

# LACMTA Transportation Funds Guidelines Administration Reference Manual Volume I



Compiled by

Office of Management & Budget

Local Programming

January 2023



**Metro**<sup>®</sup>





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# MTA BUS OPERATIONS SUBCOMMITTEE

## BY LAWS

### ARTICLE I. PURPOSE AND SCOPE

#### Section 1

Under the authority of the Los Angeles County Metropolitan Transportation Authority hereinafter called the MTA, the Bus Operations Subcommittee, also referred to as BOS, shall be consulted on issues and will provide technical input/assistance to the MTA by reviewing and evaluating the various transportation policies, operating issues, and transportation financing programs in Los Angeles County. BOS shall review, comment upon and make recommendations on such matters as referred to it by the MTA.

In the dispatch of its responsibilities, the Bus Operations Subcommittee may conduct meetings, may appoint committees or working groups, and engage in such related activities, as it deems necessary.

#### Section 2

Under the authority of the MTA, BOS may also engage in such related activities as appropriate to the dispatch of its responsibilities and from time to time, may bring matters of special concern to BOS operators to the attention of the MTA through the appropriate MTA policy committees with a minimum 24 hour notification to the TAC Chair to allow TAC, at their option, to send a representative.

At a minimum, the following items will be reviewed by the BOS:

- Transportation planning and policy-making with impacts on transit, including long-range financial plans.
- Proposition A Discretionary Program Guidelines.
- Proposition A Local Return Policy and Administration Guidelines.
- Proposition C Policy and Administrative Guidelines.
- Legislative issues – federal, state, and local.
- Short Range Transit Plan (SRTP) issues.
- TDA and STA issues.



- Issues related to Proposition A Discretionary Grant MOU approvals.
- Unmet Transit needs findings.
- *Annual Funding Marks and related issues for Included and Eligible Operators*

### Section 3

The staff of the MTA shall be available to aid BOS in its work.

## ARTICLE II. MEMBERSHIP

The Bus Operations Subcommittee shall consist of seventeen (17) voting members and ex-officio members selected as follows:

a. Included Operators of Los Angeles County [one (1) vote each]:

- Arcadia Transit
- Claremont Dial-A-Ride
- Commerce Municipal Bus Lines
- Culver City Municipal Bus Lines
- *Foothill Transit*<sup>\*</sup>
- Gardena Municipal Bus Lines
- LACMTA Operations
- La Mirada Transit
- Long Beach Transit
- *Los Angeles Department of Transportation*<sup>\*</sup>
- Montebello Bus Lines
- Norwalk Transit System
- Redondo Beach Wave
- Santa Monica's Big Blue Bus
- Torrance Transit System

b. Eligible Operators of Los Angeles County [one (1) vote each]:

- Antelope Valley Transit
- ~~Foothill Transit~~
- ~~Los Angeles Department of Transportation~~

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\* Asterisk represents that those operators are either receiving partial or full formula funding under the eligible operator criteria.

- Santa Clarita Transit

c. Non-Voting Members (Ex-Officio)

- MTA – Approved Transportation Zone(s)<sup>1</sup>

### **ARTICLE III. OFFICERS**

The Bus Operations Subcommittee shall elect a Chairperson, Vice Chairperson, and Secretary from the voting members thereof, each of whom shall serve for one (1) year, and thereafter until either re-elected or a successor is elected.

The individual member shall be considered as the elective officer and not the organization or agency.

Election of officers will be conducted at the September meeting of BOS (and will assume their duties immediately following the meeting).

#### **Section 1 Duties of Officers**

- Chairperson – It shall be the duty of the Chairperson to preside at all meetings of BOS and to ensure that the proceedings of the meeting are conducted in keeping with adopted by laws. The Chair will also appoint the Alternates to the Technical Advisory Committee (TAC).
- Vice Chairperson – In the absence or inability of the Chairperson to act, the Vice Chairperson shall perform all the duties of the Chairperson.
- Secretary – The Secretary shall keep, or cause to be kept (by MTA staff) minutes of all BOS meetings. The Secretary shall give, or cause to be given (by MTA staff), notice of all meetings in keeping with adopted by laws.

If the Chairperson and Vice Chairperson are absent, the Secretary shall perform all the duties of the Chairperson.

#### **Section 2**

Subcommittees – The Chairperson may create special or ad hoc subcommittees, and shall appoint subcommittee members as needed, subject to the majority approval of BOS.

#### **Section 3**

Meetings Requiring BOS Representation – If any officer or subcommittee member is unable to attend a meeting to which they have been appointed, and which requires BOS representation, the Chairperson may appoint an alternate representative from the subcommittee membership.

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<sup>1</sup> MTA approved Transportation Zone(s) shall become Included Operators and eligible to vote once provisions for eligibility have been achieved per established guidelines.

## ARTICLE IV. MEETINGS

### Section 1

Regular Meetings – Regular meetings of the Bus Operations Subcommittee shall be held on the ~~last~~ third Tuesday of each month.

- a. The Staff of MTA will supply BOS members with copies of meeting agendas (including supporting materials) and minutes of the prior BOS meeting no less than three (3) working days before the next scheduled meeting.

#### Attendance Policy:

- b. After three consecutive absences at regular meetings by the member or alternate, the agency will automatically be suspended from voting privileges. Privileges will not be reinstated until a written notice is sent by the MTA within 15 days notifying the General Manager of the agency's suspension. The appointing authority of the Agency must then send a new letter to MTA appointing the agency's BOS member and alternate. To ensure members are credited with attending the meetings, the roster must be signed at the meeting. The attendance roster becomes part of the meeting minutes.

### Section 2

Quorum – Nine (9) voting members of the Bus Operations Subcommittee shall constitute a Quorum for the transaction of business.

## ARTICLE V. VOTING PROCEDURES

Each voting member shall have one (1) vote. Only designated representatives may vote. Only voting members may make and second motions. ~~Nine (9) voting members~~ 50% of the votes cast (plus one) constitute a majority.-

## ARTICLE VI. AMENDMENTS TO BY LAWS

The bylaws of the Bus Operations Subcommittee may be amended following thirty (30) days notice of proposed changes by a two-thirds (2/3) vote of all the voting members (subject to ratification by the MTA).

## ARTICLE VII. AUTHORITY

The Bus Operations Subcommittee is created by the MTA and shall have no authority separate or apart from that of the MTA.

GENERAL MANAGERS - 5/26/92 MEETING  
BUS OPERATIONS SUBCOMMITTEE - 5/26/92 MEETING  
FOOTHILL TRANSIT ZONE - FUNDING

ATTACHMENT "B"

LACTC CRITERIA FOR NEW INCLUDED MUNICIPAL OPERATORS

Any transit system seeking designation as an "included municipal operator" under Section 99207(d) of the Public Utilities Code is required to meet specific criteria based on:

1. Length of continuous operation (minimum of three years);
2. Availability for use by the general public during same three-year period;
3. Minimum 50% level of support of the system's operating expenses through fares, city general funds, or federal UMTA programs (Proposition A Local Return funds cannot be considered as part of city's general fund contribution);
4. Approval of system's Short Range Transit Plan by LACTC;
5. Meeting a need that would otherwise not be met or cannot be effectively provided by a current operator receiving TDA;
6. Integration and coordination with neighboring transit systems;
7. Meeting the requirements of TDA and Section 15 of the Urban Mass Transportation Act, as amended; and
8. Eligibility for funding if system consists of a reorganization or replacement of another transit system previously eligible for funding and provides substantially similar service which previously received TDA subsidies.

In July, 1991, with the designation of the City of Los Angeles as an included operator, the LACTC approved the addition of the following criterion:

9. Notwithstanding criteria #1, 2, and 3, an operator may be designated an Included Operator for specific service previously funded through an LACTC demonstration grant by eight affirmative votes of the LACTC.



# **Attachment A**

## **2020 Long Range Transportation Plan**



**Metro**<sup>®</sup>

**We have a plan for  
OUR NEXT LA\*.**

**2020 Long Range Transportation Plan**



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Conceptual Illustration of Plan Elements

*\*By LA, we mean all 88 cities, unincorporated areas and hundreds of neighborhoods, in LA County.*



*We have a Plan*  
for a future  
where we spend  
less time in traffic,  
and less of us  
drive alone.

**OUR NEXT LA\***  
provides a  
detailed roadmap  
for the journey.



# *Improving mobility is complicated.*

That's why our plan weaves efforts across four priorities:

We envision *better transit*, with seamless trips for riders travelling across LA to learn, work or play.

Our vision is *less congestion*, where traffic flows more freely and travel times are more certain.









All these solutions work together,  
but we cannot achieve them alone.  
We need every Angeleno to partner  
with us in this effort.

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North Hollywood



*Together, we can  
make real change.*

DRAFT





# Letter from the CEO

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Dear Friends,

**The Long Range Transportation Plan (LRTP) provides the funding plan and bold policies needed to move us forward to a future LA County that is environmentally and economically sustainable, while continuing to reduce congestion. We are still learning from the current pandemic, but the need for specific long-term and near-term action plans has never been more apparent.**

We must seize this opportunity to pursue a more sustainable future by taking steps now to manage the capacity and improve the effectiveness of our transportation system. Metro's LRTP details how Metro will work toward elevating the quality of our services and the reach of our transportation system, to make them better for everyone.

The benefits of improved mobility are greater access to opportunities for all, including jobs, education, housing and health care – essential elements for a higher quality of life. The responsibility for improving mobility in our region is at the core of Metro's 30-year LRTP, as is our commitment to improving equity through these efforts.

The LRTP provides a balanced, comprehensive approach by considering the mobility needs of everyone in LA County, and matches those access needs with Metro's expected resources to transform our transportation future. As Metro continues to implement the largest transportation expansion program in the country – thanks to Measure M – we also face the need to improve the quality of our existing services and leverage all modes in our system for more reliable, convenient and safe travel anywhere in the county.

Southern California's transportation challenges require bold leadership and action. Metro's LRTP establishes unprecedented levels of commitment to mobility improvement and innovative approaches to address our current and future needs. Solutions for complex problems require a collaborative approach from everyone in the region, including each of you. Please consider the LRTP an invitation to everyone in LA County to join us in moving toward a better mobility future.

Sincerely,



Phillip A. Washington  
*Chief Executive Officer*



# What is COVID-19 teaching us?

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**In March 2020, as the LRTP was being prepared for public release, the United States went into quarantine in response to the COVID-19 pandemic. The pandemic has reshaped all aspects of our lives, including how we work and travel, but the long-term impacts are unknown. Future updates to the LRTP and the forthcoming Short Range Transportation Plan (SRTP) will explore some of the current uncertainties, including:**

## **Financial**

Metro will continue to prioritize financial stability throughout and beyond the pandemic. COVID-19 brought a reduction in sales tax receipts and fare revenues; however, Metro remains committed to the safety of our drivers and riders. As of June 2020, Metro estimated a \$1.8 billion gap in funding from combined decreases in sales tax, fare revenue, and toll revenue, as well as increased operating expenses, but is also anticipating more than \$1 billion in financial support from the federal government through the CARES Act for LA County. Though it is still unknown how long the pandemic will impact the operations of Metro and the economy as a whole, Metro is continuously seeking innovative ideas, operational efficiencies and value engineering to improve our financial stability.

## **Travel Behavior**

While the LRTP recognizes that there are major challenges facing our region, such as climate change, a housing crisis and congestion, the pandemic presents a unique opportunity to reposition our priorities and future actions. The pandemic has shown us how significant change can also result in potential benefits, when we look at reduced traffic. COVID-19 forced companies to re-examine remote working as a functional, healthy alternative in many industries. Continuing to promote telecommuting and/or other flexible transportation solutions will help sustain the congestion reduction and air quality benefits we are currently experiencing.

## **Operational**

Metro's transit system saw an immediate reduction in ridership at the onset of the pandemic and the Stay At Home orders. When the Stay At Home restrictions began in March 2020, Metro deployed operational changes, such as providing a modified Sunday schedule to respond to reduced ridership, adding 60-foot buses for more capacity, increased cleaning and sanitizing of vehicles at the start and end of every revenue service, and introducing 20-minute headways during evening hours on Metro's rail system. By Summer 2020, Metro returned to roughly 50% of its previous ridership, and plans a phased return to full transit operations. However, the long-term impacts of the pandemic will continue to evolve.

While the pandemic has brought immediate changes and will have some unknown lasting impacts, the LRTP is a 30-year plan with a broad vision and strategies that are flexible and responsive to future challenges facing the region. The LRTP is a living document that will be amended to include any Board adopted recovery initiatives, as well as any financial forecast updates. Once adopted, Metro will look to a more detailed snapshot of the next decade with an SRTP focused on the immediate challenges for LA County.







*better transit*

p26

*less congestion*

p40

*complete streets*

p54

*access to  
opportunity*

p64

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# We must respond to the challenges of today *and* tomorrow.

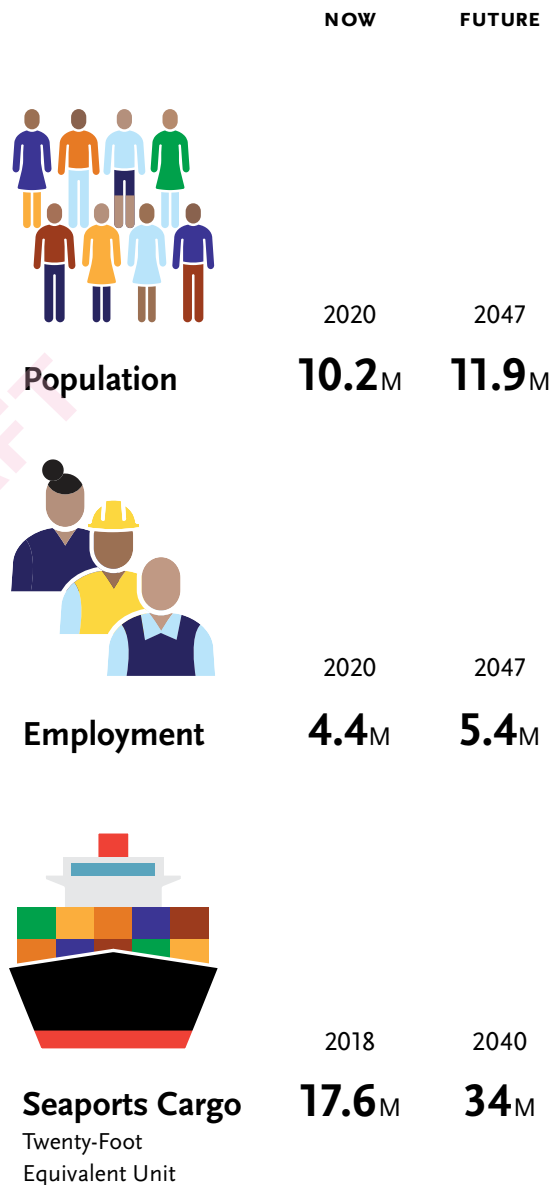
In 2020, LA County is at a pivotal point in its history. We have made great strides in economic development and community revitalization, welcomed new sports teams and stadiums, and attracted the 2028 Olympics and other major events. However, our region faces many challenges in the years ahead, including reducing roadway congestion, increasing transit ridership, adapting to and mitigating the impacts of a changing climate, tackling the housing crisis and improving quality of life in our communities. Furthermore, recent events have highlighted the significant regional impact that unforeseen events, such as the COVID-19 pandemic, can have on our regional transportation system, economy and financial outlook. Metro will respond to this and any future crisis to prioritize public health and safety, while implementing lessons learned to continually provide better mobility with less congestion.

One thing is certain: a reliable, high-quality transportation system is crucial to LA County's economic recovery, continued prosperity and quality of life. The challenge of efficiently moving people and goods takes on particular significance in LA County, given its vast geographic scale and longstanding association with the automobile. Few issues will be more important in shaping our region's future and sustaining its incredible economic and social promise than our collective ability to marshal the resources and the political will to implement transportation solutions that successfully meet LA County's mobility needs, now and in the future.

Metro's mission is to provide a world-class transportation system that enhances quality of life for all who live, work and play within LA County (Vision 2028 Strategic Plan). As its Regional Transportation Planning Agency, Metro has the unique opportunity and responsibility to evolve the LA County transportation system to better serve its residents and visitors, and to maximize economic, mobility, safety, environmental and quality of life benefits.

Figure 1

## LA County Projected Regional Growth



## LA County at a Glance

LA County is home to more than

**10 million people**

– the most populous county in the United States.

Metro operates the

**3rd largest transit system**

in the nation, with more than

**1.2 million daily boardings.\***

LA County's transit providers operate

**over 7,000 buses**

and serve approximately

**1.6 million daily  
bus passengers.\***

Metro's **1,433** square-mile transit  
service area fits the combined land areas of:

Boston  
Dallas  
Denver  
New Orleans  
New York City  
Philadelphia  
Portland  
San Francisco  
Seattle  
and Washington DC

In addition to Metro,

**16 municipal bus operators**

and **42 local operators**

serve LA County residents.

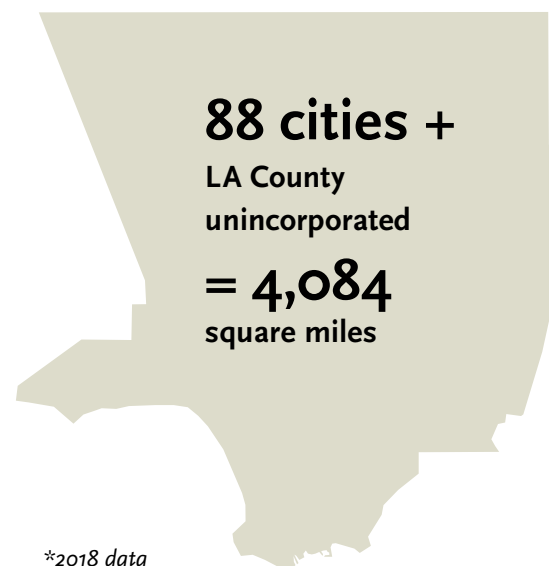
Metro Rail and Metrolink trains carry over

**340,000 daily passengers**

on **300 miles of rail**

in LA County\*.

LA County has close to **22,000 miles  
of highways, arterials, and  
local roadways.**





# Therefore, let us be bold.

To that end, this Long Range Transportation Plan (2020 LRTP) will outline what Metro is doing currently and what Metro must do for LA County. Current challenges present great opportunities for Metro to take bold action and help achieve our vision for the region.

## A Growing County

LA County is home to many of the nation's most congested highway corridors. Its population is expected to grow by approximately 1.7 million by 2047, increasing the number of people and volume of goods traveling on an already strained transportation network. Furthermore, while LA County is fortunate to have dedicated local funding sources, system needs still exceed available financial resources, and Metro must assess our priorities and determine what is most essential.

## Changing Mobility Needs and Preferences

Our transportation system must remain resilient to evolving demographic and consumer demands, changes to the delivery of goods and services, and other unforeseen challenges that lie ahead. For example, as the population ages, older people have different needs for access than younger people, while younger people tend to have different expectations about the use of technology for their transportation choices.

## Technological Change

Over the coming decades, new technologies will change the way we access goods and services, reshaping our mobility landscape, and affecting our travel preferences and expectations. For example, the widely anticipated advent of connected and autonomous vehicle technology presents possibilities for safer, more efficient vehicle travel, but raises equity concerns and could exacerbate dependency on auto travel if not properly regulated. Metro is well positioned to harness the power of private sector technology innovations to enhance customer experience by offering new mobility services, integrating and optimizing the design of vehicles and infrastructure, and increasing overall system efficiency to better serve the mobility needs of all users.





## Equitable Access to Opportunity

Disparities in transportation access, mobility, economic prosperity, health, safety and environmental quality persist across racial and socioeconomic lines. Historically, transportation policies and investments in LA County have prioritized single-occupant vehicle (SOV) travel over more affordable, high-quality mobility alternatives. Furthermore, consistently rising housing costs are pushing many workers farther away from their jobs, imposing added strains on the transportation system and affecting quality of life for those impacted. The result is an inequitable transportation system that exacerbates the divide between those who have the access and means to drive and those who do not, while providing inadequate options for both groups. The transportation system must provide access to safe, reliable and affordable travel options to those who need it most. Historical decision making has resulted in the current disparities; there is an opportunity now for Metro to coordinate investments in the communities with the greatest needs.

## Adapting to a Changing Environment

Southern California is continuing to face the threats of a changing climate, including increasingly frequent and severe fires, mudslides, rising urban temperatures, and the associated impacts on the public health and livelihood of our residents. California is a national leader in addressing climate change; however, emissions from the transportation sector are still a major source of greenhouse gas (GHG) emissions (nearly 40%). Metro must lead LA County in reducing GHGs, through programs to electrify our bus fleet and promote low carbon transportation options. Furthermore, we must improve the sustainability and resiliency of our transportation system, through active asset management, lifecycle cost analysis for transportation projects and proactive planning for severe climate events.

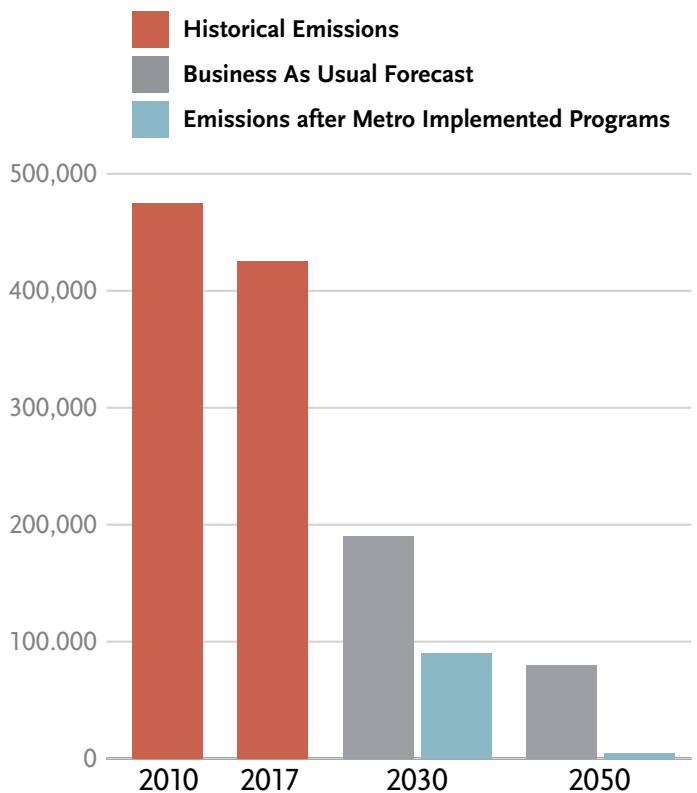
### Metro commits to reducing our agency greenhouse gas emissions:

- > **by 79%** (relative to 2017 levels) **by 2030**
- > **by 100%** (i.e., zero emissions) **by 2050**

Figure 2

### Emissions from Metro Operations

Metric tons of carbon dioxide equivalent



Source: Climate Action and Adaptation Plan (2017)



## How We Manage

In many cases, it is not possible to build the additional capacity necessary to address the constraints on the transportation system. A functioning highway network is an essential component of an effective transportation system. There is limited space to expand roads, and while fixing bottlenecks has alleviated congestion in places, adding more general-purpose freeway lanes is often an expensive and disruptive option that will not solve congestion as the county continues to grow. Therefore, Metro must ensure that the regional transportation system is managed effectively through active corridor monitoring and operations. Working with our partners, we promote policies and programs, such as congestion pricing, integrated corridor management and parking management strategies, that allow us to better utilize space to transport more people to more destinations. We will continue to build out a network of ExpressLanes to improve reliability on our freeways. Since the 2009 Long Range Transportation Plan, we have opened 96 miles

### 2020



along two ExpressLanes corridors. Over the next decade, Metro will introduce an additional 210 miles of ExpressLanes on four additional corridors. We will continue to prioritize bus travel and provide dedicated space on arterial corridors, such as the Wilshire Boulevard and Flower Street bus lane projects, and work to implement the recommendations of the NextGen Bus Plan. Furthermore, we will invest in technology and promote innovative new mobility options, such as carsharing, micro mobility, mobility on demand (MOD), microtransit (Metro Micro), Mobility as a Service (MaaS), connected and autonomous vehicles and freight-focused technologies. We will assess current and new pricing models to develop a simplified, equitable, fiscally sustainable, system-wide approach to pricing while also providing better mobility and security for all users across Metro's portfolio of transportation services.

## How We Maintain

In addition to building and managing, Metro is taking steps to continuously maintain and upgrade the multimodal system and enhance its quality and safety. While Metro's transit system is newer than other peer agency systems, its rehabilitation and replacement needs will continue to grow. In 2019, Metro completed the New Blue Improvements Project, which rehabilitated Metro's oldest rail line, the A Line (Blue) between Long Beach and downtown Los Angeles. Our investment plan includes over \$200 billion for operations and state of good repair, as well as \$38 billion in funding that returns to local agencies to maintain their local transportation system. Maintaining the system also includes upgrading and modernizing the system to enhance our customer experience and improve safety. Metro will continue to invest in technology, amenities, safety improvements and other system enhancements to create a world-class transportation system.

