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TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE 
CHIEF EXECUTIVE OFFICER

FROM: CAROL INGE 
CHIEF PLANNING OFFICER

**SUBJECT: FUNDING OPPORTUNITY THROUGH FEDERAL
URBAN PARTNERSHIP INITIATIVE**

ISSUE

The U.S. Department of Transportation (USDOT) has invited metropolitan areas to enter into cooperative partnership agreements with the USDOT to help mitigate urban congestion. The USDOT also has invited metropolitan areas to submit applications by April 30, 2007 for approximately \$100 million in federal funds to be distributed under its Urban Partnership Initiative to Mitigate Congestion ("the Urban Partnership Initiative"). Countywide Planning and Development staff have met with staffs from the City of Los Angeles Department of Transportation (LADOT), Caltrans, the County of Los Angeles, the Southern California Association of Governments (SCAG), the City of Long Beach and the Ports of Los Angeles and Long Beach to explore options for submitting a joint Urban Partnership Initiative application with Metro to the USDOT.

BACKGROUND

In December 2006, the USDOT established a national Urban Partnership Initiative and invited metropolitan areas to enter into cooperative partnership agreements with the USDOT to help mitigate urban congestion. The partnerships would emphasize the "4 Ts" – Tolling (congestion pricing and supporting strategies), Transit (expanding express bus, bus rapid transit, etc.), Telecommuting, and Technology. The USDOT is looking to enter into as many as ten of these cooperative partnership agreements nationwide.

In January 2007, the USDOT published a Request for Applications through the Federal Highway Administration (FHWA). The Request seeks proposals that would result in up to five funding agreements with metropolitan areas to develop projects that would demonstrate, operate, and evaluate innovative technologies and systems to help mitigate urban congestion. In addition to highway specific technologies, eligible projects could include planning and engineering studies for and actual implementation of signal priority systems for buses,

contact-less fare collection, real-time travel information (e.g., bus arrival time indicators), incident detection, and vehicle locator systems – all of which Metro already has developed and funded projects for implementation. Proposals containing technologies combined with congestion mitigation strategies such as congestion pricing, *expansion of transit capacity (emphasis added)*, and telecommuting are specifically encouraged.

After reviewing the proposals, the USDOT anticipates making one-to-five cooperative awards not to exceed a total of approximately \$100 million in federal discretionary funds. The \$100 million in funding is projected to become available over a three-year period under the Urban Partnership Initiative's Operation Testing to Mitigate Congestion (OTMC) program. Funding for the cooperative agreements is authorized under the federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), with an 80-20 matching ratio. The 20% local match can be in-kind equipment and facilities contributions in lieu of cash.

Urban Partners with USDOT agreements would get preference under the \$100 million in federal funding available for congestion mitigation, as well as other federal funding that may be available under the Federal Transit Administration Small Starts program. Joint applications with key regional players (such as Metro, LADOT, Caltrans, County of Los Angeles, SCAG, the City of Long Beach and the Ports of Los Angeles and Long Beach) are being encouraged. If selected as a USDOT Urban Partner, Metro also would need to enter into cooperative partnership agreements with those Los Angeles County agencies responsible for implementing proposed projects.

NEXT STEPS

As Metro is the Regional Transportation Planning Agency for Los Angeles County, Metro staff will be taking the lead on the Urban Partnership Initiative. The April 30, 2007 deadline for submitting applications to the USDOT is approaching quickly, so Metro must achieve consensus with other Los Angeles regional partners on eligible projects and then proceed with preparing and submitting the applications to the USDOT. Countywide Planning will prepare the applications for the Urban Partnership Initiatives cooperative agreement and the discretionary funding available under the \$100 million OTMC program.

On March 21, 2007, the USDOT will be holding an Urban Partnership Initiative workshop at their Washington, D.C. headquarters to review what they expect to see in applications, particularly proposals for congestion pricing and supporting strategies. Countywide Planning staff plan to attend the workshop and use the opportunity to meet with key federal program officials and express Los Angeles County's interest in the program to them.

We plan to prepare and present a Board Report on the status of the Urban Partnership Initiative applications next month. We also will continue to keep the Board apprised of future developments as they occur.