



Board Report

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EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 16, 2025

SUBJECT: TRAFFIC REDUCTION STUDY UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on Traffic Reduction Study (TRS).

ISSUE

Staff is providing a status update on the TRS. The update includes findings on the potential for congestion pricing to reduce heavy traffic in Los Angeles County, generating revenue for investment in high-quality transportation and low-income assistance programs. It also includes lessons from New York City Metropolitan Transit Authority’s (NYCMTA) implementation of congestion pricing.

BACKGROUND

Addressing traffic congestion has long been among the top transportation priorities for LA County residents. For example, Measure M was formally titled the “Los Angeles County Traffic Improvement Plan,” reflecting what mattered most to voters at the time and underscoring the measure’s focus on reducing congestion and improving mobility across the region. Traffic congestion costs people and businesses time, stress, and money. It slows Metro’s buses and street-running rail, pollutes the air, contributes to high rates of preventable traffic fatalities and injuries, and is a drag on the region’s economy.

Traffic Congestion and Congestion Pricing

Traffic congestion occurs when too many vehicles use the same roadways at the same time. Congestion pricing is a proven demand-management tool that places a price on all lanes of a road or roads in an area with bad traffic. This reduces the number of vehicles on the road during the busiest times, enabling traffic to flow more smoothly and drivers to get to their destinations more reliably.

While not everyone has driven on a priced road, most people have experienced a form of pricing that is designed to smooth out demand when supplies are low. Many businesses and public agencies, including electric and water utilities, airlines, and parking providers, use pricing by charging more when and where demand is high.

The Traffic Reduction Study

A form of road pricing has been in operation in LA since 2012 with Metro's ExpressLanes network. Vision 2028 called for Metro to build upon its success and "[t]est and implement pricing strategies to reduce congestion... in the most traffic-clogged areas of the County... and simultaneously improve transportation equity and capacity by applying excess revenue to expand high-quality and rapid transit options." On February 28, 2019, the Board approved a Congestion Pricing Feasibility Study as part of "The Re-Imagining of LA County" motion.

This was renamed the Traffic Reduction Study in 2020 to focus on the desired outcome of reducing traffic congestion and improving mobility. Throughout the study, staff have focused on three interconnected goals:

1. Ease and improve traffic through affordable pricing.
2. Reinvest any net revenues from pricing in rapid, reliable, and safe transportation options.
3. Offer assistance to low-income households to address financial burdens and improve access to opportunities.

Modeling of Congestion Pricing Concepts

After identifying 14 potential congestion pricing concepts, staff completed three rounds of transportation modeling to test six of the 14 concepts to understand how congestion pricing, combined with reinvestment and low-income assistance, impacts traffic, revenue, transit usage and performance, job access, and other key metrics. Metro also conducted public outreach to help determine the goals of the study and to share and get feedback on the results of the first and second rounds of modeling. This public input informed and shaped the most recent third round of modeling.

The first round of modeling tested two versions of pricing in the Santa Monica Mountains, two versions for downtown Los Angeles (DTLA), and the I-10 between DTLA and Santa Monica. This initial round was conducted before the pandemic and assumed for modeling purposes that all drivers entering priced areas would pay.

The second round of modeling was an opportunity to test changes in travel patterns post-pandemic, and to adjust pricing assumptions to explore how to advance low-income assistance and encourage carpooling. As a result, staff designed modeling to assume that low-income drivers and vehicles with three or more people in them (HOV 3+) would not pay when entering priced areas. The results of the first round indicated that the Santa Monica Mountains Screen Line concept performed better than the I-5 and U.S. 101 Freeway pricing, so the Santa Monica Mountains version was modeled during this second round. Based on public input, staff also combined the two previous DTLA options into a second-round concept that priced surface streets into downtown (cordon pricing) and also priced the ring of freeways around DTLA. The I-10 West concept was the third concept included in the second round of modeling.