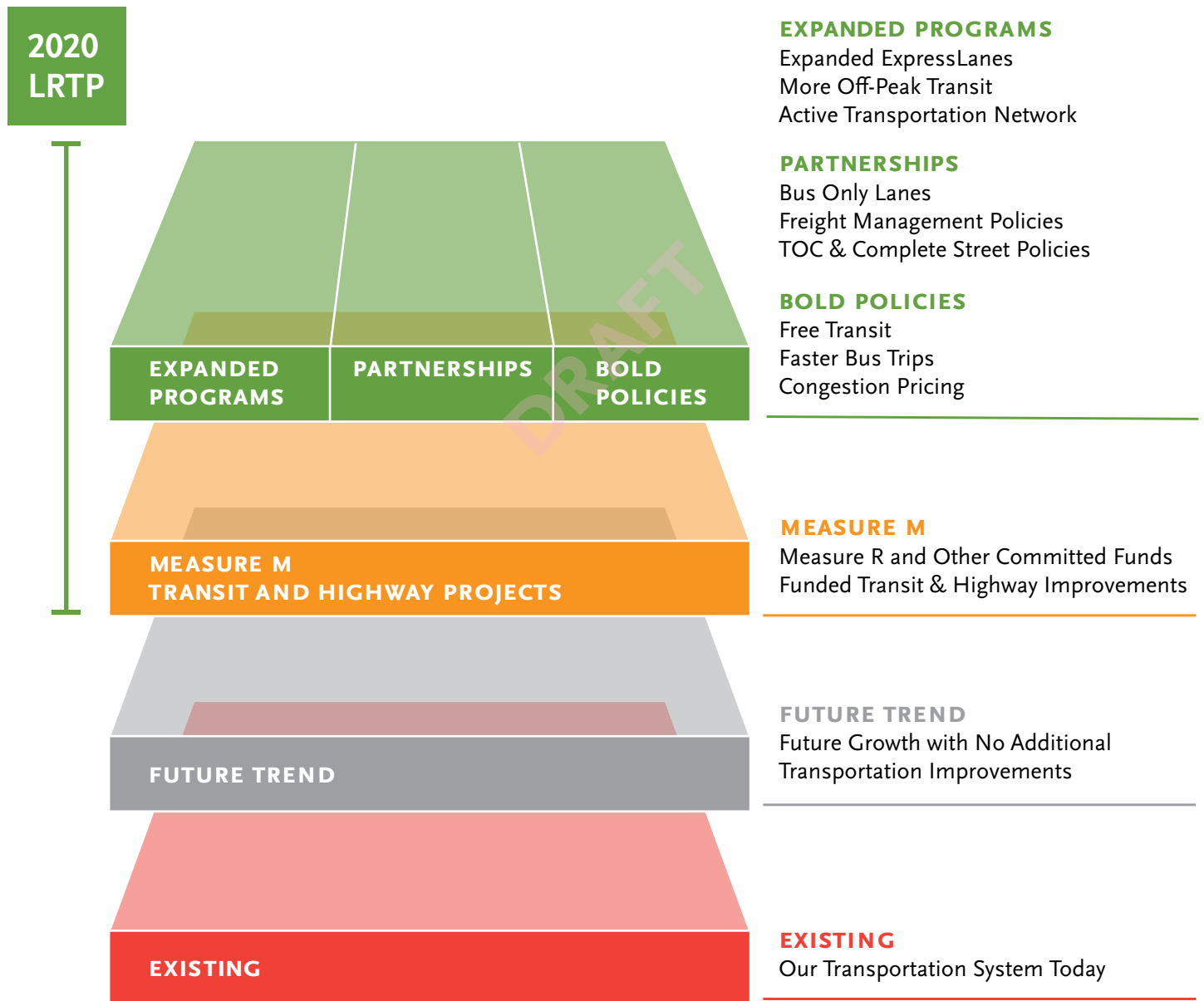
## How We Partner

Metro relies on continuous coordination and meaningful partnerships with local, state and federal agencies, the private sector and all local stakeholders. These partnerships are crucial for funding and delivering projects and for coordinated planning on issues of regional significance as well as local importance. Being responsive to the diverse needs of our many stakeholders would not be possible without these essential partnerships. Metro will increase collaboration with local jurisdictions to support transit priority on local roadways, to improve first/last mile access to transit, to improve local mobility and to realize transit-oriented communities.





Figure 4  
**Elements of the 2020 LRTP**



# Benefits at a Glance

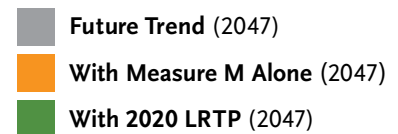
The 2020 Long Range Transportation Plan has the potential to deliver significant mobility benefits to the region through the major capital projects, programs and bold policies.

> The Measure M investment plan, on its own, will **dramatically expand regional access to high-quality travel options**. After implementation, 21% of county residents and 36% of jobs will be a 10-minute walk from high-quality rail or bus rapid transit options, up from only 8% of residents and 16% of jobs at present day.

> Metro's other actions, including current, expanded and new **bold initiatives**, can complement the current capital investment plan and help the region achieve the dramatic changes that we need, such as a potential **81% increase in daily transit trips**, a **31% decrease in traffic delay** and a **19% decrease in greenhouse gas emissions**.

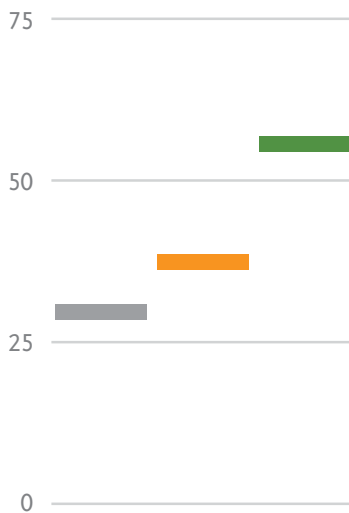
Figure 5

## Benefits of the 2020 LRTP



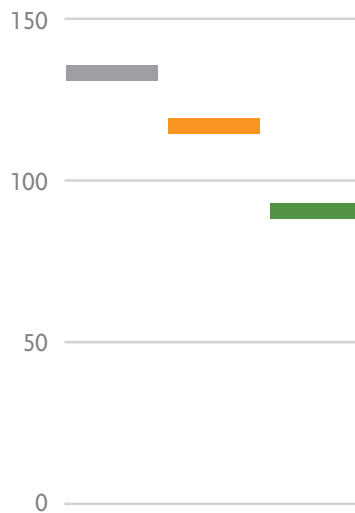
**Transit Trips**  
annual trips per capita

↑  
**81%**



**Vehicle Hours of Delay**  
annual hours per capita

↓  
**31%**



**Greenhouse Gas Emissions**  
annual million metric tons

↓  
**19%**

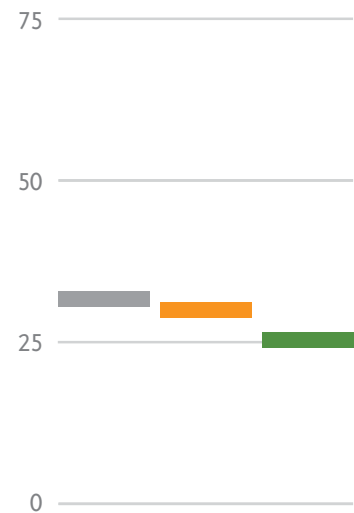
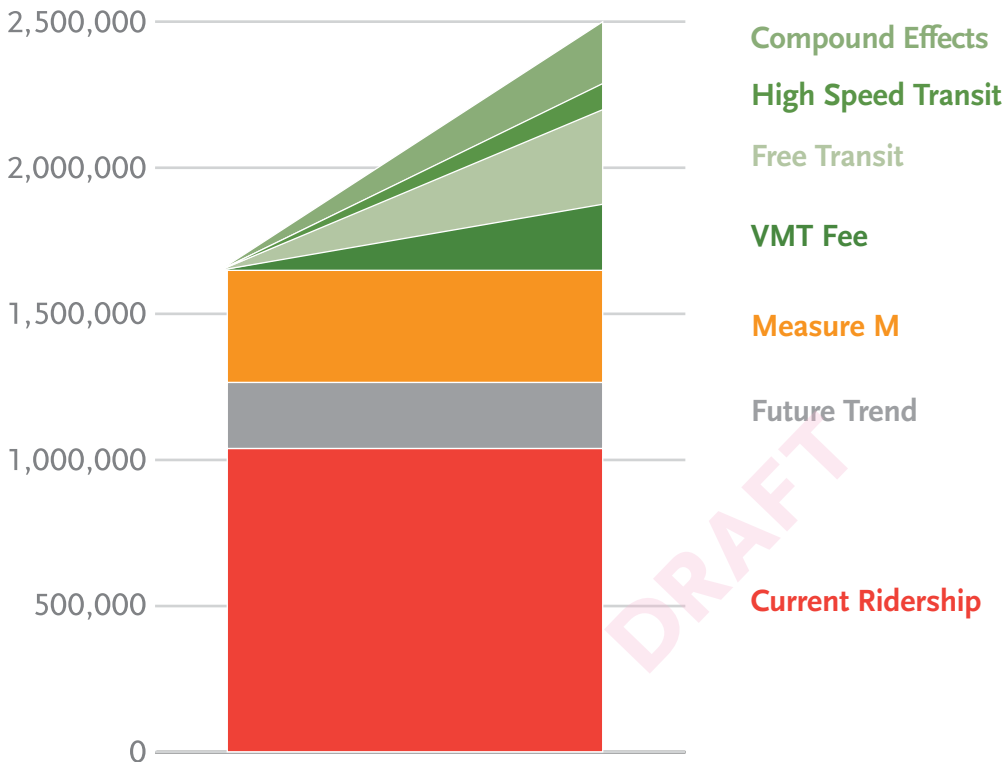


Figure 6

**Potential Increase in Daily Transit Trips**



Beyond the Measure M transit expansion, Metro can gain transit ridership with:

- 1. **Faster Transit (Increased fast/frequent transit):** **+7%**
- 2. **Reduced Transit Fares (Reduced fare/free transit):** **+25%**
- 3. **Road Charges (Mileage-based/VMT fees):** **+18%**

*These scenario tests represent policy opportunities, but do not reflect specific policy directives. Board action will be required for any policy action or implementation.*

Scenario modeling tested the impacts of these strategies above and beyond the transit expansion commitments in this plan.

- > Increases in frequency and increased speeds on 40 most popular bus routes could result in a 7% increase in ridership.
- > Reducing transit fares can increase ridership; a fully subsidized transit trip for all riders may increase ridership up to 25%.
- > For mileage-based fees, each one cent per mile increase can result in roughly a 1% increase in transit ridership. A 20 cent vehicle miles traveled (VMT) fee may result in a 18% increase in transit ridership.
- > Applied together, these strategies have compounding benefits and generate an even larger increase in ridership.



# Metro's Plan guides our priorities.

As outlined in the *Vision 2028 Strategic Plan*, Metro's visionary outcome is to double the share of transportation modes other than solo driving. The Plan details five goals:

- 1 Provide high-quality mobility options that enable people to spend less time traveling
- 2 Deliver outstanding trip experiences for all users of the transportation system
- 3 Enhance communities and lives through mobility and access to opportunity
- 4 Transform LA County through regional collaboration and national leadership
- 5 Provide responsive, accountable, and trustworthy governance within the Metro organization

The 2020 L RTP lays out a future roadmap for bringing about a more mobile, resilient and vibrant future for LA County. Through extensive public outreach, Metro has distilled the region's desires into four priority areas:

- Better Transit
- Less Congestion
- Complete Streets
- Access to Opportunity

The recommended steps in this plan, the L RTP's strategies and actions, are organized by these four priority areas.

Embedded in the priority areas are **equity** to ensure every resident has the affordable transportation choices that work for their needs, and **sustainability** to ensure a bright future for generations to come. Together, we can create Our Next LA\*.



Conceptual Illustration of Plan Elements

Figure 7

**Metro’s Framework for Improving Mobility in LA County**

**We’re guided by our *Strategic Plan* goals.**

 *Vision 2028 Strategic Plan*

**We’re creating**

- ① Faster Travel Options    ② Better Trips    ③ Thriving Communities**

**Better Transit**

Providing more transit options with improved quality and service

- Transit Projects*
- Bus Improvements*
- New Mobility Options*

**Less Congestion**

Managing the transportation system to reduce the amount of time people spend in traffic

- Roadway Improvements*
- Congestion Management*
- Goods Movement*

**Complete Streets**

Making streets and sidewalks safe and convenient for everyone, to support healthy neighborhoods

- Bike and Pedestrian Projects*
- Local Street Improvements*
- Station and Stop Access Enhancements*

**Access to Opportunity**

Investing in communities to expand access to jobs, housing and mobility options

- Workforce Initiatives*
- Support for Local Businesses*
- Transit Oriented Communities*

 *Long Range Transportation Plan*

**We’re committed to**

- ④ Leadership    ⑤ Accountability**

-  Collaboration
-  Continuous Improvement
-  Customer Focus
-  Innovation
-  Inspired and Inclusive Workforce
-  Safety

 *Customer Experience Plan*     *COVID-19 Recovery Plan*

**We’re intentionally focused on *eliminating racial and socioeconomic disparities and advancing sustainable practices in everything we do.***

-  Equity
-  Sustainability

 *Equity Plan*     *Moving Beyond Sustainability Plan*

**OUR  
NEXT  
LA\* is**  
*better transit.*

---

*Better transit* means faster, more frequent, secure and reliable public transportation, with more options and better customer experience. We must create a world-class transit system that is competitive with driving a private vehicle and that works for riders with different trip purposes and destinations. Better transit also means an integrated and seamless trip experience on rail, bus and new mobility transportation options.





**We're investing  
in more transit,  
to serve  
more people.**

Over the **30-year period**, Metro will invest more than **\$80 billion** to improve, expand and upgrade LA County's extensive public transit system.

**This includes the construction or improvement of 22 transit corridors and the addition of 106 miles of fixed guideway transit.**

**In total, the 2020 LRTP will expand the Metro Rail network to over 200 stations covering nearly 240 miles.**

### **Our Commitment to Safety**

Providing a safe, secure, clean, and comfortable experience on transit is perhaps the most critical priority for the operations of Metro's transit system. Recent events have put more of an emphasis on these issues, and Metro must maintain a balanced and coordinated effort to ensure that individuals are secure and feel safe riding transit, while at the same time making sure that we meet our commitments as a public agency that provides an essential public service.

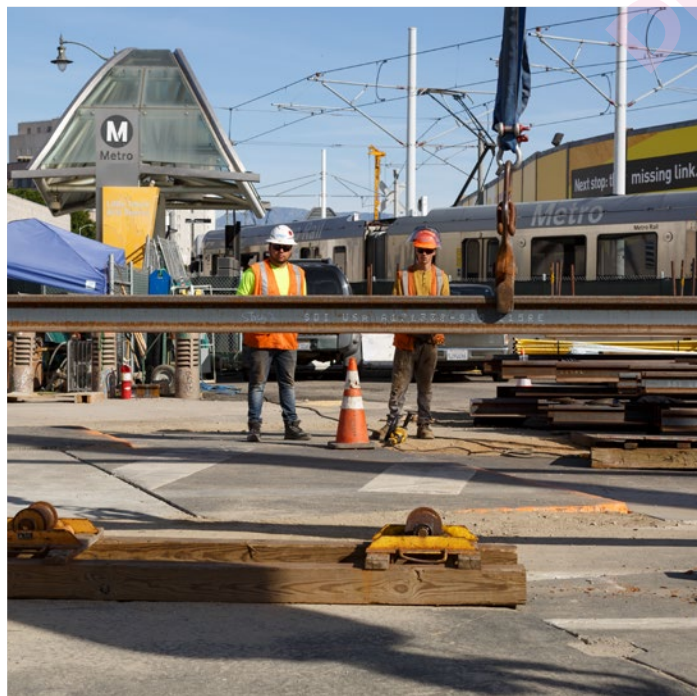
The COVID-19 pandemic has highlighted the need to provide clean spaces as well as free masks to keep passengers and drivers safe. At the same time, the number of individuals experiencing homelessness in LA County continues to increase and Metro must continue to provide compassionate responses and a public service for those with few resources.

Finally, the nationwide call for police reform has reinforced our need to examine our policing practices to ensure no individuals or population groups are disproportionately targeted, while at the same time ensuring the safety of our passengers and drivers.

## Metro Rail Expansion

Construction is underway on several rail corridors. The Crenshaw/LAX Transit Project light rail line, expected to open in 2021, will extend from the E Line (Expo) to the C Line (Green), with a station at the Los Angeles International Airport's Automated People Mover. The Regional Connector Transit Project, scheduled to open in 2022, will connect the L Line (Gold) to the A Line (Blue) and E Line (Expo) to provide more stations in downtown Los Angeles and greater connectivity. The Westside D Line (Purple) subway extension along Wilshire Boulevard is under construction in three phases, with Section 1 from Western to La Cienega scheduled to open in 2023.

Other near-term projects include the Metro Gold Line Foothill Extension to Claremont, which recently broke ground, the East San Fernando Valley Light Rail Project, the West Santa Ana Branch Transit Corridor, and the C Line (Green) Extension to Torrance.



## Bus Rapid Transit

Bus Rapid Transit (BRT) is a high-quality bus-based transit system that delivers fast, frequent service. It does this with bus-only lanes, traffic-signal priority and high-quality stations with all-door boarding. The G Line (Orange) was extended from Canoga Park to Chatsworth in 2012 and is currently undergoing further enhancements to improve operating speeds, capacity and safety by adding grade separations on major streets, closing minor streets and providing better signal priority technology.

Other near-term projects include the North Hollywood to Pasadena BRT and North San Fernando Valley Transit Corridor (Chatsworth to North Hollywood). Additionally, Measure M included funding for to-be-determined BRT corridors. The BRT Vision and Principles Study, currently underway, will identify performance standards and design criteria for future BRT projects.





# Transit Investment

Figure 8

## Major Transit Projects

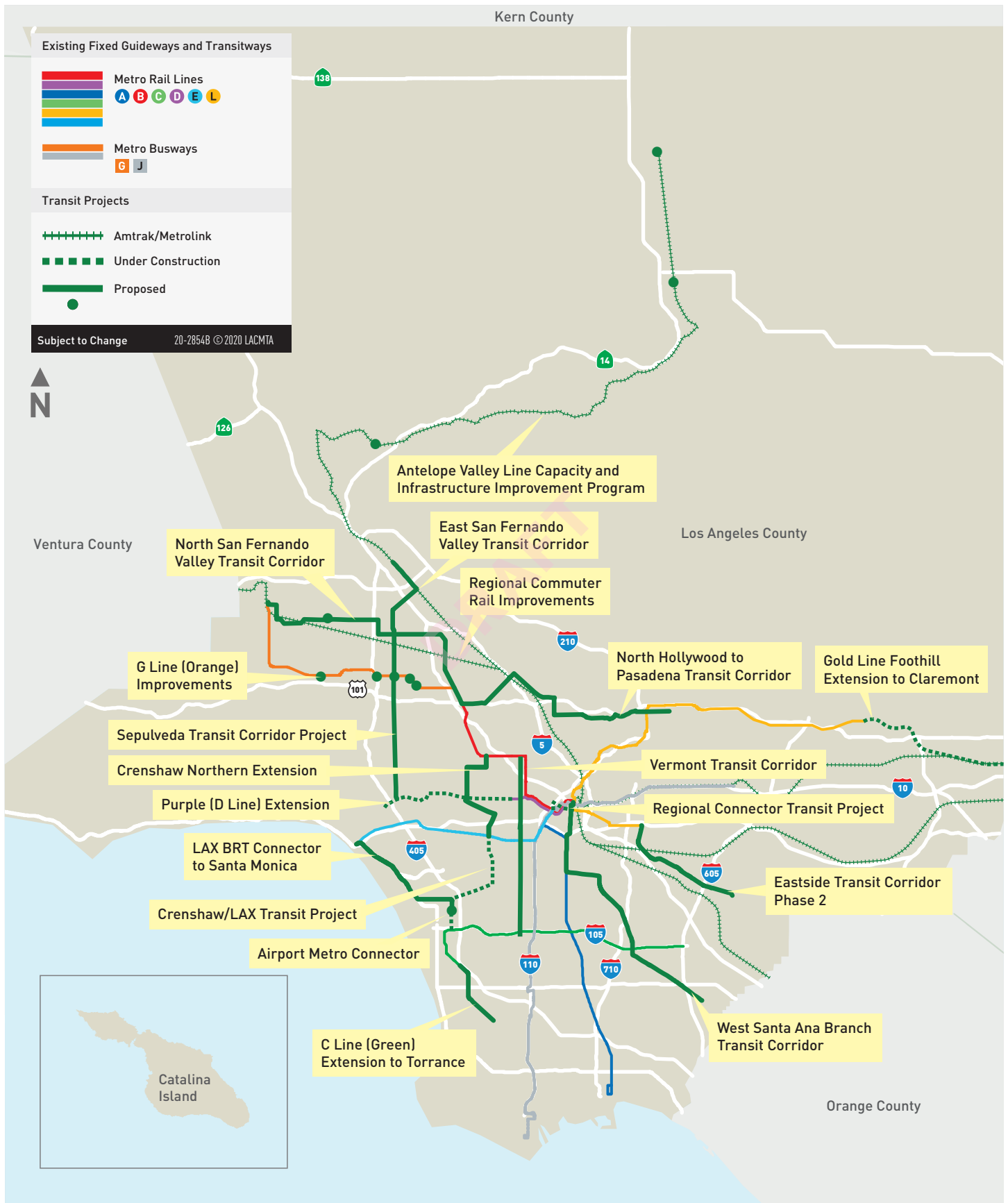
	\$ IN MILLIONS	ESTIMATED OPEN YEAR
Crenshaw/LAX Transit Project (LRT)	2,058	2021
Regional Connector Transit Project (LRT)	1,756	2022
D Line (Purple) Extension (HRT)		
Section 1 (Wilshire/Western to Wilshire/La Cienega)	2,779	2023
Section 2 (Wilshire/La Cienega to Century City/Constellation)	2,441	2026
Section 3 (Century City/Constellation to Westwood/VA Hospital)	3,224	2027
Airport Metro Connector/96th Street Station/Green Line Ext LAX	626	2024
North Hollywood to Pasadena Transit Corridor (BRT)	315	2024
North San Fernando Valley Transit Corridor (BRT)	207	2025
G Line (Orange) Improvements	314	2025
East San Fernando Valley Light Rail Project (LRT)	1,568	2027
Gold Line Foothill Extension to Claremont (LRT)	1,571	2028
Vermont Transit Corridor	524	2028
Antelope Valley Line Capacity and Infrastructure Improvement Program	221	2028
West Santa Ana Branch Transit Corridor (LRT)		
Phase 1	1,250	2028
Phase 2	5,061	2041
C Line (Green) Extension to Torrance (LRT)	1,167	2030
Sepulveda Transit Corridor (Mode TBD)		
Phase 2 – Valley to Westside	7,685	2033
Phase 3 – Westside to LAX	10,587	2057*
Eastside Extension Phase 2 Transit Corridor (1st Alignment)	4,409	2035
Crenshaw Northern Extension (LRT)	4,744	2047
Lincoln Bl (BRT)	220	2047
SF Valley Transportation Improvements	257	2050
C Line (Green) Eastern Extension to Norwalk (LRT)	1,891	2052*
G Line (Orange) Conversion to Light Rail	4,069	2057*
Historic Downtown Streetcar	581	2057*
Eastside Extension Phase 2 Transit Corridor (2nd Alignment)	8,707	2057*
<b>Total</b>	<b>68,232</b>	

L RTP project costs may not match Measure M expenditure plan due to year of expenditure escalation and prior spending. Final mode, alignments, and station locations to be confirmed during environmental processes. Estimated open year is a three-year range.

\*Includes projects through 2057, (currently planned as the horizon year of measure M beyond the L RTP)

Figure 9

# PLANNED TRANSIT PROJECTS



Final alignments to be identified during environmental processes. Map includes projects to be completed prior to 2050 (horizon year of the LRTP).

