



Board Report

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REVISED  
AD-HOC CONGESTION REDUCTION COMMITTEE  
OCTOBER 14, 2015

SUBJECT: METRO EXPRESSLANES ROUND 2 NET TOLL REVENUE ALLOCATION  
GUIDELINES

ACTION: APPROVE RECOMMENDATIONS

**RECOMMENDATION**

AD-HOC CONGESTION REDUCTION RECOMMENDED (3-0) AS AMENDED:

- A. APPROVING the guidelines for **Round 2 of the ExpressLanes Net Toll Revenue Allocations** (Attachment A); and
- B. ADOPTING a timely use of funds provision to be applied to projects funded as part of the 2014 (Round 1) Net Toll Revenue Reinvestment Grant Program.

DUPONT-WALKER AMENDMENT: include the proposal release period being 3 months versus 2 months and return in January with information on including non-profits.

**ISSUE**

State law requires net toll revenues generated from the ExpressLanes program be reinvested for transportation improvements in the corridor where generated, pursuant to an expenditure plan adopted by the Metro Board. The Round 2 guidelines incorporate lessons learned from Round 1.

Additionally, as of this date, many of the projects funded as part of Round 1 of the grant program have not executed their initial grant agreements. Staff recommends that a timely use of funds policy be adopted for these projects providing the sponsors with six months ending on April 22, 2016 within which to execute their agreement and begin expenditure of funds or risk lapsing the funds. Incorporation of such a policy is consistent with board adopted policy for other Metro discretionary grant programs. Any funds that are lapsed as a result of non-compliance with this policy will be added to the available funding for Round 2 projects.

**BACKGROUND**

Gross toll revenues generated from the ExpressLanes program are first used to cover the direct expenses related to the maintenance, administration, and operation, including marketing, toll

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collection, and enforcement activities related to the ExpressLanes. Any remaining revenue produced must be used in the corridor from which the revenue was generated.

The net toll revenue program's primary objective is to increase mobility and person throughput through implementation of integrated strategies that enhance transit operations, transportation demand management, transportation systems management, active transportation, and capital investments in the 1-10 and 1-110 corridors. These combined strategies have resulted in more reliable and consistent outcomes and greater magnitude of positive change than a single strategy scenario. This rationale is confirmed by actual usage on the ExpressLanes. Specifically, customer account activity demonstrates that, on a monthly basis, the majority (75%) of account trips are a combination of SOV & HOV. Only 4 % of trips are solely made by SOVs. The primary payers of the toll benefit 100% from the proposed allocation since mode shift through alternative transportation choices reduces congestion and as a result, reduces travel time and the toll amount for toll paying customers. An expenditure plan that retains this focus on integrated strategies and multi-modalism advances Metro's Long Range Transportation Plan and sustainability goals.

In October 2013, the Metro Board adopted guidelines governing reinvestment of approximately \$26.7 million in net toll revenue funds to projects with a direct mobility benefit to the ExpressLanes Corridors. The overall program is comprised of two elements: a set-aside component and a competitive grant. The set-aside is comprised of funds provided to continue the operation of transit services that address social equity and encourage increased transit ridership as well as a reserve fund. The competitive grant provides funding to implement multi-modal mobility options including freeway/roadway improvements, transit enhancements and active transportation and system connectivity.

As part of Round 2, staff estimates that \$42.5 to \$53.3 million will be available for allocation through June 30, 2017. This represents a 63 to 100 percent increase in available funding over Round 1. Staff is seeking approval of the guidelines to begin Round 2 of the net toll revenue allocation with funding from FY 16 and FY 17.

### **Proposed Reinvestment Guidelines for Round 2:**

#### **Maintain Core Principles consistent with Round 1:**

- Reinvestments in the transportation corridor provide a direct benefit to reducing congestion on the Metro ExpressLanes corridors (1-10 and 1-110);
- Establish a reserve fund, consistent with the Board approved Toll Policy to ensure financial sustainability of the Metro ExpressLanes and to enable potential system expansion;
- Direct annual allocation to fund the incremental transit service implemented to support the deployment of the Metro ExpressLanes. The incremental services include Metro Silver Line, Foothill Silver Streak and Route 699, Gardena Lines 1X and 2, and Torrance Transit Line 4;
- Allocate net of set-asides on a competitive basis utilizing targets of 40% for other Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Roadway Improvements to benefit the ExpressLanes and support sustainable transportation strategies; and,
- Leverage net toll revenues with other funding sources. Locally sponsored capital projects and

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operating programs are encouraged. The funding will be mutually determined by Metro and the lead agency, proportionate to the local and regional benefits of the project/program.

