

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING Wednesday, May 14, 2025

**3:00 PM – Special Meeting/Work Session
American River Room**

**City Hall
2729 Prospect Park Drive, Rancho Cordova**

How to Observe or Listen to the Meeting:

- Online via Zoom: <https://cityofranhocordova.zoom.us/j/81630466928>
- Webinar ID: 816 3046 6928
- By phone: +1 669 900 6833 or +1 253 215 8782
- Webinar ID: 816 3046 6928

Public Comment

Members of the public who wish to address the City Council may do so in person during the meeting by completing and submitting a Speaker Card to the City Clerk.

Members of the public who wish to provide public comment via email will need to submit comments to CityClerk@cityofranhocordova.org no later than 11:00 a.m. on Wednesday, May 14, 2025. Written comments received no later than 11:00 a.m. will be distributed to the Council, filed in the record, and will not be read aloud. All comments submitted later than 11:00 a.m. will be distributed to the Council.

If you have questions related to the City Council Meeting, please contact the City Clerk's Office at (916) 851-8720 before Wednesday, May 14, 2025, at 11:00 a.m.

AGENDA

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri

Pulipati

2. PUBLIC COMMENT

At a special meeting, citizens wishing to address the Council for any matter on the agenda may do so at the time the matter is discussed. Under the provisions of the California Government Code, the City Council is prohibited from discussing or taking action on any item not on the agenda.

3. SPECIAL MEETING

3.1. **Subject:** Fiscal Year 2025-27 Budget Discussion.

Recommendation: Receive presentation and provide direction to staff.

4. ADJOURNMENT

ADDITIONAL INFORMATION

Special Meetings listed below are subject to change/cancellation without further notice.

Public documents related to items on the open session portion of this agenda, which are distributed to the City Council less than 24 hours prior to the meeting, shall be available for public inspection at the time the documents are distributed to the Council. Documents are available for inspection at the City Clerk's office located in Rancho Cordova City Hall.

The agenda items are accessible on the City's website at www.cityofranchocordova.org 24 hours prior to the Special City Council Meeting.

UPCOMING MEETINGS

May 19, 2025	5:30 PM Regular Meeting
May 27, 2025	5:30 PM Special Meeting/Work Session
June 2, 2025	4:00 PM Special Meeting/5:30 PM Regular Meeting
June 16, 2025	5:30 PM Regular Meeting
June 24, 2025	5:30 PM Special Meeting/Work Session
July 7, 2025	4:00 PM Special Meeting/5:30 PM Regular Meeting
August 4, 2025	4:00 PM Special Meeting/5:30 PM Regular Meeting
August 18, 2025	5:30 PM Regular Meeting

If you have any technical questions related to the agenda items, please contact City Hall at (916) 851-8700.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (916) 851-8720 at least 24 hours prior to the meeting.

CERTIFICATION OF POSTING OF AGENDA

I, Stacy Leitner, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the May 14, 2025, Special Meeting of the Rancho Cordova City Council was posted and available for review on May 12, 2025, at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city website at www.cityofranhocordova.org.

Signed May 12, 2025, at Rancho Cordova, California.



Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 3.1.

DATE: May 14, 2025
TO: Honorable Mayor and Council Members
FROM: Micah Runner, City Manager
Kim Juran, Administrative Services Director
SUBJECT: FISCAL YEAR 2025-27 BUDGET DISCUSSION

RECOMMENDATION

Receive presentation and provide direction to staff.

RESULT OF RECOMMENDED ACTION

The direction provided by the City Council will finalize the projects and priorities for the Fiscal Year 2025-27 Budget.

BACKGROUND

The development of the city's next two-year budget, covering the fiscal period from July 1, 2025, through June 30, 2027, began with the City Council's strategic direction on key priorities, which were provided during the January 28, 2025, visioning session and the March 3, 2025, City Council meeting. These priorities have since guided the development of the city's next two-year budget. The purpose of the work session and presentation is to solicit any additional feedback from the City Council on projects and priorities prior to finalizing the City Manager's Fiscal Year 2025-27 Proposed Budget, which is scheduled to be made available on May 21, 2025. The proposed budget will be brought forward for City Council adoption at the June 2, 2025, City Council meeting.

FISCAL IMPACT AND FUNDING SOURCE

No fiscal impact. There is a significant amount of economic uncertainty as the city heads into Fiscal Year 2025-27, with the city anticipating declines in several city revenues. This uncertain economic forecast has made producing a balanced budget more difficult than in prior years. However, due to the trust of our citizens in approving two add-on sales tax measures in 2015 and 2020 respectively, the city's ability to continue to deliver the high caliber of programs, services, and projects to the community remains strong.

ATTACHMENT(S)

1. Presentation



CITY COUNCIL WORK SESSION FISCAL YEAR 2025-27 BUDGET DISCUSSION

May 14, 2025



AGENDA

- Fiscal Year 2025-27 operating budget overview
 - City financial forecast and budget outlook
 - Overview of recommended operating budget
- Fiscal Year 2025-30 Capital Improvement Program
 - Overview of Five-Year CIP
 - Review current legacy project commitments and new requests
 - Review current and upcoming infrastructure needs
 - Capital investment prioritization discussion

FISCAL YEAR 2025-26 PROPOSED CITY BUDGET

- City Operating Budget (all funds)
- \$125 million
- Capital Improvement Budget (all funds)
- \$268 million
- Total Budget: **\$393 Million**

THEMES OF FISCAL YEAR 2025-27 BUDGET

Tumultuous economic times creating significant financial uncertainty as we head into Fiscal Year 2025-27

Significant declines in many city revenues has made producing a balanced budget more difficult than in prior years

City is supporting an increasing number of projects, programs, and initiatives that require increased staff capacity to sustain

Legal costs to fight ongoing litigation along with increased claims activity and insurance market volatility negatively impacting city expenses

Extremely strong reserve balances coupled with voter approved sales tax measures enable the city to weather the current budget downturn