## Priority Area 1: Better Transit

### Strategy 1.1: Expand rail transportation countywide

Since the A Line (Blue) opened in 1990, Metro has undergone a tremendous expansion of our rail transportation system, growing to the second largest rail system in the U.S. Aided by Measure R and Measure M, Metro is continuing to build out the rail network at a rapid pace. There are four rail corridors in construction currently and many more in design and planning.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.1a. Complete Metro Rail projects in construction	●			●			
1.1b. Implement Metro Rail projects in design		●		●			
1.1c. Prioritize four “pillar” Rail projects (West Santa Ana Branch, Eastside Extension Ph. 2, C Line [Green] to Torrance, and Sepulveda Transit Corridor)		●					●
1.1d. Identify and plan future Metro rail expansion			●	●			●
1.1e. Complete Link Union Station (Link US) project		●		●			●
1.1f. Support Metrolink Southern California Optimized Rail Expansion (SCORE) Program	●						●

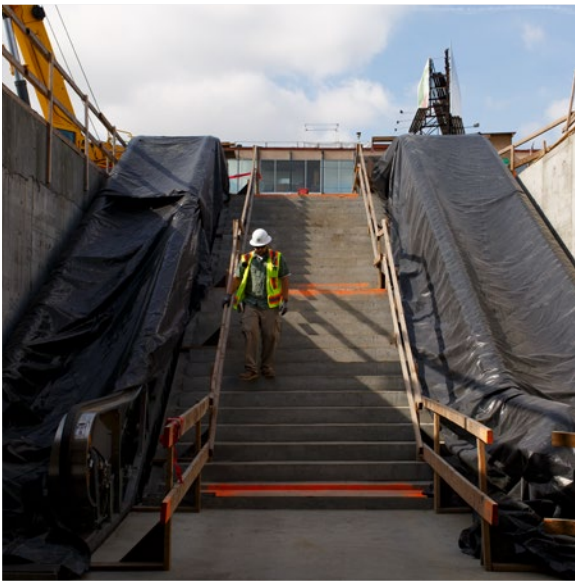
### Strategy 1.2: Improve the frequency, speed and reliability of the bus and rail transit networks

Through signature efforts, including the NextGen Bus Plan and BRT Vision and Principles Study, Metro is redesigning our bus network to be faster, more frequent and reliable, as well as integrated with other LA County transit services. The first significant system update in 25 years, Metro’s NextGen Bus Plan aims to reverse the recent declining ridership trend.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.2a. Implement recommendations of the NextGen Bus Plan	●			●	●	●	●
1.2b. Improve average travel speeds for the bus network	●	●			●		●
1.2c. Implement systemwide bus all-door boarding	●	●			●		
1.2d. Implement systemwide transit signal priority for bus and rail transit	●	●			●		●
1.2e. Support complementary paratransit service	●				●		●
1.2f. Continue coordination between Metro and municipal bus operators	●						●
1.2g. Implement new Intelligent Transportation System to better match travel/transit demand and transit service		●			●		
1.2h. Implement Metro BRT projects in design		●		●			●
1.2i. Implement future BRT corridors identified in BRT Vision and Principles study			●	●			●
1.2j. Complete G Line (Orange) Improvements	●	●		●		●	●

## Crenshaw/LAX Transit Project

The Crenshaw/LAX Transit Project, currently in construction, will extend from the existing E Line (Expo) at Crenshaw 8.5 miles southwest to the C Line (Green). Opening in 2021, the Crenshaw Line will add eight new stations, including one at the Automated People Mover currently under construction at the Los Angeles International Airport (LAX). Along the line, Destination Crenshaw, a 1.3-mile open-air museum will celebrate the African American culture and community of the corridor. The project will create pocket parks with culturally stamped sidewalks, lighting and landscaping improvements, business facades and public structures.



## NextGen Bus Plan

In 2018, Metro began the process of reimagining our bus system to better meet the needs of current and future riders. The proposed plan, recently released for public comment, proposes improvements, which would: double the number of frequent Metro bus lines; provide more than 80% of current bus riders with 15-minute or better frequency; create an all-day, every day service; ensure a one quarter-mile walk to a bus stop for 99% of current riders; and create a more comfortable and safer waiting environment. The “Transit First” approach would include capital projects that speed up buses (bus lanes and traffic signal priority, etc.), make bus stops more comfortable, expand all-door boarding and add even more frequent services, among other improvements.



## Bus-Only Lanes

In order to make transit truly competitive with driving, Metro is working with local agencies to convert key sections of curb lanes to bus-only lanes. Two recent examples of bus-only lanes include the Wilshire Boulevard and Flower Street bus lanes. Metro’s 720 Rapid bus operates on dedicated curbside bus lanes along Wilshire Boulevard from the western edge of downtown Los Angeles to the eastern edge of the City of Santa Monica (excluding Beverly Hills). The Flower Street bus lane is a pilot, weekday evening rush hour (3–7pm) bus-only lane along Flower Street between 7th Street and Adams Boulevard.

### Strategy 1.3: Enable easier fare payment

A convenient, integrated fare payment that is accessible to all residents is essential for a world-class transportation system. Metro is expanding payment options in partnership with regional operators for a seamless payment experience. While TAP is already integrated across many services, customers will soon be able to pay for their fare through a mobile app.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.3a. Integrate payment for third-party mobility services		●					●
1.3b. Expand TAP integration with all regional partners	●						●
1.3c. Develop TAP mobile app		●					●

### Strategy 1.4: Enhance station areas

To deliver excellent transit experiences, Metro is committed to improving stations and surrounding areas to be safe, smart, clean and green.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.4a. Consistently Implement Systemwide Station Design for attractive, well-integrated, sustainable, and maintainable station environments	●			●			
1.4b. Improve customer information, including the availability of real-time arrival information, wayfinding, and consistent signage	●				●		
1.4c. Increase shading and cooling at transit stations	●			●		●	●
1.4d. Improve bus shelter amenities in partnership with local jurisdictions	●			●		●	●
1.4e. Implement Metro's Supportive Transit Parking Program Master Plan	●			●			
1.4f. Optimize station safety and security, including lighting levels, spacious uncluttered station environments, and effective monitoring of station area	●				●		

### Strategy 1.5: Explore new service delivery

With new and competing transportation options, Metro must embrace new forms of mobility to attract and retain riders. In partnership with Via, Metro has implemented a Mobility on Demand pilot program with free, accessible and on-demand rides. The agency will also operate its own on-demand service with Metro employees behind the wheel called Metro Micro, which will serve six service areas in 2021 with the goal of capturing short trips around high transit ridership zones and complementing the existing fixed route system.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.5a. Implement Mobility on Demand (MOD) partnership with Via	●						●
1.5b. Implement Metro Micro on-demand transit service	●				●		●
1.5c. Launch Mobility as a Service (MaaS) platform		●					●



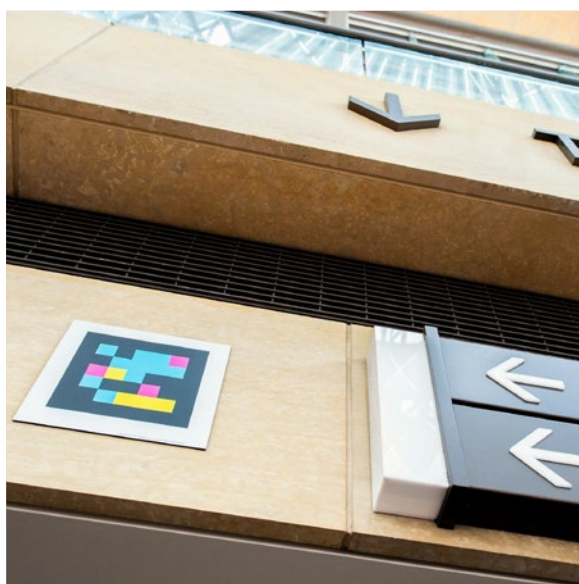
### Strategy 1.6: Enhance customer experience

The new Customer Experience program goal is to minimize pain points, maximize smooth, uneventful experiences, and find opportunity for occasional surprise and delight. We are creating a system that is modern and intuitive, using design, technology and policies to address the unique needs of our customers at every stage of their journey.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.6a. Implement practices from Transfer Design Guide	●			●	●		●
1.6b. Support passengers with disabilities, including ensuring universal accessibility of stations	●				●		●
1.6c. Develop Gender Action Plan to address unique needs of women	●				●		
1.6d. Ensure transit experience is clean and comfortable	●					●	
1.6e. Implement Facilities Assessments to maintain a state of good repair	●					●	

#### Accessible Wayfinding

Metro is testing wayfinding strategies for the visually impaired so they can more easily navigate the transit system. This technology, NaviLens, allows users to access arrival and departure information and descriptions of how to get to different platforms at Union Station from a mobile application. The pilot deployment of NaviLens technology has allowed visually impaired riders to feel more comfortable traveling alone and improved the experience for passengers with disabilities.



#### How Women Travel

Metro was the first transit agency in the nation to study and report on women’s unique mobility needs. This 2019 report found that women take more Metro trips, ride public transit more often and prioritize safety more often than men. Metro is taking action on these findings by developing a Gender Action Plan to improve the rider experience for women, including rethinking communications, fare policies, station design and service hours.



## Strategy 1.7: Enhance transportation system security and build public trust

Customer safety is a top priority for Metro. We must continue to address safety concerns, while at the same time, build trust between our riders, communities and partners, public safety professionals and Metro employees.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.7a. Introduce the Transit Homeless Action Plan 2.0	●				●		●
1.7b. Align the Multi-Agency Policing Plan to include Metro's system expansion plans	●				●		●
1.7c. Launch Metro's new and improved Sexual Harassment Plan	●				●		●
1.7d. Develop new overall security-enhancing measures for the entire system to include environmental station design	●				●		
1.7e. Update the Security & Emergency Preparedness Plan and Metro Training		●			●		
1.7f. Open and operate the Emergency Security Operations Center			●	●	●		
1.7g. Enhance Emergency Management, Continuity of Operations, and Emergency Operations Procedures to national certification levels	●						●

### Transit Homeless Action Plan

In February 2017, Metro released its first Transit Homeless Action Plan that focused on improving the passenger experience through coordinated and comprehensive outreach to homeless individuals throughout Metro's transit system. The Homeless Action Plan is focused on four implementation areas including research, education, coordination, and outreach. Research is intended to help Metro understand homelessness in the transit system while education is focused on increasing understanding among Metro staff and passengers about how to respond when encountering individuals believed to be homeless. Metro is one of several stakeholders involved in the delivery of services to homeless populations in LA County; a key component of Metro's Homeless Outreach Plan is the City, County, Community (C3) outreach teams that Metro deploys to make contact with individuals believed to be homeless and link them to services and permanent housing solutions.



## Strategy 1.8: Optimize sustainable and resilient operations and maintenance of fleet, infrastructure and facilities

Better transit includes sustainable and efficient transit systems. Metro employs life cycle and efficiency considerations for buses, maintenance yards and resource acquisition.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
1.8a. Implement Transit Asset Management Plan	●					●	
1.8b. Develop and implement an agency-wide Sustainable Acquisition Program	●				●		
1.8c. Integrate resource conservation, life cycle and efficiency considerations into Metro's operational and construction policies, Standard Operating Procedures (SOPs) and specifications	●					●	●
1.8d. Develop and implement materials, construction and operations-related training for Metro staff, partners and community to facilitate a culture of sustainability and resiliency	●					●	●
1.8e. Transition to zero emission buses systemwide	●	●			●		
1.8f. Modify the B Line (Red)/D Line (Purple) maintenance yard	●			●			



# More transit trips mean more opportunity.

Transit improvements in the 2020 LRTP, including the expansion of Metro Rail and Bus Rapid Transit, will help add more than 1,000,000 daily transit trips, an increase of 81%. For commute trips, this has the potential to increase transit mode share for daily trips to and from work from 8.8% to 14.7%.

■ **Future Trend (2047)**  
■ **With 2020 LRTP (2047)**

Figure 10  
**Daily Transit Trips**

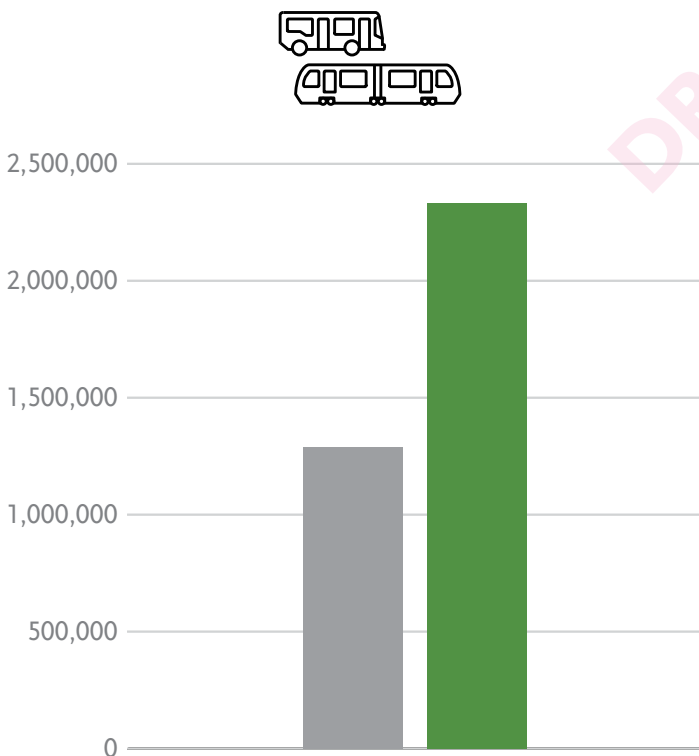
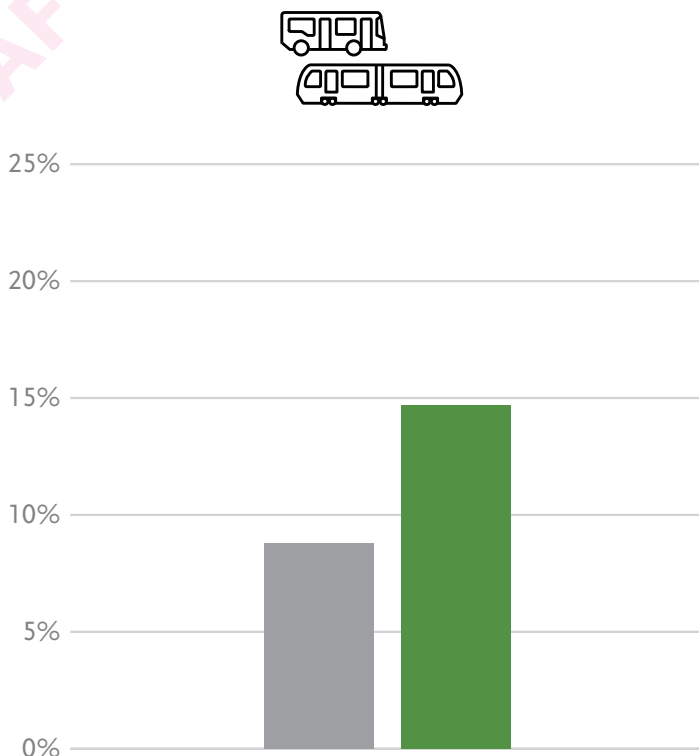


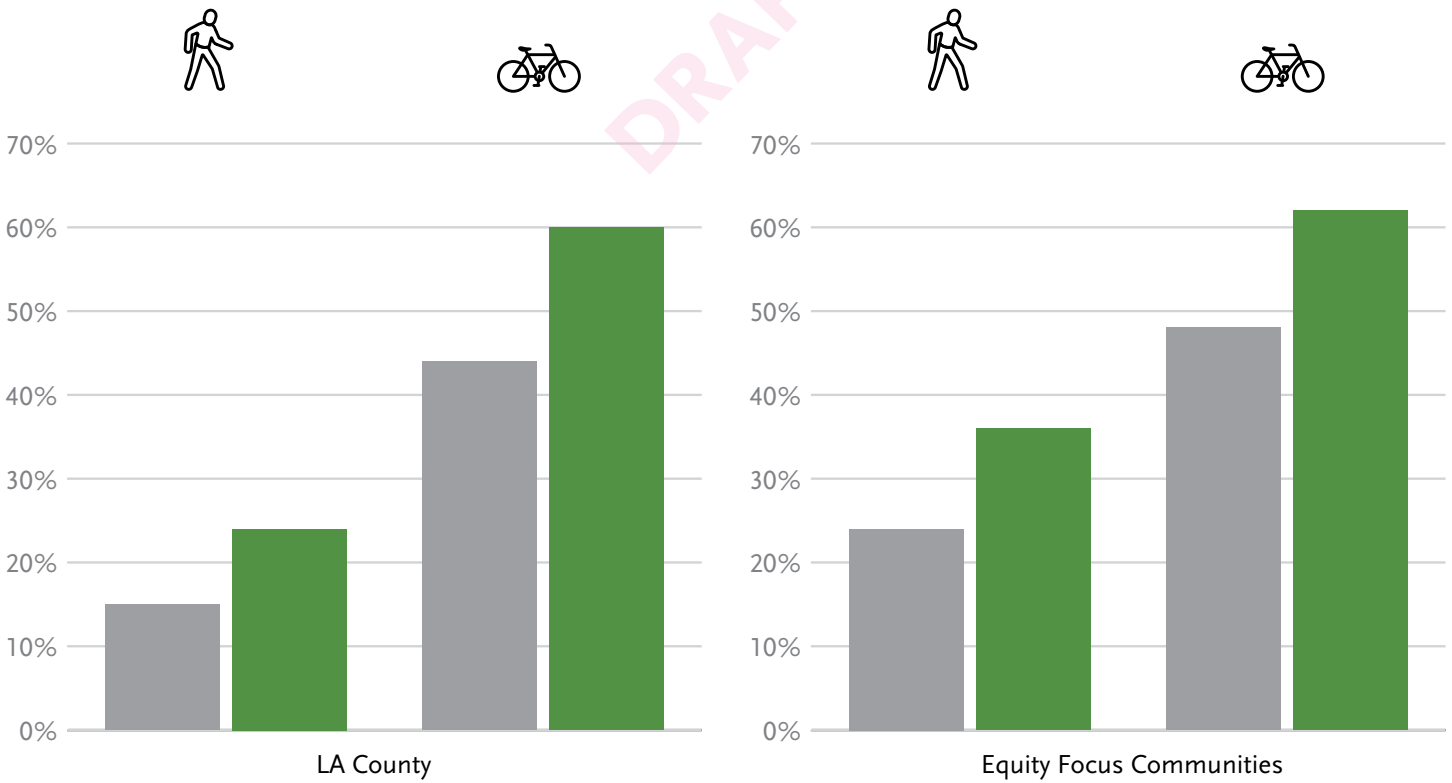
Figure 11  
**Transit Mode Share for Commute Trips**



Better transit means access to fast, frequent and reliable public transportation. Through the expansion of rail and bus rapid transit, the 2020 LRTP will increase the percentage of households within a 10-minute walk and roll of fixed guideway transit. Countywide, the percentage of households will increase by 133% (walk) and 38% (roll). In Equity Focus Communities (see page 66), the percentage of households increase by 86% and 18% for walk and roll, respectively.

Figure 12

**Percent of Households within a 10-minute Walk or Roll of Fixed Guideway Transit**





**OUR  
NEXT  
LA\* is**  
*less congestion.*

---







*Less congestion* means options to bypass traffic, and improved travel times for you. We do this by using technology and policies to manage traffic flow, respond to incidents and increase the efficiency of the roadway transportation system.



# We're investing in our roadways and the communities that use them.

Metro, in partnership with the California Department of Transportation (Caltrans), who owns and maintains the freeway system, advances the planning, environmental clearance, design and construction of major capital projects such as carpool lanes, freeway widening, interchange improvements, auxiliary lanes, freeway ramp improvements and other freeway capacity and operational improvement projects. Metro also works with local agencies to implement smaller scale improvements such as arterial widenings, intersection upgrades, ramp metering, traffic signal synchronization, integrated corridor management and intelligent transportation systems (ITS) solutions.

The 2020 LRTP includes more than **\$105 billion** in roadway investments, including operations and maintenance, active transportation and multi-modal projects, support for local cities and subregions, as well as almost **\$27 billion** for major highway investments.

## Metro ExpressLanes

ExpressLanes are dynamically priced toll lanes where single occupant vehicles (SOVs) are given the option to pay a variable fee to use the lanes and avoid delay, while carpoolers, vanpoolers and buses are permitted to use the lanes at no charge. In 2012, the carpool lanes on I-110 and I-10 were converted to ExpressLanes, where prices change based on real-time traffic demand on the facility to ensure vehicles travel at least 45 miles per hour in the toll lanes. This helps optimize the traffic flow in the ExpressLanes and provides a more reliable option when traffic in the other lanes slows down. The I-110 and I-10 ExpressLanes have saved commuters, on average, six minutes during peak morning commutes and has led to increased bus ridership on express bus routes that use the lanes. The ExpressLanes Strategic Network is illustrated in Figure 13.



# Highway Investment

Figure 14

## Major Highway Projects

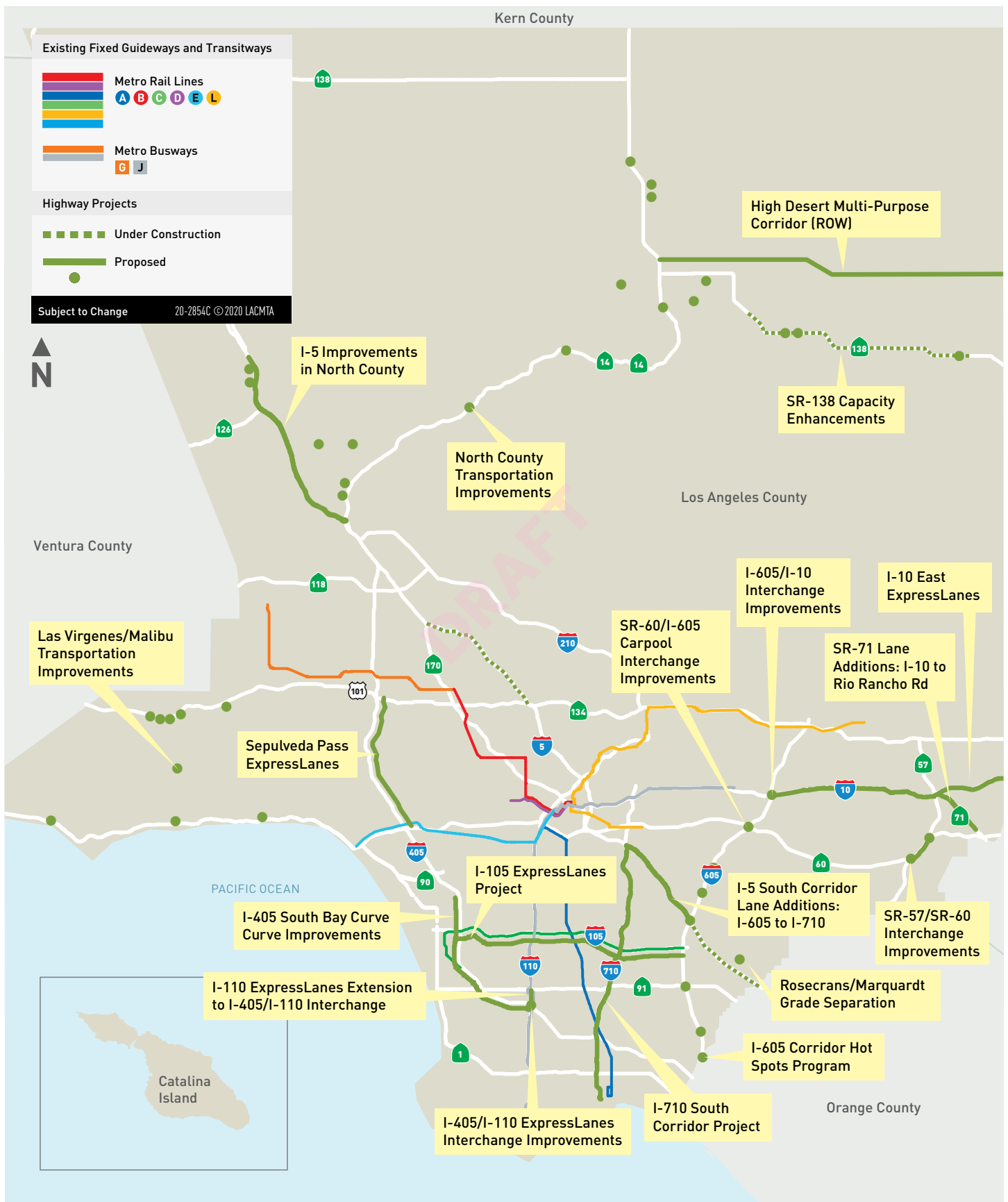
	\$ IN MILLIONS	ESTIMATED OPEN YEAR
I-5 Capacity Enhancement (I-605 to Orange County Line)	1,410	2023
I-5 North Carpool Lanes – SR-134 to SR-170	637	2023
Rosecrans/Marquardt Grade Separation	155	2024
Alameda Corridor East Grade Separations Phase II	1,685	2024
SR-71 Gap from I-10 to Rio Rancho Rd	379	2026
I-5 North Capacity Enhancements (SR-14 to Parker Rd)	679	2026
Highway Operational Improvements in Las Virgenes/Malibu subregion	175	2026
Sepulveda Pass Transit Corridor (Phase 1 – ExpressLanes)	311	2027
I-105 ExpressLanes from I-405 to I-605	530	2027
SR-57/SR-60 Interchange Improvements	422	2027
I-10 ExpressLanes from I-605 to LA/ San Bernardino Line	197	2028
SR-138 Capacity Enhancements	200	2028
I-605 Corridor "Hot Spot" Interchange Improvements	2,639	2030
Highway Operational Improvements in Arroyo Verdugo subregion	170	2030
High Desert Multi-Purpose Corridor	393	2034
I-405, I-110, I-105 and SR-91 Ramp and Interchange Improvements (South Bay)	1,413	2039
Countywide Soundwall Construction	590	2040
I-710 South Corridor Project (Phase 1)	5,697	2040
I-710 South Corridor Project (Phase 2)	1,512	2041
I-5 Corridor Improvements (I-605 to I-710)	2,036	2042
I-405/I-110 Int. HOV Connect Ramps & Interchange Improvements	504	2044
I-110 ExpressLanes Ext South to I-405/I-110 Interchange	599	2046
I-605/I-10 Interchange	1,287	2047
SR 60/I-605 Interchange HOV Direct Connectors	1,055	2047
I-405 South Bay Curve Improvements	883	2047
SR-710 North Corridor Mobility Improvement Projects	1,086	Varies
<b>Total</b>	<b>26,644</b>	

L RTP project costs may not match Measure M expenditure plan due to year of expenditure escalation and prior spending. Final alignments and limits to be determined during environmental processes.



Figure 15

# PLANNED HIGHWAY PROJECTS



Final alignments to be included during environmental processes.

