

NORTH NATOMAS TRANSPORTATION MANAGEMENT ASSOCIATION

FIVE-YEAR BUSINESS PLAN FY 2002-2007

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PREPARED BY:

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Executive Summary

The North Natomas Transportation Management Association (hereinafter "NNTMA") is a private not-for-profit corporation that operates the North Natomas Transportation Management Association Community Facilities District No. 99-01 (hereinafter "CFD") pursuant to a written agreement between the City of Sacramento and NNTMA.

NNTMA was created in 1998, and the CFD formed in 1999. As operator of the CFD, NNTMA has endeavored to promote efficient accessibility and foster improved air quality through the cooperation of employers, residents, developers, landowners, and public agencies. Public funds collected by the City of Sacramento and other contributions are the primary basis of funding for NNTMA activities.

Current programs, as outlined in this plan, include a Community Shuttle pilot in partnership with developers, City of Sacramento and Paratransit, Inc; Neighborhood Electric Vehicle (NEV) pilot program in partnership with SMUD and developers; NEV access through Discovery Park in partnership with Sacramento County Parks and Recreation; an Interactive Transportation Kiosk product; a "Walk to School" pilot program in partnership with Natomas Park Elementary School; continuation of the subsidized start-up of commuter bicycling for residents; on-line Guaranteed Ride Home vouchers, expansion of the web site to include new programs; establishment of a residential Mobility Committee to assist with the development of products and services; holding of a Bike to Work event (News Channel 10 coverage), among other things.

Future programs include continuation of current activities. Additionally, NNTMA will consider conducting a biannual travel survey to evaluate programs and track vehicle trip and air emission goals; development of a pilot Community Shuttle program into a full system; promotion of Electric Vehicle subsidy; expansion of the Interactive Kiosk program; install Neighborhood Electric Vehicle (NEV) charging station at the City's North Permit Center; facilitate NEV charging stations at new development as appropriate; creation of a pilot Car-Share program; and the hosting of a transportation fair or other community event, among other things.

Financial considerations are outlined in detail, and forecast revenues of \$305,000 in 2003; \$332,000 in 2004; \$375,000 in 2005; \$429,000 in 2006 and \$500,000 in 2007. Projected expenses in 2003 are anticipated at \$415,000; \$347,000 in 2004; \$387,000 in 2005; \$415,000 in 2006 and \$480,000 in 2007.

This report substantially revises and updates the initial North Natomas TMA business plan prepared in 1999, based on current operating conditions and experience gleaned from the first three years of TMA operation.

TABLE OF CONTENTS

Executive Summary	ii
Background	1
Mission and Purpose	1
Market Research	2
Current Operations	4
Revenue Projection	6
Development Activity	6
Assessment Rates	7
CFD Revenues	8
Other Revenues	9
Budget Allocation	11
Office Administration Expenses	11
Net Revenues	14
Conclusions	16
Program Evaluation	16
Recommendations	17
Revenues	17
Expenditures	17

Background

The California North Natomas Transportation Management Association (NNTMA) is a private non-profit corporation devoted to improving transportation alternatives and improving air for a new developing urban community. The community-based transportation organization was formed to meet the vehicle trip and air emission reduction goals established by the North Natomas Community Plan. In December 1998, the NNTMA was incorporated; in February 1999, a Board of Directors was formed and Bylaws adopted.

Mission and Purpose

The North Natomas TMA's mission, adopted by its Board of Directors, is as follows:

“To promote efficient accessibility and foster improved air quality through the cooperation of employers, residents, developers, landowners, and public agencies.”

Currently, the Board is comprised of residents, residential developers, non-residential developers, and existing businesses in North Natomas. The CFD, which funds most of the NNTMA's programs, was formed on June 29, 1999. The City of Sacramento has a contractual agreement with the NNTMA to use the assessments to provide the transportation and air quality services.

The NNTMA is the first active TMA in the United States that is truly community based and was formed in advance of the development of the North Natomas community. Intrinsicly, it will be a proactive force in the implementation of alternate transportation usage before congestion problems arise. The NNTMA serves both residents and employees in the community. The NNTMA coordinates with Regional Transit, Sacramento Metropolitan Air Quality Management District (SMAQMD), the City's Alternative Modes Coordinator, Natomas Manager, and Special District staff, Sacramento Area Council of Governments (SACOG), and other Sacramento area TMAs to accomplish its goals.

Partnership Vision

The NNTMA has many loyal and committed stakeholders/partners: residents, the business and development community, government agencies and private sector corporations, which all share the vision of mobility and reduced vehicle air emissions. These partnerships evolved from relationships built on the "credibility" of the TMA. Credibility was gained when the loyal stakeholders/partners were won, when they determined the TMA to be capable of solving their problems and meeting their needs. To achieve "credibility", the NNTMA meetings were scheduled with the various stakeholders to identify and match key shared values/needs/ goals/ visions. The information from the meetings provided a foundation for establishing a working

relationship with the stakeholders. Most importantly, it held the TMA responsible for providing the leadership and commitment to reach the shared vision/goal(s).

