Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2026-0467, **File Type:** Resolution **Agenda Number:** 8.

PLANNING AND PROGRAMMING COMMITTEE
SEPTEMBER 16, 2026

SUBJECT: CAP-AND-INVEST LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

CONSIDER approving the Resolution in Attachment A that:

A. AUTHORIZES the Chief Executive Officer (CEO) or their designee to claim a total of $58,909,350 in California Cap-and-Invest (formerly California Cap-and-Trade) proceeds, accumulated in State Fiscal Year (FY) 2025-26, disbursed through LCTOP for A-Line Operations;

B. CERTIFIES that Metro will comply with LCTOP certification, assurances, and the authorized agent requirements; and

C. AUTHORIZES the CEO or their designee to execute all required documents and any amendments with the California Department of Transportation (Caltrans).

ISSUE

The Low Carbon Transit Operations Program (LCTOP), a California Cap-and-Invest (formerly California Cap-and-Trade) program established in 2014, provides operating and capital assistance funds to public transportation agencies to reduce greenhouse gas emissions and improve mobility, prioritizing projects serving State-designated disadvantaged communities, which partially overlap with Metro's Equity Focus Communities (EFC). To secure these funds, Metro must submit a complete package, which includes an adopted Board resolution certifying compliance with all LCTOP conditions. Therefore, Metro Staff seeks approval of the Resolution contained in Attachment A.

BACKGROUND

Created by California Senate Bill 862 (2014), LCTOP provides proceeds from California's Cap-and-Invest Program to support transit agency investment in various projects intended to reduce greenhouse gas emissions. Each year, the State makes LCTOP formula grant funds available through a process administered by the California Department of Transportation in coordination with the California Air Resources Board (CARB) and the State Controller's Office (SCO).

Under SB 840 (2025) and AB 1207 (2025), changes to the Cap-And-Invest rules, which took effect on July 01, 2026, require the State to change the timing for releasing Cap-And-Invest proceeds. To ensure proper distribution and timely access to funds, the FY 2025-26 LCTOP allocation is split into two separate cycles - Cycle A, a regular Call for Projects carrying approximately $132M, and Cycle B, a second Call for Projects carrying an estimated $85M. On February 27, 2026, the State notified eligible agencies of their FY 2025-26 Cycle A fund allocation amounts, including $32,138,535 apportioned to Metro. On September 1, 2026, the State released the Cycle B amounts which provides $20,590,955 to Metro. In addition, 17 Los Angeles County municipal operators requested to transfer to Metro $3,766,614 and $2,413,246 from their Cycles A and B FY 2025-26 LCTOP fund allocations in exchange for more flexible local funds. The total State FY25-26 LCTOP funding available to Metro, including funding exchanges with other municipal operators is $58,909,350.

DISCUSSION

To claim the total $58,909,350 grant award, Metro must submit a request describing the proposed transit expenditures to be funded using the LCTOP proceeds. The complete allocation request package must include a Board resolution that: 1) authorizes the CEO or their designee to claim $58.9 million in FY 2025-26 LCTOP funds; 2) identifies the project(s) to be funded with the LCTOP funds; 3) accepts the transfer of FY 2025-26 LCTOP funds to Metro by the 17 municipal operators; and 4) authorizes the CEO or their designee to execute and amend all required LCTOP documents with Caltrans including the certifications and assurances and authorized agent forms. Staff proposes to align the total $58,909,350 to A Line Operations.

LCTOP Program Funding

In FY 2025-26, $217.8 million was allocated to LCTOP statewide for Cycles A and B, with $52.7 million allocated to Metro. Transit agencies receiving funds from the LCTOP must submit proposals listing projects that meet any of the following criteria:

Expenditures that directly enhance or expand transit service by supporting new or expanded bus or rail services, new or expanded waterborne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities;

Operational expenditures that increase transit mode share; and

Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support these zero emission buses.

Additional Project Eligibility Criteria

For project leads in a Metropolitan Planning Organization area, projects must also be consistent with the Sustainable Communities Strategy. Additionally, capital projects must have a useful life not less than typically required for capital assets pursuant to State General Obligation Law, with buses or rail rolling stock considered to have a useful life of two or more years. The LCTOP specifically requires documentation that each proposed project will achieve a reduction in greenhouse gas emissions and improve mobility. All projects are required to benefit disadvantaged communities, low-income communities, and/or low-income households.