### **Continuation of the Reserve Fund**

Establishment of a Reserve fund is crucial to the continuing financial health of the ExpressLanes program. A reserve fund ensures that funding is retained to cover unanticipated costs to avoid placing a burden on general funds for operations as well as to meet future debt service obligations of the Metro ExpressLanes. This policy is consistent with the Board approved toll policy regarding the ExpressLanes' financial sustainability as well as policies of other toll facilities in the State where net toll revenues are generated.

As part of the Round 1 Net Toll Revenue program, the Metro Board approved a set aside of 3 to 5% of net toll revenues in the amount of \$801,695 toward establishing a reserve. While that level of reserve funding was adequate during the demonstration phase, given the fact that the I-10 and I-110 ExpressLanes were made permanent and have been in operation for approximately 2 ½ and 3 years respectively and based on analysis of potential needs, staff recommends an increase to \$3 million per year. This level of funding will ensure adequate funding for state of good repair, potential near term replacement of lane side and system components, as well as system expansion.

### **Continuation of Direct Allocation to Support Existing Metro ExpressLanes Transit Services**

A continuation of the direct allocation is recommended to subsidize the incremental operating costs of the transit service deployed to support the Metro ExpressLanes. The incremental additional service was initially provided through the purchase of 59 clean fuel buses and operating subsidies funded by the CRD grant. The operation of these services within the ExpressLanes corridor has resulted in net benefit for low income commuters as well as an increase in bus ridership denoting a potential mode shift. The Silver Line has experienced consistent increase in ridership since the inception of the incremental additional services culminating in a cumulative 144% increase in ridership between FY 2012 and FY 2015. Concerns about the impact of ExpressLanes on low-income drivers decrease when toll revenues are used to enhance transit services along the same routes or corridors, thus providing more choices for low-income travelers (and others).

A direct allocation of up to \$6.25 million per year is recommended to provide an operating subsidy to support these incremental services for an additional 24 months.

### **Continuation of Competitive Application Categories**

Three categories of projects are recommended that enhance the Metro ExpressLanes program and promote multi-modal and sustainable transportation strategies in support of the LTRP. Consistent with Round 1, a category for Transit Use is recommended because operation of high frequency transit and feeder service as well as transit capital improvements have proven to be effective in creating

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mode shift and reducing congestion on the Metro ExpressLanes. A category for System Connectivity/Active Transportation is recommended to improve system connectivity between transit and the state highway. The category also demonstrates Metro's commitment to advance sustainable community strategies since Metro currently does not have a discretionary fund source eligible to fund operations activity for Active Transportation. A category for Roadway improvements is recommended to build upon prior investments in signal synchronization and ITS.

### **Continuation of the Requirement to Leverage Net Toll Revenues**

Consistent with Metro's other discretionary grant programs, matching funds are recommended.

### **Proposed Guideline Changes from Round 1 based upon Lessons Learned:**

- Establish a new set aside for direct allocation of funds to Caltrans for freeway improvements that benefit the ExpressLanes. In order to secure the funds, Caltrans must identify projects with a direct benefit to the ExpressLanes subject to approval by Metro. Additionally, 50% of the Caltrans set-aside will be distributed based on Caltrans' ability to meet project schedule milestones developed in collaboration with Metro. Staff discussed this policy with Caltrans representatives and secured their concurrence with the proposed changes.
- Execute agreements within 6 months of receipt of agreement from Metro or risk de-obligation of funds.
- Funds are subject to lapsing if the Grantee has not expended any funds within one year of executing their agreement.

### **Lessons Learned Detail: Direct Allocation to Caltrans**

One of the objectives of the ExpressLanes program is to more effectively and proactively manage traffic to optimize the efficiency of the entire freeway corridor. As part of Round 1, Caltrans competed for funding within the Highway category. Based on recent discussions with Caltrans and in light of the fact that Caltrans is in a singular position to implement freeway improvements, for the purposes of Round 2 funding, staff is recommending an off-the-top set-aside equivalent to 20 percent of the competitive grant funding in the amount of up to \$2.4 million annually. This will enable Caltrans to implement mainline, on/off ramp and Intelligent Transportation Systems (ITS) improvements that benefit the ExpressLanes corridors' users. As a condition of and prior to receiving these funds, Caltrans must submit a project list identifying the benefits of the project to the ExpressLanes, project cost, milestones and schedule for approval by the Metro Board. Upon the Board's approval and execution of the necessary agreements, Caltrans will receive 50 percent of the funds. In order to ensure Caltrans is completing critical projects in a timely manner, the remaining 50 percent will be tied to Caltrans' ability to meet project milestones per their original schedule. Since Caltrans will be receiving this set aside, they will be precluded from participation in the competitive grant program.

