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CLERK, U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
BY *Ruf* DEPUTY

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

RALPH W. KEITH, et al.,

Plaintiffs,

v.

JOHN A. VOLPE, individually and as  
Secretary of Transportation, et al.,

Defendants.

CIVIL NO. 72-355-HP

AMENDED FINAL CONSENT  
DECREE

WHEREAS, the above-entitled action was filed on  
February 16, 1972, in the United States District Court, Los  
Angeles, California, by several individuals who reside in the path  
of the proposed I-105 (sometimes hereafter "Century") Freeway, the  
Los Angeles chapter of the National Association for the  
Advancement of Colored People, the Sierra Club, and the  
Environmental Defense Fund;

WHEREAS, the complaint alleged that the California  
Department of Transportation (hereafter "Caltrans"), its Director  
and officials (hereafter "State defendants") and the United States  
Department of Transportation, its Secretary and officials

1 (hereafter "Federal defendants") failed to comply with the  
2 National Environmental Policy Act of 1969, the California  
3 Environmental Quality Act of 1970, the Urban Mass Transportation  
4 Act of 1964, the Uniform Relocation Assistance and Real Property  
5 Acquisition Policies Act of 1970, the Federal-Aid Highway Act, and  
6 the Fifth and Fourteenth Amendments of the United States  
7 Constitution;

8 WHEREAS, on July 7, 1972, after a hearing on the issues,  
9 this court enjoined all activities in furtherance of construction  
10 of the I-105 Freeway until such time as State and Federal  
11 defendants complied with the applicable requirements of the  
12 National Environmental Policy Act of 1969, the California  
13 Environmental Quality Act of 1970, the Federal-Aid Highway Act,  
14 and the Uniform Relocation Assistance and Real Property  
15 Acquisition Policies Act of 1970;

16 WHEREAS, State and Federal defendants have, in  
17 compliance with the court's order, held additional public hearings  
18 on the Century Freeway and completed preparation of a Final  
19 Environmental Impact Statement ("EIS"), which EIS has been filed  
20 with the above-entitled court;

21 WHEREAS, the court finds that the defendants have fully  
22 complied with applicable requirements of the National  
23 Environmental Policy Act of 1969, the California Environmental  
24 Quality Act of 1970, the Federal-Aid Highway Act, and the Uniform  
25 Relocation Assistance and Real Property Acquisition Policies Act  
26 of 1970, and the terms of the preliminary injunction heretofore  
27 entered by this court on July 7, 1972;

1           WHEREAS, the court finds that the Housing Plan, attached  
2 hereto as Exhibit B, is in full mitigation of the environmental  
3 impacts on housing stocks resulting from the I-105 Freeway  
4 project;

5           WHEREAS, plaintiffs have reviewed the Final  
6 Environmental Impact Statement to determine whether to challenge  
7 its adequacy in light of the requirements of the National  
8 Environmental Policy Act of 1969 and the California Environmental  
9 Quality Act of 1970;

10           WHEREAS, plaintiffs and State defendants and Federal  
11 defendants have agreed to settle all claims in this action;

12           WHEREAS the purposes of the Decree are to permit the  
13 I-105 Freeway to be built so long as it incorporates the design  
14 features and support facilities described by the Decree, including  
15 six lanes for general traffic and two transit/HOV lanes, ten  
16 transit stations, ten park-and-ride facilities and ramp metering;  
17 to provide that State and Federal defendants will use their best  
18 efforts, consistent with applicable law, to authorize and provide  
19 funds for a bus or rail transitway with supporting facilities on  
20 the Harbor Freeway with capability for a link to the I-105  
21 Freeway; to assure that the housing stock which is in  
22 distinguishably short supply in the affected communities is not  
23 depleted and to provide for the housing needs of those living in  
24 the area of the proposed path of the freeway; to ensure that  
25 employment opportunities generated by the project will benefit the  
26 communities which have been economically impacted by the size and  
27 location of the project; and to avoid further costly and lengthy  
28 delays from litigation or otherwise;

1           WHEREAS, for and in consideration of the mutual promises  
2 of plaintiffs and State and Federal defendants and conditioned  
3 upon the undertakings set forth herein, the parties have agreed to  
4 settle this litigation under the terms of this Decree;

5           WHEREAS, the following exhibits are attached hereto and  
6 incorporated as terms of this Decree:

7           (a) Exhibit A, referred to as "LACTC SCRTD  
8 Commitments," is the commitments made by the Los Angeles  
9 County Transportation Commission ("LACTC") and the Southern  
10 California Rapid Transit District ("SCRTD") for the  
11 necessary financial allocations to fund the required local  
12 share for transitway support facilities and operating costs.

13           (b) Exhibit B, referred to as the "Housing Plan,"  
14 is that relocation housing plan describing the housing which  
15 will be provided pursuant to this Decree.

16           (c) Exhibit C, referred to as the "Employment  
17 Action Plan," is that affirmative action plan which will  
18 provide employment opportunities for minority citizens and  
19 residents of the communities affected by this project.

20           WHEREAS, the parties have met to discuss the cost of the  
21 project as originally designed and limitations on available  
22 resources, and have reached the conclusion that modification of  
23 the project is desirable in the interest of cost reduction and  
24 have agreed upon certain modifications in the Decree originally  
25 entered in this case, which modifications are acceptable to the  
26 court;

27           WHEREAS, the court has been fully informed of the facts  
28 and circumstances;

1           NOW, THEREFORE, IT IS HEREBY STIPULATED, ORDERED,  
2   ADJUDGED AND DECREED that:

3           In view of the EIS and the terms contained in this  
4   Decree, the parties agree that the injunction heretofore entered  
5   by this court on July 7, 1972 shall forthwith be dissolved.

6           This court shall retain jurisdiction of this matter,  
7   until the Judgment of Dismissal is entered pursuant to the terms  
8   of this Amended Decree.

9   I.       I-105 FREEWAY -- DESIGN AND OPERATION

10           The I-105 Freeway shall be constructed as proposed in  
11   the Final Environmental Impact Statement on file with the  
12   above-entitled court, except as modified by the specific  
13   provisions of this decree.

14       A.   Six-Lane Controlled-Access Highway

15           A freeway transit facility, including a transitway  
16   as described in paragraph I. B. below, approximately 17.2  
17   miles long, running west to east in the County of Los  
18   Angeles from the vicinity of the Los Angeles  
19   International Airport to the San Gabriel River Freeway  
20   (Route 605) shall be built. It shall contain six lanes  
21   for general traffic with a basic median width not to  
22   exceed 64 feet (except where necessary to provide for  
23   such facilities as stations and bridge columns), which  
24   will contain a separate transit/HOV facility which will  
25   be convertible to operation of a light rail transit  
26   facility. The freeway will have ramp meters as  
27   necessary, to be built and installed and

1 operational when the freeway opens. Such metering will  
2 be operated by State defendants, and will regulate flow  
3 of traffic onto the freeway according to traffic  
4 conditions to minimize congestion. The I-105 Freeway  
5 shall be constructed as a landscaped freeway, and  
6 incorporate noise attenuation measures, all as set out in  
7 the Final Environmental Impact Statement previously filed  
8 in this court.

9 The design will include four freeway-to-freeway  
10 interchanges and ten local interchanges, to be  
11 constructed in the immediate vicinity of the ten transit  
12 stations in the approximate locations depicted in Exhibit  
13 D and referred to in paragraph I. D. below. Termination  
14 facilities interchanging with the surface street system  
15 shall be constructed at the easterly and westerly termini  
16 of the freeway.

17 B. Transit/High-Occupancy Vehicle ("HOV") Lanes

18 Transit/High-Occupancy Vehicle (HOV) lanes carrying  
19 buses and carpools in the median of the freeway shall be  
20 incorporated into the initial construction of the  
21 freeway and shall be operational at the time the freeway  
22 is opened to traffic. (These lanes may hereafter be  
23 referred to as a "transitway.") Although the transitway  
24 is presently designed for buses and carpools, the  
25 facility shall be designed to be convertible to light  
26 rail. Nothing in this Decree shall preclude the

27 /////



1 substitution of light rail as an alternative mode of  
2 public transportation for the bus/HOV/carpool facility  
3 which would otherwise have operated within the  
4 transitway.

5 The design will include provision for a transit/HOV  
6 connection to the Harbor Freeway although this  
7 connection will not be included as part of the initial  
8 construction of the I-105 project. Plaintiffs do not  
9 favor the use of buses as permanent or long-term public  
10 transportation in Los Angeles. Plaintiffs would prefer  
11 to have the light rail alternative constructed from the  
12 beginning but recognize the limitations on funding.

13 In the event State defendants find that a rail  
14 alternative is appropriate, State defendants may modify  
15 the project without court order to provide:

16 (a) for a light rail facility as a substitute for  
17 the busway/HOV/carpool obligations contained herein; (b)  
18 that the light rail transitway will be completed at a  
19 time certain, which date may be after the freeway is  
20 opened to automobile traffic; and (c) that FHWA will  
21 participate in the initial construction of a light rail  
22 and transit station facility only to the extent of the  
23 costs of the (i) transit/HOV facility/carpool facility  
24 described in this Paragraph B; and (ii) the support  
25 facilities described in Paragraph D at page 8.

*FHWA  
anticipate*

26 /////  
27 /////



1           C.   Transit Operating Costs

2                   Operating costs for the buses which will use the  
3                   transitway shall be provided by local transportation  
4                   sources. Such funds may include funds from the Federal  
5                   Urban Mass Transportation Administration ("UMTA"). A  
6                   commitment to allocate such funds has been made by the  
7                   LACTC and SCRTD by letters attached as Exhibit A, and  
8                   incorporated herein by reference. Levels of service  
9                   shall be established and supported by sufficient funds  
10                  as set forth in Exhibit A. It is further agreed that  
11                  the plaintiffs and defendants shall take all reasonable  
12                  steps to enforce the commitments secured from the  
13                  appropriate agencies that buses shall be operating when  
14                  the entire I-105 Freeway is open to traffic.

15          D.   Support Facilities for Transit/HOV Lanes

16                  Support facilities for the transitway shall be  
17                  built and shall be operational at the opening of the  
18                  freeway. Such facilities shall consist of not more than  
19                  ten transit stations, designed and built to be  
20                  convertible to rail stations if necessary in the future,  
21                  to be constructed with their attendant loading  
22                  platforms, pedestrian access-ways and park-and-ride  
23                  facilities. These stations will be at the approximate  
24                  locations depicted in Exhibit D.

25                  Funding for such facilities shall be included in  
26                  freeway project costs covered by Federal-Aid Interstate  
27                  funds to the full extent budgeted by Congress. In the



1 event that transit station facilities are constructed  
2 more elaborately than the loading platforms, pedestrian  
3 access-ways and park-and-ride facilities provided for in  
4 this Paragraph D as a project cost, then the additional  
5 cost shall be provided by Federal funds from UMTA, if  
6 available, and local matching funds from the LACTC. By  
7 Exhibit A, incorporated by reference, these local funds  
8 have been committed. If the local transit agencies  
9 involved do not honor these funding commitments, upon  
10 petition by and consultation with plaintiffs' counsel or  
11 State defendants, the United States Secretary of  
12 Transportation may, based upon a written statement of  
13 reasons, cut off discretionary funding to those local  
14 agencies for other transportation purposes in an amount  
15 equivalent to those unfulfilled obligations.

16 Caltrans shall consult with the intervenor Cities  
17 herein in regard to the location and configuration of the  
18 support facilities within their respective jurisdiction  
19 as well as the conventional freeway facility.

20 E. Connection Between Century Freeway and Los Angeles  
21 International Airport ("LAX")

22 Access shall be provided from the freeway to LAX.

23 State defendants shall work with the Los Angeles  
24 Department of Airports to develop a plan to facilitate  
25 access from the freeway to LAX. Priority access to LAX  
26 may be provided for buses and carpools to the maximum  
27 extent possible. The resultant plan shall be

1 incorporated into the initial construction of the  
2 freeway.

3 II. HARBOR FREEWAY LINKAGE

4 A. Bus or Rail Transitway on Harbor Freeway

5 To the extent consistent with applicable state and  
6 federal laws, the Federal defendants will use their best  
7 efforts to authorize and provide funding for a transitway on  
8 the Harbor Freeway from the proposed intersection with the  
9 I-105 Freeway to a point approximately 7.5 miles north. When  
10 federal authorization and funding has been provided, the  
11 State defendants shall construct this transitway. It is  
12 intended that this transitway be funded from the Interstate  
13 Highway Trust Fund. Although the transitway is presently  
14 designed for buses and carpools, the facility shall be  
15 suitable for transition to rail. Nothing in this Decree  
16 shall preclude the substitution of rail for buses as an  
17 alternative mode of transportation. The transitway,  
18 therefore, shall be built in such a way that engineering,  
19 design and physical features necessary in the event of  
20 conversion to rail are incorporated into the initial  
21 construction to the fullest extent feasible. The design of  
22 this transitway shall provide for direct linkage to the  
23 Century Freeway transitway. This transitway shall be funded  
24 by Federal-Aid Interstate funding. State defendants shall  
25 make their best efforts to obtain said funding and to have  
26 said transitway operating at the same time as the I-105  
27 Freeway is opened to traffic. Provided State defendants make  
28 their best efforts, the funding, commencement of construction

1 and operation of said transitway is not a condition to the  
2 construction and operation of the I-105 Freeway.

