

MOTION INTRODUCED AT FINANCE REVIEW COMMITTEE (5/10/82)  
FOR  
STAFF REVIEW OF PROPOSAL FOR A  
PROPOSITION A STRATEGIC PLAN

Background

The recent validation of Proposition A has made it possible for Los Angeles County transit operators to cancel significant fare increases and service eliminations, which had been scheduled for July. While the immediate future for bus riders has been vastly improved, early projections indicate that Los Angeles will face a far greater public transportation fiscal crisis in the fourth year (Fiscal Year 1985-86) of the program. Those projections have also indicated that the cost of the Reduced Fare Program during the first three years will be far higher than previous estimates, greatly limiting the funds that can be directed to the Proposition A Rail Program.

The mobility of Los Angeles County and the maximum return on Proposition A funds requires that immediate steps be taken to minimize the cost of the Reduced Fare Program and to avert the fiscal crisis of 1985-86. It is thus proposed that we embark upon a Strategic Planning process to accomplish these goals. There is sufficient time and there are alternatives available: An intensive Strategic Planning process will pay off in better service to the public.

I. GOALS

- A. Minimize the cost of the Reduced Fare Program during the first three years, in order to maximize rapid transit funding (already an adopted LACTC policy goal)
- B. Minimize the fiscal crisis of 1985-86 (and beyond), while maximizing mobility
- C. Eliminate public transit overcrowding

II. CONCEPTUAL WORK PROGRAM

- A. Overall guidelines:
  1. No worsening of work conditions for transit employees
  2. Satisfy transit demand at lowest possible cost
  3. Maximize the participation of private funding in both capital projects and operations

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- B. Estimate Reduced Fare Program Financial Requirements (Assuming present service level plus Proposition A induced growth)
  - 1. 1982-83 - 1984-85
  - 2. 1985-86 and beyond (50¢ fare assumption)
- C. Review Deficit Reduction Strategies (not an exhaustive list)
  - 1. Service provision
    - a. Express service transfer to private sector
    - b. Maximization of shortlining
    - c. Alternative service designs
      - 1) Pulse-point scheduling (low demand areas)
      - 2) Paratransit substitution (mixed-mode)
  - 2. Alternate fare structures
    - a. Variations of 1982-85 structure
    - b. Distance-based fares
    - c. Peak period pricing
    - d. User-side subsidies
  - 3. Performance Audit Issues (to be identified)
  - 4. Operational Savings from Capital Projects (examples: SCRTD Central Maintenance Facility and Automated Customer Information System)
  - 5. New revenue sources
- D. Development of Alternatives and Presentation to the Commission (Winter-Spring 1983)
- E. LACTC Adoption
- F. Implementation

Note: Implementation of some strategies could begin upon LACTC adoption, while some might be implemented later.

### III. THE PROCESS

The Strategic Planning process would be coordinated by LACTC staff, and would include the appropriate LACTC policy, technical, advisory and ad hoc committees. There would also be intensive involvement of transit operators, Caltrans, SCAG and the private sector.