### **Lessons Learned Detail: Timely Use of Funds**

Based on best practices and in order to assure project readiness to implement improvements in a timely manner, staff recommends adoption of a timely use of funds provision whereby project sponsors must execute their funding agreements within six months of receipt of funding agreements from Metro or risk losing the funds. Execution of the funding agreement is the first step in project

implementation. As of this date, 14 of the 20 projects that received funding through the round 1 competitive grant have failed to execute their funding agreements. Staff is recommending that this policy also be applied to projects funded as part of Round 1 Net Toll Revenue grants. Round 1 projects will be subject to lapsing if they have not executed their agreements by April 22, 2016. Furthermore, in order to assure that funds are optimally utilized to implement ready to go project improvements, staff recommends that if no funds are expended on a project within one year of execution of the funding agreement, the project be considered for lapsing of funds. Any funds lapsed as part of Round 1 will be considered for allocation as part of Round 2 grant funds. If approved by the Board, the timely use of funds provision would also apply to the Caltrans direct allocation projects.

**Funding Target Goals for Round 2**

If the recommended guidelines are approved by the Metro Board as outlined above, the ROUND 2 expenditure plan could provide the following:

| Draft Reinvestment Categories                  | Estimated Net Toll Revenues | Allocation Target Estimate (per Corridor) |              |
|--|-----------------------------|---|--------------|
| Period Ending June 2017                        | \$42,500,000 - \$53,300,000 |   |              |
| Set-Aside (Reserve Fund)                       | (\$6,000,000 )              |   |              |
| Set-Aside (Direct Allocation -Transit Ops)     | (\$12,500,000)              | I-110                                     | I-10         |
| Set-Aside (Caltrans)                           | (\$4,000,000 - \$4,800,000) |   |              |
| Subtotal Net Set-Asides                        | \$20,000,000 - \$24,000,000 | \$12,400,000-                             | \$7,600,000- |
|  |                             | \$14,880,000                              | \$9,120,000  |
| Allocation Target (40%- Transit Uses)*         | \$8,000,000 - \$9,600,000   | \$4,960,000-                              | \$3,040,000- |
|  |                             | \$5,950,000                               | \$3,650,000  |
| Allocation Target (40%- System Connectivity)*  | \$8,000,000 - \$9,600,000   | \$4,960,000-                              | \$3,040,000- |
|  |                             | \$5,950,000                               | \$3,650,000  |
| Allocation Target (20%- Roadway Improvements)* | \$4,000,000 - \$4,800,000   | \$2,480,000-                              | \$1,520,000- |
|  |                             | \$2,980,000                               | \$1,820,000  |
| Reserve funds approved in Round 1              |                             | \$875,000                                 |              |

\*Baseline targets of 40% for Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Roadway Improvements are identified as goals; however, the actual allocation of the funding will be based on the merits of the proposed projects and programs.

**Outreach**

As part of the Round 1 Net Toll Revenue program process, for the purposes of guidelines development and project evaluation, staff consulted with the Metro ExpressLanes I-10 and I-110

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Corridor Advisory Groups (CAGs). The CAGs are composed of participants with subregional and multi-modal expertise whose input has proven beneficial and crucial in developing and funding a program of priority projects.

Consistent with the Round 1 process, on October 1, 2015, staff convened a CAG meeting which included representatives from both corridors to present guideline changes and seek stakeholder input. As Attachment B illustrates, the summit was attended by a myriad of agencies representing public and non-profit interests in transit, highways, active transportation, health and housing. Participants concurred with the proposed guidelines changes.

Finally, staff informed Round 1 grant recipients of the recommended timely use of funds provision that would be considered by the Board as part of this item.

### **DETERMINATION OF SAFETY IMPACT**

Approval of the Guidelines will have no impact on the safety of Metro patrons or staff.