Metro-Specific Considerations in Selecting LCTOP Projects

Staff considered various factors to identify recommended projects to utilize the FY 2025-26 LCTOP funding, evaluating both new requests and potentially viable grant uses collected during prior years' LCTOP efforts. Projects that were analyzed included several Metro rail line operations, Access Services, electrification of various Metro Divisions, and Open and Slow Streets events. Factors including project readiness, project schedule, locations serving disadvantaged communities, GHG emissions reductions, and overall LCTOP program project eligibility, resulted in not selecting those projects. The analysis included an evaluation of each potential recipient project's alignment with Metro’s Strategic Vision, project and program costs, Vehicle Miles Traveled (VMT) impacts, equity, community engagement undertaken, and the extent to which allocating LCTOP funding improves the balance between Metro’s financial commitments and funding availability. As a result of this analysis, staff recommends Metro A Line operations. Further proposal details are outlined below:

Metro A Line Operations:

Metro’s A-Line, which operates from Long Beach to Pomona, spans 57.7 miles of track and includes 48 stations. Across the Metro rail system, the A-Line leads in both high ridership and operational demand. Recent expansions have significantly enhanced the line’s reach and utility. The Regional Connector, which opened to the public on June 16, 2023, enabled Metro to provide new service in Downtown Los Angeles and successfully consolidated three train lines into two (the A and E Lines). The Pomona Extension, which opened to the public on September 19, 2025, created 9.1 miles of new track and four at-level stations. This extension enables a vital new service in the San Gabriel Valley.

Together, these expansions facilitate a seamless, one-seat ride across Pomona, Downtown Los Angeles, and Long Beach, bridging additional connections to regional rail networks. The new/expanded and enhanced rail service has helped increase rail ridership on the A-Line by 16% in the first half of FY26. Both the Regional Connector and Pomona Extension were designed and built with significant community input. With the opening of the new Pomona Extension and the continued operation of 57.7 miles of track and 48 stations on the A-Line, it is considered new or expanded service within five years per LCTOP guidelines and aligns well with LCTOP eligibility requirements. The A-Line with the new Pomona Extension also aligns well with the current practice of programming available funds to eligible operations costs.

Metro-A Line operates in neighborhoods designated as disadvantaged or low-income per SB 535 and AB 1550, particularly the 28 stations located within Metro’s EFCs across Long Beach, South Los Angeles, East Los Angeles, and Pomona. Census tracts along the A-Line EFC boundaries average 57% low-income households, 85% Black, Indigenous, and People of Color (BIPOC), and 22% Zero-Vehicle households.

Multiple public engagement opportunities were initiated for these communities, drawing 229 participants to the Regional Connector and an average of 65 to the Pomona Extension.

DETERMINATION OF SAFETY IMPACT

The requested actions will not impact the safety of Metro customers or employees.

FINANCIAL IMPACT

Claiming the LCTOP funds will positively impact the agency's budget by making $58.9 million available to Metro for new or enhanced transit service.

Impact to Budget

LCTOP funds are eligible for either bus and rail operations or capital expenditures. .

EQUITY PLATFORM

Senate Bill 525 (de Leon, 2012) and Assembly Bill 1550 (Gomez, 2016) established criteria for meeting the LCTOP requirement to prioritize serving disadvantaged and low-income communities.

The California Environmental Protection Agency (CalEPA) provides tools, such as CalEnviroScreen 4.0, for identifying Disadvantaged Communities (DACs) based on geographic, socioeconomic, public health, and environmental hazard criteria. As the lead agency, Metro must select the document information to show that a proposed project meets all DAC and other priority population requirements. Staff considered both projects by utilizing the CalEnviroScreen 4.0 mapping tool, Metro's EFCs Map, and engagement from the Regional Connector Project.

The Metro A Line is located in or adjacent to neighborhoods designated as disadvantaged and/or low -income communities per SB 535 and AB 1550. Forty-Eight (48) stations along the A Line are located within Metro's Equity Focus Communities in (EFCs) in Long Beach, South Los Angeles, East Los Angeles, and Pomona. Stations in census tracts along the A Line's EFC boundaries have an average of 57 percent of low-income households and an average of 22 percent of zero-vehicle households. At least 80 percent of the A Line is located within a DAC as defined by CalEnviroScreen 4.0. The proposed grant funding will help Metro fund the continued operations of the A Line, which will benefit the impacted communities by providing direct, safe, and reliable transit service to major centers in Long Beach, Downtown Los Angeles, Pasadena, Azusa, and Pomona. The opening of the new Pomona Extension increases access to available multi-modal transit service to the greater San Bernardino area. Robust public engagement opportunities were initiated for communities in the extended corridor area, including public scoping meetings that drew 229 participants and an average of 65 participants per meeting for the Pomona Extension.

