



Board Report

File #: 2023-0393, File Type: Program

Agenda Number: 14.

PLANNING AND PROGRAMMING COMMITTEE
SEPTEMBER 20, 2023

SUBJECT: COUNTYWIDE CALL FOR PROJECTS

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. RECERTIFYING \$78.96 million in existing Fiscal Year (FY) 2023-24 commitments from previously approved Countywide Call for Projects (Call) and AUTHORIZING the expenditure of funds to meet these commitments as shown in Attachment A;
- B. DEOBLIGATING \$2.36 million of previously approved Call funding, as shown in Attachment B, and hold in RESERVE;
- C. REALLOCATING:
 - 1. \$1.31 million of Call funds remaining in the City of Los Angeles Century City Urban Design and Pedestrian Connection Plan (Call #F1612), to the City of Los Angeles Exposition West Bikeway - Northvale Project (Call #F3514); and
 - 2. \$13.39 million of Call funds in the City of Los Angeles: 1) Alameda Street Downtown LA - Goods Movement Phase 1 (Call #F5207), and 2) Alameda Street Improvements North Olympic Blvd to I-10 Freeway (Call #F9207) projects, to the City of Los Angeles 1) Boyle Heights Chavez Avenue Streetscape Pedestrian Improvements (Call #F3643), and 2) Soto Street Complete Streets (Call #F7109) projects;
- D. APPROVING changes to the scope of work for:
 - 1. City of Lancaster - Medical Main Street (Call #F9131); and
 - 2. County of Los Angeles - South Whittier Community Bikeway Access Improvements (Call #F9511);
- E. AUTHORIZING the Chief Executive Officer (CEO) or their designee to:
 - 1. Negotiate and execute all necessary agreements and/or amendments for previously awarded projects; and
 - 2. Amend the FY 2023-24 budget, as necessary, to include the 2023 Countywide Call Recertification and Extension funding in the Subsidies budget;

F. RECEIVING AND FILING:

1. Time extensions for 87 projects as shown in Attachment C; and
2. Reprogram for nine projects as shown in Attachment D.

ISSUE

Each year the Board must recertify funding for projects that were approved through prior Calls in order to release the funds to the project sponsors. The Board must also approve the deobligation of lapsing project funds after providing project sponsors with the opportunity to appeal staff's preliminary deobligation recommendations to Metro's Technical Advisory Committee (TAC). The Board must also approve changes to the project scope of work. Staff has evaluated the proposed changes and found that they are consistent with the intent of the original scope of work. The Board must also receive and file the extensions and reprogrammed funds granted through previously delegated Board authority. The background and discussion of each of these recommendations can be found in Attachment E.

BACKGROUND

The Call, an existing competitive grant program dating back to the early 1990s, programs transportation funds to local jurisdictions for regionally significant projects that are often beyond the fiscal capabilities of local sponsors. The latest Call cycle, including all funding commitments and project scopes of work, was approved by the Metro Board in September 2015.

The Call process implements Metro's multi-modal programming priorities and the adopted Long Range Transportation Plan (LRTP). The 2023 Call Recertification and Deobligation process reinforces the annual authorization and timely use of funds policies. Specifically, Board policy calls for the consideration of the deobligation of funding from project sponsors who have not met lapsing deadlines or have formally notified Metro that they no longer wish to proceed with the project (cancellation). All projects are subject to a close-out audit after completion.

DISCUSSION

Technical Advisory Committee (TAC) Appeals

On May 3, 2023, TAC heard sponsor appeals on the deobligation of funding from two projects (Attachment F). Initially, five projects were invited to the TAC appeals, but three of those projects requested project cancellations and decided not to appeal at the TAC. TAC recommended a one-year extension for the City of Downey project, and received and filed the status update for the City of Los Angeles project. Staff concurs with these recommendations.

Additionally, all proposed deobligated funds included in Attachment B are due to project cancellation requested by the project sponsors and would not be involuntarily deobligated by this proposed Board action, as further described in the attachment.

Active Call for Projects as of June 30, 2023

Annually since August 2020, Metro staff reported the completed assessments of the past and current recipient performance in project delivery (2007 to 2015 Call cycles). We updated the table as of June 30, 2023 (see below). There are approximately 149 active and/or upcoming Call projects totaling \$346.7 million yet to be fully implemented. Since July 2022, project sponsors have completed 29 projects with total expenditures of \$38.5 million. Staff will continue working with the project sponsors to expedite those projects' delivery.

Cycle	# of Awarded Projects	Original Programming Years	Total Prog Amount (\$000')	# of Active/ Upcoming Projects	Remaining Balance (\$000')
2007 Call	169	FY08 - FY13	\$ 454,520	22	\$ 44,493
2009 Call	133	FY12 - FY15	337,551	24	67,272
2011 Call	72	FY15 - FY17	123,516	14	27,922
2013 Call	96	FY15 - FY19	199,390	35	87,049
2015 Call	88	FY17 - FY21	201,923	54	119,957
	558		\$1,316,900	149	\$346,693

DETERMINATION OF SAFETY IMPACT

The 2023 Call Recertification and Deobligation will not have any adverse safety impacts on Metro’s employees or patrons.

