

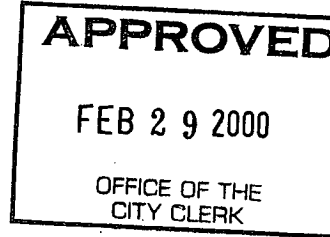


1.5

CITY OF SACRAMENTO  
CALIFORNIA

DEPARTMENT OF  
PUBLIC WORKS

TECHNICAL SERVICES DIVISION



DEVELOPMENT SERVICES &  
SPECIAL DISTRICTS  
1231 I STREET  
ROOM 300  
SACRAMENTO, CA  
95814-2988

916-264-7474  
FAX 916-264-7480

February 14, 2000

City Council  
Sacramento, California  
Honorable Members in Session:

**SUBJECT: TRUXEL ROAD / I-80 INTERCHANGE - REIMBURSEMENT TO DEVELOPERS FOR ADVANCING FUNDS FOR CONSTRUCTION**

**LOCATION AND COUNCIL DISTRICT:**

The Truxel / I-80 Interchange is located in Council District 1 and Neighborhood Service Area 4. (See Exhibit A)

**RECOMMENDATION:**

This report recommends that the City Council adopt the attached resolution authorizing the expenditure of \$1,000,000 in North Natomas Public Facilities Fee revenue, \$1,197,000 in Gas Tax revenues and \$1,688,000 in Major Street Construction Tax (MSCT) to reimburse property owners for funds advanced in connection with the construction of the Truxel Interchange.

**CONTACT PERSON:** Edward Williams, Associate Engineer, 264-5440

**FOR COUNCIL MEETING OF:** February 29, 2000

**SUMMARY:**

On March 8, 1995, the City of Sacramento entered into a funding agreement with certain North Natomas property owners to provide advance funding of \$4.5 million for construction of the Truxel Road Interchange. The agreement provided for the property owners to receive interest on the funds advanced at a 10% annual rate. Reimbursing the property owners at this time will eliminate the 10% interest currently accruing on the advances.

City Council

Truxel Interchange - Reimbursement to Developers for Advancing Funds for Construction  
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**COMMITTEE/COMMISSION ACTION:**

None

**BACKGROUND:**

On March 8, 1995 the City of Sacramento entered into a funding agreement (City Agreement No. 95-047) with certain North Natomas property owners to provide advance funding of \$4.5 million for construction of the Truxel Road Interchange. The City provided an additional \$8.5 million in Gas Tax Revenue Bond proceeds to complete the funding for the interchange. The interchange was completed in 1998.

Reimbursement to the property owners was to be in the form of North Natomas Public Facilities Fee credits (PFF credits) or cash as funds became available through Public Facility Fee of the North Natomas Financing Plan. Per the advance funding agreement, any unreimbursed advances accrue interest at an annual rate of 10%. As of February 1, 2000, the outstanding balance was \$3,885,000. This means interest is accruing at approximately \$316,000 per year. The interest is to be paid by the North Natomas Financing Plan, through the Public Facilities Fee (PFF). Repayment of the advances will reduce interest costs and help assure the overall solvency of the North Natomas Financing Plan.

**FINANCIAL CONSIDERATIONS:**

There will be no impact to the general fund. The North Natomas Public Facilities Fee is the approved funding source for the Truxel Interchange. Gas Tax Revenue and Major Street Construction Tax Revenue used for reimbursement is subject to repayment from the North Natomas Public Facilities Fee with repayment to be complete within a 10 year period. Interest will be paid on the Gas Tax and MSCT reimbursement at the Pool A rate. The overall savings to the Financing Plan is estimated to be \$143,000 per year.

The following table outlines the sources of payment.

<u>Fund</u>	<u>Amount</u>
PFF	\$1,000,000
Gas Tax	\$1,197,000
Major Street Construction Tax	<u>\$1,688,000</u>
Total	\$3,885,000

City Council

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**ENVIRONMENTAL CONSIDERATIONS:**

The North Natomas EIR was approved by City Council on May 3, 1994. The City Council's action in approving this agreement is solely for the purpose of providing a reimbursement mechanism for funds advanced for construction of the Truxel Interchange and is itself therefore not a project for the purpose of the California Environmental Quality Act.

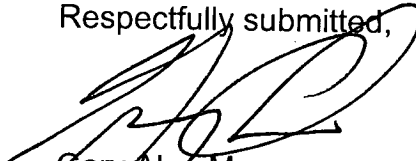
**POLICY CONSIDERATIONS:**

None

**ESBD:**

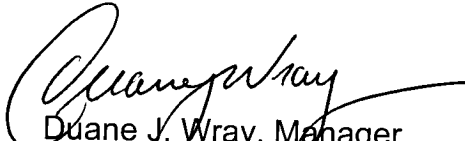
None. No good or services are being purchased.