### **FINANCIAL IMPACT**

Approval of Round 2 Net Toll Revenue Allocation Guidelines has no financial impact.

#### Impact to Budget

No impact to the FY 16 Budget is anticipated as a result of approval of the guidelines.

### **ALTERNATIVES CONSIDERED**

The Board may choose not to approve or defer approval of the Net Toll Revenue Guidelines. Staff does not recommend this option as the program as designed furthers the Board's objectives with regard to the LRTP, reinvestment within the corridor where funds are generated, congestion reduction and sustainability.

### **NEXT STEPS**

Upon adoption of the guidelines, staff will proceed as follows:

- Develop a grant application package for Board approval: January 2016
- Release grant application package: February 2016
- Application due date: April 2016
- Evaluate applications/outreach: May 2016
- Seek Board Approval: June 2016


**ATTACHMENTS**

Attachment A - Metro ExpressLanes Round 2 Net Toll Revenue Allocation Guidelines

Attachment B - ExpressLanes 1-10 and I-110 CAG Summit Attendees

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# ***METRO EXPRESSLANES***

Net Toll Revenue Reinvestment  
Round 2



Ad Hoc Congestion Reduction  
October 14, 2015



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# Toll Revenue Reinvestment Overview



- As specified in State tolling legislation, Metro ExpressLanes revenue is to be used for:
  - Maintenance
  - Administration
  - Operations
  - Toll Collection
  - Enforcement
- Remaining revenue is to be used in the corridor that the revenue was generated in; an expenditure plan must be developed for these revenues and approved by the Metro Board

# Background: Toll Revenue Reinvestment – Round 1



\$26.7 million available for reinvestment

October 2013 - Metro Board approved reinvestment plan comprised of :

- Set Aside of Transit Operating Subsidy (Metro Silver Line, Foothill, Gardena, and Torrance Transit)
- 3-5% of funds set aside as program reserve
  
- Remaining funds granted on competitive basis (Net Toll Revenue Grant Program)
  - 40% Transit System Improvements
  - 40% System Connectivity/Active Transportation
  - 20% Highway System Improvements



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# Round 1 Grant Program



- Grant funding awarded on a competitive basis
- Eligible applicants included public agencies that provide transportation facilities or services within Los Angeles County (cities, transit operators, Los Angeles County, Caltrans, Metro)
- Corridor defined as 3 miles on either side of the I-110 or I-10 Corridors
- Metro received 35 applications totaling \$123,405,007 in requested funding
- Funding granted to 20 projects totaling \$19,854,458 in July/September 2014
- \$875,000 put in reserve for I-110 for next round

# Round 1 Status



- 20 grants were awarded in July/September 2014
- Five funding agreements executed to date
  - City of LA (My Fig Project Marketing & Safety)
  - County of LA (South Bay Arterial Performance)
  - Access Services (CNG MV-1 Vehicles)
  - Baldwin Park (Commuter Connector Line)
  - Monterey Park (Bike Corridor)
- 12 agreements still to be executed - represents over \$11 M in grant funding for projects not yet started

# Toll Revenue Reinvestment – Round 2



- Estimated funding available is \$42.5 to \$53.3 million
  - ❑ 63-100% increase in available funding over Round 1
  
- Consistent with the previous round – core principles are:
  - ❑ Establish a reserve fund
  - ❑ Direct allocation to transit – Foothill, Gardena, Torrance, Metro
  - ❑ Competitive Grant Program –
    - ❑ 40% Transit System Improvements
    - ❑ 40% Active Transportation/System Connectivity
    - ❑ 20% **Roadway Improvements**

# Proposed Guidelines Changes for Round 2



## 1) Increase the Reserve Amount

- 3-5% not adequate for continued operation
- \$3 million per year
- Increase would ensure adequate funds for state of good repair, replacement of system components /new vendor selection and system expansion

## 2) Establish Direct Set Aside for Caltrans

- 20% of competitive grant funding available
- Caltrans precluded from the competitive portion
- Caltrans to provide project list, schedule and milestones
- 50% up front and 50% based on meeting milestones
- Caltrans concurs with the proposed changes

## 3) Timely Use of Funds Provisions

- Execute Agreements within 6 months of receipt of template
- Projects that have not expended any funding within one year of execution of Agreement subject to lapsing of funds
- Timely use of funds will also apply to Round 1 recipients – April 22, 2016 deadline for agreement execution
- Lapsed funds from Round 1 will be available in Round 2



