



Metro

Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

SEPTEMBER 29, 2011

TO: BOARD OF DIRECTORS

THROUGH: ARTHUR T. LEAHY *ATL*
CHIEF EXECUTIVE OFFICER

FROM: MARTHA WELBORNE, FAIA *MW*
EXECUTIVE DIRECTOR, COUNTYWIDE PLANNING

SUBJECT: FEDERAL DISCRETIONARY GRANT APPLICATIONS UPDATE

ISSUE

In our August 5, 2011 memo to the Board of Directors we had indicated that we planned to submit grant applications under various discretionary grant opportunities that the Federal Transit Administration (FTA) made available. During the period of August 23-September 16, 2011, we submitted five (5) grant applications to the FTA requesting about \$21.3 million from four different programs for the projects listed in Attachment A. Among the grant applications is a request of \$2.0 million in funding assistance from the Veterans Transportation and Community Living Initiative (VTCLI) that the Bus and Bus Facilities Program funds. Additionally, we identified two projects for which we may submit Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants applications to the United States Department of Transportation (USDOT) by the October 31, 2011 deadline, as listed in Attachment B.

DISCUSSION

In our August 5, 2011 memo we informed you about our submittal of six grant applications to the FTA requesting \$121.3 million in funding assistance from the Bus and Bus Facilities Program. We also indicated that we planned to submit four additional grant applications requesting funds from the Clean Fuels Grant Program, the Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) Program, and the Transit Climate Change Adaptation Assessment Pilots Program. Furthermore, we had indicated that we would continue working on identifying potential project(s) for which we could submit grant applications to request discretionary Bus and Bus Facilities funds in support of the Veterans Transportation and Community Living Initiative (VTCLI), as well as TIGER funds. The VTCLI and TIGER grant opportunities are further described in this memo.

VTCLI Grant Application

On September 16, 2011, we submitted a grant application to FTA requesting \$2.0 million (total project cost of \$2.5 million) in federal funds. Consistent with FTA's guidelines, our funding request is for the maximum grant possible from the \$30 million that FTA made available nationwide for capital assistance in support of one-call/one-click transportation resource centers to simplify access to transportation by veterans and other groups. We submitted our grant application in partnership with the Los Angeles County Service Authority for Freeway Emergencies (LASAFE), with LACMTA as the lead agency. LASAFE, which provides Southern California 511 traveler information services, committed to provide the required 20% local match (\$0.5 million). The grant would be used to fund capital improvements that would allow the expansion of services provided by the Southern California 511 automated call center to address the transportation needs of veterans and other transportation disadvantaged populations in Los Angeles County.

FTA requires grant applicants for VTCLI funds to form partnerships with four types of organizations: transportation organizations, veteran/military service, veteran/military governmental service providers, and existing one-call/one-click service or transportation centers. To meet this requirement, LASAFE staff contacted Veterans Affairs and the Armed Forces Services Corporation (among other agencies). As a result, LACMTA received a letter from the Office of the Secretary of Defense- Wounded Warrior Care and Transition Policy expressing support for our grant application, including conducting outreach for its service population. We are still awaiting the Veterans Affairs endorsement of the grant application. The FTA will announce project selections in Fall 2011.

TIGER Grant Application

On August 12, 2011, USDOT released the final Notice of Funding Availability (NOFA) for TIGER Discretionary Grants. It included no substantive revisions to the interim notice that USDOT had released on July 1, 2011. According to the NOFA:

- No more than 25% of the \$526.9 million made available (or \$131.7 million) may be awarded to projects in a single state;
- Not less than \$140 million of the funds provided is for projects in rural areas;
- Grants may be not less than \$10 million (except \$1 million in rural areas);
- The USDOT Secretary may retain up to \$25 million for oversight;
- Projects must be on national, regional, or metropolitan significance;
- TIGER funds must be obligated no later than June 30, 2013;
- Minimum required 20% local matching funds need to be identified and committed;
- National Environmental Policy Act (NEPA) requirements must be completed or underway;
- The project is included in the relevant state, metropolitan, and local planning documents, or will be included (if applicable);
- No more than three grant applications per agency applying as the lead applicant.

