

BILL NUMBER: SB 613 AMENDED
BILL TEXT

AMENDED IN SENATE APRIL 23, 2013

INTRODUCED BY Senator DeSaulnier

FEBRUARY 22, 2013

An act to amend Sections 30951 and 30959 of the Streets and Highways Code, relating to toll bridges.

LEGISLATIVE COUNSEL'S DIGEST

SB 613, as amended, DeSaulnier. Bay Area Toll Authority.

Existing law designates the Metropolitan Transportation Commission as the regional transportation planning agency for the San Francisco Bay Area. Existing law creates the Bay Area Toll Authority, governed by the same board as the commission, with specified powers and duties relative to the administration of certain toll revenues from state-owned toll bridges within the geographic jurisdiction of the commission. Existing law authorizes the authority to do all acts necessary or convenient for the exercise of its powers and the financing of projects, including the authorization to acquire, construct, manage, maintain, lease, or operate any public facility or improvements and to invest any money not required for immediate necessities as the authority deems advisable.

~~This bill would impose certain limitations on the actions of the authority in exercising its powers. The bill would provide that the authority may acquire, construct, manage, maintain, lease, or operate facilities required solely for the management of Bay Area state-owned toll bridges or to provide access to those bridges. The bill would prohibit revenues in any reserve funds established by bond covenants or other agreements from being invested in real estate. The bill would prohibit investments in real estate of money not required for immediate necessities~~ prohibit the authority from purchasing or otherwise acquiring office space and office facilities in addition to the office space and office facilities located at 390 Main Street in San Francisco .

Existing law authorizes the authority to make contributions to the commission in furtherance of the exercise of the authority's powers, as specified. Existing law also authorizes the authority to make contributions to the commission on a reimbursement-for-cost basis, but reimbursement is not required to the extent the authority determines that the contributions are in furtherance of the exercise of the authority's powers.

This bill would limit direct contributions by the authority to the commission to 1% of gross annual toll bridge revenues, and would include a contribution for overhead expenses as an authorized contribution. The bill would require contributions by the authority to the commission on a reimbursement-for-cost basis to be provided in the form of a loan to be repaid at a specified interest rate. The bill would limit the amount of these loans to 1% of gross annual toll bridge revenues.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

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RULES & LEGISLATION CMTTE

MAY 23 2013

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 30951.1 is added to the Streets and Highways Code , to read:

30951.1. Notwithstanding any other provision of law, the authority is not authorized to purchase or otherwise acquire, directly or indirectly, including, but not limited to, through a joint exercise of powers authority between the authority and any other entity, office space and office facilities in addition to the office space and office facilities located at 390 Main Street in San Francisco.

~~SECTION 1. Section 30951 of the Streets and Highways Code is amended to read:~~

~~30951. The authority is authorized in its own name to do all acts necessary or convenient for the exercise of its powers under this division and the financing of projects, as follows:~~

~~(a) To make and enter into contracts.~~

~~(b) To employ agents or employees.~~

~~(c) To acquire, construct, manage, maintain, lease, or operate facilities required solely for the management of state owned toll bridges within the geographic jurisdiction of the commission, or to provide access to those toll bridges.~~

~~(d) To sue and be sued in its own name.~~

~~(e) To issue bonds and otherwise to incur debts, liabilities, or obligations. Revenues in any reserve funds established by bond covenants or other agreements shall not be invested in real property.~~

~~(f) To apply for, accept, receive, and disburse grants, loans, and other assistance from any agency of the United States of America or of the State of California.~~

~~(g) To invest any money not required for the immediate necessities of the authority, as the authority determines is advisable, except that investments shall not include real property.~~

~~(h) To apply for letters of credit or other forms of financial guarantees in order to secure the repayment of bonds and to enter into agreements in connection with those letters of credit or financial guarantees.~~

SEC. 2. Section 30959 of the Streets and Highways Code, as added by Section 7 of Chapter 515 of the Statutes of 2009, is amended to read:

30959. The authority may make direct contributions to the commission in furtherance of the exercise of the authority's powers under this division, including contributions in the form of personnel services, office space, overhead, and other funding necessary to carry out the function of the authority, with those contributions not to exceed 1 percent of the gross annual bridge revenues. The authority may also make additional contributions in the form of loans to the commission on a reimbursement-for-cost basis; provided that those loans do not, independent of the direct contributions, exceed 1 percent of the gross annual bridge revenues and are fully repaid with interest at the same interest rate that would apply for toll bridge revenue bonds of the same duration as any loan taken by the commission. As used in this section, "gross annual bridge revenues" shall have the same meaning as in Section 30958.

