



OCTOBER 10, 2024

AGENDA ITEM # 6

**RECEIVE INFORMATION AND APPROVE THE SACRAMENTO COUNTYWIDE
TRANSPORTATION MITIGATION FEE PROGRAM ANNUAL REPORT FISCAL YEAR 2023-24 ◀**

Action Requested: Receive Information and Approve

Key Staff: Dustin Purinton, Accounting Manager

Recommendation

Receive information and approve the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) Annual Report Fiscal Year 2023-24.

Background Information

The SCTMFP program was approved by voters in November 2004 as part of the Measure A sales tax program extension which began in 2009 and will sunset in 2039. The program was created to generate a uniform transportation mitigation fee on certain new development in Sacramento County as a funding source for road and transit system improvements needed to accommodate projected growth. Under the Measure A Ordinance, each city and the County were required to adopt the development fee program beginning in 2009. Fee generating entities include the County of Sacramento, and the Cities of Citrus Heights, Elk Grove, Folsom, Galt, Isleton, Rancho Cordova, and Sacramento. The fees are required to be remitted to the Authority semi-annually within 60-days after each reporting period (June 30 and December 31).

The Ordinance provides guidelines for the use of these funds as summarized below:

- 35% Local streets capital improvements and rehabilitation
- 20% Public transit capital improvements and rehabilitation
- 20% Local interchange upgrades, safety projects, and congestion relief, including bus and carpool lanes
- 15% Smart Growth Incentive Program
- 10% Transportation Project Environmental Mitigation
100%

Additionally, the Sacramento County Transportation Expenditure Plan 2009-2039 (Expenditure Plan) identifies the projects and funding amounts (based on the original program forecasts) designed to carry out the program.

SCTMFP Program Summary

The projects in the plan are slated for construction by the County and cities remitting fees, but also Caltrans, the Sacramento Regional Transit District (SRTD), and the Capital SouthEast Connector Joint Powers Authority. Therefore, some of the revenue generated by the county and cities in the program is destined for projects constructed by non-fee remitting agencies. For example, the expenditure plan identifies bus and carpool lanes on Highway 50 which are under construction by Caltrans, which includes funding from the SCTMFP.

Discussion

SCTMFP Program Summary

SCTMFP Summary				
	Fiscal Year (FY)			
Description	2023	2024	\$ Difference	% Difference
Beginning Fund Balance	5,563,502	11,958,378	6,394,876	114.9%
Revenue	9,020,625	10,040,877	1,020,253	11.3%
Expenses	2,625,749	2,216,948	(408,801)	-15.6%
Ending Fund Balance	11,958,378	19,782,308	7,823,930	65.4%

- Total revenues from program inception through June 30, 2024, were \$90.6 million, of which FY 2024 revenues were \$9.5 million. Revenues for FY 2024 increased 11.3% over FY 2023.
- Total expenditures from program inception through June 30, 2024, were \$70.8 million, of which FY 2024 expenditures were \$2.2 million. Expenses for FY 2024 decreased 15.6% over FY 2023.
- Fund balance increased in FY 2024 to \$19.8 million from \$12.0 million in FY 2023 because expenditures were lower than revenue.

The attached summaries (*Attachment 1 & 2*) provide complete revenue and expenditure data from program inception through June 30, 2024, and June 30, 2023, respectively (for comparison). Revenue collected through June 2024 amounts to about 18.6% of the program estimate included in the voter-approved expenditure plan - \$488 million. The reason that three agencies – Elk Grove, Galt, and Folsom – have not received any funding from this source is that each city constructed capital projects at a time when the Authority was paying claims with bond proceeds. When bond funding was exhausted, the Authority began using a mix of SCTMFP and pay-go sales tax to pay claims – at which time the three agencies’ capital projects were completed.

SCTMFP Annual Reports

As a fee program for public improvements under the State Mitigation Fee Act, California Government Code 66000-66008 (CGC), the Authority is required to approve the SCTMFP Annual Report (*Attachments 3-5*) within 180 days after the last day of the fiscal year.

The SCTMFP Annual Report for the fiscal year ending June 30, 2024, provides a summarized accounting of the fee program administered by the Sacramento Transportation Authority (STA) in cooperation with the County and Cities within. These SCTMFP Annual Report is being made available to the public and include the following information as per the CGC:

- 1) Brief description of the type of fees in the program fund.
- 2) Amount of the Fee.
- 3) Beginning and ending fund balance for the Fiscal Year presented.
- 4) Amount of the fees collected for the fiscal year and interest earned on the fund for the Fiscal Year presented.
- 5) Identification of the public improvements on which the fees were expended and the amount of expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- 6) Identification of public improvements for which sufficient funding has been collected, but the public improvement remains incomplete.
- 7) Description of inter-fund loans or transfers made from the account.
- 8) The amount of any SCTMFP fee refunds made for the Fiscal Year presented.

Fiscal Impact

There is no fiscal impact, as these are informational reports.

Attachments

- 1) *Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) Program Summary Through June 30, 2024*
- 2) *Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) Program Summary Through June 30, 2023*
- 3) *Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP) Annual Report (Fiscal Year 2023-24)*
- 4) *SCTMFP Fee Schedule Effective July 1, 2023*
- 5) *SCTMFP FY 2023-24 Public Improvement Fees Expended Schedule*