

**CITY OF SACRAMENTO  
MEASURE B**

**B**

“Shall the Sacramento City Council, acting through the Sacramento Streetcar Community Facilities District No. 2015-01, City of Sacramento, County of Sacramento, State of California (the “CFD”), be authorized to incur debt with a principal amount not exceeding \$38,000,000 and to annually levy a special tax within the CFD to finance the acquisition, improvement, and construction of certain public facilities, and shall the appropriations limit for the CFD during fiscal year 2015-16 be established in the amount of \$38,000,000, all as described in the Resolution No. 2015-0051 and Resolution No. 2015-0052, both adopted on February 24, 2015?”

**IMPARTIAL ANALYSIS OF MEASURE B**

Prepared by the Sacramento City Attorney

The Sacramento City Council has called this special mailed-ballot election.

The Mello-Roos Community Facilities Act of 1982 (the “Act”) authorizes the City to establish community facilities districts as a means of financing certain public facilities and services. On February 24, 2015, the City Council adopted Resolution No. 2015-0051 forming the Sacramento Streetcar Community Facilities District No. 2015-01 (the “Resolution of Formation”) and Resolution No. 2015-0052 deeming it necessary to incur bonded indebtedness (the “Bond Resolution”).

The district’s purpose is to assist in financing a proposed streetcar project that is partly within the district’s boundaries, as set forth in the Resolution of Formation. The district is within the City’s downtown and midtown areas—from the Sacramento River on the west to 22<sup>nd</sup> Street on the east, with northern and southern boundaries drawn generally within three blocks of the proposed streetcar line.

Approval of the ballot question would authorize the City Council to do the following:

1. To levy a special tax on every non-exempt parcel within the district, with the special-tax revenues used to pay principal and interest on bonds issued to finance the streetcar project or to pay directly for authorized district facilities.
  - The special-tax rate would be set according to the Rate, Method of Apportionment, and Manner of Collection of Special Tax (the “RMA”) that was adopted as part of the Resolution of Formation.
  - The special-tax rate for each parcel would be based upon the parcel’s location within one of four tax zones and its status as developed or undeveloped—and, if developed, upon its use (e.g., residential, non-residential, mixed-use). The zones are drawn based on distance from the proposed streetcar line; zones closer to the line have higher special-tax rates than zones farther out.
  - The special tax could not be levied after 40 years (fiscal year 2054-55).
  - The special-tax revenues would be used to acquire, improve, and construct facilities for the streetcar project, such as real-property interests, tracks, vehicles, stations, signalization, landscaping, and infrastructure. The revenues would not be used for operations.
2. To incur bonded indebtedness through the district, up to a principal amount of \$38 million, as set forth in the Bond Resolution.
3. To establish the district’s appropriation limit for fiscal year 2015-16 at \$38 million; this limit would be subject to annual adjustment as provided by the California Constitution.

Approval requires a two-thirds majority of the votes cast. A “yes” vote is in favor of approval. A “no” vote is against approval.

