



**Metro**

Metropolitan Transportation Authority

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April 14, 2006

**TO:** BOARD OF DIRECTORS

**THROUGH:** ROGER SNOBLE  
CHIEF EXECUTIVE OFFICER

**FROM:** CAROL INGE  
CHIEF PLANNING OFFICER

**SUBJECT:** REVISED FULL FUNDING PLAN AND PROGRAMMING FOR  
PHASE I OF EXPOSITION LIGHT RAIL TRANSIT PROJECT

**ISSUE**

Since April 2005, Countywide Planning and Development has continued to follow direction that the Board of Directors had established for pursuing a combination of federal non-New Starts funding [Congestion Mitigation and Air Quality Improvement program (CMAQ)] and local funds (Proposition C 25%) for Phase I of the Exposition Light Rail Transit Project (Expo Phase I). Two recent developments in state transportation funding involving the State Transportation Improvement Program (STIP) and the Traffic Congestion Relief Program (TCRP) have significantly modified the planned funding for Expo Phase I. With this report, Countywide Planning is informing the Board of the new approach to funding Expo Phase I and its ancillary impacts, including the anticipated re-programming of funds made available due to the new approach.

**DISCUSSION**

The Expo Phase I project is included in the Southern California Association of Governments' 2004 Regional Transportation Plan and in the 2001 Long Range Transportation Plan for Los Angeles County. Funds previously committed to Expo Phase I, which are already expended or continue to be available, are shown in Table 1 on the following page. The Board of Directors committed to a "locally focused" Full Funding Plan as shown in Table I because of the concern over the availability of state funds due to the State Budget shortfall, the lack of availability of federal New Starts funding, and the need to maintain the schedule for designing and constructing Expo Phase I.

## Significant Developments After Board Adoption of Full Funding Plan

Subsequent to the Board of Directors adopting the Full Funding Plan in April 2005 (see Table 1 below), two significant developments in state transportation funding occurred that have impacted the composition of the Full Funding Plan. First, in September 2005, the California Transportation Commission (CTC) adopted the 2006 STIP Fund Estimate. The Fund Estimate forecasted that almost three-fourths of the \$1.8 billion available statewide would be transit-only Public Transportation Account (PTA) funds. In response, Countywide Planning moved to align the \$314.7 million Los Angeles County STIP Share with the transit-only PTA funds expected to be available by proposing to use the entire \$314.7 million on the Expo Phase I.

We expect that the CTC will approve our \$314.7 million PTA request on April 27, 2006, when the CTC adopts the 2006 STIP. At the CTC's 2006 STIP South Hearing held here at our Gateway headquarters on March 9, 2006, we received very positive feedback from both CTC commissioners and staff about our request. In or after July 2007, Countywide Planning will be following up with an allocation request to the CTC for these funds.

**Table 1: Prior Full Funding Plan for Expo Phase I**

Agency or Organization	Fund Source	Amount
U.S. Department of Transportation	Federal Congestion Mitigation and Air Quality Improvement (CMAQ)	\$215.0 M
Metro	Local Proposition C 25% Transit-Related Highway (Prop C 25%)	\$335.4 M
U.S. Department of Transportation	Federal Transportation Enhancements Activities (TEA)	\$ 13.6 M
U.S. Department of Transportation	Other Federal Discretionary	\$ 15.0 M
City of LA, Culver City, & USC	Local Contributions	\$ 50.0 M
State of California	Traffic Congestion Relief Program	\$ 11.0 M
State of California	2006 STIP Los Angeles County Share	--
<b>Total</b>		<b>\$640.0 M</b>

The second significant development in state transportation funding was the Governor's January 2006 decision to permit Proposition 42 TCRP funds to be transferred to transportation uses from the General Fund in the FY 2006-07 State Budget. For the past three years, a proclamation of the Governor and a two-thirds vote of the legislature had suspended the transfer of these funds to transportation. Without either the proclamation or the two-thirds vote, Proposition 42 forces funds to be transferred to transportation uses and does not allow funds to be retained in the General Fund.

In response to the Governor's decision not to issue a proclamation for FY 2006-07, the CTC immediately began allocating FY 2006-07 funds to TCRP projects listed in statute. According to pre-established CTC guidelines, construction-ready TCRP projects and completed project phases with Letters of No Prejudice would be a high priority for allocation of the FY 2006-2007 TCRP funds. To ensure that Metro could capitalize on any breakthrough with the overarching state funding issues, Countywide Planning previously had submitted \$222 million in TCRP allocation requests for Expo Phase I in two parts. The first part was a \$208.1 million allocation for construction and the second part was a \$14 million allocation for the completed environmental/preliminary engineering phase of the Expo Phase I project. By March 16, 2006, the CTC had approved both allocations on the strength of the Governor's resolve not to issue a proclamation. Once the final design phase for Expo Phase I is completed, we will request a third allocation to liquidate a \$17 million Letter of No Prejudice. In total, the Governor's decision not to issue the proclamation will yield \$239 million of TCRP program funding not previously included in the original Expo Phase I Full Funding plan.

