

LAURIE CAPITELLI

Berkeley City Council  
District 5

CONSENT CALENDAR

June 12, 2007

To: Honorable Mayor and  
Members of the City Council

From: Councilmember Laurie Capitelli

Subject: Opposition to Reduction of Transit Funding in the Governor's FY 2008  
Budget

RECOMMENDATION

That the City Council approve the accompanying resolution opposing Governor Schwarzenegger's proposal to transfer funds earmarked for transit into the General Fund; and that the City Manager direct staff to write letters to the Governor and our state elected officials informing them of our position.

FINANCIAL IMPLICATIONS

Minimal staff time to craft letters.

BACKGROUND

Governor Schwarzenegger's May Revise of the FY 08 budget redirects over \$1.3 billion from transit to the General Fund. His proposal redirects:

- \$800 million in revenues from Proposition 1B bonds that voters recently approved for new transportation infrastructure; and
- \$503 million in revenues from "Spillover Funds," generated from gas taxes in years when fuel prices are high, and specifically dedicated by law for transit funding, in fact the only source of state funding for transit operations. (The Governor's proposal would permanently cease allocations of "spillover funds" funds to public transit.)

The non-partisan Legislative Analyst's Office calls his proposal for redirecting transit funds "unworkable."

This budget would lead to further reductions in service and have devastating impacts to commuters, youth, elderly, people with disabilities, and others who rely on public transportation. Discouraging transit ridership would be counter productive to the state and local efforts to reduce greenhouse gas emissions from single occupancy vehicles.

CONTACT PERSON

Councilmember Laurie Capitelli, District 5 981-7150

ATTACHMENTS:

1. Resolution:

RESOLUTION NO. – N.S.

OPPOSITION TO THE GOVERNOR'S FY 2008 BUDGET PROPOSAL TO REDUCE  
FUNDING FOR PUBLIC TRANSIT

WHEREAS, Governor Schwarzenegger's 2007-08 budget proposes to slash funding for public transit by redirecting \$1.3 billion to pay for State obligations that have historically been funded through the general fund budget; and

WHEREAS, the transit funding proposed to be redirected includes both revenues from Proposition 1B bonds that voters approved for new transportation infrastructure and revenues from "Spillover Funds" that are intended by law to fund public transit; and

WHEREAS, the Governor has proposed to permanently cease allocations of funds to public transit from the Spillover Fund; and

WHEREAS, Transportation generates a major portion of greenhouse gases both statewide and in Berkeley; and

WHEREAS, the Governor's Climate Action Team has identified the need to reduce 27 metric tons of carbon dioxide through improved transportation and associated smart growth; and

WHEREAS, neither the State nor Berkeley's goals for addressing climate change can be realized without improved public transit services; and

WHEREAS, public transit agencies across the state have been forced to cut services and raise fares as their expenses continue to rise, thereby discouraging transit ridership and creating hardships for low-income persons and disabled persons who depend on public transit; and

WHEREAS, it is estimated that the Governor's proposed cuts would give the Bay Area only 30% of the public transit funds to which they are legally entitled; and

WHEREAS, the independent Legislative Analyst has concluded that "the administration's transportation proposal is unworkable."

THEREFORE BE IT RESOLVED that the Berkeley City Council hereby expresses its opposition to the Governor's proposal for transit funding; and

BE IT FURTHER RESOLVED that the Berkeley City Council calls on our representatives in the State Legislature and members of the California Budget Subcommittee on Transportation to forcefully oppose the redirection of transit funding and to work for full funding for public transit in the FY 2007-08 State budget.