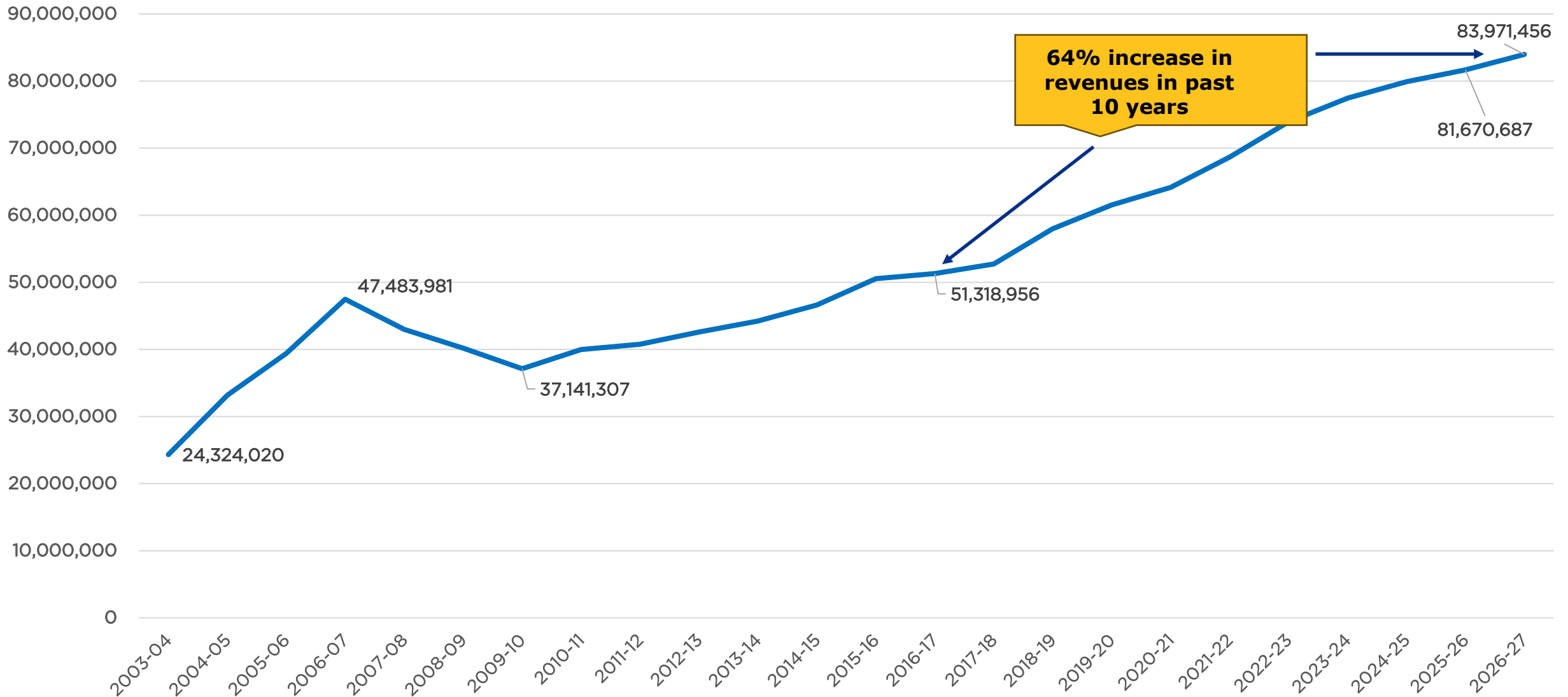
THE END OF REVENUE NEUTRALITY

This is the last two-year budget that will include the city's revenue neutrality payment for both fiscal years

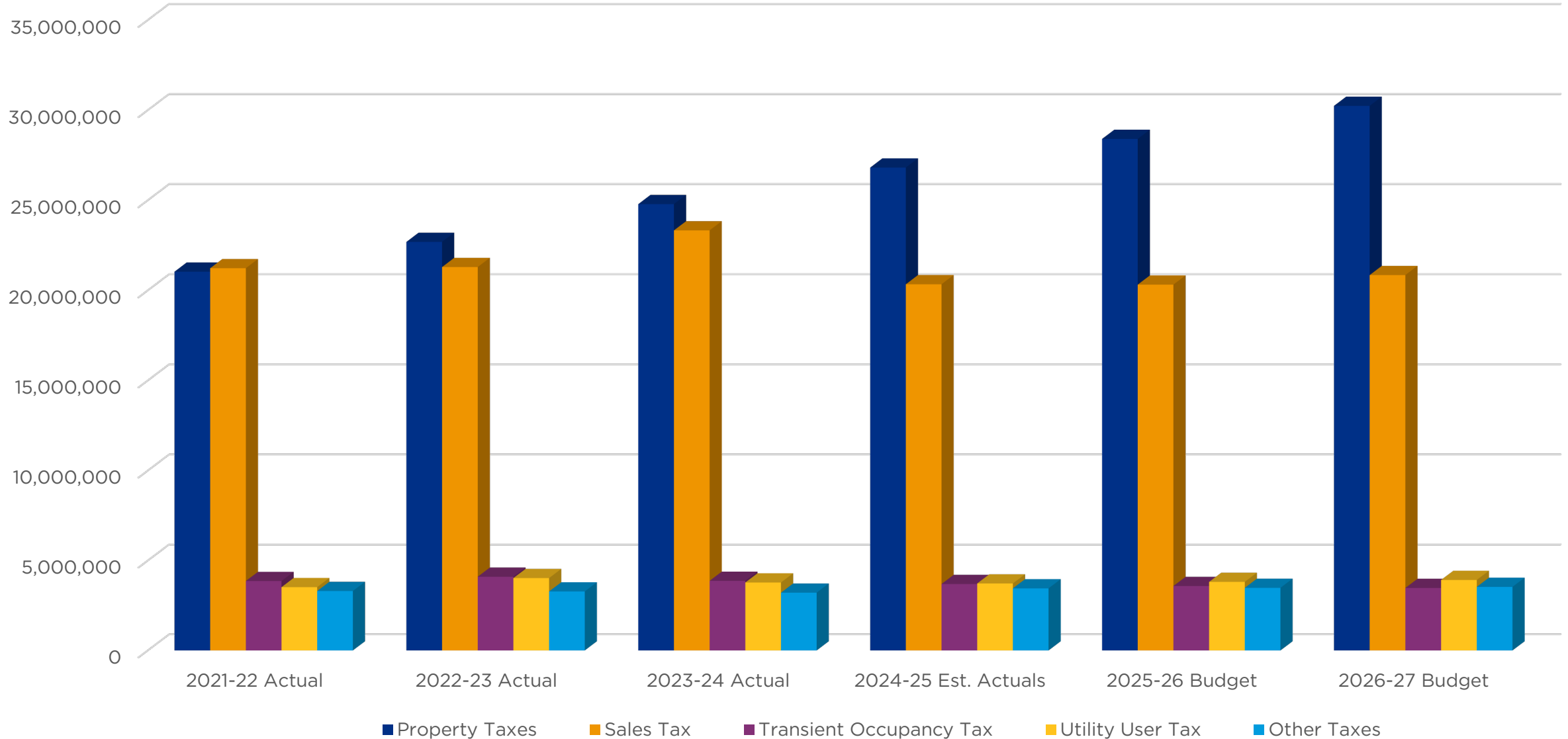
Final payment will occur in FY 2027-28 in the amount of **\$11.2 million**

Further council discussion and community engagement on how to utilize revenue neutrality dollars will be the focus of future work sessions as we approach Fiscal Year 2027-28

