

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

Meeting Date: 07/23/12		Item Number: <u>A-4</u>	
CITY COUNCIL AGENDA ITEM: Consideration of a Policy Position on Assembly Bill 1446 – The Los Angeles County Metropolitan Transportation Authority: Transactions and Use Tax.			
Contact Person/Dept.: Shelly Wolfberg		Phone Number: (310) 253-6008	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date:	
Public Notification: Meetings and Agendas – City Council (07/20/12); Office of Assemblymember Mike Feuer (07/12/12)			
Department Approval: Martin R. Cole (07/19/12)		City Attorney Approval: Carol Schwab (by H. Baker) (07/18/12)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (07/19/12)		City Manager Approval: John Nachbar (07/20/12)	

RECOMMENDATION:

Staff recommends the City Council provide a policy position on AB 1446 (Feuer), as amended, the Los Angeles County Metropolitan Transportation Authority: transactions and use tax.

BACKGROUND/DISCUSSION:

In 2008, AB 2321 (Feuer) authorized Metro to adopt a ½ cent sales tax in Los Angeles County upon approval of the voters. When Los Angeles County voters approved the tax, known as Measure R, to fund construction of specified transportation projects, they also approved an expenditure plan that spread the costs of those projects over the 30-year duration of the tax. Measure R increased the Los Angeles County sales tax from 8.25% to 8.75% (a half-cent increase) to fund transportation projects. On July 21, 2008, the City Council voted unanimously to support AB 2321 and directed staff to advocate the City Council's position.

AB 1446 would authorize the Los Angeles County Metropolitan Transportation Agency (Metro) to place on a ballot for Los Angeles County voter approval the permanent extension of an existing county-wide ½ cent sales and use tax, which currently sunsets in 30 years. Revenue from the existing ½ cent tax implemented by the approval of Measure R, is dedicated to the construction and operation of rail, highway and bus projects in Metro's Long Range Transportation Plan (LRTP), as well as local initiatives such as street and signal improvements, bicycle and pedestrian projects, and more.

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The author argues that since 2008, the nation, the State of California and Los Angeles County have been plunged into a deep recession, with unemployment, especially in the construction sector, strikingly high. In addition, traffic congestion is increasing as the Los Angeles region's population continues to grow. The author contends the region needs more transportation options to accommodate more than 3 million additional residents anticipated over the next three decades from an increase in population alone.

AB 1446 is intended to give Los Angeles County voters the opportunity to extend the duration of a local source of funding for a program of transportation infrastructure projects that will benefit the Los Angeles region. The anticipated new revenue can be bonded against to build projects in Metro's LRTP sooner. For Fiscal Year 2012/2013, the Culver City portion of Measure R's Operating Revenue is expected to reach \$1.6 million.

The City's current Legislative Advocacy Program supports "efforts to maintain and increase funding for transportation operations, programs and projects throughout the City".

The Westside Cities Council of Governments has informally discussed AB 1446 and will be having a formal discussion on this subject during their August meeting with the intent of the WSCCOG Board taking a policy position on this item. Any action the City Council may take tonight will inform the City's delegates to the COG on how to vote during the COG's deliberations.

FISCAL ANALYSIS:

There is no fiscal impact for the City to take a policy position on AB 1446.

ATTACHMENTS:

AB 1446 Amended Bill Text-Amended in the Senate on June 19, 2012.

MOTION:

That the City Council:

1. Consider AB 1446, and, if desired, take a policy position to support, support if amended, or oppose the bill; and,

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2. Direct the City Manager to prepare a letter for the Mayor's signature consistent with the policy position, if any, taken by the City Council.