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FINANCING OF OFF-STREET PARKING

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school districts, particularly, cannot afford to grant such an exemption to a group whose children are now enjoying the benefits of California's fine school system.

Do not be confused by the wording of the proposed amendment, which states that such property shall "not" be exempt from taxation. Such property is not now exempt from taxation. The entire meaning and purpose of the amendment is contained in its final words: "except as the Legislature may provide". The other words constitute the present law, and hide the real purpose of the measure. Unless this measure is adopted, the Legislature cannot grant the exemption. If it is passed, the Legislature is empowered to do so.

Every observer of such measures knows that the Legislature will not refuse complete exemption, if requested under color of "veterans benefits," to which the voters will have given their approval.

To avoid discriminating against 99 percent veterans in favor of the few already enjoying maximum benefits of all veterans' home plans, and to maintain the sound principle that all citizens should contribute to the support of their government, vote "no" on A.C.A. 28.

MARVIN SHERWIN
Assemblyman, Chairman, Ways and Means Committee

3 FINANCING OF OFF-STREET PARKING. Senate Constitutional Amendment No. 33.
Adds Section 18½ to Article XI of Constitution. Authorizes cities or other public bodies to pledge parking meter income as security for the payment of revenue bonds issued to finance construction or acquisition of public parking lots, garages, or other automotive parking facilities.

YES	
NO	

(For Full Text of Measure, See Page 1, Part II)

Analysis by the Legislative Counsel

This constitutional amendment authorizes, under certain conditions, the use of street parking meter revenues as additional security for the payment of bonds issued to finance the acquisition or construction of public automotive parking facilities.

It provides that when a city, county, city and county, parking authority, district, or other public body is authorized by state law or by charter

(1) to acquire or construct public parking lots, garages or other automotive parking facilities and

(2) to issue, for payment of the cost of any thereof, bonds or other securities payable in whole or in part from revenues of any such parking facilities,

such public body (and any other public body within the area of which such parking facilities are or will be situated) may pledge, place a charge upon, or otherwise make available, any revenues from any or all of its street parking meters as additional security for retirement of such bonds or securities.

The scope of the purposes for which the street parking meter revenues of a local public body may constitutionally be used appears not to have been judicially determined in this State. It appears also that the question whether the State or the local public body has the authority to control the use of such revenues has not been resolved.

The adoption of the amendment would authorize the use of street parking meter revenues for the purposes stated under the conditions specified.

Argument in Favor of Senate Constitutional Amendment No. 33

Few people need an argument or a traffic expert to persuade them that there are not enough parking places for automobiles in the cities and other congested areas of the State. Motorists are not alone in their demand for adequate off-street parking facilities. Merchants need parking spaces for their customers and employees. Manufacturers need parking places for employees who find it impossible to use other means of transportation. Because transportation in California, more than any other state, has been built around the automobile, there are few, if any, communities that do not find trade, commerce and recreation seriously impeded by the lack of off-street parking facilities.

The bottleneck in providing sufficient parking has been largely one of financing, and this proposed constitutional amendment is aimed entirely at breaking the financial obstacle. The legislature has authorized local agencies to issue revenue bonds in order to finance the acquisition and construction of parking lots and garages, and the power to tax may not be exercised in order to make payments on such bonds should the revenue prove insufficient. Financial experts agree that the revenues from individual facilities constructed with the proceeds of revenue bonds will not be sufficient to pay the principal and interest of such bonds. While it is true that, as the off-street parking system expands, revenues from the system as a whole will tend to support the financing of each part of it, the revenue bond buyer must have positive assurance of a source of revenue pledged for this purpose which will be sufficient to pay off the bonds. As stated above, taxes cannot be levied whereas parking meter revenues should be used for this purpose. This proposed constitutional amendment will authorize cities to use revenue received from parking meters for the payment of such revenue bonds. In other words, some substantial portion of the revenue now paid by curb parkers will be used to provide more adequate parking facilities for the benefit of these parkers. While it is possible at the present time to accumulate parking meter revenues for this purpose, it is not possible to pledge anticipated revenues in advance of their receipt, and this proposed amendment simply authorizes the pledging of parking meter revenues in advance of receipt for the purpose of securing payment of revenue bonds which will be issued immediately to provide the money necessary to construct off-street parking lots and garages now.