## Priority Area 2: Less Congestion

### Strategy 2.1: Implement operational improvements with technology

By implementing technology improvements, Metro aims to manage congestion, improve safety and provide more reliable travel times for passenger and freight vehicles. Metro embraces technology to advance operational improvements, including through the Regional Integration of Intelligent Transportation Systems (RIITS) and the Countywide Signal Priority Program.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.1a. Implement integrated corridor management (ICM) projects, including the I-210 Connected Corridors project		●			●		●
2.1b. Integrate freeway Intelligent Transportation Systems (ITS) strategies	●				●		●
2.1c. Implement arterial ITS programs, including Countywide Signal Priority Program and traffic signal synchronization	●				●		●
2.1d. Prepare for connected and autonomous vehicles (CAV) and implement other smart highway strategies			●		●		●

### Strategy 2.2: Improve traveler information

Real time, accurate travel information is an importance resource for managing roadway congestion. Metro plays a vital role as a regional agency to collect and share information with local partners and residents.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.2a. Continue and improve 511 system	●				●		●
2.2b. Share transportation information with regional partners	●						●

### Strategy 2.3: Expand the managed lane network

Metro understands that we cannot add new lanes to most freeways, so to improve traffic flow, we must manage our system better. Managed lanes, such as high-occupant vehicle (HOV) lanes and high-occupancy toll (HOT) lanes, help optimize the traffic flow in one or two lanes, thereby increasing the capacity of the whole corridor. HOT lanes, called ExpressLanes in LA County, allow carpoolers to travel for free, while allowing solo drivers to pay a dynamically priced toll.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.3a. Extend the high-occupancy vehicle network	●			●			●
2.3b. Complete the Tier 1 ExpressLanes network	●	●		●	●		●
2.3c. Complete HOV and ExpressLanes direct connectors (I-105/I-605; I-110/I-405; I-605/SR-60)		●		●			●
2.3d. Complete the Tier 2 ExpressLanes network			●	●	●		●
2.3e. Complete the Tier 3 ExpressLanes network			●	●	●		●
2.3f. Evaluate financial policies to expand the ExpressLanes system using revenues generated from the existing network	●				●		●

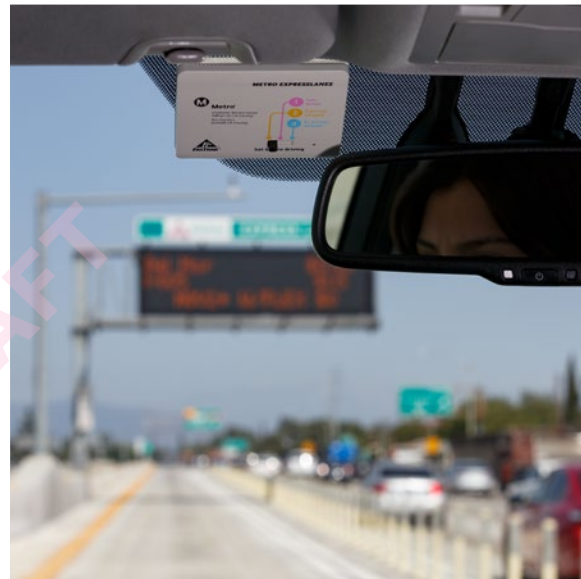
## Integrated Corridor Management

Caltrans, Metro, and local agencies are piloting the I-210 Connected Corridor project that includes Integrated Corridor Management (ICM) strategies along I-210 in the San Gabriel Valley. ICM is an Intelligent Transportation Systems (ITS) strategy to manage non-recurring congestion along a corridor by utilizing advanced technologies and systems. ICM components include active monitoring of all transportation modes and facilities within the corridor, on and off the freeway, including ramp metering, traffic signal coordination, incident traffic management, advanced traveler information system, and other advanced technologies and techniques.



## ExpressLanes Expansion

By using dynamic pricing based on the current usage level, traffic flow in the ExpressLanes is continuously managed to maintain speed and flow, providing a more reliable option. The 2017 Countywide ExpressLanes Strategic Plan established a vision for a network of ExpressLanes to increase mobility throughout LA County. Targeted corridors have been identified by tiers, with near-term potential (Tier 1) within five to 10 years, mid-term potential (Tier 2) within 15 years, and longer-term potential (Tier 3) within 25 years. The ExpressLanes network expansion (as illustrated in Figure 13) is predicated upon the assumption that revenues from each operating segment will be leveraged to develop other portions of the network.



## Regional Integration of ITS (RIITS)

RIITS is a program that enables the efficient compilation, management and exchange of transportation information. RIITS integrates and presents transportation information via data feeds to allow government agencies to exchange data with each other, and provides private companies access to the data to share with the public. RIITS consists of a physical network, operational system and administrative processes in support of real-time exchange of information among agencies in Southern California. Information is currently exchanged with Caltrans Districts 7, 8 and 12, Los Angeles Department of Transportation, California Highway Patrol (CHP), Metro, Foothill Transit, LA County Department of Public Works and others.

## Strategy 2.4: Minimize impact of roadway incidents

Metro aims to quickly and safely clear roadway incidents to improve traffic flow and lessen congestion. The Kenneth Hahn Callbox System and Metro Freeway Service Patrol work together to allow for quick response and clearance of stalled vehicles on the freeway.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.4a. Continue and expand Metro Freeway Service Patrol	●				●		
2.4b. Continue the Kenneth Hahn Callbox System	●					●	●

## Strategy 2.5: Support efficient and sustainable goods movement

The LA County Goods Movement Strategic Plan, under development with stakeholders across the county, will develop a comprehensive approach that balances various goals, including the efficient and effective flow of goods to support economic and environmental sustainability and prosperity.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.5a. Implement LA County Goods Movement Strategic Plan			●		●		●
2.5b. Develop curbside mobility improvements in partnership with regional agencies	●				●		●
2.5c. Invest in multi-modal freight improvement options (rail investment and clean truck program)				●			●
2.5d. Improve freight traveler information sharing	●				●		●

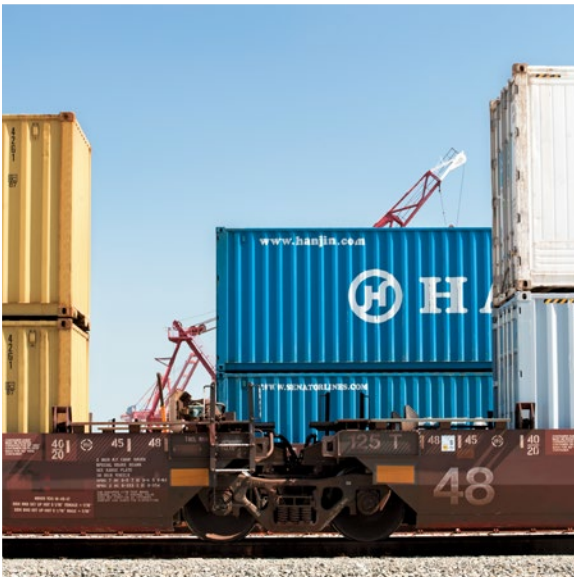
## Strategy 2.6: Enhance regional circulation

The transportation system is a network that requires systematic approaches to address regional circulation issues. Metro is exploring regulatory and pricing mechanisms, as well as the expansion of current programs to manage demand and enhance circulation.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.6a. Implement New Mobility Regional Roadmap, a framework for building a countywide coalition to collectively determine the best path forward for managing new mobility	●				●		●
2.6b. Complete Traffic Reduction Study that will explore how congestion pricing and additional transportation options could work together to reduce traffic congestion and increase mobility	●				●		●
2.6c. Recommend a pilot traffic reduction program after completion of the Traffic Reduction Study			●	●	●		●
2.6d. Continue to expand Metro Rideshare/Vanpool and Shared Mobility Program	●	●			●		●
2.6e. Support transportation demand management (TDM) programs and commute-trip reduction initiatives, including telecommuting	●				●		●

## Goods Movement Strategic Plan

Safe and efficient goods movement through LA County supports a vibrant quality of life for its residents and the long-term economic health and competitiveness of the region. A culture of innovation, adoption of technology such as ITS and DrayFlex, and strategic investment in our multimodal goods movement transportation system will improve the movement of goods through the major seaports, the Ports of Long Beach and Los Angeles, airports, and intermodal facilities to our homes and businesses. Developing sustainability and equity strategies to overcome a history of inequitable impacts such as air pollution, displacement, and lack of investment related to freight while developing stronger skillsets and workforce opportunities for disadvantaged communities will be vital to implement LA County's Goods Movement Strategic Plan and its Sustainable Freight Competitiveness Framework.



## Traffic Reduction Study

Metro is conducting a Traffic Reduction Study (formerly called the Congestion Pricing Feasibility Study), to determine: if a traffic reduction program would be feasible and successful in LA County; where and how a pilot program with congestion pricing and complementary transportation options could achieve the project goals of reducing traffic congestion; and identify willing local partners to collaborate with on a potential pilot program. Metro will engage stakeholders and the public throughout this process. Through engagement with stakeholders, the study will explore how to affect additional positive outcomes that will benefit residents, workers, and businesses in LA County, including improving the economy, supporting environmental and economic justice, and improving health and safety.





## Strategy 2.7: Enhance the operation of the state highway system

Metro continues to address key bottlenecks in LA County, some of the most congested in the US. Metro works with Caltrans and regional partners to plan, build and maintain projects that address highway capacity and operational efficiency.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.7a. Work with Caltrans and local agencies to construct capacity-improving projects to address freeway bottlenecks	●			●			●
2.7b. Work with Caltrans and local agencies on a system approach to create a roadway network comprising the state highways and local arterials to improve throughput and alleviate traffic congestion	●				●		●

## Strategy 2.8: Improve the resiliency of Metro's transportation system

A resilient Metro system is prepared and able to mitigate future hazards that would otherwise interfere with operations, disrupt service and endanger passengers. Metro addresses system resiliency with risk assessments, decision making that considers hazards, and climate adaptation plans and policies.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
2.8a. Conduct and maintain a multi-hazard risk assessment to understand vulnerabilities of the transportation system	●					●	
2.8b. Incorporate considerations for all hazards into Metro decision-making about capital planning, procurement, asset management and operations	●					●	
2.8c. Regularly update resilience and climate adaptation plans and policies to address changing hazards and risks to system service	●				●		
2.8d. Implement hazard mitigation and climate adaptation strategies to increase transportation system resilience and passenger safety	●				●		



# Our congestion reduction plan means less delays for drivers.

The congestion reducing strategies included in the 2020 LRTP will lead to a reduction in vehicle miles traveled and vehicle hours of delay per capita. Compared to the future trend, the LRTP will lead to a 31% reduction in delay and a 9% reduction in vehicle miles traveled, a key metric for tracking the usage of personal vehicles.

- Future Trend (2047)
- With 2020 LRTP (2047)

Figure 16

Annual Vehicle Miles Traveled Per Capita

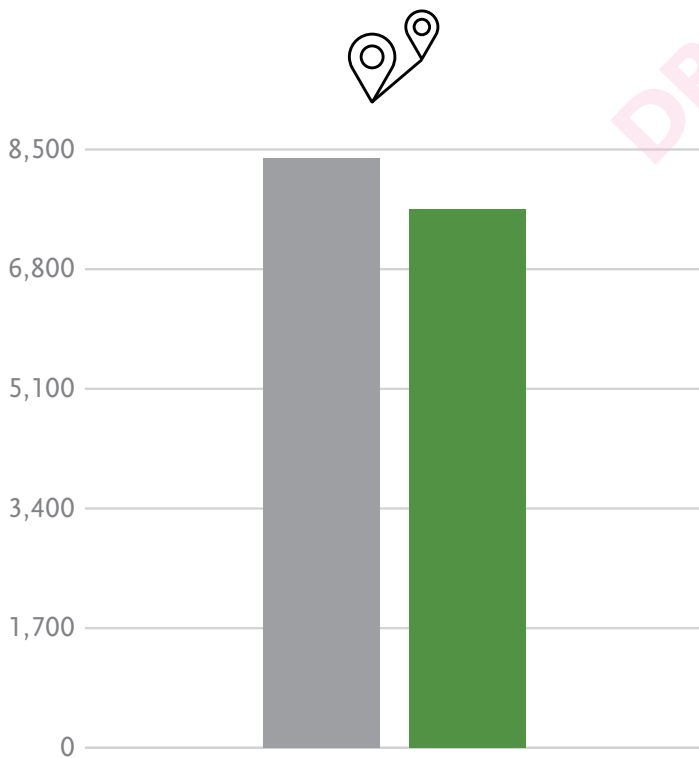
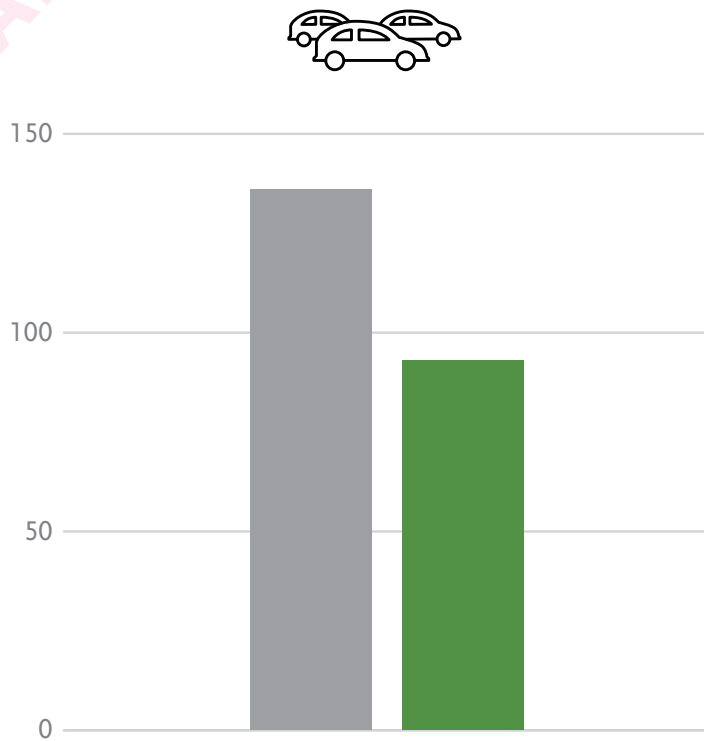


Figure 17

Annual Vehicle Hours of Delay Per Capita



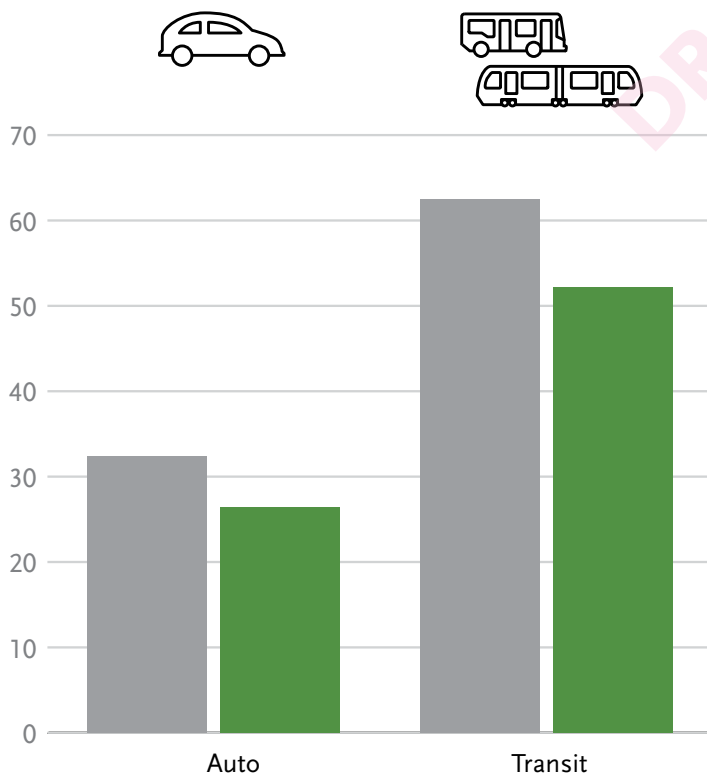




Less congestion means better travel times for commuters. Compared to the future trend, the 2020 LRTP is projected to reduce average morning travel times by 19% for automobiles and 9% for transit trips.

Figure 18

**Average Morning Travel Time (minutes)**



OUR  
NEXT  
LA\* is

*complete streets.*

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*Complete streets* create a comprehensive, integrated network that utilizes infrastructure and design to allow safe and convenient travel along streets for all users. This means better connectivity and integration of all transportation modes, including active transportation, private vehicles, transit and commercial deliveries. Complete streets provide safer crossing and roadway facilities for bicyclists and pedestrians, have more greenery and fewer potholes, and help create a more environmentally sustainable transportation system.



# We're investing in better options for bikes and pedestrians.

The 2020 LRTP includes close to \$7 billion in funding for active transportation projects, including major facilities and bicycle and pedestrian programs at the city level. There are several major multi-use active transportation facilities funded in the LRTP, including:

> **Rail to Rail Active Transportation Corridor Segment A**

The Rail to Rail Active Transportation Corridor is a 5.6 mile multi-use path connecting the Fairview Heights Station of the soon-to-be-open Crenshaw Line in Inglewood to the Slauson A (Blue) Line station in South Los Angeles.

> **LA River Path – Central LA**

The Los Angeles River Path project is an eight-mile bicycle and pedestrian path gap closure between Elysian Valley and Maywood, through downtown Los Angeles.

> **LA River Path – San Fernando Valley**

To complete the full LA River Path and Greenway Trail, the LA River Path will connect the San Fernando Valley to the existing LA River Path near Griffith Park. This 13-mile path will help create a 52-mile continuous active transportation corridor from Long Beach to Warner Center, and be a cornerstone of the efforts to revitalize the LA River.

## Active Transportation

In addition to the major capital commitments, Metro supports active transportation to promote walking, cycling and rolling through a series of programs, policies and investment strategies. Three important foundational documents include Metro's Complete Streets Policy (2014), First/Last Mile (FLM) Strategic Plan (2014), and Active Transportation Strategic Plan (2016).

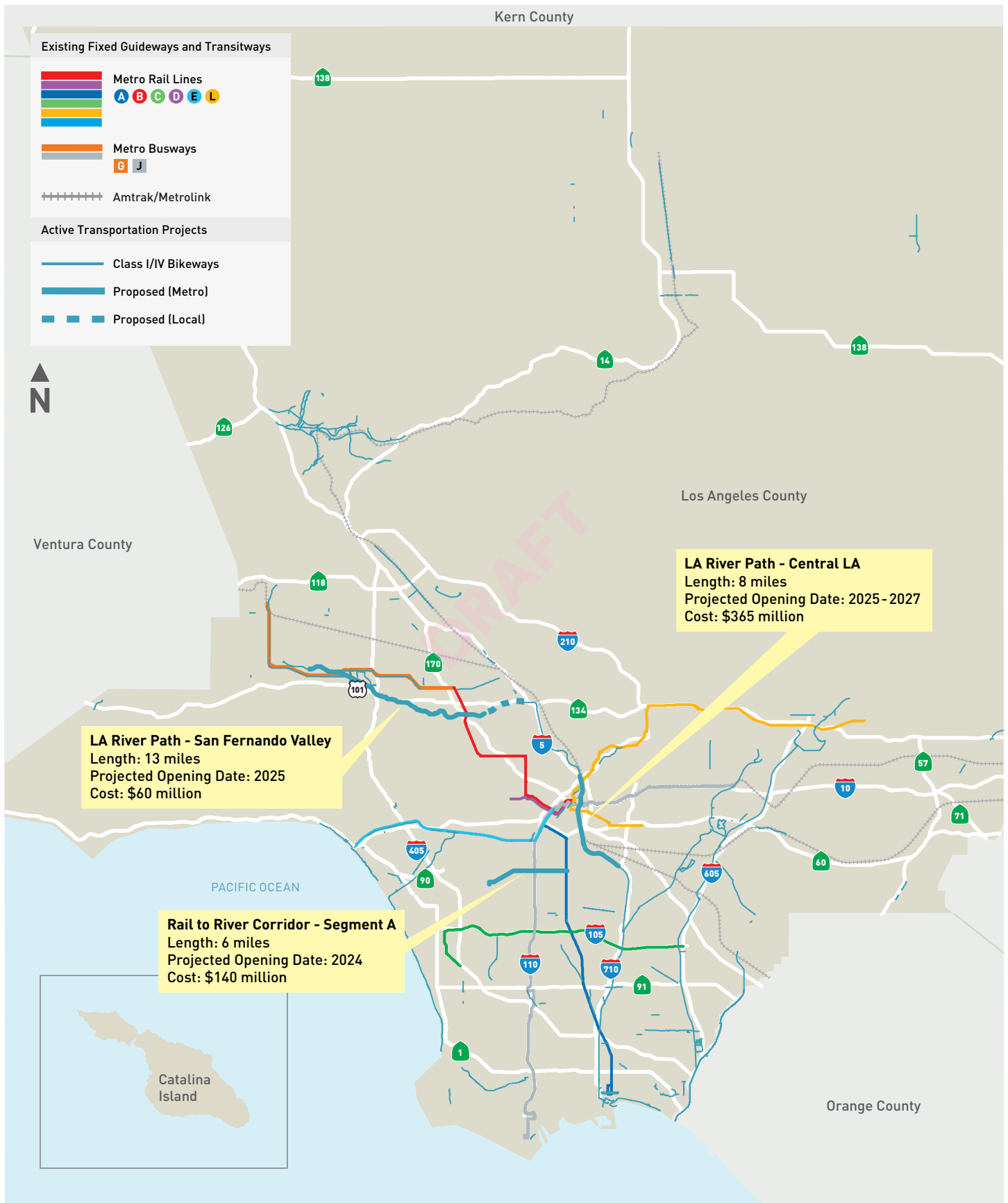
Metro is investing more than \$850 million in Active Transportation grants, in alignment with Metro policies and plans. This demonstrates Metro's ongoing commitment to enhance access to transit stations, create safer streets and develop a regional network to improve mobility for people who walk, bike and take transit. Programs that support these policies include Metro's Bike Share program, our Bike Parking Program, and the First/Last Mile Program.

Finally, the majority of the planning and support for active transportation and complete streets projects occurs at the local level. Metro provides funding for local projects and partners with local jurisdictions to support and advance projects that further our regional priorities.



Figure 19

# ACTIVE TRANSPORTATION CORRIDOR PROJECTS



Final alignments to be identified during environmental processes.

## Priority Area 3: Complete Streets

### Strategy 3.1: Improve safety for all users

Metro's approach to safety is multi-pronged. The Complete Streets Policy is centered around redesigning streets with safety for all users as the top priority. Metro's vision is to prioritize safety in all projects with an overarching goal of reducing injuries and fatalities.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
3.1a. Implement Complete Streets Policy	●				●		●
3.1b. Implement Bicycle Education Safety Team program	●					●	
3.1c. Prioritize and incorporate safety improvements in all projects to reduce injuries and fatalities	●			●	●		●

### Strategy 3.2: Enhance access to transit stations

Metro strives to enhance transit stations by implementing first/last mile projects and strategies that improve multi-modal access around stations.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
3.2a. Implement First/Last Mile Program, including Board policy directives	●	●	●		●		●
3.2b. Implement integrated improvement plans for existing intermodal station facilities, including the Connect Union Station Action Plan	●		●	●			●
3.2c. Implement Micro Mobility Vehicles Program	●				●		●
3.2d. Provide secure bike parking options at transit stations	●			●			

### Strategy 3.3: Establish active transportation improvements as integral elements of the transportation system

Active transportation refers to any non-motorized mode of travel, including walking, biking and rolling. Safe and effective active transportation infrastructure, including addressing physical barriers like freeway, rail, and river crossings, is critical to Metro because these modes of travel provide connectivity to our transit hubs, promote public health and improve air quality.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
3.3a. Complete LA River Path Project	●	●		●			●
3.3b. Complete Rail to River Active Transportation Corridor		●	●	●			●
3.3c. Implement recommendations of Active Transportation Strategic Plan		●	●		●		
3.3d. Support Metro Bike Share and local bike share programs expansion	●				●		●



## Complete Streets Policy

Metro's Complete Streets Policy views transportation improvements as opportunities to create safe, accessible streets for all users, including but not limited to pedestrians, public transit users, bicyclists, people with disabilities, seniors, children, motorists and movers of commercial goods. Through incremental changes in capital projects and regular maintenance and operations improvements, the street network will gradually become safer and more accessible for travelers of all ages and abilities. In partnership with state, regional and local efforts, this policy will create a more complete and integrated transportation network for all modes of travel in LA County.

