

**Board Report**

File #: 2019-0034, **File Type:** Motion / Motion Response**Agenda Number:**

**REGULAR BOARD MEETING
JANUARY 24, 2019****Motion by:****Solis, Garcetti, Dupont-Walker, Butts, and Hahn**

Related to Item 43:Equity Strategy for Congestion Pricing

In response to the Twenty-Eight by '28 Motion 4.1 from the September 2018 meeting, Metro staff has developed the "Re-Imagining of LA County" initiative, which proposes various funding/financing mechanisms to help construct all projects on the Twenty-Eight by '28 project list by the 2028 Summer Olympics and Paralympics. The most impactful proposal in this initiative is the pursuit of a congestion pricing pilot, which would target traffic-clogged communities to implement demand-based pricing on roads and/or freeways along certain corridors or within specific areas in LA County.

Congestion pricing has been used in other parts of the world, including London, Stockholm, and Singapore, and has been shown to help relieve traffic and increase vehicle speeds. Congestion pricing also helps improve transit services as buses also benefit from increased vehicle speeds. However, despite improving transit that largely serves low-income residents, low-income drivers would be affected more by congestion pricing than households of other income levels. Low-income households already spend a greater proportion of their incomes on transportation and have less flexible work schedules as compared to other households. A congestion pricing pilot may improve traffic but could exacerbate problems for our poorest communities by forcing them to spend even more on transportation. It may also have effects on small and family-owned businesses in fields such as construction and landscaping which rely on vehicles for work.

To address this, equity should be made a cornerstone of the congestion pricing framework. It is crucial that the economic impacts of congestion pricing on low-income drivers be identified and analyzed in order to minimize hardship. Congestion pricing will generate significant revenues, some of which should be directed towards ensuring that low-income drivers are not disproportionately affected.

WE THEREFORE MOVE that the Board direct the CEO to:

- A. Develop an Equity Strategy that considers reinvesting congestion pricing revenue as a key source of funds to minimize economic impacts to low-income drivers;

- B. In partnership with the Board of Directors, nominate subject matter experts in equity as

members of the Advisory Council. The final number of subject matter experts would be dependent on the size of the Advisory Council and subject to approval of the Board;

- C. Engage academia, community-based organizations, cities, subregions, and Los Angeles County during the development of the Equity Strategy and consider the effects of congestion pricing on drivers that rely on their vehicles for their livelihood;
- D. Defer inclusion of congestion pricing revenue in any project acceleration financial plan until the completion of the congestion pricing feasibility study and Equity Strategy;
- E. Revise the congestion pricing recommendation language contained in the Board Report to include the directives in this Motion for approval at the February 2019 Board of Directors meeting;
- F. Report back on proposed components of the Equity Strategy at the February 2019 Board of Directors meeting.