

Attachment A

Town Council

David Polivy, Mayor

Jan Zabriskie, Vice Mayor

Anna Klovstad, Council Member
Courtney Henderson, Council Member
Lindsay Romack, Council Member



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Jen Callaway, Town Manager
Andy Morris, Town Attorney
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Daniel Wilkins, Public Works Director/Town Engineer
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Nicole Casey, Administrative Services Director
Kelly Carpenter, Town Clerk
Hilary Hobbs, Assistant to the Town Manager

March 20, 2024

Annie Rosenfeld, General Manager
Tahoe Donner Association
11509 Northwoods Blvd
Truckee, CA 96161

RE: Truckee Special Service Area 1 Funds

Dear Ms. Rosenfeld,

The purpose of this letter is to provide the Tahoe Donner Association (TDA) with updated information regarding Truckee Special Service Area 1 (TSSA 1). Please note that the information presented in this letter is preliminary based upon the Town's Fiscal Year (FY) 24/25 administrative draft budget, which has not been reviewed by the Town Council and is subject to change.

TSSA 1 Background

Properties within the Tahoe Donner subdivision are contained within TSSA 1. An existing annual assessment amount of \$95.00 per improved lot and \$70.00 per unimproved lot on properties within TSSA 1 results in approximately \$597,000 per year of revenue to the special assessment fund. All funds are maintained in an individual account, which bears interest, and whose use is limited to the purpose for which the funds were collected.

Allowable uses of the parcel charge include roadway and drainage maintenance and improvement; trail development and construction within and/or serving the TSSA 1 service area; enhanced snow removal; parking improvements in the Town right-of-way which provide direct benefit to the residents of the TSSA 1 service area and are open to the general public; and design and construction of the Pioneer Trail/Bridge Street Extension Project. Parking improvements may be located outside of the TSSA 1 service area boundaries so long as they meet the previous criteria. Funds collected during the 19/20, 22/23, and 23/24 fiscal years are also eligible to use on transit. Any change to the use of TSSA 1 funds requires Truckee Town Council approval.

Uses of TSSA 1 Fund

TSSA 1 funds are currently being used for three primary purposes:

1. Improved Maintenance on Tahoe Donner Roadways: Consistent with the Town's Pavement Maintenance Program, in Tahoe Donner, paving on local roads continues to occur more frequently (on an approximate 20-year interval as opposed to a 30-year interval). In addition, the funds are used to overlay the Northwoods Boulevard loop (a TSSA Major Collector Road) on an 8-year cycle as opposed to the 15-year cycle applied to other collector roads in Town.

2. Reserve Funding for Future Pavement Maintenance: The funds establish a reserve fund to allow future pavement maintenance within Tahoe Donner to occur more frequently than on similar local roads in other areas of the Town.
3. Special Projects: The funds are also used for special projects such as on-street roadway and parking improvements, roadway and drainage maintenance, and trails projects.

In addition to the annual paving project, the following projects expended TSSA 1 funds in Fiscal Year 23/24.

- **Pioneer Trail and Bridge Street Extension Project (C1503):** On December 12, 2023, Town staff presented the results of the Pioneer Trail & Bridge Street Extension project alternatives analysis to Town Council, which included a traffic analysis, environmental studies, and a financial feasibility analysis. The project is currently projected to cost approximately \$43 million to implement, which exceeds what the Town has available in Traffic Impact Fee funds now or in the foreseeable future. The next step in the project development would be to conduct community polling to determine whether a Tahoe Donner or townwide parcel tax would have adequate support to pass and at what funding level (amount of charge per parcel). However, as there are various other community funding measures under discussion currently, including the potential Transportation Revenue measure and funding for a new Truckee Library, Town Council recommended delaying the project for a year or more with reinitiation being considered as a part of the Town's Fiscal Year 25/26-26/27 Work Plan.
- **2023 Radar Speed Sign Project (C2316):** This project installed radar speed signs at entrances to the Tahoe Donner Subdivision on Northwoods Boulevard and Schussing Way (two total signs), as well as on Glenshire Drive (two additional signs funded by TSSA 5). Implementation of this project is consistent with the Truckee Local Road Safety Plan recommendations to increase roadway safety and awareness.

Currently, staff is recommending the inclusion of the following projects in the FY 24/25 budget using TSSA 1 funds:

- **Annual Paving and Drainage Projects:** Staff recommends continuing to use TSSA 1 funds to repave roadways in Tahoe Donner at an increased frequency compared to other roadways within Town (using TSSA 1 funds to fund the associated increased cost of that frequency).
- **Tahoe Donner Trail (C2317):** At TDA's request, Town staff has included planning and design funding for an approximately 4.5-mile long Class I paved trail through the Tahoe Donner subdivision, connecting the Trout Creek Trailhead with the Northwoods Clubhouse, Trout Creek Recreation Center, the Alder Creek Adventure Center, and the Downhill Ski Area through the center of Tahoe Donner. This trail is Project C2 in the Tahoe Donner Trails Master Plan. While TSSA 1 is an eligible use of this funding, Town staff does not currently have capacity to work on a trail project in addition to what is already planned. Therefore, Town staff has discussed the possibility of a reimbursement agreement with TDA staff, through which TDA staff would conduct the work and request reimbursement from the Town using TSSA 1 funds.