Staff focused on two concepts for third round modeling: the cordon version of DTLA, which had performed well in earlier rounds, along with a concept covering portions of West Los Angeles and

Santa Monica (WLA/SM) that the Southern California Association of Governments' (SCAG) 2019 Mobility Go Zone and Pricing Feasibility Study had identified as their most promising proof-of-concept area for congestion pricing.

Staff also used the third round of modeling to readjust parameters to seek the best possible outcomes for traffic reduction, investments in transportation, and low-income assistance. The second-round assumptions of full exemptions for low-income and HOV 3+ weakened the traffic reduction performance of the pricing concepts. In the third round, staff adjusted the HOV 3+ exemption from free to half price, and replaced full exemptions for low-income drivers with the distribution of mobility wallets to low-income households who commute into priced areas. This change in low-income assistance was a chance to model how giving a mobility wallet, a transportation budget that recipients could use to pay for congestion pricing tolls, transit, taxis, or other transportation options, would impact the outcomes tracked by the study.

NYCMTA Congestion Relief Zone

Since January 2025, NYCMTA has operated North America's first congestion pricing program. Metro staff have followed this implementation and early results to see if there are lessons for Metro's study and for Los Angeles County.

DISCUSSION

Staff have already publicly shared the results of round one and round two modeling and will focus this update on round three findings. Below is a snapshot of the evolution of the study's concept areas and modeling assumptions.

Initial 14 Potential Concepts

1. Santa Monica Mountains Screen Line Pricing
2. I-10 Corridor Screen Line Pricing
3. I-5 and U.S. 101 Freeway Pricing
4. Downtown LA Cordon Pricing
5. Pacific Coast Highway Freeway Pricing
6. I-5 Freeway Pricing
7. I-405 Freeway Pricing
8. I-605 Freeway Pricing
9. Downtown LA Freeway Pricing
10. Mid-City Area Pricing
11. Hollywood Area Pricing
12. County-wide Freeway Pricing
13. County-wide VMT Pricing
14. West LA/Santa Monica Cordon Pricing

Assumptions for Each Modeling Round

Modeling Round	Concepts modeled	Traffic data (Pre or Post COVID)	Reinvestments	Low-income Assistance + Exemptions
One	SMM, I-10, I-5/US101, DTLA cordon, DTLA freeway	Pre	SCAG regional plan 2028 assumptions	None
Two	SMM, I-10, DTLA cordon + freeway, WLA/SM*	Post	SCAG regional plan 2028 assumptions	Low-income and HOV 3+ free
Three	DTLA cordon, WLA/SM, DTLA + WLA/SM	Post	SCAG 2028 assumptions + additional transit frequency, CX, active transportation + transit project acceleration	HOV 3+ half-price and low-income commuters get \$900 annual mobility wallet

*WLA/SM concept was modeled during third round, but was also run with 2nd round assumptions during third round of modeling.

Round Three Findings

For round three, staff modeled a DTLA cordon concept, a West LA/Santa Monica cordon concept with boundaries derived from SCAG’s 2019 study but tested it with Metro’s modeling assumptions, and a version in which both of these concepts were operating at the same time. The results are in Attachment A - TRS Third Round Modeling Results. Strengths in the modeling results to note include the traffic reduction in the concept zones, increase in transit boardings countywide, increase in access to jobs by transit for residents in Equity Focus Communities (EFCs) countywide, and significant net revenue.

Considerations

Study shows that Congestion pricing meets the goals of the study

The results of the Traffic Reduction Study show that congestion pricing fulfills the goals of the study. It alleviates traffic, with over a 40% reduction in traffic delay in the congestion reduction zones and a 4% delay countywide. It improves transit performance, showing a 20% increase in daily transit boarding countywide. It also increases access to jobs by 8.9% countywide within 60 minutes by transit (14.8% for EFCs), and by 3.3% countywide within 30 minutes by driving (3.6% for EFCs).

