



Board Report

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Agenda Number: 10.

PLANNING AND PROGRAMMING COMMITTEE SEPTEMBER 16, 2026

**SUBJECT: LONG BEACH-EAST LA CORRIDOR MOBILITY INVESTMENT PLAN HIGHWAY
CAPITAL FUNDING**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. PROGRAMMING an amount not-to-exceed \$35 million in Measure M I-710 South Corridor Project (now the LB-ELA CMIP) Highway Capital Funds as funding augmentation for the Shoreline Drive Realignment Project, subject to contingencies including partial repayment (Attachment A);
- B. AMENDING the FY 2027 Budget to accommodate this programming action; and
- C. AUTHORIZING the Chief Executive Officer or their designee to negotiate and execute all necessary agreements with the City of Long Beach.

ISSUE

The Board previously approved and programmed \$9 million in funding for the Shoreline Drive Realignment Project (Project) to support the city of Long Beach's efforts to complete the design phase in time to maintain a federal funding award and implement the Project in time for the 2028 Los Angeles Olympic and Paralympic Games (2028 Games). The Project currently faces a \$35 million shortfall, which jeopardizes the federal funding award of \$30 million and the Project's opening date. Staff recommend augmenting the prior funding allocation by an amount not-to-exceed \$35 million to cover this shortfall, with contingencies included as outlined in Attachment A.

BACKGROUND

The Project will realign Shoreline Drive to reduce speeds and traffic impacts, and create a larger, more functional, and more connected park space adjacent to the Los Angeles River at the point where Interstate 710 (I-710) connects to Downtown Long Beach via the Shoemaker Bridge. The Project also includes upgraded signal and intelligent transportation system infrastructure and approximately 1.5 miles of protected bicycle and pedestrian facilities that connect the city's

Downtown and waterfront, the Los Angeles River trail system, and neighborhoods west of I-710.

Measure R (2008) allocated \$590 million in Highway Capital funds for the I-710 South and/or Early Action Projects. These funds were divided into two subfunds: \$430 million for the I-710 South Freeway project, and \$160 million for Non-Freeway/Early Action Projects (EAPs) to be sponsored and programmed by local jurisdictions adjacent to I-710. The funding available from the former subfund (\$243 million) ultimately became absorbed into the Long Beach-East LA Corridor Mobility Investment Plan (LB-ELA CMIP) after the Board, in [May 2021](#) <https://boardagendas.metro.net/board-report/2021-0368/>, suspended the I-710 South EIS/EIR and directed staff to develop a multimodal, community-focused investment strategy. The latter subfund was designed to enable local jurisdictions to make recommendations to Metro through the I-710 Technical Advisory Committee to advance their sponsored EAPs, including the Project, which was sponsored by the city of Long Beach. To date, the Project has received \$4.7 million in Measure R funding from Metro through the EAP subfund and is awaiting audit for final close-out, as these funds have been spent on earlier Project development phases.

In 2023, the city of Long Beach secured a \$30 million award from the United States Department of Transportation's Reconnecting Communities Pilot Program. This federal funding award leveraged local funding from the city and Metro to implement the Project by 2028. Failure to meet the grant requirements will result in the loss of this funding for the Project.

At its [April 2024 meeting](#) <https://boardagendas.metro.net/board-report/2023-0594/>, the Board approved the Long Beach-East Los Angeles (LB-ELA) Corridor Mobility Investment Plan (CMIP), which programmed approximately \$743 million in Measure R and Measure M funds previously dedicated to the I-710 South Corridor freeway project to a multimodal array of priority projects, programs, and community initiatives within the LB-ELA Corridor. Approval of the CMIP resulted in the allocation of approximately \$493 million in available CMIP funds for the Initial Investment Projects and Programs (including Community Programs) and reserved the remaining \$250 million in Measure M funds, which will not be available for construction until FY 2032, for future programming consideration. This action confirmed that the remaining \$243 million of funds from the \$430 million Measure R subfund for the I-710 South Freeway project were transferred to and programmed through the CMIP by Metro Board action.