### LA River Path

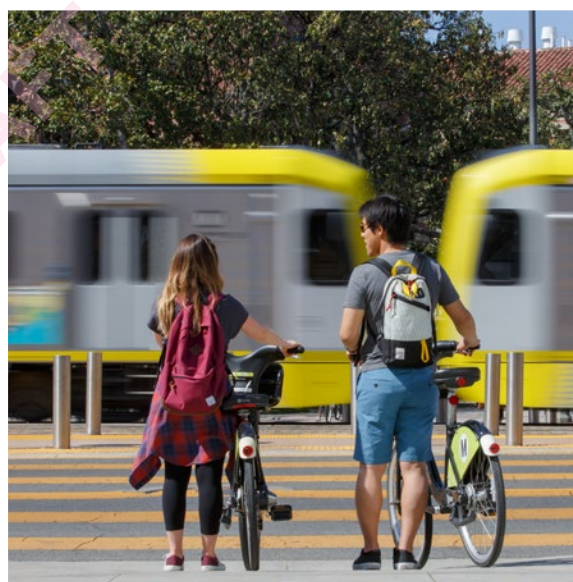
The Los Angeles River Path project is a proposed eight-mile bicycle and pedestrian path extension between Elysian Valley and Maywood, through downtown Los Angeles and the City of Vernon. The project aims to create a safe, accessible path for people walking, bicycling and rolling to get to destinations that matter in their daily lives. The project will close an existing gap in the Los Angeles River Bike Path and Greenway Trail, providing a seamless 52-mile bicycle and pedestrian route from the San Fernando Valley to Long Beach. Completing the LA River Path will enhance recreation, livability, regional connectivity and provide an outstanding user experience, access to opportunity and separation from vehicular traffic.



## First/Last Mile Strategic Plan

Metro developed a First/Last Mile Strategic Plan to address the challenge that riders face getting from their home to transit and from transit to their final destination. FLM strategies extend station areas, improve safety and enhance the visual aesthetic. The plan identifies barriers and potential improvements for the FLM portions of a transit trip. It provides a systematic yet adaptable vision for implementing FLM strategies, such as:

- > Infrastructure for walking, rolling and biking (e.g., bike lanes, bike parking, sidewalks and crosswalks)
- > Shared use services (e.g., bike share and car share)
- > Facilities for making modal connections (e.g., kiss and ride and bus/rail interface)
- > Signage and wayfinding, and information and technology that eases travel (e.g., information kiosks and mobile apps).



### Strategy 3.4: Maintain a state of good repair on roadways

A safe and reliable transportation system requires that assets are maintained in a state of good repair. Metro partners and funds highway projects that upgrade or replace roadway elements to improve system safety.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
3.4a. Fund highway and arterial projects with state of good repair elements	●						●
3.4b. For more efficient investment, work with Caltrans to combine state highway repair and maintenance projects with Metro-funded capacity and operational enhancements	●					●	●

### Strategy 3.5: Demonstrate sustainable design and construction practices

Metro strives to incorporate sustainable design and construction practices that reduce the impact of system growth. Metro aims to expand and improve the policy and related sustainability standards, while pursuing certifications set by national and state green building agencies.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
3.5a. Improve sustainability standards for project design and expand the Green Construction Policy (GCP)	●			●			
3.5b. Pursue green certification and implement sustainability and resiliency technical requirements and specifications	●			●			

### Strategy 3.6: Reduce regional GHG and criteria air pollutant emissions

Metro is committed to reducing greenhouse gas (GHG) emissions and air quality pollutants. Transportation has the most significant impact on regional emissions, and to do our part, Metro plans to reduce our agency emissions by 79% relative to 2017 levels.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
3.6a. Implement projects identified in the Energy Conservation Project Portfolio	●			●			
3.6b. Decarbonize Metro's energy and fuel supply	●				●		
3.6c. Implement a Scheduled Maintenance Program for stationary and mobile emissions sources to reduce emissions	●					●	
3.6d. Support local and regional projects that decrease GHG emissions or reduce single-occupant vehicle (SOV) trips	●			●			●

## Green Construction

Metro established a Green Construction Policy (GCP) in 2011 to reduce emissions during construction, as well as the Sustainability Plan Program to assist contractors with meeting CALGreen obligations. The GCP was updated in 2018, requiring contractors to use renewable diesel for all diesel engines and thus reducing the negative health impacts from diesel exhaust. This effort reaffirms Metro's commitment to protect the communities we serve, especially those disproportionately affected by air pollution.



## Zero-Emission Fleet

Metro will transition to zero-emission buses systemwide. The G Line (Orange) will be the first to deploy electric-battery buses as part of its improvements project, scheduled for completion by 2025. Originally planned by 2040, Metro would like to fully electrify by 2030. Metro is also taking the lead in forming a Countywide Zero-Emission Trucks Collaborative to promote consistency among public agencies in working to catalyze the development and deployment of zero-emission trucks in LA County, beginning with the I-710 Clean Trucks Program. This collaborative will include the Ports of Long Beach and Los Angeles, Caltrans, Southern California Association of Governments and the South Coast Air Quality Management District.



# Our plan helps reduce emissions, for a healthier LA.

Safety and environmental sustainability are core tenets of Complete Streets strategies. The 2020 LRTP will help Metro reduce our emissions and the emissions of the transportation sector as a whole. The improvements are projected to decrease greenhouse gas (GHG) emissions by 19% and particulate matter emissions by 17% relative to the future trend.

■ **Future Trend (2047)**  
■ **With 2020 LRTP (2047)**

Figure 20

Annual Million Metric Tons of CO2 Equivalent

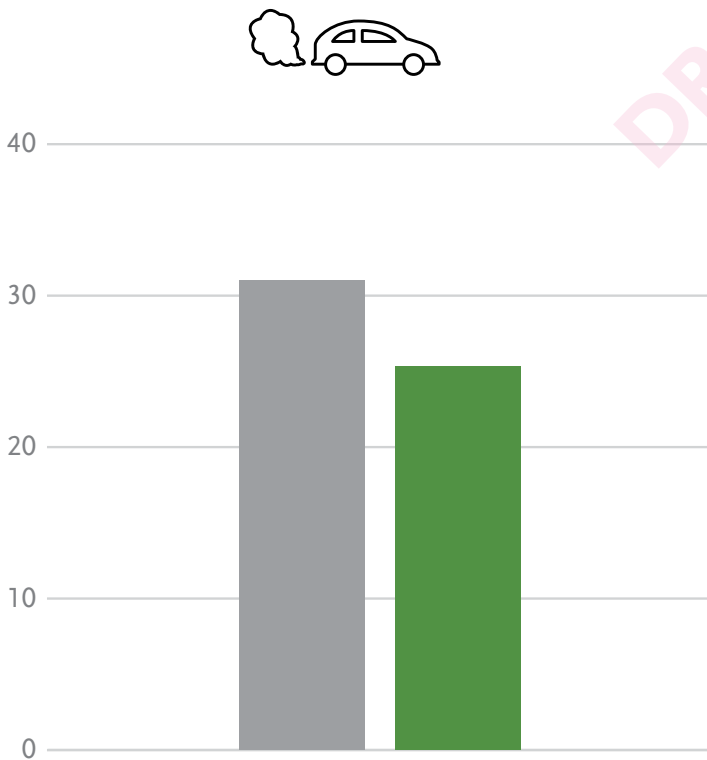
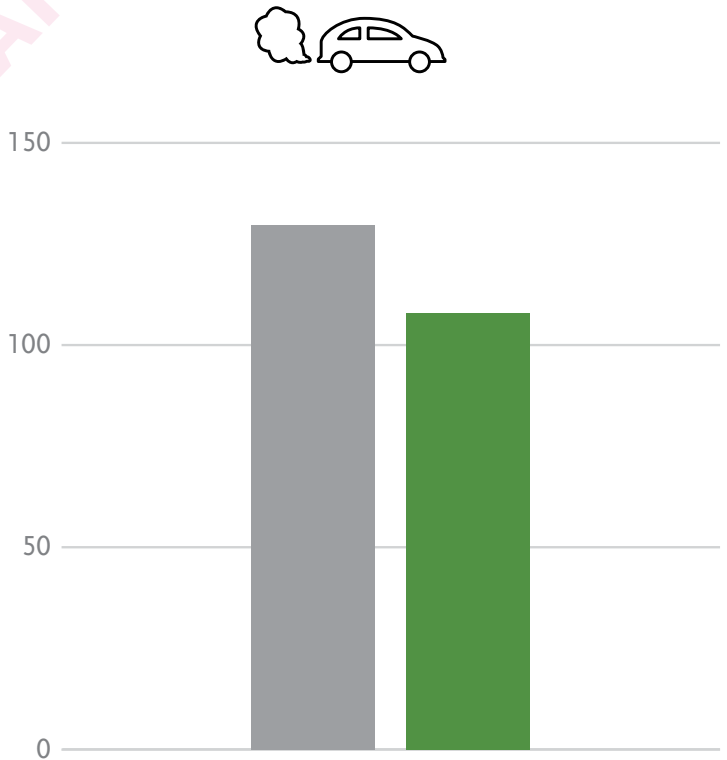


Figure 21

Annual Tons Particulate Matter (PM10)








Harbor Gateway Station, *Dreams*,  
Béatrice Coron, artist.



**OUR  
NEXT  
LA\* *is access  
to opportunity.***

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*Access to opportunity* means investing in communities to connect people to what they need. Travelers must get to where they need to go, when they need to be there – from their home to their job to their daily activities. Increasing access to opportunity brings better transit closer to jobs and homes, and supports small businesses, local economies and families.

# We're investing in opportunity for communities that need it most.

For a transportation system to be successful it must allow everyone it serves to reach the things they need within a reasonable period of time. Access to jobs, education, healthcare, and other essential services must be the primary focus of transportation, as a stable foundation for vibrant communities. As stewards of the transportation system, Metro is responsible for providing transportation options, improving access, and investing in communities.

In 2018, Metro adopted its Equity Platform to help ensure system changes prioritize those most in need of improved access to opportunity. Metro recognizes that there are deep-rooted and pervasive racial and socioeconomic inequities that create disparate results and impacts, even when the intention is to help all. Accordingly, we need an understanding of those disparities and an intentional focus on those faring the worst in order to truly improve access to opportunity for all. The Equity Platform is structured around four pillars:

- I. Listen and Learn
- II. Define and Measure
- III. Focus and Deliver
- IV. Train and Grow.

The LRTP was developed in accordance with these pillars, through robust public engagement, as well as clearly defining our goals and performance measures for tracking our effort to deliver better future access and mobility. This process and evaluation will ensure that Metro is transparent in our activities, that we continue to learn from our stakeholders, and that we use our resources effectively to benefit our communities.

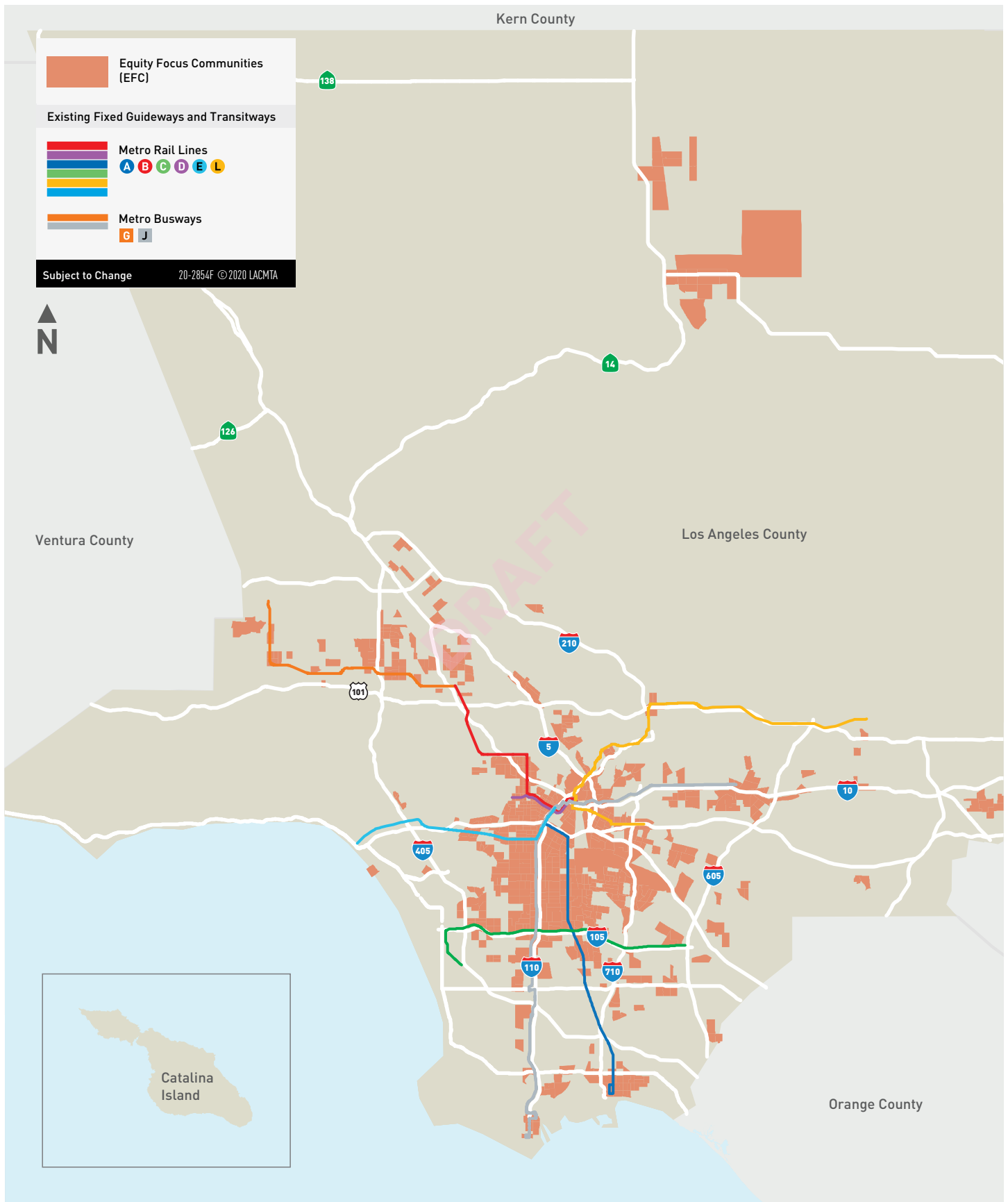
## Equity Focus Communities

As part of the LRTP, Metro has defined “Equity Focus Communities” (EFCs) as those communities most heavily impacted by gaps in inequity throughout the County. These communities represent geographic areas that have the following socioeconomic characteristics; more than 40% of households are low-income and either 80% of households are non-white or 10% have no access to a vehicle. Collectively, these areas represent about 30% of the county's population. EFCs are communities that have experienced historic disinvestments, reduced access to opportunity and housing, and policy decisions that have resulted in environmental justice disparities. As such, these communities have higher degree of various negative outcomes and are those with the greatest need.



Figure 22

# METRO DESIGNATED EQUITY FOCUS COMMUNITIES



## Priority Area 4: Access to Opportunity

### Strategy 4.1: Advance equity through institutional transformation to eliminate disparities

Transportation can play an important role in economic development, increased opportunity and upward mobility. Metro seeks to ensure our programs, policies and investments expand opportunities for the communities in most need.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
4.1a. Implement Equity Platform	●				●		●
4.1b. Establish agency-wide definition of equity	●				●		
4.1c. Create and implement an equity assessment tool	●						●
4.1d. Prioritize investment to support those with the greatest mobility needs	●						●
4.1e. Prioritize improved access to opportunities for Equity Focus Communities	●			●			●
4.1f. Develop and advance a Racial and Socio-Economic Equity Action Plan		●			●		
4.1g. Explore funding opportunities and implementation strategies for Transit to Parks Strategic Plan			●				●

### Strategy 4.2: Reduce household expenses on transportation

After housing, transportation is the second largest cost for many LA County households. Metro has fare assistance programs for targeted populations, including low-income households, youth and students.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
4.2a. Expand Low-Income Fare is Easy (LIFE) Program	●				●		
4.2b. Continue Youth on the Move Program	●				●		
4.2c. Continue U-Pass Program	●				●		
4.2d. Partner with transportation network companies (TNCs) to reduce the cost of accessing stations	●						●
4.2e. Explore free fares for students and the general public			●		●		●
4.2f. Complete Comprehensive Pricing Study to identify and evaluate pricing policy options relative to the goals of revenue, equity, security, ridership, and user experience	●				●		

### Defining Equity

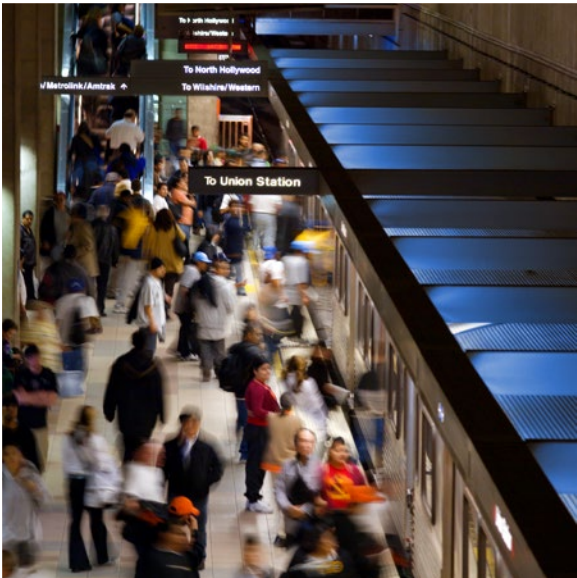
As part of our commitment to the Equity Platform Framework, Metro has developed the following definition of equity:

Equity is both an outcome and a process to address racial, socio-economic and gender disparities, to ensure fair and just access – with respect to where you begin and your capacity to improve from that starting point – to opportunities, including jobs, housing, education, mobility options and healthier communities. It is achieved when one’s outcomes in life are not predetermined, in a statistical or experiential sense, on their racial, economic or social identities.

It requires community informed and needs-based provision, implementation and impact of services, programs and policies that reduce and ultimately prevent disparities.

### Reduced Transit Fares

The Low-Income Fare is Easy (LIFE) program provides transportation assistance to low-income individuals in LA County. LIFE offers fare subsidies that may be applied toward the purchase of fares on Metro, any LIFE-participating transit agencies or free regional ride options. Reduced fare TAP cards are also eligible for additional savings with LIFE. Once enrolled, LIFE benefits can be loaded onto TAP cards at any participating vendor. Metro is considering free transit for students, and if additional revenue is raised through congestion pricing, Metro could subsidize transit for all riders.



### Strategy 4.3: Build affordable housing near transit

Metro is working with our partners to address LA County’s housing and affordability crisis through several initiatives aimed at developing more and affordable housing near transit.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
4.3a. Implement Transit Oriented Communities (TOC) Policy	●						●
4.3b. Implement Joint Development Program	●						●
4.3c. Partner to build affordable transit-oriented housing	●						●

#### Transit Oriented Communities (TOC)

In June 2018, the Metro Board of Directors adopted the TOC Policy, an ambitious effort that elevates Metro’s commitment to prioritize equity and consider land use and community development as we plan and implement the transit system.

TOCs are places (such as corridors or neighborhoods) that, by their design, allow people to drive less and access transit more. A TOC maximizes equitable access to a multi-modal transit network as a key organizing principle of land use planning and holistic community development. TOCs differ from Transit Oriented Development (TOD) in that TOD is a specific building or development project that is fundamentally shaped by proximity to transit.

TOCs promote equity and sustainable living in a diversity of community contexts by:

- > Offering a mix of uses that support transit ridership of all income levels (e.g., housing, jobs, retail, services and recreation)
- > Ensuring appropriate building densities, parking policies, and urban design that support accessible neighborhoods connected by multi-modal transit
- > Elevating vulnerable users and their safety in design
- > Ensuring that transit related investments provide equitable benefits that serve local, disadvantaged and underrepresented communities.

In addition, the TOC Policy formalizes Metro’s commitment to partner with the 88 cities and unincorporated areas in LA County and local communities to support “TOC activities”. These activities are largely community development activities and support the TOC program’s goals:

- > Increase transportation ridership and choice
- > Stabilize and enhance communities surrounding transit
- > Engage organizations, jurisdictions and the public
- > Distribute transit benefits to all
- > Capture the value created by transit

Metro’s Joint Development program, whereby Metro partners with developers to build TODs on Metro-owned properties, is a key program where we can help foster equitable TOCs. Metro’s Joint Development sites are a gateway to the Metro transit system and hold unique potential to advance community development goals while attracting new riders to transit.

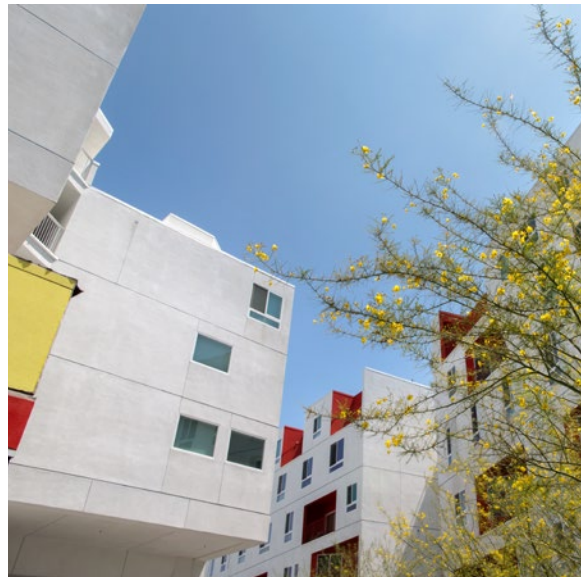




Figure 23

# JOINT DEVELOPMENT PROJECTS



- 2 Grand Central Market
- 3 Willow
- 4 Hollywood/Highland
- 5 Del Mar
- 6 Sierra Madre Villa
- 7 Wilshire/Vermont Apts and School
- 8 Wilshire/Western
- 9 Hollywood/Vine
- 10 Hollywood/Western
- 11 Fillmore
- 12 Westlake/MacArthur Park (Phase A)
- 13 One Santa Fe
- 14 1st/Boyle
- 15 Taylor Yard Lots 1, 3, 4

- 2 North Hollywood
- 3 1st/Soto
- 4 1st/Lorena
- 5 Cesar Chavez/Soto
- 6 Cesar Chavez/Fickett
- 7 Division 6
- 8 Expo/Crenshaw
- 9 Mariachi Plaza
- 10 Vermont/Santa Monica
- 11 Little Tokyo/Arts District

\* Sites Metro currently has in construction; is in negotiations with a developer; is conducting community engagement to inform development guidelines; or has an active Request for Proposals (RFP) out.

- 2 Sepulveda Park & Ride
- 3 El Monte
- 4 Wilshire/Crenshaw
- 5 Wilshire/La Brea

\*\* Sites Metro expects to release a RFP for in the next one to three years.

## Strategy 4.4: Invest in the regional workforce

Metro is investing in the regional workforce through training, education and employment opportunities. Metro has several existing programs in this area and plans to open its transportation school in 2022.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
4.4a. Expand training programs, career academies, apprenticeship programs and employment opportunities in LA County	●				●		●
4.4b. Implement Project Labor Agreement and Construction Careers Policy	●				●		
4.4c. Increase resources needed to train and place people in hard-to-fill positions (WIN-LA)	●				●		
4.4d. Develop logistics workforce initiatives and pilot programs		●					●

## Strategy 4.5: Expand opportunities for small businesses

Metro is committed to supporting small businesses and local economies through our contracting procedures, our projects in local communities and our direct investments.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
4.5a. Ensure local transportation investments support local business district programs	●						●
4.5b. Support small businesses throughout construction (Business Interruption Fund and Business Solution Center)	●						●
4.5c. Expand Metro small business programs (DBE, SBE, and DVBE) through training, partnering and mentorship programs	●				●		●

## Strategy 4.6: Maximize our local investments

State and federal funding sources allow Metro to maximize our local resources. Metro continues to explore all funding opportunities and innovative project delivery mechanisms to increase the impact of our investments.

ACTION	NOW	SOON	FUTURE	BUILD	MANAGE	MAINTAIN	PARTNER
4.6a. Support local jurisdictions to submit competitive grant applications	●				●		●
4.6b. Deliver projects through alternative delivery models, including Public-Private Partnerships, as appropriate	●			●	●		●
4.6c. Leverage local transportation dollars to secure state and federal grants	●						●

### E3 Training Programs

Metro is investing in transportation workers through the E3 Initiative, to expose, educate, and employ the next generation of LA County. The initiative's mission is to prepare the LA County youth for career and college pathways in the global transportation infrastructure industry by teaching them transferrable industry skills. The programs include Metro's Transportation School, Teacher Externship Program, Entry Level Trainee Program, Transportation Career Academy Program, Rail Vehicle Maintenance Program at LA Trade-Technical College, Metro Joint Apprenticeship Committee (JAC), and Metro Bridge Academy.



### Supporting Local Business

Metro's Business Interruption Fund (BIF) provides financial assistance to small businesses impacted by rail construction and located along the following corridors: Crenshaw/LAX Transit Project; the Little Tokyo and 2nd/Broadway areas along the Regional Connector Transit Project; and the D Line (Purple) Extension.

Metro's Pilot Business Solution Center (BSC) provides hands-on business assistance and support services to small businesses along the Crenshaw/LAX Transit Project corridor during the years of construction.



# Our plan creates jobs and boosts LA's economic health.

The 2020 LRTP will benefit the local and regional economy. Direct and indirect economic benefits come from the expenditures on transportation projects. Furthermore, transportation system enhancements generate travel time savings, and increase economic output and competitiveness. Expenditures and improvements included in only the capital plan of the LRTP, not including the additional policies and programs, are anticipated to increase Gross Regional Product by \$196 billion and create 1.84 million jobs over the 30-year period.