Third round modeling assumptions improve results

Third round results showed improvements over previous rounds. There were substantially greater decreases to driver and transit delay, stronger improvements in the speed of vehicle flow , greater VMT reductions at both the County and concept zone levels, and large boosts over the second round

for access to jobs via both transit and driving and for increase in transit use countywide. For example, comparing the countywide impacts of the DTLA concept zone, the third-round results showed more than double the traffic delay reduction than the second round, more than five times in VMT reduction and increase in job access within 30 minutes, and a switch from a slight decrease in transit boardings to a large +387,000 transit boardings.

Improvements in traffic reduction between the second and third rounds of modeling were largely the result of the switch from full low-income exemptions to mobility wallets as the mechanism for low-income assistance. This is because full exemptions remove the incentive effect of pricing (the nudge to drive at different times or to use a different mode) from a sizable group of drivers (25 percent of commuter trips and 35 percent of non-commuter trips into DTLA, and 18 percent of commuter and 19 percent of non-commuter trips into WLA/SM). Mobility wallets, on the other hand, give low-income households a budget and a choice of when to spend funds on tolls or on other ways of travelling. As a result, mobility wallets create a stronger synergy between the traffic reduction and the assistance and equity goals of congestion pricing than exemptions. While the full exemptions reduced traffic reduction benefits by approximately 40 percent, mobility wallets only reduced them by 2 percent. Mobility wallets can also help low-income residents who commute or travel regularly into any potential congestion pricing zone whether they are regular drivers or whether they rely primarily on transit - as many Metro riders do.

Improvements in transit use in the third round of modeling came primarily from assumptions of reinvestment of net revenues in additional bus, rail, and commuter rail transit frequency, in new express routes into congestion pricing area, and in the acceleration of some Metro capital projects directly or indirectly serving potential pricing concept areas. Improvements in job access flowed from both the switch to mobility wallets and from increased reinvestment in transportation.

Summary of concepts' performance

The strongest performing modeling result was the third-round combined modeling of the DTLA and West LA/Santa Monica concepts.

The DTLA concept has performed well throughout the study. This is due to the greater reductions in regional traffic associated with DTLA's central location and the numerous existing transit options that serve and pass through downtown.

The West LA/Santa Monica Concept performs well in reducing congestion. It is also served by the A Line, buses from multiple agencies, and will soon be served by the D Line extension.

The Santa Monica Mountains Concept showed good reduction in traffic congestion and delay; however, the nature of this concept's geography means that it does not currently have many rapid transit alternatives besides the B Line. Staff chose not to conduct additional modeling for the third round because public feedback was split. Many commentators told staff that congestion pricing in this area should only be considered after the Sepulveda Transit Corridor is built, while others stated that pricing was needed sooner to address bad traffic and that revenue could help pay for the Sepulveda project. While the 1-10 West is an important corridor, modeling results were less promising. Congestion pricing did improve travel on the I-10, but when pricing was set on the higher side, the

model showed significant diversion off the freeway onto adjacent roads. When the pricing was set lower, there were no net revenues to reinvest. Staff would recommend converting an existing lane to an Express lane rather than implementing all-lane congestion pricing.

Round Two Public Feedback

In late 2023, staff conducted in-person and virtual public meetings and held conversations with community, business, transportation and cultural organizations, and Metro advisory bodies on the second round modeling results for the DTLA and the Santa Monica Mountains concepts. This input informed the design of round three concepts.

Staff heard that DTLA is a promising location for congestion pricing and that funding from congestion pricing could help fund service; potentially help complete and accelerate capital projects planned in or connecting to DTLA; and improve street safety and customer experience. Business organizations raised concerns about a post-COVID downturn in business conditions and safety issues. They shared concerns that congestion pricing should not act as an additional ‘barrier’ to visitors and employment and raised questions why Metro was not studying congestion pricing in other business districts. The same stakeholders were open to further discussions on mitigations and timing including studying economic impacts; investing in local priorities including safety and cleanliness and services and capital projects that would attract people to visit, work and live in DTLA; and exploring credits or exemptions for employees of companies that stay in or open in DTLA.

