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July 26, 2016

The Honorable John Fasana, Chair, and
Members, Board of Directors
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012

Re: Proposed Ballot Measure to Increase County Sales Tax and to Remove the "Sunset" Date on Measure R

Dear Chair Fasana and Board Members:

I am writing to request your re-consideration of the Expenditure Plan for the Proposed Ballot Measure (PBM) before the mid-August deadline for the Measure to be submitted to the Registrar. The current version has created unnecessary opposition that may jeopardize its passage. With some good will and restored trust, an amended Plan can be created and supported by an overwhelming majority.

I am aware of the need for the additional transportation funding. I voted for Senate Bill 767 (SB 767) in 2015 in the policy and fiscal committees as well as on the Senate Floor to authorize you to seek a public vote on a new sales tax. I supported your "ground-up" approach to identifying transportation needs and responsive projects. Since the Fall of 2015, following the advice of Senate President Pro Tem Kevin de León, I have worked with you, your CEO, local elected officials, and other stakeholders to ensure that the transportation needs of our region were addressed. This has included two major public events in my district in addition to numerous meetings.

Despite good intentions, strong advocacy, and sincere support, the PBM falls short and is now opposed by the 28 member cities of the Gateway Cities Council of Governments, including all the cities in my District as well as our neighboring 16-city member Council of Governments, South Bay Cities. Thus, half of the cities (44) in Los Angeles County oppose this PBM.

This is disappointing but not unexpected as support for the Measure began to erode with the release of the Initial Expenditure Plan in March of 2016.



During consideration of SB 767 in 2015, legislators were assured by you and the author that *“This bill authorizes the Los Angeles County Metropolitan Transportation Authority (LACMTA) to impose by ordinance an additional local, countywide, one-half-cent sales tax.* (Senate Floor Analysis, 9/10/15 23:28:19). MTA members and staff stated on numerous public and private occasions that the PBM’s Expenditure Plan was to be developed on the basis of the additional revenues that would be generated pursuant to the sales tax authorized by SB 767. The Draft Expenditure Plan issued on March 24, 2016 used those figures. We all worked with the premise stated in SB 767 until, suddenly and without notice, on June 10, 2016 you released the Revised Expenditure Plan that a) made the new half-cent sales tax permanent, b) made the Measure R temporary half-cent sales tax permanent and c) presented a set of new, accelerated, or unanalyzed, or all three combined) projects in the Plan. The public and your local government partners were given eight business days to respond. On June 23, 2016, you approved this massive new permanent ad tax along with your endorsed projects.

Another important factor in the growing opposition to the Plan, is that LACMTA failed to honor promises made under Measure R in 2008, the previous successful half-cent sales tax increase, to build projects as moneys became available and project designs, etc. were completed. This matter was a subject of discussion in the legislative review for SB 767. We were reassured, as the Senate Floor Analysis noted, that *“Instead of seeking to extend Measure R, the author of this bill is authorizing LACMTA to propose to voters another half-cent sales tax. This new authorization would not contain the required projects of past measures, nor the restrictions of past legislation, but is somewhat a “clean slate” from which LACMTA can build a new expenditure plan and funding prioritization* (Senate Floor Analysis, 9/10/15 23:28:19). Now that you have voted to extend Measure R’s revenues indefinitely, it is incumbent that Measure R projects that had been delayed for lack of funds should receive preferential funding from the new revenues. LACMTA voted not to keep that promise.

Worse, instead of accelerating such second and third decade Measure R projects with the new funds brought in by the new tax measure, in keeping with the Board’s 30-10 Policy, preference was given to 19 new projects or 44% of the projects in the Expenditure Plan. Interestingly, while many of the Measure R projects have been previously studied and analyzed for design, cost, and performance benefit, many of the new projects are speculative and yet to undergo specific project development, environmental clearance, fiscal, and other analyses.

It is evident that the PBM would expedite and early-fund (first 15 years) several projects with little or no definition. This practice extends to speculative funding scenarios that may have very little relation to the ultimate financial costs. For example, your Plan expedites and positions the unanalyzed \$19 billion Sepulveda Pass Express Lane/tunnel/light rail, BRT, heavy rail from Van Nuys to LAX project ahead of several Measure R projects so that, presumably, it can receive priority for federal funds. If the Project analyses, planning, and design fall behind – as they often do for such complex projects – the target federal funds will most likely go to other parts of the nation that are better prepared. You may recall that the MTA has a well-known history for such speculative design and fiscal analyses, the last one in the 1990s led to a complete re-organization of the County’s transportation governance infrastructure. However, projects scheduled behind these massive, new, and undefined initiatives are at risk of being further delayed and saddled with substantial cost increases. Ultimately, this results in zero benefit to our region. Gridlock and unmet road repair needs persist, and the jobs that would be created remain an empty promise.

I should also point out that LACMTA's use of "criteria" in evaluating projects leads to serious questions. For example, application of your criteria for "system connectivity" or "regional" impacts places a lower score for such major regional and national transportation links as the I-5, I-605, and I-710 than for an unstudied local transit link to California State University Northridge in the City of Los Angeles or unanalyzed projects such as the \$19 billion Sepulveda Pass Express Lane/tunnel/light rail, BRT, heavy rail from Van Nuys to LAX. It is ironic that Metro's current recent billboards along the I-5 are promoting the idea that the PBM will reduce congestion on our freeways.

I believe that the County desperately needs funding to build a better transportation infrastructure but it must be done fairly and responsibly. I would like to work with you and all interested parties to ensure that our common goals are met: securing new funding for transportation, putting our neighbors to work building transportation projects that make our communities more productive by reducing congestion, reducing pollution, and increasing mobility.

I believe that you have the time to re-evaluate the PBM and Expenditure Plan prior to submitting it to the County Registrar in mid-August and to keep faith with taxpayers, commuters, and transit users in our County. I stand ready to work with you and our friends on the effort, and to support passage of the PBM.

I thank you for your consideration and look forward to hearing from you.

Sincerely,



TONY MENDOZA,
Senator, 32nd District

Copy:

Senator Kevin de León, President Pro Tem, California State Senate
Senator Jim Beall, Chair and Members, Senate Transportation Committee
Assembly Member Anthony Rendon, Speaker of the Assembly
Assembly Member Jim Frazier, Chair and Members, Assembly Transportation Committee
Members, Los Angeles Division, League of Cities
Gateway Cities Council of Governments
South Bay Cities Council of Governments
President and Members, LA/Orange County Building Trades Council

TM:sma