

August 22, 2016

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON *PAW*
CHIEF EXECUTIVE OFFICER

FROM: THERESE MCMILLAN *Tme*
CHIEF PLANNING OFFICER

SUBJECT: CAP-AND-TRADE CYCLE 2 TRANSIT AND INTERCITY RAIL
CAPITAL PROGRAM (TIRCP) FUNDING AWARDS

ISSUE

In April 2016, Metro submitted four project applications for grant funds from California's Cap-and-Trade Transit and Intercity Rail Capital Program (TIRCP) consistent with Metro Board action. The goal of the TIRCP is to provide monies to fund transformative capital improvements that modernize California's intercity rail, bus, ferry, and rail transit systems to reduce greenhouse gas emissions; expand and improve rail service to increase ridership; integrate the rail service of the State's various rail operations, including integration with the High-Speed rail system; improve safety; and provide a benefit to disadvantaged communities. This report provides an update on the TIRCP funding awards announced today by the California State Transportation Agency (CalSTA).

DISCUSSION

In March 2016, the Metro Board authorized the Chief Executive Officer to submit a total of four project applications for grant funds from California's Cap-and-Trade TIRCP including:

- Gold Line Foothill Extension Phase 2B;
- Airport Metro Connector;
- Red/Purple Line Core Capacity; and
- Orange Line Electric Bus Purchase.

On Tuesday, August 16th CalSTA announced the award of approximately \$123 million in Cap and Trade transit capital funding to four priority projects in Los Angeles County including \$40 million to the Airport Metro Connector/96th Street Transit Station and \$69.2 million to the Red/Purple Line Core Capacity Improvements. The total awards to projects in Los Angeles County represent 31.5% of the \$390 million in TIRCP funding available statewide. These investments recognize the strong collaboration between Metro, the State, and our transportation partners in delivering projects that provide

significant greenhouse gas (GHG) emissions reductions, while promoting transportation choices, system connectivity, and the economy.

The \$40 million award to the Airport Metro Connector/96th Street Station will provide matching funds to construct a new multimodal transit center. This \$40 million contribution will support at-grade Light Rail Transit platforms at 96th Street and Aviation Boulevard, a bus plaza that will serve an estimated 13 Metro and municipal bus lines, and a drop-off and pick-up area for travelers arriving to the station by car. This project will connect the Metro Rail system to the new Automated People Mover to be designed, built and operated by the Los Angeles World Airports. Metro is developing the full project to include a transit hub/terminal building, pedestrian plaza, and bicycle facilities. Grant funding applications have also been submitted to the State Active Transportation Program (ATP) and the Federal Transit Administration (FTA) Bus and Bus Facilities Program to support the funding of the full project. Metro will be notified this fall on the status of these applications. In addition, the project has been identified for funding as part of the ballot measure Expenditure Plan approved by the Metro Board in June for consideration by Los Angeles County voters in November 2016.

The \$69.2 million award to the Red/Purple Line Core Capacity Improvements project will complete the funding of this \$162 million project to address the capacity constraint at Union Station by creating a widened portal and new turnback facility. These improvements will allow the Metro Purple Line to achieve required headways of four minutes and combined reduced headways for the Red and Purple Lines. The project will have a direct and positive impact on the hundreds of thousands of people who will ride the Metro Red and Purple Lines in the years to come, reducing peak period wait times and crowding as well as improving the reliability of Metro's entire heavy rail system. This project is required to realize the full benefits of the Westside Purple Line Extension Section 2 (Wilshire/La Cienega to Century City) currently under development and Section 3 (Century City to Westwood/VA Hospital) currently identified for funding as part of the November 2016 potential ballot measure.

In addition to these two awards, \$8.9 million was awarded to Antelope Valley Air Quality Management District for zero emission bus and vanpool expansion in a project area including the Antelope Valley, and \$5 million was awarded to Foothill Transit for the purchase of 20 zero emission buses to extend service and frequencies to the Pomona Metrolink station. The State also awarded \$82 million to the Los Angeles-San Diego-San Luis Obispo Rail Corridor (LOSSAN) to construct track improvements and lease 31 new rail cars for faster and more frequent service on Amtrak, Metrolink, and the Coaster within the combined LOSSAN service area.

The key issues in CalSTA's decision on the Cycle 2 TIRCP awards were the amount of funding the state had available, scalability of projects, guarantee of local matching funds and regional priority in their geographic equity considerations. The Gold Line Foothill Extension Phase 2B project application was a \$1.35 billion joint proposal with the Foothill Gold Line Construction Authority and the San Bernardino Associated Governments (SANBAG) that included benefits from the segment from Claremont to

Montclair. The TIRCP funding request was for \$150 million with \$1.2 billion in local matching funds based primarily on the outcome of the potential ballot measure in November. As determined in a meeting with the project partners, there was no scaling option other than to eliminate the SANBAG section of the project, but then lose the larger project GHG benefits and multi-agency partnership. It was agreed, however, to advance an application for Gold Line Foothill Extension Phase 2B in hopes that the total Cycle 2 TIRCP funding opportunity may be up to \$600 million statewide.