3 B. Support Facilities for Transitway

4 Passenger stations, passenger loading platforms,  
5 pedestrian access-ways, and park-and-ride facilities  
6 comparable to those provided for the I-105 Freeway will be  
7 provided. Funding for these facilities will be made  
8 available in the same fashion as for the I-105 Freeway, as  
9 provided in Paragraph I. D., pages 8 and 9 above.

10 III. REAL PROPERTY ACQUISITION AND RELOCATION ASSISTANCE:

11 ESTABLISHMENT OF AN "OFFICE OF THE ADVOCATE FOR  
12 CORRIDOR RESIDENTS"

13 All property acquisition and relocation activities shall  
14 be in compliance with the relocation assistance requirements of  
15 42 United States Code, section 4601 et seq., 23 Code of Federal  
16 Regulations, section 740.1 et seq., and 24 Code of Federal  
17 Regulations, section 43.1 et seq., if applicable, and 25  
18 California Administrative Code sections 6150-6176, except insofar  
19 as the State and Federal defendants have committed by the terms of  
20 this Decree to exceed the minimum requirements set forth under  
21 these applicable statutes and regulations.

22 There shall be created an Office of the Advocate for  
23 Corridor Residents ("Office"). All funding for the Office as  
24 authorized by the budget shall be provided in the same manner as  
25 any other project cost. The individual in charge of said office  
26 is referred to herein as the "Advocate" who shall be selected by  
27 and serve at the pleasure of the plaintiffs. Upon motion by any

1 of the defendants and by good cause shown, the Court may remove  
2 the individual serving as the Corridor Advocate. The Advocate  
3 shall be compensated at the same level as a senior right-of-way  
4 agent. The Advocate initially shall have authority to hire two  
5 additional staff people, one at a salary level comparable to that  
6 of an associate right-of-way agent (State of California) and one  
7 at a salary at least equivalent to that of a stenographer Range 8  
8 (State of California). Caltrans shall be responsible for under-  
9 writing all reasonable costs associated with the operation of the  
10 Advocate's Office necessary to perform all duties assigned to it  
11 by this Decree. The Office of the Advocate for Corridor Residents  
12 is not an agency of the federal government for any purpose. At  
13 any time when requested by the Advocate, Caltrans or plaintiffs,  
14 or on his own initiative, the Director of Housing and Community  
15 Development may review the staffing needs of the Advocate's Office  
16 to determine whether demands placed on the Office require its  
17 expansion or reduction. If Caltrans or plaintiffs believe that  
18 the staff and budget increases or decreases authorized by the  
19 Director of Housing and Community Development are not supportable  
20 based upon demonstrated or projected demands on the Advocate's  
21 Office, the Director of Caltrans or plaintiffs may appeal to the  
22 Secretary of Business, Transportation and Housing whose judgment  
23 shall be final.

24           The Office shall have assigned to it the following  
25 duties and responsibilities:

26           A. To establish a local office in the general area  
27           where the remaining displacees reside and in a location

1 reasonably convenient to public transportation. The office  
2 will be open during hours convenient to the persons to be  
3 relocated, including evening hours when necessary. Notice of  
4 the existence of the office and its hours shall be included  
5 in all State defendants' communications with displacees  
6 including the first notice.

7 B. To monitor State defendants' compliance with all  
8 applicable state and federal regulations pertaining to the  
9 relocation rights of displacees. Such monitoring shall  
10 include but not be limited to review and comment upon the  
11 draft texts of notices and information sheets to be supplied  
12 to displacees. It shall review and comment upon the strategy  
13 for notification and advising of tenants of rental units of  
14 their eligibility for benefits.

15 C. To receive and record all displacee complaints.

16 D. To provide, upon request by any displacee, any  
17 information relevant to the displacee's relocation benefits  
18 under applicable federal and state laws and regulations.

19 E. To assist displacees who have claims or complaints  
20 arising out of determination of eligibility, the amount of  
21 payment they will receive, or the provision of adequate  
22 replacement housing. State defendants shall make available  
23 all relevant information concerning a particular displacee  
24 upon request by the Office.

25 F. To assist displacees in resolving any disputed claim  
26 with Caltrans by seeking conciliation, review, or appeal of a  
27 decision by State defendants consistent with the procedures

1 set forth in 25 California Administrative Code, sections  
2 6150-6176, in those instances where the Advocate determines  
3 that the displacee's claim has merit.

4 G. To prepare and file with plaintiffs, Caltrans, and  
5 Housing and Community Development quarterly reports on the  
6 activities of Advocate. The report shall indicate:

7 1. The number and type of corridor resident  
8 complaints;

9 2. Perceived patterns, if any, of violation of  
10 laws or regulations by Caltrans; or perceived misinterpretations  
11 of laws or regulations by Caltrans; and

12 3. The disposition, if any, of said complaints  
13 perceived violations or misinterpretations.

14 H. To request Caltrans to correct any claims of significant  
15 widespread noncompliance and to submit recommendations,  
16 if any, for correction. (To the fullest extent  
17 possible, the Advocate shall have direct access to the  
18 highest level of Caltrans administration when field staff  
19 either unable to or will not resolve conflicts arising with  
20 current corridor residents.)

21 Plaintiffs may petition this court for judicial review  
22 using appropriate judicial standards to compel compliance  
23 after the above-described method of conflict resolution has  
24 been followed, which, in the judgment of plaintiffs, has not  
25 resulted in termination of the alleged significant widespread  
26 noncompliance. Plaintiffs may also seek declaratory relief  
27 from this court interpreting the law or any regulation which

1 the Advocate believes is being misapplied by Caltrans.  
2 Plaintiffs shall not have the right to seek judicial relief  
3 for individual corridor residents. However, evidence showing  
4 cumulative individual experience may be offered for the sole  
5 purpose of tending to prove alleged significant widespread  
6 noncompliance by Caltrans.

7 IV. HOUSING PLAN -- REHABILITATION AND RELOCATION OF UNITS  
8 PRESENTLY OWNED AND TO BE ACQUIRED BY STATE DEFENDANTS

9 Exhibit B entitled "Development and Implementation of  
10 Housing Plan" as modified herein by agreement of the parties is  
11 attached hereto and incorporated by reference.

12 V. EMPLOYMENT ACTION PLAN

13 As assurance of their intent to provide employment  
14 opportunities for women and minority citizens and residents of the  
15 communities affected by this project, defendants shall initiate  
16 and complete the Employment Action Plan which is attached hereto  
17 as Exhibit C, and incorporated herein by reference.

18 VI. AMENDMENT TO AND ENFORCEMENT OF FINAL CONSENT DECREE

19 Upon noticed motion and opportunity to any party to  
20 object, this Amended Decree may be modified or amended if  
21 plaintiffs' counsel and State and Federal defendants to this  
22 litigation agree in writing with the approval of this court. As  
23 part of its inherent power, the court may modify this Amended  
24 Decree upon motion by either plaintiffs or Federal defendants or  
25 State defendants.

26 If the terms of this Amended Decree are not complied  
27 with by any party, then any party may apply to this Court for  
28 appropriate relief.

1           This court shall issue an injunction to enforce any  
2 terms of this Amended Decree only as a last resort remedy and only  
3 when no other remedy would reasonably assure compliance with a  
4 significant term. When selecting a remedy for noncompliance, if  
5 any, with the terms of this Amended Decree, to the extent that  
6 effective enforcement of a significant term of the Amended Decree  
7 permits, a primary consideration shall be to avoid delay of the  
8 construction, completion, and ultimate opening and operation of  
9 the freeway or implementation of the housing program.

10 VII.   NONSEVERABILITY OF DECREE'S PROVISIONS

11           In the event that any of the material portions of the  
12 project as described in the Amended Decree are declared invalid  
13 and enjoined, plaintiffs, Caltrans or Federal defendants may seek  
14 an injunction against the implementation of the remaining portions  
15 of the project as described in the Amended Decree. Should the  
16 invalidity be upheld on appeal, Caltrans, plaintiffs or Federal  
17 defendants shall have the right to seek dissolution of the  
18 Amended Decree and to pursue all available legal claims.

19 VIII.   TERMINATION OF COURT JURISDICTION

20           Upon motion to the court setting forth a description of  
21 how all terms of this Consent Decree have been fully complied  
22 with, and absent objection thereto, a Judgment of Dismissal shall  
23 be entered by the court. If opposition is filed, then the motion  
24 shall be heard in the ordinary course.

25 IX.   ATTORNEYS' FEES

26           Upon entry of the Final Consent Judgment, plaintiffs may  
27 within thirty (30) days file an application with this court for



1 reasonable attorneys' fees which are to be paid by State  
2 defendants. The State defendants shall have thirty (30) days to  
3 respond, and plaintiffs may file a reply within fifteen (15) days  
4 later. If requested by either party, the court shall calendar the  
5 matter for hearing within fourteen (14) days after the request.  
6 After the court makes its determination and order, Caltrans shall  
7 pay any award within a reasonable time. If, for any reason, the  
8 fee award is not paid (a) within a reasonable period of time, or  
9 in the alternative, (b) as provided in the manner set out here-  
10 after in the event of appeal, then no funds shall be expended in  
11 furtherance of the I-105 project. It is understood that both  
12 plaintiffs and defendants may appeal the amount of the award. In  
13 the event of an appeal, then there shall be paid to plaintiffs  
14 within a reasonable time 75% of the amount awarded and the balance  
15 of the award shall be deposited in an interest bearing escrow or  
16 trust account. In the event that an appeal results in a reduction  
17 of the award then defendants shall recover any reduction of the  
18 award (a) first, from the escrow or trust account, and (b) second,  
19 from the Center for Law in the Public Interest, if insufficient  
20 funds are in the escrow or trust account. In the event that an  
21 appeal results in no reduction of the award, the balance in the  
22 escrow or trust account (including accumulated interest) shall be  
23 paid to the Center for Law in the Public Interest. In the event  
24 that the award is increased as a result of appeal, then Caltrans  
25 shall pay the Center whatever increase in the award may be ordered  
26 by the court. Other than the funds deposited in the escrow or  
27 trust account, any funds recovered by defendants or any fees paid

1 to the Center shall include interest based on the average Prime  
2 Rate from the date of the award or the date of payment to the  
3 Center, whichever is applicable.

4 The Federal defendants may appear in the litigation or  
5 settlement of any issue regarding attorneys fees.

6 Plaintiffs are aware of and in accord with the terms of  
7 this section.

8 X. FEDERAL PARTICIPATION

9 Federal defendants will be participating in the cost of  
10 the I-105 project in the same manner as any other interstate  
11 freeway project cost. Because the unique size and geographical  
12 location of the I-105 project will have a significant effect on  
13 low-income housing stock and employment, certain features of this  
14 Decree are unique to the I-105 project. Set out hereafter are the  
15 most obvious provisions of this Decree including the Housing and  
16 Employment Action Plans which Federal defendants agree are project  
17 costs entitled to federal participation:

18 1. Housing project as provided for in the Housing Plan,  
19 Exhibit B, as amended and modified by agreement of the  
20 parties: State defendants, acting by and through the State  
21 of California, Department of Housing and Community Develop-  
22 ment (HCD), agree to use their best efforts to rehabilitate  
23 existing housing within the corridor to implement the Housing  
24 Plan. It is understood, however, that housing approved by  
25 the Federal Highway Administration subsequent to August 25,  
26 1981, may be either new construction or rehabilitation at the  
27 option of the State of California, Housing and Community

1 Development or its successor as may be designated pursuant to  
2 this Decree;

3 2. Housing Project Director: Cost of operation  
4 including staff;

5 3. Housing Advisory Committee: Cost of operation  
6 including staff;

7 4. Office of the Corridor Advocate: Cost of operation  
8 including staff;

9 5. Century Freeway Affirmative Action Committee: Cost  
10 of operation including staff;

11 6. Vacant Excess Land: No credit to federal funds  
12 shall be required for vacant land previously acquired by  
13 Caltrans for the I-105 which has become or will become excess  
14 land and which is made available for sites to meet the  
15 replacement housing obligations contained in this Decree;

16 7. Rehabilitation in Excess of HUD standards:  
17 Incremental Costs occasioned by construction in excess of HUD  
18 standards where determination made that long-term benefits of  
19 such higher standards will outweigh any additional costs  
20 involved;

21 8. Reasonable moving expenses for 180-day  
22 post-acquisition tenants as set forth in Paragraph IV. B. 1  
23 of the Housing Plan, Exhibit B herein;

24 The above list is not intended to be exclusive, but is  
25 solely an effort to fix responsibility for participation clearly  
26 as to the matters listed. Whether Federal defendants will  
27 participate in a particular unanticipated future project cost not

1 listed shall be determined by resort to federal law and regula-  
2 tions and, if applicable, to the intent of this Amended Decree.  
3 In addition to the above-special items Federal defendants will  
4 participate in the project cost of the I-105 Freeway as described  
5 in the final Environmental Impact Statement on file with the  
6 above-entitled court, except as set forth herein, including the  
7 transit/HOV facilities described herein.

