

Revenue Streams and Strategies

Revenue Sources



Currently, over 100 different funding sources (color of money). Metro's primary source of revenues are sales taxes.

Transit Operations Eligible








Only roughly 30% is available for Transit Operations

Possible Revenue Streams



Advertising & Corporate Sponsorship, Fares, ExpressLanes and Tolling, and Congestion Pricing.

ADVERTISING POLICY: CURRENT & POTENTIAL REVENUES GOVERNED BY METRO POLICIES & STATE LAWS

Policy or CA Law	FY25 Annual Revenue (current)	Policy changes	Timeframe (FY25 - FY28)	
CA Bus & Prof Code §5405.6	\$2.0 M	+ \$35.5 M	24-36 months	
Additional Revenue Opportunities	-	+ \$20.5M	12-24 months	
Commercial Sponsorship	\$2.0 M	+ \$11.0 M	6 months	
System Advertising	\$27.0 M	+ \$4.7 M	3 months	
Total	\$31.0 M	+ \$71.7 M	3-36 months	



Coors Beer (DART)



MAX - Culver City Station



Door Dash - Bike Share



Transport for London



ATMs in Tokyo Metro (Japan)



Me

INTEGRATED EVENT PROGRAM



Integrated Ticketing Major Events

- OSI, TAP, and CX collaborating to develop integrated ticketing solutions
- To enhance an event goers experience in preparation for Los Angeles' major upcoming events

Why Integrated Ticketing?

- Encourages event goers to choose public transit over driving or car-sharing by offering the convenience of a single ticket for their entire journey
- Enables customers to bundle event and transit tickets in one purchase alongside their concert ticket with parking or shuttle service

Pilot Goals

- Boost transit ridership during special events by offering:
 - › Seamless ticket delivery
 - › Incentives for using public transit
- Grow leisure travel ridership
- Inform LA28 and World Cup Integration Approach

Future Opportunities

Long-term goal to modernize Metro fare payment system in advance of major events

Pursue

- [LA28 Collaboration](#) - Continue collaboration and inclusion in the pilot project team to ensure interoperability with newly selected ticketing partners.
- [Phase 2 SMART Grant](#) – Metro will plan to apply for \$15 M grant for Countywide implementation of integrated ticketing.
- [Open Payments](#) – TAP Plus system upgrades will enable pilots with large-scale event venues which will enable customers to use their credit/debit cards to ride the system.

ExpressLanes & Tolling

I-110 and I-10 Current Facilities

3 Rounds of Net Toll Revenue Grants

- 57 projects funded for \$112M communities within 3 miles of the ExpressLanes

\$79.5 M allocated

- 10 years of incremental transit service Metro J (Silver) Line, Foothill Silver Streak and 699, Gardena Lines 1x and 2, Torrance Line 4

\$20 M to Caltrans

- Highway ITS and Landscaping Improvements along ExpressLanes

Program operating costs: \$35M annually

- staffing, maintenance, back office, account services, and roadside systems

Program Features

- Low Income Assistance Plan
- Non-Revenue Plan
- Transit Rewards Program
- Carpool Loyalty Program

Generate > \$65M annually

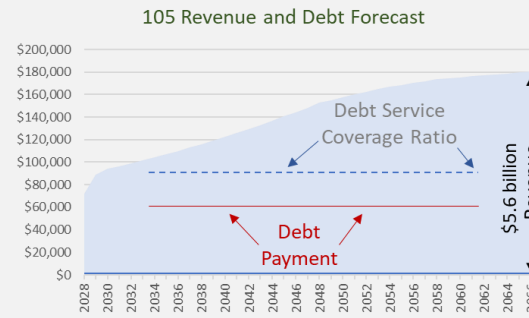


Metro

FUTURE

I-105 Project

- 16-mile corridor from I-405 to Studebaker Road just east of I-605
- Construction set to begin fall 2024, segment 1 open by 2028
- Project cost: \$1.0 to \$1.4 Billion



Generate > \$100M annually by 2032

\$5.6B (40 years)

I-405 Sepulveda Pass ExpressLanes and I-10 ExpressLanes Extension

- Draft environmental document scheduled for circulation in late 2024
- Public hearings and extensive public outreach will occur during draft circulation
- Final environmental expected Summer/Fall 2025