One of the Initial Investment Projects and Programs identified in the CMIP is the Shoreline Drive Realignment Project, which (along with the connected Shoemaker Bridge Project) was recommended to receive \$9 million for pre-construction activities such as design, as requested by the city of Long Beach during development of the CMIP. The Project was selected following a rigorous community engagement effort, including direct participation by members of local impacted communities through the Community Leadership Committee, as well as a prioritization process that used multimodal benefit and equity-focused evaluative quantitative and qualitative criteria to identify projects to receive funding through the Initial Investment Projects and Program portion of the CMIP.

In September 2024, the City requested that Metro distribute the full \$9 million for the Shoemaker Bridge design phase, a request the Board approved at its April 2025 meeting. In that correspondence, dated September 9, 2024, the city also requested that Metro allocate an additional \$24 million for the Project to finalize its design and construction. This request for additional funding

was made in addition to the funding identified for the Project in the Board-approved CMIP. Metro began evaluating various funding options to support the City's effort to implement the project at the time.

The City followed up on this request with another letter dated October 13, 2025, informing Metro that their need for additional Project funding remained and that the total was now \$30 million, reflecting an increase of \$6 million from the prior letter due to inflation and construction management costs. In the letter, the city offered to repay \$8 million of this request from its Capital Improvement Program, starting in FY 2028 and concluding in FY 2031, with principal and interest, loan structure, and detailed terms to be determined in a subsequent agreement. The remaining \$22 million was requested as an allocation without a repayment agreement.

Metro responded to the City in a letter dated January 12, 2026, stating that it had reviewed the request, available funding options, and prior Board policy and precedent related to local jurisdiction projects that incur cost increases, and had determined that sufficient City local return funds were available across all four Metro sales tax measures (Propositions A and C and Measures R and M) to provide the necessary cashflow needed to cover the \$30 million shortfall. This proposal aligned with the precedent Metro had established through its work with the cities of Norwalk, La Puente, Lynwood, Montebello, Downey, and Monterey Park, which used their local return funds in a similar fashion. At the time, Metro and the City could not come to an agreement on using the City's local return funds to cover the entire \$30 million request through a loan or other financial mechanism.

In September 2026, the City again reached out to Metro and identified that the Project shortfall was now \$35 million based on the latest cost estimates, and that this additional funding would be needed imminently to avoid losing the USDOT funding award and to deliver the Project before the 2028 Games.

DISCUSSION

In response to the City of Long Beach's request for additional funding to secure the Project's funding plan, maintain the USDOT grant award, and deliver the project in time for the 2028 Games, Metro examined multiple funding sources for eligibility and capacity to meet the Project's needs. While Metro and the city could not come to an agreement to use city local return funds for the entire amount requested (initially \$24 million but now \$35 million), the City did indicate its willingness to repay a significant portion (33.3%) of its original request with local return funds starting in FY 2033.

Considerations

The Project is an identified CMIP priority project that was selected through rigorous community participation, evaluation, and consensus-based discussion with the LB-ELA Corridor Task Force and Community Leadership Committee. The CMIP's intention in allocating the prior \$9 million in CMIP funds to the Project and Shoemaker Bridge was to support the City's effort to leverage the USDOT funding award, ensure the Project's delivery by the 2028 Games, and provide long-term transportation and quality of life benefits for equity-focused communities in the Project area. With the project funding and schedule at risk, staff recommend that the Board augment the original \$9 million funding allocation for the Project and Shoemaker Bridge by an additional \$35 million, for a total of

\$44 million programmed for the Project through the CMIP, subject to the contingencies listed in Attachment A. The contingencies include a written commitment by the City of Long Beach to repay a portion of the \$35 million with Local Return (Attachment B).

DETERMINATION OF SAFETY IMPACT

Once implemented, the Project will improve safety for users of Shoreline Drive and surrounding communities accessing parks and trails in the vicinity. The Project features safety- and speed-reduction design, upgraded signals, and ITS to improve safety for all users of the multimodal transportation network in the Project area.