Taken together, the \$314.7 million in STIP funds and the \$239 million of TCRP funds dramatically will change the Full Funding Plan for the Expo Phase I project by allowing an anticipated total of \$554 million in state funding to replace a like amount in the \$640 million project budget. We believe that the revised Full Funding Plan for Expo Phase I will be fully functional after the CTC adopts the 2006 STIP, which would include our \$314.7 million PTA request, at their meeting on April 27, 2006. Table 2 shows the Full Funding Plan after the anticipated STIP funds and the now mostly committed TCRP funds are included:

**Table 2: Revised Full Funding Plan for Expo Phase I (Post CTC 2006 STIP Adoption)**

Agency or Organization	Fund Source	Amount
U.S. Department of Transportation	Federal Congestion Mitigation and Air Quality Improvement (CMAQ)	\$ 15.6 M
Metro	Local Proposition C 25% Transit-Related Highway (Prop C 25%)	\$ 24.9 M
U.S. Department of Transportation	Federal Transportation Enhancements Activities (TEA)	--
U.S. Department of Transportation	Other Federal Discretionary	--
City of LA, Culver City, & USC	Local Contributions	\$ 35.0 M
State of California	Traffic Congestion Relief Program	\$249.8 M
State of California	2006 STIP Los Angeles County Share	\$314.7 M
<b>Total</b>		<b>\$640.0 M</b>

In comparing Tables 1 and 2, one can see that previously assumed federal TEA and “Other Federal Discretionary” funds are no longer included in the Full Funding Plan. Similarly, the local contributions from the City of Los Angeles, Culver City, and/or USC are now reduced from \$50 million to \$35 million. Overall, these are positive developments for the Expo Phase I project because \$30 million in federal discretionary and local contributions have not yet been secured.

**Table 3: Funds Anticipated To Be Made Available and Planned Re-Assignments Due To Revised Full Funding Plan for Expo Phase I (Post CTC 2006 STIP Adoption)**

<b>Agency or Organization</b>	<b>Funds Anticipated To Be Made Available</b>	<b>Amount</b>	
U.S. Department of Transportation	Federal Congestion Mitigation and Air Quality Improvement (CMAQ)	\$199.4 M	
Metro	Local Proposition C 25% Transit-Related Highway (Prop C 25%)	\$310.5 M	
U.S. Department of Transportation	Federal Transportation Enhancements Activities (TEA)	\$ 13.6 M	
U.S. Department of Transportation	Other Federal Discretionary	\$ 15.0 M	
City of LA, Culver City, & USC	Local Contributions	\$ 15.0 M	
<b>Subtotal – Made Available</b>			<b>\$553.5 M</b>
	<b>Planned Re-Assignments</b>	<b>Amount</b>	
	Re-Assignment of Expo Funds Made Available by STIP	(\$314.7 M)	
	Re-Assignment of Expo Funds Made Available by TCRP	(\$ 6.0 M)	
	Re-Assignment of Expo Funds Made Available by TCRP and Backfilling for Other Federal Discretionary Funds	(\$ 15.0 M)	
	Re-Assignment of Expo Funds Made Available by TCRP and Backfilling for Local Contributions	(\$ 15.0 M)	
<b>Subtotal – Re-Assignments</b>			<b>(\$350.7 M)</b>
<b>Net Funds Made Available</b>			<b>(\$202.8 M)</b>

## **Funds Anticipated to be Made Available Due to Revised Full Funding Plan**

The Board of Directors already has given us direction on how to program \$314.7 million in STIP funds and \$6 million of TCRP funds to projects from the \$554 million that we anticipate to be made available as shown in Table 3 above. Such direction may be found in Agenda Item 35, "2006 Los Angeles County Transportation Improvement Program," from the December 2005 meeting where the Board selected projects to be funded with the STIP and TCRP funds (see attached copy of Attachment A, the 2006 Los Angeles County TIP project listing with descriptions and funding amounts, from the Item 35 Board Report). Many of those projects are eligible for both the CMAQ and Proposition C 25% funds that we anticipate to be made available from the revised Full Funding Plan for Expo Phase I. This flexibility will permit us to assign eligible projects with the appropriate amounts of CMAQ or Proposition C 25% funds.

In addition, once we account for the \$30 million decrease in federal discretionary funding and local contributions, there will be \$203 million in remaining funds that we anticipate to be made available and that the Board will have an opportunity to re-program the remaining funds to eligible projects. The \$203 million in remaining funds that we anticipate to be made available will come from the CMAQ, Proposition C 25% and TEA amounts shown in Table 3. We expect to bring a recommendation to the Board on how to re-program these remaining funds, after we complete our analyses for recommendations that we plan to provide for the Long Range Transportation Plan Update in Summer 2006.

