

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 07/21/08		Item Number: <u>A-2</u>	
AGENDA ITEM: Consideration of a Support Position on AB 2321 (Feuer): Transportation Funding: County of Los Angeles.			
Contact Person/Dept.: Shelly Wolfberg		Phone Number: (310) 253-6008	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master E-Mail Notification List (07/16/08).			
Department Approval: Martin R. Cole (07/16/08)		City Attorney Approval: Carol Schwab (by H. Baker) (07/16/08)	
Chief Financial Officer Approval: Jeff Muir (07/16/08)		City Manager Approval: Jerry B. Fulwood (07/16/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council support AB 2321 (Feuer): Transportation Funding: County of Los Angeles. <u>BACKGROUND:</u> Existing law authorizes the Los Angeles County Metropolitan Transportation Authority (MTA) to impose, in addition to any other tax that it is authorized to impose, a “transactions and use tax” at the rate of 0.5% for 6-1/2 years or less, for the funding of specified transportation-related purposes designated as capital projects or capital programs. Existing law conditions the imposition of a tax under this authority upon voter approval as otherwise required by law. It also prohibits the MTA from incurring bonded indebtedness payable from the tax proceeds to fund those projects or programs or from substituting revenue from the tax proceeds for current funding commitments to the projects or programs. Existing law requires the MTA to prepare an expenditure plan prior to submitting the tax ordinance to voters, which plan describes the projects and programs and their cost and funding sources. Existing law also creates the Capital Project Development Fund, into which the tax revenue is to be deposited, and makes those monies available for expenditure by the MTA to fund the designated projects and programs. AB 2321 (Attachment 1) would modify these provisions to require the MTA tax ordinance to specify that the tax is to be imposed for a period not to exceed 30 years, and to require the MTA to include specified projects and programs in its Long Range Transportation Plan. This bill would also authorize the MTA to incur bonded indebtedness, as specified, and would make other related changes.			

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DISCUSSION:

It is estimated that AB 2321 would generate \$20 billion over 20 years and \$40 billion over 30 years for capital projects and programs the region. The Westside Cities Council of Governments (WSCCOG), of which Culver City is a Member, supports the use of any transportation funding for the three Westside COG priority transportation projects: 1) the Exposition Light Rail Project to Santa Monica; 2) the Metro Red Line Subway Extension, and 3) the I-10 Robertson/National Area Circulation Improvement Project. The WSCCOG is advocating these projects, and there is particular interest to include the I-10 Robertson/National Area Circulation Improvement Project which has yet to be a part of the list of priority projects in MTA's Long Range Transportation Plan, which would serve as the MTA's Expenditure Plan.

The Westside with its congestion and multiple employment, educational and activity centers currently has no rail service at all. The Westside is also the second largest employment center in the region with nearly 500,000 jobs and is home to some of the worst traffic congestion in the United States-with insufficient transit opportunities and funding to implement transportation projects to address these issues.

The City Council is being asked to consider a support position on AB 2321. AB 2321 would authorize the Board of Supervisors to place a ½ cent transactions and use tax in excess of 6½ years (to a maximum of 30 years) on the November, 2008 ballot. If the City Council decides to support AB 2321, staff would prepare necessary position letters for the Mayor's signature, and the Mayor or Members of the City Council could speak in support of the bill. Further, our lobbyist, Joe A. Gonsalves and Son would advocate on behalf of Culver City for this bill. The Cities of West Hollywood, Beverly Hills, and Santa Monica have taken a formal position in support of AB 2321. The City Council position in support of AB 2321 is consistent with the City Council-Adopted Legislative Advocacy Program for 2008.

FISCAL ANALYSIS:

There is no Fiscal Impact to support AB 2321.

ATTACHMENTS:

1. AB 2321 (Feuer): Transportation Funding: County of Los Angeles.

MOTION:

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That the City Council:

1. (Staff recommendation) Support AB 2321 and direct staff to advocate the City Council's position; or
2. Provide other direction to staff as deemed appropriate.