



REPORT TO COUNCIL

City of Sacramento

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STAFF REPORT

May 9, 2006 (afternoon)

Honorable Mayor and
Members of the City Council

Subject: North Natomas Transportation Management Association (TMA)
and TMA Community Facilities District (CFD) Annual Report - 2005

Location/Council District: North Natomas / District 1

Recommendation:

This agenda item is for Council information only. No action is requested of the Council at this time.

Contact: Scot Mende, New Growth Manager, 808-4756; Carol Shearly, Director of Planning, 808-5893

Presenters: Scot Mende, New Growth Manager, and Bill Fairbairn, North Natomas TMA Executive Director

Department: Development Services

Division: New Growth

Organization No: 4823

Summary:

Staff is providing an Annual Report for the North Natomas TMA and the TMA CFD. The revenue generated by the CFD for FY 2004/05 was \$357,000. The estimated revenue to be generated by the CFD for FY 2005/06 is \$481,000 (see Attachment A). The current TMA Board of Directors is listed in Attachment B.

The TMA provides a number of services and programs to help make North Natomas one of the most livable communities in the nation. The unique residential component, a rarity in the transportation demand management field where businesses traditionally receive all of the attention, makes this local organization stand out as a national trend-setter. The transportation and air quality programs described in the TMA's Business Plan are designed to help meet the trip and emission reduction goals of the North Natomas Community Plan and the Clean Air Acts. The TMA provides an array of services including commuter and neighborhood shuttle programs, a guaranteed ride home program, rideshare matching, bicycle subsidies, vanpool formation and rider subsidies, and lobbying for expanded transportation services to meet community needs as North Natomas builds out.

Committee/Commission Action: No Commission action has been taken on this agenda item.

Background Information:

The 1994 North Natomas Community Plan (NNCP) requires development in North Natomas to comply with the Federal and State Clean Air Acts. In order to comply with these laws, the Plan states the following goals:

- Reduce vehicle trips 35 percent below the single occupant vehicle baseline, and
- Reduce reactive organic gases (ROG) emissions by 35 percent community-plan wide.

Non-residential uses are required to reduce trips and emissions by 50 percent, and residential uses are also required to contribute to compliance by reducing trips and emissions by 20 percent. Each development is required to submit a Transportation Management / Air Quality Plan (TMAQP) that demonstrates how the trip and emission reduction goals are proposed to be met. One of the requirements of each TMAQP is participation in the North Natomas Transportation Management Association (NNTMA).

Formation of a community-based TMA is one of the action steps of the NNCP to meet the trip and emission reduction goals. In December 1998, the NNTMA was incorporated. In February 1999, a Board of Directors was formed and bylaws adopted. Currently, members of the TMA Board include residents, developers, and existing businesses in North Natomas (see Attachment B). As the community has grown, Board composition has shifted from developer weighted to resident. The TMA uniquely serves both employees and residents in the community, the first such organization in the nation. Also, the NNTMA coordinates with Regional Transit, Sacramento Metropolitan Air Quality Management District, Sacramento Area Council of Governments (SACOG), the City's Alternative Modes Coordinator, New Growth Manager, and Public Improvement Financing staff, and other Sacramento area TMAs to accomplish its goals.

To accomplish the goals of the NNTMA, a stable source of funding was needed, so the concept of the TMA CFD was proposed. Establishing a district with an annual special tax, similar to the annual assessment for the Downtown Partnership Assessment District (AD), has generated a firm funding source to be used to provide the transportation and air quality services needed to meet the trip and emission reduction goals of the NNCP. The NNTMA CFD was formed on June 29, 1999. The governing body of the NNTMA CFD is the City Council. The City has a contractual agreement with the NNTMA to transfer the special tax levies from the City to the NNTMA for their operational use in providing transportation and air quality services. This relationship is similar to the Downtown Partnership's relationship with the Downtown Partnership AD.

The List of Authorized Services of the NNTMA CFD includes:

- Transportation Services - such as transit pass subsidies, guaranteed ride home program, and rideshare matching
- Air Quality Mitigation Services - including electric equipment rebate programs, low emission appliance rebate programs, and electric vehicle subsidies
- Bicycle Services - including bike subsidies, bike racks and lockers
- Promotional events and marketing
- District formation costs and annual administration for both the TMA and the City

TMA CFD Annual Report: The North Natomas CFD No. 99-01 (NNTMA CFD) was formed June 29, 1999. An annual report is prepared each year that includes the tax roll for the CFD. The annual report (on file in the Development Services Department - Public Improvement Financing office) also provides a background of the CFD, current status of land uses within the district, maximum special taxes for each CFD parcel, and the calculation of that fiscal year's special tax levy. The total FY 2005/06 maximum special tax levy is \$481,000 with each taxable parcel levied at 100 percent of the maximum annual special tax. For comparison, the levy for FY 2004/05 was \$357,000.