Recent and future initiatives

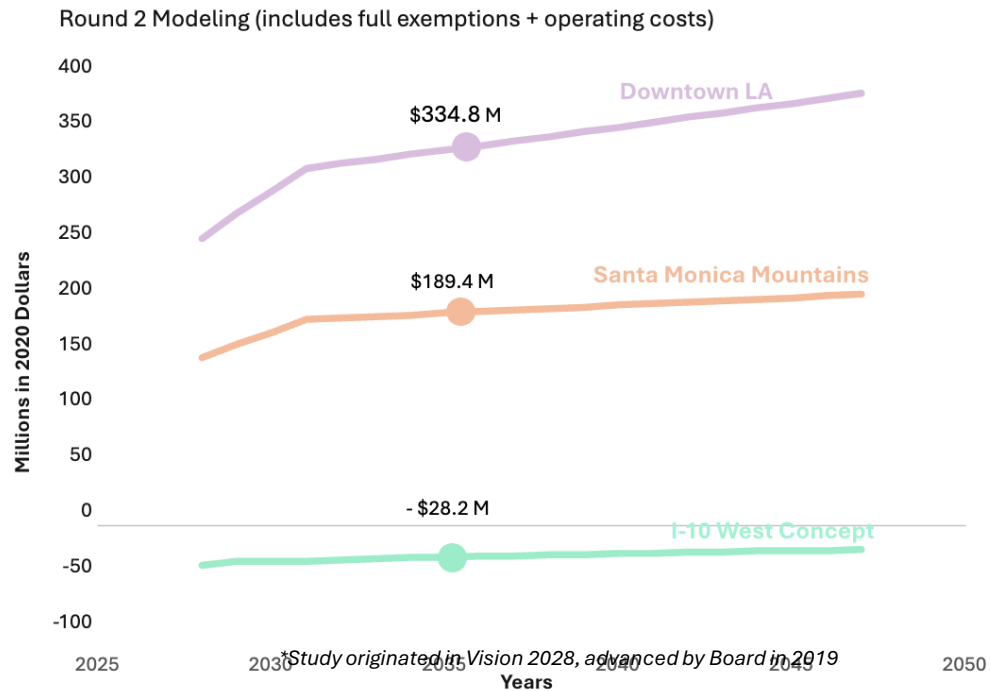
- Pay as you Go (PAYGO)
- Potential HOV2+ to HOV 3+ for Toll Free
- New Transponder Technology (6c transponder to support state interoperability)
- Occupancy Detection System (Video Occupancy Enforcement)

CONSIDER

Increasing share of Net Toll revenues allocated to Metro

Feasibility Study of Congestion Pricing + Reinvestment + Assistance According to Traffic Reduction Study

Estimated Annual Net Revenue



Affordable pricing reduces traffic & gets people moving.