# Funding Targets – Round 2



| Draft Reinvestment Categories                                       | Estimated Net Toll Revenues   | Allocation Target Estimates (per Corridor) |                            |
|---|-------------------------------|--|----------------------------|
| Period Ending June 2017   | \$42,500,000 - \$53,300,000   |  |                            |
| Set-Aside (Reserve Fund)  | (\$6,000,000 )                |  |                            |
| Set-Aside (Direct Allocation -Transit Ops)                          | (\$12,500,000)                | <b>I-110</b>                               | <b>I-10</b>                |
| Set-Aside (Caltrans)  | (\$4,000,000 - \$4,800,000)   |  |                            |
| Subtotal Net Set-Asides   | (\$20,000,000 - \$24,000,000) | (\$12,400,000- \$14,880,000)               | (\$7,600,000- \$9,120,000) |
| <b>Net Toll Grant Program</b>                                       |                               |  |                            |
| Allocation Target (40%- Transit Uses)*                              | \$8,000,000 - \$9,600,000     | \$4,960,000- \$5,950,000                   | \$3,040,000- \$3,650,000   |
| Allocation Target (40%- Active Transportation/System Connectivity)* | \$8,000,000 - \$9,600,000     | \$4,960,000- \$5,950,000                   | \$3,040,000- \$3,650,000   |
| Allocation Target (20%- Roadway Improvements)*                      | \$4,000,000 - \$4,800,000     | \$2,480,000- \$2,980,000                   | \$1,520,000- \$1,820,000   |
| Reserve Fund approved in Round 1                                    |                               | \$875,000                                  |                            |



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# Eligible Projects



## **Transit System Improvements:**

- Transit operations to increase level of service
- Fare subsidies
- Bus purchases
- Station enhancements

## **Active Transportation/System Connectivity:**

- First mile/last mile connections to transit facilities
- Complete Streets projects
- Bicycle infrastructure
- Pedestrian enhancements
- Bus station improvements

## **Roadway Improvements:**

- Intelligent Transportation System improvements-arterials and connections to on/off ramps
- Graffiti removal
- Landscaping





# Corridor Advisory Group (CAG) Meeting



- A combined I-10 and I-110 CAG meeting was held on October 1<sup>st</sup>
- 32 people were in attendance representing 18 different Agencies/Organizations:
  - LAWA
  - LA County Bicycle Coalition
  - SGV Economic Partnership
  - So Cal Transit Advocates
  - FAST
  - Torrance Transit
  - Gardena Transit
  - Go Day One
  - Foothill Transit
  - Caltrans
  - LA Trade Tech College
  - City of Redondo Beach
  - SBCCOG
  - LA City Housing Dept.
  - LANI
  - LADOT
  - Mt. St. Mary's College
  - Office of Assemblymember Burke

# CAG Meeting – Questions & Comments



- Overall the CAG members are very supportive of the ExpressLanes Program and the changes being recommended for allocation of funds
- Questions about Lesson Learned from Round 1 and if there would be an audit of progress for Round 1 projects?
  - Lessons Learned are incorporated into the Round 2 changes
  - CAG members not supportive of an Audit
- Round 2 questions were about eligibility of organizations/agencies and types of projects?
  - Project eligibility consistent with Round 1
  - Not for profit Agencies will have to partner with an eligible Agency (i.e. City)
- CAG members thought Metro ExpressLanes was not doing enough to inform the public about the mobility improvements ExpressLanes is funding
  - Suggested an information campaign be undertaken
- CAG members have volunteered to review and rank applications as part of the process



# Proposed Schedule - Round 2



- Round 2 Guidelines Board Adoption      October 2015
- Grant Application Package Board Approval      January 2016
- Release Grant Application Package      February 2016
- Application Due Date      April 2016
- Evaluate Applications/Outreach      May 2016
- Grant Recommendations Board Approval      June 2016

**Metro ExpressLanes Round 2 Net Toll Revenue Reinvestment Guidelines**

The generation of net toll revenues from the **Metro ExpressLanes program** ~~Congestion Reduction Demonstration project~~ offers a unique opportunity to advance the Long Range Transit Plan (LRTP) and Los Angeles County Metropolitan Transportation Authority's (LACMTA) goals for a more sustainable countywide transportation system.

