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June 20, 2017

TO: BOARD OF DIRECTORS

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

FROM: THERESE MCMILLAN
CHIEF PLANNING OFFICER

SUBJECT: BOARD MOTIONS RELATED TO MEASURE M
GUIDELINES (ITEM 38 FOR JUNE 2017 BOARD
MEETING)

ISSUE

On June 22, 2017, the Metro Board of Directors will consider for approval the adoption of the Measure M Master Guidelines, following public review (Item 38). The current Board agenda includes four motions (Attachment A) introduced for consideration. This Board Box is prepared in response to a request by the Board Chair for staff to review and provide comment.

DISCUSSION

Motion 38.1 (Motion by Hahn, Butts and Garcia Regarding Measure M Revised Local Return Guidelines)

Part A of this motion requests creation of an additional Sub-Regional local return as a program. While, there is no additional funding available within Measure M for new programs, the current draft Guidelines provide flexibility with the Multi-year Subregional Programs (MSP) to supplement the Local Return Funds, subject to the eligibility criteria and the 5 year plan requirements within the MSP Guidelines.

Part B of the motion directs the provision of an administrative and financial process for the smaller cities. The current draft Guidelines for the MSP process speaks to the 5 year plan development for MSP projects, to include consensus

within the subregion and outreach in the community. This should help the smaller cities advocate for their needs.

Part C requests a one mile restriction to be eliminated from the Highway Operational Improvements category within the MSP. Staff agrees that this may be too restrictive and that on a case by case basis, a nexus to the highway and its improvement should/could be considered.

Motion 38.2 (Motion by Directors Garcetti and Butts Regarding Measure M Master Guidelines - Visionary Projects)

This program should be eligible for private sector organizations, as long as they have a public partner. New and innovative technology solutions should be encouraged, but they should relate to mobility improvements that are accessible to all citizens.

Unsolicited proposals for visionary projects are already accepted by Metro under our unsolicited proposal policy.

Motion 38.3 (Motion by Garcia, Bonin, Solis and Hahn Regarding Measure M Master Guidelines -- Highway Subfunds)

The Metro Board of Directors in its continuous efforts to promote smart and functional land use, reduce automobile dependency, encourage multi-modal trips, improve traffic operations, and maximize the use of the latest available technologies to enhance the performance of the existing transportation system to minimize impacts of the regional traffic on the communities in Los Angeles County desires to put significant emphasis on demand management/control to complement our investment in operational improvements and mobility enhancement projects.

In order to initiate this vision and accelerate initiation and implementation of demand management projects, staff recommends that the current motion action be revised to authorize up to 10% of the funds currently allocated to various subregional highway improvement categories to active transportation, Complete Streets, and innovative non-automobile transportation mobility projects on local streets, arterials, and conventional highways, based on validation of the effectiveness of those projects in reducing traffic demand on the SHS to allow the subregions/local agencies to provide alternative transportation modes supported by complimentary strategic land use policies to reduce the need for automobiles at local level, reduce regional travel demand on the State Highway System, reduce congestion, and free up capacity on the roadway network in Los Angeles County.”

Further, staff agrees that Level of Service (LOS) is no longer the exclusive performance metric for the SHS. Metro recognizes that State statute is changing the basis for evaluating Highway performance as part of CEQA (SB743). The regulatory process is underway which recognizes LOS and Vehicle Miles Traveled (VMT). For example, the cities of Pasadena and Los Angeles have transitioned to VMT already. As such, implementation of the Measure M Guidelines will be consistent with the regulatory process attached to those statutory provisions.

Of note, Staff reported to the Board in January that we had initiated our internal review of the impact of a change in the regulatory process from LOS and VMT. Staff will report back to the Board later this year on the impact to Metro's program of projects.

Motion 38.4 (Motion by Garcia, Butts and Hahn Regarding Measure M Master Guidelines - 3% Local Contribution For Transit System Connectivity Projects)

The current draft Guidelines specify that any funds controlled by the local agencies are eligible to satisfy the 3% Local Contribution requirement. This includes General Fund, State Gas Tax Subventions, Prop. A, Prop. C, and Measure R and M Local Return Funds. The Guidelines also allow Measure M Multi-year Sub-regional Program Funds to be used to meet the Local Contribution requirement, subject to eligibility for those sub-regional funds. In addition to the Multi-year Sub-regional Funds process, which requires sub-regional consensus as part of developing the Five Year Plan, cities and/or subregions can agree to redistribute the 3% Local Contribution obligation.

In-kind contributions also provide opportunities for local agencies to satisfy the 3% Local Contribution requirement. For project costs included at the conclusion of thirty percent (30%) final design, the current draft Guidelines allow local agencies to meet the local contribution requirement through in-kind contributions including, but not limited to, staff time spent working on the project, by providing needed right-of-way or waiving permitting fees.

NEXT STEPS

Metro Board will consider the motions and the adoption of the Guidelines at the June Regular Board Meeting.

