

**MINUTES OF THE MEETING
OF THE JOINT MEETING OF THE
BOARD OF DIRECTORS OF THE
GATEWAY CITIES COUNCIL OF GOVERNMENTS
AND THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS
Gateway Cities Council of Governments
16401 Paramount Boulevard
Paramount, California
February 7, 2007**

President Nelson called the meeting to order at 6:03 p.m. Roll call was taken by self introductions.

PRESENT: President Larry R. Nelson, City of Artesia
Member John Pratt, City of Bellflower
Member Paul Bowlen, City of Cerritos
Member Lillie Dobson, City of Compton
Member Anne M. Bayer, City of Downey
Member Elba Guerrero, City of Huntington Park
Member Stan Carroll, City of La Habra Heights
Member Diane DuBois, City of Lakewood
Member Patrick O'Donnell, City of Long Beach
Member Bonnie Lowenthal, City of Long Beach
Member Fernando Pedroza, City of Lynwood
Member Felipe Aguirre, City of Maywood
Member Gordon Stefenhagen, Cit of Norwalk
Member Gene Daniels, City of Paramount
Member Ron Beilke, City of Pico Rivera
Member Betty Putnam, City of Santa Fe Springs
Member Edward H. Wilson, City of Signal Hill
Member Gil Hurtado, City of South Gate
Member Greg Nordbak, City of Whittier

ABSENT: Member Bob Kennedy, City of Avalon
Member George Mirabal, City of Bell
Member Mario Beltran, City of Bell Gardens
Member Nancy Ramos, City of Commerce
Member Frank Gurule, City of Cudahy
Member Leonard Chaidez, City of Hawaiian Gardens
Member Pete Dames, City of La Mirada
Member Jeff Siccama, City of Montebello
Member William Davis, City of Vernon
Member Don Knabe, Los Angeles County Board of Supervisors
Ex Officio Member Kerry Cartwright, Port of Long Beach

ALSO PRESENT: GCCOG Executive Director Richard Powers; GCCOG Director of Program Development Deborah Chankin; GCCOG General Counsel Richard Jones; GCCOG Transportation Deputy Karen Heit; GCCOG Consulting Engineer Jerry Wood; Connie Sziebl, Field Deputy to Supervisor Knabe; Sonia Southwell, Assistant Director of Community Development, City of Lakewood; Steve Forster, Director of Public Works, City of La Mirada; Mohammad Mostahkami, City Engineer, City of South Gate; Christine Jerian, Member Relations, SCAG; Darin Chidsey, Member Relations Officer, SCAG; David Hershenson, Community Relations Manager, MTA; Hassan Fakhro, Service Development Manager, MTA Gateway Cities Sector; Michael Sieckert, Planning Manager, MTA Gateway Cities Sector; Alex Clifford, General Manager, MTA Gateway Cities Sector; Dominick Davis, Government Affairs Analyst, City of Long Beach; Ernest Morales, Director, MTA Gateway Cities Area Team; Ray Pok, Board Assistant, Tonia Reyes Uranga, SCAQMD.

Member Lowenthal led the Pledge of Allegiance.

There were no amendments to the Agenda.

There were no requests to provide public comment.

President Nelson called for matters from staff. Executive Director Richard Powers announced that the COG will host a briefing on February 22, 2007 at 2:00 p.m. by Assemblymember Hector De La Torre regarding the State Bond measures and how cities can access this funding.

It was moved by Member Nordbak and seconded by Member Hurtado to approve the Consent Calendar Items A through G as presented. The motion was approved unanimously.

Dr. Joseph Magaddino, Chair of the Economics Department, California State University Long Beach, presented a report on the Regional Economic Outlook and Housing Market. Dr. Magaddino reported that the national economic outlook is healthy with growth in the neighborhood of 3% expected and no troubling inflation. There is also a downturn in housing construction. The region was late in joining the recent recession and has pulled out of it successfully. The Inland Empire got the greatest benefit from the 2004-2005 housing boom, but Los Angeles County is getting benefit as well. The regional economy is more diversified now than when it was hard hit by the recession of the early '90's and therefore more resilient. Growth is now seen in health and leisure and hospitality sectors with increased foreign tourism. Housing appreciation is slowing and home mortgage defaults are up but the housing shortage persists. Member Aguirre asked about wage growth. Dr. Magaddino expects wage growth of about 2.5% to 3.0%. Member Wilson asked about factors that caused growth to exceed earlier forecasts. Dr. Magaddino sited housing performance and lower

energy prices. Member Wilson asked about the problem of low paying service jobs. Dr. Magaddino explained that the service sector includes both high and low wage jobs and that manufacturing jobs are high wage only in unionized industries. He stated that manufacturing productivity has greatly increased and the region's challenge at this time is to match good jobs with skilled workers. There are fewer young workers than in the past as the population ages. Member Daniels asked how housing can be provided for low wage workers. Dr. Magaddino stated that the region will either construct higher density housing or achieve higher density informally by means of over-crowding. Member Pedroza asked about housing depreciation. Dr. Magaddino expects housing prices on average to be fairly flat. Member Pedroza inquired about development projects now in progress. Dr. Magaddino suggested that developers will have a period of adjustment. It was moved, seconded and passed to receive and file Dr. Magaddino's report.

Darin Chidsey, Member Relations Officer, reported for the Southern California Association of Governments. Mr. Chidsey announced the Regional Economic Forecast on March 9m 2007 in Ontario. He also announced that the Regional Council approved the Regional Housing Needs Allocation (RHNA) on February 1. Mr. Chidsey advised that a delegation will be traveling to Washington, DC on the SCAG "consensus trip" and the focus of the effort this year will be goods movement. Member DuBois asked if built-out cities should continue to expect to get large RHNA allocations. Mr. Chidsey commented that the local input was utilized and that the Community, Economic and Human Development (CEHD) Committee worked hard to achieve appropriate allocations. It was moved, seconded and approved to receive and file Mr. Chidsey's report.