The objective of the Program is to increase mobility and person throughput through a series of integrated strategies (transit operations, transportation demand management, transportation systems management, active transportation, and capital investments) in the I-10 and I-110 corridors. These combined strategies have consistently shown to result in more reliable and stable outcomes and greater magnitude of positive change than a single strategy scenario. An expenditure plan that retains this focus on integrated strategies and multi-modalism would advance Metro's LRTP and sustainability goals as outlined in Metro's Countywide Sustainability Planning Policy (CSPP).

The guideline principles are summarized as follows:

1. Reinvestments in the transportation corridor provide a direct benefit to reducing congestion on the Metro ExpressLanes (I-10 and I-110);
2. Establish a reserve fund of ~~3-5%~~, consistent with the Board Approved Toll Policy to ensure financial sustainability of the Metro ExpressLanes;
3. Direct allocation of revenue to support the incremental transit service implemented to support the deployment of the Metro ExpressLanes. The incremental services include Metro Silver Line, Foothill Silver Streak, Foothill Route 699, Gardena Line 1, and Torrance Transit Line 4;
4. **Direct allocation of revenue to Caltrans for Intelligent Transportation Systems (ITS), deck rehabilitation, on/off ramp and mainline improvements that benefit the ExpressLanes Corridors. Caltrans will be precluded from seeking additional funding from the competitive grant. 50% of Caltrans's funding will be tied to the agency's ability to meet agreed-upon timelines.**
5. Net of set-asides identified in #2 & #3 & 4 above, establish allocation targets of 40% for Transit Uses, 40% for Active Transportation, and 20% for **Highway Roadway** Improvements to support sustainable transportation strategies; and
6. Leverage net toll revenues with other funding sources. Locally sponsored capital projects and operating programs are encouraged. The funding will be mutually determined by Metro and the lead agency, proportionate to the local and regional benefits of the project or program.

Note: Guidelines would be amended by the Board to address changed circumstances such as the ability to bond against the toll revenues or any subsequent policy changes adopted by the Board.

## **Sustainability**

The LRTP and the CSPP identify principles and priorities to be advanced through a broad range of activities across all modes. The principles/priorities include:

- Connect People and Places
  - o Access – Better integrating land-use and transportation planning to reduce trip lengths and increase travel choices
  - o Prosperity – Reduce transportation costs for residents and provide the mobility necessary to increase economic competitiveness
  - o Green Modes – Promote clean mobility options to reduce criteria pollutants, greenhouse gas emissions, and dependence on foreign oil
- Create Community Value
  - o Community Development – Design and build transportation facilities that promote infill development, build community identity, and support social and economic activity
  - o Urban Greening – Enhance and restore natural systems to mitigate the impacts of transportation projects on communities and wildlife, and ecosystems
- Conserve Resources
  - o Context Sensitivity – Build upon the unique strengths of Los Angeles County’s communities through strategies that match local and regional context and support investment in existing communities
  - o System Productivity – Increase the efficiency and ensure the long-term viability of the multimodal transportation system
  - o Environmental Stewardship – Plan and support transportation improvements that minimize material and resource use through conservation, re-use, re-cycling, and re-purposing

## **Eligible Uses**

The LRTP and CSPP identify a number of key concepts which will help outline eligible uses to reduce congestion on the I-10 and I-110 corridors:

- Green Modes  
Green modes include active transportation, rideshare, and transit. Given that all three of these modes operate along the I-10 and I-110 corridors, this key concept would make expanded use of the above modes consistent with the Plan.

Such projects include the addition of bicycle and pedestrian facilities, expanded park-n-ride facilities, expanded service span and/or increased levels of service.

- Bundling Strategies for Greatest Impact

The Metro ExpressLanes, as designed, seeks to increase mobility and person throughput through a series of integrated strategies (transportation demand management, transportation systems management, and multimodal capital investments) in specific corridors. This “bundling of strategies” as referred to in the CSPP has been consistently shown to result in more reliable outcomes and greater magnitude of positive change than a single strategy scenario. An expenditure plan that retains this focus on integrated strategies and multimodalism would exemplify guidance from the CSPP. Projects that demonstrate the ability to further link or expand the use of existing facilities such as complete streets improvements and first mile/last mile improvements are recommended.

- Network Optimization

One of the primary objectives of the ExpressLanes project is to better utilize existing capacity within a corridor by using dynamic pricing. This approach of network optimization through the use of data represents the future of transportation policy and planning. To that end, the Policy also identified the concept of network optimization as a key component of sustainability. Projects falling under this concept include complete streets, signal prioritization, real-time ride share matching, and other smart technology improvements.