Many commentors in the Santa Monica Mountains area recognized that congestion pricing was one of the few solutions that could help address congestion, spill over traffic into neighborhoods, and unsafe driving. Some individuals, homeowner and neighborhood groups, and cultural institutions communicated with Metro stating they would not support congestion pricing in this area until after the Sepulveda rail project was open. Other residents and organizations commented that congestion pricing in this concept area could provide additional funding for the Sepulveda rail project, potentially allowing it to be completed sooner. Staff also heard from City of Los Angeles CD 4 that Metro should study impacts on a select list of surface streets.

Lessons from NYCTA’s Congestion Relief Zone

NYCTA launched its Congestion Relief Zone on January 5, 2025, charging vehicles entering Manhattan below 60th Street. The first eight months of data from this program have been promising, showing that MTA has so far met its goals of reducing traffic in the zone; avoiding traffic diversion to other parts of the region, especially low-income areas that are already burdened by air pollution; and raising revenue for subway maintenance, accessibility improvements, and capital projects.

Traffic delay is down 25% in the zone, without any spillover outside of its boundaries, and in fact delays are down by 10% in the Bronx. People driving inside and into the Congestion Relief Zone have quicker, smoother trips, with MTA buses in the Lincoln Tunnel traveling 24% faster in 2025 than in 2024. Bus and subway ridership are up 12% and 7% respectively as the price signal of the tolls encourages more people to use transit. Traffic injuries within the zone are down by 15%. Pedestrian traffic, office leases, and Broadway ticket sales are up (all indicators that the pricing has not hurt

business). From a quality-of-life perspective, roadway noise is down, with a 45% reduction in complaints about honking horns.

Southern California was the first place in the world with mass ownership of motor vehicles and has had high levels of traffic congestion for more than a century despite many attempts to address it. One solution that has worked to moderate traffic in the most congested parts of cities is roadway pricing, particularly congestion pricing. However, Manhattan is different than Los Angeles County. It has a very large subway network and transit mode share, and is an island where commuters are used to paying tolls for access through tunnels. Despite these unique features, from conversations with NYCTA employees and consultants who worked on planning this program, staff believe that there are four important lessons that can apply to our study.

- **State legislative authority was critical.** Local and state leaders had been considering congestion pricing in NYC for decades, but legislation authorizing congestion pricing was the crucial step to bring all local entities in alignment. Legislation was passed in April 2019 as part of the New York state budget.
- **Public opposition pre-implementation shifts after congestion pricing starts.** Polling in NYC and state, and in other places that have launched congestion pricing, has shown that public opinion tends to be low when pricing starts, because people do not like the idea of paying for something that has been free. Opinion tends to improve and become positive once pricing starts reducing bad traffic.
- **Well-planned congestion pricing works.** NY MTA and partners planned the pricing, technology, outreach, and investment for their program and have so far seen positive results close to what they predicted.
- **Federal collaboration was time-consuming and critical.** Under the National Environmental Policy Act (NEPA), any project utilizing the Value Pricing Pilot Program (VPPP) must undergo a review of its environmental impact. The FHWA greenlit the program in 2021. Full approval of the plans took another three years. In February 2025, USDOT terminated its approval of NYC's program, which NYC MTA challenged in court. In May 2025, a judge blocked USDOT from terminating the program, finding that the environmental review was sound.

EQUITY PLATFORM

From the beginning of the study, staff took the perspective that existing roadways were not planned equitably and do not always function today to achieve fair mobility for all. Introducing congestion pricing could help address challenges that make it harder for many residents to access opportunity or to travel safely. At the same time, many of the same people who need better transportation options in Los Angeles County also already face significant cost burdens. It is important that congestion pricing not become an additional financial burden on low-income households. As a result, each of the three primary study objectives of reducing traffic, reinvesting in transportation, and low-income assistance includes equity elements. These include how to help low-income drivers afford tolls, how to speed up and improve transit so that people without cars could access more jobs and other destinations, and how to avoid causing spill-over traffic into low-income neighborhoods that already see excessive levels of air pollution, collisions, and injuries.