8 I. Plaintiffs:

9 A. CENTER FOR LAW IN THE PUBLIC INTEREST

10

11

By

JOHN R. PHILLIPS

Date

July 12, 1981

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Attorneys for Plaintiffs Ralph W. Keith, et al.

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1 II. Federal Defendants:

2 a.

3 By Robt. M. Garrick Date 9/22/81  
4 ROBERT M. GARRICK, Rear Admiral, USNR (Ret.)  
5 Deputy Counselor to the President  
6

7 B.

8 By Donald L. Ivers Date 9/22/81  
9 DONALD L. IVERS  
10 Chief Counsel,  
11 Federal Highway Administration  
12

13 C.

14 By Michael E. Wolfson Date 9/22/81  
15 MICHAEL E. WOLFSON  
16 Assistant U.S. Attorney  
17

18 D.

19 By Carol Dinkin Date 9/22/81  
20 CAROL DINKIN  
21 Assistant Attorney General  
22 Land and Natural Resources Division  
23 U.S. Department of Justice  
24  
25  
26  
27

1 III. State of California Defendants:

2 A. BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
3 STATE OF CALIFORNIA

4 By Lynn A. Schenk  
5 LYNN A. SCHENK  
6 Secretary

Date 9/22/81

7 B. DEPARTMENT OF TRANSPORTATION  
8 STATE OF CALIFORNIA

9 By Adriana Gianturco  
ADRIANA GIANTURCO

Date 9/22/81

10 Director, Department of Transportation

11 C. DEPARTMENT OF TRANSPORTATION  
12 STATE OF CALIFORNIA

13 By Richard G. Rypinski  
14 RICHARD G. RYPINSKI

Date 9/22/81

15 Attorney for Defendant State  
16 Department of Transportation

1 IV. Intervenor:

2 A.

3

4 By Royal M. Sorensen  
ROYAL M. SORENSEN

Date 9/22/91

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Attorney for Intervenor  
CITY OF SOUTHGATE

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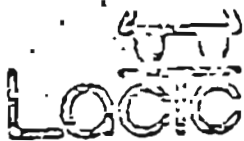
The court having been fully apprised of the facts and  
circumstances hereto, IT IS SO ORDERED.

Dated: Sept 22, 1981.

*Harry Pregerson*  
HARRY PREGERSON, Judge  
United States Circuit Court,  
Sitting by Designation



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LOS ANGELES COUNTY TRANSPORTATION COMMISSION - 311 SOUTH SPRING STREET - SUITE 1206, LOS ANGELES, CALIFORNIA 90013 - (213) 626-0370

March 29, 1979

JEROME C. PREMIO  
EXECUTIVE DIRECTOR

Mr. John R. Phillips  
Center for Law in the  
Public Interest  
10203 Santa Monica Boulevard  
Fifth Floor  
Los Angeles, CA 90067

Dear Mr. Phillips:

I am writing in response to your January 9, 1979 letter requesting the Los Angeles County Transportation Commission to commit future funds available to it for certain transit purposes. This request relates to satisfaction of certain conditions which now preclude work on I-105 from proceeding. Of course, we are sure you recognize that the Los Angeles County Transportation Commission is not a party to the existing court injunction on I-105.

At its March 14, 1979 meeting, the Commission unanimously endorsed the recommendation of its Finance Review Committee, to support programming of transit capital funds for certain station facilities on I-105, and for transit operating costs and service levels for I-105. Attached is an excerpt from the minutes of the March 14 meeting, which references this action. The Commission is authorized to program local funds under Sections 130303(b) and 130306 of the Public Utilities Code. Also attached is a February 5, 1979 letter from Jack R. Gilstrap, Southern California Rapid Transit District General Manager, concurring in the settlement terms as they affect the District.

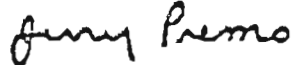
The Commission is now reviewing the proposed State Transportation Improvement Program (STIP) of Caltrans for the FY 79/80 through FY 83/84 period, in accordance with the provisions of AB 402. Principal among new construction projects proposed in Los Angeles County during this period is the initiation of actual construction for I-105. The

Mr. John K. Phillips  
March 29, 1979  
Page 2

Commission's main concern in considering I-105 is in its time schedule for implementation. Obviously, final design, land acquisition and construction cannot proceed until the court injunction is lifted and a final go-ahead is granted. Accordingly, we sincerely hope and urge that remaining issues precluding a court settlement can be resolved promptly, and work can finally proceed.

Please let me know if I can be of further help on this.

Sincerely,



JEROME C. PREMO  
Executive Director

JP:kyt  
Attachments

Southern California Rapid Transit District  
425 South Main St., Los Angeles, California 90013  
Telephone: (213) 972-6000

JACK R. GILSTRAP  
General Manager

February 5, 1979

Jerome C. Premo, Executive Director  
Los Angeles County Transportation Commission  
311 South Spring Street, Suite 1206  
Los Angeles, California 90013

Dear Mr. Premo:

We have reviewed the proposed terms of settlement prepared by the Center for Law in the Public Interest incidental to the legal action against the construction of the Century Freeway.

In calling for a commitment from the Los Angeles County Transportation Commission to provide funds supporting service at a level consistent with projected demand on the facility and surrounding travel corridor, the agreement also provides that the Southern California Rapid Transit District will make a determination of such service levels, with the concurrence of the Commission. Additionally, should it be proposed that the number of stations and/or support facilities presently planned be reduced, it is understood that any such reduction would be subject to DOT, Caltrans, LACTC and Southern California Rapid Transit District concurrence after notice and consultation with Plaintiffs' counsel.

Also inherent to the terms of the settlement is the understanding that the Commission and the District will work together to the extent necessary to ensure our awareness and support of the requested local commitments.

The purpose of this letter is to give you the assurance that the Southern California Rapid Transit District sees no problem with the general terms of the proposed settlement as it pertains to the level of District service. We look forward to working with the Los Angeles County Transportation Commission on this project and will cooperate with you in every way possible.

Sincerely,

  
Jack R. Gilstrap

have Mr. Premo as Executive Director, as he has an extremely good rapport with these people and that the Commission should take more advantage of that capability and that the Commission should send him to Washington as often as possible to lobby for the Commission.

### Committee Reports

#### Finance Review Committee

Commissioner Tweedt reported on the committee's actions at the March 12 meeting. The following are recommendations from that meeting (EXHIBIT A):

- . Authorization for the Executive Director to indicate the Commission's intention to commit funds for the Century Freeway transit capital improvements and operations, in response to a request from the Center for Law in the Public Interest.
- . Approval of Caltrans' request for FY 78-79 Type I TIP for:
  - a. Right-of-way acquisition for Route 91/11.
  - b. A change in the fund category for the Kanan Road.
  - c. Preliminary engineering and environment assessment funding for Santa Ana Freeway and Harbor Freeway transit element.
- . Authorization for the Chairman to appoint a Commission member and staff member for the Route 30 Study Advisory Committee.
- . Approval of distribution of discretionary funds and fund type within the SCAG region.
- . Approval of the intercounty allocation of UMTA Section 5 bus capital funds, which provides for 86% to Los Angeles County, 12% to Orange County, and 2% to San Bernardino County; it is also recommended that a special committee, similar to the one working on highway matters, be set up to work on bus allocation funding to begin in 1981.

Regarding the Century Freeway, Commissioner Remy asked if our statement of intent to the Center for Law related to a transitway, either bus or rail, as opposed to a variety of other capital improvements that may not be transportation related. Commissioner Tweedt said it would be for transit stations. Commissioner Remy asked about the distribution of discretionary funds on interstate; what about Riverside's major interstate construction project for I-15? The Executive Director said that project was covered under the pre-existing federal acts.



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1 of said housing shall be provided for under appropriate  
2 expedited procedures to be approved by FHWA.

3 b. The State defendants will, at the earliest  
4 possible date, construct or rehabilitate with Federal  
5 participation not fewer than 1,175 units to meet the  
6 housing needs of corridor residents eligible for benefits  
7 under the Relocation Act. These 1,175 units represent the  
8 parties' estimate of "last resort housing" requirements of  
9 the remaining eligible residents on the I-105  
10 right-of-way. Residents displaced from the corridor will  
11 be afforded an opportunity to acquire or rent these units  
12 of housing pursuant to the last resort housing provisions  
13 of the Uniform Relocation Act. Those units not accepted  
14 by corridor displacees will be made available in  
15 accordance with paragraphs A, B, C, and D of Section IV of  
16 this Exhibit. Displacees not electing to accept these  
17 units will be relocated under the Uniform Relocation Act  
18 procedures. Federal funds for provision of said housing  
19 shall be provided for under appropriate expedited  
20 procedures to be approved by FHWA.

21 c. The Federal defendants will authorize,  
22 pursuant to 23 U.S.C. 106, Federal participation in the  
23 amount of \$110 million for the provision of housing units  
24 by the State defendants who will produce the maximum  
25 number of housing units which can be obtained with these  
26 funds under expedited procedures to be approved by the  
27 Federal Highway Administration. Expenditure of these



1 funds will be subject to a final federal audit for  
2 consistency with the approved procedures as well as  
3 management effectiveness. One year following the  
4 execution of the commitment under 23 U.S.C. 106 referred  
5 to above, the Federal Highway Administration will provide  
6 a supplemental authorization for the construction of  
7 housing in a sum to be computed by multiplying the then  
8 unexpended portion of the \$110 million times the percent  
9 change in the construction cost index of new one-family  
10 houses. The Boeckh Residential Cost Index as published in  
11 Construction Review compiled by Bureau of Industrial  
12 Economics, United States Department of Commerce, shall  
13 serve as the cost index. The Federal Highway Administra-  
14 tion will not execute any additional supplemental authori-  
15 zations calculated in this manner unless a clear and  
16 convincing showing is made by the State defendants and  
17 approved by the Federal Highway Administration that the  
18 housing was not constructed due to circumstances beyond  
19 the control of the State defendants. On petition of any  
20 party, the court may review the PHWA decision in order to  
21 determine whether its refusal to provide any additional or  
22 supplemental authorizations was reasonable. These units  
23 will be made available in accordance with the provisions  
24 of paragraphs A, B, C, and D of Section IV of this  
25 Exhibit. Any funds received by the State defendants in

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1 the course of disposing of these units shall be used for  
2 the construction of additional low- and moderate-income  
3 housing but not subject to the inflation factor.

4  
5 II. STAGING AND REVIEW

6 A. Introduction.

7 It is the intent of the parties to allow the  
8 freeway project to begin before any housing is actually  
9 relocated or replaced and available for occupancy. In  
10 order to allow freeway construction to immediately proceed  
11 and assure that at the end of the project all housing  
12 provided hereunder will be available, the following  
13 Staging Plan is established. Because unforeseen problems  
14 with the housing program are a possibility, a Review Plan  
15 is established which would allow for modification of the  
16 timing and scope of the delivery of the housing program.

17 B. Staging Plan.

18 The parties agree that with respect to both the  
19 highway and housing portions of this project, time is of  
20 the essence. The freeway project shall be phased so that  
21 a given percentage of housing units will be available for  
22 occupancy when a given percentage of the freeway  
23 construction contracts are awarded.

24 The freeway construction contract percentage  
25 figure shall be expressed as the relationship between the  
26 dollar value of awarded contracts at a given time, to the  
27 total estimated freeway construction cost in constant

1 dollars. The housing percentage figure shall be expressed  
2 as the relationship of housing units available for  
3 occupancy to 3,700. Said phasing schedule shall be:

4 1. Phase 1. Twenty-five percent of the  
5 freeway construction contracts may be awarded prior  
6 to any housing being made available;

7 2. Phase 2. When 50% of the freeway  
8 construction contracts have been awarded, at least  
9 30% of the housing units shall be available for  
10 occupancy;

11 3. Phase 3. When 75% of the freeway  
12 construction contracts have been awarded, at least  
13 60% of the housing shall be available for occupancy;  
14 and

15 4. Phase 4. At the time that freeway  
16 construction is complete, all of the remaining  
17 housing units shall be under construction contract.

18 C. Review Plan.

19 At any time after 2,000 units of housing are in  
20 place or after 75 percent of the freeway construction  
21 contracts have been awarded, whichever comes first, a  
22 review of the housing program may, at the petition of  
23 Caltrans or Federal defendants, be conducted by this  
24 court.

25 The purpose of such review should it be sought  
26 will be to assess, in light of the experience acquired in

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1 the implementation of the first phase of the housing pro-  
2 gram, whether the timing and scope of the housing program,  
3 as outlined by this Amended Decree, remain a realistic,  
4 reasonably achievable goal.

5 If such review be sought, the court shall  
6 examine whether housing can be made available within the  
7 time period reasonably consistent with the phasing program  
8 herein. The parties now anticipate that the Housing Plan  
9 can be implemented, according to the schedule proposed in  
10 this Amended Decree, reasonably concurrent with the  
11 construction of the freeway without resulting in undue  
12 delays, unreasonable project costs, or excessive impacts  
13 on existing communities and their infrastructure. All  
14 parties recognize, however, that some additional delay and  
15 expense will occur due to the housing program and that  
16 acceptance of such delay and expense is among the elements  
17 of settlement.

18 In making its determination regarding the prog-  
19 ress of the housing program, the court applying appro-  
20 priate judicial standards shall consider the following:

21 1. The extent to which implementation of  
22 the housing program has resulted in undue delay in  
23 construction of the freeway;

24 2. The term "undue delay" as used herein  
25 is defined to mean delay which:

26 a. adds significantly to the cost of  
27 the freeway project over and above the cost that

1 would have been incurred had the project  
2 proceeded according to the original project  
3 schedule;

4 b. adds significantly to the  
5 estimated time of completion of the freeway  
6 project;

7 c. results in or probably will result  
8 in a suspension of work on the freeway project  
9 by freeway contractors or creates conditions or  
10 circumstances such that it would be  
11 impracticable or impossible for the freeway  
12 contractor to proceed with the "current  
13 controlling operation of the work" or which  
14 otherwise would subject the state to a claim by  
15 the freeway contractor for interference,  
16 hindrance, or delay. The phrase "current  
17 controlling operation of the work" means that  
18 work or operation being performed by the  
19 contractor which, if delayed, will delay the  
20 time of completion of the contract (Standard  
21 Specifications 8-1.06, State of California,  
22 Department of Transportation, January 1978);

23 3. The ability of communities to which  
24 housing has been and is anticipated to be relocated  
25 pursuant to the housing program to absorb such  
26 housing without unforeseen and excessive adverse  
27 impacts on their infrastructure, such as schools,  
28 sewers and public services;

1                   4.    The necessity for, and availability  
2                   of, federal, state or local government housing  
3                   subsidy programs to make possible the operation and  
4                   maintenance of relocated housing units at the income  
5                   levels described herein once such units are ready for  
6                   occupancy;

7                   5.    The effectiveness of the housing  
8                   program as evidenced by the substantial occupancy of  
9                   the units by eligible purchaser/occupant categories;

10                  6.    Any other factors which the court  
11                  deems pertinent to its examination.

12                  The court, after a duly noticed hearing upon the  
13                  petition of Caltrans or the Federal defendants, shall  
14                  determine, using the above criteria, whether good cause  
15                  exists for:

16                  1.    Amendment of the Consent Decree to  
17                  allow freeway completion and operation to occur prior  
18                  to completion of the housing program; or

19                  2.    Any other adjustment to the Housing  
20                  Program including timing and scope which the court  
21                  finds to be reasonable under the circumstances.

22                  If such cause is found to exist, the court may make such  
23                  adjustments as it finds reasonable. In determining what  
24                  remedy may be appropriate, the parties intend that a  
25                  strong preference be given to extending the time period  
26                  for construction or rehabilitation of housing units rather  
27                  than reducing the number to be provided.

1    III. STRUCTURE FOR PLANNING AND IMPLEMENTATION

2        A.    General Organization Structure.

3                An organizational structure shall be established  
4                to plan and implement the housing program which shall  
5                include participation by a Project Director and staff,  
6                Caltrans, California Department of Housing and Community  
7                Development (HCD), a Housing Advisory Committee (HAC) with  
8                a Steering Committee, and federal agencies as appropriate.

9                HCD shall be the lead agency responsible for the  
10               coordination and the implementation of the Housing Plan.  
11               Caltrans and any other public or private agencies may  
12               enter into contracts with HCD for support services. If  
13               the Secretary and plaintiffs, upon consultation with  
14               Federal defendants, jointly determine that the lead agency  
15               has not performed adequately in implementing the Housing  
16               Program, the Secretary of Business, Transportation and  
17               Housing with the concurrence of the plaintiffs may  
18               redelegate the lead agency function.

19        B.    Project Director and Staff.

20               The Project Director shall be selected by the  
21               Director of HCD. The Project Director shall prepare a  
22               proposed operational staffing budget in accordance with  
23               state budgeting procedures which sets forth the number of  
24               positions and compensation for each. This budget must be  
25               approved by the Director of HCD. This budget may be  
26               revised as needs of the program change. The budget shall  
27               include funds for HCD operating costs and administrative  
28               costs. Caltrans shall provide HCD with advances on this

1 as requested by HCD as may be provided in any service  
2 contract referred to in Paragraph III. A. above.

3 Once this internal operating budget is approved,  
4 the Project Director in hiring staff shall: (1) require a  
5 minimum level of experience in the housing field, (2) make  
6 every effort to hire people familiar with the local  
7 housing conditions, and (3) consult with the Steering  
8 Committee (hereinafter defined) in making staffing  
9 decisions. The final decision, however, regarding the  
10 recommendations to be made to the Director of HCD for the  
11 hiring of individual staff members shall be made by the  
12 Project Director.

13 The Project Director shall:

14 1. Establish an office in the I-105  
15 Corridor area;

16 2. Acquire sites for replacement housing  
17 beginning concurrent with the commencement of  
18 planning;

19 3. Prepare a Housing Plan to be submitted  
20 to HAC in accordance with section III D;

21 4. Prepare a work program in development  
22 of the Housing Plan and submit it to the Steering  
23 Committee for review and comments;

24 5. Assist the HAC in the performance of  
25 its functions:

26 6. Solicit bids, select subcontractors  
27 and let contracts for work to be performed by



1 outside consultants and contractors; monitor work  
2 performance of outside consultants or contractors.

3 The Project Director shall take an inventory of  
4 all available sites in the Corridor area suitable for  
5 move-on housing. There shall be three distinct zones:  
6 primary, secondary, and tertiary. The primary zone  
7 approximates an area within six miles on each side of the  
8 I-105 right-of-way; the secondary zone extends an  
9 additional six miles; and the tertiary zone yet another  
10 six miles. The Housing Plan as developed and presented by  
11 the Project Director will attempt to place as many  
12 replacement units as possible in the primary zone; if  
13 suitable sites are unavailable, the remainder should be  
14 placed in the secondary zone; if suitable sites still  
15 remain, the units may be proposed for siting in the  
16 tertiary zone. If there are still insufficient sites  
17 available in all three zones, the Project Director may  
18 provide for relocation beyond the identified zones but in  
19 each instance must attempt to locate the structures as  
20 close to the Corridor area as possible and reasonable.

21 C. Housing Advisory Committee.

22 A Housing Advisory Committee shall be  
23 established to consult with and provide assistance through  
24 the Project Director and staff. Total membership shall be  
25 limited to sixty (60) committee members. It shall have  
26 certain specified responsibilities as more fully set out  
27 below in reviewing the Housing Plan and Budget. The

1 Housing Advisory Committee is not an agency of the federal  
2 government for any purpose.

3 The Director of HCD shall invite all appropriate  
4 regional and local planning bodies, housing agencies, and  
5 jurisdictions affected by the freeway to serve voluntarily  
6 on the HAC. Representatives of these official entities,  
7 however, shall at no time consist of more than  
8 55% of the entire committee membership. No more than  
9 thirty-three (33) representatives of official entities  
10 shall be selected. There shall be at least one  
11 representative from Los Angeles County and each of the  
12 cities abutting upon the right-of-way of the I-105  
13 Freeway. The balance of the representatives of official  
14 entities shall be chosen from jurisdictions located in the  
15 three housing replacement zones described herein at  
16 page 11, lines 6-10.

17 Plaintiffs and HCD shall jointly select the  
18 remaining twenty-seven (27) members of the HAC from  
19 organizations that have an interest in housing, citizen  
20 representatives, and persons who have been or will be  
21 displaced by the freeway.

22 HCD will pay the nonpublic official  
23 representatives a per diem of \$60.00 per meeting. To be  
24 entitled to said per diem attendance for more than  
25 two-thirds of any meeting is required. Said per diem  
26 shall be to cover all expenses, including but not limited  
27 to travel and child care in the Los Angeles area. This

1 per diem may be increased over the life of the project by  
2 HCD to match increases in the cost of living index. No  
3 more than one increase shall be made in any calendar  
4 year.

5 Except as supplemented by this Decree, the  
6 duties and responsibilities of the HAC shall be the same  
7 as those provided in 23 CFR section 740.118(d) and 25  
8 California Administrative Code section 6124.

9 There shall be a Steering Committee of HAC  
10 which shall be comprised of the following seven  
11 members:

12 1. One representative of the City of Los  
13 Angeles selected by the Mayor of Los Angeles;

14 2. One representative of the County of  
15 Los Angeles selected by the Chairman of the Board of  
16 Supervisors of Los Angeles County;

17 3. One representative of the Southern  
18 California Association of Governments as selected by  
19 that body;

20 4. One representative of the corridor  
21 cities other than the City of Los Angeles as selected  
22 by those members of the HAC who represent those  
23 corridor cities;

24 5. One representative of the displacees  
25 to be selected by the plaintiffs or the plaintiffs'  
26 successor in interest;

27 6. Two representatives of community  
28 groups, drawn from the membership of HAC and selected

1 by the HAC members who do not represent public entities or  
2 jurisdictions.

3 The Steering Committee in consultation with the  
4 full Housing Advisory Committee shall:

5 1. Be consulted by the Project Director  
6 regarding staffing decisions and work program;

7 2. Review and recommend that the HAC  
8 approve or amend and approve (subject to further  
9 approval by the designated state officials as  
10 described below) the Housing Plan and its Budget;

11 3. Hold public hearings. In carrying out  
12 its review and approval responsibilities, the  
13 Steering Committee together with the HAC shall hold  
14 public hearings and review comments from any  
15 interested member of the public prior to making its  
16 decision.

17 The following quorum requirements shall be met by the HAC  
18 for any vote that calls for approval of the Housing Budget  
19 and/or Housing Plan: at the time the vote is taken, at  
20 least two-thirds of the membership shall be present and of  
21 those present, a number equal to 45% less two persons must  
22 be individuals who are not representatives of public  
23 entities or jurisdictions; if no quorum is present and if  
24 a vote on either the Housing Plan or Budget has been  
25 reasonably noticed and if six of the seven members of the  
26 Steering Committee are present, the Steering Committee  
27 shall be empowered to act for the entire HAC.

1       D.   Time Limit for HAC to Approve the Housing Plan and  
2       Program Budget.

3               Prior to the presentation of the proposed  
4       Housing Plan and Program Budget, the Project Director  
5       shall meet regularly with the Steering Committee and HAC  
6       to present progress reports on the staff's development of  
7       the proposed Housing Plan and Budget and to receive any  
8       comments from members of the Steering Committee and HAC.  
9       The Steering Committee shall conduct public hearings and  
10       the full HAC shall approve the Plan and Budget either as  
11       presented by the Project Director or as amended by the HAC  
12       no later than 90 days after the Project Director submits  
13       it to the HAC. This period may be extended upon the  
14       written permission of the Secretary of Business, Transpor-  
15       tation and Housing. If the HAC fails to approve the  
16       Housing Plan and Budget by majority vote as presented or  
17       amended within the time period, the Plan and Budget shall  
18       be deemed approved.

19       E.   Approval of the Housing Plan, Budget and Scheduling  
20       Decisions by State and Federal Officials.

21               The Housing Plan and Program Budget approved by  
22       the HAC shall be reviewed and approved by the Director of  
23       HCD who shall have the authority to modify it as he or she  
24       deems appropriate. HCD must approve the Housing Plan and  
25       Program Budget submitted to it or approve it with HCD  
26       modifications no later than 60 days after the HAC submits  
27       the Housing Plan to HCD, all in accordance with state  
28       budgeting procedures.

1 HCD must submit the Plan and Program Budget to  
2 the HAC for review and comments if HCD has made any  
3 modifications to the Plan as HAC approved it; such  
4 modifications must be accompanied by detailed  
5 explanations.

6 HAC will then have 30 days to review the Housing  
7 Plan and Program Budget. If at the end of 30 days, HAC  
8 has irresolvable differences with HCD over provisions of  
9 the Housing Plan or Program Budget, it may refer such  
10 differences to the Secretary of Business, Transportation  
11 and Housing for resolution. The Secretary must resolve  
12 such conflicts within 30 days after they are submitted to  
13 him/her in writing. The Plan, as approved by the  
14 Secretary, shall be the adopted Housing Plan.

15 Should HCD or HAC fail to take action within the  
16 applicable time limit, it shall be deemed to have approved  
17 or concurred in the Housing Plan submitted to it. When  
18 the Housing Plan has been approved HCD shall thereupon  
19 submit the plan to Federal Highway Administration for  
20 concurrence.

#### 21 IV. HOUSING PLAN

22 This section sets out certain basic parameters to be  
23 followed by the Project Director and HCD in preparing the  
24 Housing Plan. These parameters are intended to be minimum  
25 standards only; the Plan may develop more comprehensive or  
26 creative methods of implementing the basic requirements  
27 enunciated herein.

1           This section of the Exhibit specifies the general  
2 categories of persons and households who may purchase or rent  
3 housing units developed under the Housing Plan. It also  
4 delineates the financial responsibilities of Federal and State  
5 defendants and suggests some methods by which these responsi-  
6 bilities could be implemented. It also sets some standards for  
7 the use of excess property acquired for use as freeway  
8 right-of-way but not used for that purpose.

9           The Federal and State defendants are responsible for  
10 the development, funding, and implementation of the Housing  
11 Plan described herein. However, once the Plan is fully carried  
12 out and the housing units developed are made available accord-  
13 ing to the terms of the Plan and this Decree, neither Federal  
14 nor State defendants (except, in the case of State defendants,  
15 to administer resale controls) shall have any further financial  
16 or administrative responsibilities as to those units.

17       A.   Categories of Eligible Purchasers/Occupants.

18           1.   Displacee purchase: To satisfy the last  
19 resort housing obligations of State and Federal defendants  
20 under the Uniform Relocation Act, 42 U.S.C.A. section 4601  
21 et seq., any person eligible for benefits under the  
22 Uniform Relocation Act displaced by the freeway after the  
23 date of the Final Consent Decree (October 11, 1979),  
24 wishing to acquire a unit of housing developed under the  
25 Housing Plan pursuant to Uniform Relocation Act procedures  
26 may do so. No deed restrictions referred to in

27 ///

1 this Decree shall apply to a unit purchased at fair market  
2 value, and no legal or equitable title shall remain in  
3 Federal or State defendants after such a sale.

4 2. Low- and moderate-income housing: The  
5 I-105 freeway has had a severe deleterious effect on the  
6 supply of low-income housing within the freeway corridor  
7 and surrounding communities. To mitigate that effect, and  
8 to preserve the existing stock of low- and moderate-income  
9 housing, the Housing Plan shall make available all units  
10 not purchased by displacees at fair market value as low-  
11 and moderate-income housing. The Plan will utilize  
12 whatever methods are useful and appropriate to make this  
13 housing available at affordable prices. The term  
14 "affordable" as used throughout this section has the  
15 meaning given in Paragraph IV. C., below. The housing  
16 units shall be made available to members of various income  
17 groups as specified in Paragraph IV. C., below.

18 B. Funding and Financing of the Housing Program.

19 1. Defendants shall provide funds for, and/or  
20 financing of, all costs associated with the development  
21 and implementation of the housing program. These costs  
22 include, but are not limited to: planning, site acquisi-  
23 tion and preparation, moving of units, rehabilitation,  
24 site landscaping, incidental expenses, and administrative  
25 costs. All such costs shall be considered project costs  
26 and shall be apportioned as such. All reasonable and

27 ///



1 proper expenditures necessary to complete this work to  
2 those standards specified in the memorandum of  
3 understanding pursuant to Paragraph IV. G., shall be  
4 approved as provided in the Service Agreement referred to  
5 in Paragraph III. A., herein. Caltrans shall seek  
6 reimbursement from Federal defendants for all project  
7 costs, and shall itself pay all ineligible costs including  
8 but not limited to housing project administration costs  
9 and overhead. HCD shall participate in all meetings and  
10 discussions with FHWA or other state agencies regarding  
11 the Internal Operating Budget or Housing Program Budget.  
12 The final budgets shall be approved by FHWA. HCD shall  
13 consult with and obtain prior written Caltrans concurrence  
14 that proposed project expenditures are federally  
15 reimbursable. HCD shall obtain prior written Caltrans  
16 concurrence for any nonreimbursable expenditure as a  
17 condition to participation by Caltrans in project costs.  
18 HCD may deal directly with the Federal defendants in any  
19 activity necessary for the implementation of the housing  
20 program. Any dispute, between HCD and Caltrans, regarding  
21 the withholding of concurrence shall be resolved by the  
22 Secretary of Business, Transportation and Housing.

23 2. Title to all units shall pass to entities  
24 or persons other than the State and Federal defendants as  
25 hereinafter described. Legal or equitable title shall not  
26 remain with defendants after completion of the Housing  
27 Program.

1           3.    The Housing Plan shall determine the method  
2   of ownership and/or rental sponsorship of all units  
3   developed. Ownership arrangements may include ownership  
4   by occupants, cooperative associations, ownership of homes  
5   by occupants with land leases held by public or nonpublic  
6   entities, lease with purchase options, and tenancy-in-  
7   common arrangements. Rental sponsors may include  
8   nonprofit organizations, partnerships between nonprofits  
9   and private developers/syndicators, public agencies,  
10   housing authorities, and investors.

11           4.    The Housing Plan shall develop speculation  
12   and resale controls for units developed through this  
13   program to assure that all ownership units purchased at  
14   less than fair market value and all rental units shall  
15   remain affordable by persons at the designated low- and  
16   moderate-income levels. All these units shall have deed  
17   or lease restrictions placed upon them which limit resales  
18   in such a way that the inventory of low-cost housing is  
19   maintained for a maximum of 59 years wherever feasible,  
20   and in no event, less than 20 years.

21   C.   Distribution of and Eligibility for Units.

22           1.    Distribution: All units shall be made  
23   affordable according to the following distribution  
24   schedule:

25                   a.    At least 5% of all units shall be  
26           affordable to very very low-income households;

27   ///

1                   b. At least 25% of all units shall be  
2 affordable to very low-income households;

3                   c. At least 25% of all units shall be  
4 affordable to low-income households;

5                   d. At least 25% of all units shall be  
6 affordable to moderate-income households;

7                   e. All other units shall be made  
8 affordable to households in the income categories  
9 above in such a way as to best meet the needs of the  
10 affected communities and displaced persons.

11                   2. Definitions:

12                   a. Very very low-income: Households  
13 whose incomes do not exceed 25% of the median income  
14 for the L.A. Standard Metropolitan Statistical Area  
15 (SMSA) as adjusted for household size;

16                   b. Very low income: Households whose  
17 incomes are greater than 25%, but not more than 50%  
18 of the median income for the LA SMSA as adjusted for  
19 household size;

20                   c. Low income: Households whose incomes  
21 are greater than 50%, but not more than 80%, of the  
22 median income for the LA SMSA as adjusted for  
23 household size;

24                   d. Moderate income: Households whose  
25 incomes are greater than 80%, but not more than 120%,  
26 of the median income for the LA SMSA as adjusted for  
27 household size;

1                   e.   Affordability: Replacement dwellings  
2                   shall be considered affordable to households as  
3                   follows: For single family units, a replacement unit  
4                   is affordable when the household will pay no more  
5                   than 35% of its adjusted income for principal, taxes,  
6                   interest, insurance, utilities and maintenance. For  
7                   rental units, a replacement unit is affordable when  
8                   the household will pay no more than 25% of its  
9                   adjusted income for rent and utilities. Income is  
10                  adjusted by deducting \$300 per minor child from net  
11                  income.

12                 3.   Priority for eligibility to purchase units:  
13                 Except those units purchased by persons eligible for  
14                 benefits under the Uniform Relocation Act pursuant to  
15                 Paragraph IV. A. 1., above, units initially available for  
16                 occupancy shall be offered to households for sale on the  
17                 following priority basis:

18                 a.   First priority: Persons with incomes  
19                 less than 120% of the median who are displaced after  
20                 the date of the Final Consent Decree. For the  
21                 purposes of this Amended Decree, the term "persons  
22                 displaced after the date of the Final Consent Decree"  
23                 shall include persons who have resided in property  
24                 acquired for construction of the project for more  
25                 than 180 days prior to the date (October 11, 1979) of  
26                 the Final Consent Decree and who are displaced after  
27                 the date of the Final Consent Decree. Such persons

1 shall have first priority to purchase any unit which  
2 is designated for the income group for which they  
3 qualify at an affordable price subject to the deed  
4 restrictions as specified in Paragraph IV. B. 4.

5 b. Second priority: Households on  
6 housing authority waiting lists whose incomes fall  
7 within the target populations.

8 c. Third priority: Households whose  
9 incomes fall within the target populations.

10 4. Priority for eligibility to rent units:  
11 Units initially available for occupancy shall be offered  
12 to households for rent on the following priority basis:

13 a. First priority: Persons with incomes  
14 less than 120% of the median who are displaced after  
15 the date of the Final Consent Decree. For the  
16 purposes of this Amended Decree, the term "persons  
17 displaced after the date of the Final Consent Decree"  
18 shall include persons who have resided in property  
19 acquired for construction of the project for more  
20 than 180 days prior to the date (October 11, 1979) of  
21 the Final Consent Decree and who are displaced after  
22 the date of the Final Consent Decree. Such persons  
23 shall have first priority to rent any unit which is  
24 designated for the income group for which they  
25 qualify.

26 b. Second priority: All other persons  
27 with incomes less than 120% of the median who are

1 displaced after the date of the Final Consent Decree  
2 (October 11, 1979) and who have commenced occupancy  
3 of the acquired dwelling prior to January 1, 1982.

4 c. Third priority: Households on housing  
5 authority waiting lists whose incomes fall within the  
6 target populations.

7 d. Fourth priority: Households whose  
8 incomes fall within the target populations.

9 D. Financing.

10 1. The financial responsibility of Federal and  
11 State defendants to make a unit available at an affordable  
12 price shall in no case extend beyond the costs of  
13 implementing the Housing Program as set forth in Paragraph  
14 IV. B. 1. Permanent financing for all units shall be  
15 obtained by occupants or sponsors of housing as defined in  
16 Paragraph IV. B. 3. Upon transfer of title of units  
17 developed, defendants shall receive a sum equal to no more  
18 than that purchase price which is necessary to make units  
19 affordable with conventional financing. Where necessary  
20 to achieve or approach affordable housing payments, title  
21 may be transferred at a cost of \$1.00.

22 2. Federal "Section 8" housing funds or its  
23 successor program may be used to make units affordable at  
24 income levels specified above by subsidizing that portion  
25 of operating costs which cannot be paid for by tenant's  
26 affordable rents or co-op carrying charges, when units  
27 have been deeded to sponsors at a cost of \$1.00.

1           afforded right-of-first-refusal on purchase of excess  
2           property which they occupy. Relocation assistance  
3           payments may be used for purchase of such property.  
4           All units shall be made available at a price that is  
5           within the financial means of the person, as defined  
6           above.

7           3.   Suitability for Relocation

8                     The State defendants will determine which  
9           housing units remaining on the I-105 right-of-way  
10          will be used for relocation and rehabilitation.  
11          Dwelling units which will not be used will be  
12          disposed of on the following basis:

13                    a.   Made available without  
14          competitive bidding on a single simultaneous  
15          offering with awards to be made on the following  
16          priority basis:

17                      (i)   To any public or nonprofit  
18          agency for housing for low- and moderate-  
19          income households. Such agencies must give  
20          displacees highest priority for occupancy;

21                      (ii)   To any private offeror  
22          guaranteeing that such housing will be  
23          relocated within the affected areas;

24                    b.   If no purchaser in class (i) or  
25          (ii) above is available, the State may elect to

26        ///

27        ///

1 demolish the unit or to dispose of it on the  
2 open market. In no event shall the State's  
3 election be made later than six months following  
4 the publication of the offer.

5 c. Any funds received through  
6 disposal of units from within the right-of-way  
7 will be credited to Federal funds for I-105.

8 G. Standards and Specifications.

9 HCD and Caltrans shall, prior to completion of  
10 the Housing Plan, enter into a memorandum of understanding  
11 which shall set forth prototype specifications for  
12 rehabilitation. All units shall be rehabilitated or con-  
13 structed to standards equal to or greater than those in  
14 the local jurisdictions and which may comply with HUD  
15 minimum property standards for rehabilitation.

16 Specifications may exceed HUD minimum property standards  
17 for rehabilitation where it is determined that the long  
18 term benefits of such standards will outweigh any addi-  
19 tional costs involved. The memorandum of understanding  
20 shall be amended to include prototype specifications for  
21 new construction whenever in the planning process a  
22 determination is made that new construction will be  
23 undertaken.

24 H. Relocation Assistance Payments.

25 1. As part of the cost of facilitating  
26 implementation of the housing plan described herein, and

27 ///



1 in view of the hardships and uncertainty caused by delays  
2 in development of the I-105 project, current tenants of  
3 dwelling units in the I-105 right-of-way who moved into  
4 their dwelling units after they were acquired by Caltrans,  
5 and who have occupied such units for 180 days or more,  
6 shall be eligible to receive their reasonable moving  
7 expenses as determined by the existing approved moving  
8 cost schedule, including a dislocation allowance.

9 2. Displaced persons choosing to occupy one of  
10 the dwelling units provided by the Housing Plan described  
11 herein shall not be eligible to receive replacement  
12 housing payments, except where such payments are necessary  
13 to make such dwelling units affordable to the person, as  
14 specified in Paragraph IV. D. Where a displacee is not  
15 financially able to occupy one of such dwelling units, the  
16 relocation assistance payment shall be provided on the  
17 same basis as if the unit were available through the  
18 private market, and shall make up the difference between  
19 the rent of such dwelling unit and the person's ability to  
20 pay.

21 3. Occupancy of one of the dwelling units  
22 provided by the Plan described herein shall not diminish  
23 the eligibility of a displacee for moving payments.

24 I. Conformity with Local Law.

25 Said replacement units shall be relocated or  
26 constructed so as to be in conformity with applicable

27 ///

1 zoning, subdivision and building code laws. This provi-  
2 sion is not intended to change the practices followed  
3 under current law.  
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1 JOHN R. PHILLIPS  
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12 Attorneys for Plaintiffs

FILED

NOV 18 1980

CASE NO. 72-355-HP  
U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SAN FRANCISCO

13 UNITED STATES DISTRICT COURT  
14 CENTRAL DISTRICT OF CALIFORNIA

15 RALPH W. KEITH, et al.,	)	NO. CIV. 72-355-HP
	)	
16 Plaintiffs,	)	STIPULATION AND ORDER
	)	TO AMEND EMPLOYMENT
17 v.	)	ACTION PLAN: AMENDED
	)	EMPLOYMENT ACTION PLAN
18 JOHN A. VOLPE, as Secretary	)	
19 of Transportation, et al,	)	
	)	
20 Defendants.	)	
	)	

21 IT IS HEREBY STIPULATED AND AGREED by and between  
22 plaintiffs and defendants State Department of Transportation,  
23 Federal Department of Transportation and intervening Cities, by  
24 their respective counsel, to approve certain amendments to  
25 the Employment Action Plan, Exhibit C to the Consent Decree  
26 in the above-captioned matter, and to file an Amended Employ-  
27 ment Action Plan which contains those modifications.

28 This stipulation is entered into and the Court's  
order approving same is respectfully requested pursuant to  
Section VI of the Consent Decree which sets forth procedures  
for amending the Decree. Since there are no objections by the

1 parties to these amendments, the parties agree to file them by  
2 this Stipulation and Order.

3 The modifications to the Employment Plan are made  
4 pursuant to Section V of the unamended Employment Action Plan  
5 which provided that the parties would meet to negotiate appro-  
6 priate changes to the Plan upon promulgation by the U.S. Depart-  
7 ment of Transportation of final federal regulations regarding  
8 participation of minority business enterprises in federal programs.

9 Filed concurrently with this Stipulation and Order are  
10 the Amended Employment Action Plan and Memorandum Explaining  
11 Modifications to the Employment Action Plan. Attached to the  
12 Memorandum is an interlineated version of the Plan showing both  
13 old and new language.

14  
15 Dated: \_\_\_\_\_

RICHARD G. RYPINSKI  
JOSEPH A. MONTOYA  
RALPH LIVINGSTONE

16  
17  
18 By /S/  
19 Attorneys for State Defendants

20  
21  
22 Dated: \_\_\_\_\_

ANDREA S. ORDIN  
MICHAEL E. WOLFSON

23  
24 By Michael E. Wolfson  
25 Attorneys for Federal Defendants  
26


27 ///

28 ///

1 Dated: \_\_\_\_\_

JOHN R. PHILLIPS  
JAN G. LEVINE  
GEOFFREY COWAN  
CARLYLE W. HALL, JR.  
ALLETTA d'A. BELIN  
TIMOTHY B. FLYNN  
A. THOMAS HUNT

Center for Law in the  
Public Interest

By   
John R. Phillips

Attorneys for Plaintiffs

12 IT IS SO ORDERED.

14 Dated: 11/18/80

HARRY FRIEDBERG  
U. S. District Court Judge  
*Circuit Designation*



1           3. Asian American (a person having origins in  
2 any of the original peoples of the Far East, Southeast  
3 Asia, the Indian subcontinent, or the Pacific Islands); or

4           4. American Indian and Alaskan Native (a person  
5 having origins in any of the original peoples of North  
6 America).

7           5. Members of other groups, or other individuals,  
8 found to be economically and socially disadvantaged by the  
9 Small Business Administration under section 8(a) of the  
10 Small Business Act, as amended (15 U.S.C. 637(a)).

11  
12 II. BID SPECIFICATION DOCUMENT

13           Above and beyond the "Equal Opportunity" and "Standard  
14 Federal Equal Employment Opportunity Contract Specifications"  
15 requirements set forth for all federally funded Caltrans  
16 projects, all Bid Specification Documents prepared in connection  
17 with the projects described in this Decree shall include the  
18 following elements among the enumerated responsiveness criteria:

19  
20 A. Minority Business Enterprise (MBE) Goals

21           1. A "Minority business enterprise" or "MBE"  
22 means a small business concern, as defined pursuant to  
23 section 3 of the Small Business Act and implementing  
24 regulations, which is owned and controlled by one or more  
25 minorities or women. Owned and controlled means a business:

26           a. Which is at least 51% owned by one  
27 or more minorities or women; or, in the case of a  
28 publicly owned business, at least 51% of the stock of



1 which is owned by one or more minorities or women; and

2 b. Whose management and daily business  
3 operations are controlled by one or more such indivi-  
4 duals.

5 2. The goals for the dollar value of work to  
6 be awarded to MBEs for each project shall be determined in  
7 accordance with the procedures set forth in regulations  
8 at 45 Federal Register 21184 (to be codified at 49 C.F.R.  
9 Part 23,) section 23.45(g), with the following exceptions:

10 a. In light of the specific characteristics  
11 of the I-105 corridor, notably the high degree of  
12 unemployment among its residents and the large per-  
13 centage of minority groups within the overall corridor  
14 population, concerning the factors to be considered  
15 in setting the MBE goals, strong emphasis shall be  
16 given to the population of the minority groups within  
17 the area. Relatively little weight shall be given to  
18 Caltrans' past results in their efforts to contract  
19 with MBEs since the MBE program is of relatively  
20 recent origin.

21 b. The Century Freeway Affirmative Action  
22 Committee (see infra) shall have an opportunity to  
23 review the factors to be considered in setting the  
24 goals and shall participate in the setting of MBE  
25 goals. In the event that the Committee concludes that  
26 the overall goals set by Caltrans are inadequate, they  
27 may petition the Director of Caltrans. The Director  
28 shall hear the basis for the Committee's conclusions

1 and review the adequacy of the goals. The Director may  
2 change said MBE goals, and the Director's decision  
3 shall be final.

4 3. Affirmative action techniques shall be devel-  
5 oped and undertaken by the Caltrans Civil Rights Division  
6 with the assistance of the Century Freeway Affirmative  
7 Action Committee to facilitate MBE participation in con-  
8 tracting activities. These techniques include:

9 a. Arranging solicitations, time for the  
10 presentation of bids, quantities, specification,  
11 delivery schedules so as to facilitate participation  
12 by MBEs;

13 b. Providing assistance to MBEs in over-  
14 coming barriers such as inability to obtain bonding,  
15 financing, and technical assistance;

16 c. Carrying out information and communica-  
17 tion programs on contracting procedures and specific  
18 contracting opportunities in a timely manner, with  
19 such programs being bilingual where appropriate.

20 4. Caltrans Civil Rights Division and the Century  
21 Freeway Affirmative Action Committee shall thoroughly  
22 investigate the full extent of services offered by banks  
23 owned and controlled by minorities or women in their  
24 community and determine the most feasible area in which to  
25 utilize the services of these banks.

26 Prime contractors shall also be encouraged  
27 to utilize the services of banks owned and controlled  
28 by minorities or women.

1                   5. Caltrans shall make available to bidders a  
2     directory or source list to facilitate identifying MBEs  
3     with capabilities relevant to general contracting require-  
4     ments and to particular solicitations. It shall specify  
5     which firms the Department of Transportation, Caltrans, or  
6     the Small Business Administration has determined to be  
7     eligible MBEs in accordance with procedures set forth  
8     herein and at 45 Fed. Reg. 21185, subpart c.

9                   6. Procedures to ascertain the eligibility of  
10    MBEs and joint ventures involving MBEs include the following:

11                   a. To ensure that its MBE program benefits  
12     only firms owned and controlled by minorities or  
13     women, Caltrans shall certify the eligibility of MBEs  
14     and joint ventures involving MBEs that are named by  
15     the competitors. Caltrans may, at its own discretion,  
16     accept certifications made by other DOT recipients.

17                   b. Caltrans, Division of Civil Rights,  
18     shall seek the advice of, and consult with, the Century  
19     Freeway Affirmative Action Committee in the MBE certi-  
20     fication process.

21                   7. Procedures to require that participating MBEs  
22     are identified by name by competitors for contracts are as  
23     follows: Caltrans shall indicate, in solicitations for  
24     DOT-assisted contracts that provide opportunities for MBE  
25     participation, goals for the use of firms owned and con-  
26     trolled by minorities and firms owned and controlled by  
27     women. Solicitations shall require all bidders/proposers  
28     to submit a written assurance of meeting the goals in their

1 bids or proposals. Within a reasonable time after the  
2 opening of bids and before the award of the contract,  
3 Caltrans shall require all bidders or proposers wishing to  
4 remain in competition for the contract to submit the names  
5 of MBE subcontractors and suppliers, a description of the  
6 work each is to perform, and the dollar value of each  
7 proposed MBE subcontract. Caltrans shall set the time at  
8 which bidders and proposers are required to submit this  
9 information and inform bidders and proposers of this time  
10 in the solicitation. Agreements between a bidder/proposer  
11 and an MBE in which the MBE promises not to provide sub-  
12 contracting quotations to other bidders/proposers are  
13 prohibited.

14 8. MBE participation shall be counted toward  
15 meeting MBE goals set in accordance with federal regula-  
16 tions 45 Fed. Reg. 21187, § 23.47, and this Plan as follows:

17 a. Once a firm is determined to be an  
18 eligible MBE in accordance with this subpart, the  
19 total dollar value of the contract awarded to the  
20 MBE is counted toward the applicable MBE goals.

21 b. The total dollar value of a contract  
22 to an MBE owned and controlled by both minority  
23 males and non-minority females is counted toward the  
24 goals for minorities and women respectively, in  
25 proportion to the percentage of ownership and control  
26 of each group in the business. The total dollar  
27 value of a contract with an MBE owned and controlled  
28 by minority women is counted toward either the

1 minority goal or the goal for women, but not to both.  
2 The contractor employing the firm or Caltrans may  
3 choose the goal to which the contract value is  
4 applied.

5 c. Caltrans or a contractor may count  
6 toward its MBE goals a portion of the total dollar  
7 value of a contract with a joint venture eligible  
8 under the standards of this subpart equal to the  
9 percentage of the ownership and controls of the MBE  
10 partner in the joint venture.

11 d. (1) Caltrans or a contractor may  
12 count toward its MBE goals only expenditures  
13 to MBEs that perform a commercially useful  
14 function in the work of a contract. An MBE is  
15 considered to perform a commercially useful  
16 function when it is responsible for execution of  
17 a distinct element of the work of a contract and  
18 carrying out its responsibilities by actually  
19 performing, managing, and supervising the work  
20 involved. To determine whether an MBE is per-  
21 forming a commercially useful function, Caltrans  
22 or the contractor shall evaluate the amount of  
23 work subcontracted, industry practices, and  
24 other relevant factors.

25 (2) Consistent with normal industry  
26 practices, an MBE may enter into subcontracts.  
27 If an MBE contractor subcontracts a significantly  
28 greater portion of the work of the contract than

1 would be expected on the basis of normal industry  
2 practices, the MBE shall be presumed not to be  
3 performing a commercially useful function. The  
4 MBE may present evidence to rebut this presump-  
5 tion to Caltrans. Caltrans' decision on the  
6 rebuttal of this presumption is subject to review  
7 by the Department of Transportation.

8 e. Caltrans or a contractor may count  
9 toward its MBE goals expenditures for materials and  
10 supplies obtained from MBE suppliers and manufac-  
11 turers, provided that the MBEs assure the actual and  
12 contracted responsibility for the provision of the  
13 materials and supplies.

14 (1) Caltrans or a contractor may  
15 count its entire expenditure to an MBE manufac-  
16 turer (i.e., a supplier that produces goods  
17 from raw materials or substantially alters them  
18 before resale).

19 (2) Caltrans or a contractor may  
20 count 20% of its expenditures to MBE suppliers  
21 that are not manufacturers, provided that the  
22 MBE supplier performs a commercially useful  
23 function in the supply process.

24 9. On each contract awarded under this sub-  
25 section, prime bidders shall make a good faith effort to  
26 use at least five MBEs. Each contract shall be of a  
27 minimum dollar amount to be determined by the Caltrans  
28 Civil Rights Division and the Century Freeway Affirmative

1 Action Committee (CFAAC). This provision may be waived on  
2 individual contracts upon the mutual agreement of the  
3 Caltrans Civil Rights Division and CFAAC.

4 10. Selection criteria to ensure that prime  
5 contracts are awarded to competitors that meet MBE goals  
6 include the following:

7 a. If any competitor offering a reasonable  
8 price meets the MBE contract goal, Caltrans shall  
9 presume conclusively that all competitors that failed  
10 to meet the goal have failed to exert sufficient  
11 reasonable efforts and consequently are ineligible  
12 to be awarded the contract.

13 b. To implement this presumption, Caltrans  
14 shall determine whether the competitor offering the  
15 lowest price of firms meeting the MBE contract goal  
16 has offered a reasonable price for the contract. If  
17 Caltrans determines that this competitor has offered  
18 a reasonable price Caltrans shall award the contract  
19 to the firm. If Caltrans determines that this compe-  
20 titor's price is not reasonable, it shall consider  
21 next the price offered by the competitor with the  
22 highest percentage of MBE participation of those firms  
23 that failed to meet the goal. If Caltrans determines  
24 that this price is reasonable it shall award the  
25 contract to this competitor. If Caltrans determines  
26 that this price is not reasonable, Caltrans shall  
27 consider the other competitors that failed to meet  
28 the goal in order of their percentage of MBE partici-

1 pation until it selects one with a reasonable price.  
2 If Caltrans determines that no competitor with MBE  
3 participation has offered a reasonable price Caltrans  
4 may award the contract to any competitor that demon-  
5 strates that it has made sufficient reasonable efforts  
6 to meet the MBE contract goal.

7 c. To decide whether a price offered by  
8 a competitor is reasonable, Caltrans shall use the  
9 same criteria that it would use to determine whether,  
10 if the competitor had made the only offer to perform  
11 the contract, Caltrans would award the contract.

12 d. To demonstrate sufficient reasonable  
13 efforts to meet the MBE contract goal, a contractor  
14 shall document the steps it has taken to obtain MBE  
15 participation, including but not limited to the  
16 following:

17 (i) Attendance at a pre-bid meeting,  
18 if any, scheduled by Caltrans to inform MBEs  
19 of subcontracting opportunities under a given  
20 solicitation;

21 (ii) Advertisement in general circu-  
22 lation media, trade association publications,  
23 and minority-focus media, for at least 20 days  
24 before bids or proposals are due. If 20 days  
25 are not available, publication for a shorter  
26 reasonable time is acceptable;

27 (iii) Written notification to MBEs  
28 that their interest in the contract is solicited;



1 (iv) Efforts made to select portions  
2 of the work proposed to be performed by MBEs  
3 in order to increase the likelihood of achieving  
4 the stated goal;

5 (v) Efforts made to negotiate with  
6 MBEs for specific subbids including at a minimum:

7 (a) The names, addresses, and  
8 telephone numbers of MBEs that were  
9 contacted;

10 (b) A description of the infor-  
11 mation provided to MBEs regarding the plans  
12 and specifications for portions of the work  
13 to be performed; and

14 (c) A statement of why additional  
15 agreements with MBEs were not reached;

16 (vi) Efforts made to assist the MBEs  
17 contacted that needed assistance in obtaining  
18 bonding or insurance required by the competitor  
19 or Caltrans;

20 (vii) Concerning each MBE the compe-  
21 titor contacted but rejected as unqualified,  
22 the reasons for the bidder's conclusions.

23 e. Competitors that fail to meet MBE  
24 goals and fail to demonstrate sufficient reasonable  
25 efforts shall not be eligible to be awarded the  
26 contract.

27 f. To ensure that all obligations under  
28 contracts awarded to MBEs are met, Caltrans shall

1 review the contractor's MBE involvement efforts  
2 during the performance of the contract. The contrac-  
3 tor shall bring to the attention of Caltrans any  
4 situation in which regularly scheduled progress pay-  
5 ments are not made to MBE subcontractors.

6 11. Caltrans shall require their prime  
7 contractors to make good faith efforts to replace an  
8 MBE subcontractor that is unable to perform successfully  
9 with another MBE. Caltrans Division of Civil Rights  
10 shall approve all substitutions of subcontractors during  
11 contract performance, in order to ensure that the sub-  
12 stitute firms are eligible MBEs. The Century Freeway  
13 Affirmative Action Committee is to be advised of all such  
14 substitution requests and if the Committee disagrees with  
15 the actions of the Caltrans Division of Civil Rights, the  
16 Committee may appeal to the Director of Transportation  
17 whose decision shall be final.

18 12. Each bidder who intends to subcontract a  
19 portion of the work shall require each subbidder for a  
20 portion of the work to submit its subbid or proposal in  
21 writing in sealed form to the Century Freeway Affirmative  
22 Action Committee. At the pre-award conference, see  
23 paragraph III. B. herein, the Affirmative Action Committee  
24 shall open all subbids and proposals for subcontracted  
25 work and may consider them in determining if the bidder  
26 has met the responsiveness criteria.

27 13. Where allowable under local law and  
28 determined by Caltrans and the Century Freeway Affirmative

1 Action Committee to be necessary to meet MBE goals,  
2 procedures to implement MBE set-asides shall be established.  
3 MBE set-asides shall be used only in cases where at least  
4 three MBEs with capabilities consistent with contract  
5 requirements exist, so as to permit competition.

6 (45 Fed. Reg. 21188, § 23.45 (k).)

7 14. The bidder shall designate, and make known  
8 to the Century Freeway Affirmative Action Committee (see  
9 section IV. C. infra) a liaison officer to administer  
10 the bidder's minority business enterprise and equal  
11 employment opportunities programs.

12 15. In order to monitor the progress of its  
13 MBE program, Caltrans, with the assistance of the Century  
14 Freeway Affirmative Action Committee, shall develop a  
15 record keeping system which will identify and assess MBE  
16 contract awards, prime contractors' progress in achieving  
17 MBE subcontract goals, and other MBE affirmative action  
18 efforts.

19 Specifically, Caltrans shall maintain records  
20 showing:

21 a. Procedures which have been adopted to  
22 comply with the requirements of this plan;

23 b. Awards to MBEs. These awards shall  
24 be measured against projected MBE awards and/or MBE  
25 goals. To assist in this effort, Caltrans shall  
26 obtain regular reports from prime contractors on  
27 their progress in meeting contractual MBE obligations;

28 /

1 c. Specific efforts to identify and  
2 award contracts to MBEs;

3 d. Reports:

4 (i) Caltrans shall submit to the  
5 Century Freeway Affirmative Action Committee  
6 copies of reports conforming in frequency and  
7 format to existing contract reporting require-  
8 ments of the federal Department of Transportation.  
9 Where no such contract reporting requirements  
10 exist, MBE reports shall be submitted quarterly.

11 (ii) These reports shall include at  
12 a minimum:

13 (a) The number of contracts  
14 awarded to MBEs;

15 (b) A description of the general  
16 categories of contracts awarded to MBEs;

17 (c) The dollar value of contracts  
18 awarded to MBEs;

19 (d) The percentage of the dollar  
20 value of all contracts awarded during this  
21 period which were awarded to MBEs; and

22 (e) An indication of whether  
23 and the extent to which the percentage met  
24 or exceeded the goal specified in the  
25 application.

26 (§ 23.47(a) through (d), p. 28940-1.)

27 /  
28 /

1       B. Equal Employment Opportunity Goals

2               1. The goals for minority and female participa-  
3       tion, expressed in percentage terms for the contractor's  
4       aggregate work force in each trade on all construction  
5       work on projects covered by this Decree, during specified  
6       time periods, shall be as follows:

7               a. Minority Participation:

8 <u>Time Period</u>	9 <u>Trade</u>	10 <u>Goal</u>
11       1979-1980	12       All	13       The figure established by the Depart-
14       1980-1981	15       All	16       ment of Labor ("DOL") for federally
17       1981-	18       All	19       financed construction in L.A. County
		20       until such time as specified goals
		21       have been determined pursuant to a
		22       study to be conducted by Caltrans.

23       The criteria to be used in the study shall be  
24       as follows:

25               (i) Percent of unemployed in  
26       corridor who are minorities;

27               (ii) Percent of minorities in total  
28       corridor population;

              (iii) Percent of minorities now  
employed in large Caltrans projects;

              (iv) In addition to other criteria  
there shall be considered past employment  
obstacles to socially and economically disad-  
vantaged individuals. If effective and  
feasible strategies can be developed which  
will lessen or remove these obstacles, then in

fixing goals, future improved performance should be considered.

b. Female Participation:

<u>Time Period</u>	<u>Trade</u>	<u>Goal</u>
1979-1980	All	The figures established by the DOL
1980-1981	All	for federally financed construction
1981-	All	in L.A. County until such time as specific goals have been determined pursuant to a study to be conducted by Caltrans.

The criteria to be examined in the study shall be as follows:

(i) Percent of unemployed in corridor who are women;

(ii) Percent of women in total corridor population;

(iii) Most current participation rates available for women in construction industry in California, including percent of females in total construction labor force and percent of total female labor force in construction related jobs;

(iv) Number of women currently entering into apprenticeship programs for categories of crafts people, kindred workers and operatives in construction industry (percent of total);

1 (v) In addition to other criteria  
2 there shall be considered past employment  
3 obstacles to socially and economically dis-  
4 advantaged individuals. If effective and  
5 feasible strategies can be developed which will  
6 lessen or remove these obstacles, then in  
7 fixing goals, future improved performance  
8 should be considered.

9 Goals may be set higher than the DOL goals  
10 to reflect demand and supply of female labor as  
11 revealed by criteria above. In addition, higher  
12 goals may be set in response to documented increase  
13 in interest in construction jobs on the part of  
14 women who are aware that federal law requires that  
15 contractors make best efforts to hire percentage  
16 goals of female workers. (See Bem & Bem, "Are  
17 Women Interested in Construction Jobs?: The Role  
18 of Affirmative Action," Department of Psychology,  
19 Stanford University.) In no event may goals be  
20 less than DOL goals.

21 Once new goals are determined, they will  
22 be only applicable to the contractor's construction  
23 work on the projects covered by this Decree.

24 2. The goals for minority and female partici-  
25 pation expressed in percentage terms for the contractor's  
26 management jobs at the corporate level whether or not  
27 related to the projects covered by this Decree, shall be  
28 as follows:

1           Minority Management-level Jobs:   5-10%

2           Female Management-level Jobs:     5-10%

3           3. At least one-fourth of the women and minority  
4 group members employed in apprenticeship and training  
5 programs shall be people hired for the first time for  
6 work on a major state or federally-funded construction  
7 job.

8           4. The bidder shall exercise "best efforts" to  
9 meet the goals set forth in this subsection by locating  
10 and employing minority group members and females who  
11 regularly reside in the corridor communities. All  
12 efforts to comply with this provision shall be fully  
13 documented.

14           5. The bidder's responsiveness and the con-  
15 tractor's compliance with these requirements shall be  
16 based on its plans for and its actual implementation of  
17 the Equal Opportunity Clause, specific affirmative action  
18 obligations required by the specifications set forth in  
19 41 C.F.R. 60-4.3(a), and its efforts to meet the goals  
20 established herein. In addition to the requirements  
21 set forth in the "Standard Federal Equal Employment  
22 Opportunity Construction Contract Specifications" (Executive  
23 Order 11246), "best efforts" to meet these goals shall  
24 include, but not be limited to, concrete and meaningful  
25 efforts to achieve, publicize or advertise job availability  
26 and the contractor's EEO policy through the news media,  
27 specifically including minority and female news media,  
28 and to make serious and meaningful use of the services



1 and contracts of the Century Freeway Affirmative Action  
2 Committee.

3 6. A bidder's failure to establish a comprehen-  
4 sive affirmative action plan designed to meet these  
5 goals effectively will be grounds for finding the bid or  
6 proposal nonresponsive.

7  
8 C. Regional Business and Employment Goals

9 1. In addition to its commitment to utilize  
10 minority subcontractors and to hire minority and female  
11 employees, each bidder shall, in making bids and carrying  
12 out work pursuant to this Decree, make best efforts to  
13 find and utilize qualified contractors and persons who  
14 regularly reside or have their principal place of business  
15 in the area where the project is situated, except:

16 a. To the extent that qualified persons  
17 regularly residing in the area are not available;

18 b. For the reasonable needs of the  
19 contractor or his subcontractors to employ super-  
20 visory or specially experienced individuals necessary  
21 to assure execution of the contract;

22 c. For the obligation of the contractor  
23 or his subcontractors to offer employment to present  
24 or former employees as the result of a lawful  
25 collective bargaining contract, provided that in  
26 no event shall the number of nonresident persons  
27 employed under this subparagraph "c" exceed 20%  
28 of the total number of employees employed by such

1 contractor and his subcontractors on such project;

2 d. To the extent that this provision may  
3 conflict with the minority business and employment  
4 goals, those goals take precedence.  
5

6 D. Other Provisions

7 The Bid Specification Document also will include  
8 all of the other provisions of this Decree which pertain to  
9 minority business and employment.  
10

11 III. CONFERENCES

12 A. Pre-Bid Conference

13 1. Caltrans and the Century Freeway Affirmative  
14 Action Committee shall convene a pre-bid conference to  
15 be attended by all contractors who intend to bid on  
16 the contract. Attendance at the meeting will be a  
17 specific consideration in determining whether bidders  
18 meet the responsiveness criteria.

19 2. Caltrans and the Century Freeway Affirmative  
20 Action Committee will aggressively seek to publicize  
21 and advertise each such pre-bid conference. The publicity  
22 campaign will be specifically designed to reach corridor  
23 community and minority business enterprises through  
24 sources including trade associations, trade publications,  
25 and newspapers and broadcasting stations which effectively  
26 penetrate the corridor communities and minority communities.

27 3. The conference will be designed to educate  
28 contractors about the general requirements of state and

1 federal affirmative action plans, as well as about the  
2 specific requirements established pursuant to this Decree.

3 4. The conference will also be designed to  
4 introduce bidders to interested minority business enter-  
5 prises.

6  
7 B. Pre-Award Conference

8 1. Before each bid is accepted, Caltrans and  
9 the Century Freeway Affirmative Action Committee shall  
10 convene a pre-award conference with the apparent lowest  
11 responsive and responsible bidder, the subcontractors  
12 it proposes to use, and any relevant unions.

13 2. The conference shall be designed to help  
14 Caltrans and the Century Freeway Affirmative Action  
15 Committee determine whether the plans of the bidder  
16 are truly responsive to the goals and requirements set  
17 forth in the Bid Specification Document.

18 3. Attendance at the meeting will be a specific  
19 consideration in determining whether bidders meet the  
20 responsiveness criteria.

21  
22 C. Separate Pre-Construction Conference on Equal  
23 Employment, Minority Business Enterprises, and  
24 Business Preferences

25 1. Above and beyond any pre-construction  
26 conferences which Caltrans may hold on other project-  
27 related issues, Caltrans and the Century Freeway Affirma-  
28 tive Action Committee shall, in connection with each

1 project, hold a special pre-construction conference on  
2 equal employment, minority business enterprise, and  
3 regional employment and business preference aspects of  
4 the project.

5 2. The conference shall be designed to ensure  
6 that the contractor is fully implementing the pledges  
7 made in its bid.

8 3. Attendance at the conference will be a  
9 specific consideration in determining whether bidders  
10 and contractors meet the responsiveness criteria.

11  
12 IV. CENTURY FREEWAY AFFIRMATIVE ACTION COMMITTEE

13 A. Membership

14 The Committee shall have seven (7) members.  
15 The following shall each appoint an individual who has  
16 three or more years' experience working on the implementation  
17 of plans for equal employment and/or minority business  
18 enterprises:

- 19 1. Caltrans Civil Rights Division;
- 20 2. Federal Highway Administration ("FHWA")  
21 Civil Rights Division;
- 22 3. Board of Supervisors of the County of  
23 Los Angeles;
- 24 4. The Los Angeles branch of the National  
25 Association for the Advancement of Colored People  
26 ("NAACP");
- 27 5. National Organization of Women ("NOW");
- 28 6. Mexican-American Opportunity Foundation;

1 7. The Governor of California.

2  
3 B. Duties and Responsibilities

4 The Committee shall:

5 1. Establish a regular schedule of sessions  
6 for conducting business.

7 2. Hire an Executive Director and staff, as  
8 described in Paragraph IV. C. 1 and 2, and work with it  
9 to achieve the tasks set forth in this Exhibit to the  
10 Decree; establishing operating headquarters within the  
11 corridor communities.

12 3. Prepare a reasonable budget for submission  
13 to Caltrans and FHWA for approval.

14 4. Review and prepare written comments on the  
15 responsiveness of all bids and contracts. The final  
16 decision as to whether a bid is fully responsive rests  
17 with Caltrans; however, where the Committee, on written  
18 findings, concludes that a bidder does not meet the  
19 affirmative action responsiveness criteria, Caltrans  
20 will fully consider the Committee's objections. Any  
21 decision to reject the Committee's findings, therefore,  
22 will only be made by the Director of Caltrans, after  
23 holding a public hearing, and any such decision will be  
24 accompanied by a reasoned written explanation of the  
25 Director's conclusions. A hearing officer may be appointed  
26 by the Director to conduct the hearing.

27 5. Conduct periodic reviews of each contractor's  
28 performance, receive complaints, and conduct regular

1 on-site inspections and interviews. The final decision  
2 to impose legal sanctions including, but not limited  
3 to, cancellation, termination, or suspension of the  
4 contract in whole or in part, or declaration that the  
5 contractor is ineligible for further government contracts,  
6 rests with Caltrans; however, where the Committee  
7 concludes that such action is warranted, and submits a  
8 written petition to the Director of Caltrans, the Director  
9 will hold a public hearing or "compliance conference"  
10 at a site in one of the corridor communities. Notice of  
11 the meeting will be provided to the Committee and to other  
12 interested parties well in advance, and the Committee  
13 will be given a reasonable opportunity to participate and  
14 to present its views. The Director will render a  
15 decision in the petition expeditiously, and the decision  
16 will be accompanied by a reasoned written explanation  
17 of the Director's conclusions.

18 6. Aggressively assist in the process of  
19 achieving equal employment minority business participation,  
20 and regional employment and business, by helping to locate  
21 and recruit employees, contractors and subcontractors;  
22 and by establishing effective programs for contractors and  
23 subcontractors who are unable to meet MBE and Equal  
24 Employment Opportunity goals.

25 7. In carrying out its tasks, the Committee  
26 will have full access to all relevant data obtained by  
27 or in the files of Caltrans and FHWA, except where  
28 access to such data is specifically prohibited by existing

1 law. Caltrans will circulate all relevant documents and  
2 materials to the Committee in a timely fashion, including  
3 all draft Bid Specification Documents, affirmative action  
4 plans and notices, and project bids as soon as they are  
5 opened.

6 8. Request amendments to this section of the  
7 Decree from the parties to it should the Committee feel  
8 such action is necessary.

9  
10 C. Staff

11 1. Executive Director: An Executive Director  
12 shall be appointed by the Civil Rights Division of  
13 Caltrans after full consultation with the Committee.  
14 The Committee shall participate in the annual evaluation  
15 of the Director which is conducted under applicable  
16 civil service requirements.

17 2. Additional Staff: The Committee and the  
18 Executive Director shall hire such additional staff and  
19 retain such consultants as are required to fully implement  
20 the Committee's responsibilities.

21  
22 D. Funding

23 1. The budget prepared by the Committee shall  
24 be considered a project cost and shall be paid for by  
25 Caltrans and FHWA and apportioned in the same ratio out  
26 of federal and state trust fund resources as any other  
27 qualifying project cost.

1                   2. Nongovernmental members of the Committee  
2 shall be compensated at the rate of \$60.00 per meeting  
3 To be entitled to said compensation attendance for more  
4 than 75% of any meeting is required. This compensation  
5 may be increased by Caltrans to match increases in the  
6 cost of living index.  
7

8       E. Public Hearing and Records

9                   Except where matters concerning Committee per-  
10 sonnel, legal proceedings or trade secrets require  
11 confidentiality, all Committee meetings and records shall  
12 be open to the public.  
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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

RALPH W. KEITH, et al.,

Plaintiffs,

v.

JOHN A. VOLPE, as Secretary  
of Transportation, et al.,

Defendants.

CENTURY FREEWAY AFFIRMATIVE  
ACTION COMMITTEE, INC.,

Amicus Curiae.

No. Civ. 72-355-HP

PLAINTIFFS' FOURTH QUARTERLY  
REPORT ON THE STATUS OF THE  
IMPLEMENTATION OF THE AMENDED  
FINAL CONSENT DECREE

I. EXHIBIT B, THE HOUSING PLAN.

A. The Court-ordered Fund Should Now be Matched with an  
Efficient Program Structure to Expedite Housing.

On February 20, 1991, the Court ordered the establishment of a special trust fund, as recommended by the Leventhal Report and the Special Counsel, to safeguard Century Freeway housing dollars against further erosion and vastly improve the existing disbursement process. With an efficient funding mechanism now in

1 IV. LIGHT RAIL.

2 A. CFAAC Monitoring of Light Rail Construction.

3 On November 22, 1989, plaintiffs filed a motion seeking  
4 the Court's interpretation of the Consent Decree with regard to  
5 CFAAC monitoring of light rail construction. The motion has not  
6 yet been calendared, and the issue remains unresolved.

7 Despite ongoing efforts over the last year and a half,  
8 CFAAC has been unable to reach an understanding with the Los  
9 Angeles County Transportation Commission (LACTC) and Caltrans  
10 regarding its role in implementing Exhibit C requirements of the  
11 Consent Decree. See Exhibit D, Status Report, CFAAC's A.A.  
12 Monitoring and Outreach Role in Green Line, dated February 7, 1991.

13 LACTC has awarded the first contracts for construction  
14 of the Green Line. Before the project awards proceed further,  
15 CFAAC activities with respect to light rail construction should be  
16 settled.

17 Plaintiffs request that the Court now calendar the motion  
18 as soon as practical.

19 ✓ B. Light Rail Extension into the Los Angeles Airport.

20 Plaintiffs remain seriously concerned about the failure  
21 of LACTC to perform an adequate study of the connection between the  
22 Green Line light rail system and the Los Angeles International  
23 Airport (LAX). Plaintiffs intend to bring the issue to the Court's  
24 attention to ensure that the final alignment of the Green Line is  
25 in full accordance with the light rail requirements of the Consent  
26 Decree. See Consent Decree at 9.

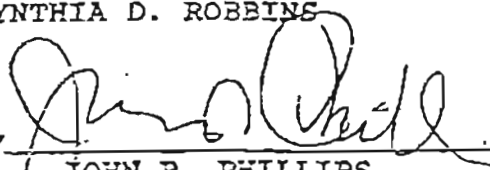
27 There is still time to develop a careful, proper study  
28 regarding the most effective way to move the system and to consider

1 train-to-plane alternative alignments. The final engineering  
2 design of the Green Line Northern Extension will not be complete  
3 and construction of the line will not begin until the first quarter  
4 of 1992.<sup>4</sup>

5 DATED: February 20, 1991.

6 Respectfully submitted,

7 JOHN R. PHILLIPS  
8 CYNTHIA D. ROBBINS

9  
10 By   
11 JOHN R. PHILLIPS

12 Attorneys for Plaintiffs  
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25 <sup>4</sup> The Northern Extension, a three mile segment, is a Green  
26 Line branch moving north from the Aviation/Imperial transit  
27 station at the Western terminus of the Norwalk/El Segundo Green  
28 Line. It drops airport passengers at Lot C where they must catch  
shuttles to continue their journey into terminals. See Exhibit  
E, Map of Green Line Northern Extension. The cost of the Northern  
Extension is currently projected at \$215 million. Green Line  
construction is budgeted at \$599 million.

1 Section 8 funds may also be used to decrease the income  
2 level at which rents are affordable below the income  
3 levels called for by this Exhibit, regardless of the sales  
4 price of the units.

5 3. Where units are purchased using the federal  
6 "Section 235" program, the California Housing Finance  
7 Agency's Home Ownership Home Improvement Loan Program,  
8 state or federal mortgage insurance programs, or similar  
9 programs which allow affordability to be achieved at  
10 prices higher than those which would be necessary to allow  
11 affordability under conventional financing, the difference  
12 between the conventional sales price and the actual sales  
13 price shall revert to a fund administered by the Housing  
14 Program. This fund shall assist in the creation and/or  
15 operating costs of below moderate-income housing.

16 4. Operating Costs: As used in this  
17 settlement, operating costs shall include, but not  
18 necessarily be limited to, taxes, utilities, insurance,  
19 management, maintenance, administration, and where units  
20 are sponsored by private for-profit entities, a reasonable  
21 profit.

22 F. Excess Property.

23 The Housing Plan shall include an inventory of  
24 excess property. It shall recommend future use for excess  
25 property. Excess property is defined as that property  
26 which was originally acquired for the I-105 freeway

27 ///

1 project but which is not incorporated within the final  
2 project.

3 1. Vacant Land:

4 Where excess land has been acquired and  
5 cleared, its potential use for relocation housing,  
6 schools, parks, open space, community facilities, or  
7 economic development projects shall be considered and  
8 given priority over other uses. The Federal  
9 defendants shall not require repayment of federal  
10 highway funds used for public projects. Where excess  
11 land is suitable for sites for move-on housing,  
12 displaced owners shall be given the opportunity to  
13 purchase such land and relocate his/her dwelling on  
14 the site.

15 2. Improved Land:

16 Where excess property has not been cleared  
17 and housing remains on the site, such housing shall  
18 be considered for use as replacement housing.

19 Where property consists of land and  
20 dwellings which have been acquired but from which the  
21 original owner or pre-acquisition tenant has not  
22 moved, such owners or tenants shall be given priority  
23 to purchase their dwellings. Multiple-family units  
24 may be purchased as cooperatives, condominiums, or  
25 rental projects. Post-acquisition tenants of excess  
26 property for over 180 days prior to the date of the  
27 Final Consent Decree (October 11, 1979) shall be