

METRO EXPRESSLANES

Net Toll Revenue Reinvestment
Round 2



Ad Hoc Congestion Reduction
October 14, 2015



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Toll Revenue Reinvestment Overview



- As specified in State tolling legislation, Metro ExpressLanes revenue is to be used for:
 - Maintenance
 - Administration
 - Operations
 - Toll Collection
 - Enforcement
- Remaining revenue is to be used in the corridor that the revenue was generated in; an expenditure plan must be developed for these revenues and approved by the Metro Board



Background: Toll Revenue Reinvestment – Round 1



\$26.7 million available for reinvestment

October 2013 - Metro Board approved reinvestment plan comprised of :

- Set Aside of Transit Operating Subsidy (Metro Silver Line, Foothill, Gardena, and Torrance Transit)
- 3-5% of funds set aside as program reserve

- Remaining funds granted on competitive basis (Net Toll Revenue Grant Program)
 - 40% Transit System Improvements
 - 40% System Connectivity/Active Transportation
 - 20% Highway System Improvements



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Round 1 Grant Program



- Grant funding awarded on a competitive basis
- Eligible applicants included public agencies that provide transportation facilities or services within Los Angeles County (cities, transit operators, Los Angeles County, Caltrans, Metro)
- Corridor defined as 3 miles on either side of the I-110 or I-10 Corridors
- Metro received 35 applications totaling \$123,405,007 in requested funding
- Funding granted to 20 projects totaling \$19,854,458 in July/September 2014
- \$875,000 put in reserve for I-110 for next round

Round 1 Status



- 20 grants were awarded in July/September 2014
- Five funding agreements executed to date
 - City of LA (My Fig Project Marketing & Safety)
 - County of LA (South Bay Arterial Performance)
 - Access Services (CNG MV-1 Vehicles)
 - Baldwin Park (Commuter Connector Line)
 - Monterey Park (Bike Corridor)
- 12 agreements still to be executed - represents over \$11 M in grant funding for projects not yet started

Toll Revenue Reinvestment – Round 2



- Estimated funding available is \$42.5 to \$53.3 million
 - ❑ 63-100% increase in available funding over Round 1

- Consistent with the previous round – core principles are:
 - ❑ Establish a reserve fund
 - ❑ Direct allocation to transit – Foothill, Gardena, Torrance, Metro
 - ❑ Competitive Grant Program –
 - ❑ 40% Transit System Improvements
 - ❑ 40% Active Transportation/System Connectivity
 - ❑ 20% **Roadway Improvements**

Proposed Guidelines Changes for Round 2



1) Increase the Reserve Amount

- 3-5% not adequate for continued operation
- \$3 million per year
- Increase would ensure adequate funds for state of good repair, replacement of system components /new vendor selection and system expansion

2) Establish Direct Set Aside for Caltrans

- 20% of competitive grant funding available
- Caltrans precluded from the competitive portion
- Caltrans to provide project list, schedule and milestones
- 50% up front and 50% based on meeting milestones
- Caltrans concurs with the proposed changes

3) Timely Use of Funds Provisions

- Execute Agreements within 6 months of receipt of template
- Projects that have not expended any funding within one year of execution of Agreement subject to lapsing of funds
- Timely use of funds will also apply to Round 1 recipients – April 22, 2016 deadline for agreement execution
- Lapsed funds from Round 1 will be available in Round 2



Funding Targets – Round 2



Draft Reinvestment Categories	Estimated Net Toll Revenues	Allocation Target Estimates (per Corridor)	
Period Ending June 2017	\$42,500,000 - \$53,300,000		
Set-Aside (Reserve Fund)	(\$6,000,000)		
Set-Aside (Direct Allocation -Transit Ops)	(\$12,500,000)	I-110	I-10
Set-Aside (Caltrans)	(\$4,000,000 - \$4,800,000)		
Subtotal Net Set-Asides	(\$20,000,000 - \$24,000,000)	(\$12,400,000- \$14,880,000)	(\$7,600,000- \$9,120,000)
Net Toll Grant Program			
Allocation Target (40%- Transit Uses)*	\$8,000,000 - \$9,600,000	\$4,960,000- \$5,950,000	\$3,040,000- \$3,650,000
Allocation Target (40%- Active Transportation/System Connectivity)*	\$8,000,000 - \$9,600,000	\$4,960,000- \$5,950,000	\$3,040,000- \$3,650,000
Allocation Target (20%- Roadway Improvements)*	\$4,000,000 - \$4,800,000	\$2,480,000- \$2,980,000	\$1,520,000- \$1,820,000
Reserve funds approved in Round 1		\$875,000	



Eligible Projects



Transit System Improvements:

- Transit operations to increase level of service
- Fare subsidies
- Bus purchases
- Station enhancements

Active Transportation/System Connectivity:

- First mile/last mile connections to transit facilities
- Complete Streets projects
- Bicycle infrastructure
- Pedestrian enhancements
- Bus station improvements

Roadway Improvements:

- Intelligent Transportation System improvements-arterials and connections to on/off ramps
- Graffiti removal
- Landscaping



Corridor Advisory Group (CAG) Meeting



- A combined I-10 and I-110 CAG meeting was held on October 1st
- 32 people were in attendance representing 18 different Agencies/Organizations:
 - LAWA
 - LA County Bicycle Coalition
 - SGV Economic Partnership
 - So Cal Transit Advocates
 - FAST
 - Torrance Transit
 - Gardena Transit
 - Go Day One
 - Foothill Transit
 - Caltrans
 - LA Trade Tech College
 - City of Redondo Beach
 - SBCCOG
 - LA City Housing Dept.
 - LANI
 - LADOT
 - Mt. St. Mary's College
 - Office of Assemblymember Burke

CAG Meeting – Questions & Comments



- Overall the CAG members are very supportive of the ExpressLanes Program and the changes being recommended for allocation of funds
- Questions about Lesson Learned from Round 1 and if there would be an audit of progress for Round 1 projects?
 - Lessons Learned are incorporated into the Round 2 changes
 - CAG members not supportive of an Audit
- Round 2 questions were about eligibility of organizations/agencies and types of projects?
 - Project eligibility consistent with Round 1
 - Not for profit Agencies will have to partner with an eligible Agency (i.e. City)
- CAG members thought Metro ExpressLanes was not doing enough to inform the public about the mobility improvements ExpressLanes is funding
 - Suggested an information campaign be undertaken
- CAG members have volunteered to review and rank applications as part of the process



Proposed Schedule - Round 2



- Round 2 Guidelines Board Adoption October 2015
- Grant Application Package Board Approval January 2016
- Release Grant Application Package February 2016
- Application Due Date April 2016
- Evaluate Applications/Outreach May 2016
- Grant Recommendations Board Approval June 2016