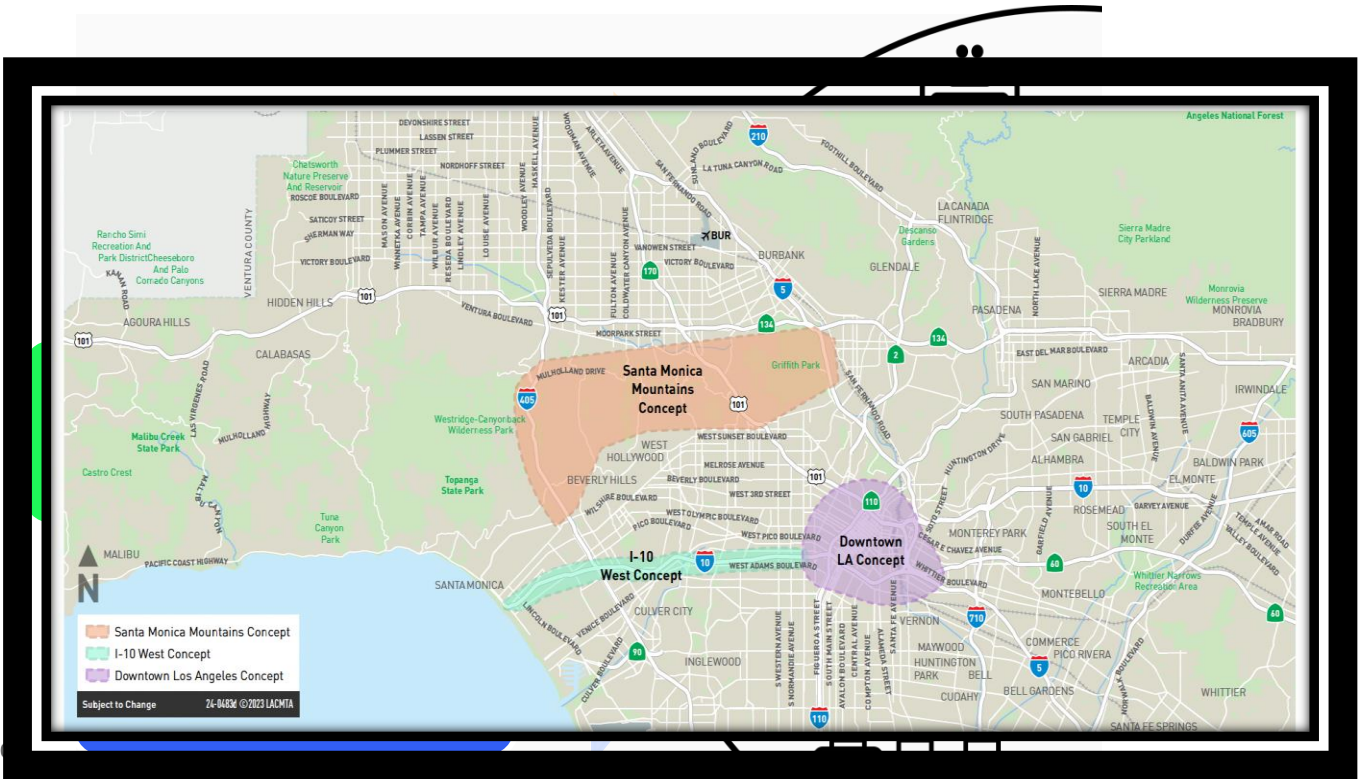
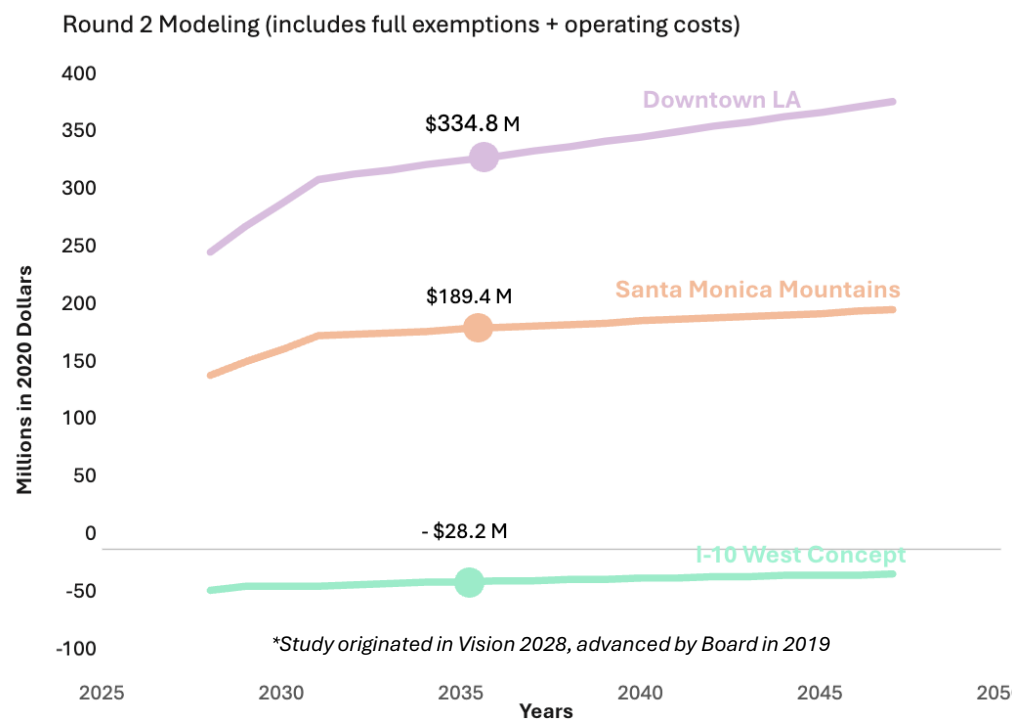
Net revenues are invested into communities to provide improved and new transportation.

Low-income assistance & equity strategies ensure people are not left behind.



Traffic Reduction Study – Concept Overview

Estimated Annual Net Revenue



Expanding access to jobs

Study is focused on these potential areas

PULSE CHECK



Which of these new revenue opportunities are you most interested in exploring?

- A. Changes in Advertising Policy
- B. Integrated Ticketing
- C. Direct more net toll revenue to Operations
- D. Continue to study congestion pricing
- E. None of the above

Discussion Questions

1. On a scale of 1 to 5, 1 being the most important, rank the strategies you would like Metro to explore to address this area of focus?
2. What other information do you want Metro to provide so you can prioritize this policy decision?
3. Do you have any other policy or strategy ideas you would like Metro to consider in this area of focus?

