



Los Angeles County
Metropolitan
Transportation
Authority

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SUBJECT: STATE LEGISLATION

**ACTION: APPROVE STAFF RECOMMENDATION ON STATE
LEGISLATION**

RECOMMENDATION

Adopt the following position:

- A. AB 712 (Liu) – would rename the Metro Blue Line Construction Authority the Foothills Gold Line Construction Authority and would rename the entire project as the Foothills Gold Line and change the membership of the Board from the current 5 members to 15 members and would make other specified changes.

OPPOSE

ISSUE

Staff has been monitoring several pieces of legislation relative to the creation of construction authorities for specified rail projects. The attached analysis is a measure that was introduced during the last week of the first year of the regular 2003-2004 legislative session which recessed on September 12, 2003.

ATTACHMENT

AB 712 (Liu) Legislative Analysis

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ATTACHMENT A

BILL: AB 712

AUTHOR: ASSEMBLY MEMBER CAROL LIU
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SUBJECT: PASADENA GOLD LINE PHASE II

STATUS: SENATE TRANSPORTATION COMMITTEE

ACTION: OPPOSE

RECOMMENDATION

Staff recommends that the MTA Board of Directors adopt an oppose position on AB 712.

PROVISIONS

AB 712 would make the following changes to the statute creating the Los Angeles to Pasadena Metro Blue Line Construction Authority (PMBLCA). Specifically, AB 712 would:

- Rename the construction authority to the Foothills Gold Line Construction Authority;
- Rename the entire project from Union Station to Claremont to the Foothills Gold Line;
- Expand the voting membership of the board from 5 to 15 by adding the cities of Arcadia, Monrovia, Duarte, Irwindale, Azusa, Glendora, San Dimas, La Verne, Pomona and Claremont;
- Change the member appointed by the San Gabriel Valley Council of Governments to be a member appointed by the San Bernadino Associated Governments;
- State that board members may be removed at any time by the appointing entity; and
- State that the bill is not intended to affect local, state or federal funding priorities.

IMPACT ANALYSIS

Under current law the PMBLCA is charged with specified duties and powers related to construction of the Pasadena Gold Line. The original legislation creating the PMBLCA also defined the project as a light rail line extending from Union Station in the City of Los Angeles to Sierra Madre Villa Boulevard in the City of Pasadena (Phase I) and any mass transit guideway that may be planned east of Sierra Madre Villa Boulevard along the rail right of way extending to Claremont (Phase II). AB 712 would expand the board of the PMBLCA by adding the cities through which Phase II of the project passes. In so doing, all of the powers and responsibilities of the PMBLCA would be held by the new board.

The subject cities have entered into a Joint Powers Agreement (JPA) related to Phase II. The JPA is attempting to negotiate a Memorandum of Understanding with the current Authority board by which certain authorities and powers would be delegated to the JPA.

The MTA and the PMBLCA are currently parties to a number of agreements relative to the project. These agreements related specifically to Phase I of the project and will need to be renegotiated for Phase II. For example, the funding agreement only related to funding for Phase I. The PMBLCA is currently proposing a funding plan for the project which proposes a rough project cost of just under \$1.4 billion. The funding breakdown is approximately 50% Federal, 25% State, 20% Local funds. The remaining 5% is proposed to come from Federal Intermodal funds and city contributions.

The MTA is charged with the responsibility of allocating Los Angeles County's STIP funding that would be the primary source of state funds for Phase II. At this time, the MTA has not committed such funds through the Long or Short Range Planning Process. Additionally, the proposal to seek significant Federal Funds will place the project in competition with other projects in Los Angeles County that will be seeking Federal funds. The legislation includes language that would state that the intent of the bill is not to impact the county's priorities for funding. However, the timetable proposed by the PMBLCA, and, the requisite steps that would need to be taken to meet that timetable, necessarily place the project in competition for Federal funds.

Generally, staff is concerned that governance of Phase II of the project and the overall completion of the project, including funding and schedule, should be decided through a locally derived consensus and not legislatively mandated. The lack of a local consensus and the active solicitation of Federal funds by separate agencies have historically hindered the efforts of the County to improve its allocations from the Federal Government. There are a number of outstanding issues relative to Phase II. Staff suggests that modifications to the governing structure of the board could prejudice decisions related to those issues.

Staff therefore recommends that the MTA Board of Directors adopt an oppose position on AB 712.