

City of Culver City, California  
**City Council Agenda Item Report**

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| Meeting Date: 09/22/08                                                                                                                           |  | Item Number: <u>A-4</u>                                                           |                                                  |
| <b>AGENDA ITEM: Consideration of a Position of Support for Metropolitan Transportation Authority's Measure R on the November 4, 2008 Ballot.</b> |  |                                                                                   |                                                  |
| Contact Person/Dept.: Shelly Wolfberg                                                                                                            |  | Phone Number: (310) 253-6008                                                      |                                                  |
| Fiscal Impact: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                               |  | General Fund: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |                                                  |
| Public Hearing: <input type="checkbox"/>                                                                                                         |  | Action Item: <input checked="" type="checkbox"/>                                  | Attachments: <input checked="" type="checkbox"/> |
| Public Notification:<br>Master E-Mail Notification List (09/17/08).                                                                              |  |                                                                                   |                                                  |
| Department Approval:<br>Martin R. Cole (09/15/08)                                                                                                |  | City Attorney Approval:<br>Carol Schwab (by H. Baker) (09/16/08)                  |                                                  |
| Chief Financial Officer Approval:<br>Jeff Muir (by N. Kimball) (09/17/08)                                                                        |  | City Manager Approval:<br>Jerry B. Fulwood (09/17/08)                             |                                                  |

**RECOMMENDATION:**

Staff recommends the City Council consider a position of Support for Metropolitan Transportation Authority's Measure R on the November 4, 2008 ballot.

**BACKGROUND:**

On July 24, 2008, the Metropolitan Transportation Authority (Metro) Board of Directors placed a new half cent sales tax measure for Los Angeles County on the November 4, 2008 ballot. According to Metro this ballot measure, known as Measure R, would finance dozens of transportation projects ranging from pothole repairs, major highway construction, the purchase of clean fuel buses, and the construction of new rail lines spread throughout the county. This is part of Metro's effort to keep pace with major population and job growth. The Board of Directors approved an ordinance including an expenditure plan that spells out in project detail how the sales tax – estimated to generate \$30-\$40 billion over the next 30 years – would be spent. These monies also could be leveraged with state, federal and private sector funding. The Metro Board also passed a resolution formally requesting the Los Angeles County Board of Supervisors to place the ordinance on the ballot for the Nov. 4, 2008 countywide general election.

If the measure garners at least a two thirds vote, it would become law in January 2009. The ballot measure also is contingent on Governor Schwarzenegger's signature of AB 2321 (Feuer), which would give Los Angeles County authority to levy the tax if voters approve it. The City Council took a position of Support for AB 2321 on July 21, 2008.

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The new sales tax would fund projects in Metro's Expenditure Plan to help address gridlock in the heavy traffic areas of our region. It would finance such new transit projects as the Westside Subway Extension and Exposition Boulevard Light Rail Transit line on the Westside, both high priority projects for the member cities of the Westside Cities Council of Governments. Funding from this measure is also identified for a rail connection to LAX, extending the Metro Green Line to the South Bay corridor, a downtown rail connector that would make transfers on the light rail lines seamless, and much more.

In addition, the 88 cities and county unincorporated areas would receive 15 percent of sales tax revenue for local transit services, street resurfacing, left hand turn signals, bikeways, pedestrian improvements and other local transportation priorities. Twenty percent of the monies would help subsidize countywide bus operations, which will help keep fares low for seniors, students and commuters. Another five percent will pay for Metrolink operations, maintenance and expansion and for purchasing Metro Rail train cars, rail yards and other system improvements.

To ensure that money will be spent in Los Angeles County for exactly what voters were promised, the ballot measure calls for an annual independent audit and report to taxpayers and ongoing monitoring and review of spending by an independent taxpayer oversight committee. The Los Angeles Economic Development Corporation found the tax increase would cost residents \$25 more per person annually. Residents will pay about 42 percent of the sales tax raised with businesses and tourists contributing the remaining amount.

This evening, the City Council is being asked to consider taking a position of support for Measure R, which will appear on the November 4, 2008 County wide ballot.

**FISCAL ANALYSIS:**

There is no fiscal impact for the City Council to support Measure R. If Measure R passes, the sales tax rate in Los Angeles County would increase from 8.25% to 8.75% and Culver CityBus would receive additional transit funds for operations and transit capital projects. Staff would return at a later date for any future funding requests regarding Measure R.

**ATTACHMENTS:**

1. County of Los Angeles Ordinance #08-01 "Traffic Relief and Rail Expansion Ordinance" and Expenditure Plan.

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**MOTION:**

That the City Council:

1. Adopt a position of Support for Measure R; or
2. Provide other direction to staff.