

Sacramento Transportation Authority

I Street Bridge Replacement Project – Measure A Advancement Fact Sheet

(August 2025 vs. February 2026)

Fact Sheet | February 2026

Benefits Of Advancing the Project:

- Leverages Measure A’s financial strength to ensure timely delivery of a transformative regional infrastructure project.
- Unlock over \$250 million in committed federal and state grants
- Enables regional improvements such as the I Street Bridge deck conversion and Sacramento Valley Station access.
- Support near-term construction jobs and longer-term economic development.

Key Agreement Changes: Caltrans is expected to reimburse the City sooner. With faster reimbursements and lower short-term borrowing rates since August 2025, the size and length of the line of credit has been reduced with lower total interest costs.

August 2025 – Proposed Approach

Why interim financing was needed

- Grant reimbursement was limited to **\$20 million per year**, creating a cash-flow shortfall of about **\$165 million**.
- The reimbursement period would take approximately **12 fiscal years**.
- STA & City Approach: Revolving bank line of credit (LOC) supported by Measure A to bridge the construction-period cash-flow gap.

Measure A eligibility basis

- City Street and County Road Maintenance Program (bridge maintenance, rehabilitation, and replacement).
- Capital Improvement Program (CIP) – added under the Local Arterial Program (June 2024).

February 2026 – Updated Approach

What changed

- Grant reimbursement increased to **\$40 million per year**, reducing the cash-flow shortfall to **\$80 Million**.
- The reimbursement period would now take place over **5 fiscal years**.
- STA & City Approach: Remained a revolving bank line of credit (LOC) backed by Measure A.

Expanded Measure A eligibility basis

- Measure A Capital Improvement Program (CIP)
- City Street and County Road Maintenance Program
- Traffic Control and Safety Program
- Safety Streetscaping Pedestrian and Bicycle Facilities Program

Headline comparison (cash-flow financing assumptions)

	August 2025	February 2026
Line of Credit (LOC) Size	\$165M	\$80M estimated (\$95M capacity)
Estimated Interest & Fee Cost	\$28.2M to \$41.3M	\$7.0M to \$11.1M
Reimbursement Timeline	12 years	5 years

Key safeguards (unchanged)

- Interim financing remains structured to protect the broader Measure A program by isolating repayment responsibility to the City of Sacramento’s Measure A share (via agreement terms and repayment provisions).
- Measure A credit support would be provided on a subordinate lien to preserve STA’s senior lien bond ratings, subject to bond counsel review and final financing documents.