

1 [Opposing Fiscally Irresponsible State Budget Decisions]

2  
3 **Resolution opposing fiscally irresponsible state budget decisions that would “borrow”**  
4 **local government, redevelopment and transportation funds**

5  
6 WHEREAS, on July 1, 2008 the State Legislature missed its Constitutional budget  
7 deadline; and

8  
9 WHEREAS, both the Governor and the Legislative Budget Conference Committee  
10 have recommended balanced budgets without resorting to “loans” or seizures of local  
11 government property tax, redevelopment tax increment and transportation sales tax funds;  
12 and

13  
14 WHEREAS, in 1952 the voters of California approved Article XVI, Section 16 of the  
15 California Constitution, providing for tax increment financing for community revitalization—not  
16 balancing the state budget, and the voters never authorized the legislature to take or “borrow”  
17 community redevelopment funds for state programs; and

18  
19 WHEREAS, in 2004 by an 84% margin of approval the voters of California approved  
20 Proposition 1A and sent a loud and unambiguous message to state leaders that they should  
21 stop the destructive and irresponsible practice of taking local government funds to finance the  
22 state budget and paper over the state deficit; and

23  
24 WHEREAS, in 2006 by a 77% margin of approval the voters of California also  
25 approved Proposition 1A, providing similar protections to transportation funding for state and

1 local transportation projects, including important street maintenance and public transit  
2 programs; and  
3

4 WHEREAS, both ballot measures allow the Governor to declare a "severe state of  
5 fiscal hardship" and "borrow" these funds if they are repaid in three years with interest, but the  
6 Governor believes it would be irresponsible to "borrow" such funds because it would deepen  
7 the state's structural deficit and cripple local government and transportation services; and  
8

9 WHEREAS, refusal by the Legislature to carryout its constitutional obligation to  
10 compromise on a balanced budget is not a "severe state of fiscal hardship" and would not  
11 justify reductions in critical local services, community revitalization programs and  
12 infrastructure maintenance at a time when cities are struggling to balance their own budgets  
13 during this economic down turn; and  
14

15 WHEREAS, city investments in infrastructure, affordable housing and basic public  
16 safety and other community services will create needed jobs and speed our economic  
17 recovery; and  
18

19 WHEREAS, the Legislature should balance the state budget with state revenues and  
20 respect the overwhelming support of voters for not using local property taxes, redevelopment  
21 tax increment and transportation sales tax funds to fund the day-to-day operating cost of state  
22 programs; and  
23

24 WHEREAS, it would be the height of fiscal irresponsibility to paper over the state  
25

1 structural deficit with more borrowing, and Californians deserve state leaders who will  
2 tell them honestly what needs to be done to produce a balanced budget; and  
3

4 WHEREAS, it is time for the state of California to cut up its local government credit  
5 cards and deal with the budget deficit in a straightforward way. Balance the state budget with  
6 state funds.  
7

8 NOW, THEREFORE, BE IT RESOLVED, that the City and County of San Francisco  
9 hereby opposes any and all efforts by state government to "borrow" or seize local tax funds,  
10 redevelopment tax increment and transportation sales tax funds by the state government to  
11 finance state operations. Such a move would be fiscally irresponsible for the state and  
12 hamper effective local services and infrastructure investments.  
13

14 RESOLVED FURTHER, that the City Clerk is hereby directed to send this resolution  
15 and communicate this Board's strong and unswerving opposition on this matter to our  
16 Legislators and the Governor along with an expression of our continued appreciation for the  
17 Governor's and any supportive legislators' steadfast opposition to further borrowing or seizure  
18 of these funds.  
19  
20  
21  
22  
23  
24  
25



City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

Tails  
Resolution

File Number: 081105

Date Passed:

Resolution opposing fiscally irresponsible State budget decisions that would "borrow" local government, redevelopment and transportation funds.

August 12, 2008 Board of Supervisors — ADOPTED

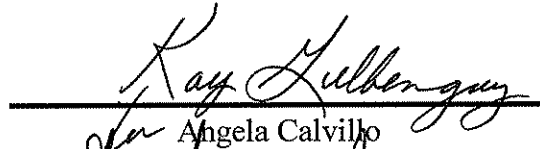
Ayes: 11 - Alioto-Pier, Ammiano, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 081105

I hereby certify that the foregoing Resolution was ADOPTED on August 12, 2008 by the Board of Supervisors of the City and County of San Francisco.

8-22-08

Date Approved

  
Angela Calvillo  
Clerk of the Board

  
Mayor Gavin Newsom