

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	3/13/17	Open	Action	03/02/17

Subject: Memorandum of Understanding Between the County of Sacramento, City of Rancho Cordova and Sacramento Regional Transit Relating to Distribution of Transit Fees

ISSUE

Whether to approve a Memorandum of Understanding between the County of Sacramento (County), the City of Rancho Cordova (City) and the Sacramento Regional Transit District (RT) relating to distribution of transit fees.

RECOMMENDED ACTION

Adopt Resolution No. 17-03-____, Approving the Memorandum of Understanding By and Between the County of Sacramento, the City of Rancho Cordova and Sacramento Regional Transit District Relating to Distribution of Transit Fees

FISCAL IMPACT

The recommended action will provide authority for the County to distribute development fee revenue that the County has collected on behalf of the City (approximately \$663,000) to RT and allow RT to allocate the current fund balances (approximately \$6 million) for RT's transit projects.

DISCUSSION

RT holds funds in trust that were collected from development in Sacramento County from 1987 to 2008. The funds were to be spent on a variety of projects identified in a Transit Analysis document that identified projected future transit needs based on a nexus study completed at the time. The majority of the projects identified have been completed but RT still has a fund balance because (1) some projects that were originally identified have now become obsolete; or (2) the projects were completed for an amount lower than the estimated cost. RT has temporarily borrowed and repaid these fees several times in recent years. These accounts currently have a combined balance of approximately \$6 million. In addition, funds were collected by the County after the City of Rancho Cordova incorporated but never transmitted to RT.

Beginning last year, Staff began a dialogue with Sacramento County to develop a mechanism to permit RT to re-direct the funds to projects not included in the original Transit Analysis, including the UTDC refurbishment project. The County was amenable to reallocation of the funds, but concluded that an approved Memorandum of Understanding (MOU) is required between Sacramento County, the City of Rancho Cordova, and RT. The MOU has now been approved by the Sacramento County and the City of Rancho Cordova.

RT has requested that funds for the UTDC Refurbishment be drawn from developer fee accounts for District 4 and District 5. District 4 includes the unincorporated portion of the County south of Highway 50 and east of Highway 99 that is within RT's boundaries (South Sacramento/Vineyard).

Approved:

Presented:

Final 03/08/17

General Manager/CEO

Senior Strategic Planner

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
3	3/13/17	Open	Action	03/02/17

Subject: Memorandum of Understanding Between the County of Sacramento, City of Rancho Cordova and Sacramento Regional Transit Relating to Distribution of Transit Fees

District 5 includes the area west of Highway 99 and south of Calvine (the Laguna area that is within Sacramento County). The majority of the money (\$1,934,853) would be drawn from District 4, with the remainder (\$65,147) being paid from District 5 funds. Staff feels that this is an appropriate use of the funds from these areas because the UTDC Light Rail Vehicles (LRVs) are needed for RT to provide service on the SSCP2 extension, which serves these areas. The MOU will explicitly authorize this use of the funds.

In addition, the MOU will explicitly authorize the use of \$810,615 in developer fee funds from the City for the Horn Road Station design and construction.

The MOU would permit the RT Board to reallocate the remaining developer fee balances for any appropriate transit purpose on the condition that the RT Board finds a reasonable nexus between the proposed expenditure and the source of funds.

RESOLUTION NO. 17-03-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

March 13, 2017

**APPROVING THE MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE
COUNTY OF SACRAMENTO, THE CITY OF RANCHO CORDOVA AND
SACRAMENTO REGIONAL TRANSIT DISTRICT RELATING TO DISTRIBUTION OF
TRANSIT FEES**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Memorandum of Understanding between the County of Sacramento, City of Rancho Cordova, and Sacramento Regional Transit relating to distribution of transit fees is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute the foregoing MOU.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary