

Eco-Rapid Transit, formerly known as the Orangeline Development Authority, is a joint powers authority (JPA) created to pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient. The system is designed to enhance and increase transportation options for riders of this region utilizing safe, advanced transit technology to expand economic growth that maximizes ridership in Southern California. The Authority is composed of the following public agencies:

- City of Artesia
- City of Bell
- City of Bell Gardens
- City of Bellflower
- City of Cudahy
- City of Downey
- City of Glendale
- City of Huntington Park
- City of Maywood
- City of Paramount
- City of South Gate
- City of Vernon
- Burbank-Glendale-Pasadena Airport Authority

Chair

Maria Davila  
Vice Mayor  
City of South Gate

Vice Chairman

Zareh Sinanyan  
Council Member  
City of Glendale

Secretary

Cristian Markovich  
Council Member  
City of Cudahy

Treasurer

Pedro Aceituno  
Council Member  
City of Bell Gardens

Internal Auditor

Ali Sajjad Taj  
Mayor  
City of Artesia

Executive Director

Michael R. Kodama

General Counsel

Teresa L. Highsmith

Ex-Officio

Rene Bobadilla  
City Manager Representative

**AGENDA REPORT**

**TO:** Members of Eco-Rapid Transit  
**FROM:** Michael Kodama, Executive Director  
**DATE:** April 12, 2017  
**SUBJECT: UPDATE AND/OR ACTION REGARDING PRELIMINARY BUDGET FY 2017-2018**

Public comments on items on the agenda will be taken at the time the item is called and are limited to 3 minutes per speaker

**ISSUE**

Eco-Rapid Transit staff has assembled the attached preliminary budget and seeks guidance from the members regarding next steps.

The annual budget for FY 2017-2018 is anticipated to increase from \$523,578 to \$685,577.

Staff seeks input from the Board of Directors as it prepares the budget for presentation in May, 2017.

**BACKGROUND**

The budget in the upcoming fiscal year includes activities to continue and complete, as necessary, grant related and general activities. Eco-Rapid Transit anticipates revenue sources from dues and existing projects.

**Membership Dues**

Membership dues are calculated based on population, track miles and stations.

Population     \$0.081  
Track Miles:    \$4,532.15 per mile  
Station:         \$5,750 per station

Existing membership dues are \$205,577. If we make adjustments adding the City of Los Angeles, it is anticipated that membership dues will increase approximately \$100,000 in FY 2017-2018.

**Projects**

Eco-Rapid Transit staff continues to work on many projects associated with the corridor. Estimate of project funding is \$480,000 for this fiscal year. This includes:

- City of Huntington Park – iPark Program (\$8,000)
- Hollywood Burbank Airport I-5 Traffic Mitigation Program (\$25,000 this fiscal year and \$40,000 until 2019)
- City of Bellflower – Transit Oriented Development (\$7,000)
- Metro Transit Oriented Corridor I – Near Term Scope (\$120,000)



Eco-Rapid Transit, formerly known as the Orangeline Development Authority, is a joint powers authority (JPA) created to pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient. The system is designed to enhance and increase transportation options for riders of this region utilizing safe, advanced transit technology to expand economic growth that maximizes ridership in Southern California. The Authority is composed of the following public agencies:

City of Artesia

City of Bell

City of Bell Gardens

City of Bellflower

City of Cudahy

City of Downey

City of Glendale

City of Huntington Park

City of Maywood

City of Paramount

City of South Gate

City of Vernon

Burbank-Glendale-Pasadena  
Airport Authority

Chair

Maria Davila  
Vice Mayor  
City of South Gate

Vice Chairman

Zareh Sinanyan  
Council Member  
City of Glendale

Secretary

Cristian Markovich  
Council Member  
City of Cudahy

Treasurer

Pedro Aceituno  
Council Member  
City of Bell Gardens

Internal Auditor

Ali Sajjad Taj  
Mayor  
City of Artesia

Executive Director

Michael R. Kodama

General Counsel

Teresa L. Highsmith

Ex-Officio

Rene Bobadilla  
City Manager Representative

- Metro West Santa Ana Branch Environmental – Third Party Administration (\$120,000 in FY 2017-18; total of \$298,000 for three years)

In the next few months, Eco-Rapid Transit staff anticipates new project funds from the following:

- City of Artesia – Transit Oriented Development (\$10,000)
- City of Downey – Transit Oriented Development (\$10,000)
- Metro/City of South Gate – Federal Transit Administration Transit Oriented Corridor project (\$180,000 in FY 2017-18; 300,000 over two years)

Should the fiscal situation change, the budget will be amended during the upcoming fiscal year.

Current planning efforts are aimed at obtaining the best financial and social outcomes for our members. Preliminary analysis based on estimated capital costs of the infrastructure project indicates the value of the project can result in an estimated \$6.68 billion in economic growth (Strategic Growth Council). The project creates jobs, increases revenue and creates new income streams.

Expenses can be evaluated in two categories related to general administration expenses and direct project expenses.

### **GENERAL ADMINISTRATION EXPENSES**

General management and administration expenses are mostly paid for out of general membership dues. It includes authority board activities, staff, legal, office expenses, and insurance. It also includes expenses related to project coordination, proposals, coordination and working directly with members. It is a critical source of funding to create concepts related to development of sustainable, healthy neighborhoods and successful economic development opportunities.

Initial planning and preliminary concepts are developed from this funding source. It becomes funding that is used to leverage additional funds for the communities along the corridor.

### **PROJECT EXPENSES**

Eco-Rapid Transit works directly on project components that support economic development and transportation in a 40-mile corridor from Hollywood Burbank Airport to Downtown Los Angeles to Artesia. This includes project coordination, project outreach, station/land use planning, community development, sustainability planning, environmental planning, transportation planning, parking management and traffic engineering. It includes support for member participation in the planning and development of the project components.

### **FISCAL IMPACT**

This agenda item has a fiscal impact. Eco-rapid Transit seeks to balance the need to meet growing administrative costs related to movement into the next phase of the project. The other option is to maintain or reduce general fund expenditures.



Eco-Rapid Transit, formerly known as the Orangeline Development Authority, is a joint powers authority (JPA) created to pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient. The system is designed to enhance and increase transportation options for riders of this region utilizing safe, advanced transit technology to expand economic growth that maximizes ridership in Southern California. The Authority is composed of the following public agencies:

- 
- City of Artesia
  - City of Bell
  - City of Bell Gardens
  - City of Bellflower
  - City of Cudahy
  - City of Downey
  - City of Glendale
  - City of Huntington Park
  - City of Maywood
  - City of Paramount
  - City of South Gate
  - City of Vernon
  - Burbank-Glendale-Pasadena  
Airport Authority

- 
- Chair
    - Maria Davila
    - Vice Mayor
    - City of South Gate
  - Vice Chairman
    - Zareh Sinanyan
    - Council Member
    - City of Glendale
  - Secretary
    - Cristian Markovich
    - Council Member
    - City of Cudahy
  - Treasurer
    - Pedro Aceituno
    - Council Member
    - City of Bell Gardens
  - Internal Auditor
    - Ali Sajjad Taj
    - Mayor
    - City of Artesia
  - Executive Director
    - Michael R. Kodama
  - General Counsel
    - Teresa L. Highsmith
  - Ex-Officio
    - Rene Bobadilla
    - City Manager Representative

## RECOMMENDATION

It is recommended that the Board:

1. Discuss information presented and offer action items; and/or
2. Receive and file the item.



Eco-Rapid Transit, formerly known as the Orangeline Development Authority, is a joint powers authority (JPA) created to pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient. The system is designed to enhance and increase transportation options for riders of this region utilizing safe, advanced transit technology to expand economic growth that maximizes ridership in Southern California. The Authority is composed of the following public agencies:

## ECO-RAPID TRANSIT MEMBERSHIP DUES 2016

Members	Annual Dues
City of Artesia	\$7,063.30
City of Bell	\$5,005.95
City of Bellflower	\$22,749.30
City of Bell Gardens	\$3,386.75
City of Cudahy	\$8,674.45
City of Downey	\$14,170.30
City of Glendale	\$35,631.60
City of Huntington Park	\$18,909.45
City of Maywood	\$3,111.90
City of Paramount	\$18,897.95
City of South Gate	\$27,716.15
City of Vernon	\$11,877.20
Burbank-Glendale-Pasadena Airport Authority	\$28,384.30

City of Artesia

City of Bell

City of Bell Gardens

City of Bellflower

City of Cudahy

City of Downey

City of Glendale

City of Huntington Park

City of Maywood

City of Paramount

City of South Gate

City of Vernon

Burbank-Glendale-Pasadena  
Airport Authority

Chair

Maria Davila  
Vice Mayor  
City of South Gate

Vice Chairman

Zareh Sinanyan  
Council Member  
City of Glendale

Secretary

Cristian Markovich  
Council Member  
City of Cudahy

Treasurer

Pedro Aceituno  
Mayor  
City of Bell Gardens

Internal Auditor

Ali Sajjad Taj  
Mayor Pro Tem  
City of Artesia

Executive Director

Michael R. Kodama

General Counsel

Teresa L. Highsmith

Ex-Officio

Rene Bobadilla  
City Manager Representative