Now that Democrats in California have achieved the Pete Wilson Supermajority in the legislature, they should focus on two key reforms to revitalize the state's downtowns and ensure more efficient land use.

First, the supermajority should put on the ballot a constitutional initiative to lower the threshold for passing local tax measures to fund transit. The current two-thirds threshold has handcuffed local governments and should be lowered to at least 55%. As I wrote after the election, both Alameda and Los Angeles Counties came ridiculously close to getting two-thirds majorities to approve sales tax measures to fund local transit. The Los Angeles measure reached 66.11%, or just 14,000 short out of almost 2.9 million votes cast. Alameda County was even closer at 66.53 % — just 800 votes short out of half a million cast. The transit agency has now requested a recount. If voters approve the statewide initiative from the legislature, local communities will have far more flexibility to raise funds to invest in transit, which will make downtown living more convenient and desirable. The increased transit investment, combined with good local planning, will attract more private capital to revitalize downtowns and provide more housing options for Californians.

For the second supermajority reform for downtowns, the legislature should pass a law to tax commercial property owners at the market value of the properties. Currently, under Proposition 13, both commercial and residential property taxes are held to capped annual increases based on pre-1978 property values (the year voters approved the proposition). But whereas homes get reassessed every time they are sold, thereby increasing the base tax value to the market price, commercial property owners have found creative ways to avoid triggering these reassessments, regardless of how many times the property changes hands. The poster child is Disneyland. Despite numerous corporate ownership changes that should have triggered property tax reassessments, Disneyland continues to pay 5 cents per square foot in taxes on the majority of the property, rather than the market rate of 34 cents. The overall result for California is that commercial properties are paying a smaller share of the property tax base compared to homeowners. Los Angeles County, for example, saw its share of total assessed value from commercial properties decrease from 40 percent in 1985 to 30 percent in 2012.

So what does this property tax system mean for California's downtowns? It means commercial property owners have little incentive to upgrade their properties or sell them for better uses. Their cash flow is often too good with the artificially low tax burden to invest or cash out. In addition, local governments prefer to greenlight retail stores over potentially more beneficial commercial uses because they can get more sales tax revenue from retail than property tax revenue from non-retail commercial uses. This "fiscalization of land use" tends to encourage car-oriented strip malls over housing and other types of mixed use developments that can improve downtown convenience and walkability.

A straightforward solution would be to reassess all commercial properties on an annual basis, in order to ensure that they are taxed at their market value, regardless of when the property changes hands. Assembly Member Tom Ammiano tried this approach in 2011, but it died without two-thirds support. Now State Senator Mark Leno is planning another effort this year with the supermajority available. Should this bill become law, California's local governments may find themselves with more opportunities to improve their downtowns through better planning and new projects.

Overall, as Jonathan notes, the Democrats should be politically careful with their supermajority. But these two reforms are straightforward and fair and offer simple ways to improve California communities.