ATTACHMENT

Attachment A – Item 38 Motions from the Regular Board Meeting Agenda
Attachment (add if necessary)

**PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL AS
AMENDED (4-0) AND CONSTRUCTION COMMITTEE RECOMMENDED APPROVAL (4-0):****38. SUBJECT: MEASURE M MASTER GUIDELINES** 2017-0280

CONSIDER:

- A. RECEIVE AND FILE report from the Policy Advisory Council (PAC) on the Draft Measure M Master Guidelines (Attachment A);
- B. ADOPT the Measure M Master Guidelines; and
- C. AUTHORIZE the Chief Executive Officer to enter into Memorandums of Understanding (MOUs) and Assurances and Understandings with Included and Eligible Municipal Operators, Metrolink, Access Services and Los Angeles County jurisdictions for Measure M funding allocations and distribution, consistent with applicable Measure M Guideline provisions.

Amendment by Solis to remove the following text under "3% Local Contribution to Major Transit Projects" (page 4, bullet 4 of the report):
"...this may include assignment of this obligation to the Supervisorial District in which the project is located."

Attachments: Attachment A- Final PAC comments on Revised M Guidelines
 Attachment B - Measure M Master Guidelines 6.13
 Attachment C - Public Comments Summary
 Attachment D - Administrative Guideline Development Timeline

PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL (4-0):**38.1 SUBJECT: MOTION BY HAHN, BUTTS AND GARCIA REGARDING** 2017-0443
MEASURE M REVISED LOCAL RETURN GUIDELINES

WE THEREFORE MOVE that this Board direct the CEO to include the following recommendations to the development of Administrative Guidelines for the Sub-region, Multi-Year Sub Region, and/or Sub-regional Equity funds, as recommended in the revised final Measure M Guidelines, to ensure a potential avenue and a mechanism that small cities are enabled to augment local return at the discretion of each sub-region:

- A. CREATE an additional Sub-Regional local return as a program as part

of annual sub-region planning;

- B. PROVIDE an administrative and financial process where smaller cities can bring their "need based" projects annually; and
- C. ELIMINATE the language of "1 mile restriction" from the Highway Operational Improvement Sub-funds from the Final Measure M Guidelines.

FURTHER direct the CEO to report back December 2017 Metro Board cycle in accordance with the Guidelines' Administrative Development Timeline.

PLANNING AND PROGRAMMING COMMITTEE RECOMMENDED APPROVAL (4-0):

38.2 SUBJECT: MOTION BY DIRECTORS GARCETTI AND BUTTS REGARDING MEASURE M MASTER GUIDELINES - VISIONARY PROJECTS 2017-0453

WE MOVE that the MTA Board direct the CEO to:

- A. Allow private organizations to be eligible for Visionary Project Seed funding for predevelopment purposes. An MTA policy shall be established to oversee the use of these funds.
- B. To maximize pioneering transportation solutions, include under the "Eligible Projects" section, the following criteria:
 - 1. Connectivity to major trip generators
 - 2. Use new and innovative technology solutions, beyond transit solutions.
 - 3. Provides innovation and reduces project costs compared to conventional delivery methods.
- C. Allow the use of unsolicited proposals using MTA existing policies.
- D. The criteria and selection process shall be developed and adopted within 6 months.

38.3 SUBJECT: MOTION BY GARCIA, BONIN, SOLIS AND HAHN REGARDING MEASURE M MASTER GUIDELINES HIGHWAY SUBFUNDS 2017-0459

WE THEREFORE MOVE that the Measure M Guidelines' definitions of "Operational Improvements" for Highway Subfund Projects be amended to include Active Transportation, Complete Streets, and Innovative Mobility Transportation projects as an eligible expenditure of these funds, and replacing references to "Level of Service" with "Vehicle Miles Traveled," per State CEQA guidance, so that these funds may be spent on operational improvements for movement of people traveling on foot, by bike, or by transit, in addition to automobile travel, in order to optimize the movement of people by all modes, not just vehicular travel.

- 38.4 SUBJECT: MOTION BY GARCIA, BUTTS AND HAHN REGARDING MEASURE M MASTER GUIDELINES - 3% LOCAL CONTRIBUTION FOR TRANSIT SYSTEM CONNECTIVITY PROJECTS** 2017-0460

WE THEREFORE MOVE that, during its continued development of Measure M Master Guidelines noted in the guidelines' Attachment D, Metro develop further options for the identification and utilization of funding sources, separate from Local Return, that could be available to any local jurisdictions to partially or fully fund the 3% local match for those major transit projects designated for system connectivity purposes.

EXECUTIVE MANAGEMENT COMMITTEE RECOMMENDED APPROVAL (3-0) AS AMENDED:

- 43. SUBJECT: BOARD RULES AND PROCEDURES** 2017-0424

AMEND Section 6.6 (Board Travel Expenses), Board Rules and Procedures of the Los Angeles County Metropolitan Transportation Authority ("Metro"), as set forth in Attachment A.

Attachments: ATTACHMENT A - Board Rules and Procedures

- 43.1 SUBJECT: AMENDMENT BY FASANA AND KUEHL REGARDING BOARD RULES AND PROCEDURES** 2017-0455

WE THEREFORE MOVE that the Board AMEND Section 6.6 (Board Travel Expense) of the Board Rules and Procedures to include the following text:

Metro will reimburse the travel expenses, in conformance with Metro Travel and Business Expense Policy (Policy #FIN14), for Board deputies' travel to Washington D.C. and Sacramento for Metro legislative purposes when accompanying the Director to whom the deputy reports or when acting on that Director's behalf. Exception to this Travel Policy may be