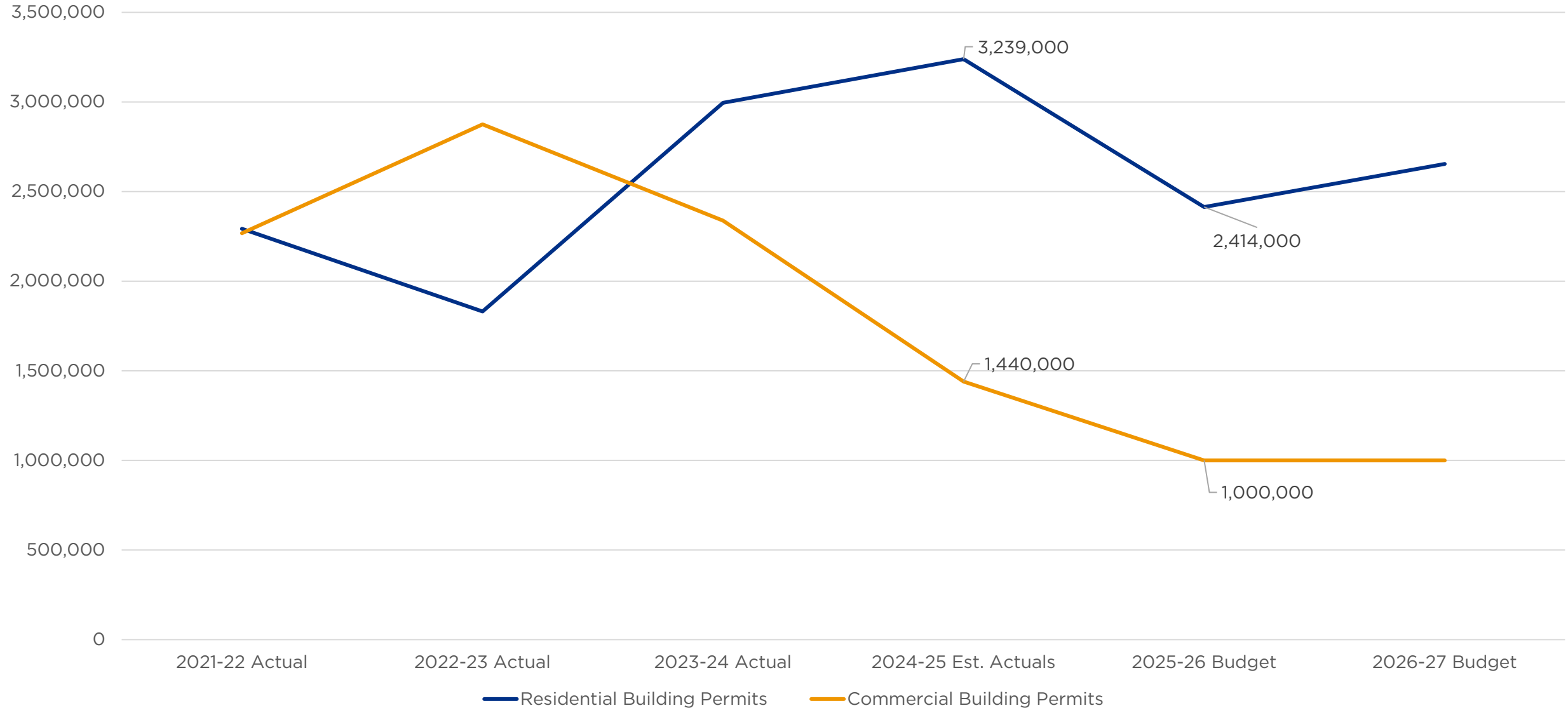
GENERAL FUND REVENUES



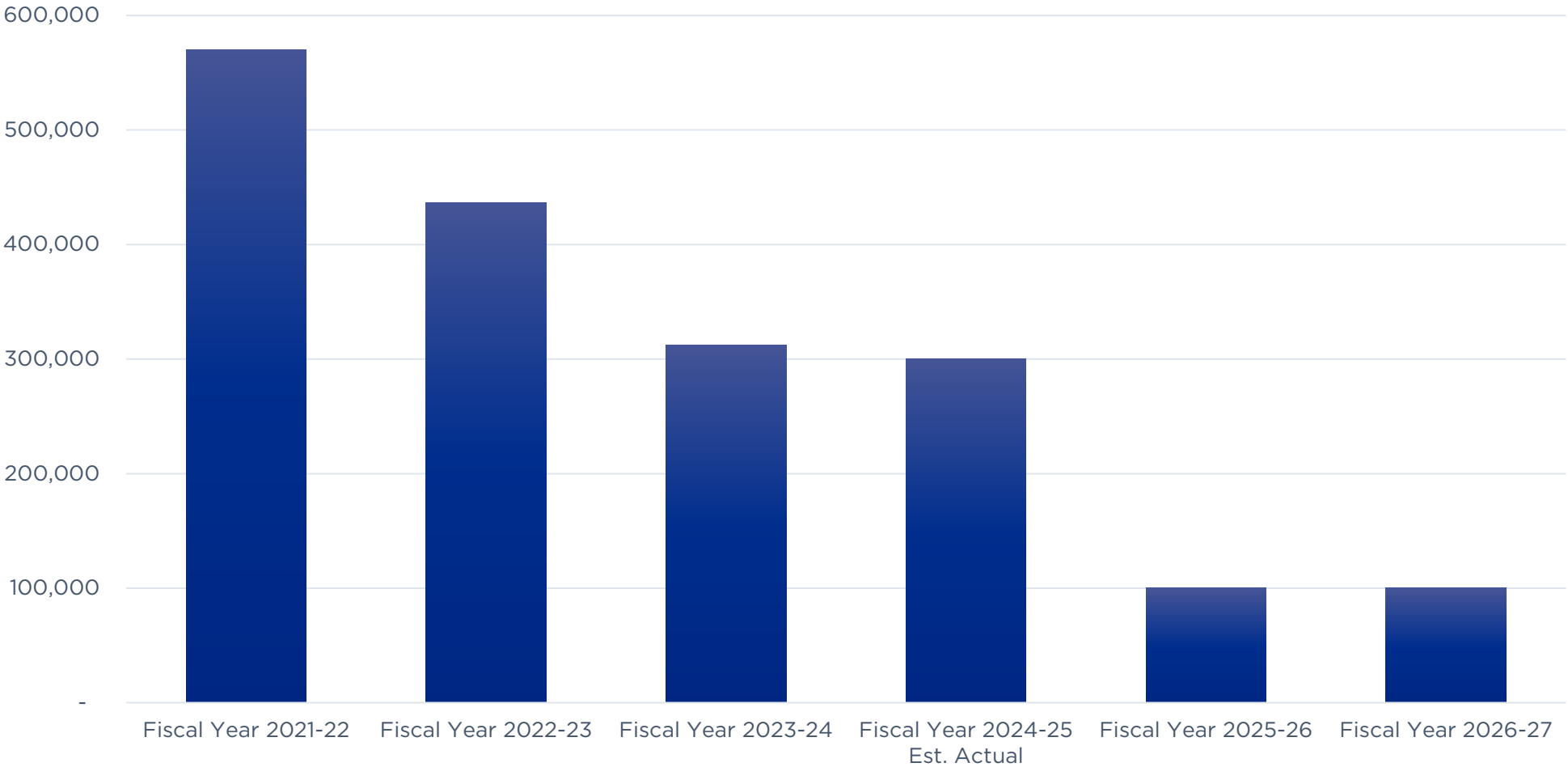
GENERAL FUND TAX REVENUES



BUILDING PERMIT REVENUE



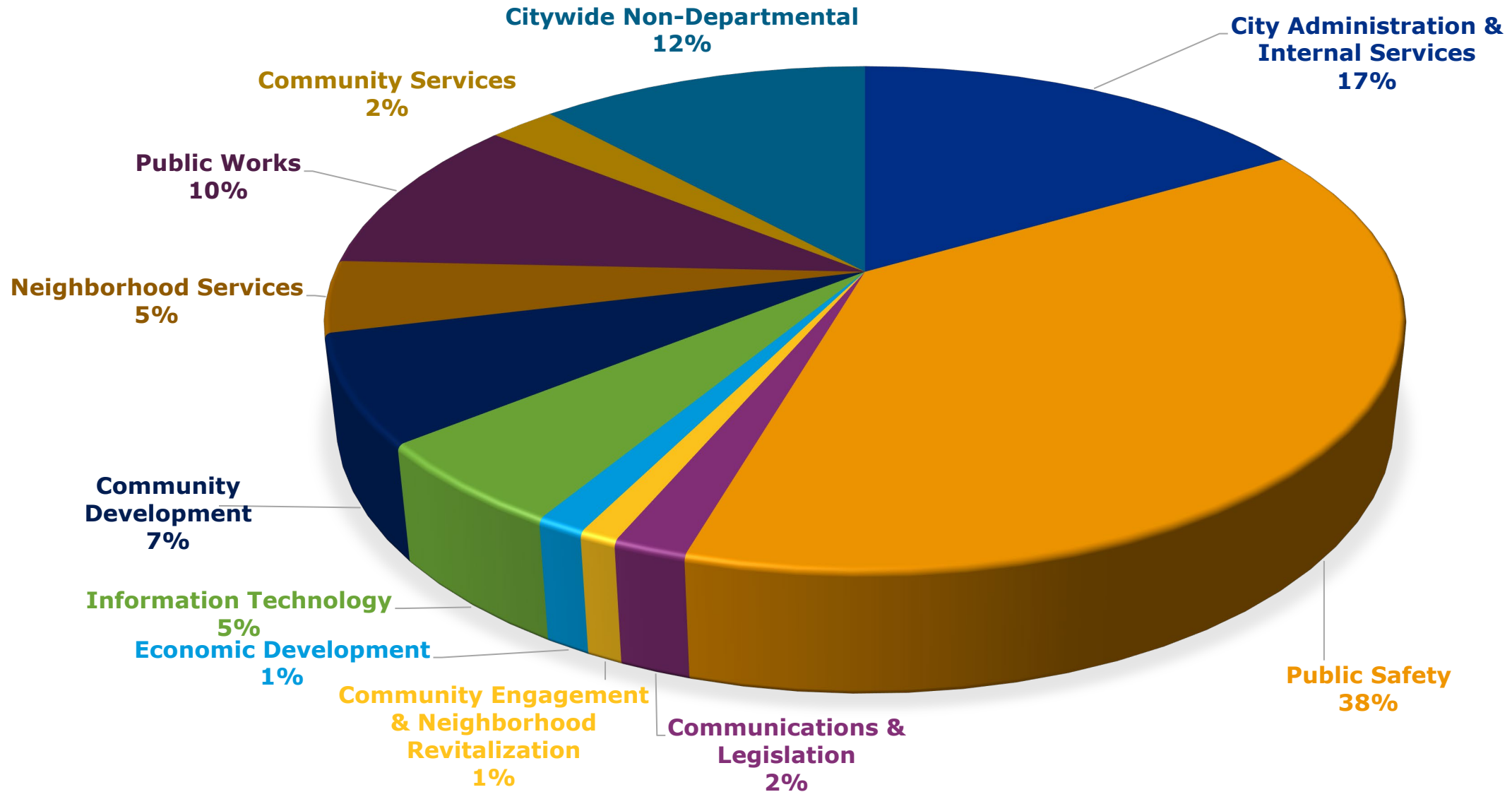
METRO CABLE FRANCHISE FEE



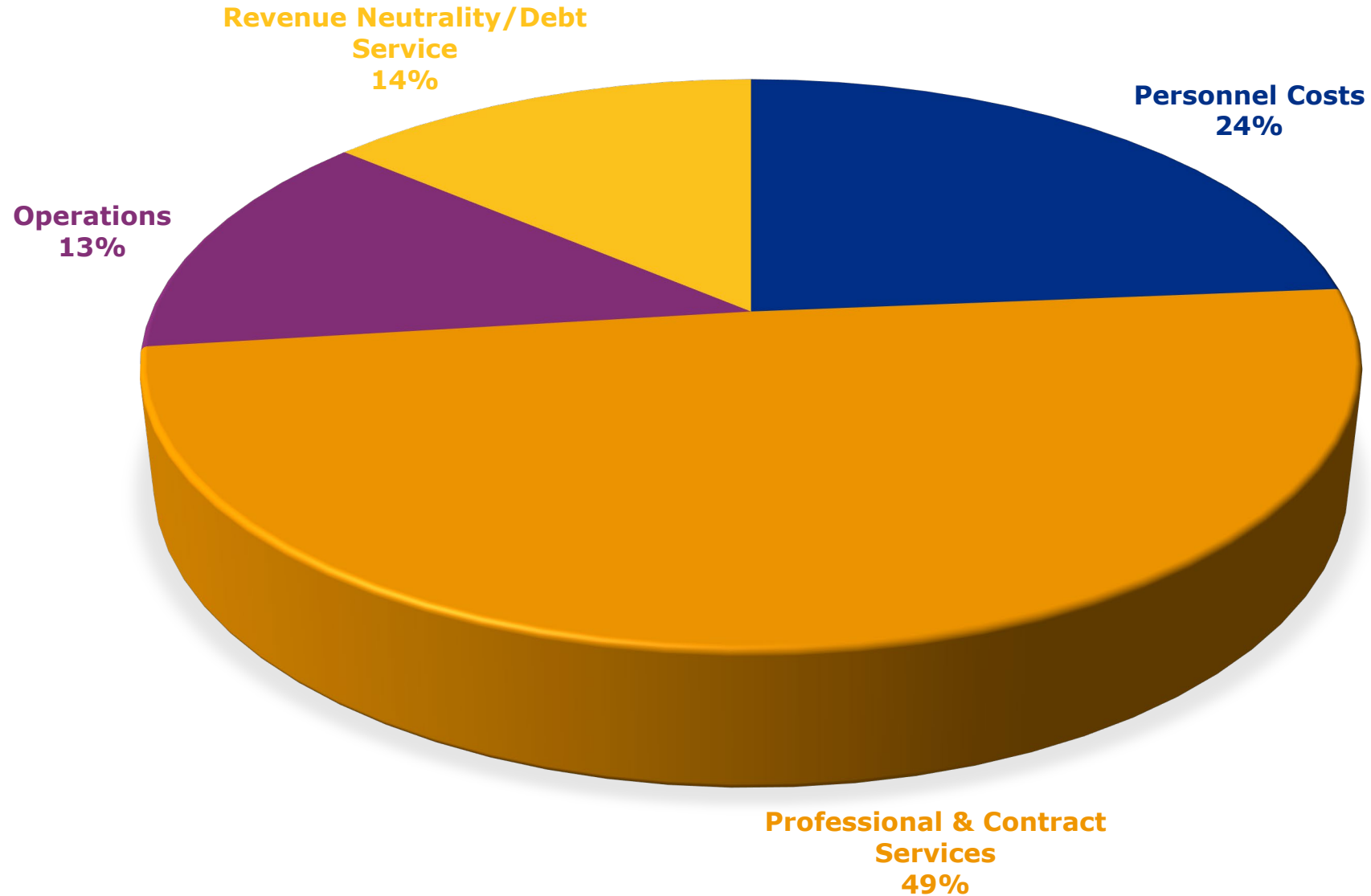
CHANGES IN THE FISCAL YEAR 2025-27 PROPOSED BUDGET

- Expansion of Homeless Outreach Team to seven days/week operation
 - 2 additional RCPD officers have been added to the service plan
 - Additional contract navigator costs have been incorporated into the budget
- Begin staffing the Real Time Information Center with the addition of an analyst position in collaboration with Sacramento County Sheriff's Department
- Increased allocation for Administrative costs from Measure H & R to enhance staffing levels to sustain projects and programs funded by these revenues
- Increased focus on addressing infrastructure deferred maintenance through a proposed increase in the allocation of Measure H and R dollars towards Public Works Infrastructure