The NNTMA developed a timeline of tasks/activities, projects and programs, which was presented to the stakeholders/partners. As each task/activity/project/program was completed or implemented, the TMA shared the "success" with the stakeholders/partners, to support the "credibility" of the TMA. The "credibility" of the TMA allowed partnerships to flourish. Stakeholders affirmed they shared value and purpose and could successfully partner to reach matched goals and maximize funding.

There are six active Transportation Management Associations in the Sacramento region. Two of the TMAs have been in operation for over ten years. The NNTMA has a plethora of resources from the "lessons learned" over time by the other TMAs, transportation planners, land developers, businesses and governmental entities in the region. Partly, the success for the vehicle trip and air emissions reduction to date is due to the inclusion of the transportation infrastructure into the new land development.

In addition, creating a stable source of funding through a tax revenue source for the TMA allowed for effective creative products and services to be implemented to meet the needs of the dynamic growing community. The TMA is fortunate to have dedicated stakeholder support ranging from the community residents, landowners and developers, the business groups to City and County political leaders. The most recent challenge for the NNTMA is adapting to the enthusiasm of the "cutting edge" products and strategies generated by the Board of Directors. The role of the NNTMA simply stated is that "We are the silver thread that weaves the cloth together for transportation mobility and air quality".

Market Research

A 2001 baseline travel survey provided useful information on the propensity of North Natomas residents and employees to use alternative means of transportation. Residents were somewhat more likely to express an interest in various alternative modes of travel, including bicycling, walking, public transit and carpooling. Employees were somewhat more likely to express an interest in alternative work schedules (Table 1).

NORTH NATOMAS TMA BUSINESS PLAN

TABLE 1: 2001 BASELINE SURVEY RESULTS

Category	Attitude Statement/Travel Incentive	Percent Agree/Useful	
		Resident	Employee
Automobile	Cars are getting more expensive	95%	95%
	I need my car every day	85%	87%
	Cars cause too much pollution	76%	66%
	I would rather not drive to work	51%	39%
	I need my car to drive children around	48%	49%
	I need a new car	26%	51%
Ridesharing	Carpools are a good way to save money	92%	85%
	<i>Preferred parking for carpoolers</i>	53%	53%
	<i>Better carpool matching information</i>	52%	55%
	I wish I had someone to carpool with	51%	51%
Transit	Transit service should be increased	82%	72%
	<i>Extended light rail service</i>	80%	68%
	<i>Shuttle service in and around North Natomas</i>	69%	56%
	I prefer light rail to buses	66%	52%
	<i>A free or subsidized transit pass</i>	64%	67%
	Public transit takes too much time	63%	72%
	<i>More frequent bus service</i>	61%	63%
	<i>Extended bus routes</i>	58%	60%
Nonmotorized	I like to walk in my neighborhood	94%	64%
	Riding a bicycle is easy and fun	92%	69%
	<i>Secure bicycle parking at work</i>	70%	56%
	<i>Extended bicycle paths</i>	66%	53%
	<i>Bicycle racks on buses and light rail vehicles</i>	65%	55%
	<i>Showers for bicyclists at work</i>	56%	42%
	<i>Improved neighborhood sidewalks</i>	50%	52%
	There are no bicycle paths in my neighborhood	43%	49%
Sidewalks are a safe place to ride bicycles	25%	38%	
Fitness	I am in good shape for my age	87%	70%
	I exercise on a regular basis	78%	59%
	I like to work out in the gym	72%	54%
Scheduling	I don't like to rely on others	77%	85%
	<i>A guaranteed ride home in case of emergencies</i>	72%	86%
	<i>A more flexible work schedule</i>	50%	55%
	<i>Assistance in setting up a "teleworkstation" at home</i>	43%	37%
	My schedule varies greatly from day to day	36%	51%

Note: travel incentives italicized

Current Operations

Statutory Goals. All new North Natomas developments face an obligation to reduce travel consistent with the goals established by the North Natomas Community Plan as follows:

- 1) Peak period travel
 - a) Employers are required to seek to reduce peak period travel by 35%
- 2) Reactive organic gases (ROG)
 - a) Residential developments are required to seek to reduce ROG emissions by 20%
 - b) Non-residential developments are required to seek to reduce ROG emissions by 50%

Air quality management is somewhat more important than congestion management as a TMA goal in North Natomas. Regulation of development activity is the method chosen to achieve both of these goals.

