

An illustration of a yellow and grey Metro Rail train with 'Go Metro' and 'M Metro' logos. The train is on a track next to a modern, multi-story residential building. People are walking and a person is riding a bicycle on the sidewalk. A large tree is on the left, and a palm tree is on the right. The background is a clear blue sky.

Next stop: further east.

EASTSIDE TRANSIT CORRIDOR PHASE 2

Planning and Programming Committee
April 20, 2022

Item #2022-0160



Metro

Board Information Requests – Chair Solis

- A. **Construction Advancement** Innovative ways to help streamline the preconstruction-related work, including advancing engineering and utility-related work, among other strategies.
- B. **Interim Operable Segment Funding** Funding plans and assumptions for the two IOS alternatives being proposed; the plans should focus on a local funding strategy and a combined local and federal funding strategy.
- C. **Streamline Environmental Review** Strategies to streamline environmental review, including seeking a NEPA waiver, having NEPA authority delegated to the state, and seeking an abbreviated NEPA.
- D. **Alternative Delivery Plans** An Alternative Delivery plan that will provide project schedule efficiencies which will reduce the overall preconstruction timeline.
- E. **Accelerate Project Schedule** An accelerated project schedule for the two IOS alternatives and the entire project segment.

Board Information Requests- Director Hahn

- F. **State and Federal Grants** Which specific grants, state and federal funding programs the eastside transit corridor project is applying for;
- G. **Grant Competitiveness** The competitiveness and priority of this project related to our other Metro projects also in the pipeline for these opportunities;
- H. **Measure M/R Tradeoffs** Any other Measure R and Measure M funding that might be available through future amendment or borrowing; and
- I. **Low and No Cost Financing** Any opportunities for low and no-cost financing through federal or private sources.
- J. **Community Engagement** In addition to those four things, engage relevant municipal agencies and Community Based Organizations along the project corridor, as well as the Washington Boulevard Coalition, for their input and feedback on all strategies being considered.

Project Measure M Schedule Status

- Board decision in February 2020 to proceed with CEQA and discontinue NEPA helped advance the Board's goals of accelerating the project
- Project is ahead of the Measure M schedule with final environmental clearance in 2023
- Per Measure M expenditure plan, the first funding cycle for construction in 2029
- Advancing engineering work to streamline the project into the selected Alternative Project Delivery



Eastside Phase 2: NEPA Process

Optimal Process to Streamline NEPA

(Requests: A, B)

- > Project would enter the NEPA process upon the Board selection of the Locally Preferred Alternative (LPA)
- > A defined project alignment such as LPA would streamline FTA federal reviews

NEPA process by Delegating Authority to the State (NEPA Assignment)

(Requests: C)

- > Project team is not pursuing this process because it would delay the project's environmental clearance (State and Federal) since the Draft EIR is nearing completion
- > FTA would need to delegate responsibilities to the State and State would need to serve as the lead agency for CEQA
- > Process has only been implemented on highway projects and not on major transit projects

Project Interim Operable Segments



Maintenance Storage Facility Options
Commerce MSF:
 Capacity 100 LRV
Montebello MSF:
 Capacity 120 LRV

IOS-1 Commerce

- Approx. 3.2 miles
- Atlantic Boulevard - Commerce/Citadel station
- Commerce MSF site option

IOS-2 Greenwood

- Approx. 4.6 miles
- Atlantic Boulevard - Greenwood station
- Commerce or Montebello MSF site option

2020 LRTP - Project Funding Plan

- Funding is programmed in the LRTP for a \$3 billion (2015 dollars) full alignment
- Funds for construction would be available in 2029 per the Measure M expenditure plan
- Funding sources include Measure M and Measure R sales tax designated for the Project, planned State SB-1 grants, and federal funds specified for planning uses only

Uses	Amount
Total, Uses	\$3.0

Sources – Secured	Amount
Local (Sales Tax, 3% Contribution)	\$2.1
Sources – Yet-To-Be-Secured	
State (Cap/Trade, SB-1)	0.8
Federal (Planning funds)	0.0
Total, Sources	\$3.0

*Costs in 2015 dollars, in billions.
Construction FY29 – FY35.*

Revised Project Funding Plan

Uses	IOS-1 Commerce	IOS-2 Greenwood	Full Project
Total, Uses	\$4.5	\$5.1	\$6.1

Sources – Secured	Amount	Amount	Amount
Local (Sales Tax, 3% Contribution)	\$2.4	\$2.4	\$2.4
Sources – Yet-To-Be-Secured			
Local (Sales Tax, 3% Contribution)	0.1	0.2	0.4
State (Cap/Trade, SB-1, Surplus)	1.0	1.3	1.6
Federal (IIJA/BIL)	1.0	1.2	1.7
Total, Sources	\$4.5	\$5.1	\$6.1

*Costs in 2021 dollars, in billions.
Construction FY29 – FY35.*

Federal and State Grant Funding:

(Request: E, F)

- Funding has increased from IIJA/BIL and potentially from the State budget surplus
- Federal: Capital Investment Grants (New Starts, Expedited Project Delivery), National Infrastructure Project Assistance (MEGA), and programs that fund freight-related improvements
- State: Statewide and SoCal rail and transit allocations, SB-1 Transit and Intercity Rail Capital Program, Solutions for Congested Corridors, and Local Partnership Program

Competitiveness, Tradeoffs, and Financing

Grant Competitiveness:

(Request: F, G)

- Statutorily eligible for Capital Investment Grants (CIG)
- CIG funding was increased by almost twofold through the enactment of IIJA/BIL
- Estimated a “medium” project justification rating for the full alignment
- Must demonstrate that Metro can fund the construction and operation of the Project

Measure M/R Tradeoffs

(Request: H)

- Funding from existing Gateway subregional programs could be transferred to the Project
- Value capture financings could provide supplemental local funding

Low and No-Cost Financing

(Request: H, J)

- Metro will continue to determine the benefit of TIFIA and Railroad Rehabilitation & Improvement Financing (RRIF) federal loan programs
- Financing may not significantly increase available funding for Project



Preconstruction Activities and Alternative Project Delivery

Preconstruction Activities

(Request A)

Engineering activities advance the project into alternative project delivery may include:

- > Geotechnical
- > Utility investigation and exploration
- > Refining and confirming project scope design elements
- > Third-party coordination with agencies and utility owners where appropriate
- > Continue updating the federal risk register

Project Delivery

(Request D, E)

- Planning and Program Management staff are currently undertaking our Project Delivery Selection Process.
- Explore alternative delivery methods to better manage risk, cost, and schedule in delivering our major transportation infrastructure projects.
 - > **Construction Manager/General Contractor (CM/GC)**
 - > **Progressive Design Build (PDB)**