James C. Sanchez  
City Attorney

**FULL TEXT OF MEASURE B**

**Sacramento Streetcar**

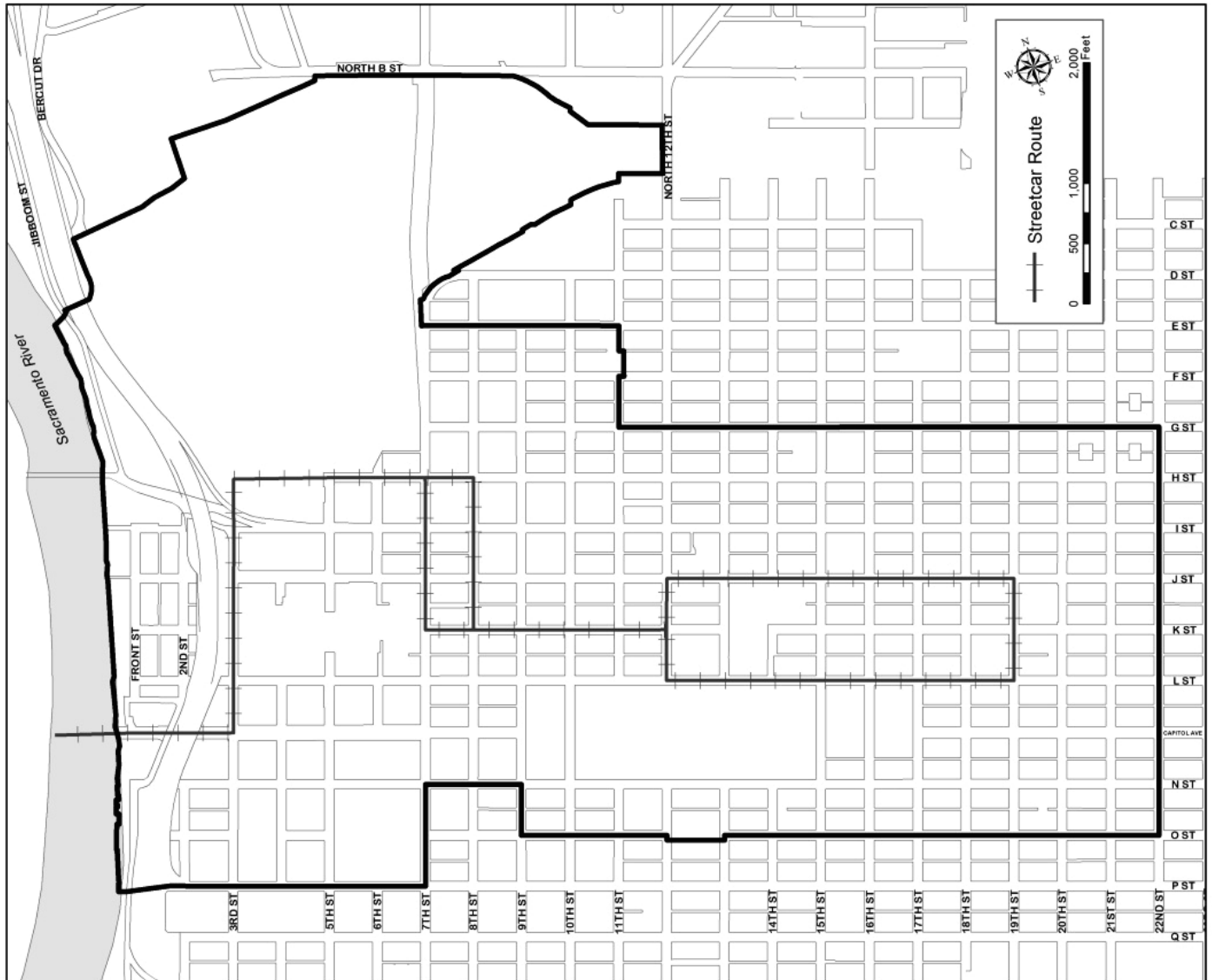
**Project Description**

The Downtown / Riverfront Streetcar project is 3.3-mile line that will extend from the Midtown entertainment-and-retail district in the City of Sacramento to the West Sacramento Civic Center. Destinations connected by the line include Raley Field, the Sacramento Valley Station in the Railyards Specific Plan area, the planned terminus of the California High-Speed Rail system, the new Downtown Entertainment and Sports Center, the historic Memorial Auditorium, the Sacramento Community Center Theater, the California State Capitol, and the Sacramento Convention Center. The streetcars will stop approximately every three blocks.

