

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Minutes of Special Meeting of  
the Board of Directors of the District

February 28, 1974

Upon notice duly given the Board of Directors of the Southern California Rapid Transit District met at a Special Meeting with the Planning Commission of the City of Los Angeles at Mistele's Restaurant, Crocker Citizens Plaza, 611 West Sixth Street, Los Angeles, at 6:30 p. m. on Thursday, February 28, 1974.

Directors Hugh C. Carter, Adelina Gregory, Thomas G. Neusom, Jay B. Price and George Takei were present. Directors Arthur Baldonado, George W. Brewster, Victor M. Carter, Byron E. Cook, A. J. Eyraud, Jr. and Don C. McMillan were absent.

Commissioners Fred E. Case, Peter Marcuse and Suzette Neiman were present for the Planning Commission, with Commissioners Leonard Levy and Sherrill D. Luke being absent.

RTD staff members present were General Manager Jack R. Gilstrap; Manager of Operations George W. Heinle; Manager of Planning & Marketing George L. McDonald; Manager of Rapid Transit & Surface Planning John Curtis; General Counsel Richard T. Powers; Director of Public Information Roy Gregory; Civil Engineer Brian Pearson; Government Community Representative Sam Olivito and Secretary Richard K. Kissick.

Planning Commission staff members present were Executive Officer Frank P. Lombardi; Principal City Planner Arch D. Crouch; Senior City Planner Tom Stemnock; Public Information Officer Ann Howell and Secretary Raymond I. Norman. Mr. Norm Emerson, representing the Mayor's office was also present.

Also present were RTD consultants Herm Zelles (Stone & Youngberg); Paul Taylor (Alan M. Vorhees) and D. Brackenbush (Wallace, McHarg, Roberts & Todd); Ray Hebert, Los Angeles Times; Dawson Oppenheimer, Los Angeles Herald-Examiner and Greg Roberts, Valley Star.

Following dinner, RTD President Neusom called the meeting to order at 8:00 p. m. Since there was not a quorum of the RTD Board present, the meeting was conducted for discussion purposes only.

Directors, Commissioners and both staffs were introduced, following which President Neusom stated that he was pleased to meet with the Planning Commission and explained the various meetings the RTD Board had been having with other agencies the past few months for the purpose of establishing better communications. He then introduced Manager of Planning & Marketing George McDonald.

Mr. McDonald gave a rapid transit progress report after first acknowledging the help and cooperation of the Planning Department staff in the Phase I and Phase II portions of the study, as well as input on Phase III. He briefly outlined all phases, including the fact that, as a result of a request by UMTA, we are also studying an all-bus system and, further, at the request of Mayor Bradley, we are conducting a study on step-by-step programs by years. He reviewed the alternatives being studied and the immediate bus improvement program as a result of the energy crisis. He stated the funding program will be a major factor, especially with the uncertainty of federal funding. We can assume we can fund 40 to 50 miles of rapid transit if we receive \$100 million annually in federal funds.

Mr. McDonald then reviewed the schedule to bring the matter to a vote in November. The consultants are to submit revised recommendations to the RTD Board of Directors on March 18. These recommendations will be adopted on a preliminary basis by the RTD Board of Directors and then sent out to the jurisdictions, followed by a public hearing and necessary community meetings. The staff and consultants will then bring back the plan in early June and the Board of Directors will adopt the final plan sometime in June.

Mr. McDonald then introduced Mr. Herm Zelles of the firm of Stone & Youngberg, the District's financial consultant, for a brief report on funding.

Mr. Zelles explained the various taxes available which could be used for funding the program, and explained the recent changes in UMTA funding which resulted in federal assistance going from the previous two-thirds federal one-third local matching to eighty percent federal twenty percent local matching funds. There are also some proposals pending in Congress which would provide mass transit operating assistance, as well as capital expenditure assistance.

The November ballot will propose a 1-cent sales tax, with 1/2 cent for capital and 1/2 cent for operating assistance. In June, there will also be a measure on the ballot (SCA-15) which proposes opening up gas tax moneys in California for transportation capital purposes.

President Neusom then opened the meeting for questions.

Commissioner Marcuse inquired if we are looking at other sources of funding other than the sales tax. He was told that we are; however, the sales tax appears to be the best for funding. Most other sources do not furnish enough dollars, including the tax incremental in land value increases as a result of rapid transit construction.