Figure 24

## Net Jobs Created and Increase in Gross Regional Product from Capital Investment



\*A single year of employment for one individual

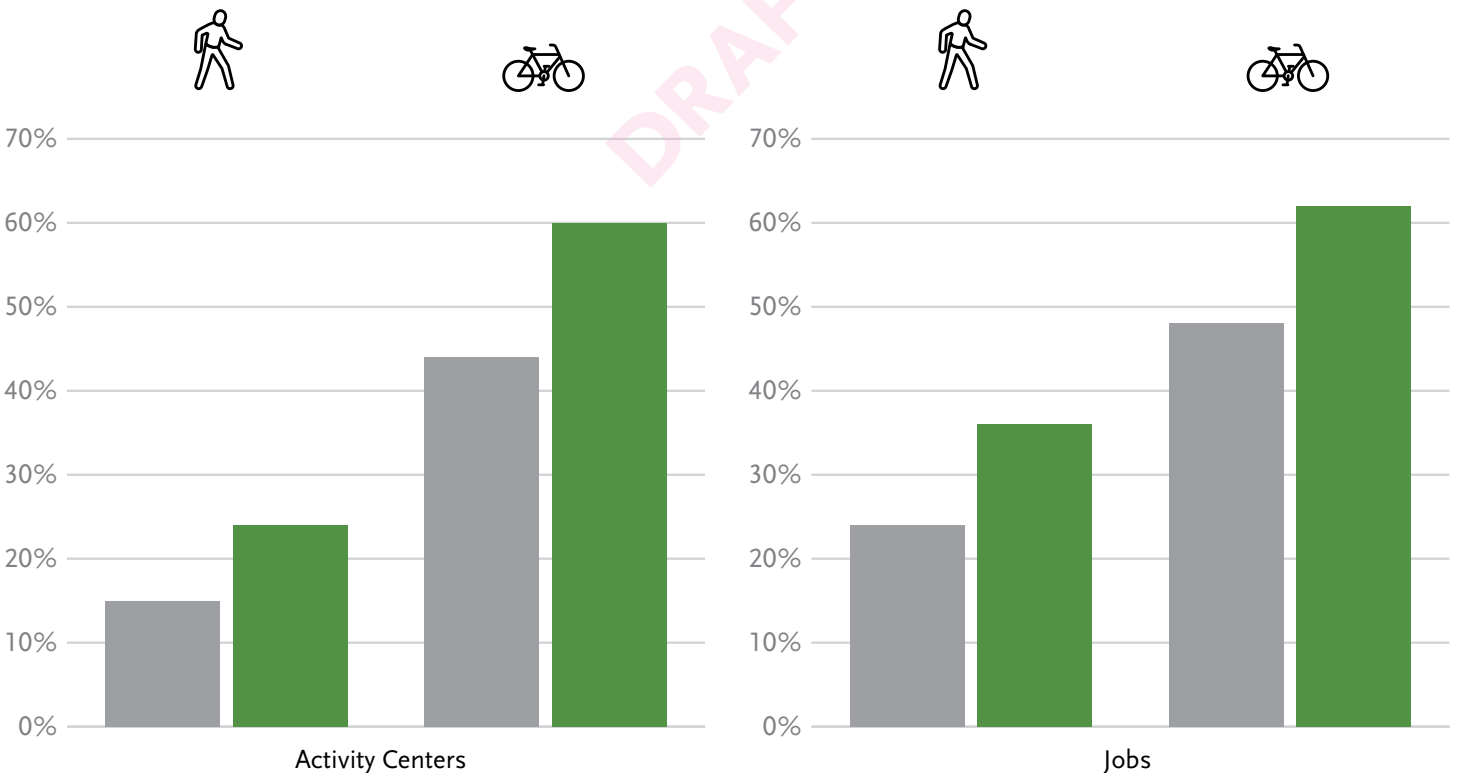


Transit should connect people to where they want and need to go. The 2020 LRTP will increase the number of jobs and activity centers within a 10-minute walk or roll of fixed guideway transit. For example, it will bring about a 50% increase in jobs accessible and 60% of activity centers within a 10-minute walk of a transit station.

**Future Trend (2047)**  
 **With 2020 LRTP (2047)**

Figure 25

**Percent of Activity Centers and Jobs within a 10-minute Walk or Roll of Fixed Guideway Transit**



# We're funding a transportation revolution, \$400 billion strong.

The 2020 LRTP provides the funding for the largest public works projects in North America, identifying \$400 billion to be spent on transportation over the 30-year period. The LRTP financial forecast includes revenue from local sales tax, state sources, federal programs and other sources. Approximately 74% of funding is controlled by Metro, either from federal and state programs or through locally generated revenues. LA County has passed four separate ½-cent transportation sales taxes over the past 40 years: Proposition A (1980), Proposition C (1990), Measure R (2008) and Measure M (2016).

Figure 26 highlights the estimated funding by use. This includes all funding for capital projects, operations and maintenance countywide, including funding sources that Metro does not control. Almost half of the expenditures are capital investments for transit, highway or multi-modal projects, including the subregional funding programs and Local Return allocated to cities. Investment in active transportation makes up about \$6.9 billion of the 30-year total, included primarily under the roadways program. Transit operations, both rail and bus, comprise more than one-quarter of the estimated future expenditures.

The LRTP is a financially constrained plan, which means our committed investments are programmed to match our anticipated funding. The forecast is based on estimated sales tax growth and existing project cost estimates. Future changes may present challenges that must be balanced within a constrained plan and updated or amended as appropriate. The financial model anticipates growth over the 30-year forecast and some economic disruptions; however, the LRTP is a living document which can be regularly updated as needed.

Almost half of all the funding is derived from LA County's four transportation sales tax measures. State programs, bolstered by the recent passage of SB 1 (the Road Repair & Accountability Act of 2017), make up about 20% of the projected funding. Local funding sources, including transit fare revenue, contribute 17% and federal sources, once a large share of local transportation funding, is only 8% of the future funding.

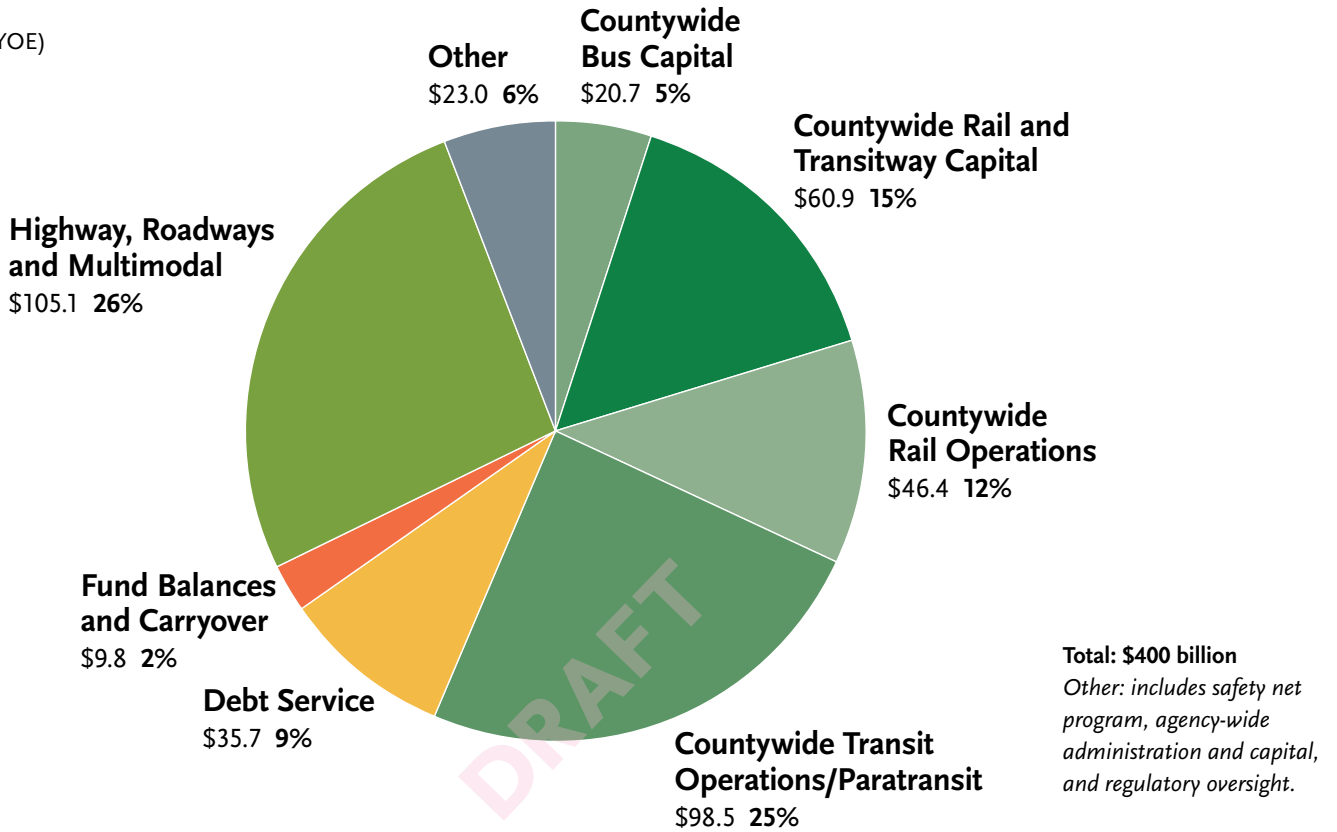
While the expanded programs, partnerships and policies of the 2020 LRTP represent additional expenditures, these will be balanced by future revenues anticipated through future policies, such as ExpressLanes and congestion pricing.

Figure 26

**Countywide Uses and Sources of Transportation Funding (FY2021–FY2050)**

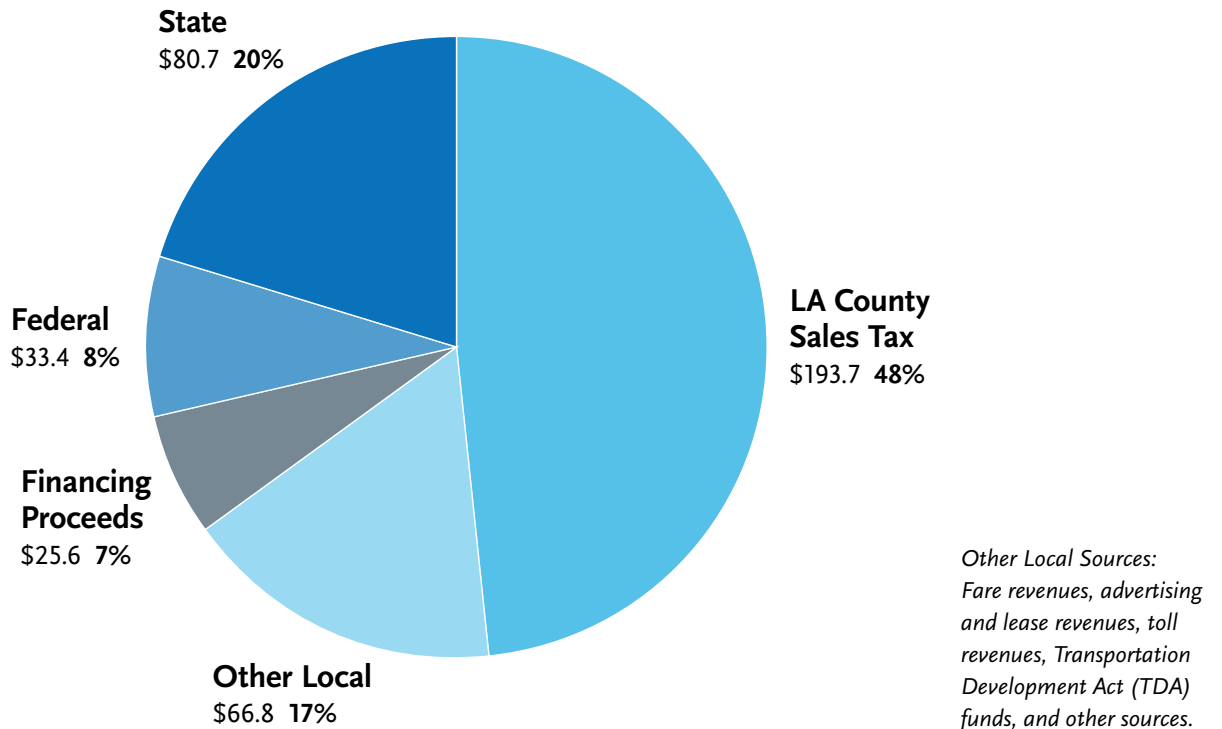
**Total Uses**

\$ in billions (YOE)



**Total Sources**

\$ in billions (YOE)



# Supporting Our Partners

Metro, as the Regional Transportation Planning Agency, is the recipient agency for many state and federal funding programs that pass through to local jurisdictions. Furthermore, Metro administers the revenue from the four LA County transportation sales taxes, each providing substantial transportation funding for local jurisdictions.

## Local Return

Local jurisdictions receive transportation funding from Metro through the Local Return program. Over the 30-year period, this amount is anticipated to be \$38 billion. The Local Return program is funded by each of the four sales taxes authorized by Metro, including 25% of Proposition A, 20% of Proposition C revenue, 15% of Measure R and 17% of Measure M (increasing to 20% in 2039).

The largest percentage of local return funding goes to support for local public transit and dial-a-ride services. Prop A required all funding be used for public transit; Prop C expanded the eligible uses of funding, but funded projects must demonstrate a public transit benefit or be performed on streets heavily used by public transit. Measures R and M expanded eligibility to most transportation purposes, and therefore, a large portion of local return funds are dedicated to active transportation projects, street resurfacing or other roadway improvements.



## Measure M Multi-year Subregional Programs

Measure M created 36 Multi-year Subregional Programs (MSP) that program \$13.5 billion to the nine subregions in LA County. These MSPs were created with input from the subregions and highlight the transportation priorities of various communities throughout LA County. Some subregions also dedicated resources to specific highway and transit projects included in the expenditure plan. The majority of the future MSP funding is allocated to roadway projects (56%) and a substantial amount is allocated to active transportation (23%) and transit (15%).

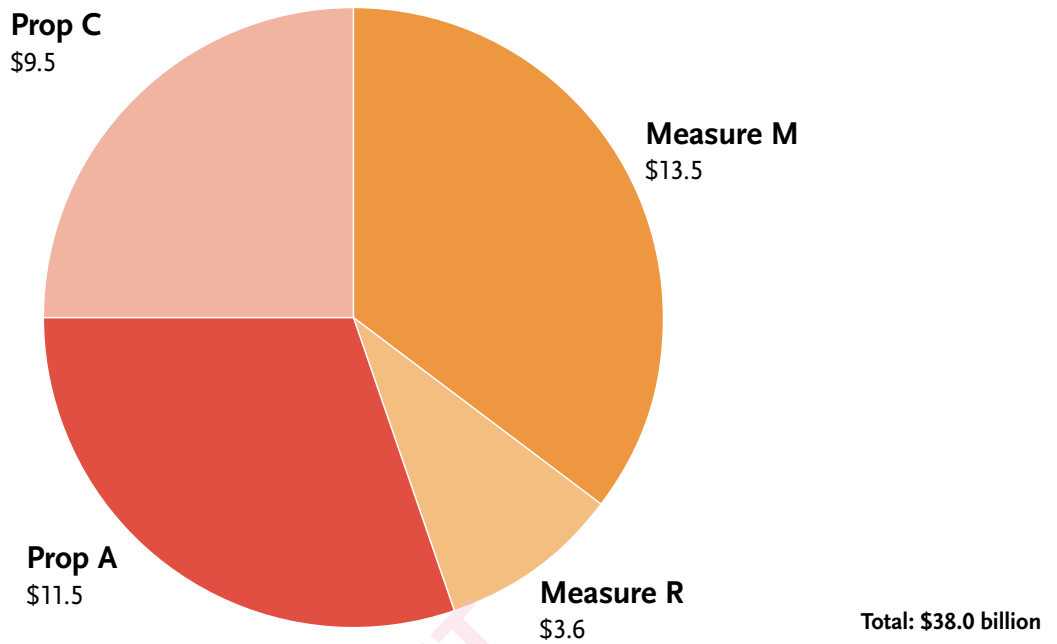




Figure 27

**Local Return Funding**

\$ in billions (YOE)

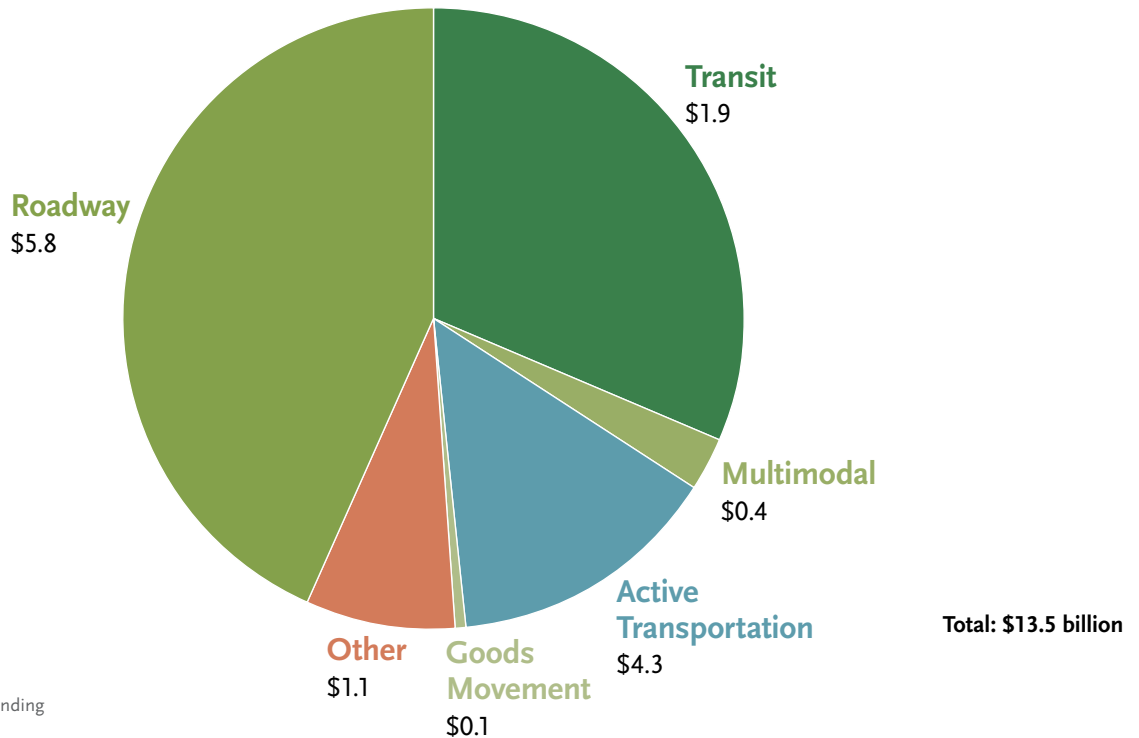


Numbers may not add due to rounding

Figure 28

**Multi-year Subregional Program Funding**

\$ in billions (YOE)



Numbers may not add due to rounding

# Operations & Maintenance

A functioning, high-quality transportation system is essential for the efficiency of the system and the safety of users. The cost to operate and maintain LA County's transportation system is substantial, and we must continue to invest the resources to operate, maintain and rehabilitate the transportation system, including the expanding transit system and the vast network of roadways, and bicycle and pedestrian facilities.

The 30-year estimate for operations and maintenance included in the 2020 LRTP is over one-half of the 30-year investment estimate, with an estimated \$169 billion in transit operations and state of good repair (SGR), and \$32 billion in freeway operations and SGR.

## Transit Operations and State of Good Repair (SGR)

LA County has almost 50 transit agencies that own more than 7,000 revenue vehicles, plus additional service vehicles, equipment and facilities. Metro bus and rail operations will require an investment of almost \$97 billion over the 30-year period, and an additional \$24 billion to rehabilitate and repair the assets. Municipal and local agency operations will require an additional \$33 billion.

### Metrolink

The Metrolink system provides high-speed, long-distance regional commuter rail service over 538 route-miles, carrying an average of 38,000 weekday passenger trips. Metrolink is governed by the Southern California Regional Rail Authority (SCRRA), a joint powers authority representing the transportation commissions of Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties. LA County, through Metro, provides an operating subsidy for Metrolink. Over the 30-year period, the 2020 LRTP financial plan assumes Metrolink funding amounts totaling over \$800 million in state of good repair, \$6.7 billion in operations and \$1.3 billion in capital expansion.

### Access Services

Metro provides funding for countywide paratransit service for the elderly and people with disabilities, operated by Access Services. A flexible service paratransit is a federally mandated right through the Americans with Disabilities Act (ADA) for persons with disabilities who cannot access fixed-route buses and trains. Paratransit, typically provided in vans or mini-buses, is on-demand and does not follow fixed routes or schedules. A total of \$8.5 billion will be needed to operate paratransit over the 30-year period.

### Roadway Operations

Highway and arterial operations and maintenance include activities to keep roadways properly maintained, such as roadway resurfacing and bridge rehabilitation, as well as solutions to improve the operational efficiency of the system. Examples of these strategies include traveler information, intelligent transportation systems (ITS) and incident management solutions.

Transportation System Management (TSM) strategies are tools that use traffic engineering and operational measures to maximize capacity and reduce traffic delays on streets and highways. Intelligent Transportation Systems (ITS) strategies, such as the Regional Integration of ITS (RIITS) program, are low-cost and dramatically improve traffic flow, movement of vehicles and goods, system reliability, air quality, and safety.

Freeway Service Patrol (FSP) is a congestion mitigation program managed in partnership with Metro, California Highway Patrol (CHP) and Caltrans on all major freeways in LA County and is the largest of its kind in the nation, performing approximately 25,000 assists each month. The program utilizes a fleet of patrolling tow and service trucks designed to quickly remove disabled passenger vehicles and freight trucks.

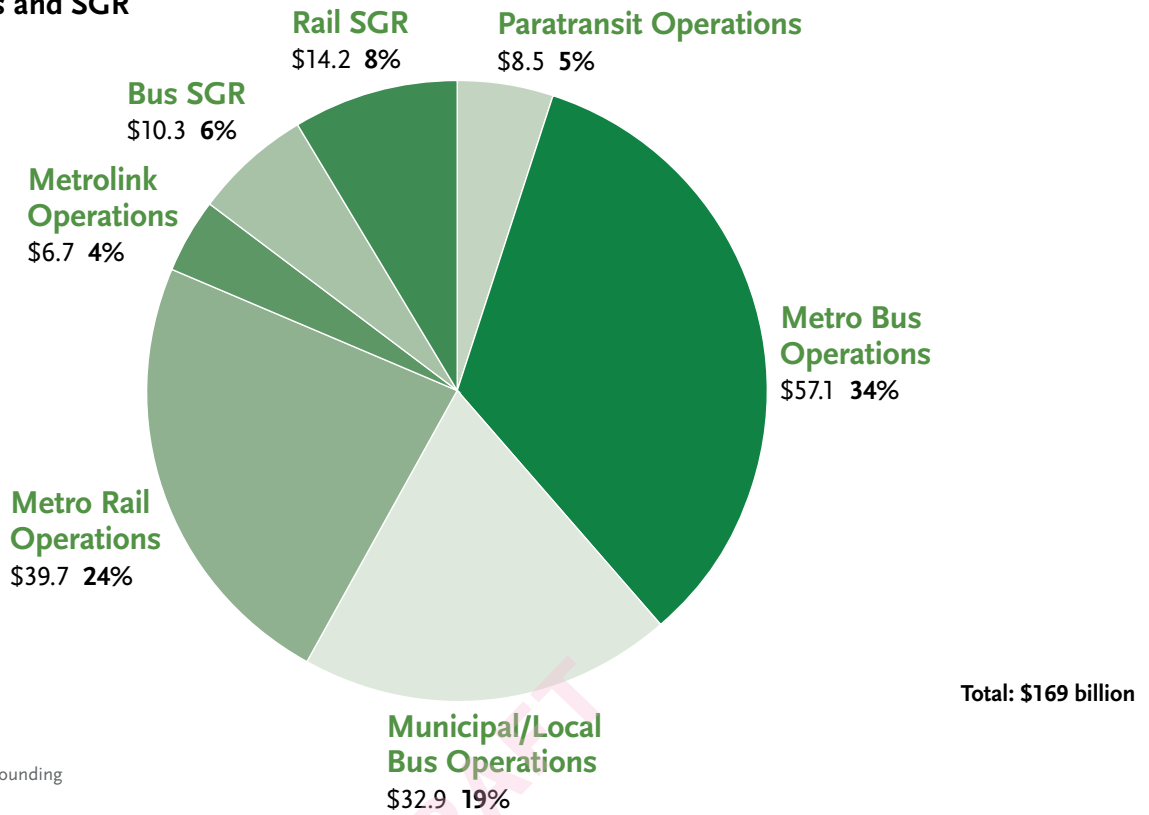
### Roadway State of Good Repair

The State Highway Operations and Protection Program (SHOPP) is a Caltrans program to rehabilitate California's highway system. The program identifies and approves funding for projects consistent with California's Transportation Asset Management Plan. Over a 30-year period, the estimated funding available in LA County through the SHOPP program is close to \$22 billion. Local roadway rehabilitation is funded in large part by the Local Return program, described above.