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. Implementing the GETS will reduce the vehicle miles traveled during the Games time by providing alternatives to driving and parking directly at venues.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT, as it is related to investment activities that will benefit and encourage taking transit, including rail.

This item supports Metro's systemwide strategy to reduce VMT through operational activities and infrastructure. 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 and meet the State's requirements. Staff calculated VMT associated with the proposal to show that the net effect of this multi-modal item is to decrease VMT. The California Air Resources Board's GHG Benefits Calculator (QM-Tool) is used in the LCTOP Allocation Request to demonstrate GHG and VMT reductions. Based on projected ridership numbers and estimated annual fuel use for A Line operations, the estimated VMT reduction is 92,209,745 miles.

*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

Recommendation supports strategic plan goal #1 to provide high-quality mobility options that enable people to spend less time traveling, and goal #3, enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board may choose not to approve the resolution in Attachment A. Staff does not recommend this alternative because it would risk the loss of $58.9M in State FY 2025-26 LCTOP funding - $52.7M allocated directly and $6.1M in funds transferred by 17 municipal operators to Metro.

NEXT STEPS

- August/September 2026: Caltrans and CARB approve List of Projects and submit it to SCO for Cycle A
- October 2026: Metro submits LCTOP Cycle B allocation request to Caltrans.
- September/October 2026: SCO releases approved project list for Cycle A
- January/February 2027: Caltrans and CARB approve the List of Projects and submit it to SCO for Cycle B
- February/March 2027: SCO releases approved project list.

ATTACHMENT

Attachment A - Board Resolution to Execute LCTOP Project

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Stephanie Wiggins
Chief Executive Officer

ATTACHMENT A

Los Angeles County Metropolitan Transportation Authority

Board Resolution

Authorization for the Execution of the Certifications and Assurances and Authorized Agent Forms for the Low Carbon Transit Operations Program (LCTOP) for the Following Projects:

Metro A Line Operations - $58,909,350

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (Metro) is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, 17 Los Angeles County LCTOP recipients (Contributing Sponsors) have submitted "Letters of Intent" to transfer $6,179,860 in PUC 99314 FY2025-26 LCTOP funds to Metro for Metro's FY 2025-26 LCTOP A Line Operations Project; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, Metro wishes to delegate authorization to execute these documents and any amendments thereto to the Chief Executive Officer (CEO), or their designee; and

WHEREAS, Metro wishes to implement the following LCTOP projects also listed above;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Los Angeles County Metropolitan Transportation Authority that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that the CEO or their designee is authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Los Angeles County Metropolitan Transportation Authority that it hereby authorizes the submittal of the following project nomination and allocation request to the Department in FY 2025-26 LCTOP funds:

Project Name: A Line Operations
LCTOP Funds Requested: $58,909,350 comprised of Metro's allocation of $52,729,490 and PUC 99314 allocations transferred to Metro from 17 Los Angeles County LCTOP Contributing Sponsors totaling $6,179,860 for Metro's FY 2025-26 LCTOP Project.
Description: Operations of Metro's A Line light rail service.
Benefit to Priority Populations: The project improves connectivity and provides one-seat rides within neighborhoods designated as DACs and/or low-income communities per AB 1550 criteria.
Contributing Sponsors: Antelope Valley Transit Authority, City of Arcadia, City of Burbank, City of Claremont, City of Commerce, City of Culver City, City of Gardena, City of Glendale, City of La Mirada, Foothill Transit Zone, Long Beach Public Transportation Company, City of Montebello, City of Norwalk, City of Redondo Beach, City of Santa Clarita, City of Santa Monica, and City of Torrance

