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**EXECUTIVE MANAGEMENT COMMITTEE  
APRIL 15, 2021**

**SUBJECT: TRANSPORTATION COMMUNICATION NETWORK**

**ACTION: APPROVE RECOMMENDATION**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to execute a Memorandum of Agreement (MOA) with the City of Los Angeles for Metro's Transportation Communication Network (TCN) on Metro rail right-of-way within the City of Los Angeles.

**ISSUE**

Metro staff have been collaborating on the concept of a Transportation Communication Network (TCN) that would create a connected communication system, using outdoor advertising infrastructure on Metro property in the City of Los Angeles ("City"). The TCN would also create a revenue stream and allow for the removal of up to 320 older, static billboards, over 60% of which are in the City of Los Angeles ("City"). The proposed MOA outlines the TCN objectives, process for approval and revenue sharing with the City. In addition, the MOA includes the intent for the funds to be used for new, transit improvement projects to benefit public transit riders, with a focus on bus improvements.

**DISCUSSION**

**Transportation Communication Network**

Real Estate, ITS, Communications and Metro's consultant, All Vision, have been collaborating on the concept to implement a network of transportation communication digital displays that will promote efficient roadways, increase public transit ridership, improve public safety and provide revenue generation for Metro's transportation programs. The TCN may consist of the following elements:

1. **Intelligent Transportation System, Travel Demand and Public Event Management.** The TCN will be integrated with Metro's Regional Intelligent Information Transportation Systems (RIITS) that works in coordination with all of the major transportation agencies and bus lines such as Caltrans, the Los Angeles Department of Transportation (LADOT), California Highway Patrol (CHP), Foothill Transit and the Los Angeles County Department of Public Works to maximize the capacity and efficiency of the regional transportation network. The additional intelligent technology components will assist Metro in increasing the quantity and speed of data collection of real time travel/traffic data, processing and transmission to transit agencies.

Real time data collection can support improved traffic signal timing information, micro-transit data and Metro vanpool on-demand services. The TCN will improve the bus rider's experience by helping to facilitate transit signal priority, bus Wi-Fi, and bus timing information that can be relayed to bus riders. The TCN can also support event congestion data for LAX, Dodger Stadium, Hollywood Bowl and other large venues, including travel demand management services for the 2028 Olympic and Paralympic Games, including providing information on available parking spaces in Park-and-Ride lots.

2. Public Transit Promotion and Metro Communications. The TCN will assist Metro's transportation public messaging and ability to broadcast this information in various creative ways to commuters to ensure public safety, maximize throughput of our congested road network, and promote public awareness of travel alternatives based on geography and time periods.

3. Public Safety and Emergency Messaging. The program will be incorporated into the alert information for the freeway messaging system and major arterial network for the region, including Earthquake Early Warning System information as well as Amber Alerts.

4. Transportation Technology Innovation Initiatives. The program structures will be designed to include programs, such as 5G technology, as well as live video and security feeds to supplement the limited number of existing cameras on the freeways and street corridors. TCP will be designed to support future innovations such as autonomous vehicles, smart energy grids, and high-speed wireless cameras.

5. Revenue Generation for Transportation Projects. The digital displays in the TCN will also allow off-site advertising. Revenue generated by this program will be utilized by Metro and the City to fund transportation programs.

#### Reduction of Visual Blight

The TCN could result in the removal of up to 320 antiquated (and in some cases dilapidated) static billboards currently located throughout the County of LA. Many of these locations enjoy grandfathered legal status even though they are situated in residential zones and do not currently satisfy state and federal guidelines for outdoor advertising structures. The new modernized digital signs in the TCN will not be located in residential zones and will comply with all requisite federal, state and city guidelines. No signs will be placed in or within 200 feet of residential zones or will be oriented facing residential zones within a 200-foot distance.

#### Revenue Stream

If the MOA is approved, Metro's consultant will commence CEQA environmental clearance at no upfront cost to Metro. The environmental process will determine the number and location of potential signboards which will then allow revenue projections to be made. Staff will return to the Board for approval of the CEQA document and TCN program, including locations and revenue projections, prior to the commencement of the TCN program.

#### City of Los Angeles

The majority (60%) of the potential signboard locations are in the City. In order to proceed with the TCN program, the City would need to enact an ordinance, other legislative or other document which may be approved by City Council. Given the interdependency of the program and the

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mutually beneficial uses of the funds for transit purposes, staff believes the revenue sharing arrangement described below to be reasonable and appropriate.

### MOA terms

Metro and the City have negotiated an arrangement that is mutually beneficial. Some of the key terms include:

- Metro to be the lead CEQA agency
- TCN contingent on the City enacting legislation that allows off-site advertising to be displayed on the signs
- The City and Metro to each receive 50% of the net revenues (after all program costs)
- 20-year term with provision to negotiate in good faith to extend beyond
- Revenues to be used for new, transit improvement projects to benefit transit riders with a focus on bus riders; examples including:
  - Speed/service quality
  - Ease of use
  - Safety and comfort
  - First/Last Mile

Further details are provided in Attachment A - MOA Term Sheet.

### **EQUITY PLATFORM**

The MOA stipulates that the funds be directed to improving transportation and transit, in particular bus service. This should benefit Equity-Focused Communities by providing better service such as improved bus speed and reliability, bus stop improvements, improved bus shelters, rear-door boarding, and first/last mile improvements...

### **DETERMINATION OF SAFETY IMPACT**

The MOA will have no impact on the safety standards of Metro. Future TCN sites with transportation communication displays will be adequately designed for structural support and will meet all federal, state, and local design codes.

### **FINANCIAL IMPACT**

The TCN will generate additional revenue and no capital outlay by Metro is required.

#### Impact to Budget

There is no impact to the budget.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The TCN will yield enhanced communication and support, as well as revenues for bus projects,

resulting in:

Goal 1: High quality mobility options for all

Goal 3: Enhancing communities and lives

### **ALTERNATIVES CONSIDERED**

The Board could choose not to pursue this initiative. That is not recommended because this is an opportunity to build a communication network, as well as revenue generation to benefit bus riders.

### **NEXT STEPS**

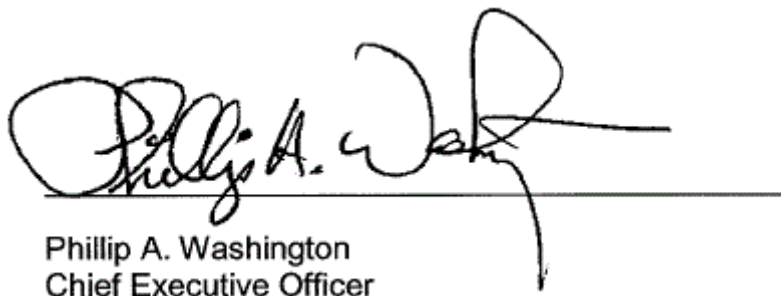
If approved, Metro Real Estate will work with the City of Los Angeles to execute the MOA. Upon execution of the MOA, Metro will commence the CEQA environmental process at no upfront cost to Metro. Metro staff will return to the Board for environmental approval before proceeding to implement the program.

### **ATTACHMENTS**

Attachment A - MOA Term Sheet

Prepared by: John Potts, Executive Officer, (213) 418-3397  
Holly Rockwell, Senior Executive Officer, (213) 922-5585

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Phillip A. Washington  
Chief Executive Officer