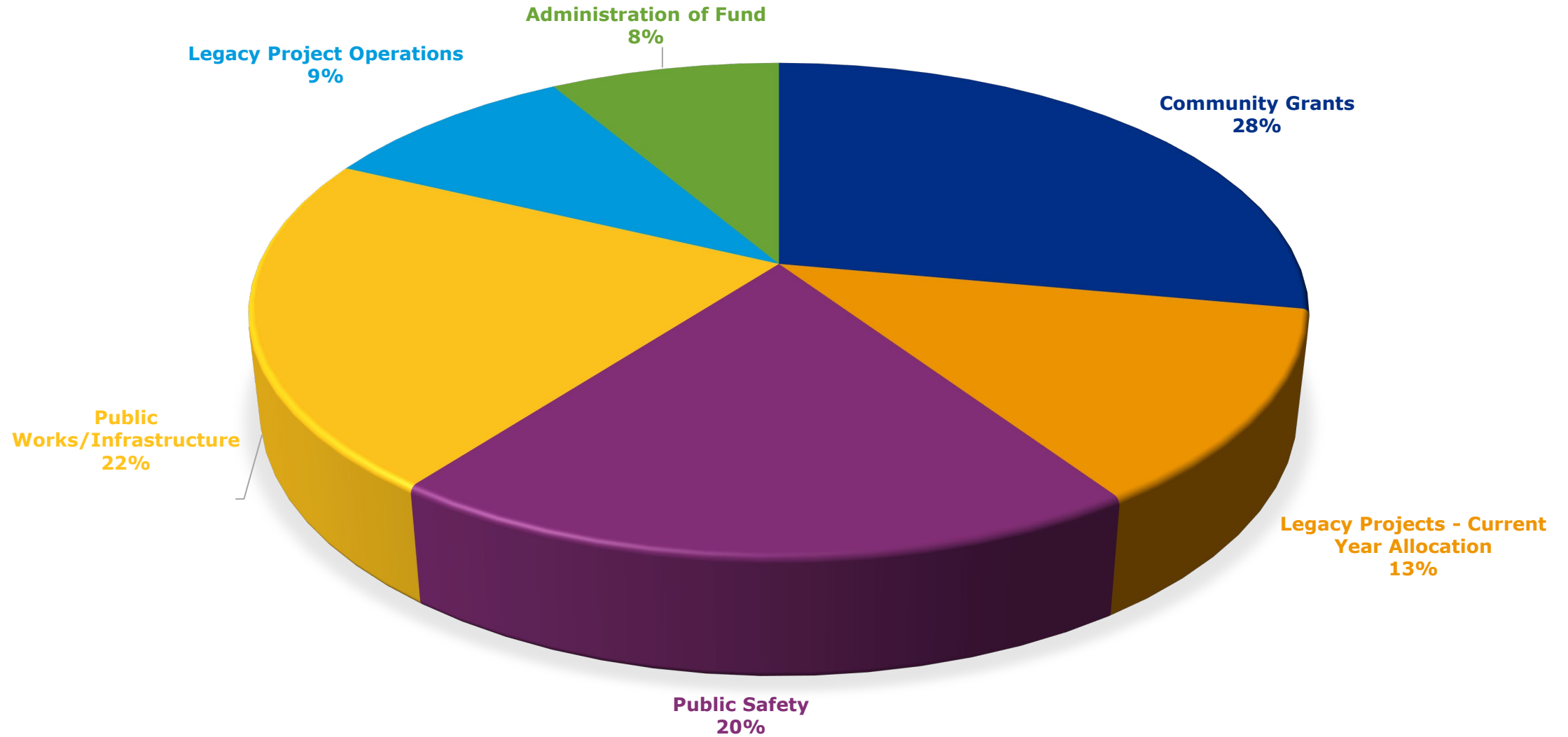
GENERAL FUND BUDGET BY DEPARTMENT



GENERAL FUND BUDGET BY EXPENSE TYPE



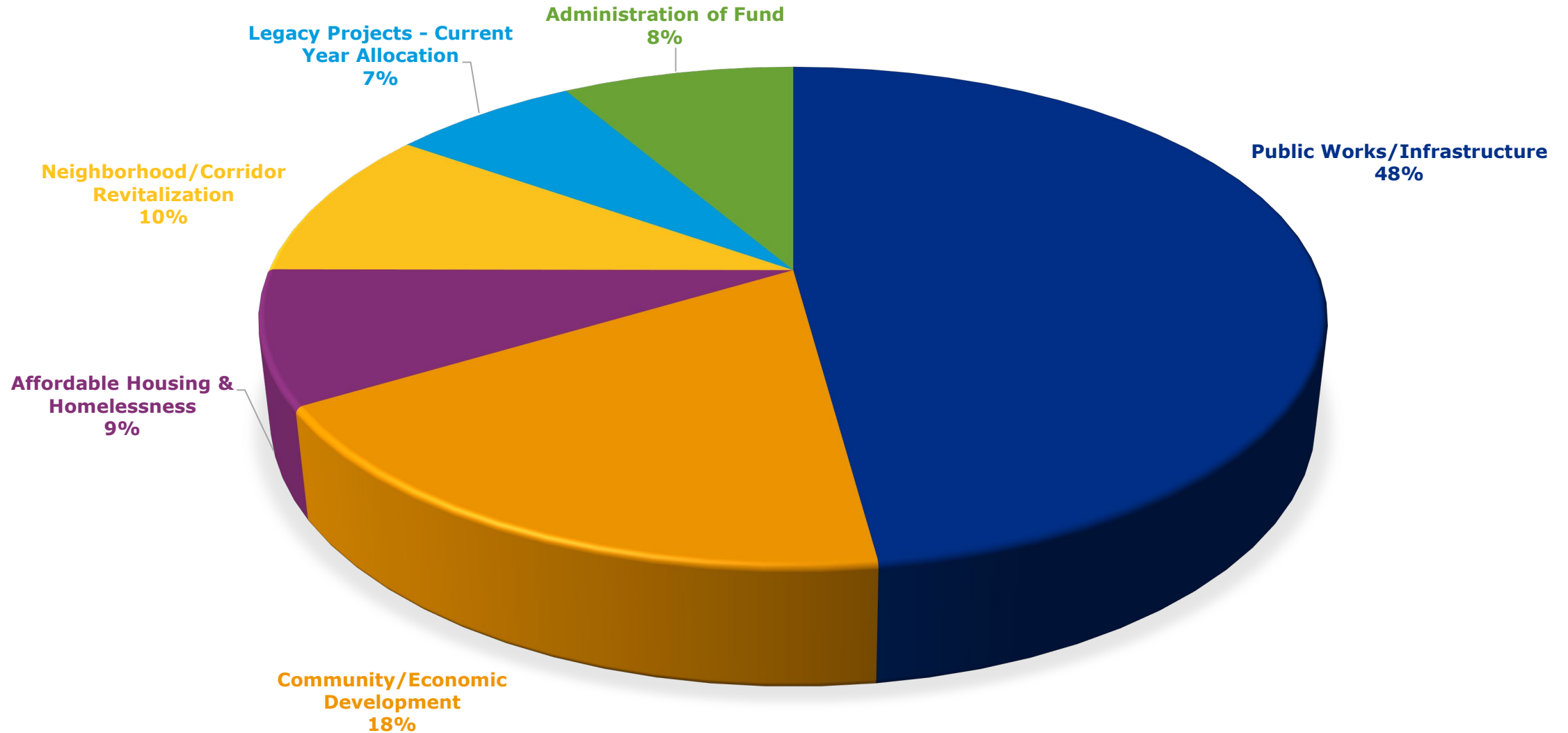
MEASURE H PROPOSED ALLOCATION



MEASURE H PROPOSED ALLOCATION

Category	Measure H Programs	2025-26 Budget	2026-27 Budget
Community Grants		3,325,000	3,325,000
Legacy Projects - Current Year Allocation		1,514,935	1,476,205
Public Safety		2,340,700	2,391,070
Public Safety	RCPD Crime Suppression Unit	1,413,985	1,455,750
Public Safety	Shotspotter Technology	380,250	380,250
Public Safety	RCPD FOZ Officer	296,465	305,070
Public Safety	Smart City Public Safety Enhancements	250,000	250,000
Public Works/Infrastructure		2,600,000	2,600,000
Public Works/Infrastructure	Sunrise Blvd. Rehab Phase III (Douglas to Kiefer)	800,000	-
Public Works/Infrastructure	Enhanced Litter & Graffiti Abatement	250,000	250,000
Public Works/Infrastructure	Sidewalk Rehabilitation Program	300,000	300,000
Public Works/Infrastructure	Enhanced City Urban Forest	100,000	100,000
Public Works/Infrastructure	Mather Field Road Landscaping Project	430,000	-
Public Works/Infrastructure	Countryside Neighborhood Street Rehabilitation Phase II	720,000	100,000
Public Works/Infrastructure	2026-27 Neighborhood Pavement Rehabilitation Project	-	1,850,000
Legacy Project Operations		1,125,065	1,292,025
Legacy Project Operations	Youth Center Operations	820,000	980,000
Legacy Project Operations	Youth Services Officer & Student Award Programs	305,065	312,025
Administration of Fund		1,000,000	1,000,000
Total		\$ 11,905,700	\$ 12,084,300

