



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: December 20, 2022

TO: Adam Politzer, Interim City Manager

FROM: Bill Zenoni, Interim Finance Director

SUBJECT: **Resolution Of The City Council Of The City Of Emeryville Approving The Emeryville Transportation Management Association (ETMA) 2023 Budget And Setting Compensation To The ETMA To Operate The Emery Go-Round Shuttle Service During The 2023 Calendar Year Under The Terms Of The Service Agreement For An Amount Not To Exceed Four Million, Three Hundred Seventy-Three Thousand, Five Hundred And Fifty-Two Dollars (\$4,373,552); And Authorizing Payment From The Emeryville Property Based Business Improvement District (PBID) Fund 805; And Authorizing An Additional Six Hundred Thirty-Four Thousand, One Hundred Sixty-Four Dollars (\$634,164) From The Emeryville Property Based Business Improvement District (PBID) Fund 805 To Cover The General Benefit Contribution**

RECOMMENDATION

Staff recommends that the City Council of the City of Emeryville adopt the above-entitled resolution approving the Emeryville Transportation Management Association (ETMA) 2023 budget, setting the compensation amount and authorizing payment to the ETMA for the operation of the Emery Go-Round shuttle service for service year 2023, for an amount not to exceed \$4,373,552 and authorizing an additional \$634,164 payment for the City's General Benefit contribution.

BACKGROUND

On December 6, 2016, the City Council adopted Resolution No. 16-170, which authorized the City Manager to enter into a Shuttle Bus Funding Agreement with the ETMA to administer and operate the Emery Go-Round through December 2030, with each year's compensation to be set by Council resolution. According to PBID law, the City is obligated to contract with the ETMA as the agency representing the property owners that pay into the PBID (Property Based Business Improvement District) for PBID-related services.

DISCUSSION

At its October 20, 2022 meeting, the ETMA Board approved a budget of \$5,160,000 for calendar year 2023. Staff is recommending that the City Council approve the ETMA 2023 Budget and authorize payment of \$4,373,552 from PBID assessments for the ETMA to operate the Emery Go-Round for calendar year 2023. This represents the projected total FY 2022-23 PBID levy assessment, net of PBID related administrative costs. In addition, the ETMA is projected to receive approximately \$887,629 in non-PBID revenue for a total

of \$5,261,181 in projected available revenue for service year 2023. Non-PBID revenues include the following:

- \$634,164 from the City of Emeryville General Benefit Contribution
- \$112,865 of developer fees directly billed by the ETMA
- \$74,000 Quarterro (Lennar) revenue
- \$63,600 net revenue from operating the West Berkeley Shuttle
- \$3,000 in interest income

The ETMA's proposed 2023 expenditure budget of \$5,160,000 will result in a surplus of \$101,181 which is proposed to be allocated to replenish the ETMA's cash reserve.

FISCAL IMPACT

The Emery Go-Round shuttle is funded primarily by the city-wide PBID that was supported by a majority of residential and commercial property owners in Emeryville by an election held pursuant to PBID law on August 4, 2015. PBID funds can only be used to operate the Emery Go-Round shuttle and related alternative transportation services/programs and to cover the PBID's administrative expenses, including both County and City administrative fees. Staff projects that the combination of PBID and non-PBID revenues will cover the ETMA's proposed budget for calendar year 2023.

The City's Fiscal Year 2022-23 budget includes \$588,580 for the City's General Benefit contribution, which is \$45,584 less than the \$634,164 proposed by the ETMA. The City's budget will be adjusted at mid-year to account for the difference.

STAFF COMMUNICATION WITH THE PUBLIC

Staff communicated with ETMA staff regarding this item.

PREPARED BY: Bill Zenoni, Interim Finance Director

APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:



Adam Politzer, Interim City Manager

ATTACHMENTS

- Draft Resolution
- ETMA 2023 Budget