

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2000 Te.
metro.net**REGULAR BOARD MEETING
SEPTEMBER 26, 2013****SUBJECT: COUNTY ELIGIBILITY TO RECEIVE MEASURE R HIGHWAY
OPERATIONAL IMPROVEMENT FUNDS IN THE ARROYO
VERDUGO SUBREGION****RESPONSE TO DIRECTOR NAJARIAN'S MOTION 22.1 FROM
JUNE 2013 BOARD MEETING****ACTION: APPROVE RECOMMENDATIONS****RECOMMENDATION**

- A. Require the cities of Burbank, Glendale, La Cañada Flintridge, and the County Los Angeles to jointly develop a recommended project list that will allow the County to utilize its population share of the Measure R funds for the Arroyo Verdugo Subregion Highway Operational Funds; and
- B. Require that the distribution of County's share of Measure R Arroyo Verdugo Subregion Highway Operational funds not impact the cities' programmed share of these funds until after FY 2019.

ISSUE

Pursuant to the approved motion by Director Ara Najarian (Item #18.1) at the September 27, 2012 Board Meeting (Attachment A), County Counsel provided a legal opinion which concludes that the County's eligibility to receive Measure R funds allocated to the Arroyo Verdugo Subregion, for highway operational improvements is a policy, instead of legal, matter.

Since the Board has only approved the first ten (10) years of projects to be funded by Measure R 20% Highway Operational Improvement funds, it is necessary for the Board to provide policy guidance on the County's eligibility for these Measure R funds for the remaining twenty (20) years of the program for the Arroyo Verdugo Subregion.

Metro staff presented a recommendation in June 2013. This report is in response to Director Najarian's motion (Item #22.1 – see Attachment B) to address his concerns of potential inconsistencies raised by the June 2013 County Eligibility to receive Measure R Equity Funds Board Report. Subsequently, many questions were raised and this report's intent is to answer those questions.

DISCUSSION

Background

At the September 27, 2012 Board Meeting, the Board recertified the project list for the Arroyo Verdugo Subregion. The following language in that Board Report (Item #18) prompted a discussion which led to Director Najarian's motion:

We considered the question of whether the first five years of the Arroyo Verdugo Highway Operational Improvement list should be re-opened to consider projects in the unincorporated areas of the subregion. Since the LACMTA Board of Directors already programmed the first five years, we do not believe it is appropriate to re-open the project list. Going forward into the next five years [beginning in Fiscal Year 2015] and beyond, we will return to the LACMTA Board of Directors with a recommendation on the question of programming projects in the unincorporated areas of the subregion.

Director Najarian's motion directed County Counsel to provide the legal foundation, including specific documents, detailed descriptions, and citations, as to how, in the case of the Arroyo Verdugo Subregion, the County should have part of the encumbered funds.

County Eligibility

County Counsel issued its legal opinion on October 19, 2012, and provided specific documents confirming that the population of unincorporated La Crescenta, and its employment, were included in the Arroyo Verdugo Subregion's share of the total population and employment which was used to generate the \$170 million equitable allocation for Highway Operational Improvements in the subregion.

Separately, in January of 2011 the LACMTA Board of Directors adopted the Unified Cost Management Process and Policy for Measure R Projects. This policy states:

For Measure R funds, the planned funding resources (including any prior Measure R expenditures) shall not exceed the amount shown in the 'New Sales Tax Total' column of the Measure R Expenditure Plan.

This policy means the Long Range Transportation Plan (LRTP) cannot include more than \$170 million for the Arroyo Verdugo Subregion including any funds for projects in the unincorporated area of the County.

Recommended Project Lists by Subregions

In the January 2013 Board Report, Arroyo Verdugo submitted an updated list of projects for consideration. This list included projects through the first ten (10) year fund allocation (through FY 2019). The list was distributed among three incorporated cities by population and omitted County's population share for fund distribution. Staff recommends that the Board require the Cities of Burbank, Glendale, and La Cañada Flintridge, and the County to jointly develop a recommended project list that will allow the County to utilize its share of the Measure R funds for the Arroyo Verdugo Subregion Highway Operational Funds.