Existing Programs. Existing NNTMA programs include traditional marketing and guaranteed ride home programs. Projects include a community shuttle that will eventually connect with regional transit providers, interactive kiosks to supplement web-based information services, neighborhood electric vehicles to reduce air pollution, and subsidies to purchase bicycles. A "Walk to School" program was recently instituted, in which volunteers escort groups of students who walk to school, rather than being driven by their parents. Shuttle services are relatively common TMA activities, while the others all are more innovative approaches to TMA operations.

During FY 2002, the TMA applied FY 2001 baseline survey information to develop a variety of new and innovative strategies to meet the trip and emission reduction goals of the NNCP.

New and current projects, programs, products and services include:

- a Community Shuttle pilot project in partnership with Donahue Schriber, City of Sacramento and Paratransit, Inc.
- a Neighborhood Electric Vehicle (NEV) pilot program in partnership with SMUD, Lennar Communities, Inc., Alleghany Properties and Pacific-Teal Development
- NEV access through Discovery Park in partnership with County of Sacramento Department of Parks and Recreation
- an Interactive Transportation Kiosk product
- a "Walk to School" pilot program in partnership with Natomas Park Elementary School
- continuation of the subsidized start-up of commuter bicycling for residents

NORTH NATOMAS TMA BUSINESS PLAN

- expansion of the web site to include new programs
- establishment of a residential Mobility Committee to assist with the development of products and services
- holding a Bike to Work event
- introduction of the CNG fueled Community Shuttle at the new Raley's opening
- oversight of development of Natomas Bikeways/Trail Master Plan
- publication of a residential spring and fall newsletter for public distribution
- writing a transportation column for the Natomas Journal
- development of the Five Year Business Plan
- promotion of teleworking
- raising additional revenue
- advocacy for the Downtown Natomas Airport (DNA) light rail extension and express bus service to North Natomas

Honors and awards received during FY 2002 include:

- selection of the NNTMA Executive Director to a presenter and panelist at the International Symposium on Kansai Region's Transportation and Town Planning in Japan
- received the ACT Organizational Leadership Group Award - Natomas Bikeways/Trails Committee
- received two CAPPIE Gold Awards from the Sacramento Public Relations Association - North Natomas TMA Residential Brochure

Challenges

Challenges of the TMA for the next few years may include:

- meeting the transportation demands of the fast growing population of residents and employees
- stretching CFD transportation dollars collected from a smaller population to an expanded population, CFD funding in arrears creates a gap of funding that diminishes dollars for transportation service
- advocating for the funding of the DNA light rail extension
- developing the community shuttle program to establish good alternative commute patterns in the growing community
- advocating for strong, transit friendly projects that comply with the North Natomas Community Plan
- providing valuable transportation and air quality services to all residents and employers in North Natomas

Revenue Projection

TMA's receive financial support from a variety of sources. The annual budget for TMA's in the United States varies from less than \$50,000 in some cases to well in excess of \$500,000 in others. The median TMA budget nationally is only about \$150,000. A typical TMA derives half of its revenue from government grants, one-third from membership dues, and one-sixth from all other sources combined.

The number of TMA's in the United States grew rapidly from fewer than 10 in 1984 to more than 100 in 1991. Average annual TMA revenues have not increased much over the last 10-12 years, mainly due to high turnover in TMA formation. Many TMA's have been created in the last 10 years, but an equal number have been disbanded or never reached full operational status during the same time. The inability to generate sufficient revenues to fund TMA programs is a major factor influencing this phenomenon.

The principal source of revenue for the North Natomas TMA is the North Natomas TMA CFD, established by the City of Sacramento in 1999. The North Natomas TMA CFD assesses a special tax on developed parcels within its boundaries, the revenues from which are passed through to the North Natomas TMA to fund a variety of transportation alternatives serving the North Natomas community. The provision of CFD financing ensures that the North Natomas TMA will continue to have adequate funds to perform its mission as the North Natomas community grows and changes in future years.

In order to project CFD revenues into the future, it is necessary to have estimates of future development activity and assessment rates for the CFD. Subsequent sections discuss the mechanics of this forecasting exercise.

Development Activity

There are two types of residential and four types of non-residential developments covered by the CFD (Table 2). The level of development activity in any given year determines the CFD tax base for the following year. The Hoyt Company plan, developed before the TMA became fully operational, used City-provided estimates of future development activity called absorption rates to estimate future CFD revenues.