**Project Details**

Vehicle Type: Modern Electric Streetcar  
Route Length: 3.3 Miles  
Capital Cost: \$150 million

**Streetcar Route within the City of Sacramento**

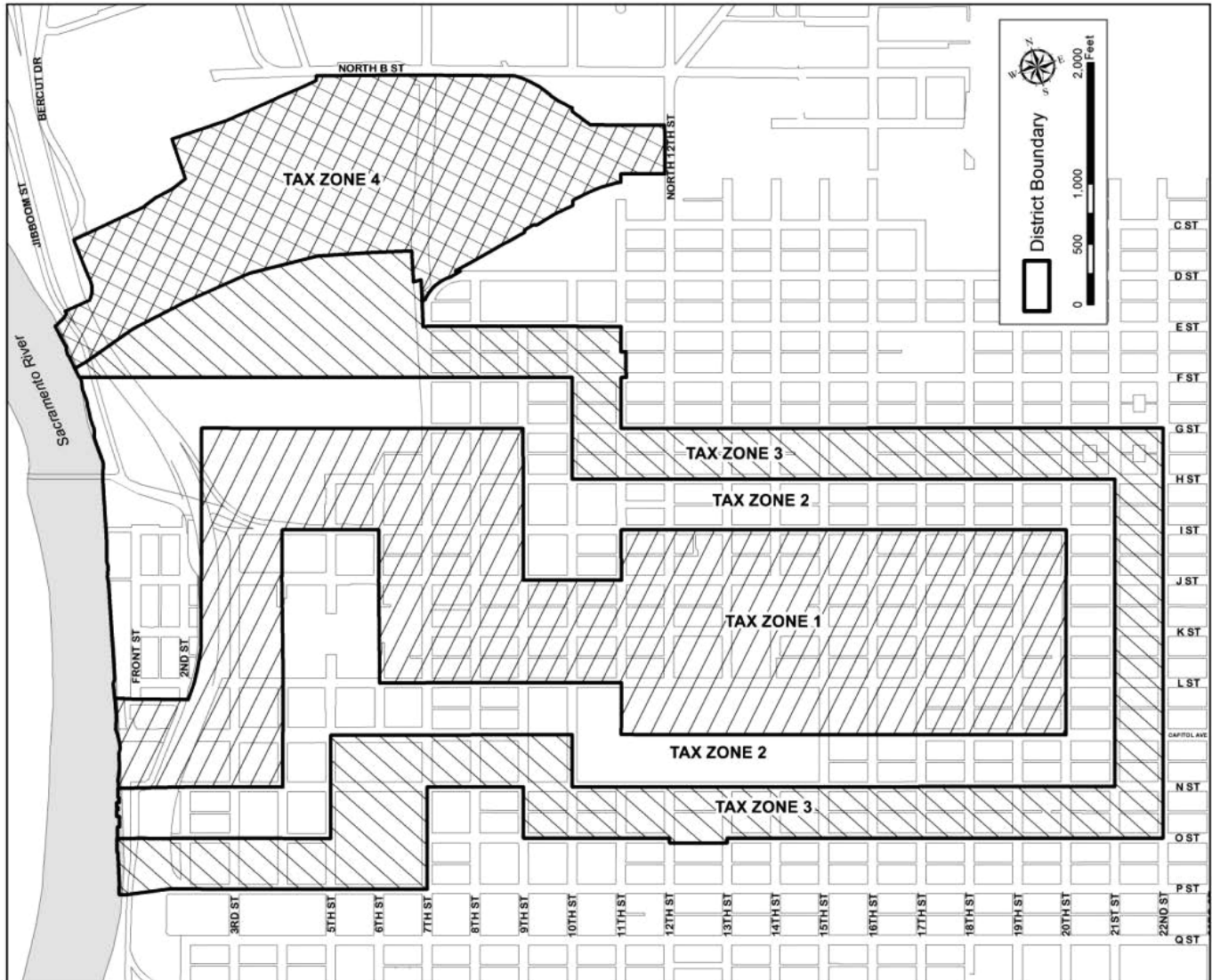


**Sacramento Streetcar**

**Proposed Community Facilities District**

The Sacramento Streetcar Community Facilities District No. 2015-01 (the “CFD”) is proposed to fund approximately \$30 million of the total capital cost of the streetcar project. The types of facilities to be financed by the CFD include tracks, streetcar vehicles, streetcar stations and platforms, related sidewalk infrastructure, structural and streetscape improvements, relocation or installation of above- and below-ground utilities, utility-access points, street paving, drainage, curb and gutter modifications and improvements, maintenance facilities, facilities for providing electricity to the system (including overhead wires and utility substations) and related infrastructure, traffic signalization and related systems, signage, wayfinding and lighting and landscaping related thereto, electronic and mechanical systems and programming therefor, and land rights-of-way and easements necessary for any of these facilities. In addition, the CFD may finance project enhancements or increases in project scope beyond what was submitted in the funding application to the Federal Transportation Administration on September 10, 2014, so long as the City Council and the board of directors of the non-profit organization contracted to operate the streetcar project has reviewed and approved the financing of such enhancements or increases.

## Sacramento Streetcar CFD 2015-01 Boundary Map



### ARGUMENT IN FAVOR OF MEASURE B

Vote Yes on Measure B to benefit all our neighborhoods by improving mobility between midtown, downtown, and West Sacramento with an affordable transit system that is authentically Sacramento.

Vote Yes on Measure B to keep transit affordable for all Sacramentans. The Sacramento streetcar plan calls for inexpensive fares and will allow existing transit pass holders to ride for no additional cost. A Yes vote on Measure B will simplify driving and parking downtown, saving money.

Vote Yes on Measure B to help clean our air and reduce traffic congestion in our neighborhoods. The streetcar will connect to the light rail and bus system and allow easy connections to Amtrak, and eventually the airport.