TRS incorporated diverse voices into the study and modeling through surveys, focus groups, partnerships with community-based organizations (CBOs), and ethnographic research to ensure that the study incorporates lived experiences. Over 1,500 residents provided feedback, emphasizing the demand for reliable transit, less congestion, cleaner and safer stations, and safer walking and biking options.

Modeling for the study assessed the impacts of pricing on people by income quintiles so that staff could understand impacts on low-income commuters and residents. The study also overlaid Metro's EFC map, so that much of the study data can be examined just for residents in EFC's.

As summarized above, the second and third round of modeling were shaped significantly by staff's interest in testing different variations of low-income assistance programs. Third round results that assume use of mobility wallets seem to provide the best balance of traffic reduction and financial assistance. Benefits for low-income households and EFC residents include expansion in the number of jobs accessible by the average EFC resident by up to 130,000 (+ 15%), which is more than twice the increase of up to 50,000 for the average County resident. The modeling also assumed large-scale distribution of more than 100,000 mobility wallets, which would be a transformative expansion from Metro's current pilot program, which started with 1000 recipients in its first round and recently distributed approximately 2200 for the second-round pilot.

While the overall modeling results are positive for low-income residents and EFCs residents, if the study advances to more detailed operational planning, staff should plan to address hotspots in EFCs that show reduced speed on some small road segments near the DTLA and WLA/SM concepts. Staff and partners should also continue to talk to low-income residents who travel by a range of modes, and test messaging on congestion pricing and any assistance programs so that the County's diverse residents learn about future stages of the study and know what to expect if any concept(s) move towards future implementation.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT.

This item supports Metro's systemwide strategy to reduce VMT through roadway pricing and reinvestment activities that will improve and further encourage transit ridership, ridesharing, and active transportation. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

Metro conducted a preliminary analysis to show that the net effect of this multi-modal item is to decrease VMT. Modeling showed the potential for all four options to reduce VMT, with the largest

reductions for the third round of modeling:

Congestion Pricing Area	Daily VMT change within priced area	Daily VMT change Countywide
DTLA	-194,775 (-13.9%)	-1,892,800 (-.9%)
WLA/SM	-142,263 (-23.9%)	-1,152,800 (-.5%)
DTLA + WLA/SM	-336,182 (-16.8%)	-2,043,500 (-1%)

Metro also analyzed TRS congestion pricing concepts as part of the Vehicle Miles Traveled Reduction Target Setting report released in April 2024.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The study directly supports strategic plan goal # 1.3, which calls for testing and implementing roadway pricing and reinvesting net revenues in transit improvements.

Potential congestion pricing could advance goal 2 by helping fund customer experience improvements. Customer experience was factored into the model in round 3.

Potential congestion pricing could advance goal 3 by expanding access to jobs, which was modeled for drivers and for transit riders, and separated out for EFCs. Funding mobility wallets would also empower recipients to choose how to use a transportation budget to enhance their mobility and access.

Potential congestion pricing could advance goal 4 by requiring partnerships with local jurisdictions and agencies who control roadways.

Potential congestion pricing could advance goal 5 by generating net revenue to help with Metro operations and other financial needs while also requiring careful planning and implementation to assure the public that tolls were achieving traffic reduction goals and being invested wisely.

NEXT STEPS

Explore state legislative and administrative pathways to receive authority for potential future congestion pricing.

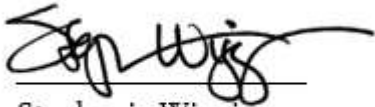
Work internally and with local partners on a more detailed operational plan for promising concept(s).