President Case stated that the Planning Commission looks upon transportation as a means for people to get to their jobs, and in looking at their problems under the present fare system it costs them about \$1 per day. He inquired if there are any plans to relieve this and wouldn't the sales tax increase their costs.

Mr. Zelles replied that a family of four with average income of \$15,000 would pay about \$27 additional per year, while a family of six would average about \$17.

President Case stated that we need to reduce the taxes for the lower income groups and find some way of subsidizing this group of people and help reduce their costs of getting to and from work.

Mr. Zelles pointed out that these people are being subsidized about \$40 million per year now.

General Manager Gilstrap stated that with respect to the federal funding program, the new federal program should be looked at very carefully. UMTA had proposed a \$1.9 billion program for this year. However, the OMB said that is too much and proposed a program of \$2.5 billion combination funding, including highway trust funds. As a result, the new program for transit funds has gone from \$1.9 billion down to \$700 million, and ends up in Los Angeles getting only about \$30 million in funding. He said Los Angeles must let their voices be heard in Washington because the present budget will not answer the transit needs.

President Neusom remarked on the very low transit support figures received in Los Angeles as compared to other cities such as San Francisco and Atlanta, and pointed out that Los Angeles is accomplishing much more with less tax support than the other cities.

Mr. McDonald then remarked that the plans will present a challenge to the Los Angeles City Council and Planning Commission in guiding the impact of the system upon the citizens of the community.

President Case stated that mobility of the people is one of the most important factors.

Director Price stated that everyone should be together in a united front in accomplishing these goals and the first thing is to get the system built, and Los Angeles must work together to build public confidence to pass the ballot issue. Los Angeles must set a master plan now like the highway system did twenty-five years ago.

Commissioner Neiman complained about the service along Van Nuys Boulevard in the Valley, especially to Birmingham High School and that RTD service should be improved.

President Case suggested that an RTD staff member or consultant attend some of the Planning Commission hearings which they are holding, with the next one being next Tuesday on the Wilshire Plan.

President Neusom then reported on the meetings with the Board of Supervisors which are going on and how these proposals can improve service. At present, they are discussing subsidizing a fare reduction rather than an expansion of services. The RTD is pleased with the Board of Supervisors' offer which could lead to expanded services in the future. He then explained some of the expanded services which the District has inaugurated in the Valley, including some experimental services which had failed, but that we are providing the best service possible in areas in which it is used. The problem, of course, is financing in order to provide expanded services. He stated that we have employed the best consultants and, hopefully, we will have a successful election in November.

Commissioner Neiman suggested that the District work through school advisory committees and PTA's to let them know about the RTD programs.

Commissioner Marcuse stated that most people are more interested in community services and not on fixed guideways for getting into downtown. They must have this kind of service if they are to vote in favor at the election in November. He said the short-term bus improvement program in the next year may be helpful, and that tax assessment districts may also be helpful and should probably be instituted. He feels that consultants have been employed who are expert in fixed guideways and naturally will submit proposals that are only technical fixed guideways and not other types. He also feels that the consultants employed should not have been the same ones who worked on the Downtown Plan, and that RTD could very well be vulnerable at the election as a result of this double relationship.

President Neusom replied that we are aware of the Commissioner's concern, but that similar problems arose in Montreal and Mexico City, but they went ahead and built their systems, and further stated that he believes there is no conflict of interest with the consultants employed.

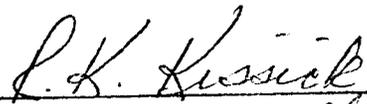
Mr. McDonald reported that the District had employed some consultants who were familiar with the Los Angeles area and, at the same time, had employed some who were not familiar with the area in order to provide a fresh look. He said that knowledge of the area is an advantage, not a disadvantage.

President Case stated that he hoped RTD was aware that they are bringing these questions out to get them on the floor on a friendly basis, and that the Planning Commission does want to work with RTD and they have asked these questions so as to understand and help in the bond issue.

Mr. Emerson stated that this meeting was a healthy happening and felt that it will help the Planning Commission staff and board to better understand the efforts of RTD, and also permits the Mayor's appointees to both Boards to better communicate.

President Neusom thanked everyone for attending and stated that he feels the composition of the RTD Board will permit a successful bond issue. He concluded by saying that he was hopeful another meeting could be held in about three months.

The meeting adjourned at 9:40 p. m.

  
Secretary *rb*