FINANCIAL IMPACT

Approval of staff recommendation would allocate \$35 million in previously unprogrammed Measure M Highway Funds that are dedicated to the LB-ELA CMIP. These funds would be partially offset by the city of Long Beach's future repayment of \$11.5 million starting in FY 2028.

Impact to Budget

The proposed programming action will require an amendment to the FY 2027 budget. The source of funds for this recommendation is Measure M Highway Funds dedicated to the LB-ELA CMIP, which are not eligible for bus and rail operating expenditures.

EQUITY PLATFORM

The Shoreline Drive Realignment Project aligns with the Equity Guiding Principle developed by the LB-ELA CMIP Task Force and approved by the Board at its [September 2022 meeting](https://boardagendas.metro.net/board-report/2022-0330/) [<https://boardagendas.metro.net/board-report/2022-0330/>](https://boardagendas.metro.net/board-report/2022-0330/), along with the Sustainability Guiding Principle and the LB-ELA Corridor vision and goals that collectively became part of the framework to develop, evaluate, prioritize, fund, and implement CMIP projects and programs. These values were developed with the support of the Office of Equity and Race's robust leadership and participation in the development of the CMIP process and outcomes, including the use of the Rapid Equity Assessment tool and the Equity Platform Evaluation Tool in pilot format.

The LB-ELA CMIP Equity Guiding Principle is centered around three commitments: (1) strive to rectify past harms; (2) provide fair and just access to opportunities; and (3) eliminate disparities in project processes, outcomes, and community results. The Equity Guiding Principle also included four dimensions of equity: procedural, distributive, structural, and restorative. The development of the CMIP also included intentional, accessible, and representative participation by communities most impacted by I-710 through the Community Leadership Committee.

The Project's focus on expanding local equity-focused community access to expanded parkland, trails, and the LA River through reshaping the highway facility to serve local community needs led to it being awarded funding from the USDOT's Reconnecting Communities Pilot program and prioritized by the LB-ELA Task Force and Community Leadership Committee as a project that met the needs of the communities through an prioritization process that relied on equity-focused evaluative criteria

supported and developed by local community members and regional stakeholders.

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 investment 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.

*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 recommendation supports implementing a multimodal system improvement that will provide safer trips, offer alternative mobility options, and increase access to more parkland in the city of Long Beach in advance of the 2028 Games, for which the city will host multiple venues. Board action would be consistent with the following goals of the Metro Vision 2028 Strategic Plan:

Goal 1: Provide high-quality mobility options that enable people to spend less time traveling.

Goal 2: Deliver outstanding trip experiences for all users of the transportation system.

Goal 3: Enhance communities and lives through mobility and access to opportunity.

Goal 4: Transform LA County through regional collaboration and national leadership.

ALTERNATIVES CONSIDERED

The Board could decide to not program CMIP funding for this purpose. The CMIP and its Vision, Guiding Principles, and Values created a framework whereby funding allocated for the future Modal Programs would be programmed by the Board in a future action based on staff recommendations developed in partnership with local communities, cities, and stakeholders convened through the implementation phase of the CMIP. While this programming action conflicts with that understanding of how future CMIP funds will be allocated, staff believe that the urgency to fully fund the Project now to maintain its existing USDOT funding award and to be opened before the 2028 Games is a mitigating circumstance aligned with the Board's prior intent for investing CMIP funding for the

Project, supported by the City's intention of repaying 33.3% of the funding allocated with Local Return funds.

NEXT STEPS

Upon Board approval, the CEO will negotiate and execute a funding agreement with the City of Long Beach for \$35 million, inclusive of the contingencies outlined in Attachment A.

Staff will amend the FY 2027 budget to reflect Board action.

