

RESOLUTION NO. 2006-212

AUTHORIZING THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY TO ENTER INTO AN AGREEMENT WITH THE LOFTS AT AVALON STATION (HEARTLAND DEVELOPERS, LLC) TO ESTABLISH AN OWNER'S ACCESS FARE PROGRAM

WHEREAS, The Lofts at Avalon Station is located at the Avalon transit station in Shaker Heights, Ohio where frequent and convenient transit service is already present; and

WHEREAS, The Lofts at Avalon Station have been developed and marketed as transit oriented and accessible; and

WHEREAS, the developers of The Lofts at Avalon Station, Heartland Developers, LLC, have indicated an interest to enter into an agreement with the Greater Cleveland Regional Transit Authority (GCRTA) for the purchase of transit passes at a reduced rate and provide the transit passes to the condo owners; and

WHEREAS, the condo owners will be assessed a monthly fee through their Association Membership Fee to pay for the monthly passes.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the General Manager/Secretary-Treasurer be and is hereby authorized to enter into an agreement with Heartland Developers, LLC to provide transit access for all eligible owners of The Lofts at Avalon Station at a mutually agreeable fee per owner, payable through the Association's monthly fees.

Section 2. That the program will commence upon the signing of an Agreement between Heartland Developers, LLC and the GCRTA.

Section 3. That this resolution shall become effective upon its adoption.

Adopted: November 21, 2006

  
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President

Attest:   
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CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b>  AUTHORIZING THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY TO ENTER INTO AN AGREEMENT WITH THE LOFTS AT AVALON STATION (HEARTLAND DEVELOPERS, LLC) TO ESTABLISH AN OWNER'S ACCESS FARE PROGRAM	Resolution No.: 2006-212
	Date: November 16, 2006
	Initiator: Marketing & Communications
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will authorize a contract between RTA and Heartland Developers, LLC, establishing a program for all condominium owners of The Lofts at Avalon Station.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The developers of The Lofts at Avalon Station approached RTA to form a partnership in support of their TOD. In keeping with a national trend involving more organizations providing prepaid and universal access to public transit systems, RTA and Heartland Developers, LLC have jointly developed a U-Pass type program. This program would be similar in nature to the programs established by RTA and CWRU or CSU in May, 2001 and December, 2004. Each condominium owner would pay a flat fee each month as part of their association fee and would be able to ride RTA on an unlimited basis during the month. This fee will be 50% of the cost of a monthly pass. During the contract period, RTA and Heartland Developers, LLC will review owner participation and activity levels to gauge the program's cost effectiveness. The Lofts at Avalon Station are being marketed as a transit oriented development (TOD).
- 3.0 **PROCUREMENT BACKGROUND:** Does not apply.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does not apply.
- 5.0 **POLICY IMPACT:** This action is consistent with RTA's policy to develop services and fare media that respond to market demands and diverse travel needs of the community. Further it is consistent with the policy to create a climate receptive to transit and to develop policies and revenue sources that encourage transit development.
- 6.0 **ECONOMIC IMPACT:** The goal of the U-pass type program is to increase both transit ridership as well as transit revenues, but is not to increase ridership at the expense of revenues. It is also to encourage successful TOD's. The program will generate \$17,400 annually based on the current fare structure and the proposal to discount the monthly passes by 50%. Based on current sales of the condominiums, 89% of the owners would be new RTA riders.
- 7.0 **ALTERNATIVES:** Not enter into an agreement with the developer and thus not offer the transit incentive. This could negatively impact the perception of the development as a TOD.

8.0 RECOMMENDATION: This agreement was reviewed by the Finance Committee at their November 14, 2006 meeting and recommended for approval by the Board of Trustees. Staff recommends authorization for the General Manager to enter into a contract with Heartland Developers, LLC to offer discounted passes to The Lofts at Avalon Station.

9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



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CEO, General Manager/Secretary-Treasurer