

RESOLUTION NO. 2493

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
SUPPORTING INTRODUCTION AND ADOPTION OF A
VALIDATING ACT IN RESPONSE TO SANTA
CLARA COUNTY LOCAL TRANSPORTATION
AUTHORITY VS. GUARDINO

WHEREAS, the California Supreme Court recently issued a decision in the case of Santa Clara Local Transportation Authority vs. Guardino, the effect of which decision is to require voter approval for the imposition or increase of a special or general tax as set forth in Proposition 62 (Government Code Section 53273); and

WHEREAS, the Guardino decision reverses prior court decisions which previously found that the voter-approval requirements of Proposition 62 were unconstitutional; and

WHEREAS, if the collection of new taxes or tax increased adopted by elected boards, subsequent to the effective date of Proposition 62 and prior to the effective date of the Guardino decision, is prohibited and/or, if the retroactive refund of tax collections is mandated, then the City of Soledad and a large number of other local governments will experience severe financial crisis, necessitating major reductions in public safety and other vital public services, negating contractual commitments and quite possibly, leading to default on credit obligations or, at the very least, substantially reducing the credit-worthiness of local governments; and

WHEREAS, extensive costs, fiscal uncertainty and a major threat to public services are certain to rise from retroactive application of the Guardino decision and from the confusion that will result if clear and timely policy direction is not forthcoming from the State in the aftermath of the announcement of the Guardino decision, thereby decimating services provided through the City's general fund; and

WHEREAS, a bill has been introduced in the California State Senate, SB 1590 (O'Connell), which would provide for the