ATTACHMENTS

Attachment A - Contingencies for \$35 Million of CMIP Funding

Attachment B - City of Long Beach: Project Funding Details

Prepared by:

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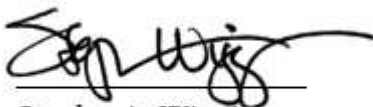
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Stephanie Wiggins
Chief Executive Officer

Contingencies

This \$35 million programming recommendation includes several contingencies to help ensure that this Board action (1) remains consistent with its prior policy decisions regarding the CMIP's values and funding priorities, and (2) that the City of Long Beach repays a portion of the funding recommendation that augments funding approved in prior Board action.

The contingencies attached to this funding recommendation for the Shoreline Drive Realignment Project (Project) are as follows:

1. The City will repay \$11.5 million (or 33.3%) of this \$35 million funding allocation through its Local Return funds, starting in FY 2033 when the City's Capital Improvement Program is available for programming, with principal and interest, loan structure, and detailed terms to be determined as part of the Project funding agreement to be executed between Metro and the City.
2. Metro's funding participation in this Project will be capped by the net total allocation provided through this Board action. Any future cost overruns or funding shortfalls will be the City's responsibility to resolve.
3. All funds provided through this Board action can only be used for the Project. No funds may be redirected to support the Shoemaker Bridge replacement project or other projects outside the aforementioned Project's scope of work.
4. No CMIP Initial Investment Projects and Programs priorities, including the CMIP Community Programs and START-UP Program, will be displaced, delayed, or deferred because of this programming action. Staff will develop an appropriate cash flow analysis to ensure the Project's funding needs align with the overall CMIP implementation schedule and to provide transparency for CMIP communities and stakeholders.
5. The additional \$35 million programmed at the outset for the Project by this action will be sourced from the Measure M Highway Contingency Subfund to fund the inflation adjustments for this Project. Measure M funding for the I-710 South Corridor Project is dedicated to the CMIP for construction beginning in FY 2026, as identified in the Measure M Expenditure Plan (Attachment A, Line 20). The Project is eligible for inflation adjustments, as less than two-thirds of the Measure M funding will be spent prior to FY 2027. This total funding allocation will be partially offset by the \$11.5 million in funds repaid by the city.
6. For purposes of the CMIP's geographic balance in funding allocations, the programming action and the net total funding allocated will be considered as a pre-existing City of Long Beach allocation when future Modal Program recommendations are brought to the Board for consideration.



MAYOR REX RICHARDSON CITY OF LONG BEACH

September 10, 2026

Stephanie Wiggins
CEO, Los Angeles County Metropolitan Transportation Authority

RE: Shoreline Drive Realignment: Proposed \$35 million Funding Details

Dear Ms. Wiggins,

As outlined in a separate letter, the Shoreline Drive Realignment Project is in need of \$35 million to fully fund the construction phase of the project, preserve the significant federal investment, and complete a transformative regional mobility and community-connection project in Downtown Long Beach.

To address the remaining funding needed for the Project, the City respectfully submits the following draft term sheet for Metro's Board of Directors' consideration:

Total Project Cost

- \$73 million estimated total project costs based on the recent construction bids received.

Available Project Funding

- \$30 million from U.S. Department of Transportation Reconnecting Communities Grant Program.
- \$4,700,000 Metro Measure R
- \$3,300,000 Traffic mitigation, TDA, local Measure A, & gas tax funds

Total Amount Requested:

- \$35 million

Agreement Type:

- Structured as a grant, with local return match requirements.

Disbursement Terms:

- Metro to provide \$35 million in funding to the City in Fiscal Year 2027, to allow construction to be fully funded and phase 1 to begin immediately.

City Repayment Terms:

- The City will contribute \$11.5 million in future Metro Local Return funding.
- The City will begin repayment in FY 2033. Funding up through FY2032 has already been programmed as part of the City's Capital Improvement Program (CIP). Repayment

starting in 2033 will be captured and taken into account during future CIP planning process.

- Beginning in FY 2033, the City will repay \$1.15 million annually in local return Metro Measure R and/or Measure M funds to Metro through FY 2042 (10 years total = \$11.5 million in payments).
- Payment structure and detailed terms to be determined and outlines in a subsequent agreement.