- Act Regionally and Locally

The I-10 and I-110 are two of the busiest corridors in Los Angeles County. Given the regional significance of these corridors, improvements to these facilities as well as additional services utilizing these corridors should emphasize the varying needs of the corridors as well as needs of adjacent communities. Projects which can improve the connection of the local communities to the regional network will be essential to improving the quality of life in those neighborhoods as well as maximizing the potential of the corridors. Projects falling under this concept include first mile/last mile improvements, expanded park-n-ride facilities, expanded service span and/or increased levels of service, and urban greening initiatives which reduce pollution and improve the quality of life for residents.

Based on the key concepts, three project categories are recommended for the allocation of net toll revenues (excluding set-asides):

1. Transit Uses (40% of funds)

- Increased levels of service and/or increased service span
- Fare subsidy programs
- Purchase of new bus and commuter rail vehicles
- Station enhancements and capacity improvements, including intelligent transportation system improvements

- Metro transit corridor projects serving ExpressLanes corridors
2. System Connectivity/Active Transportation (40% of Funds)
- First mile/last mile connections to transit facilities, focusing on multimodal elements recommended as part of the First/Last Mile Strategic Plan including investments that might support 3<sup>rd</sup> party mobility solutions (car-share, bike-share)
  - Complete streets projects which emphasize multi-modalism
  - Bicycle infrastructure including bicycle lanes and secured bicycle parking facilities
  - Pedestrian enhancements including on/off-ramp safety improvements, street crossings, and ADA-compliance improvements
  - Infrastructure and programs to support the use of electric vehicles.
  - Bus station improvements including enhanced bus shelters, real-time arrival information, and other related improvements
  - El Monte Bus Maintenance facility
  - Rideshare/ Vanpool programs
  - Park-n-Ride facility improvements including restrooms, lighting, and security.
  - Landscaping suited to the Southern California ecology. For example, vegetation that does not contribute to smog and requires little or no irrigation. Additionally, landscaping with a high carbon sequestration factor and/ or provides habitat to environmentally sensitive species is favorable.
3. Highway Roadway Improvements (20% of funds)
- Intelligent transportation system improvements to manage demand
  - **Signal Synchronization programs**
  - ~~Deck rehabilitation and maintenance above the required Caltrans maintenance for the facility~~
  - On/off ramp improvements which reduce the incidents of bicycle and pedestrian collisions with vehicles
  - ~~Expanded freeway service patrol~~
  - Graffiti removal and landscaping suited to the Southern California ecology. For example, vegetation that does not contribute to smog and requires little or no irrigation. Additionally, landscaping with a high carbon sequestration factor and/ or provides habitat to environmentally sensitive species is favorable
  - Subject to Metro Board approval, extension of the ExpressLanes corridors

NOTE: Baseline targets of 40% for Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Highway Improvements are identified as goals, however the actual allocation of the funding will be based on the merits of the proposed projects and programs.

## **Project Evaluation Criteria**

### Implementation of Regional and Local Sustainability Plans and Policies

- The extent to which the project, program, or enhanced transit service supports the recommendations and goals for each transportation mode as stated in the LACMTA's adopted Long Range Transportation Plan and SCAG's Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS)
- Extent to which the project, program, or enhanced transit service conforms to local plans to support the implementation of sustainable projects, including transit-oriented development and bicycle and pedestrian master plans

### Matching Funds/Leveraging Funds

- Extent to which project, program, or enhanced transit service uses ExpressLanes funds to leverage additional local, state, and/or federal funds

### Innovative Transportation Technology

- Extent to which the project, program, or enhanced transit service facilitates the adoption of zero and near-zero emission vehicles
- The degree to which the project, program, or enhanced transit service supports improved transportation systems management strategies

### Sustainable Transportation

- Extent to which the project, program, or enhanced transit service increases mobility options to support car-free and/or one-car living
- Extent to which project, program, or enhanced transit service enhances transit coverage, frequency, and reliability within the corridor
- The project, program, or enhanced transit service's connectivity with and ability to complement nearby transit projects
- The degree to which the project, program, or enhanced transit service provides access to regional trip generators, regional activity centers, fixed guideway, and Metrolink, and improves access between jurisdictional or community plan area boundaries
- Extent to which project, program, or enhanced transit service gives priority to transit and active transportation modes
- Extent to which the project, program, or enhanced transit service increases the mode share of transit services operating within the corridor
- The degree to which the project, program, or enhanced transit service provides additional resources for transportation demand management strategies to reduce solo driving
- The degree to which the project, program, or enhanced transit service promote the Metro ExpressLanes.