FINANCIAL IMPACT

The amount of \$45.9 million is included in the FY 2023-24 Adopted Budget in Cost Centers 0441 (Subsidies to Others) and 0442 (Highway Subsidies) for the Countywide Call. Since these are multi-year projects, the cost center managers and Chief Planning Officer will be responsible for budgeting in future years.

Impact to Budget

The sources of funds for these activities are Proposition C 25%, State Repayment of Capital Project Loan Funds, Congestion Mitigation and Air Quality (CMAQ), and Regional Surface Transportation Program (RSTP). Proposition C 25% funds are not eligible for Metro bus and rail operating and capital expenditures.

CMAQ funds can be used for both transit operations and capital. Los Angeles County must strive to fully obligate its share of CMAQ funding by May 1 of each year, otherwise, it risks its redirection to other California Regional Transportation Planning Agencies by Caltrans. Staff recommends the use of long lead-time CMAQ funds as planned to ensure the utilization of Metro’s federal funds.

RSTP funds in this action could be used for Metro’s transit capital needs. Also, while these funds cannot be used directly for Metro’s bus or rail operating needs, these funds could free up other such eligible funds by exchanging the funds used for Metro’s paratransit provider, Access Services Incorporated. Since these RSTP funds originate in the Highway portion (Title 23) of MAP-21, they are

among the most flexible funds available to Metro and are very useful in meeting Call projects' requirements.

EQUITY PLATFORM

The projects (and scopes) included in this action predate the Equity Platform (adopted in 2018). As such, Equity Platform criteria were not included in the evaluation of these projects. However, the third pillar of the Equity Platform, "Focus and Deliver" applies to these community-driven projects. Given that no equity analysis occurred during the initial grant process, staff are now working to evaluate the equity impacts on the existing grants. The Equity Focus Communities ("EFCs", adopted as part of the 2020 Long Range Transportation Plan, updated in 2022) are being applied to all current Call grants to support the first pillar of the Equity Platform "Define and Measure." Specifically, the EFCs are a mapping tool that has been added to the Call administration database since July 2021. The analysis of the EFC layer to the Call grants (within a 1-mile radius) provides information about the makeup of the communities being served by these projects. For example, the three City of Los Angeles projects that are recommended to receive the reallocated Call funds are all intended to benefit vulnerable road users such as people walking/biking, as part of the Call Bicycle and Pedestrian Improvements modal category. See Attachment G for details regarding 87% of the remaining 149 projects in EFCs and other demographic details.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following goals of the Metro Vision 2028 Strategic Plan:

Goal 1: Provide high-quality mobility options that enable people to spend less time traveling by alleviating the current operational deficiencies and improving mobility along the projects.

Goal 4: Transform LA County through regional collaboration with the subregions and local jurisdictions in the implementation of the projects.

ALTERNATIVES CONSIDERED

The Board could cancel all or some of the FY 2023-24 funding commitments rather than authorize their continued expenditures. This would be a change to the previous Board-approved Countywide Calls programming commitments and would disrupt ongoing projects that received multi-year funding.

With respect to deobligation, the Board could choose to deobligate funds from one or more project sponsors whose projects are beyond the lapse dates and are not moving forward consistent with the adopted Revised Lapsing Policy rather than extending the deadlines. A much stricter interpretation of the Revised Lapsing Policy might encourage project sponsors in general to deliver them in a timelier fashion. However, this would be disruptive to the process of delivering the specific projects currently underway, many of which are now very close to being delivered. On balance, the appeals process between the project sponsors and the Metro TAC is a significant reminder to project sponsors that these funded projects should not be further delayed thus ensuring policy objectives are achieved in expending the funds as intended by the Call program.

NEXT STEPS

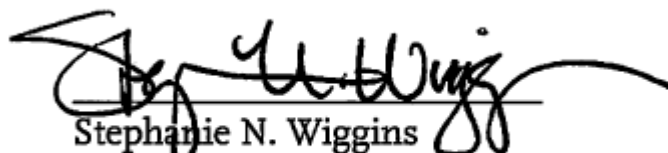
With Board approval of the 2023 Countywide Call Recertification, Deobligation, and Extension process, project sponsors will be notified. Amendments to existing Funding Agreements and Letters of Agreement will be completed for those sponsors receiving time extensions. Project sponsors whose funds are being deobligated and those receiving date-certain time extension deadlines for executing their agreements will be formally notified of the Board's action.

ATTACHMENTS

Attachment A - FY 2023-24 Countywide Call Recertification
Attachment B - FY 2022-23 Countywide Call Deobligation
Attachment C - FY 2022-23 Countywide Call Extensions
Attachment D - FY 2022-23 Countywide Call Reprogramming
Attachment E - Background/Discussion of Each Recommendation
Attachment F - Result of TAC Appeals Process
Attachment G - Call and Equity-Focused Communities Map

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