This funding structure provides Metro with assurance of the City's continued financial commitment while making resources available immediately to advance the Project into construction. The City believes this approach appropriately balances the need for near-term project delivery with Metro's long-term regional funding priorities. The \$35 million will solely be utilized for the Shoreline Drive Realignment Project and any available funding leftover will be returned and will not be utilized for any other project, including the Shoemaker Bridge Replacement Project.

The City remains committed to delivering this transformational project for Long Beach residents and visitors. The Shoreline Drive Realignment Project advances our shared mobility, safety, sustainability, and equity goals and represents a timely, high-impact regional investment ahead of the 2028 Summer Games. Metro's support would also help protect the \$30 million federal grant from expiring or going unused.

I look forward to continuing our partnership and working collaboratively with Metro staff to finalize a mutually agreeable terms sheet for consideration and approval by the Metro Board of Directors and the Long Beach City Council. If you have any questions, please contact Sarah Patterson, Manager of Strategic Partnerships and Government Affairs, at Sarah.Patterson@LongBeach.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rex Richardson', followed by a long horizontal line extending to the right.

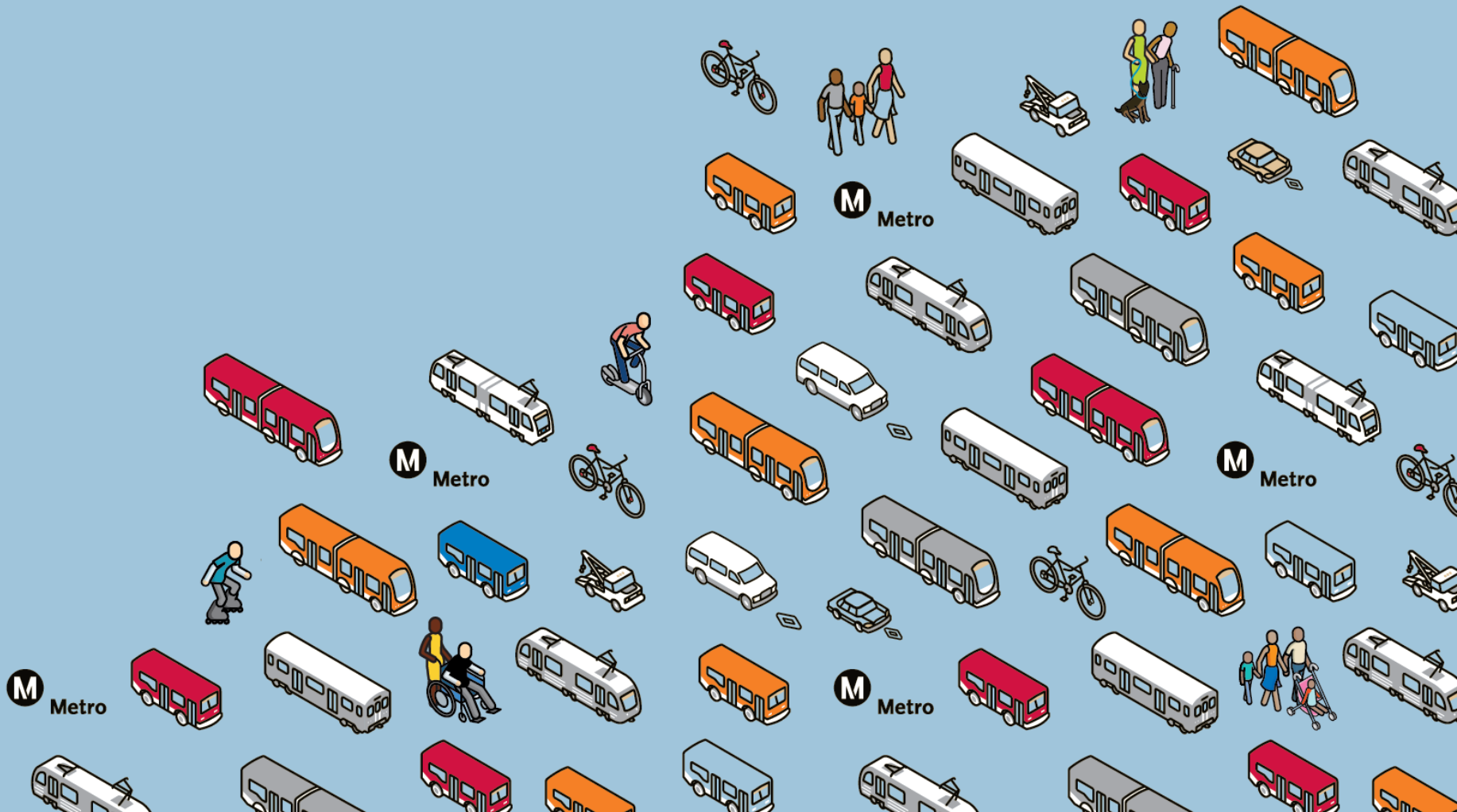
Rex Richardson
Mayor of Long Beach

cc: April Walker, Assistant City Manager, City of Long Beach
Joshua Hickman, Director of Public Works, City of Long Beach
Dawn Henderson, Deputy Director of Public Works, City of Long Beach
Sarah Patterson, Manager of Strategic Partnerships and Government Affairs, City of Long Beach

Long Beach-East Los Angeles Corridor Mobility Investment Plan (LB-ELA CMIP) Highway Capital Funding

Planning & Programming Committee

September 16, 2026



Recommendations

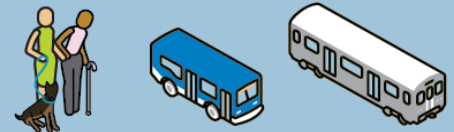
- A. **Programming** an amount not-to-exceed \$35 million in Measure M I-710 South Corridor Project (now the LB-ELA CMIP) Highway Capital Funds as funding augmentation for the Shoreline Drive Realignment Project, subject to contingencies including partial repayment