Residential properties in the district will pay less than 1% of the cost for this project with 99% of the costs paid by the federal government, the State of California, the City of Sacramento, the City of West Sacramento, the County of Sacramento, and commercial property owners. Renters will pay nothing under Measure B. Seniors and residents living in affordable housing will pay nothing under Measure B. The project is a great deal for the people of Sacramento.

Vote Yes on Measure B to improve our economy. Streetcars create a vibrant local economy, which means more small businesses and more jobs in downtown and midtown. The streetcar project will help create 12,000 jobs and \$2.5 billion in economic development over 20 years.

Streetcars will provide an inexpensive, safe, and fun way to get around Sacramento. Measure B will allow seniors, students, visitors, workers, and central city residents to go car-free.

Streetcars are part of Sacramento's legacy and it's time to bring them back. Neighborhood leaders, community

leaders, and business owners urge you to Vote Yes on Measure B. Help Sacramento construct an affordable and practical system to connect our neighborhoods.

s/Lina Fat  
Historic Old Sacramento Foundation, Board Member

s/Steve Hansen  
Sacramento City Councilmember

s/William Burg  
President, Sacramento Old City Association/Preservation Sacramento

s/Samara Palko  
President, Midtown Neighborhood Association

s/Patrick Mulvaney  
The Handle District, Board Member

### **REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE B**

What the City is not telling you about the Sacramento Streetcar Project:

The Streetcar won't create jobs or spur economic development. No modern streetcar has "revitalized" any area unless accompanied by substantial subsidies to developers - which Sacramento cannot afford.

Rents will rise to cover the new tax. Landlords will pass tax increases onto tenants, both commercial and residential.

Streetcars won't improve parking. Motorists using the Streetcar still have to park. Drivers from outside the district will use your on-street parking spaces.

The Streetcar won't improve mobility. Streetcars slow down cars, trucks, and buses, creating delays and congestion. Its proposed route is already served by public transit and is so circular and infrequent few people will use it.

Streetcars won't 'clean' air. The traffic congestion they cause increases pollution.

No matter the accidents, delays, congestion and operating losses, Sacramento will be unable to stop operating the Streetcar once it is built, because Sacramento can't afford to refund the \$75,000,000 federal construction grant.