In the June 2013 Board Report, County submitted a list of projects for consideration (Attachment C). The Crescenta Valley Town Council reviewed and concurs with the recommended project list (Attachment D).

Director Najarian's Questions

Director Najarian's motion (Item #22.1) requests staff to address his concerns of potential inconsistencies raised at the June 2013 Board meeting regarding County's Eligibility to receive Measure R Equity Funds. The following addresses the questions raised in Item #22.1:

Question 1: How was the County's share of \$13.6 million derived? Where is the spreadsheet with an explanation?

The \$13.6 million list of projects from the County does not represent County's share. Rather it is a "wish list" of projects for information purposes only. At the August 29, 2013 meeting, Burbank, Glendale, La Cañada Flintridge, and County agreed that the distribution of Measure R funds will be based on 2009 data (taken from County 2009 population derived by increasing County 2010 Census by the average Subregional increase between 2010 Census and 2009 DOF numbers). This resulted in County's share equivalent to 5.87%, or \$9.974 million, of the total allocation for the Arroyo Verdugo Subregion. Attachment C shows the population distribution and associated share of allocation.

Question 2: Projects listed in report are seriously underfunded beyond County's share. Where is funding and how will it impact cities?

County will need to prioritize their projects and submit a plan that will be contained within its forecasted allocation. At its June 2013 meeting, Metro Board approved Motion 22.1, introduced by Director Najarian as amended

by Antonovich, directing staff "...to identify supplemental funding to make the County whole for its proportional share of the Measure R Highway Capital Subfund for Highway Operational Improvements in the Arroyo Verdugo Subregion retroactive to 2008 and to allocate any 5-year funds awarded to County for years 2008-2013 prior to policy approval from funds other than equity funds for this time period."

Metro staff has identified Measure R 20% highway funding totaling \$9.974 million for use in the County's Unincorporated Areas within the Arroyo Verdugo Subregion. According to Metro's Board of Directors' policy, this commitment must ultimately come from within the cities' share of the \$170 million of Measure R funds but will not impact the cities' share in the first ten (10) years of the Measure R 20% allocations. The added early commitment of funding is made possible by slower than expected delivery of construction ready Measure R 20% projects countywide.

Question 3: Is the list in the staff report a 30-year project list? And Question 4: Why is the County's project list for 30 years compared to a 5-year list for the other cities?

Yes, the list is a 30-year project "wish list" of projects within the unincorporated County area within the Arroyo Verdugo Subregion. As stated above, County needs to prioritize projects and submit a plan that will be contained within its forecasted allocation. Per the August 29, 2013 meeting, the three cities and County have agreed to develop a list of projects for the first ten (10) years of Measure R program for Metro Board's approval.

Question 5: Why change from a population-based formula, with emphasis on needs, to a needs-based only formula?

As stated in the response to Question 1, the three cities and County reached a consensus that the distribution of Measure R funds will be based on 2009 data within each jurisdictional boundary.

DETERMINATION OF SAFETY IMPACT

The proposed recommendation will have no adverse impact on safety.

FINANCIAL IMPACT

As stated, the commitment to include County must come from within the cities' share of the \$170 million of Measure R funds and will not impact the cities' share in the first ten (10) years of the Measure R 20% allocations.

Impact to Budget

The funding of \$4.31 million is available for the Arroyo Verdugo Subregion in the FY 14 budget for Project 460310 (Arroyo Verdugo Highway Operational Improvements).

The source of funds for this project is from the 20% Measure R Highway Capital Funds earmarked for the Arroyo Verdugo Subregion. This action does not impact any of the budgets for bus and rail operations and capital expenditures, Proposition A and C and TDA administration, nor the Measure R administration budget.