MEASURE R PROPOSED ALLOCATION



MEASURE R PROPOSED ALLOCATION

Fund Filter	Measure R	2024-25 Budget	2025-26 Budget
Public Works/Infrastructure		5,700,000	5,700,000
Public Works/Infrastructure	Countryside Neighborhood Street Rehabilitation Phase II	5,700,000	-
Public Works/Infrastructure	Neighborhood Pavement Rehabilitation Project	-	5,700,000
Community/Economic Development		2,203,100	2,203,100
Community/Economic Development	Economic Development Incentives	275,000	425,000
Community/Economic Development	Business Retention - Chamber of Commerce	1,126,500	810,000
Community/Economic Development	Economic Development Initiatives	300,000	250,000
Community/Economic Development	Small Business Grants	206,000	421,000
Community/Economic Development	Small Business Design Assistance	50,000	50,000
Community/Economic Development	City Placemaking & Branding	150,000	150,000
Community/Economic Development	Animal Services Vaccine/Microchip Clinics	95,600	97,100
Affordable Housing & Homelessness		1,032,500	1,159,500
Affordable Housing & Homelessness	Homeless Outreach Team (HOT) Initiatives	1,032,500	1,159,500
Neighborhood/Corridor Revitalization		1,160,000	1,160,000
Neighborhood/Corridor Revitalization	Neighborhood Beautification Programs	1,160,000	1,160,000
Legacy Projects - Current Year Allocation		810,100	861,700
Administration of Fund		1,000,000	1,000,000
Total		\$ 11,905,700	\$ 12,084,300

SAC METRO REQUEST

Funding Request of \$1.65M to staff Squad 61 for 1 year

- Squad 61 is a 24-hour unit staffed with 2 firefighters over 3 shifts (6 total firefighters)
- Vehicle Costs covered by Sac Metro Fire

COMMUNITY PARTNERSHIPS SUPPORT

		Fiscal Year 2024/25				Fiscal Year 2025/26			
Community Partnerships	Description	General Fund	Measure H	Measure R	ARPA	General Fund	Measure H	Measure R	ARPA
California Capital Airshow Group	Presenting sponsor of the CA Capital Airshow	150,000				150,000			
	<i>Destination Aviation Summer Camp</i>		6,500						
California Capital Film Office	Operational support and city videography services	92,200				138,000			
	<i>Documentary Film Festival & student film project</i>		52,000						
Cordova Community Council	Community events, MACC operations, RCAA/youth sports promotion & support	1,070,000	530,000			1,075,000	580,000		
Rancho Cordova Chamber of Commerce	Business development and explore program for new businesses and residents		75,000	650,000			75,000	1,126,500	
Rancho Cordova Food Locker	Operational support				175,000				175,000
Sacramento Children's Museum	Operational support and traveling exhibit sponsorship		150,000				150,000		
	<i>Traveling Exhibit</i>		84,000						
Soil Born Farms	School Gardens support		50,000				55,000		
	<i>Capacity building & donor development support</i>						150,000		
Total		\$1,312,200	\$947,500	\$650,000	\$175,000	\$1,363,000	\$1,256,486	\$1,126,500	\$175,000

COMMUNITY PARTNERSHIPS SUPPORT

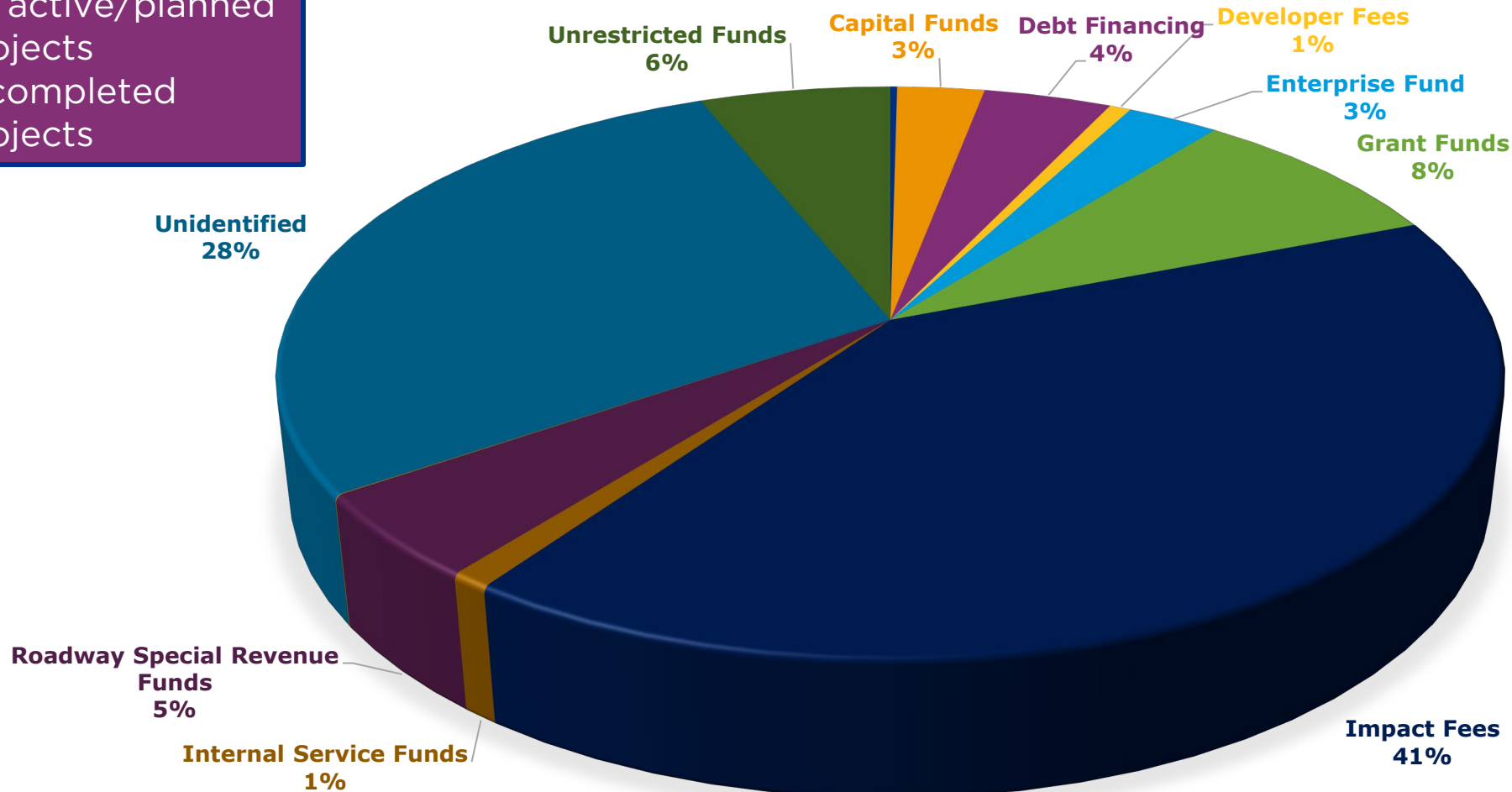
Community Partner	CEIF Request	Requested Amount	Staff Recommendation
California Capital Airshow Group	Destination Aviation Summer Camp	\$50,000	Refer to microgrant program
California Capital Film Office	Documentary Film Festival, Doc Film on Soil Born Farms, Beyond Broadway	\$75,000	\$60,000 For Doc Film Festival & Doc Film on Soil Born Farms
Rancho Cordova Food Locker	Purchase Food Recovery Truck & pilot farmers market food access program	\$93,486	\$45,000 For Food Recovery Truck
Sacramento Children's Museum	Traveling Exhibit	\$25,000	\$25,000