Proponents themselves acknowledge the Streetcar Project will produce annual losses in the millions. These losses will be made up by:

(a) Cutting core City services like police, fire/ambulance service, parks and street repairs; and/or

(b) Cutting Regional Transit's existing bus and light rail services which actually reduce pollution, relieve traffic congestion and permit folks of modest means to get to work and school.

Do we want to sacrifice current City services, public safety, and transit services for a transit amusement park ride?

Vote NO on Measure B.

s/Katy Grimes

s/Robert R. Winger

s/Julian Camacho

s/Sally Lorber

s/Leilani Fay

### **ARGUMENT AGAINST MEASURE B**

Six Reasons to vote NO on the Streetcar Tax:

(1) The streetcar district tax will pay only for construction. It will cost district property owners \$90 million over 30 years, and will be passed on in commercial and residential rent hikes to tenants.

(2) The streetcar project will operate at an enormous annual loss. Ticket sales are expected to cover about 20% of cost of operation; the other 80% will require a subsidy. The shortfall will likely come from the City's General Fund, reducing local services such as parks, bike lanes, street repairs, the homeless, and police.

(3) Are you willing to park several blocks from your home to provide arena parking solutions? With 150-200 arena events annually, look for an invasion of out-of-town drivers. Streetcars will transport arena patrons to and from cheap parking in nearby neighborhoods. The result: circling traffic and a severe loss of parking for residents, their visitors and businesses.

(4) The streetcar project is wasteful transit duplication. It runs on, or near, the same Streets served by existing light rail and buses. It will worsen mobility for pedestrians and those using the existing public transit system. Tracks add danger to bicyclists.

(5) The project worsens traffic by adding slow-moving, frequent-stopping streetcars. These will create delays at intersections and to-and-from I-5, especially on the 3<sup>rd</sup> Street route that crosses L, J, and I Streets.

(6) Politicians hype the streetcar as a catalyst for development. However, development is already happening on K, R and 16<sup>th</sup> Streets and other parts of the Central City. Why squander scarce City resources on an unnecessary project?

The streetcar project is essentially an amusement park ride rather than an important transit improvement.

Vote NO on The Streetcar Tax, Measure B.

s/Delphine Cathcart  
District Voter

s/Leilani Fay  
District Voter

s/Dennis Neufeld  
District Voter

s/Julian Camacho  
District Voter

s/Sally Lorber  
District Voter

### **REBUTTAL TO ARGUMENT AGAINST MEASURE B**

Vote YES on Measure B to bring streetcars back to Sacramento. Residential property owners are only being asked to pay for less than 1% of the construction costs. Senior housing and affordable housing pay nothing. Commercial property owners and the government will pay 99% of the costs to build the system.

Residents will get the benefit of the streetcar without having to pay additional funds for operations. The cost to operate the streetcar will be paid through affordable fares, projected to be \$1 to ride for two hours, advertising revenue, the cities of Sacramento and West Sacramento and Regional Transit.

Streetcars will improve mobility of residents, providing easier access to pharmacies, doctors' offices, grocery stores and other essential services. Streetcars will improve Sacramento's overall transit system, which is why Regional Transit, SACOG, the Sacramento Air District, Friends of Light Rail and others support the project.

A YES vote means you want less traffic in Downtown and Midtown. Streetcars will greatly reduce short car trips and make it possible to be car free for those who live in the Central City. Want to go to the grocery store? The pharmacy? Grab a meal? Take Streetcar!

The Streetcar project is supported by community leaders, neighborhood preservationists, transit advocates, Congresswoman Doris Matsui, Supervisor Phil Serna, Councilmember Steve Hansen and many other community leaders.

Get the facts at [www.gosacstreetcar.com](http://www.gosacstreetcar.com)

s/Kay Knepprath

s/Emily Baime Michaels

s/Luis Sumpter

s/Phillip R. Serna