### **NEXT STEPS**

The CTC is scheduled to adopt the 2006 STIP on April 27, 2006. CTC commissioners and staff have given us very positive feedback on the Los Angeles County portion of the 2006 STIP, including our \$314.7 million PTA request for Expo Phase I. If the CTC adopts the 2006 STIP with our \$314.7 million PTA request, we will be seeking a project-specific CTC allocation vote for Expo Phase I in or after July 2007.

For the \$203 million in remaining funds that we anticipate to be made available from the revised Full Funding Plan for Expo Phase I, we expect to bring a re-programming recommendation to the Board after we complete our analyses for recommendations that we plan to provide for the Long Range Transportation Update. We expect the analyses to be completed and the recommendations developed with the Long Range Transportation Plan Update in Summer 2006.

2006 Los Angeles County Transportation Improvement Program

FY 2007 thru FY 2011

(\$'000s)

Project Description	Estimated Total Project Costs 08/05	Project Costs Programmed to Date	Estimated Total Costs thru 2011	Additional Funds Required thru 2011						
				Total	FY 07	FY 08	FY 09	FY 10	FY 11	
SR - 60 Carpool Lanes: I - 605 to Brea Canyon Road	116,700	74,000	116,700	42,700	-	-	-	-	-	-
I-5 Carpool Lanes: SR-170 to SR-118	310,270	154,310	310,270	-	-	35,980	77,730	42,250	-	-
I-10 Carpool Lanes: I-605 to Puente Ave	165,970	115,800	165,970	-	-	-	16,460	33,760	-	-
I-5 Carmenita Road Interchange Improvement	247,620	186,600	247,620	61,020	-	-	-	-	-	-
I-5 Carpool & Mixed Flow Lanes: I-605 to Orange County Line	1,167,850	610,000	667,700	-	-	-	-	-	-	57,700
I-5 / SR-14 Carpool Lanes Direct Connector	126,600	80,940	126,600	-	-	-	39,910	5,750	-	-
I-5 Carpool Lanes: SR-134 to SR-170 (1)	489,620	300,300	489,620	-	-	-	44,620	61,640	-	-
I-10 Soundwall from Puente Ave to Citrus Ave in West Covina	8,000	4,100	8,000	-	-	3,900	-	-	-	-
I-105 / Sepulveda Interchange	11,500	10,000	11,500	-	1,500	-	-	-	-	-
I-710 South EIS/EIR	5,000	-	5,000	-	-	5,000	-	-	-	-
Expo LRT to Santa Monica Project - Phase II	711,000	50,000 (2)	78,700	5,000	5,000	5,000	-	13,700	-	-
Crenshaw Corridor Environmental & Preliminary Engineering (3)	15,000	1,100	15,000	-	3,900	5,000	5,000	-	-	-
San Fernando Valley North-South Transit Corridor Phase I and Phase II	30,000	20,000	30,000	-	2,000	4,000	4,000	-	-	-
Wilshire Bus-Only Curb Lane Extensions from Federal Avenue to Westwood Blvd	1,500	-	1,500	1,500	-	-	-	-	-	-
Wilshire Bus Rapid Transit Project (4)	97,293	-	5,100	-	-	-	-	-	-	5,100
Blue Line Safety Crossing at Compton Blvd., Alondra Blvd., and Myrrh Street in the City of Compton	700	-	700	700	-	-	-	-	-	-
Countywide Planning, Programming and Monitoring (5)	9,102	-	9,102	-	-	-	4,484	4,618	-	-
Countywide Rideshare Program	9,560	-	9,560	-	-	-	4,360	5,200	-	-
<b>Sub - Total</b>				<b>608,482</b>	<b>110,920</b>	<b>12,400</b>	<b>58,880</b>	<b>196,564</b>	<b>229,718</b>	
Countywide Congressional TEA 21 Earmarks	10,000		10,000	-	-	-	-	-	-	10,000
<b>Sub - Total</b>				<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000</b>
<b>Grand Total</b>				<b>618,482</b>	<b>110,920</b>	<b>12,400</b>	<b>58,880</b>	<b>196,564</b>	<b>229,718</b>	<b>239,718</b>

(1) Fully funds I-5 carpool lane construction from State Route 170 to Burbank Boulevard. Partially funds construction from Burbank Boulevard to State Route 134. An estimated \$83 million in additional funding would be necessary to fully fund this last phase of construction.

(2) This \$50 million for the Exposition Phase II project is assumed New Starts funding that will require a federal Full Funding Grant Agreement.

(3) Includes funds from SAFETEA-LU earmark for Crenshaw Corridor Project.

(4) The estimated cost of the Wilshire Bus Rapid Transit project is shown in current dollars because an escalated figure was not available at the time this report was drafted. All other costs are in escalated, year of expenditure dollars.

(5) Planning Programming Monitoring funds from the State of California must be reflected in the State TIP. Funds are to be used for existing staff and studies to be determined during Metro's annual budget processes.

I = Interstate      SR = State Route      EIR/EIS = Environmental Impact Report/Environmental Impact Study