ALTERNATIVES CONSIDERED

One alternative considered to avoid impacting the cities' share of Measure R 20% allocations was to exclude County from the Arroyo Verdugo Subregion. However, it was determined that these steps considered would be unfair to the citizens of the unincorporated County area.

NEXT STEPS


Burbank, Glendale, La Cañada Flintridge, and County will submit to Metro an updated project list for the Arroyo Verdugo Subregion for Boards' approval at the October 2013 meeting.

As moved, Metro staff has begun the steps necessary to reconvene the Highway Advisory Committee (HAC). Staff is currently collecting previous HAC participants. We will schedule a meeting before the end of the year and report back our progress.

ATTACHMENTS

- A. September 27, 2012 Board Motion Item #18.1
- B. June 27, 2013 Board Motion Item #22.1
- C. County Project List from June 2013 Board Report
- D. May 20, 2013 Concurrence Letter from Crescenta Valley Town Council
- E. Population Distribution and Allocation (based on 2009 population)

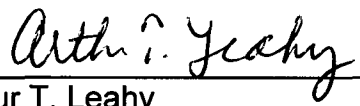
Prepared by: Tasha Higgins, Sr. Engineering Manager (213) 922-7519
Lan Saadatnejadi, Executive Officer (213) 922-7337



Douglas R. Failing, P.E.
Executive Director, Highway Program



Martha Welborne, FAIA
Executive Director, Countywide Planning



Arthur T. Leahy
Chief Executive Officer

MOTION BY DIRECTOR ARA NAJARIAN

**Planning and Programming Committee
September 19, 2012
Item # 18**

When Measure R was drafted, the proposed legislation included funds allocated to three Los Angeles county subregions to be used specifically for highway improvements. The "equity" funding was included in the Measure to offset the lack of major transit projects in these areas. The three subregions were defined as called out in the Long Range Transportation Plan (LRTP): Arroyo-Verdugo (the cities of Burbank, La Canada Flintridge and Glendale), Las Virgenes/Malibu (the Las Virgenes Cog and the unincorporated area of the County) and the South Bay COG, which includes as a member the unincorporated area of the County. The funding was based on 2000 census population for the cities and included the County.

With the 2008 passage of Measure R, MTA implemented a Highway Advisory Committee, which included stakeholders in the equity funds. This Committee was essentially involved in oversight of the eligibility of projects. The MTA Area Team staff began working directly with the cities, i.e., Burbank, Glendale and La Canada Flintridge in the Arroyo-Verdugo Subregion. A list of projects was developed, along with allocations and cashflows, which was approved by the Board for the first five years of allocations. There are signed agreements between the MTA and the three cities and projects beyond first five years have been planned.

From the inception of the Highway Advisory Committee until recently, there has been no mention of County involvement in the Arroyo Verdugo project development, allocations or cashflow projections and the LRTP does not call out the County as part of the subregion. Yet this report states that MTA staff will be coming back to the Board with a recommendation on programming projects in future years for the County from Arroyo Verdugo equity funds. This attempt at policy-making is premature, given the fact that the recent assertion regarding County eligibility has not yet been vetted legally.

I THEREFORE MOVE that County Counsel provide the legal foundation, including specific documents, detailed descriptions, with citations, as to how, in the case of the Arroyo-Verdugo Subregion, the County should have part of any encumbered funds; and

I FURTHER MOVE that any reference to staff bringing back a recommendation for future programming be struck from this report and the legality of this assertion be brought back to the Board at the December 2012 meeting.

22.1

Director Ara Najarian
June 27, 2013

At the June 19, 2013, MTA planning and programming committee, policy was approved to allow the County of Los Angeles to participate as a recipient of the Arroyo Verdugo subregional Measure R equity funds.

At my request, county counsel reviewed the LRTP, and other documents, and opined that the cities of Burbank, Glendale and La Canada Flintridge, were under no legal directives to share the 30-year funding plan. Additionally, a letter from MTA's CEO sent to the city of La Canada Flintridge stated that the Arroyo Verdugo subregion was defined as the cities of Burbank, Glendale and La Canada only.