Figure 29

**Transit Operations and SGR**

\$ in billions (YOE)

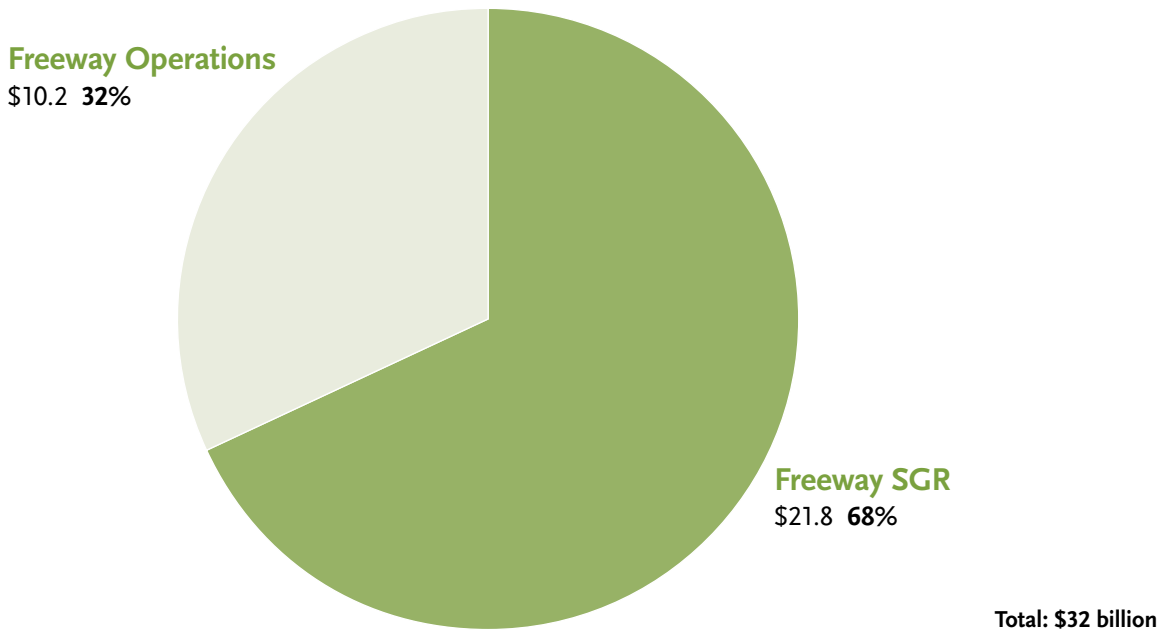


Numbers may not add due to rounding

Figure 30

**Freeway Operations and SGR**

\$ in billions (YOE)



Numbers may not add due to rounding

# We're also building bold new programs and policies.

The preceding investment plan is the backbone of the LRTP, highlighting LA County's commitment to expanding transit, maintaining the transportation system, and facilitating the movement of people and goods. However, this investment alone will not address the challenges facing our region.

LA County must support the capital program by advancing additional policies and programs to catalyze the investment and bring about the transportation system benefits that are needed for the region, without creating additional financial burdens. To this end, Metro must provide more and better transportation options, and incentivize transit and active travel modes.

## Provide More and Better Transportation Options

Better transportation options mean providing multiple viable transportation choices that meet the needs of travelers with different requirements, desires and means. Solutions include:

- > **Complete the ExpressLanes Strategic Network.** Completing the Tier 1, Tier 2 and Tier 3 ExpressLanes network (see page 43) would add high-occupancy toll lanes to the majority of LA County freeways. ExpressLanes free up capacity on general purpose lanes, generate revenues and offer a faster, more reliable trip for those who carpool or who are willing to pay the toll.
- > **Improve bus speeds.** Improving transit travel times is crucial to making transit competitive with driving private automobiles. To improve speeds, Metro is implementing transit priority initiatives and bus speed improvement projects, such as all-door boarding, making fare payment easier, bus stop optimization, signal synchronization and transit signal priority. However, to truly make transit competitive and realize the goals in Vision 2028, the NextGen Bus Plan must implement a network of bus rapid transit routes and bus-only lanes. This will require a commitment and strong partnership with local cities to dedicate roadway space to transit.
- > **Promote Trip Reduction Strategies.** Providing meaningful travel choices means that Metro must continue to provide and support travel solutions that align with our current and future priorities. Metro recognizes that telecommuting has grown steadily over the past decade and that COVID-19 has dramatically accelerated that trend. An increase in delivery services and virtual engagement practices also have reduced the need for personal travel. We will continue to collaborate with our local partners to support trip reduction benefits and opportunities, as part of our efforts to manage travel demand, reduce the number of SOV trips, and provide new transportation options.



## Incentivize Transit and Active Travel Modes

Incentivizing transit and active transportation requires policies that make these modes more attractive compared to driving a private automobile. Solutions include:

> **Explore implementation of pilot traffic reduction program.**

As part of a pilot program to improve mobility in a congested area of LA County, Metro is exploring congestion pricing strategies coupled with a package of transportation improvements with the goals of providing more travel options, improving equity, and increasing environmental benefits. Metro will work with our partners to implement a pricing program that meets our mobility goals while balancing equity and economic concerns.

> **Provide more affordable transit.** Decreasing transit fares can potentially boost transit ridership. In order to meet our transit ridership goals, Metro must expand our reduced fare programs and make fare payment easier. Metro will assess current and new pricing models to develop a simplified, fiscally sustainable, system-wide approach to pricing that addresses affordability concerns for low-income and disadvantaged populations, while also providing better mobility and security for all users across Metro's portfolio of transportation services.

> **Expand first/last mile connectivity.** Metro will work with local and regional partners to improve access to transit by removing barriers to transit stations or destinations. We will collaborate with our partner agencies to dramatically increase the regional network of active transportation facilities, including shared-use paths and on-street bikeways, and develop a funding strategy to get them built.

> **Support transit-oriented communities.** We will implement a comprehensive approach to facilitating development on Metro-owned land around high-quality transit stations and will quantify the impact of these developments within a one to one-and-a-half-mile radius in the transit corridor. Metro will develop programs and processes, new policies and special projects that reflect Metro's commitment to realizing holistic, inclusive community development and land use planning along existing and proposed transit corridors. This effort disseminates a vast array of TOC initiatives along with lessons learned for Metro, its external partners and peer transit agencies.



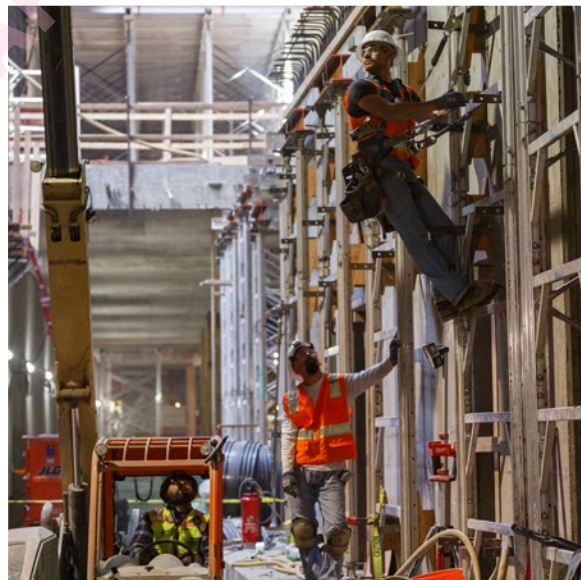
# Plans for today, and the decades to come.

The 2020 LRTP is a financially constrained plan that examines how Metro's future transportation investments can be leveraged to achieve the maximum mobility benefits for all of LA County. It is the culmination of two years of sustained community engagement to establish stakeholder priorities, as well as technical analysis to determine the anticipated benefits of the LRTP over the next 30 years.

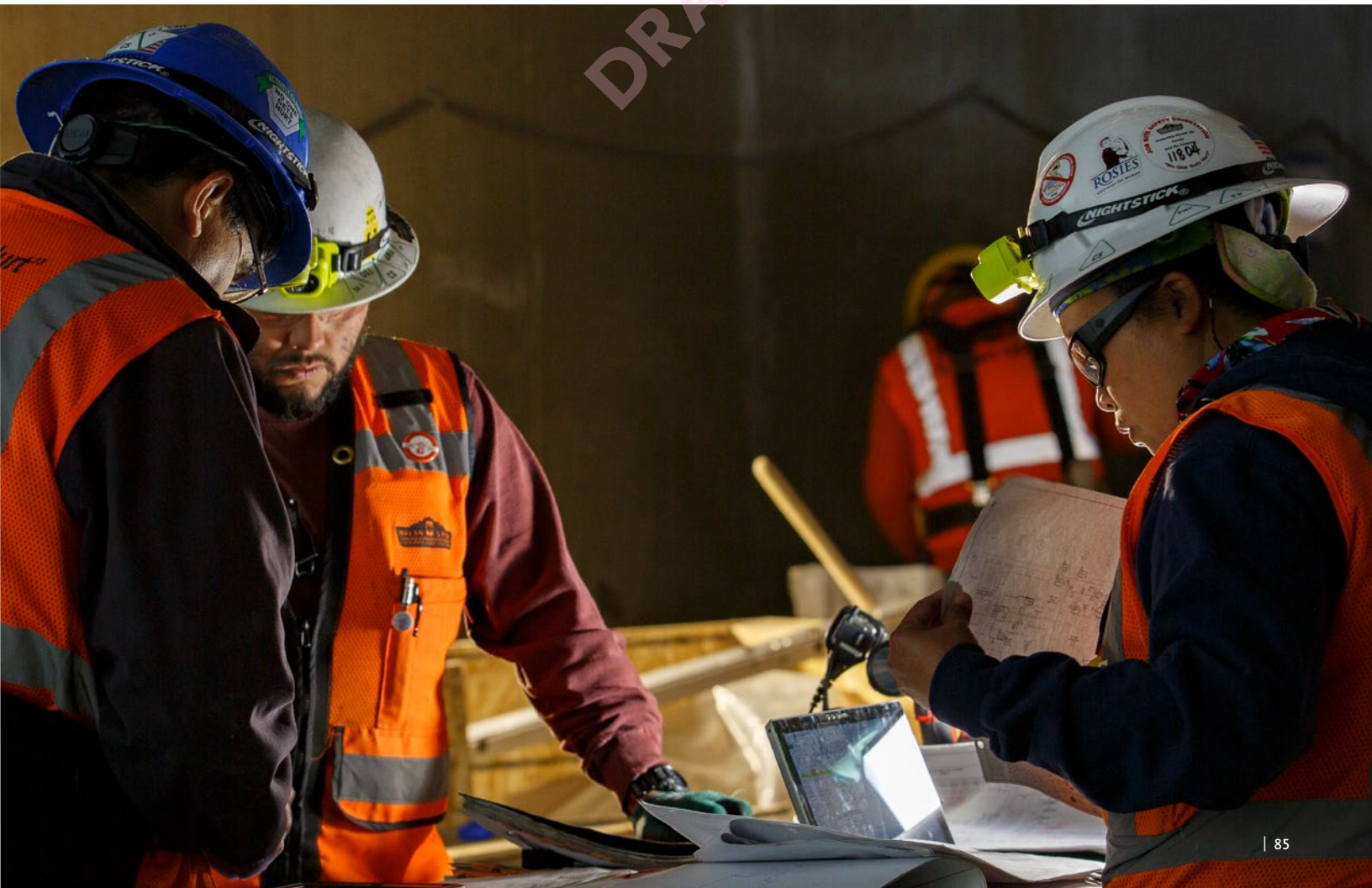
Building transportation infrastructure creates economic benefits. The jobs, spending, and increased access that these investments represent are needed now, more than ever. Our challenge is to proceed systematically, prioritizing strategies within this plan. The prioritization of Metro's infrastructure investments is the next step, which will be firmly rooted in equity and sustainability.

Metro's forthcoming Short Range Transportation Plan (SRTP) is a 10-year action plan for the investments, policies, and system improvements needed to advance the 2020 LRTP. The SRTP will acknowledge and analyze the region's new travel patterns and address regional economic recovery and resilience, while continuing to improve regional mobility, air quality, social justice and the advancement of equity. The SRTP will focus on achieving these outcomes through the transparent development of a fiscally responsible action plan that recognizes the near-term system improvements necessary to ensure maximum return on our transportation investments.

As part of the SRTP development Metro will create a strategic project list to include ideas for additional improvements through partnership priorities. The strategic project list will build upon the Mobility Matrix process previously established as part of Measure M, and other partner initiatives, to ensure a continuum of community-based ideas, evaluated against evolving regional needs. Essential to the development of a strategic project list will be analysis of equity impacts and sustainability benefits. Strategic projects do not require funding plans, but they will require statements about their overall benefits and future financial requirements. The SRTP will identify future programming capacity of anticipated resources within the SRTP timeline and beyond.







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October 3, 2022

**MEMO TO:** BUS OPERATIONS SUBCOMMITTEE MEMBERS

**FROM:** DR. RUFUS E. CAYETANO

**SUBJECT:** FY 2022-24 SHORT-RANGE TRANSIT PLAN  
REQUIREMENTS

The FY 2022-24 Short Range Transit Plan (SRTP) is divided into two sections:

**Section 1:** A brief description of operators' service, separated by Fixed Route and Dial-A-Ride including:

- route information
- service area
- maps and schedules
- route/service changes since the last SRTP
- planned service changes over three years, including most recent line-by-line analysis or service improvement or business plan if available
- any significant land acquisition, bus purchase, implementation of new technology, facility modification/construction in the past year or planned for the future, legislative initiative/public affairs/community outreach issues, capital program consistent with L7 and TIP
- a description of how the operator meets the ADA requirements
- agency participation in any of the following coordination initiatives, where applicable – reduce passenger travel time; improve customer information services; improve passenger travel experience; improve the ability to track efficient use of resources; update format and outline of operator SRTPs; explore opportunities for joint procurement

**Section 2:** Tables Required

- L-1: Current fare structure- FY 2023
- L-2: Fleet inventory as of June 30, 2022 (if this has the same information as forms from NTD, Submit a copy of the NTD Form.
- L-3 (A&B): 2022 Actual and FY 2023 Estimated and FY 2024 Planned
- L-4: 2022 Audited, FY 2023 Estimated and FY 2024 Planned
- L-5: 2022 Audited TPM report
- L-6: Performance Audit follow-up from the latest state triennial performance audit (FY 2019 – 2021)
- L-7: Capital Project Summary – FY 2022, FY 2023, and FY 2024, include a copy of the latest TIP

The Short Range Transit Plans are due to LACMTA by January 31, 2023. Please call Manijeh Ahmadi at (213) 922-3083 if you have any questions.

**Table L - 1**  
**Current Fare Structure: FY 2023**

<u>Fare Categories</u>	<u>Type of Service</u>	
	<u>Fixed Route</u>	<u>Demand Responsive</u>
<b><i>Cash</i></b>		
Regular		
Elderly/Senior		
Low Income		
Disabled/Medicare		
Student K - 12		
College & Vocational		
Express - Specify Zone Structure		
<b><i>Tap Transfers</i></b>		
Regular within System		
Regular to other System		
Elderly/Senior		
Disabled/Medicare		
<b><i>Agency Passes</i></b>		
Regular		
Elderly/Senior		
Disabled		
Student		
College		
Express - Specify Zone Stamp		
<b><i>Joint (TAP) Passes</i></b>		
Regular		
Elderly/Senior		
Disabled		
Student		
College		
<b><i>Other</i></b>		
Discounted passes/rides (LIFE)		
Not Listed above (please describe)		



**Table L - 3  
HISTORICAL & PROJECTED FLEET CHARACTERISTICS**

	<b>FIXED ROUTE</b>		
	<b>FY 2022 Actual</b>	<b>FY 2023 Estimated</b>	<b>FY 2024 Planned</b>
Peak-Hour Fleet			
Spares For Maint.			
Spare Ratio*			
Emergency Contingency Reserve			
Inactive Fleet			
Total Vehicles			
New Expansion Vehicles			
New Replacement Vehicles			

	<b>DEMAND RESPONSIVE SERVICE</b>		
	<b>FY 2022 Actual</b>	<b>FY 2023 Estimated</b>	<b>FY 2024 Planned</b>
Peak-Hour Fleet			
Spares For Maint.			
Spare Ratio*			
Emergency Contingency Reserve			
Inactive Fleet			
Total Vehicles			
New Expansion Vehicles			
New Replacement Vehicles			

	<b>SYSTEM TOTAL</b>		
	<b>FY 2022 Actual</b>	<b>FY 2023 Estimated</b>	<b>FY 2024 Planned</b>
Peak-Hour Fleet			
Spares For Maint.			
Spare Ratio*			
Emergency Contingency Reserve			
Inactive Fleet			
Total Vehicles			
New Expansion Vehicles			
New Replacement Vehicles			

\*Spare Ratio = Spares for Maint/Peak-Hour Fleet



**Table L - 4 (A)**  
**HISTORICAL AND PROJECTED FINANCIAL STATUS**  
**SOURCE AND APPLICATION OF CAPITAL FUNDS**  
**BY YEAR OF EXPENDITURE (\$ 000)**

**MODE:**

<i><b>SOURCE OF CAPITAL FUNDS:</b></i>	<b>FY 2022 Audited</b>	<b>FY 2023 Estimated</b>	<b>FY 2024 Planned</b>
<b>FEDERAL CAPITAL GRANTS</b>			
FTA Sec. 5309 (Sec. 3)			
FAU Grants			
FTA Sec. 5307(Sec. 9)			
Other Federal (Assume 80/20 match) (Specify source)			
<b>STATE CAPITAL GRANTS AND SUBVENTIONS</b>			
TDA (ART 4) current from unallocated			
TDA from prior years reserves			
TDA (ART 8)			
STA current from unallocated - N/A			
STA from prior years reserve			
SB1 / STA			
SB1 / SGR			
Other State (Specify)			
<b>LOCAL CAPITAL GRANTS</b>			
System Generated			
General Fund			
Prop. A Local Return			
Prop. A Discretionary Carry Over			
Prop. C Discretionary			
Prop. C Local Return			
Prop. C 5% Security			
Measure R 15% Local Return			
Measure R Capital			
Measure M 17% Local Return			
Prop 1B PTMISEA Bridge Funds			
Prop 1B Transit Security Bridge Funds			
Prop. C Other (Specify)			
Other Local (Specify)			
<b>TOTAL CAPITAL REVENUE</b>			
<b>TOTAL CAPITAL EXPENSES</b>			

**Table L - 4 (B)**  
**HISTORICAL AND PROJECTED FINANCIAL STATUS**  
**SOURCE AND APPLICATION OF OPERATING FUNDS**  
 BY YEAR OF EXPENDITURE (\$ 000)

**SOURCE OF OPERATING FUNDS:**

FY 2022 Audited	FY 2023 Estimated	FY 2024 Planned
--------------------	----------------------	--------------------

**FEDERAL CASH GRANTS AND REIMBURSEMENTS**

FTA Sec. 5307 (Sec. 9) Operating			
CMAQ (Operating)			

**STATE CASH GRANTS AND REIMBURSEMENTS**

TDA Current from unallocated			
STA Current from unallocated			
SB1 / STA			
Other State (Specify)			

**LOCAL CASH GRANTS AND REIMBURSEMENTS**

Passenger Fares			
Special Transit Service			
Charter Service Revenues			
Auxiliary Transportation Revenues			
Non-transportation Revenues			
Prop. A 40% Discretionary			
Prop. A 25% Local Return			
Prop. A Incentive fund			
Prop. A Interest			
BSIP			
TSE			
Base			
MOSIP			
Prop. C 40% Discretionary			
Prop. C 20% Local Return			
Prop. C 5% Security			
Prop. C Interest			
Measure R 20% Operating			
Measure M 20% Transit Operations			
Other Local (Specify)			

<b>TOTAL OPERATING REVENUES</b>			
<b>TOTAL OPERATING EXPENSES</b>			

**Table L - 5A  
TPM / TDA REPORT FORM  
FY2022 Audited**

Annual Weekday	FAP Funded				Non-FAP Funded						System Total
	Local Service	Express Service	Dial-A-Ride <sup>1</sup>	FAP Subtotal	Dedicated Funding <sup>2</sup>				SubRegional Paratransit PA 5% of 40%	Other Codes <sup>3</sup>	
					TSE	Base Restructuring	BSIP	MOSIP			
Total Vehicle Miles (000)											
Vehicle Service Miles (000)											
Total Vehicle Hours (000)											
Vehicle Service Hours (000)											
Unlinked Passengers (000)											
Linked Passengers (000)											
Passenger Revenue (000)											
Aux. Rev/Local Subs. (000)											
Op. Cost Less Depr. (000)											
Active Vehicles											
Peak Vehicles											
DARS seat capacity											
Full Time Equiv. Employees											
Base Fare											
Total System Annual Saturday & Sunday Holiday & Weekdays	Local Service	Express Service	Dial-A-Ride <sup>1</sup>	FAP Subtotal	Dedicated Funding <sup>2</sup>				Sub. Paratransit PA 5% of 40%	Other Codes <sup>3</sup>	System Total
Total Vehicle Miles (000)											
Vehicle Service Miles (000)											
Total Vehicle Hours (000)											
Vehicle Service Hours (000)											
Unlinked Passengers (000)											
Linked Passengers (000)											
Passenger Revenue (000)											
Aux. Rev/Local Subs. (000)											
Op. Cost Less Depr. (000)											
Active Vehicles											
Peak Vehicles											
DARS seat capacity											
Full Time Equiv. Employees											
Base Fare											

<sup>1</sup> "Included Dial-A-Ride" only includes operations that historically have been included in the FAP calculations.

<sup>2</sup> "Dedicated Funding" includes: Base Restructuring, TSE, Overcrowding, MOSIP & Other Special Funding arrangements.

<sup>3</sup> "Other Codes" includes Subscription, Contract, Special Events service.

**Table L - 5B  
TPM / TDA REPORT FORM  
FY2023 Estimated**

Annual Weekday	FAP Funded				Non-FAP Funded						System Total
	Local Service	Express Service	Dial-A-Ride <sup>1</sup>	FAP Subtotal	Dedicated Funding <sup>2</sup>				SubRegional Paratransit PA 5% of 40%	Other Codes <sup>3</sup>	
					TSE	Base Restructuring	BSIP	MOSIP			
Total Vehicle Miles (000)											
Vehicle Service Miles (000)											
Total Vehicle Hours (000)											
Vehicle Service Hours (000)											
Unlinked Passengers (000)											
Linked Passengers (000)											
Passenger Revenue (000)											
Aux. Rev/Local Subs. (000)											
Op. Cost Less Depr. (000)											
Active Vehicles											
Peak Vehicles											
DARS seat capacity											
Full Time Equiv. Employees											
Base Fare											
Total System Annual Saturday & Sunday Holiday & Weekdays	Local Service	Express Service	Dial-A-Ride <sup>1</sup>	FAP Subtotal	Dedicated Funding <sup>2</sup>				Sub. Paratransit PA 5% of 40%	Other Codes <sup>3</sup>	System Total
Total Vehicle Miles (000)											
Vehicle Service Miles (000)											
Total Vehicle Hours (000)											
Vehicle Service Hours (000)											
Unlinked Passengers (000)											
Linked Passengers (000)											
Passenger Revenue (000)											
Aux. Rev/Local Subs. (000)											
Op. Cost Less Depr. (000)											
Active Vehicles											
Peak Vehicles											
DARS seat capacity											
Full Time Equiv. Employees											
Base Fare											

<sup>1</sup> "Included Dial-A-Ride" only includes operations that historically have been included in the FAP calculations.

<sup>2</sup> "Dedicated Funding" includes: Base Restructuring, TSE, Overcrowding, MOSIP & Other Special Funding arrangements.

<sup>3</sup> "Other Codes" includes Subscription, Contract, Special Events service.



**Table L - 5C  
TPM / TDA REPORT FORM  
FY2024 Planned**

Annual Weekday	FAP Funded				Non-FAP Funded						System Total
	Local Service	Express Service	Dial-A-Ride <sup>1</sup>	FAP Subtotal	Dedicated Funding <sup>2</sup>				SubRegional Paratransit PA 5% of 40%	Other Codes <sup>3</sup>	
					TSE	Base Restructuring	BSIP	MOSIP			
Total Vehicle Miles (000)											
Vehicle Service Miles (000)											
Total Vehicle Hours (000)											
Vehicle Service Hours (000)											
Unlinked Passengers (000)											
Linked Passengers (000)											
Passenger Revenue (000)											
Aux. Rev/Local Subs. (000)											
Op. Cost Less Depr. (000)											
Active Vehicles											
Peak Vehicles											
DARS seat capacity											
Full Time Equiv. Employees											
Base Fare											
Total System Annual Saturday Sunday Holiday & Weekdays	Local Service	Express Service	Dial-A-Ride <sup>1</sup>	FAP Subtotal	Dedicated Funding <sup>2</sup>				Sub. Paratransit PA 5% of 40%	Other Codes <sup>3</sup>	System Total
					TSE	Base Restructuring	BSIP	MOSIP			
Total Vehicle Miles (000)											
Vehicle Service Miles (000)											
Total Vehicle Hours (000)											
Vehicle Service Hours (000)											
Unlinked Passengers (000)											
Linked Passengers (000)											
Passenger Revenue (000)											
Aux. Rev/Local Subs. (000)											
Op. Cost Less Depr. (000)											
Active Vehicles											
Peak Vehicles											
DARS seat capacity											
Full Time Equiv. Employees											
Base Fare											

<sup>1</sup> "Included Dial-A-Ride" only includes operations that historically have been included in the FAP calculations.

<sup>2</sup> "Dedicated Funding" includes: Base Restructuring, TSE, Overcrowding, MOSIP & Other Special Funding arrangements.

<sup>3</sup> "Other Codes" includes Subscription, Contract, Special Events service.

