

## State budget woes worry local transportation leaders

Shanna McCord - Sentinel staff writer

SANTA CRUZ — Local transportation leaders say raiding money earmarked for road safety and congestion relief to help the state bridge a \$15.2 billion budget gap would cripple future transportation projects, such as improving Highway 1 and boosting public transit.

Santa Cruz County Regional Transportation Commission officials estimate the county could lose \$10 million during the 2008-09 fiscal year if state lawmakers funnel transportation funds to plug the general fund -- an idea being considered as the budget impasse moves into its sixth week.

"The fears are real, it's not just rumor," the commission's executive director, George Dondero, said Monday. "I don't know anyone in the public transportation business who doesn't fear this could happen."

Borrowing Proposition 42 money -- a sales tax on gasoline for local and state transportation projects passed by state voters in 2004 -- has been suggested as a solution to the state budget deficit.

Though the money would have to be repaid with interest, not having funds for projects planned this year could drastically drive up costs and cause long delays, Dondero said.

Proposition 42 represents about \$280 million for transportation statewide.

In addition, Metro was anticipating to be repaid \$6 million from the state this year after spending its own money in 2007 to begin building a new Metro base for buses and administration offices on River Street.

"Our biggest concern is that our entire capital program would have to be eliminated," said Mark Dorfman, Metro's assistant general manager. "Borrowing transportation money is not a real fix. It's not a permanent fix for a budget out of balance."

In July, Dondero wrote a letter to Assemblyman John Laird, D-Santa Cruz, asking him to oppose proposals to dip into gas tax revenue to fix the state budget.

### PROJECTS IN PIPELINE

Transportation funding in Santa Cruz County that could be jeopardized if Proposition 42 were temporarily suspended:

- \$4 million for general road maintenance.
- \$2.2 million to the Santa Cruz Metropolitan District to buy new ParaCruz vans.
- \$1.5 million to landscape the Highway 1/17 Merge Lanes Project.
- \$1.4 million for environmental studies of high-occupancy vehicle lanes planned to be built by 2035 between Soquel Avenue and Larkin Valley Road exits on Highway 1.
- \$2.5 million to build HOV lanes between Soquel Avenue and Morrissey Boulevard.

SOURCE: Santa Cruz County Regional Transportation Commission

Dondero said diverting Proposition 42 funds would delay and increase the cost of planned projects for Santa Cruz County.

Laird, who chairs the Assembly Budget Committee, favors new taxes, higher fees and some spending cuts rather than borrowing money slated for transportation, according to his spokesman, Bill Maxfield.

"He's been pretty consistent that he wants a mix of new revenue and cuts, though cuts only are not an option," Maxfield said. "Borrowing our way out is not something he wants to do either."

Transportation California, an advocacy and public education organization in Sacramento, believes borrowing gas tax money for even a short period of time would be devastating to road safety and congestion relief projects across the state.

"This is especially critical at a point in time the economy can't afford to take another hit," Transportation California Executive Director Mark Watts said. "Eliminating a critical source of funding will result in delays, lost jobs and more traffic congestion for motorists."

The state has been without a budget since the new fiscal year began July 1.

Larry Gerston, a political science professor at San Jose State, has said this is the worst state budget impasse he's seen in 30 years.

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