CAPITAL IMPROVEMENT PLAN 2025-2030

Five Year CIP totals \$1 billion

105 Total Projects

- 94 active/planned projects
- 11 completed projects



43 different funding sources utilized in the five year CIP

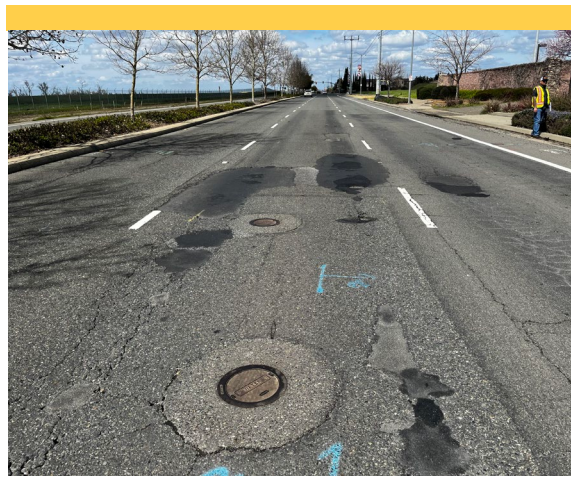
KEY CIP PROJECTS FISCAL YEAR 2025-27



Zinfandel Pedestrian Overcrossing & Art Walk

Total Project Budget:
\$36,727,400

Construction: FY 25/26 – FY 27/28



Sunrise Boulevard Rehabilitation – Douglas to Kiefer

Total Project Budget:
\$7,526,100

Construction: FY 25/26



Lincoln Village Traffic Calming

Total Project Budget: \$1,025,000

Construction: FY 24/25 – FY 25/26

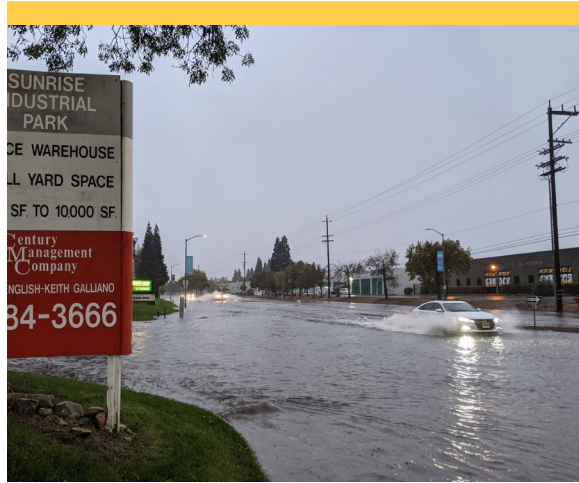


White Rock Road Improvements East of Rancho Cordova Parkway

Total Project Budget:
\$13,985,000

Construction: FY 25/25 – FY 26/27

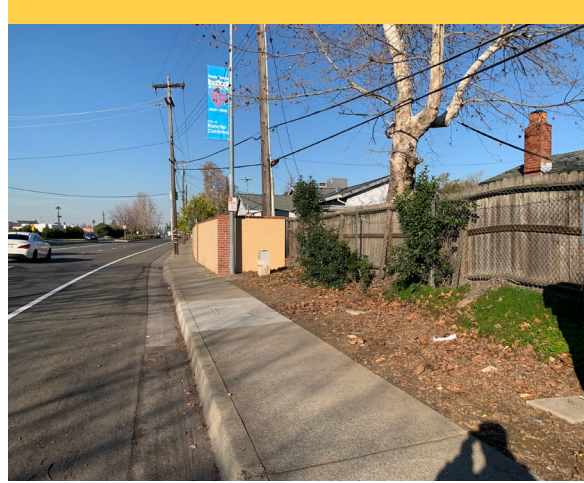
KEY CIP PROJECTS FISCAL YEAR 2025-27



Monier Circle Flood Control Basin

Total Project Budget:
\$8,781,700

Construction: FY 25/26 – FY
26/27



Mather Field Road Landscape Enhancements

Total Project Budget:
\$430,000

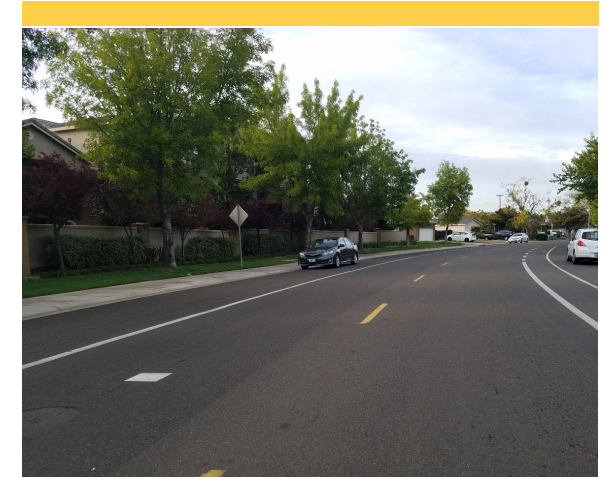
Construction: FY 25/26



Neighborhood Traffic Calming

Total Project Budget:
\$570,000

Construction: FY 25/26 – FY
26/27



Citywide Street Rehabilitation Project

Total Project Budget:
\$18,151,600

Construction: Ongoing

CITY RESERVES

AS OF JUNE 30, 2025 (ESTIMATED)

Unrestricted Funds:



Economic Uncertainty
General Fund Reserve
(20% of operating budget)



CEIF Legacy Fund
\$35.8M allocated to Legacy
projects
\$5M unencumbered balance



Capital Facilities Reserve
\$20M reserved for Mills Crossing
\$5M reserved City Hall Space
Planning



Infrastructure Capital Fund
Allocated annually into CIP

OTHER CITY FUNDS

AS OF JUNE 30, 2025 (ESTIMATED)

Special Revenue Funds:



CFF Community Facilities Impact Fees

\$15M reserved for Mills Crossing
Funds available for community facilities & amenities identified in the Nexxus Study



CFF Library Impact Fees
Funds available for future library to serve growing population