Attachment A shows the special tax levies for the CFD. For FY 2004/2005, of the \$357,000 levied, approximately \$326,000 was available for the NNTMA to provide transportation and air quality services, and approximately \$31,000 represents administration costs. Estimated special tax levy for FY 2005/2006 is projected to be \$481,000 with \$25,000 in administrative costs; leaving a net amount of approximately \$456,000 to the North Natomas TMA for services and operating costs.

NNTMA Business Plan: Using the results of previous NNTMA Baseline Travel Surveys, the NNTMA adopted a 5-Year Business Plan. According to the Baseline Survey, residents expressed the most interest in alternatives to driving alone, especially light rail and bicycling. Office employees may have opportunities for carpooling, vanpooling and telecommuting. Retail employees were most likely to use transit and to live and work in the Natomas area. Distribution center employees work a 24-hour schedule, making the avoidance of peak period travel relatively straightforward for many of them. The evolving Business Plan projects revenues and expenses for the TMA in the coming years. The revenues primarily come from the CFD assessments annually collected by the County passed through to the City, developer fees, local business sponsorships, SACOG grants, and other sources of funding. NNTMA expenditures provide quality transportation and air quality services to meet the expressed needs of the residents and employees.

For calendar Year 2006, the NNTMA will most certainly conduct the following new tasks and activities:

- Expand the Community Shuttle program to serve the west side of I-5;
- Develop procedures to reduce vehicular emissions while operating the neighborhood community access shuttle;
- Reintroduce the Interactive Kiosk program;
- Host a series of Transportation Fairs or other community events at local employment and neighborhood centers;
- Perform audits of pedestrian and bicycling routes in the North Natomas community;
- Review and update the 5-Year Business Plan;
- Conduct the bi-annual travel survey to evaluate programs in the coming years and track vehicle trip and air emission goals;

NNTMA Successes and Challenges: This past year, the NNTMA had a change of executive directors and is shifting focus from efforts of organization formation and pilot programs to

providing additional services and products to North Natomas residents and employees. Rhonda Abell departed after many successful years of bringing the NNTMA from infancy to a highly respected organization. Bill Fairbairn – the new Executive Director - is building upon Ms. Abell's accomplishments and taking the NNTMA to new heights. A shift of board make-up from developer-driven to North Natomas resident/employer-driven is taking place. Tasks completed and services provided this year included:

- During 2005, our community shuttle, known as "The Flyer," averaged 2,337 rides per month (28,044 for the year), and operated 6,342 hours in the region. From statistics captured for January 2004, we have doubled our ridership and brought the cost per ride down from \$13.84 to under \$10 – even with a five percent increase in operating costs.
- Published a professionally designed brochure ("Point Yourself in a New Direction") promoting the services and products available to area residents and employees;
- Wrapped up the successful Neighborhood Electric Vehicle (NEV) program in partnership with SMUD and Lennar Communities, Inc.;
- Partnered with Natomas Unified School District and WalkSacramento on a nationally recognized Walk-to-School program at Natomas Park Elementary School;
- Expanded the commuter bicycle subsidy program by 50% for residents and employees;
- Implemented a Wednesday "Shopper Shuttle" program to provide free, scheduled trips to Natomas shopping centers for members of the community.
- Developed the SMART Club (**S**ave **M**oney **a**nd **R**educe **T**rips) to keep area residents and employees informed about transportation options;
 - SMART Club members (there are over 600) receive a monthly newsletter
 - SMART Club members are also eligible for monthly incentive prizes;
- Established mutually beneficial partnerships with area transportation and air quality service providers (Paratransit, Sacramento Regional Transit, Enterprise Rideshare, Natomas Bike Shop, etc.) to bring better, more reliable services to the community.
- Hosted a community ride during the 2005 Bike to Work event (from North Natomas to downtown and back)
- Expanded the NNTMA web site to include new programs and services;
- Worked with the City and other groups/agencies to bring the Natomas Bikeways/ Trails Master Plan to fruition;
- Wrote a bi-monthly transportation column for the Natomas Journal;
- Continued to advocate for the Downtown Natomas Airport (DNA) light rail extension and expanded public transportation service to North Natomas.

