

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

MINUTES/PROCEEDINGS

COMMITTEE OF THE WHOLE
Board of Directors
February 6, 1992
District Board Room
425 South Main Street
Los Angeles

Called to order at 1:13 P.M.

Directors Present:

Marvin L. Holen, President
Charles H. Storing, Vice President
Richard Alatorre
Evan A. Braude
Don Knabe

Nick Patsaouras
Carl W. Raggio, Jr.
Gordana Swanson
James L. Tolbert
Antonio Villaraigosa

Director Absent:

Mas Fukai

Recessed to Closed Session at 1:13 P.M. to consider a personnel litigation matter, returning to Open Session at 1:30 P.M. with the same Directors in attendance.

1. Received report:

- a) Updating the Gateway Center Project status;
- b) Highlighting the Development Agreement; and
- c) Describing the organization of Union Station Gateway Corporation.

G. Spivack introduced the item indicating that the Development Agreement between RTD and Catellus Development was signed in October 1991 for the intermodal transportation center to be built on 6.5 acres owned by Catellus and RTD.

Members of the Catellus team headed by Ted Tanner narrated a slide presentation which showed the development as a "people place", as well as a safe and efficient place to work. Groundbreaking is scheduled for next month and the new headquarters building should be ready for occupancy by the end of 1994.

The slides showed a grand glass-domed entryway, beautiful parklike pedestrian walkways, a grotto area with a large aquarium and ample well-lit parking areas.

The Directors referred to the \$342 million project as impressive and exciting. The office tower will cost \$163 million with public transit improvements of \$140 million.

Tom Rubin explained that the process is currently underway to identify sources of funding. The project is eligible under some provisions of the Surface Transportation Act, some financing will be issued against the office tower as well as revenues from rentals, retail space and parking fees. To date, the probable source of approximately 50% of the required financing has been identified.

2. Received report on actions to assure District compliance with the Americans with Disabilities Act.

It is anticipated that the Act, which became effective October 7, 1991, will cost the District \$15 million over the next 18 months and \$5 million to \$6 million annually thereafter. The District's compliance plan must be submitted to the federal government by July of this year.

3. Received report on Fare Debit Card Program.

The card would have a pre-set value which would be automatically reduced each time it was passed through the machine on the bus. Jim Lair of the LACTC stressed the fact that the Fare Debit Card would generate more revenue per boarding than monthly passes, and largely eliminate counterfeiting and transfer abuse. Staff is concerned however that dwell time at bus stops would be negatively affected.

The consensus of opinion seemed to be that the Fare Debit Card is an interesting idea, but not one that should be pursued given the current financial crisis; the pilot program would cost \$5 million. Mr. Pegg indicated that there are two other items with similar priority which would require the same magnitude of investment, i.e. the vehicle locator system and bus rehabilitation.

Public comment was received from J. Walsh who was not in favor of the Fare Debit Card due to its higher initial cost to the bus rider.

5. Received status report on Proposition C guidelines.

Prop A monies are allocated to existing bus operations. Prop C will be used to fund other programs. The 40% discretionary fund will be used to improve bus and rail transportation county wide, e.g., bus and rail system expansion, ADA-mandated programs, service quality and customer convenience. Fare subsidy has been ignored in this program. The guidelines require a great deal of reporting and Director Villaraigosa expressed concern about the requirement that the District's lines be redeployed to qualify for these funds. President Holen feels that Proposition A and C monies should be merged.

4. Received status report on Benefit Assessment Districts.

The concept of benefit assessment was validated by the State Supreme Court. In two and a half weeks it will be known if anyone intends to petition for re-hearing. The District and the Commission have expended \$132 million; \$113 million was received from assessments in the first year. Currently underway is the process of negotiating contracts with bond

counsel and the financial advisor.

6. Public Comment

Former operator, J. Lopez, spoke regarding his termination.

J. Walsh addressed the Board relative to Red Line construction issues.

Adjourned at 4:07 P.M.


Recording Secretary