As the TIRCP awards worked out, only \$390 million was available statewide, SANBAG was awarded funding for their higher priority Redlands Passenger Rail Project (\$9.2 million of TIRCP for a \$265 million project) and Metro was awarded funding for our next two highest performing projects that could be delivered with less of an investment in TIRCP funds, allowing CalSTA to fund more projects statewide and not have the TIRCP awards be entirely dependent on the outcome of the potential ballot measure. The unfunded Orange Line Electric Bus Purchase was our lowest performing project relative to reductions in GHG compared to the existing CNG buses and the fact that the project did not result in any increase in service or ridership.

NEXT STEPS

CalSTA will present the list of the approved projects for Cycle 2 TIRCP funding to the California Transportation Commission (CTC) at their meeting on August 17, 2016. TIRCP funds are anticipated be available for allocation by the CTC beginning September 1, 2016.

While the Gold Line Foothill Extension Phase 2B and Orange Line Electric Bus Purchase projects did not receive funding awards in Cycle 2 of the TIRCP, Metro staff is continuing to work with the respective project partners to advance these projects through project development and position them for the next cycles of grant funding opportunity. Per Senate Bill 9 (Beall, 2015), Cycle 3 of the TIRCP is scheduled for adoption by the State by July 1, 2018 and as the first 5-year funding cycle is projected to provide significant opportunity for a project the size of Gold Line Foothill Extension Phase 2B. This timing will also support Metro's ability to guarantee the availability of local matching funds that have been identified as part of the potential ballot measure Expenditure Plan subject to the outcome of the November 2016 election. CalSTA will hold workshops in late 2016, continuing into 2017, to receive public input on guideline development for the 2018 program.

ATTACHMENT

CalSTA Transit and Intercity Rail Capital Program 2016 Awards

Transit and Intercity Rail Capital Program 2016 Awards

Applicant	Project Title	Project Description	Award Amount	Total Project Cost
Antelope Valley Air Quality Management District	Zero Emission Bus and Vanpool Expansion in the Antelope Valley, Kern County and the Coachella Valley	Purchase 15 zero-emission buses and 10 zero emission vanpool vehicles to expand service for a 3 agency consortium (AVTA, KRT, SunLine)	\$ 8,930,000	\$ 13,706,000
Capitol Corridor Joint Powers Authority	Increased Rail Service to Roseville, Service Optimization and Standby Power Investments	Construct track and facility improvements for 3 Amtrak roundtrips per day between Sacramento and Roseville (up from 1 today)	\$ 8,999,000	\$ 79,300,000
Foothill Transit	Transforming California: Bus Electrification, Service Expansion and Rail Integration	Purchase 20 zero-emission buses to extend Route 486 to the Pomona Metrolink station and increase frequencies	\$ 5,000,000	\$ 16,580,000
City of Fresno	Metropolitan Rapid Transit and Rail Connectivity Project	Construct and purchase customer-focused corridor enhancements to increase ridership on Fresno's new bus rapid transit and high frequency routes	\$ 8,000,000	\$ 61,515,400
Los Angeles County Metro. Transportation Authority	Airport Metro Connector 96th Street Station/Metro Green Line Extension to LAX	Construct a new transit station that will link Los Angeles International Airport's new people mover to the Metro Green & Crenshaw Lines & bus service	\$ 40,000,000	\$ 206,149,224
Los Angeles County Metro. Transportation Authority	Metro Red Line and Purple Line Core Capacity Improvements	Construct LA Union Station improvements to allow Red and Purple Subway lines to offer more frequent service (4 min headways on each line)	\$ 69,209,000	\$ 162,000,000
LOSSAN Rail Corridor Agency	All Aboard: Transforming Southern California Rail Travel	Construct track improvements and lease 31 new Talgo rail cars for faster and more frequent service on Amtrak, Metrolink and Coaster	\$ 82,000,000	\$ 350,322,000
Orange County Transportation Authority	OC Streetcar and OCTA System-Wide Mobile Ticketing	Construct OC Streetcar project connecting Santa Ana and Garden Grove with zero-emission service and invest in system-wide mobile ticketing	\$ 28,000,000	\$ 292,735,000
Peninsula Corridor Joint Powers Board	Peninsula Corridor Electrification Project	Construct the Caltrain Electrification Project including new trainsets for more frequent and faster service	\$ 20,000,000	\$1,980,400,000
Sacramento Regional Transit District	Downtown/Riverfront Sacramento-West Sacramento Streetcar	Construct new streetcar line linking Sacramento and West Sacramento providing new zero-emission service	\$ 30,000,000	\$ 150,000,000
San Bernardino Associated Governments	Redlands Passenger Rail Project	Construct new rail system that will connect the University of Redlands and downtown San Bernardino with fast, frequent service	\$ 9,204,000	\$ 265,282,451
San Francisco Municipal Transportation Agency	Light Rail Modernization and Expansion Program	Purchase 10 expansion light-rail vehicles, for more capacity and improved service responsive to jobs and housing growth on a congested system	\$ 45,092,000	\$ 50,342,000
San Joaquin Regional Rail Commission	ACE Near-Term Capacity Improvement Program	Lengthen platforms for 8 car trains and purchase 1 Tier IV locomotive to allow busiest train to add seating capacity	\$ 16,459,000	\$ 18,959,000
Santa Clara Valley Transportation Authority	BART Silicon Valley Phase II Extension	Fund the BART to San Jose Phase II extension through funding for accelerated railcar procurement, connecting BART to HSR in 2026	\$ 20,000,000	\$ 246,918,000
			\$ 390,893,000	\$3,894,209,075