While single family residential development has been substantially greater than anticipated, the commercial and multi-family development activity in North Natomas has been considerably lower than initially estimated by the City. Office, commercial and multifamily residential developments have lagged behind estimated absorption rates. Industrial and single family residential developments have exceeded initial expectations. Future projections of development activity might be based on one or more of the following:

- 1) North Natomas Community Plan – estimated future absorption rates
- 2) Previous year building permit applications
- 3) Three-year running average – recent historical development activity

- 4) Last year's growth rate
- 5) No growth (zero)
- 6) Updated Absorption Study being completed by the City

The figures reported in Table 2 are based on a preliminary set of revised absorption rates provided by the City of Sacramento. Actual development activity could be significantly lower than these estimated figures, especially if the current economic recession lasts longer than expected. Actual development activity could also be much higher, if the economy turns around more quickly than expected. At the present time, demand for single-family residential units remains strong. Some retail development activity is also anticipated during the next year.

These projections should be reviewed on an annual basis to monitor actual development activity and revise estimated budget figures accordingly.

Table 2: Development Activity

Development	Type	Unit	2000	2001	2002	2003	2004	2005	2006	2007
Residential	Single family	Dwelling units	1,361	2,977	4,520	6,316	7,821	9,326	10,831	12,336
	Multi family	Dwelling units	296	296	1,092	1,092	1,577	2,062	2,547	3,032
Non-Residential	Office	Square feet	109,474	529,433	529,433	529,433	676,098	822,763	969,428	1,116,093
		Commercial	Square feet	242,675	266,073	266,073	266,073	339,528	412,983	486,438
	Industrial	Square feet	515,421	562,475	757,415	757,415	834,550	911,685	988,820	1,065,955
	Sports	Acres	0.0	0.0	0.0	0.0	0	0	0	0
	Residential	Dwelling units	1,657	3,273	5,612	7,408	9,398	11,388	13,378	15,368
	Commercial	Square feet	867,570	1,357,981	1,552,921	1,552,921	1,850,176	2,147,431	2,444,686	2,741,941
	Sports	Acres	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Assessment Rates

Each type of development within the North Natomas CFD has its own special tax rate. Residential taxes are assessed per dwelling unit, non-residential taxes on a square footage basis.¹ CFD assessment rates cannot increase more than 4% per year, as per statutory limitation. Maximum allowable rates are shown in Table 3. Actual assessment rates are shown in Table 4. Future assessment rates could be projected on the basis of one or more of the following considerations:

- 1) Maximum rate of increase (4%)
- 2) Actual rate of increase (varies from year to year)
- 3) Three-year average (3%)
- 4) No change (0%)

The projected future assessment rates used here are based on a three-year running average of past assessment rate increases, which averages about 3% per year for all covered activity types.

¹ Sports complexes would be assessed on a per acre basis, if included in the CFD.

NORTH NATOMAS TMA BUSINESS PLAN

Table 3: Assessment Rates (Maximum)

Development	Type	Unit	2000	2001	2002	2003	2004	2005	2006	2007
Residential	Single family	\$/DU	\$18.00	\$18.72	\$19.47	\$20.25	\$21.06	\$21.90	\$22.78	\$23.69
	Multi family	\$/DU	\$14.00	\$14.56	\$15.14	\$15.75	\$16.38	\$17.03	\$17.71	\$18.42
Non-Residential	Office	\$/sq.ft.	\$0.0600	\$0.0624	\$0.0649	\$0.0675	\$0.0702	\$0.0730	\$0.0759	\$0.0790
	Commercial	\$/sq.ft.	\$0.1000	\$0.1040	\$0.1082	\$0.1125	\$0.1170	\$0.1217	\$0.1265	\$0.1316
	Industrial	\$/sq.ft.	\$0.0300	\$0.0312	\$0.0324	\$0.0337	\$0.0351	\$0.0365	\$0.0380	\$0.0395
	Sports	\$/acre	\$200.00	\$208.00	\$216.32	\$224.97	\$233.97	\$243.33	\$253.06	\$263.19

Table 4: Assessment Rates (Actual)

Development	Type	Unit	2000	2001	2002	2003	2004	2005	2006	2007
Residential	Single family	\$/DU	\$18.00	\$18.72	\$19.46	\$19.70	\$20.29	\$20.90	\$21.53	\$22.17
	Multi family	\$/DU	\$14.00	\$14.56	\$15.14	\$15.32	\$15.78	\$16.25	\$16.74	\$17.24
Non-Residential	Office	\$/sq.ft.	\$0.0600	\$0.0600	\$0.0624	\$0.0657	\$0.0677	\$0.0697	\$0.0718	\$0.0739
	Commercial	\$/sq.ft.	\$0.1000	\$0.1000	\$0.1040	\$0.1095	\$0.1127	\$0.1161	\$0.1196	\$0.1232
	Industrial	\$/sq.ft.	\$0.0300	\$0.0300	\$0.0312	\$0.0328	\$0.0338	\$0.0348	\$0.0359	\$0.0370
	Sports	\$/acre	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

CFD Revenues

Given projected future development activity (Table 2) and projected future assessment rates (Table 4), it is now possible to generate an estimate of projected future CFD revenues on an annual basis. CFD revenues in 2000 stood at \$75,000, which increased in the following three years by a combined total of \$150,000 to reach almost \$230,000 in the current fiscal year (2002-2003).