### Cost Effectiveness

- The project, program, or enhanced transit service's cost effectiveness in relationship to the total project cost



- The applicant's demonstrated commitment to covering life-cycle operational and maintenance expenses

### **Recommended Standard Project Requirements**

- Project, program, or enhanced transit service must operate along or within three miles of either the I-110 Corridor (defined as Adams Boulevard to the north and the Harbor Gateway Transit Center to the south) or the I-10 Corridor (between the Alameda Street on the West and the El Monte Transit Center to the east) or provide regionally significant improvements for the 110 or 10 Corridor.
- Project, program, or enhanced transit service must provide direct operational benefits to the operation of the ExpressLanes and/or transit service within the corridors.
- Project, program, or enhanced transit must incorporate, to the extent possible, utilize green design techniques that minimize the environmental impact of transportation projects and/or support local urban greening initiatives.
- Eligible applicants include public agencies that provide transportation facilities or services within Los Angeles County. These include cities, transit operators, the County of Los Angeles, Caltrans, and Metro. Transportation-related public joint powers authorities must be sponsored by one of the above public agencies. All applicants must be in compliance with Maintenance of Effort requirements.
- **Timely Use of Funds provision: project sponsors must execute their funding agreement within six months of receipt of the agreement from Metro and begin expenditure of funds within one year of executing the agreement to avoid potential lapsing of the funds.**
- If applicant is seeking funding for transit operations or highway maintenance, the service/maintenance must either be new service/maintenance meeting a previously unmet need in the corridor or must increase service for existing lines in the corridor.
- Applicants must maintain their existing commitment of local, discretionary funds for street and highway maintenance, rehabilitation, reconstruction, and storm damage repair in order to remain eligible for Net Toll Revenue funds to be expended for streets and roads.
- Monies cannot be used to supplant, replace, or reduce the project sponsor's previously required match in Metro's Call for Projects.
- Applicants shall ensure that all Communication Materials contain the recognition of Metro's contribution to the project, program, or service. Sponsor shall ensure

that at a minimum, all Communication Materials include the phrase “This project/program/service was partially funded by Metro ExpressLanes.”

**ATTACHMENT B**

**ExpressLanes I-10 and I-110 Corridor Advisory Groups (CAGs) Summit**

**October 1, 2015 - Attendee List**

| <u>Contact</u>    | <u>Organization</u>                     |
|-------------------|---|
| Ta-Lecia Arbor    | City of Los Angeles Housing Department  |
| Eric Bruins       | Los Angeles County Bicycle Coalition    |
| Ruben Cervantes   | Foothill Transit                        |
| Le Chen           | Caltrans                                |
| Devon Deming      | Los Angeles World Airports              |
| David Diaz        | Go Day One                              |
| Steve Diels       | AAMCOM Call Center                      |
| Bart Doyle        | SGVEP                                   |
| Hank Fung         | Southern California Transit Advocates   |
| LaShawn Gillespie | Foothill Transit                        |
| Veronica Hahni    | LANI                                    |
| Dawn Helou        | Caltrans                                |
| Ihenacho Ifeanyi  | Torrance Transit                        |
| Steve Lantz       | SBCCOG                                  |
| James Lee         | Torrance Transit                        |
| Joseph Loh        | Gardena Transit                         |
| Sherry Matthews   | Los Angeles Trade Tech College          |
| Jordan Miles      | Gardena Transit                         |
| Sheik Moinuddin   | Caltrans                                |
| Hilary Norton     | FAST                                    |
| Garland Seto      | LADOT                                   |
| Matt Stauffer     | Office of Assemblywoman Autumn R. Burke |
| Kim Sterling      | Mount St. Mary's College                |
| Kim Turner        | Torrance Transit                        |
| Pat Williams      | Mount St. Mary's College                |
|                   |   |
| Shahrzad Amiri    | LACMTA                                  |
| Bronwen Keiner    | LACMTA                                  |
| Silva Mardrussian | LACMTA                                  |
| Kathleen McCune   | LACMTA                                  |
| Patricia Soto     | LACMTA                                  |
| Philbert Wong     | LACMTA                                  |