Affordable Housing Impact Fees

\$6M reserved for Mills Crossing
Funds available for affordable housing projects

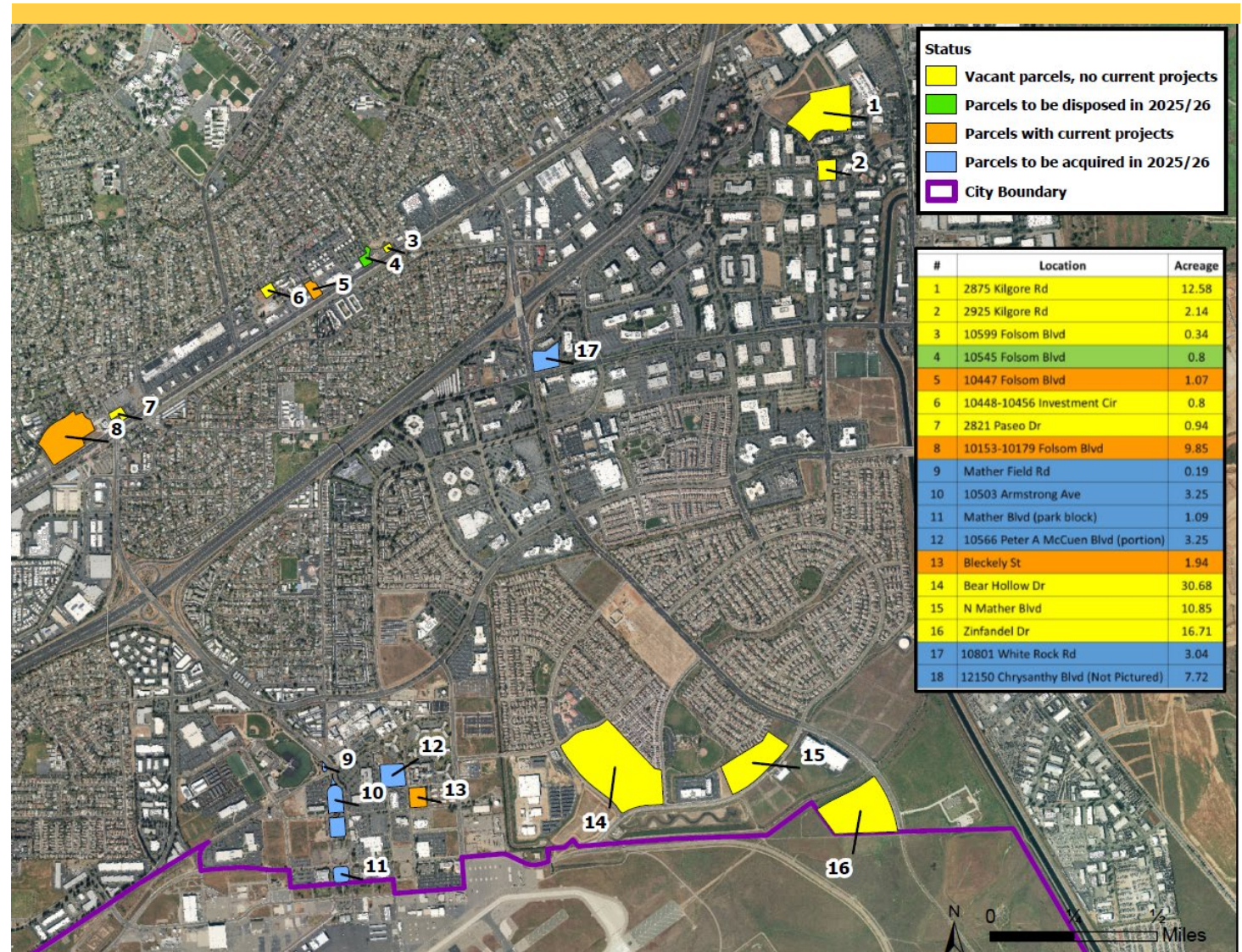


Community Renovation Fees

\$3.5M reserved for Little League
Funds available for community facilities & amenities

CITY OWNED VACANT PROPERTY

- Total of 107 acres
- Land Asset Book Value of \$33 million
- City must follow Surplus Land Act guidelines when disposing of property (approximate 6-month process)



CURRENT LEGACY PROJECT COMMITMENTS

	Capital Facilities Fund	CEIF Legacy Fund	Community Facilities Impact Fees	CFF Library Impact Fees	Community Renovation Fees	Affordable Housing Impact Fees	Total
Unencumbered Fund Balance as of 6/30/25 (estimated)	21,566,428	40,758,935	17,187,103	8,279,364	6,872,369	10,557,325	105,221,524
Legacy Project Commitments							
Mills Crossing (\$110M Total Project, \$45M anticipated to be debt service)	20,000,000	8,500,000	15,000,000			6,000,000	49,500,000
Mineshaft		10,100,000					10,100,000
Little League		7,500,000			3,500,000		11,000,000
Soil Born Farms Animal Barn		513,800					513,800
Land Acquisition Set Aside		3,700,000					3,700,000
Affordable Housing Set Aside		2,000,000					2,000,000
Economic Development Opportunity Fund		3,500,000					3,500,000
Legacy Projects Total	20,000,000	35,813,800	15,000,000	-	3,500,000	6,000,000	80,313,800
Remaining Fund Balance as of 6/30/25	\$1,566,428	\$4,945,135	\$2,187,103	\$8,279,364	\$3,372,369	\$4,557,325	\$24,907,724

FY 2025-27 LEGACY PROJECT IDEAS/REQUESTS

	Estimated/ Requested Amount	Capital Facilities Fund	CEIF Legacy Fund	Community Facilities Impact Fees	CFF Library Fees	Community Renovation Fees	Affordable Housing Impact Fees
Remaining Fund Balance as of 6/30/25		\$1,566,428	\$4,945,135	\$2,187,103	\$8,279,364	\$3,372,369	\$4,557,325
AI & Robotics Ecosystem	\$5,000,000						
City 25th Birthday Rose Bowl Parade Float	\$300,000						
Cordova High School Discus and Hammer Cage Improvements	\$200,000						
New Rancho Cordova Library	\$15,000,000						
Rancho Cordova Community Center	\$50,000,000						
Routier Station Restoration (Pfingst Building)	\$500,000						
Sacramento Children's Museum Facility Improvements	\$1,500,000						
Soil Born Farms Animal Barn (additional request)	\$210,000						

AI & Robotics Ecosphere

- # City 25th Birthday Rose Bowl Parade Float
- (Proposed by Cordova Community Council)*

-

- Enhance the Track & Field opportunities at Cordova High by installing new discus cage and make improvements to the hammer cage

-
- Detailed Site Layout and Scope – Estimated Cost \$150,000**
- Gill 8021 Aluminum Practice Cage Throwing into Gill 73130 Throwing Net (purchase and install). Pour 10'x10' concrete pad with recessed ring.
- Install throwing cage supplied by RCAA. Pour flat concrete pad with recessed ring. Drains north to field. Install black chain-link gates at front of cage. Gates swing 270° parallel near sides when fully open.
- Evaluate option to add electrical service to containers
- Relocate one existing container. Purchase one new container. Locate on aggregate base pad.

FY 2025-27 LEGACY PROJECT IDEAS/REQUESTS

New Rancho Cordova Library

- Evaluate Locations for new Library
- Coordination with the JPA to operate
- Competitively compete for available space?
- Estimated Cost up to \$15M (dependent on site)



Rancho Cordova Community Center

(Proposed by Cordova Community Council as an alternative to community spaces planned for Mills Crossing)

- Proposed Uses from community groups:
 - Theatre, Rehearsal Space & Storage
 - Catering Kitchen
 - Community Banquet Space
 - Community Meeting Rooms
 - Library
- Potential building is identified in Business Park
- Estimated Cost \$50M



FY 2025-27 LEGACY PROJECT IDEAS/REQUESTS

Routier Station Restoration (Pfingst Bldg)

- Established in 1871 at 9978 Folsom Blvd
- Owner has land lease with Sacramento Placerville Transportation Corridor JPA
- Building in a dilapidated state
- Relocation is not included in estimate
- **Estimated Cost \$500,000**



Sacramento Children's Museum

- City-owned building
- Exterior façade improvements
- Create a unified lobby
- Create outdoor area with fence
- **Estimated Cost \$1.5M**



Soil Born Farms Animal Barn

- Council previously awarded \$513,778
- Construction Bids were higher than estimated
- **New Request \$210,000 to accommodate construction bid**



UNFUNDED/DEFERRED INFRASTRUCTURE NEEDS

Infrastructure Needs	Estimated Cost
Deferred Street Maintenance	\$85M
Deferred Stormwater Maintenance	\$120M
EGUSD High School Infrastructure	\$50M
Future Rancho Cordova Parkway Interchange	\$150M
Sidewalk Gaps & Defects	\$20M
Streetlight Gaps	\$20M

COUNCIL FEEDBACK & DIRECTION