The NOFA requires applicants to submit pre-applications for candidate projects to USDOT by October 3, 2011. Final applications are due to USDOT by October 31, 2011. Following the review of final applications, USDOT is expected to announce project selections in Winter 2012.

Considering the deadlines, we identified a short-list of candidate projects based on their eligibility for TIGER funds, readiness for implementation, and other factors (e.g., NEPA requirements complete or underway, etc.). With no state eligible to receive more than \$131.7 million of available TIGER funds, the short-list of potential projects resulted in the following two proposals:

- Crenshaw/LAX Light Rail Transit Project: request of \$130 million to complete the project's funding plan to allow for the extension of a below-grade alignment between 39th Street north to the Exposition Line and a below-grade station at Crenshaw Boulevard and Vernon Avenues to serve the Leimert Park Village commercial district. The local match would come from Measure R funds that would be applied to a total project cost which would be \$1.845 billion if the full request were granted; and,
- State Route 2 Terminus Improvements: request of \$15.5 million for the relocation of the diamond interchange off-ramp from right shoulder to the left shoulder of the freeway, among other improvements. With no local funds committed for the project, toll credits were considered as an alternative to providing the minimum required local match of 20% of the total project cost. Currently, the State of California has a balance of about \$5.7 billion in toll credits earned from capital transportation investments that were funded with toll revenues on existing toll facilities statewide. Toll credits are not additional federal funds, but allow projects to receive up to 100% in federal reimbursements for participating work. USDOT approval of the use of toll credits would result in a 100% federally funded project, which is also funded with a federal earmark of \$9.3 million, for a total project cost of \$24.8 million.

NEXT STEPS

We will continue working to secure the Veterans Affairs endorsement for our VTCLI grant application. Also, we will submit the TIGER Discretionary Grants applications for the two projects that we have identified in Attachment B by the October 2011 deadlines. We will continue to keep the Board informed about our efforts for seeking further federal discretionary grant opportunities.

ATTACHMENTS

- A. FTA Discretionary Grant Opportunities: List of Projects for which Grant Applications were Submitted During August 23-September 16, 2011.
- B. USDOT TIGER Discretionary Grants: List of Potential Projects for Which Grant Applications May Be Submitted by October 31, 2011.

FTA DISCRETIONARY GRANT OPPORTUNITIES
LIST OF PROJECTS FOR WHICH GRANT APPLICATIONS WERE SUBMITTED DURING AUGUST 23- SEPTEMBER 16, 2011

