



DATE: April 3, 2018

TO: Mayor and City Council

FROM: City Manager

SUBJECT Approval of a Resolution in Support of Proposition 69, Transportation Funding Protection

RECOMMENDATION

The City Council approves the attached resolution in support of Proposition 69, Transportation Funding Protection.

SUMMARY

In 2017, Governor Brown signed SB 1 (Beall): The Road Repair and Recovery Act. SB 1 increased the gas tax, vehicle registration fees, and diesel excise tax. The measure was put in place to help fund the over \$73 billion in unmet funding needs for local streets and roads as well as the \$72 billion backlog to the State Highway System. Proposition 69 is a constitutional amendment that will be submitted to Californian voters during the June 2018 election. This constitutional amendment will restrict the ability of the State legislature to divert SB1 funding for other non-transportation purposes.

BACKGROUND

In 2017, Governor Brown signed SB 1 (Beall): The Road Repair and Recovery Act. SB 1 increased the gas tax, vehicle registration fees, and diesel excise tax. It also appropriated money from cap and trade funds as well as vehicle weight fees. In sum, SB 1 raises an estimated \$6 billion annually, to help fund repairs and maintenance for highways, local streets and roads. The measure was put in place to help fund the over \$73 billion unmet funding need for local streets and roads as well as the \$72 billion backlog to the State Highway System. Mayor Halliday send a letter of support for SB 1 in February of 2017.

DISCUSSION

Proposition 69 is a constitutional amendment that will be submitted to Californian voters during the June 2018 election. This constitutional amendment will restrict the ability of the State legislature to divert SB1 funding for other non-transportation purposes. Proposition 69 does not increase taxes or fees, but rather ensures that the transportation revenues of SB1 receive the same protections that other transportation revenues have under the California Constitution.

Proposition 69 achieves several of the Council's Legislative Program Policy Positions, specifically:

1.2A—Support legislation and initiatives that boost funding for infrastructure projects within the city and surrounding region

FISCAL IMPACT

Proposition 69 will not have an immediate fiscal impact on the City. However, by protecting the streams of revenue from SB1, the City will have another reliable source of funding to help meet the City's nearly \$83 million in differed maintenance for its 655 lane miles of roadways.

STRATEGIC INITIATIVES

This agenda item supports the Complete Streets Strategic Initiative. The purpose of the Complete Streets Strategic Initiative is to build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including motorists, pedestrians, bicyclists, and public transportation riders. This item supports the following goal:

Goal 3: Maintain sufficient funding to provide for existing and future transportation facility and service needs, including the operation and maintenance of the transportation system.

NEXT STEPS

If Council approves the attached resolution, staff will distribute the signed resolution to the appropriate bodies, as well as post a copy of the resolution on the Legislative Program website.

Prepared and Recommended by: John Stefanski, Management Analyst II

Approved by:



Kelly McAdoo, City Manager