Based on this determination, the cities entered into Agreements with the MTA and began working with the newly-established MTA Highway Advisory Committee to establish a process and collaborative effort to define projects and provide a regional nexus for the best use of these funds.

The board report sets a bad precedent, whereby MTA is unilaterally changing fundamental rules of a funding program five years into a 30-year program. This policy is up to the discretion of the board, but I request that the inconsistencies of the staff report, as listed below, be addressed prior to the approval of the full board:

- How was the county's share of \$13.6 million derived? Where is the spreadsheet with an explanation?
- Projects listed in report are seriously underfunded beyond county's share. Where is funding and how will it impact cities?
- Is the list in the staff report a 30-year project list?
- Why is the county's project list for 30 years compared to a five-year list for the other cities?
- Why change from a population-based formula, with emphasis on needs, to a needs-based only formula?

I THEREFORE MOVE that this item be moved to the September 2013 board meeting with a full report to respond to Inconsistencies/questions raised by the report as stated in bullets above;

I FURTHER MOVE that the term "catch up" be removed from the staff report as this will harm the cities programmed funding plan; and

I FURTHER MOVE that the CEO direct staff to allocate any 5-year funds awarded to the county for years 2008-2013 prior to policy approval from funds other than equity funds for this time period; and

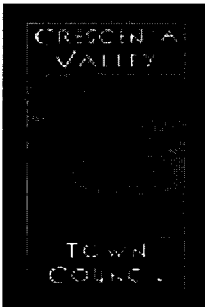
I FURTHER MOVE that the Highway Advisory Committee be reconvened to begin process established in 2008.

COUNTY PROJECT LIST SUBMITTED IN JUNE 2013

Project Name	Limits	Description/Scope	Estimated Project Cost
La Crescenta-Montrose Area Bikeways			
Rosemont Avenue	Rockdell St to Honolulu Ave	Install 1.9 miles of Class III Bike Route	\$60,000
La Crescenta Avenue	Orange Ave to Foothill Blvd	Install 0.6 mile of Class III Bike Route	\$35,000
La Crescenta Avenue	Foothill Blvd to Montrose Ave	Install 0.6 mile of Class III Bike Route	\$35,000
Altura Avenue	La Crescenta Ave to Rosemont Ave	Install 0.35 mile of Class III Bike Route	\$20,000
Briggs Avenue	Shields St to Foothill Blvd	Install 1.3 miles of Class III Bike Route	\$70,000
Ramsdell Avenue	Markridge Rd to Montrose Ave	Install 1.6 miles of Class III Bike Route	\$70,000
Montrose Avenue	Rosemont Ave to Montrose Ln	Install 0.9 mile of Class II Bike Lanes	\$70,000
Orange Av/Whittier Dr	Pennsylvania Ave to Briggs Ave	Install 1.2 miles of Class III Bike Route	\$50,000
Ocean View Boulevard	Foothill Blvd to Honolulu Ave	Install 0.9 mile of Class II Bike Lanes	\$300,000
Verdugo Channel	Crescenta Valley Park to Shirley Jean St (within City of Glendale)	Construct 1.2 miles of Class I Bike Path	\$1,500,000
			\$2,210,000