The current staff Capital Improvement Program budget recommendations are summarized in the attached **Table A**.

Existing TSSA 1 Fund Balance

There are adequate reserves within the TSSA 1 fund to pursue the projects mentioned above concurrent with the provision of the enhanced roadway maintenance. Furthermore, over the next five years the TSSA 1 fund balance is expected to remain at or above approximately \$4.5 million. It should be noted, however, that the use of TSSA 1 funds for special projects diminishes the fund balance available for larger capital projects, such as the construction of Tahoe Donner Trail project or the Pioneer Trail/Bridge Street Extension project.

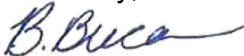
Conclusion

The Town intends to conduct the TSSA 1 annual hearing (parcel charge public hearing) at the May 14, 2024 Town Council meeting, at which time Town Council will establish the annual assessment amounts and allowable uses of the TSSA 1 funds. At this point, it would be Town staff's intention to recommend that the TSSA 1 assessments remain at \$95 per improved lot, and \$70 per unimproved lot, and to continue to include transit as an allowable use.

The current staff budget recommendations are summarized in **Table A**. An initial budget review with the Town Council is planned to occur on April 23, 2024 and the final budget workshop is scheduled to occur May 28, 2024. If there are additional projects that TDA would like the Town to consider funding with TSSA 1 funds, please let us know.

Thank you for your time in reviewing this information, and we welcome input from TDA on the above information. Please do not hesitate to contact me should you have any questions.

Sincerely,



Becky Bucar
Assistant Public Works Director
Town of Truckee

Attachment: Table A

Table A: Past and Projected TSSA Expenditures based on DRAFT 5-Year CIP Budget

CIP Number	Project Name	Cumulative Through 22/23		Fiscal Year 23/24 Draft Estimated Actuals		Fiscal Year 24/25 Draft Proposed Budget		Fiscal Year 25/26 Draft Proposed Budget		Fiscal Year 26/27 Draft Proposed Budget		Fiscal Year 27/28 Draft Proposed Budget		Fiscal Year 28/29 Draft Proposed Budget		TOTAL Through Fiscal Year 28/29	
		TSSA 1 Funds	Total Project	TSSA 1 Funds	Total Project	TSSA 1 Funds	Total Project	TSSA 1 Funds	Total Project	TSSA 1 Funds	Total Project	TSSA 1 Funds	Total Project	TSSA 1 Funds	Total Project	TSSA 1 Funds	Total Project
C2316	2023 Radar Speed Sign Project	\$0	\$0	\$10,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$20,000
C2303	2023 Paving and Drainage	\$0	\$1,995,070	\$509,148	\$3,590,058	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$509,148	\$5,585,128
C2402	2024 Paving and Drainage	\$0	\$0	\$0	\$2,000,000	\$700,000	\$3,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000	\$5,200,000
C2502	2025 Paving and Drainage	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$350,000	\$3,025,000	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000	\$5,025,000
C2602	2026 Paving and Drainage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$350,000	\$3,025,000	\$0	\$0	\$0	\$0	\$350,000	\$5,025,000
C2702	2027 Paving and Drainage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$350,000	\$3,025,000	\$0	\$0	\$350,000	\$5,025,000
C2802	2028 Paving and Drainage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$350,000	\$3,025,000	\$350,000	\$5,025,000
C1503	Pioneer Trail and Bride St Extensi	\$119,177	\$253,317	\$25,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000	\$100,000	\$0	\$0	\$0	\$0	\$194,177	\$403,317
C2317	Tahoe Donner Trail Project*	\$0	\$0	\$50,000	\$50,000	\$200,000	\$200,000	\$250,000	\$250,000	\$250,000	\$5,350,000	\$0	\$5,000,000	\$0	\$0	\$750,000	\$10,850,000
C2313	Microtransit Program	\$178,303	\$1,379,929	\$0	\$2,465,000	\$0	\$2,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$178,303	\$6,244,929
TOTAL		\$297,480	\$3,628,316	\$594,148	\$8,175,058	\$900,000	\$7,800,000	\$600,000	\$5,275,000	\$650,000	\$10,475,000	\$350,000	\$10,025,000	\$350,000	\$3,025,000	\$3,741,628	\$48,403,373
Estimated TSSA 1 Fund Balance at End of Fiscal Year			\$4,921,355		\$4,924,207		\$4,621,207		\$4,618,207		\$4,565,207		\$4,812,207		\$5,059,207		