There was no report from the League of California Cities.

There was no report from the California Contract Cities Association

Jerry Wood, Executive Director, reported for the I-5 Consortium Cities Joint Powers Authority. Mr. Wood reported that the environmental document is being finalized for the segment from the Orange County line to the I-605. Certification is anticipated this spring. Mr. Wood advised that Proposition 1B funding for the I-5 should be sufficient to complete the needed funding program for construction of that segment. It was moved, seconded and approved to receive and file Mr. Wood's report.

Jerry Wood, COG consulting engineer, reported for the I-710 EIR/EIS Project Committee. Mr. Wood reported that interviews for the I-710 EIR consultants will be held the week of February 12, 2007 and consultants should be under contract this spring. I-710 cities are in the process of forming Local Advisory Committees and it is important that this task be completed. Mr. Wood advised that the Truck Inspection Facility Study will also begin soon. Finally, Caltrans has identified funding to get the Intelligent Transportation Systems (ITS) plan underway. This process will bring much needed technological solutions to the sub-region. The

COG Air Quality Action Plan is also beginning with Mr. Cliff Gladstein obtaining input from various stakeholders.

It was moved, seconded and approved to receive and file Mr. Woods' report.

Jerry Wood, COG consulting engineer, reported for the SR-91/I-605/I-405 Corridor Cities Committee. A scope of work for the initial work leading to a Major Corridor Study has been presented to the 91/605/405 Technical Advisory Committee and is moving forward. The MTA/OCTA cross-county border study has also been initiated. A scope of work is being developed for this study. There has been very high level participation from both counties in the policy committee guiding this study. Mr. Wood finds the high level participation is very encouraging. It was moved, seconded and approved to receive and file Mr. Woods' report.

There was no report from the Orangeline Development Authority-Maglev

Mr. Ray Pok, Board Assistant to SCAQMD Board Member Tonia Reyes Uranga reported for the South Coast Air Quality Management District (AQMD). Mr. Pok reported that comments received on the Draft 2007 Air Quality Management Plan have been incorporated and a new Final Draft will be released in mid-February. New workshops will be held on the Final Draft and adoption is expedited in April or May. Mr. Pok announced that the District will be hosting an International Asthma Conference in April and expects expert presenters from around the world. Mr. Pok advised that amended Rule 1309 regarding power plant operations will proceed to hearings shortly. It was moved, seconded and approved to receive and file Mr. Pok's report.

Karen Heit, Transportation Deputy to Member Lowenthal reported from the Transportation Committee. The Transportation Committee met and discussed the proposed MTA Congestion Mitigation Fee Feasibility Study and suggested guiding principles for that study. The guiding principles and the hiatus in the study to consider guiding principles came in response to concerns from the Gateway Cities City Managers. Members of the Transportation Committee suggested to Member Lowenthal that the guiding principles be more broadly circulated for comment prior to adoption by the MTA Board. Ms. Heit described the MTA Board of Director's Goods Movement workshop which was held on January 29m 2007. The workshop was well attended and was addressed by Mr. Barry Sedlik, Acting California Secretary of Business, Transportation and Housing, Mr. John Barna, Executive Director of the California Transportation Commission, and representatives from the Ports of Long Beach and Los Angeles among others. The session included a lively discussion about empty containers as well. It highlighted the need for a Los Angeles County Goods Movement Plan which will be proposed by Member Lowenthal to the MTA Board. Ms. Heit advised that Gateway Cities MTA Service Sector General Manager Alex Clifford briefed the Transportation Committee about upcoming service changes and a 50 cent fare promotion. The presentation on this matter was distributed to all members of the COG Board of Directors at their seats. The public hearing on this matter will be held at the Gas Company in Downey at

5:00 pm on February 8, 2007 and any service changes which are adopted will be implemented in June, 2007. It was moved, seconded and approved to receive and file Ms. Heit's report.

Member Wilson reported from the Conservancy Committee. Member Wilson reported that the Board of Directors of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) held a lively discussion about criteria for urgency grants. Such criteria are needed until the new analytical tools for grant evaluation are in place. Member Wilson announced that the Governor's proposed budget includes new staff for the RMC which is good news for providing services to cities. He also stated that the RMC will be taking advantage of funding from a settlement agreement involving the Los Angeles County Sanitation Districts for the benefit of the San Gabriel River Discovery Center. Ms. Sziebl asked about the grants referred to in the agenda package which will revert to the State. Member Wilson advised that the funds will be re-appropriated to the RMC in the new state budget. It was moved, seconded and approved to receive and file Member Wilson's report.

There was no report from the Housing Committee.

President Nelson called for matters from the Board of Directors. Member Bayer announced that Downey is celebrating its 50th anniversary. Member Bowlen reminded members that cities who are unhappy with their RHNA allocations have access to an appeals process. Ms. Sziebl asked what are the consequences for not achieving the RHNA numbers. Member Bowlen stated that the answer to that question has not been easy to acquire but that cities can be sued by third parties and this has happened.

President Nelson reported the following matters from the President. All cities now have tiles on display in the COG offices. Additional city pictures for display in the corridor are still welcome. Genny Cisneros has been working on a revamped COG web page which will be unveiled soon and will be phenomenal. A presentation about the COG has been prepared and is now available to be presented to city councils. President Nelson asked for any suggestions for future agenda items. None were received.

Adjournment: The meeting was adjourned by consensus at 6:58 p.m.