COUNTY PROJECT LIST SUBMITTED IN JUNE 2013

Project Name	Limits	Description/Scope	Estimated Project Cost
Foothill Blvd	At Rosemont Ave	Widen and restripe intersection approaches, reconstruct storm drains & retaining walls, relocate traffic signal equipment, install southbound left turn phasing	\$900,000
Foothill Blvd	Pennsylvania Av to Briggs Av	Construct medians to channelize traffic, ease congestion, and allow for increased and safer pedestrian traffic	TBD
Foothill Blvd	At La Crescenta Ave	Modify intersection & traffic signal to improve operation	\$900,000
I-210 Soundwalls	Pennsylvania Av to the La Canada/Flintridge City boundary	Construct 3.6 miles of soundwalls on E/B and W/B sides	\$5,000,000
La Crescenta Avenue	At I-210	Modify eastbound on-ramp traffic control and channelization to improve capacity	\$100,000
La Crescenta Avenue	At I-210	Construct westbound on-ramp, modify traffic signal	\$3,500,000
La Crescenta-Montrose Area Bikeways			\$2,210,000
Pennsylvania Ave	At I-210	Modify on- and off-ramp intersections and traffic signals to improve southbound Pennsylvania Ave to eastbound I-210 left-turn capacity	\$1,000,000
			\$13,610,000



Crescenta Valley Town Council

May 20, 2013

Sussy Nemer Field Deputy
Los Angeles County Supervisor Antonovich Office
215 N. Marengo Ave., Suite 120
Pasadena, CA 9110

Re: Measure R - La Crescenta/Montrose Unincorporated

Cheryl Davis
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Robert Thomas, *alternate*

Leslie Dickson, *alternate*

Marti Marshall, *alternate*

Dear Sussy,

The Crescenta Valley Town Council has reviewed the current Measure R proposals and has agreed to accept them in their entirety with a request that several other items be added to the list for consideration. In addition, Council has taken the time to prioritize the projects as follows:

- 1: Overwhelmingly if sufficient funding becomes available sound walls along the 210 Freeway would be the top priority. The remaining 7 items have been prioritized.
- 2: The re-design and addition of lanes at Foothill and Rosemont with the inclusion of a left turn only signal for South bound traffic.
- 3: Reconfigure the La Crescenta Ave on-ramp going Eastbound both North and Southbound traffic have significant congestion issues. If medians are added or current medians altered they are to be filled with landscape not concrete. This is an addition to the current list.
- 4: Add garden medians on Foothill to better direct traffic ease congestion and allow for increased and safer pedestrian crossing and foot traffic. This is an addition to the current list.
- 5: Re-design entry from Pennsylvania to East Bound 210. If any median are added or changed they need to be planted not filled with concrete.
- 6: Ease traffic congestion at La Crescenta and Foothill on the Northerly side of Foothill. The problems are identical to those at Rosemont and Foothill.
- 7: Addition of a 210 Freeway West bound on-ramp at La Crescenta Avenue.
- 8: Addition of Bike Lanes.

Should you have any questions or need any further clarifications please contact. When funding for any of the above becomes available Council requests sufficient notification to review the project selected and to allow for proper community input.

President

Cheryl Davis

cc: John T. Walker Assistant Deputy Director Los Angeles County Department of Public Works
Program Development Division

P.O. Box 8676 La Crescenta, CA 91224-0676 p:818-248-9387 e:contact@thecvcouncil.com www.thecvcouncil.com

Population Distribution and Allocation (based on 2009 population)

	Burbank	Glendale	La Canada Flintridge	County	Total
2009 Population	108,082	207,303	21,218	20,981.00	357,584
% Percentage	30.23%	57.97%	5.93%	5.87%	

	Burbank	Glendale	La Canada Flintridge	County	Total
Original 30-Year Allocation					
	54,587,000	104,703,000	10,710,000	-	170,000,000
Revised 30-Year Allocation w/ County Inclusion					
First 10 Yrs (2009-2019) *	17,964,000	34,448,000	4,588,000	3,344,400	60,344,400
Second 10 Yrs (2020-2039)	36,623,000	70,255,000	6,122,000	6,630,000	119,630,000
Revised	(3,209,905)	(5,977,562)	(786,932)	-	(9,974,400)
NEW 30-YEAR (2009-2039)	51,377,095	98,725,440	9,923,070	9,974,400	170,000,000

* Original allocated funds amount remains unchanged for cities until 2020

Report in Dollars