- B. **Amending** the FY 2027 Budget to accommodate this programming action
- C. **Authorizing** the Chief Executive Officer or their designee to negotiate and execute all necessary agreements with the City of Long Beach



Project Background

The Shoreline Drive Realignment Project (Project):

- Is a CMIP priority project for initial investment – funded by up to \$9 million to support design and implementation
- Received a \$30 million USDOT Reconnecting Communities Pilot program award, which is at risk without additional funding
 - Strong equity focus providing active transportation options and expanded park space for equity-focused communities.
- Has a strong nexus to the 2028 Games venues in Long Beach.
 - Metro funding would allow the first phase to open in time.
- Was vetted through rigorous community engagement and participation, Community Leadership Committee review, and equity analysis to support Project status as a priority for CMIP funds.



Contingencies (Attachment A)

To ensure consistency with prior policy decisions regarding the CMIP's values and funding priorities, this programming action is contingent upon the following conditions:

- Long Beach will repay \$11.5 million (33.3%) of the \$35 million funding allocation over time
- Metro's funding participation for the Project will be capped by the net total allocation
- All funds provided can only be used for the Project, and no funds may be redirected to support the Shoemaker Bridge replacement project or other projects outside the Project's scope of work.



Contingencies (cont.)

- No CMIP Initial Investment Projects and Programs, including the Community Programs and START-UP Program will be displaced, delayed, or deferred
- Funding source will be Measure M Highway Contingency Subfund available for this project
- For purposes of LB-ELA Corridor geographic balance in CMIP investments, this action will be considered as a pre-existing City of Long Beach allocation when future Modal Program recommendations are brought to the Board for consideration



Next Steps

- Upon Board approval, the CEO will negotiate and execute a funding agreement with the City of Long Beach for (up to) \$35 million, inclusive of the contingencies outlined in Attachment A.
- Staff will amend the FY2027 budget to reflect Board action.

