

JULY 1, 2003



Metropolitan
Transportation
Authority

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TO: BOARD OF DIRECTORS
THROUGH: 
ROGER SNOBLE
CHIEF EXECUTIVE OFFICER
FROM: JAMES L. de la LOZA, EXECUTIVE OFFICER 
COUNTYWIDE PLANNING AND DEVELOPMENT
SUBJECT: 2003 CALL FOR PROJECTS & SUMMARY OF 2001
FUNDING

ISSUE

Through the Call for Projects, the Los Angeles County Metropolitan Transportation Authority (MTA) programs federal, State, and local transportation funds for multimodal transportation projects throughout Los Angeles County. Based on Board direction at its December 2002 meeting, staff has proceeded with implementing the 2003 Call for Projects process. Because the Call relies in part on uncertain State funding that will not be clarified until September, staff has updated the schedule for completing the 2003 Call for Projects accordingly. Staff proposes to present preliminary recommendations to the Board at a Special Workshop in mid-January 2004 and final recommendations on February 26, 2004. Meanwhile, processing and evaluation of the 385 Call applications received will continue.

BACKGROUND

MTA is required by federal and State statutes to prepare a Transportation Improvement Program (TIP) for Los Angeles County. The TIP allocates revenues across all transportation modes based on analysis of Los Angeles County mobility needs and the planning requirements of the Transportation Equity Act for the 21st Century (TEA-21). MTA addresses this mandate in part by programming revenues through the Call for Projects. The Call for Projects is a competitive process that allows cities, the County, transit operators and other public agencies responsible for transportation facilities or services within Los Angeles County to submit grant applications for transportation funding.

2003 Call for Projects Process

MTA formally initiated the 2003 Call for Projects in August 2002 to fund new transportation projects for FYs 2004-2009. After carefully deliberating the impacts of the State budget situation, the Board of Directors at its December 2002 meeting decided to proceed with the 2003 Call process and approved the draft application package. MTA notified prospective project sponsors and elected officials that the deadline for submitting applications was extended by two months to March 28, 2003.

The extension to the deadline allowed more time for project sponsors to develop their project applications. Following the March 28, 2003 deadline, MTA received 385 applications totaling about **\$2.8 billion** in funding requests for projects with total costs of over **\$5.5 billion**.

Meanwhile, MTA staff has monitored the impact of the State budget shortfall to determine how much funding will be available for the pending 2003 Call for Projects. Since the 2003 Call programs funds primarily for FY 2008 and FY 2009, it is possible that some funding will be made available. However, a credible estimate of funding for the 2003 Call will not be possible until late-September for several reasons:

- Ongoing year-over-year State budget negotiations will continue to make the status of the Traffic Congestion Relief Program funding unclear; even with the protections gained by Proposition 42;
- Congress is expected to reauthorize all Federal transit and highway funding a six-year period this fall; and
- Caltrans will not discuss a draft Fund Estimate for the 2004 State Transportation Improvement Program (STIP) until late September 2003. Further, the California Transportation Commission will not formally approve the 2004 STIP Fund Estimate until October 30, 2003.

Unfortunately, resolution of the above matters has a profound effect on the uses and availability of local sales tax revenues, so it also not possible to estimate the availability of those funds at this time. MTA staff continues to monitor these and other transportation funding issues at the State and federal levels. As a result, the schedule for the 2003 Call for Project evaluation process and adoption has been extended to reflect the timetable for the CTC's decision-making.

Summary of 2001 Funding

By way of further background, the following is a summary of the original fund estimate for the 2001 Call for Projects and funding types used. \$895.9 million was projected to be available, just over two thirds of which was forecasted from State Regional Improvement Program funds. The actual amount that was programmed in Los Angeles County by the California Transportation Commission exceeded the estimate below by \$97.4 million. In November 2001, the MTA Board acted to program the additional funds to several regionally significant projects. No other fund estimates changed.

- **State funding \$609.8 million (68%)**
 - Regional Improvement Funds \$609.8 million (68%)
- **Federal funding \$174.4 million (19.5%)**
 - Congestion Mitigation and Air Quality Improvement Program Funds (CMAQ) \$121.9 million (13.6%)
 - Transportation Enhancements Activities (TEA) funds \$52.5 million (5.9%)

- **Local funding \$111.7 million (12.5%)**
 - Proposition C 25% Highway Related Transit Uses \$76.3 million (8.5%)
 - Proposition C 10% Commuter Rail, Transit Centers and Park and Ride Lots \$35.4 million (4%)

NEXT STEPS

MTA staff will continue to proceed with the processing and evaluation of the 2003 Call for Projects and tentatively plans to present preliminary recommendations to the Board in mid-January 2004. Staff plans to bring the Call for Projects to the Board for its consideration on February 26, 2004. The highlights of the 2003 Call for Projects process are as follows:

- April – October Project Application Evaluation Period
- September 24, 25 CTC Decision on STIP Fund Estimate
- November 14 Preliminary Staff Recommendations Released to Public
- November 19 Special TAC Meeting to Review Preliminary MTA Staff Recommendations
- December 2-4 TAC Hears Applicant Appeals and Makes Recommendations for the MTA Board Workshop
- December 10 TAC Meets to Formalize Recommendations
- Mid-Jan 2004 Special MTA Board Workshop
 - Board Reviews Staff and TAC Recommendations
 - Board Provides Input on Project Rankings
- February 4 TAC Reviews MTA Board Member Requests and Rankings and Takes Action on 2003 Call for Projects
- February 19 Planning and Programming Committee Action on Call for Projects
- February 26, 2004 MTA Board Action on 2003 Call for Projects