Single family residential development generates the highest level of CFD revenues currently, followed by office, commercial, industrial and multifamily development.

NORTH NATOMAS TMA BUSINESS PLAN

Table 5: CFD Revenues

Development	Type	2000	2001	2002	2003	2004	2005	2006	2007
Residential	Single family	\$24,498	\$55,729	\$87,959	\$124,425	\$158,696	\$194,911	\$233,156	\$273,520
	Multi family	\$4,144	\$4,310	\$16,536	\$16,729	\$24,884	\$33,514	\$42,638	\$52,280
Non-Residential	Office	\$6,568	\$31,766	\$33,037	\$34,773	\$45,738	\$57,330	\$69,576	\$82,505
	Commercial	\$24,268	\$26,607	\$27,672	\$29,124	\$38,280	\$47,958	\$58,183	\$68,978
	Industrial	\$15,463	\$16,874	\$23,631	\$24,874	\$28,229	\$31,763	\$35,484	\$39,400
	Sports	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Residential		\$28,642	\$60,039	\$104,495	\$141,155	\$183,580	\$228,425	\$275,794	\$325,800
Non-Residential		\$46,299	\$75,248	\$84,340	\$88,771	\$112,247	\$137,051	\$163,243	\$190,883
Total		\$74,941	\$135,287	\$188,834	\$229,926	\$295,827	\$365,476	\$439,037	\$516,683

Other Revenues

CFD revenues may include minor manual adjustments, as well as administration fees levied by the City or County. The Deputy City Manager approved the use of the North Natomas Transit Fee for payment of the NNTMA's administrative costs, in a memorandum dated February 29, 2000, for a period of up to five years, beginning with the 1999-2000 fiscal year. The supplemental funding amount is based on the administrative costs for the North Natomas TMA Community Facilities District No. 99-01.

NNTMA revenues also include transit fees, membership fees, grants from government agencies or private foundations, and interest income (Table 6). The AQMD grant was discontinued at the end of FY 2001. The SACOG grant has been put on hold for 2003, pending the development of revised program guidelines, which may be based on a NNTMA competitive grant basis. The CMAQ grant will be expended during the current fiscal year. Voluntary NNTMA membership contributions by Home Depot and Walmart were withdrawn after the first year of TMA operation. The City of Sacramento's voluntary membership fee was withheld for 2002 and will be disbursed in the next fiscal year.

The NNTMA is heavily dependent on the CFD for revenues. Although other sources of income can and should be explored in future years, the CFD should be treated as the primary revenue stream for the NNTMA today and for the future.

NORTH NATOMAS TMA BUSINESS PLAN

Table 6: Revenues

	2000	2001	2002	2002	2003	2004	2005	2006	2007
	Actual	Actual	Current	Revised	Project	Project	Project	Project	Project
CFD Revenues									
Gross Revenues	74,049	127,176	188,889	188,889	229,926	295,827	365,476	439,037	516,683
Additions					1,254				
Subtractions							-29,238	-35,123	-41,335
Transit Fees	0	5,403	7,217	7,217	9,318	11,419	13,520	0	0
Membership Fees	27,957	5,000	5,000	0	5,000	5,000	5,000	5,000	5,000
AQMD Grant -- STARS	732	12,068	0	0	0	0	0	0	0
CMAQ Grant -- Baseline Study	0	0	77,667	38,900	38,767	0	0	0	0
SACOG Grant -- Bike Subsidy	0	13,475	10,000	10,000	20,000	20,000	20,000	20,000	20,000
Interest Income	432	262	262	300	300	300	300	300	300
Total Revenues	103,170	163,384	289,035	245,306	304,565	332,546	375,058	429,214	500,648

Budget Allocation

TMA expenses vary greatly from one TMA to another. A typical TMA expends 44% of its annual budget on office administration (staff), 22% on marketing, 20% on programs and services, and 14% on other expenses (mainly contracting out).

A typical TMA has an average of 2.2 full-time equivalent (FTE) employees and an annual budget of \$173,000, yielding an average implied productivity of \$77,000 per FTE employee. TMA productivity varies greatly depending on the type of TMA, the size of the TMA budget, and the particular mix of TMA products and services offered. A TMA with annual expenses of \$230,000 might be expected to require about three FTE employees, including full-time, part-time and contract employees.

NNTMA expenses are categorized for budgeting purposes as follows:

- 1) Office administration
- 2) Marketing and services - existing products and services (to be consistent w/ page 14)
- 3) New projects
- 4) Other Grants and contracts
- 5) Other Contingencies

Office Administration Expenses

NNTMA administration expenses include the following:

- 1) Office expenses
- 2) Salaries and wages
- 3) Other (insurance, accounting, travel, training, etc.)