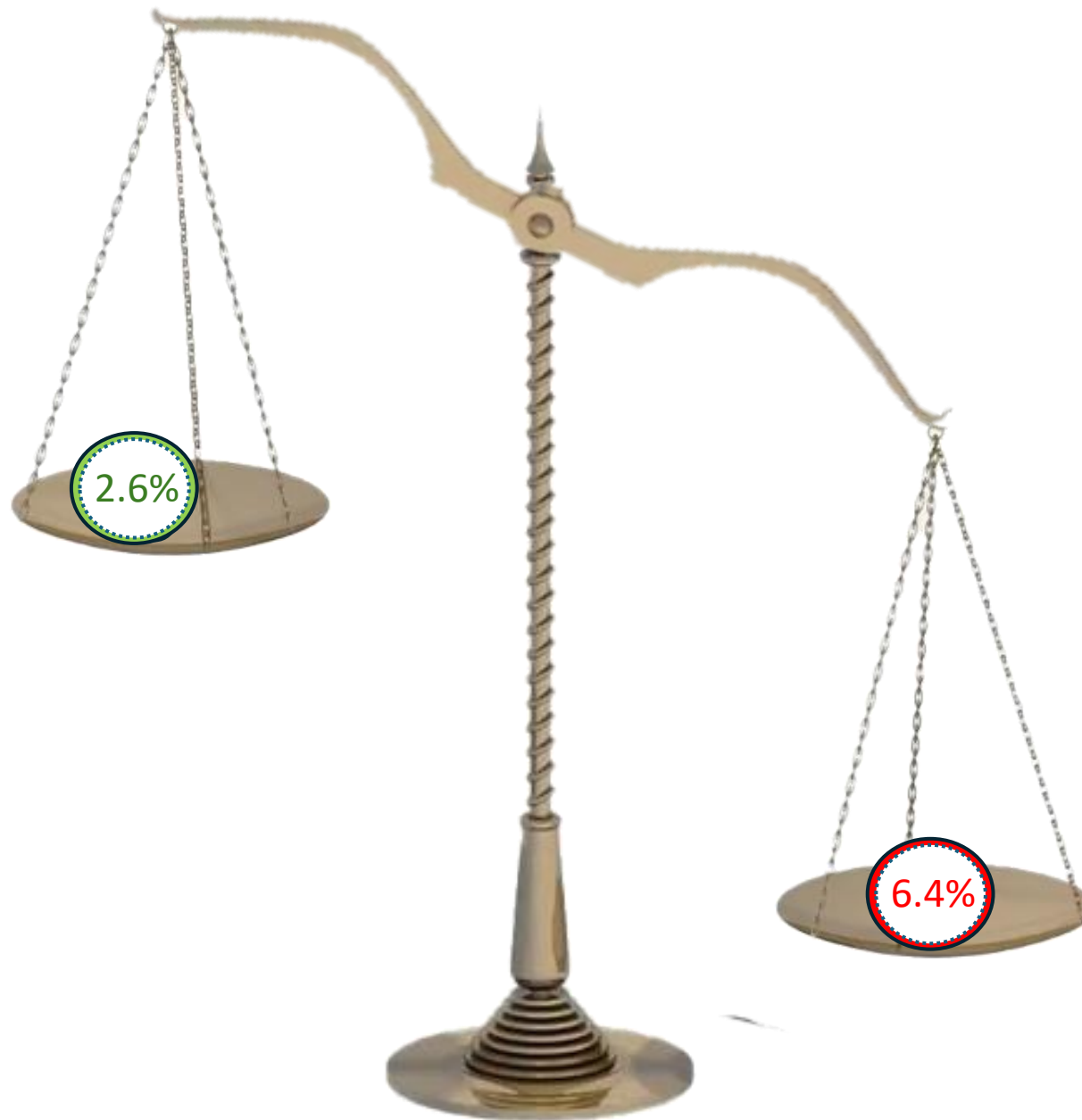


Given what you've heard today, which of the five Vision 28 goals are most important?

- A. Provide high-quality mobility options that enable people to spend less time traveling.
- B. Deliver outstanding trip experiences for all users of the transportation system.
- C. Enhance communities and lives through mobility and access to opportunity.
- D. Transform LA County through regional collaboration and national leadership.
- E. Provide responsive, accountable, and trustworthy governance within the Metro organization.



Closing Remarks



Resource

Expense



Deficit
Reduction
- 42%