PROGRAM NAME/ Project Name	Brief Description	Total Cost (\$)	Grant Request (\$)	Local Match (\$) ¹
CLEAN FUELS GRANT PROGRAM	Submitted to FTA on August 23, 2011 Available Funding: \$51.5 million nationwide			
1. CNG Bus Replacement	Procurement of 50 compressed natural gas replacement buses.	\$23,600,000	\$11,800,000	\$11,800,000
Total		\$23,600,000	\$11,800,000	\$11,800,000
TIGGER PROGRAM	Submitted to FTA on August 23, 2011 Available Funding: \$49.9 million nationwide			
1. Metro Blue Line Auxiliary Inverter Replacement Project	The scope of work consists of the replacement of the motor alternator sets of the 69 vehicles that provide service on the Metro Blue Line with new state of art power saving static inverters. In addition to energy savings, the proposed project will reduce mainline failures and service delays. It will also reduce overhaul and labor costs.	\$3,210,000	\$3,210,000	\$0
2. Metro Red Line Subway Wind Energy Project	The scope of work consists of the installation of ten 100-kilowatt micro wind turbines within a segment of the Metro Red Line tunnel system (about 2.2 miles between the Universal City Station and the North Hollywood Station) to capture wind energy generated by the movement of trains that will be converted into DC current to provide propulsion power to Metro Red Line trains and to provide power to subway stations.	\$5,090,000	\$4,070,000	\$1,020,000
Total		\$8,300,000	\$7,280,000	\$1,020,000
TRANSIT CLIMATE CHANGE ADAPTATION ASSESSMENT PILOTS PROGRAM	Submitted to FTA on August 25, 2011 Available Funding: \$525,000 nationwide			
1. Transit Climate Change Adaptation Pilot Program	The objectives of the Pilot Program are to: 1) Capitalize on current MTA climate change adaptation work and link these results to MTA's organizational structure and activities including the development of implementation tools using Environmental Management System Principles; 2) Develop a set of metrics against which adaptation strategy performance could be measured; and, 3) Develop and implement an outreach plan to create and integrate climate adaptation awareness in other sectors of the region.	\$350,000	\$175,000	\$175,000
Total		\$350,000	\$175,000	\$175,000
BUS AND BUS FACILITIES PROGRAM (VETERANS TRANSPORTATION AND COMMUNITY LIVING INITIATIVE)	Submitted to FTA on September 16, 2011 Available Funding: \$30 million nationwide			
1. Southern California 511 One-Call/One-Click Transportation Resource Center Expansion ²	Submitted in partnership with Los Angeles County Service Authority for Freeway Emergencies (LASAFE). The scope of work consists of capital improvements that would allow the expansion of services provided by the Southern California 511 automated call center to address the transportation needs of veterans and other transportation disadvantaged populations in Los Angeles County.	\$2,500,000	\$2,000,000	\$500,000
Total		\$2,500,000	\$2,000,000	\$500,000
GRAND TOTAL		\$34,750,000	\$21,255,000	\$13,495,000

1. The TIGGER Program and the Transit Climate Change Adaptation Assessment Pilots Program allow up to 100% federal share of the total project's cost. However, applicants requesting a lower federal share may be given a higher rating in FTA's evaluation process. The minimum local match for projects funded under the Clean Fuels Grant Program is 17% of the total project cost.

2. Local match to be provided by LASAFE. A minimum local match of 20% of the total project cost is required.

USDOT TIGER DISCRETIONARY GRANTS
LIST OF POTENTIAL PROJECTS FOR WHICH GRANT APPLICATIONS MAY BE SUBMITTED BY OCTOBER 31, 2011

PROGRAM NAME/ Project Name	Brief Description	Total Cost (\$)	Grant Request (\$)	Local Match (\$)
TIGER DISCRETIONARY GRANTS	<p style="text-align: center;">Pre-applications due to USDOT by October 3, 2011 Final applications due to USDOT by October 31, 2011 Available Funding: \$526.9 million nationwide</p>			
1. Crenshaw/LAX Light Rail Transit Project ¹	Construction of an 8.5-mile light rail transit line, including the construction of seven transit stations, the procurement of a minimum of 20 light rail vehicles, and the construction of a full service maintenance facility (including off-street parking). The scope of work includes the extension of a below-grade alignment between 39 th Street north to the Exposition Line and a below-grade station at Crenshaw Boulevard and Vernon Avenues to serve the Leimert Park Village commercial district.	\$1,845,000,000	\$130,000,000	\$1,617,000,000
2. State Route 2 Terminus Improvements ²	Relocation of the off-ramp from the right shoulder to the left shoulder of the freeway and demolition of exiting off-ramp for open space, soundwalls, ramp metering, and extension of a raised median to include landscaping on Glendale Blvd., among other improvements.	\$24,800,000	\$15,500,000	\$0
Total		\$1,869,800,000	\$145,500,000	\$1,617,000,000

1.Total project cost would be \$1.845 billion if the full request were granted. The project's funding plan assumes \$98 million in other federal funds.

2.The project's total cost includes \$9.3 million from a federal earmark. Toll credits are proposed as an alternative to the required local match.