Respectfully submitted,



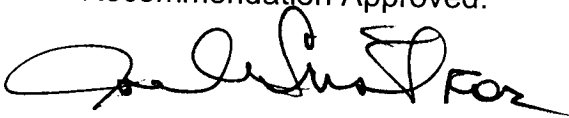
Gary Alm, Manager  
Special Districts

Approved:



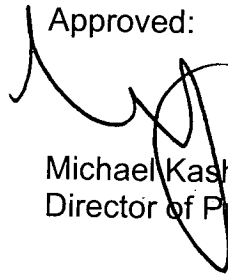
Duane J. Wray, Manager  
Technical Services Division

Recommendation Approved:



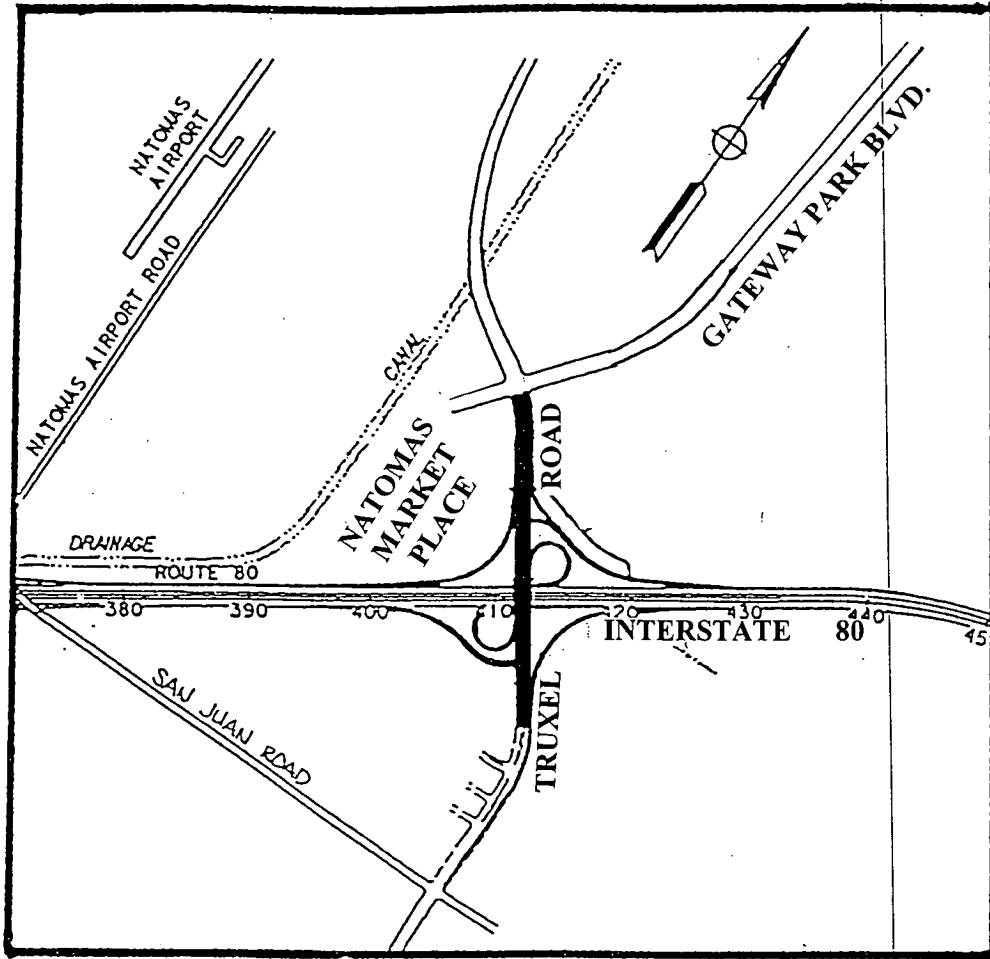
ROBERT P. THOMAS  
City Manager

Approved:



Michael Kashiwagi  
Director of Public Works

TRUXEL ROAD / I-80 INTERCHANGE



**APPROVED**  
FEB 29 2000  
OFFICE OF THE  
CITY CLERK

**RESOLUTION NO. 2000-084**

**ADOPTED BY THE SACRAMENTO CITY COUNCIL**

**ON DATE OF \_\_\_\_\_**

**RESOLUTION AUTHORIZING THE EXPENDITURE OF NORTH NATOMAS  
PUBLIC FACILITIES FEE REVENUE, GAS TAX REVENUE AND  
MAJOR STREET CONSTRUCTION TAX REVENUE TO REIMBURSE  
NORTH NATOMAS PROPERTY OWNERS FOR FUNDS ADVANCED FOR  
CONSTRUCTION OF THE TRUXEL INTERCHANGE**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:**

The Director of Public Works is hereby authorized to expend \$1,000,000 in North Natomas Public Facilities Fee revenue, \$1,197,000 in Gas Tax revenue and \$1,688,000 in Major Street Construction Tax (MSCT) revenue to reimburse North Natomas Property owners for funds advanced for construction of the Truxel Road Freeway Interchange, in accordance with City Agreement No. 95-047. Gas Tax revenue and Major Street Construction Tax revenue used for reimbursement is subject to repayment from the North Natomas Public Facilities Fee with repayment to be complete within a 10 year period. Interest will be paid on the Gas Tax and MSCT reimbursement at the Pool A rate.

ATTEST:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
FOR CITY CLERK USE ONLY

RESOLUTION NO: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_