Office space is donated to the TMA by the City of Sacramento. Hiring a marketing director half time in FY 2003 and full time administrative assistant in FY 2003 is proposed. Other administrative expenses are fairly self-explanatory.

NORTH NATOMAS TMA BUSINESS PLAN

Table 7: Administrative Expenses

	2000	2001	2002		2002	2003	2004	2005	2006	2007
	Actual	Actual	Current	Infla	Revised	Project	Project	Project	Project	Project
Rent	0	0	0		0	0	0	0	0	0
Phone	725	1,035	1,000	4%	750	780	811	844	877	912
Internet Access/Web Site ISP	155	1,649	1,649	4%	1,650	1,716	1,785	1,856	1,930	2,007
Stationary/Envelopes	0	1,624	2,000	4%	10,000	2,080	2,163	2,250	2,340	2,433
Postage	360	1,003	4,000	4%	4,000	5,000	5,200	5,408	5,624	5,849
Office Supplies	1,512	1,821	2,000	4%	2,000	2,080	2,163	2,250	2,340	2,433
Computer Equipment	0	0	3,000		0	3,000	0	3,000	0	3,000
Fax Machine	0	0	250		0	250	0	250	0	250
Executive Director	42,782	57,801	63,000	6%	63,000	66,780	70,787	75,034	79,536	84,308
Marketing Director	0	0	0	0%	0	25,000	25,000	25,000	25,000	25,000
Administrative Assistant	0	0	0	6%	0	27,000	28,620	30,337	32,157	34,087
Temporary Project Staff	0	1,155	35,000	6%	6,000	0	0	0	0	0
Consultants	70	824	100	6%	2,000	0	0	0	0	0
Payroll Taxes	4,227	5,715	6,000	6%	6,000	8,000	8,480	8,989	9,528	10,100
Employee Benefits/Work Comp	0	3,729	4,000	6%	5,000	5,500	5,830	6,180	6,551	6,944
Insurance/Gen'l Liab	1,424	1,884	3,700	10%	3,700	4,070	4,477	4,925	5,417	5,959
Accounting Fees	2,433	1,764	2,000	4%	2,000	2,080	2,163	2,250	2,340	2,433
Attorney Fees	0	0	0	4%	0	5,000	5,200	5,408	5,624	5,849
Board Retreat/Training	0	0	2,000	4%	100	5,000	5,200	5,408	5,624	5,849
Dues & Subscriptions	92	440	500	4%	440	458	476	495	515	535
Conferences/Lodging	0	2,099	3,000	4%	3,000	10,000	10,400	10,816	11,249	11,699
Auto Expense	87	98	200	4%	200	5,000	5,200	5,408	5,624	5,849
Meals & Entertainment	0	0	0	4%	1,500	1,560	1,622	1,687	1,755	1,825
Business Tax	10	10	10		20	20	20	20	20	20
Sub-Total	53,876	82,652	133,409		111,360	180,374	185,598	197,814	204,052	217,343

Existing Program

NNTMA will implement the following new tasks and activities during the 2003 fiscal year:

- conduct the biannual travel survey to evaluate programs and track vehicle trip reduction and air emission goals
- develop the pilot Community Shuttle program into a viable system, integrate into the new Truxel bus route
- promote Electric Vehicle and low emission subsidy
- install Neighborhood Electric Vehicle (NEV) charging station at the City of Sacramento North Permit Center
- facilitate NEV charging stations at new development as appropriate
- expand Interactive Kiosk program at new development as appropriate
- conduct a pilot Car-Share program
- advocate for bikeways/pedestrian bridges to support connectivity within North Natomas and connectivity to South Natomas and Downtown

Proposed Additional 2004 - 2005 Programs and Goals

NNTMA will consider the following new tasks and activities during the 2004 fiscal year:

- employ the 2003 travel survey data to adjust and maximize programs to meet vehicle trip reduction and air emission goals
- seek funding to expand the Community Shuttle service

- seek funding for Car-Share program
- advocate electric vehicle Station Car concepts at the future DNA light rail stations

Proposed Additional 2005 - 2006 Programs and Goals

NNTMA will consider the following new tasks and activities during the 2005 fiscal year:

- conduct the biannual travel survey to evaluate programs and track vehicle trip and air emission goals
- expand the Community Shuttle service
- develop infrastructure for Car-Share program
- advocate electric vehicle Station Car concepts at the future DNA light rail stations

Proposed Additional 2006 - 2007 Programs and Goals

NNTMA will consider the following new tasks and activities during the 2006 fiscal year:

- employ the 2005 travel survey data to adjust and maximize programs to meet vehicle trip reduction and air emission goals
- insure the integration of the Community Shuttle service into the bus and future light rail systems
- implement Car-Share program
- advocate electric vehicle Station Car concepts at the future DNA light rail stations

Additionally, NNTMA will perform strategic planning sessions through 2007, maximizing the travel survey data. Web site development will be considered an ongoing process, with goals of achieving periodic and ongoing improvements and enhancements. More bicycle and pedestrian improvements, amenities and incentives will be considered in future strategic and business plans.

