

METRO EXPRESSLANES

Net Toll Revenue Grants – Round 3

APRIL 20, 2023



Net Toll Revenue Grant Background



State law requires net toll revenues generated from the ExpressLanes program be reinvested for transportation improvements in the corridor where generated.



Increase mobility and person throughput through the implementation of integrated strategies that enhance:

- Transit Operations
- Transportation Demand Management
- Transportation Systems Management
- Active Transportation
- Capital Investments

Net Toll Revenue Grant Background

(Round 1)

- 20 projects (14 completed, 1 de-obligated, 5 in progress)
- \$19.8 million in grants

July 2014

Aug. 2016

(Round 2)

- 21 projects (9 completed, 12 in progress)
- \$27.9 million in grants

Reinvestment Guidelines

Set-aside

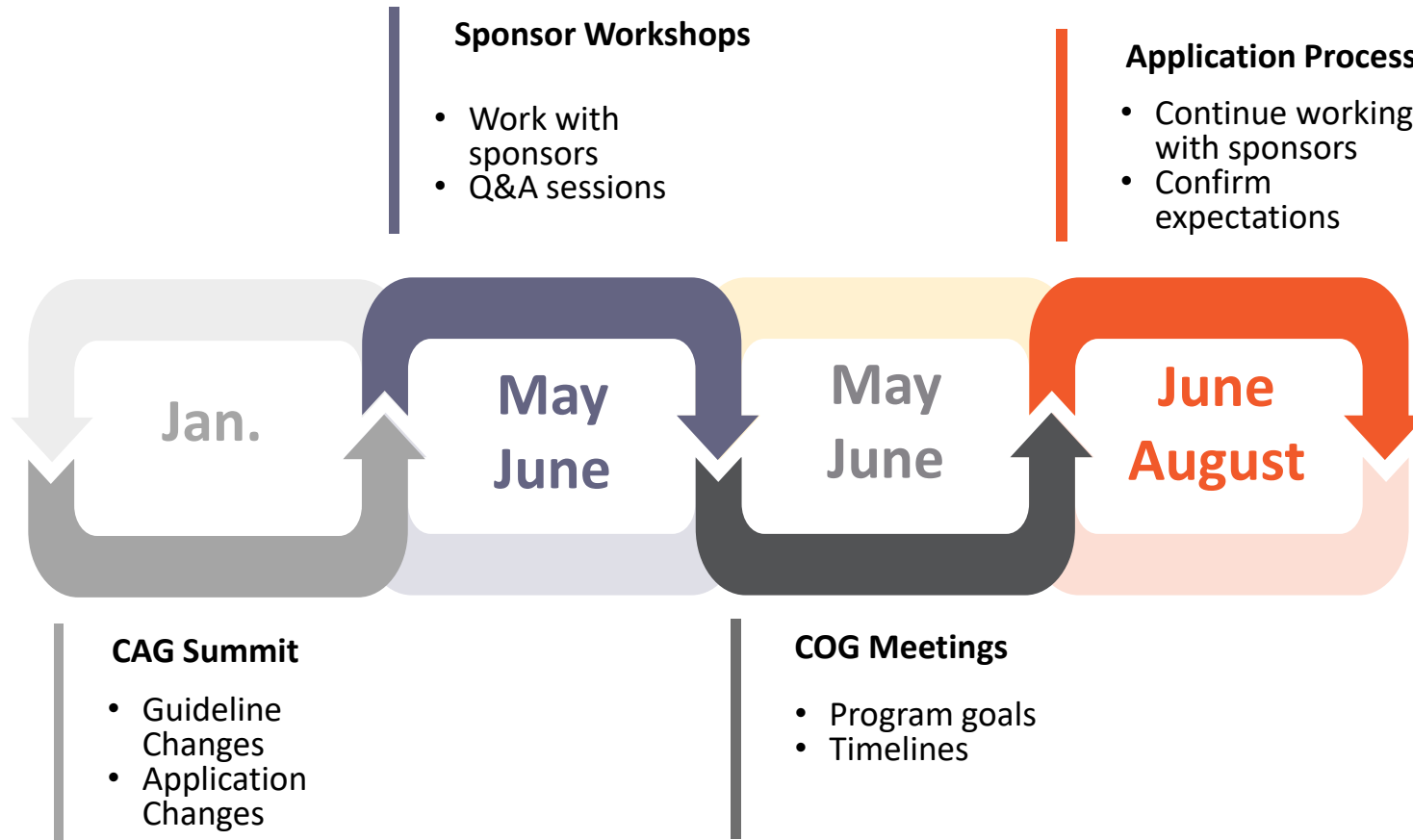
- Caltrans' projects in the corridor
- Transit Operations
 - Foothill Transit
 - Torrance Transit
 - Gardena Municipal Bus Lines
 - Metro's J (Silver) Line
- Reserve Fund

Competitive Grant

- Transit Uses (40%)
- System Connectivity (40%)
- Roadway Allocation (20%)

Equity focus across all targets

Outreach



Net Toll Revenue Grant

Draft Reinvestment Categories	Estimated Net Toll Revenues	Allocation Target Estimate (per Corridor, includes prior round adjustments**)	
Net Set-Aside	\$52,250,000		
Set-Aside (Caltrans)*	\$14,510,000		
Set-Aside (Reserve Fund)	\$6,000,000		
Set-Aside (Direct Allocation - Transit Ops)	\$31,740,000		
Grant Targets	\$72,550,000	I-110	I-10**
Allocation Target (40%- Transit Uses)***	\$29,020,000	\$17,855,416**	\$11,976,190**
Allocation Target (40%- System Connectivity)***	\$29,020,000	\$17,855,416**	\$11,976,190**
Allocation Target (20%- Roadway Improvements)***	\$14,510,000	\$8,927,708**	\$5,988,095**
TOTAL NET TOLL REVENUE GRANT FUNDS ALLOCATED	\$124,800,000		

* Caltrans allocation contingent on a master operations and maintenance agreement signed by August 1, 2023.

**An additional \$1,082,560 was applied to the I-110 net set-aside from a de-obligated project in Round 1. An additional \$920,475 was applied to the I-10 net set-aside approved in Round 2.

***Baseline targets of 40% for Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Roadway Improvements.

Next Steps

- Request Board approval and release grant application package: April 2023
- Meeting with COGs: May/June 2023
- Applicant Workshop and meeting with CAGs: May/June 2023
- Application Due Date: August 2023
- Evaluate application/outreach: August 2023
- Seek Board Approval for recommended grants: October 2023

Recommendation

- A. APPROVING the guidelines and project eligibility for Round 3 of the ExpressLanes Net Toll Revenue Allocations (Attachments A and D); and
- B. APPROVING the Metro ExpressLanes Round 3 Net Toll Revenue Grant Applications (Attachments B and C).
- C. AUTHORIZING the Chief Executive Officer (CEO) to extend all in-progress Round 1 and Round 2 Net Toll Revenue projects' lapsing dates by two years. (Attachment E).