ATTACHMENT

Attachment A - TRS Third Round Modeling Results

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Chief Executive Officer

Attachment A – TRS Third Round Modeling Results

Metric	DTLA cordon		WLA/SM		Both	
	Actual	%	Actual	%	Actual	%
Less delay countywide (hours daily)	-53,700	-3.3%	-51,900	-3.1%	-66,100	-4%
Less delay in traffic reduction zone (hours daily)	-7,216	-39.7%	-2127	-46.5%	-9459	41.6%
Faster travel in traffic reduction zone (mph)	1.8	+8.8%	1.3	+5.5%	1.7	+7.9%
VMT reduction countywide (miles daily)	-1,892,800	-9%	-1,152,800	-5%	-2,043,500	-1%
VMT reduction in traffic reduction zone (miles daily)	-194,775	-13.9%	-142,463	-23.9%	-336,182	-16.8%
Increase in bus trips, countywide		+1.49%		+2.07%		+2.55%
Increase in rail, commuter rail, BRT trip mode, countywide		+18.99%		+9.86%		+20.96%
Increase in active transportation trips, countywide		+6.23%		+6.08%		+6.19%
Increase in daily transit boardings, countywide	+387,716	+17.2%	+224,975	+10%	+464,251	+20.5%
Change in SOV trips, countywide		-1.02%		-.81%		-1.12%
Change in HOV trips, countywide		-.54%		-.43%		-.51%
Increase in job access, 60 mins by transit, countywide	+48,407	+8.61%	+26,307	+4.88%	+50,307	+8.92%
Increase in job access, 60	+134,292	+15.48%	+85,711	+10.47%	+127,622	+14.82%

mins by transit, EFCs						
Increase in job access, 30 mins by car, countywide	+44,877	+3.17%	+22,106	+1.59%	+46,726	+3.3%
Increase in job access, 30 mins by car, EFCs	+60,410	+3.49%	+28,801	+1.7%	+62,816	+3.63%
Gross Revenue, 20 years	\$10,630,800,000		\$3,395,000,000		\$13,798,900,000	
Net Revenue, 20 years	\$9,520,800,000		\$2,938,400,000		\$12,335,000,000	
Change in CO2 emissions (metric tons)	-525.91	-.81%	-325.52	-.5%	-594.31	-.91%
Change in NOx emissions (metric tons)	+.07	+.21%	+.12	+.36%	+.05	+.14%
Change in PM10 emissions (metric tons)	-.002	-36%	-.001	-16%	-.003	-43%



Traffic Reduction Study

3rd Round Results, Lessons from NYC, and Next Steps

October 2025

WHAT IF WE REDUCE TRAFFIC In LA?

41% less delay in traffic reduction zones, **4% less** countywide

17% fewer miles driven in traffic reduction zones, **1% VMT reduction** countywide

20% higher daily transit boardings countywide

\$616 million net revenue per year

More than 100,000 mobility wallets for low-income residents

8.9% more jobs accessible w/in 60 minutes by transit countywide (**14.8% more** for EFCs)

Here's the Manhattan money map detailing the new congestion-pricing zone and traffic routes into it.

Passenger vehicles:	\$9.00
Small trucks:	\$14.40
Large trucks:	\$21.60
Motorcycles:	\$4.50
Taxi drivers:	\$0.75
App-based for-hire vehicles:	\$1.50



- State Legislation made it happen
- MTA achieved its desired results
- Public opinion became more positive after implementation

Traffic delay down 25% in the zone (down 10% in the Bronx)

Bus and subway ridership are up 12% and 7%

Traffic injuries within the zone are down by 15%.

Pedestrian traffic, office leases, and Broadway ticket sales are up

45% reduction in complaints about honking horns, noise pollution.

Results and Lessons from NYMTA

Key Takeaways

- Modeling results have met main study goals (traffic reduction + transportation investment + low-income assistance)
- 3rd round adjustments, with additional investments and mobility wallet, resulted in major boost to results
- Public comments after 2nd round modeling included concern over DTLA economy and lack of consensus on whether SM Mountains should proceed before or after Sepulveda project opens
- DTLA has shown most promising results and combines well with WLA / SM
- SM Mountains was promising in rounds 1 + 2 but it is challenging to promise high-speed transit options before completion of Sepulveda line
- Staff would recommend I-10W as an ExpressLane

Next Steps

- Explore state legislative and administrative pathways to receive authority for potential future congestion pricing
- Work internally and with local partners on a more detailed operational plan for promising areas