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RULES & LEGISLATION COMMITTEE
MAY 23 2013

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2013 MAY -9 PM 5:43

DRAFT

Approved as to Form and Legality

City Attorney's
Office

OAKLAND CITY COUNCIL
RESOLUTION NO. _____ C.M.S.

Introduced by Council President Patricia Kemighan

**Resolution In Support of SB 613 (DeSaulnier) Toll Revenue Expenditures,
Which Would Impose Certain Limitations on the Use of Toll Revenues
From the Seven State-Owned Toll Bridges in the San Francisco Bay Area
that are Within the Jurisdiction of the Bay Area Toll Authority**

WHEREAS, existing law creates the Bay Area Toll Authority (BATA) with specified powers and duties relative to the administration of certain toll revenues from the seven state-owned toll bridges within its geographic jurisdiction; and

WHEREAS, existing law authorizes BATA to do all acts necessary or convenient for the exercise of its powers and the financing of projects, including the authorization to acquire, construct, manage, maintain, lease or operate any public facility or improvements and to invest any money not required for immediate necessities as it deems advisable; and

WHEREAS, existing law authorizes BATA to make contributions in furtherance of the exercise of BATA's powers to the Metropolitan Transportation Commission (MTC), which is the regional transportation planning agency for the San Francisco Bay Area and whose board also governs BATA; and

WHEREAS, in 2009 AB 1175 authorized BATA to increase tolls on the seven state-owned bridges in the Bay Area, without obtaining voter approval, in order to complete the seismic safety retrofit program; and in 2010 BATA increased bridge tolls, stating that the increase was necessary to cope with declining traffic volumes and higher than projected debt and operating costs; and

WHEREAS, in 2011 MTC and BATA created a joint powers authority called Bay Area Headquarters Authority (BAHA) to plan, acquire and develop shared office space for them; in October 2011 BAHA purchased a building at 390 Main Street in San Francisco, using toll revenues from the state-owned toll bridges, with the purpose of housing MTC, BATA, Bay Area Air Quality Management District and Association of Bay Area Governments to serve as their regional headquarters; and

WHEREAS, by this purchase MTC and BATA effectively entered the real estate business, and became commercial landlords as a result of the office space exceeding the needs of the co-locating tenants; and

WHEREAS, SB 613 would prohibit BATA from purchasing or otherwise acquiring office space and office facilities in addition to the office space and office facilities located at 390 Main Street; and

WHEREAS, SB 613 would limit direct contributions by BATA to MTC by requiring that they be made on a reimbursement-for-cost basis in the form of a loan to be repaid at a specified interest rate, and would limit the amount of such loans to 1% of gross annual toll bridge revenues; now therefore be it

RESOLVED: that the Oakland City Council supports SB 613's imposition of certain limitations on BATA's use of toll revenues from the seven state-owned toll bridges in the San Francisco Bay Area by prohibiting investment in real property of reserve fund revenues and toll revenues not immediately needed by BATA, and by limiting BATA to only acquiring, constructing, managing, maintaining, leasing and/or operating facilities that are required solely for the management of the state-owned bridges within their jurisdiction; and be it

FURTHER RESOLVED: that the Oakland City Council hereby directs the City Administrator to instruct the City's legislative lobbyist to advocate for the above position in the California State Legislature.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2013

PASSED BY THE FOLLOWING VOTE:

AYES-, BROOKS, GIBSON McELHANEY, GALLO, KALB, KAPLAN, REID, SCHAFF, and PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of
the Council of the City of
Oakland, California