NNTMA expenses (other than administrative) are organized as follows:

- 1) Existing products and services
- 2) New projects
- 3) Other

The costs of those programs is estimated in table 8 below:

NORTH NATOMAS TMA BUSINESS PLAN

Table 8: Other Expenses

	2000	2001	2002		2002	2003	2004	2005	2006	2007
	Actual	Actual	Current	Infla	Revised	Project	Project	Project	Project	Project
Programs/Services:										
Guaranteed Ride Home	0	0	1,000	8%	0	0	0	0	0	0
GRH Marketing	0	0	1,000	4%	0	2,000	2,080	2,163	2,250	2,340
Newsletter	0	0	1,000	4%	5,000	4,000	4,160	4,326	4,499	4,679
Ridematch-Brochure (Printing)	0	5,506	5,000	4%	0	5,000	0	5,500	0	6,000
Presentation Folders	0	2,666	0	4%	0	0	0	0	3,000	0
Community Event	0	4,415	5,000	4%	0	0	0	0	0	0
New Projects										
Walk to School	0	0	0	8%	1,000	1,000	1,080	1,166	1,260	1,360
Bike Subsidy	0	0	0	8%	0	15,000	16,200	17,496	18,896	20,407
Project Consultant	0	0	0	8%	0	10,000	5,000	5,400	5,832	6,299
Mobility Committee	0	0	0	8%	1,000	2,000	2,160	2,333	2,519	2,721
Community Shuttle	0	0	50,000							
Operations				8%	0	50,000	54,000	58,320	62,986	68,024
Project Consultant				8%	6,000	30,000	15,000	16,200	17,496	18,896
Marketing/Bus Wraps				8%	0	4,000	2,000	2,160	2,333	2,519
Interactive Kiosk	0	0	15,000							
R&D Consultant				5%	0	15,000	2,500	2,625	2,756	2,894
Project Consultant				5%	0	10,000	5,000	5,250	5,513	5,788
Computer/Screen/Shell				5%	0	14,000	1,000	1,050	1,103	1,158
Internet Access					0	1,500	3,000	3,000	3,000	3,000
Marketing				5%	0	1,000	1,050	1,103	1,158	1,216
Neighborhood Electric Vehicles	0	0	50,000							
Project Consultant				5%	0	8,000	4,000	4,200	4,410	4,631
Subsidies				5%	2,000	20,000	21,000	22,050	23,153	24,310
Charging Station					0	15,000	5,000	5,000	5,000	5,000
Marketing					0	1,000	1,000	1,000	1,000	1,000
Car Sharing	0	0	0	5%	0	0	0	0	25,000	50,000
CMAQ and SACOG Grants										
Market Research/Baseline Survey	7,044	36,206	10,000		2,000	24,000	0	26,000	0	28,000
Strategic/Financial Planning	0	0	0		8,000	0	9,000	0	10,000	0
Website Development	0	0	15,000		3,000	2,500	7,500	2,500	7,500	2,500
Bike Subsidy	0	13,499	10,000		10,000	0	0	0	0	0
STARS	732	12,105	0		0	0	0	0	0	0
Sub-total	7,776	74,397	163,000		38,000	235,000	161,730	188,842	210,662	262,742

Net Revenues

Total revenues and expenses are compared in Table 9 to produce estimates of net revenues for the current fiscal year and cumulative net revenues (a running total of net revenues carried over from year to year). The TMA is projected to have net assets of \$190,000 at the end of FY 2002. This is projected to fall to about \$55,000 in FY 2005, after which it will rise to \$130,000 in FY 2007. Given the uncertainty in projected future development activity and CFD revenues over the next few years, it would be premature to allocate all projected revenues to particular expense categories at the present time, especially in the future years. Instead, this business plan should be reviewed annually and revised every other year, which will be critical in determining the TMA's long-term future and success.

NORTH NATOMAS TMA BUSINESS PLAN

Table 9: Net Revenues

	2000	2001	2002	2002	2003	2004	2005	2006	2007
	Actual	Actual	Current	Revised	Project	Project	Project	Project	Project
Total Revenues	103,170	163,384	289,035	245,306	304,565	332,546	375,058	429,214	500,648
Total Expenses	61,652	157,049	296,409	149,360	415,374	347,328	386,656	414,713	480,085
Net Revenues	41,517	6,335	-7,374	95,946	-110,809	-14,781	-11,598	14,501	20,563
Net Assets	87,632	93,967	86,593	189,913	79,104	64,323	52,724	67,225	87,788

Conclusions

Program Evaluation

A proposed framework for evaluating is briefly outlined here. This framework can be used to identify implementation priorities, to evaluate program outcomes, and to guide the evaluation process in FY 2003 and beyond.