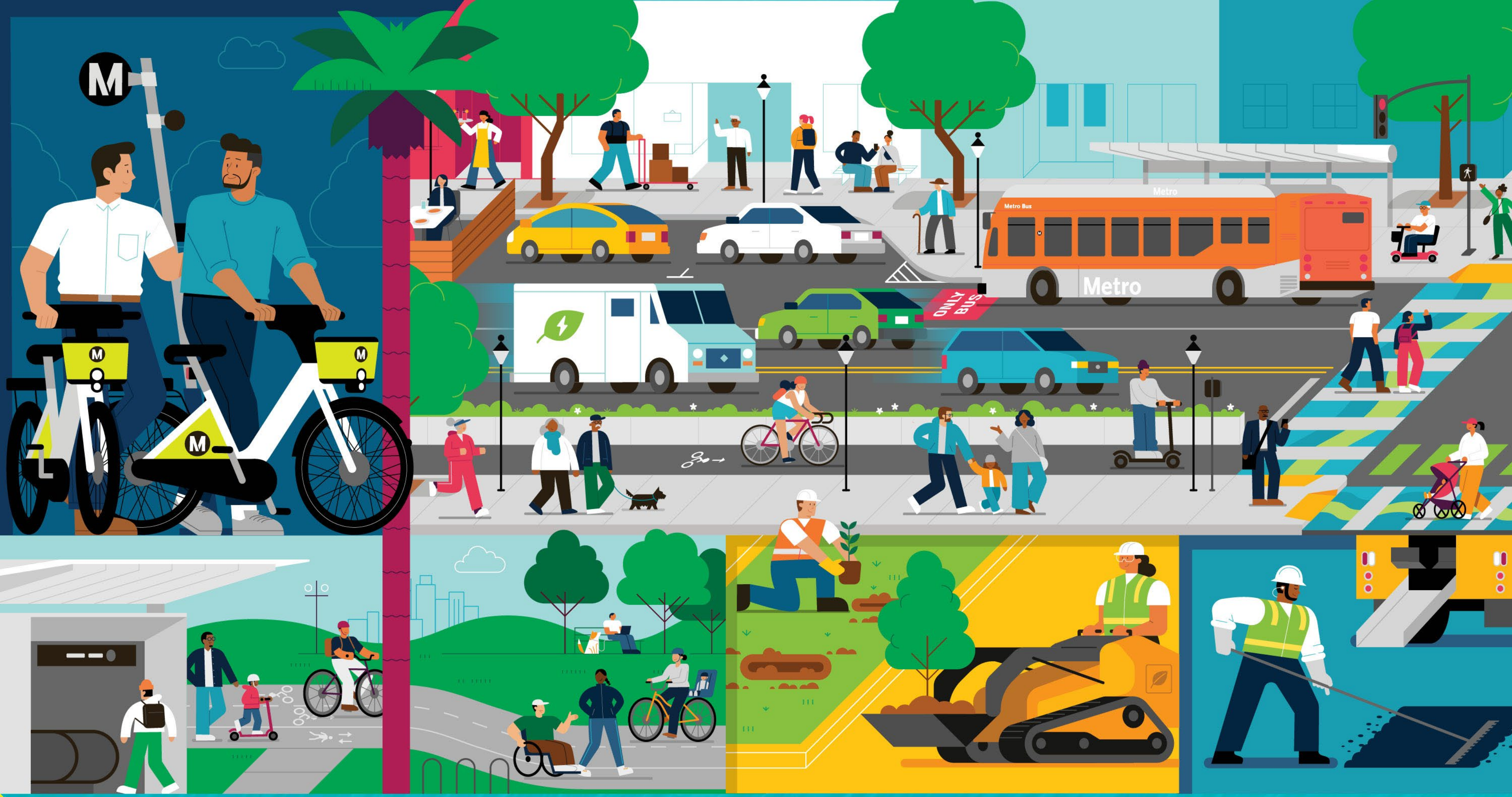
C E R T I F I C A T I O N

The undersigned, duly qualified and acting as the Board Clerk of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, September 24, 2026.

By: ________________________
Collette Langston, Board Clerk
Los Angeles County Metropolitan Transportation Authority

Dated:

(SEAL)



CAP-AND-TRADE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)

PLANNING AND PROGRAMMING COMMITTEE

SEPTEMBER 16, 2026

APPROVE RECOMMENDATION

CONSIDER approving the Resolution in Attachment A that:

