

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Chairman Marion Ashley

SUBMITTAL DATE: July 15, 2010

SUBJECT: Riverside County Transportation Commission (RCTC) Proposal to Seek Voter Approval to Increase Measure A Bond Limit to \$975 Million (Ordinance No. 10-002)

RECOMMENDED MOTION: That the Board of Supervisors adopt Ordinance No. 10-002 to Seek Voter Approval to Increase Measure A Bond Debt Limit to \$975 Million.


BACKGROUND: In 2002, Riverside County voters approved a 30-year renewal of the half-cent transportation sales tax known as Measure A. As required by state law, Measure A includes a limitation on the amount of bonded indebtedness that can be utilized to finance projects. That limit is \$500 million and applies only to bonded indebtedness backed by Measure A revenues. Through the use of commercial paper and other debt financing, RCTC has borrowed approximately \$180 million to fund construction and purchase right of way and habitat land. RCTC is also moving forward with a number of ambitious projects including the SR-91 Corridor Improvement Project, an extension of Metrolink's commuter rail service, and regional arterial development in Western Riverside County and the Coachella Valley. Without a bond limit increase, there is the danger that some projects might have to wait for funding. RCTC proposes an increase in the bond limit to \$975 million, which represents less than 25 percent of the expected Measure A revenue. Approval to change the debt limit requires voter approval because it involves an amendment to the Measure A ordinance, which can be accessed at <http://www.rctc.org/downloads/RenewedMeasureAPlan.pdf>. RCTC agrees to reimburse the county for the cost of the election. In order to seek voter approval, the Riverside County Board of Supervisors is required to take formal action by August 6, 2010, to place the measure on the November 2, 2010 ballot.


Marion Ashley, Chairman
Supervisor, 5th District

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: July 27, 2010
xc: Supvr. Ashley, RCTC

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

3.6

ATTACHMENTS FILED WITH
THE CLERK OF THE BOARD

ORDINANCE NO. 10-002

AN ORDINANCE OF THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION REQUESTING THE COUNTY OF RIVERSIDE TO CONDUCT A SPECIAL ELECTION ON NOVEMBER 2, 2010 FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS OF RIVERSIDE COUNTY A MEASURE WHICH WOULD MODIFY THE COMMISSION'S AUTHORIZATION LIMIT TO ISSUE LIMITED TAX BONDS AND, IF APPROVED, WOULD AUTHORIZE SUCH INCREASE.

WHEREAS, on November 5, 2002, the voters of Riverside County approved Measure A, authorizing the Riverside County Transportation Commission (Commission) to impose a retail transactions and use tax of one-half percent for a period of thirty (30) years to fund certain transportation improvements and programs serving Riverside County; and

WHEREAS, the Commission has determined that in order to expedite the construction of improvements and implementation of programs funded with the Measure A retail transactions and use tax, it is desirable to modify the maximum aggregate principal amount of limited tax bonds, which the Commission may have outstanding at any time; and

WHEREAS, state law requires that the maximum amount of limited tax bonds which the Commission have outstanding at any time be approved by a majority of the voters casting ballots on the issue;

NOW, THEREFORE, THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION HEREBY ORDAINS AS FOLLOWS:

SECTION 1: Request for Election. The Commission requests the Riverside County Board of Supervisors to call an election seeking voter approval of a measure (the Measure), which would modify the bond limit as set forth in Section 2, below. The election shall be held on November 2, 2010, and may be consolidated with other elections to be held on that date. Pursuant to Public Utilities Code Section 240303, the election shall be called and conducted in the same manner as provided by law for the conduct of elections by the county and the sample ballot shall comply with the requirements of Public Utilities Code Section 240308(d). Approval of the Measure shall require a vote of a majority of the electors voting on the Measure at the election described in this section.

SECTION 2: Modification of Bond Limit. Upon the approval of a majority of the electors voting on the Measure at the November 2, 2010 election, the maximum aggregate principal amount of limited tax bonds which may be outstanding at any one time under Section VI of Ordinance 02-001 of the Riverside County Transportation Commission shall be increased to \$975 million.

SECTION 3: Approval by Commission; Effective Date. This Ordinance has been adopted by a two-thirds vote of the Board of Directors of the Commission. If approved by the electors, the Ordinance shall take effect at the close of the polls on November 2, 2010.

SECTION 4: Status of Ordinance No. 02-001. Except as expressly amended herein, all other provisions of Ordinance No. 02-001 shall remain in full force and effect. This ordinance shall not affect the nature of the Measure A sales tax, the maximum tax rate, the purposes for which the revenue derived from the tax shall be used, the term of the tax, or the Expenditure Plan adopted as part of Measure A.

SECTION 5: Further Acts. The Executive Director is hereby authorized to take all actions necessary and proper to implement this Ordinance, including, without limitation, the execution of related documents, agreements or other instruments or correcting technical errors in this Ordinance or related documents.

SECTION 6: Severability. If any provision(s) of this Ordinance is (are) for any reason held invalid or unenforceable by a court of competent jurisdiction, that holding shall not affect the validity or enforceability of the remaining portions of this Ordinance or Ordinance No. 02-001, and the Commission declares that it would have passed each and every part of this Ordinance irrespective of the validity of any other part.

APPROVED AND ADOPTED this 14th Day of July, 2010



Bob Buster, Chair
Riverside County Transportation Commission

ATTEST:



Jennifer Harmon
Clerk of the Board