During 2004, the NNTMA was honored with the Association for Commuter Transportation's "Creative Excellence" Award for The Flyer, the TMA managed Community Shuttle that takes

commuters from the community to downtown Sacramento and back Monday through Friday. In May of 2005, Bill Fairbairn, Executive Director of the NNTMA, received the coveted American Lung Association Clean Air Hero Award (Individual Award) based on outstanding contributions to the community. Mr. Fairbairn is the regional vice-chair for the six county-wide Bike Commute Month 2006 program sponsored through SACOG.

Challenges of the NNTMA for the next few years include:

- Meeting the transportation demands of the fast growing population of residents and employees;
- Advocating for the early extension of the DNA light rail line;
- Expanding the community shuttle program to mimic future light rail and bus service while establishing beneficial alternative commute patterns in the growing community;
- Advocating for strong, transit friendly projects that comply with the community plan; and
- Providing valuable transportation and air quality services to all residents and employers in North Natomas.

The NNTMA would like to once again ask the City's help with one of the challenges – hold developers and owners accountable for complying with requirements in their City approved Transportation Management/ Air Quality Plans (TMAQPs). Two ways the City may assist include:

- 1) Request that appropriate City staff ensure transportation and air quality features are built in the building and on site before issuing certificates of occupancy (i.e., bike lockers, showers, electric vehicle charging stations, etc.), and
- 2) Request the Alternative Modes Coordinator to enforce compliance with the approved plans (i.e., make sure TMAQP features remain in place).

The TMA looks forward to a great future serving the residents and employees in North Natomas with a widening array of transportation and air quality services, while setting a new standard for similar organizations.

Financial Considerations:

There is no impact to the General Fund. Taxes are levied on developed property only. The Maximum Special Tax Levy base year 1999-2000 was \$18 /year per single family unit, \$14/ year per multi-family unit, \$0.03 per square foot for industrial, \$0.06 per square foot for office, \$0.10 per square foot for retail, and \$200 per acre for sports complex uses. The current Maximum Special Tax Levy for FY2005-06 includes a CPI adjustment of 1.1% over last year. The current rates are \$20.52/year per single family unit, \$15.95/ year per multi-family unit, \$0.03421 per square foot for industrial, \$0.06840 per square foot for office, \$0.11401 per square foot for retail, and \$228.01 per acre for sports complex uses.

Environmental Considerations:

This Annual Report is exempt from CEQA because it will not cause any physical effects on the environment.

Policy Considerations:

The CFD and the coordinated effort with the NNTMA enables both residential and non-residential development to provide transportation and air quality services; succeed in developing the quality, transit friendly neighborhoods envisioned for North Natomas; and comply with the requirements of the federal and state Clean Air Acts.

Emerging Small Business Development (ESBD):

No goods or services are proposed for purchase through this effort.

Respectfully Submitted by: Scot H Mende
Scot Mende
New Growth Manager

Approved by: Carol Shearly
Carol Shearly
Director of Planning

Recommendation Approved:

Ray Kerridge
RAY KERRIDGE
City Manager

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Attachment A

NORTH NATOMAS TMA CFD #99-01
Special Tax Levies

Fiscal Year	Maximum Special Tax Levied	County Apportionment	Net Amount to the TMA ⁽¹⁾
FY 99-00	\$74,941	\$74,355	\$74,049
FY 00-01	\$135,287	\$133,619	\$132,579
FY 01-02	\$192,209	\$190,115	\$184,111
FY 02-03	\$232,180	\$229,104	\$229,104 ⁽²⁾
FY 03-04	\$319,547	\$309,580	\$278,651
FY 04-05	\$356,965	\$350,208	\$324,179 ⁽³⁾
FY 05-06	\$481,072	\$242,087 ⁽⁴⁾	\$236,919 ⁽⁴⁾

(1) Total funding received from both the TMA CFD tax proceeds and the North Natomas Transit Fund.

(2) Estimated Revenue for FY 2002/03

(3) Includes FY 2003/04 net teeter distribution

(4) Only includes the first installment of revenue collected and distributed for FY 2005/06.

NORTH NATOMAS BOARD OF DIRECTORS
2006 North Natomas Transportation Management Association

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