



COUNCIL AGENDA: 04-24-12
ITEM: 2.17

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Dennis Hawkins, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: 4-19-12

**SUBJECT: ACA 23 (PEREA) LOCAL GOVERNMENT TRANSPORTATION
PROJECTS SPECIAL TAXES: VOTER APPROVAL**

RECOMMENDATION

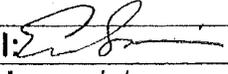
As recommended by the Rules and Open Government Committee on April 18, 2012 and outlined in the attached memo previously submitted to the Rules and Open Government Committee, approve a support position for ACA 23 (Perea) Local Government Transportation Projects Special Taxes: Voter Approval.



Subject: ACA 23 (Perea)
Local Government Transportation Projects
Special Taxes: Voter Approval

Recommend Position: Support

CITY COUNCIL ACTION REQUEST

Department: Transportation	Date: 04-03-2012	Coordination: City Manager/City Attorney/Leg. Representative in Sacramento	CMO Approval:  Dept. Approval: /s/ Hans F. Larsen
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RECOMMENDED ACTION:

1. Pursuant to the City's streamlined bill process for responding quickly to legislative proposals, approve support for ACA 23 (Perea)
2. Recommend a one-week turnaround to the City Council so that the City's legislative staff can advocate the City's support for ACA 23.

BILL SYNOPSIS:

ACA 23, a constitutional amendment, would if approved by 2/3rds of both the Assembly and the Senate and signed by the Governor, place before the voters of the State of California a measure to lower to 55 percent the voter-approval threshold for a city, county, city and county or special district to impose, extend or increase a special tax by a local government for the purpose of providing funding for local transportation projects.

IMPACTS TO CITY OF SAN JOSE:

Transportation Infrastructure continues to be the program within the City that identifies the largest unfunded need. As reported at the April 2012 Transportation & Environment meeting, the five-year unfunded needs for Transportation Infrastructure is \$443.8 million with annual ongoing unfunded needs is identified at approximately \$89 million. Transportation infrastructure includes the street network, roadway lighting and right of way, and landscaping assets. Of that infrastructure, street pavement is the largest portion of the need. San Jose's estimated backlog of deferred pavement maintenance has increased from \$250 million (in 2010) to \$293 million (in 2012) with the quantity of streets in poor condition increasing from 425 miles (18 percent) to 500 miles (21 percent). Along with the funding needed to address the pavement backlog, additional funds are needed to meet the needs of other areas including: ADA Curb Ramps - \$63 million; Signals/Signs/Markings/Street Lights - \$38 million; Bridge Rehabilitation - \$30 million; and, Trees/Landscaping - \$19 million. If funding levels are not increased, the backlog will continue to escalate. In addition to the needs highlighted by the City, there are also transportation infrastructure needs regionally and statewide that need to identify funding sources.



ACA 23 if approved by the Legislature, the Governor and the voters of California would provide local agencies the ability to pass special tax measures to fund transportation infrastructure. The people of California approved a measure in November 2000 which reduced the vote requirement to 55 percent, allowing the construction, reconstruction, rehabilitation, or replacement of school facilities. This action has also allowed school districts to pass bond measures to fund specified capital improvements. The passage of ACA 23 gives cities, like San Jose and special districts like the Santa Clara Valley Transportation Authority (VTA), another tool to use to address transportation infrastructure funding needs.

In addition to the recommended position of support for ACA 23, the City Council approved a support position for ACA 4 (Blumenfeld) at its May 31, 2011 meeting. ACA 4 lowers from two-thirds to 55 percent the voter-approval threshold for a city, county, city and county or special district to incur bond indebtedness in the form of general obligation bonds to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure related to transportation and public safety.

POLICY ALIGNMENT:

Included in the Council approved 2012 Legislative Guiding Principles and Priorities is language to advocate for legislation that maximizes transportation funding and to support the change of the voter threshold to pass local transportation measures to less than a 2/3rds majority.

SUPPORTERS/OPPONENTS:

There are no registered Supporters or Opponents as of the writing of this memo.

STATUS OF BILL:

The Bill is currently in the Assembly pending Committee assignment.

FOR QUESTIONS CONTACT: Hans Larsen (408) 535-3830