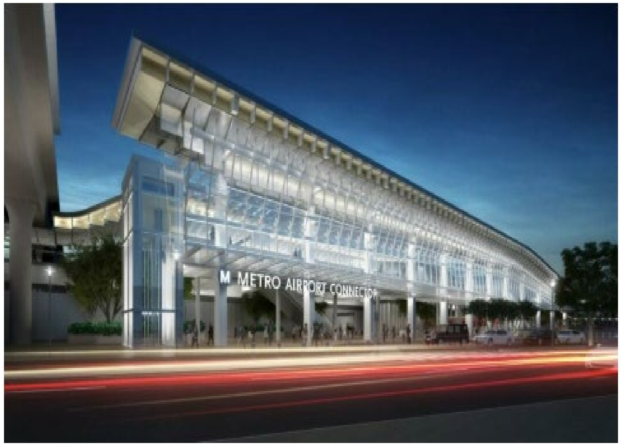
A. AUTHORIZES the Chief Executive Officer (CEO) or their designee to claim a total of $58,909,350 in California Cap-and-Invest (formerly California Cap and-Trade) proceeds, accumulated in State Fiscal Year (FY) 2025-26, disbursed through LCTOP for A-Line Operations;

B.CERTIFIES that Metro will comply with LCTOP certification, assurances, and the authorized agent requirements; and

C. AUTHORIZES the CEO or their designee to execute all required documents and any amendments with the California Department of Transportation (Caltrans).

LCTOP ELIGIBILITY REQUIREMENTS

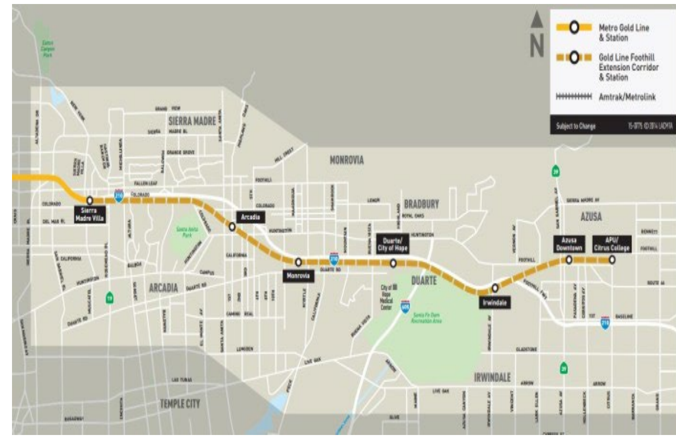
- LCTOP can fund eligible operating and capital projects for transit agencies – with a priority on serving disadvantaged communities – that reduce greenhouse gas emissions (GHG) and improve mobility.
- Eligible projects include:
    - New or expanded bus, rail, water-borne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities;
    - Operational expenditures that increase transit mode share; and
    - Purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure.



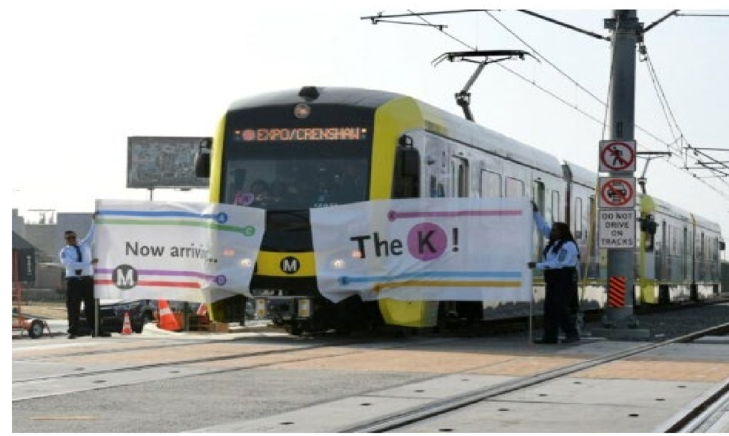
Airport Metro Connector

PRIOR LCTOP-FUNDED PROJECTS

- Gold Line Foothill Extension 2A Operations (OPS) – 2015-19
- Expo Phase 2 Ops – 2016-19
- Division 9 Electric Bus Charging Infrastructure – 2020
- Crenshaw/LAX Transit Corridor Ops and/or Fareless Initiative Pilot – 2021-22
- Division 8 Charging Infrastructure for North San Fernando Valley Transit Corridor – 2023-24
- E-Line Operations – 2024
- A-Line Operations – 2025
- Special Event Supplementary Bus Service - 2025



Gold Line Foothill



K- Line

RECOMMENDATIONS

A Line Operations

The A Line is located within Metro's Equity Focus Communities boundaries and would provide a one-seat ride between Long Beach and Pomona. This light rail-line is estimated to reduce VMT by 94,209,584, as well as result in a reduction in greenhouse gas emissions.