACKGROUND

New Measure A will generate approximately \$8.22 billion between 2009 and 2039 of which 20.75% (approximately \$1.71 billion) will be available for capital projects while the remaining will fund ongoing road maintenance, transit operations, and other programs, mostly on an annual formula pay-go basis.

The New Measure A Plan of Finance that was adopted in July of 2006 calls for an inaugural issuance of Notes to begin accelerating the delivery of capital projects set forth in the New Measure A expenditure plan.

One of the projects that will receive the proceeds from these bonds is the City of Sacramento's Intermodal Transportation Facility Project. This funding has been appropriated to the Intermodal Site Acquisition (CF42) for purchase of right-of-way required as part of the first phase of the Intermodal Transportation Facility Project (CF41). The City has asked to receive advance funding for approximately \$66.5 million, over the next four years. The proposed contract will allow the City to receive the second of four funding increments in 2007 for the amount of \$16,390,000. The first installment was issued in the amount of \$15,913,500 and was accepted by the City of Sacramento on December 5, 2006 pursuant to Resolution (2006-874), Agreement (2006-1366).

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

NEW MEASURE A CAPITAL ALLOCATION EXPENDITURE CONTRACT FOR THE INTERMODAL SITE ACQUISITION (CF42)

BACKGROUND

- A. The New Measure A Plan of Finance that was adopted in July of 2006 calls for an inaugural issuance of Notes to begin accelerating the delivery of capital projects set forth in the New Measure A expenditure plan.
- B. Sacramento Transportation Authority (STA) has issued a series of revenue anticipation notes in order to deliver these funds and allocated \$16,390,000 to the City of Sacramento for the Intermodal Site Acquisition (CF42).
- C. These funds must be expended prior to October 1, 2009.

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

- Section 1. Authorize the City Manager to execute a contract with STA to accept \$16,390,000 of New Measure A funds to the City of Sacramento for the Intermodal Site Acquisition (CF42).