Evaluation criteria may include:

1. Program costs. Costs to residents, employees, employers, the City of Sacramento, the TMA, and others might be considered.
2. Program effects. Program effects may include trip reduction, congestion mitigation, and air quality improvement, among others.
3. Obstacles to implementation. Non-monetary costs associated with program implementation.
4. Political acceptability. Decisions made by the TMA, its officers and Board, and other interested parties.
5. Other factors. Jobs-housing balance, transit-oriented development, and other community values not directly related to the NNTMA mission.

Program initiatives may be grouped as follows:

1. Alternative modes. Carpools, vanpools, public transportation, bicycling and walking, including incentives, marketing, and program management.
2. Alternative hours: Flexible hours, compressed weeks, telecommunications, etc.
3. Alternative fuels: electric vehicles, clean fossil fuels, hybrids, etc.

Depending on the evaluation criteria the NNTMA chooses to consider, different program alternatives may increase or decrease in importance relative to the overall NNTMA mission.

Recommendations

Recommendations based on this business plan include the following specifics:

Revenues

CFD revenues should be closely monitored on an annual basis. Reduced CFD revenues will require budget revisions in order to balance the TMA budget and maintain sufficient cash liquidity. The factors involved in the determination of CFD revenues include the pace of new development and annual adjustments in marginal tax rates set by the City of Sacramento. New development will contribute more to annual increases in CFD revenues for the foreseeable future, given the amount of vacant, undeveloped land in North Natomas at the present time.

Additional sources of revenue, including membership dues (applicable only to pre-existing land uses and their associated activities), fees for services rendered to non-members, and public and private grants to serve the TMA mission, should be actively sought and used. Subsidized monthly subscription rates for community shuttle service to downtown Sacramento and other locations outside North Natomas is a good example of a fee-based service, to which the TMA also contributes financially.

Expenditures

A staffing plan should be developed in association with this business plan, to ensure that adequate staffing is available to manage the TMA and its programs, particularly as new TMA services are developed and implemented over the next few years. It appears that the TMA is currently understaffed. Even with reduced expectations regarding projected revenue growth over the next year, this problem is only likely to worsen without adequate preparation in advance for future staffing needs and requirements, which may include full-time, part-time or contract employees. Two more full-time employees will be needed in the immediate future (1-2 years) to ensure timely delivery of all current and planned TMA products and services. Other staff may be required in out years of the business plan, depending on actual revenue growth and changing customer needs.

Regional transit improvements should be monitored closely in order to ensure an orderly transition from an independent community shuttle to a feeder system for bus and light rail transportation systems at the appropriate time. The TMA is not directly involved in either transportation infrastructure or land development, but will need to know when major improvements are planned, in order to deliver Transportation Demand Management (TDM) products and services in a timely and efficient manner.

Bicycle and pedestrian amenities clearly fit within the TOD concept, and will merit additional attention as North Natomas matures as a large-scale mixed-use development in future years. The bicycle subsidy program has been a great success to date. Another

possibility might be a “shoe leather” subsidy, in which enrolled pedestrians receive either cash or vouchers to purchase walking shoes on an annual or semiannual basis.

Parking management may be another area where the TMA can help in future years. Consideration should be given to marketing and promoting TDM incentives linked to parking supply reductions under current zoning ordinance provisions. In the longer term, changes in parking pricing policies and programs may be suitable in the high density, transit-oriented development envisioned in the North Natomas Community Plan.

The neighborhood electric vehicle and car sharing programs are particularly innovative, and should be closely monitored in order to ensure adequate service delivery to the North Natomas community. Subsidies for the purchase or leasing of electric vehicles and low emission vehicles should be provided to residents and employees/employers in North Natomas to remove older fossil-fueled vehicles from the road. Another new idea would be to promote the use of bio-diesel fuel for the entire diesel vehicle fleet in North Natomas, including construction equipment. Bio-diesel does not result in all the cancer causing particulates and gases that burning regular diesel does.

The North Natomas TMA has made significant progress in the past two years, and is now poised to begin providing a series of carefully tailored TDM programs specifically designed to meet key performance objectives over the next five years. With the assistance of its partners in both the public and private sectors, the North Natomas TMA expects to make a significant impact on air quality and traffic congestion within its service area boundaries over the next five years. This plan is designed specifically to assist TMA staff and board members in making more informed decisions on critical resource allocation issues in support of these important goals.