Parking meters are installed for the purpose of regulating traffic and are authorized as a valid exercise of the police power. Cities cannot contract or bargain away the police power, and yet it will be necessary to execute some long term contracts because parking meter revenue, once pledged, must be assured for a given period of time in order to make possible a marketable revenue bond.

A favorable vote on this constitutional amendment will make it possible for many cities actually to start construction of parking facilities within the next few months.

I urge a "yes" vote.

CHRIS N. JESPERSEN
State Senator, San Luis Obispo County

PART II-APPENDIX

1 **VETERANS' FARM AND HOME BONDS. Senate Constitutional Amendment No. 1.** Adds Section 6 to Article XVI of Constitution. Authorizes issue and sale of one hundred million dollars (\$100,000,000) in state bonds to provide funds to be used by Veterans' Welfare Board in assisting California war veterans to acquire farms and homes. Brings into operation and validates Veterans Bond Act of 1949, governing manner of issuing, selling and redeeming such bonds.

YES	
NO	

(This proposed amendment does not expressly amend any existing section of the Constitution, but adds a new section thereto; therefore, the provisions thereof are printed in **BLACK-FACED TYPE** to indicate that they are **NEW**.)

PROPOSED AMENDMENT TO THE CONSTITUTION

Sec. 6. The issuance and sale of bonds of the State of California, not exceeding in the aggregate the sum of one hundred million dollars (\$100,000,000), and the use and disposition of the proceeds of the sale of said bonds, all as provided in the Veterans Bond Act of 1949 (Article 5B added to Chapter 6 of Division 4 of the Military and Veterans Code by Chapter 1267 of the Statutes of 1949) authorizing the issuance and sale of state bonds

in the sum of one hundred million dollars (\$100,000,000) for the purpose of providing a fund to be used and disbursed to provide farm and home aid for veterans in accordance with the provisions of the Veterans Farm and Home Purchase Act of 1943, and of all acts amendatory thereof and supplemental thereto are hereby authorized and directed and said Veterans Bond Act of 1949 is hereby approved, adopted, legalized, ratified, validated, and made fully and completely effective upon the effective date of this amendment to the Constitution. All provisions of this section shall be self-executing and shall not require any legislative action in furtherance thereof, but this shall not prevent such legislative action. Nothing in this Constitution contained shall be a limitation upon the provisions of this section.

2 **VETERANS' POSSESSORY INTERESTS. Assembly Constitutional Amendment No. 28.** Adds Section 14a to Article XIII of Constitution. Authorizes Legislature to prescribe extent of tax exemption for farm or home being purchased by veteran from Veterans Welfare Board (or successor) pursuant to contract under whose terms legal title is vested in said board.

YES	
NO	

(This proposed amendment does not expressly amend any existing section of the Constitution, but adds a new section thereto; therefore, the provisions thereof are printed in **BLACK-FACED TYPE** to indicate that they are **NEW**.)

PROPOSED AMENDMENT TO THE CONSTITUTION

Sec. 14a. Notwithstanding any other provision

in this Constitution the interest of a veteran in real property, purchased by him from the Veterans Welfare Board, or any agency which succeeds to the rights, powers and duties of said board, pursuant to a contract of sale under whose terms legal title is vested in said board, shall not be exempt from taxation, except as the Legislature may provide.

3 **FINANCING OF OFF-STREET PARKING. Senate Constitutional Amendment No. 33.** Adds Section 184 to Article XI of Constitution. Authorizes cities or other public bodies to pledge parking meter income as security for the payment of revenue bonds issued to finance construction or acquisition of public parking lots, garages, or other automotive parking facilities.

YES	
NO	

(This proposed amendment does not expressly amend any existing section of the Constitution, but adds a new section thereto; therefore, the provisions thereof are printed in **BLACK-FACED TYPE** to indicate that they are **NEW**.)

PROPOSED AMENDMENT TO THE CONSTITUTION

Sec. 184. Whenever under the laws of this State or under its charter any city, county, city and county, parking authority, district, or other public body is authorized to acquire or construct public parking lots, garages, or other automotive parking

facilities, and for the payment of the cost of any thereof, to issue any bonds or other securities payable in whole or in part from revenues of any such parking facilities, such public body, and any other public body within the territorial area of which such public parking facilities are or will be situated, is also authorized to pledge, place a charge upon, or otherwise make available, as additional security for the payment of such securities, any or all revenues from any or all street parking meters then owned or controlled or to be acquired or controlled by it.