**Table L - 6**  
**PERFORMANCE AUDIT FOLLOW-UP**  
**OF RECOMMENDATIONS FROM THE LAST**  
**COMPLETED PERFORMANCE AUDIT**  
**FY 19-21**

<b>PERFORMANCE AUDIT RECOMMENDED ACTIONS</b>	<b>OPERATOR PROGRESS TO DATE</b>





## Board Report

File #: 2015-0449, File Type: Fare / Tariff / Service Change

Agenda Number: 9.

### FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 17, 2015

**SUBJECT: REGIONAL INTERAGENCY TRANSFER (IAT) POLICY  
ACTION: APPROVE RECOMMENDATIONS**

#### RECOMMENDATIONS

ADOPTED ON CONSENT CALENDAR:

- A. the **proposed change to the Policy on Use of Interagency Transfers** as described in Attachment A;
- B. finding that the proposed policy change results in a Disparate Impact but there is substantial legitimate justification for the proposed change and there are no alternatives that would have a less disparate impact on minority riders; and
- C. the recommendation to distribute up to 1 million TAP cards free to bus riders purchasing transfers in advance of the effective date of the policy to address the underlying cause of the Disparate Impact finding (current TAP card possession).

#### ISSUE

As of May 2015, the last of the County's transit providers that participate in a regional fare program - EZ transit pass or Inter-Agency Transfers (IATs) - are on TAP. The region is now poised to fully realize the seamless travel across the County envisioned when the TAP program was launched in 2002, improving customer convenience and improving boarding times.

The proposed Policy on the Use of Inter-Agency Transfers (Attachment A) makes the following changes to the current policy by:

- 1) eliminating the paper inter-agency transfer by requiring all transfers to be made with a TAP card;
- 2) paying the transfer fare upon second, rather than first, boarding;
- 3) extending the inter-agency transfer window from 2 to 2 ½ hours; and,
- 4) providing for a single inter-agency transfer within the transfer window.

The new policy would not change the transfer price charged by each transit operator; transfer fares would still be a local fare policy decision. Further, the new policy would not require change to intra-agency (i.e., within system) transfer policies like those at Metro, LADOT, Culver City BusLines, or Norwalk Transit, but would be integrated to work seamlessly with local TAP transfer policies on an operator-by-operator basis.

#### DISCUSSION

As the region has migrated to a TAP-based fare collection system over the last decade, IAT policy has presented many challenges because not all IAT-participating operators were on TAP. Operators with TAP capability had to consider the TAP capabilities or lack thereof when providing IATs to their customers. This resulted in the hybrid IAT program that we have today:

- Paper transfers are used for cash-paying customers transferring from bus to bus;
- TAP loaded transfers are used for customers who know they are transferring between TAP-enabled operators. To assist customers who may not know, most agencies load TAP transfers and continue to provide paper IATs;
- TVM-issued paper transfers are issued to customers transferring from Metro Rail to non-TAP operators;
- Limited use TAP “polka dot” transfers are issued to cash-paying customers transferring to Metro Rail or TAP customers transferring to Metro Rail from non-TAP operators.

These transfer accommodations have been difficult to manage for operators and difficult to use for customers. Now that all of the IAT-participating agencies are on TAP, the complexity of the IAT program can be simplified to the mutual benefit of both customers and operators. The policy change would provide an automatic transfer to customers when an eligible transfer boarding is made.

#### Regional Readiness

Several operators have already taken steps to harness the benefits the TAP system provides for transfer activity. Antelope Valley Transit and Santa Clarita Transit both eliminated paper transfers from their systems in recent years, requiring all customers who wish to transfer to another operator do so with their TAP cards. LADOT began the implementation of internal transfers on TAP with their conversion to the TAP program in 2013. Most recently, Metro implemented its own Board-approved internal transfer policy with the two hours of free transfers on TAP as part of the September 2014 fare change.

Beginning with the TAP conversion of Long Beach Transit in April 2014, 14 additional operators have been added to the TAP system bringing the total to 24 TAP enabled operators in the County (Attachment B). As the most recent 14 agencies have prepared for TAP transition over the last year, the region has been discussing the proposed changes to IAT policy through a number of forums including the General Managers’ group, Bus Operators Subcommittee (BOS), and Local Transit Systems Subcommittee (LTSS). Unanimous approval of the proposed policy was achieved by the General Managers on May 13<sup>th</sup>, and the BOS on May 19<sup>th</sup>. Additionally, the policy proposal will be presented to the Citizens Advisory Committee on June 24<sup>th</sup>.

Should the policy be approved by the Board, a Working Group comprised of operator representatives together with TAP staff will oversee the technical and marketing efforts necessary for implementation.

#### Policy Changes

There are four significant changes proposed to the IAT policy.

1. Transfers within Los Angeles County would be allowed with a TAP card only. This would eliminate the paper transfers, Rail TVM paper transfers, and TAP “polka dot” transfers currently in use. This would require all base fares whether single ride fares or pass fares to be paid with a TAP card at which time eligibility for a transfer at the next boarding would be encoded on the TAP card. Transfers would not be available for cash-paying customers. However, there will be limited routes that may need to maintain paper transfers for transfers to operators outside Los Angeles County. These routes will be handled on a case-by-case basis.
2. Transfer fare would be deducted when making the second boarding. The customer no longer has to determine need for the transfer as it will happen automatically if the boarding is transfer eligible. Today, the customer requests a transfer on the first vehicle, is provided with a paper



transfer, and the paper transfer is provided to the driver of the second vehicle. Under the proposal, the customer would simply tap for both boardings - a base fare would be deducted on the first vehicle and a transfer fare would be deducted on the second vehicle. Revenues are expected to remain unchanged as a result of the policy change but will now be collected on different legs of the trip.

3. The transfer window would be extended to 2.5 hours from the current 2 hour window. The extension of the transfer window was warranted due to increasing traffic congestion and the distance of some routes, particularly those from the Antelope Valley.
4. The policy would provide for a single IAT per base fare boarding. Today, it is each operator's discretion to issue another IAT when a customer boards with an IAT. Most operators, however, do not sell an IAT when presented with an IAT for boarding. The proposed policy would standardize this practice across the region.

#### Customer Benefits

The benefits to the customer of the proposed policy change include:

- *Speeding up boardings* - Under the new policy, a customer would not need to communicate with the driver to purchase an IAT. The transfer would happen automatically upon making the transfer boarding, ensuring the customer receives the transfer to which they are entitled, and speeding up boardings for all customers.
- *Eliminating necessity to carry exact change* - Restricting IATs to TAP cards only would eliminate the customer's need to carry exact change to purchase a transfer. Instead, riders would add cash to their TAP card. TAP cards can be registered for balance protection, allowing the TAP card balance to be restored should the card be lost or stolen (subject to a \$5 fee).
- *Customer ease of use* - A customer will no longer have to consider all legs of a continuous transit trip when determining when and what transfer to buy at any point along that trip. For example, a Metro customer today will automatically receive a transfer to another Metro route but has to know when he/she is transferring outside of Metro and that an IAT must be purchased. If the IAT is purchased before the Metro transfers are completed, the customer will lose the ability to transfer within Metro. Further, a customer transferring between operators would not need to know the exact cost of the transfer for each operator; the TAP system would recognize the valid transfer boarding and automatically deduct the best fare from the stored value balance.

#### Operator Benefits

The benefits to regional transit operators include:

- *Faster boarding time* - Under the new structure, a customer will not need to request a specific transaction for the transfer. This new policy would remove the necessity for the customer to communicate with the driver, which will expedite the boarding process and decrease dwell time, therefore increasing efficiency.
- *Encouraging the use of TAP* - The restriction of IATs to TAP cards is intended to add to recent efforts to increase TAP utilization. The new fare structure implemented in September 2014 added two hours of free transfers for customers paying the base fare on a TAP card. Prior to the 2014 fare changes, Metro did not offer intra-agency transfers, which meant that customers

had to pay for each boarding. Additionally, the proposed policy change is consistent with the gating of Metro Rail which required all Rail boardings to be made with TAP cards. The proposed change to IATs would restrict all transfers to a TAP card, further increasing the TAP share of overall fare media usage which is 80% TAP for Metro. When customers use TAP, the region's operators can collect more data about when, where, and how the system is being used. This additional data makes for more well-informed decision making with regard to fare policy, transit routes, and scheduling.

- *Reduction of fraud* - Proof of payment for IATs is currently provided to customers in the form of paper transfers. This presents an opportunity for fraud, as paper transfers are relatively easy for passengers to resell or reproduce. Restricting the use of IATs to TAP cards links the original fare and the transfer to the same fare media, and the system would validate base fare payment before authorizing the transfer. In addition, restricting IATs to TAP cards would eliminate the monetary incentive to resell the transfers since the TAP card itself costs \$1 to \$2.
- *Directly collected IAT revenues* - Under the current IAT structure, the transfer must be purchased upon the first boarding, which means that the agency providing the service for the original boarding collects both the base fare and the IAT fare. The proposed IAT policy would create a new system where the IAT fare would be automatically deducted upon the transfer boarding. This is a fairer and more appropriate fare payment, since the agency providing the transfer service would directly collect the IAT revenue.

## Title VI

Metro conducted a Title VI evaluation (Attachment C) for the proposed policy change on behalf of the region. The County's population was divided into eight groups of riders defined by their proximity to a TAP sales location (within ¼ mile walking distance or not), their ability to load their TAP card on a transit vehicle, and whether they have a TAP card already in their possession. The Title VI evaluation found one group of the eight to be disparately impacted by the proposal - a group of 800,000 people who are constituents of Antelope Valley, Foothill Transit, Gardena, Montebello, and Torrance that currently do not have a TAP card, and are not within walking distance of a place to obtain one (though they could add value to it if they had one), and constitutes about 8.3% of all persons within walking distance of fixed route transit.

The proposed TAP-based IAT should be pursued given that more than 91% of the population would not be *Disparately Impacted* nor *Disproportionately Burdened* by the program. Customer convenience for those having to transfer would be improved with faster boarding times, and not having to carry added cash for transfer charges. It is in Metro's interest to pursue improved multi-operator coordination and the provision of seamless fare mechanisms for riders which the proposed program would accomplish. Given the significant investment in TAP, there is no alternative that would provide a consistent multi-operator transfer program without printed fare media than the proposed TAP-based transfer program. Approval of the policy by the Board constitutes that there is no cost-effective alternative to changing the IAT policy and it is in the regional transit operators' business

interest to make the change despite the disparate impact finding. Metro and its regional TAP partners will reduce the negative effect of the policy change by conducting an extensive marketing and outreach campaign, including TAP card distribution. This campaign will address the underlying cause of the disparate impact finding.

#### TAP Sales Locations

Currently, customers can purchase and/or load passes or value to a TAP card from various sources:

- Metro TAP Vending Machines (TVMs) in all 80 rail stations, 17 Orange Line stations, and El Monte Station
- Operator Customer Service Centers
- 393 Third Party TAP Vendors
- Online at [taptogo.net](http://taptogo.net)
- By telephone at 1-866-TAPTOGO

Additionally, TAP is actively working on expansion of the TAP sales network with the addition of new third party vendors and new TVM locations, and a new mobile app for TAP card sales. Current sales locations are being mapped against the fixed route network to target vendor expansion efforts to those areas with the least access to TAP sales locations.

#### Marketing and Training

Staff is working with the TAP member agencies on numerous strategies and tactics to ensure successful customer communications on the new transfer policy, including the dissemination of up to 1 million TAP cards in advance of policy implementation. Messaging will include important customer education tools, as well as highlight where TAP cards can be purchased and reloaded. These messages will be consistent throughout a traditional print and digital marketing campaign, with particular emphasis on major transfer rail stations and inter agency connectivity. The marketing committee will also implement an internal campaign to prepare all TAP agency bus and rail operators for the change. This will include in-person trainings, on-site division marketing and materials for operators to distribute to customers.

#### **DETERMINATION OF SAFETY IMPACT**

There is no discernable safety impact.

#### **FINANCIAL IMPACT**

Adoption and implementation of the proposed policy change would result in annual savings of \$685,000, beginning in FY17, for the printing and processing of the three different paper-based transfer media:

- \$400,000 of savings annually through the elimination of bus-issued paper transfers;
- \$15,000 in Metro Rail TVM-issued paper transfers; and,
- \$270,000 in the production of polka-dot one-time use TAP transfers used by municipal operator patrons transferring to Metro Rail.

Additionally, a decrease in the use of cash has undefined savings on equipment maintenance and cash counting.

There will be a one-time cost of approximately \$750,000 for up to 1 million TAP cards to be made available to the public in preparation for the policy change. The one-time expense is already part of the FY16 TAP Operation budget.

The proposed policy does not change the cost of an IAT. As such, the proposed changes are not

designed to and will not have a significant impact on fare revenues collected.

**ALTERNATIVES CONSIDERED**

The current Policy on Use of Interagency Transfers can remain in effect. This would require the continued use of paper inter-agency transfers for bus to bus transactions, TVM-issued paper transfers for rail-to-bus transfers, and polka dot TAP transfers for bus-to-rail transfers. However, this would not achieve the same benefits to the riding public. In addition it would not fulfill the objective of the region's transit providers to create a more seamless, coordinated transit system.

**NEXT STEPS**

If the policy is approved, Metro staff, together with regional TAP partners, will begin the technical efforts to program the policy change into the TAP system, and will initiate a thorough marketing and outreach effort to inform the public. The effective date of the policy change will be agreed upon by the Working Group and is estimated to be in approximately 6 to 9 months due to the time needed to program the TAP system, educate and train each agency's operators, and inform and prepare the public.

Additionally, Metro staff will assist TAP partners with presentation of the Fare Equity Analysis results to their respective Boards/Councils for approval per FTA guidelines.

**ATTACHMENTS**

Attachment A - Proposed Changes to the Policy on the Use of Inter-Agency Transfers

Attachment B - TAP-Participating Operators

Attachment C - Title VI Evaluation

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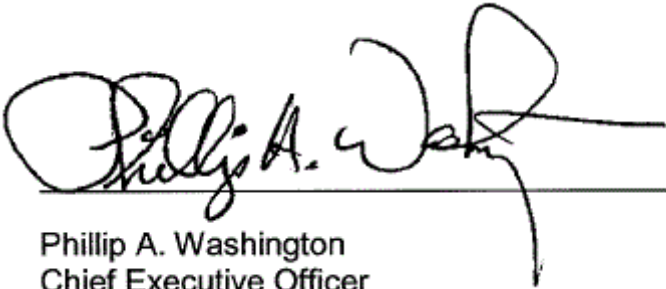
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Phillip A. Washington  
Chief Executive Officer

**Proposed Changes to the  
Policy on the Use of Inter-Agency Transfers**

In an effort to promote seamless travel for the public, and in response to state TDA law, included and eligible municipal operators and the LACTMA establish the following revised interagency transfer policy:

~~A transfer that a rider receives from one bus system or Metro Rail line will be accepted by other bus systems or Metro Rail lines for segments of a one-way continuous trip that the rider makes within a two-hour period on any one day. For systems having designated transfer points, the interagency transfer will only be accepted at these points.~~

A rider shall receive one transfer between bus systems or Metro Rail lines operated by different agencies within two and one-half hours of payment of a base fare. If the person is transferring to express or premium service, the operator will follow that system's policy about charging an additional fare for the express/premium service.

~~The rider may use the same transfer for all transfer segments, unless the receiving operator has a policy to collect transfers from boarding passengers. In that event, the bus operator will provide the passenger with a new interagency transfer upon payment of the interagency transfer fare. If the person is transferring to express or premium service, the accepting operator will follow that system's policy about charging an additional fare for the express/premium services. Fares for interagency transfers are determined by the issuing transit system.~~

Transfers shall be made available to customers as follows:

TAP cardholders shall automatically receive one transfer, if applicable, upon boarding their second bus or train within two and one-half hours. Fares for the TAP interagency transfer are determined by the accepting transit system.



**TAP Enabled Operators**

<u>Operator</u>	<u>TAP Fare Collection Devices</u>
Antelope Valley Transit Authority	Fareboxes
Baldwin Park Transit Lines	Bus Mobile Validators
BurbankBus	Bus Mobile Validators
Carson Circuit	Bus Mobile Validators
Compton Renaissance Transit	Bus Mobile Validators
Culver CityBus	Fareboxes
Foothill Transit	Fareboxes
GTrans (Gardena)	Fareboxes
Glendale BeeLine	Bus Mobile Validators
Huntington Park COMBI	Bus Mobile Validators
LA County	Bus Mobile Validators
LADOT	Driver Control Units/Light Validators
Los Angeles World Airports	Bus Mobile Validators
Long Beach Transit	Bus Mobile Validators
Metro	Fareboxes, Stand Alone Validators, Gates
Montebello Bus Lines	Fareboxes
Monterey Park Spirit Bus	Bus Mobile Validators
Norwalk Transit	Fareboxes
Pasadena Arts	Bus Mobile Validators
Palos Verdes Peninsula Transit Authority	Bus Mobile Validators
Beach Cities Transit (Redondo Beach)	Bus Mobile Validators
Santa Clarita Transit	Fareboxes & Driver Control Units/Light Validators
Big Blue Bus (Santa Monica)	Bus Mobile Validators
Torrance Transit	Fareboxes

**Title VI Evaluation  
Replacement of Existing Interagency Transfers  
With TAP-Based Method**

This is a Title VI evaluation of the replacement of current methods of providing Interagency Transfers (IATs) with a TAP-based method. The affected operators are those Los Angeles County fixed route service providers that receive some form of formula operating subsidy from the Los Angeles County Metropolitan Transportation Authority (Metro)(Table 1).

**Table 1  
Los Angeles County  
Formula Funded Fixed Route Operators**

Antelope Valley  
Beach Cities Transit  
Culver City  
Foothill Transit

Gardena  
Long Beach  
Los Angeles DOT  
Metro  
Montebello

Norwalk  
Santa Clarita  
Santa Monica  
Torrance

For this evaluation the Universe of potentially impacted persons is all persons within one-quarter mile of any bus stop served by one or more of the above operators, and/or within one-half mile of any rail station. Ethnic data for this population is obtained from the 2010 US Census, and Household Income data for this population is obtained from the 2006-2010 American Consumer Survey (ACS). Because the Census data is provided at the block group level, and the ACS data is at the tract level the size of the impacted population is slightly greater for the ACS data (block groups that are more than one-quarter mile from a bus stop would be excluded from the Census data, but could be included in the ACS data if the tract containing such block groups was within that one-quarter mile of a bus stop).

For reference purposes this evaluation will refer to the Ethnic population as the Title VI data, and the Household Income population will be referred to as the Environmental Justice data. The Title VI population consists of 9,648,798 persons of whom 6,826,725 are minorities (70.8%). The Environmental Justice population consists of 9,742,481 persons of whom 1,531,488 are living in households below the federally defined Poverty income levels (15.7%).

**Evaluation Methodology**

The Universe of potentially impacted persons has been defined as essentially all persons who can walk to fixed route transit. Under current methods any passenger

desiring an IAT may purchase it at the time that they board a bus, or at a rail station at the time that they purchase their rail ticket. In order to be unaffected by the introduction of TAP-based IAT's a passenger must still be within walking distance of the means to purchase the IAT before taking their transit ride. Otherwise, a person would be adversely affected by the new method.

The mechanics of the proposed IAT process require that the passenger have a TAP card with a cash purse holding sufficient value to purchase an IAT. Such a rider would pay their initial fare by whatever means they normally use (either a cash deduction from the TAP card purse, or the use of whatever pass is stored on the TAP card). When the transfer boarding occurs, the cost of the transfer would be debited from the TAP card purse.

The relevant factors for this evaluation are 1) does the rider have a TAP card, or not, and 2) can the rider add value to that TAP card to ensure the ability to pay for the trip. The ability to add value to a TAP card adds an additional level of complexity to this evaluation – some of the fixed route operators have the ability to add value to a TAP card on board a bus and some do not have this capability. In the latter instance, whether a rider remains unaffected by the proposed method will depend on whether or not they are within walking distance of an alternative means of adding value to the TAP card. The alternatives consist of rail and Orange Line stations which have TVM's capable of issuing and upgrading TAP cards, or customer service outlets which can sell and/or upgrade TAP cards (there are several hundred of these). The possible combinations of these factors and nature of rider impacts are shown in Table 2.

This evaluation assumes that having to purchase a TAP card is inconsequential because the \$1-\$2 cost of the card can be amortized over its multiple year validity. Therefore, the No TAP Card riders whose only potential adverse impact would be the need to buy a TAP card are considered to be Not Impacted as long as they are otherwise able to walk to a location where they can add value to the card.

As can be seen from Table 2 there are three scenarios that result in an adverse impact for riders so situated:

1. The rider has No TAP Card and adding value to the TAP purse on the bus has no value because they are not within walking distance of a location where they could obtain the TAP card itself;
2. The rider has a TAP Card but cannot add value to it anywhere; and
3. The rider has No Tap Card and cannot add value to it or buy one.

**Table 2**  
**Rider Impact Categorizations**

	<u>TAP Card</u>	<u>No TAP Card</u>
Can Add Value Can Walk to Outlet	No Impact	No Impact
Can Add Value Cannot Walk to Outlet	No Impact	Adverse Impact
Cannot Add Value Can Walk to Outlet	No Impact	No Impact
Cannot Add Value Cannot Walk to Outlet	Adverse Impact	Adverse Impact

**Results of Evaluation**

The next step in this evaluation was to determine the number of persons associated with each Impact Category, and for the potential Adverse Impact categories, whether or not the resulting impacts were Disparate (disproportionately affecting minorities) or imposed a Disproportionate Burden (disproportionately impacted persons in Poverty).

Metro has defined a Disparate Impact as an adverse impact affecting a group having an absolute 5% greater minority share than the overall population (Universe) (in this instance,  $70.8\% + 5\% = 75.8\%$  or greater) or a 20% greater share ( $70.8\% \times 1.20 = 85.0\%$ ). This evaluation uses the lesser threshold of 75.8%. A Disproportionate Burden has been defined as an adverse impact affecting a group having an absolute 5% greater Poverty share ( $15.7\% + 5\% = 20.7\%$ ), or a 20% greater Poverty share than the overall population (in this instance, greater than  $15.7\% \times 1.20 = 18.8\%$  or greater). This evaluation uses the lesser share of 18.8%.

The first adversely impacted group consists of those riders who do not have a TAP card, but could add value to it if they did. This is the non-TAP card portion of the second group in Table 3. The minority share of this group (75.9%) exceeds the Disparate Impact threshold (75.8%) so this group is **Disparately Impacted**. The Poverty share (14.7%) is less than the threshold for Disproportionate Burden (18.8%) so there is no Environmental Justice consequence for this group.

Table 3

Intra Agency Transfer Tap Proposal  
 Title VI and Environmental Justice Analysis Results

Scenario	Sub Categories	Title VI			Environmental Justice		
		Total Population	Minority Population	% Minority	Total Population	Poverty Population	% Poverty
Existing Universe		9,648,798	6,826,725	70.8%	9,742,481	1,531,488	15.7%
<b>Existing Conditions</b>							
	Can add value Can walk to Tap Local	1,968,742	1,553,530	78.9%	2,553,977	533,158	20.9%
	Can add value Can't walk to Tap Local	2,874,232	2,181,275	75.9%	3,220,858	473,102	14.7%
	Can't add value Can walk to Tap Local	3,990,023	3,060,150	76.7%	4,901,898	970,510	19.8%
	Can't add value Can't walk to Tap Local	8,270,940	5,816,187	70.3%	8,492,017	1,364,653	16.1%

Notes

1. Title VI is performed at the census block group level using 2010 Census Data
2. Environmental Justice is performed at the census tract level using 2010 5 Year American Community Survey Data
3. Transit buses and stations where one can add value to the tap card - AVTA, Foothill, Gardena, Montebello, Torrance and Metro Orange Line and Rail
4. Transit buses where one can't add value to the tap card - Metro buses, Beach Cities, Culver City, Long Beach, LADOT, Norwalk, Santa Monica and SCVTA
5. Used quarter mile buffers for bus stops and half mile buffers for rail stations.



The remaining two adversely impacted groups comprise the totality of the fourth category in Table 3 (whether or not they have a TAP card, they have no way to add value to it). Both the minority share (70.3% compared with 75.8%) and the Poverty share (16.1% compared with 18.8%) are less than the thresholds for Disparate Impact and Disproportionate Burden, respectively, so there are no Title VI or Environmental Justice consequences for these groups.

## **Findings**

The group of riders having no TAP card, and not within walking distance of a place to obtain one (though they could add value to it if they had one) was found to be **Disparately Impacted** by the proposed TAP-based IAT. The most recently processed Customer Satisfaction Survey indicates that about 72% of Metro riders have a TAP card (probably a higher percentage now as this data is over a year old). This yields a group of approximately 800,000 people who are constituents of Antelope Valley, Foothill Transit, Gardena, Montebello, and Torrance (those affording the opportunity to add value to the TAP purse at the trip origin). This group constitutes about 8.3% of all persons within walking distance of fixed route transit.

The proposed TAP-based IAT should be pursued given that more than 91% of the population would not be Disparately Impacted nor Disproportionately Burdened by the program. Customer convenience for those having to transfer would be improved with faster boarding times, and not having to carry added cash for transfer charges. It is clearly in Metro's interest to pursue improved multi-operator coordination and the provision of seamless fare mechanisms for riders which the proposed program would accomplish. Given the significant investment in TAP, there is no other cost-effective mechanism for providing a consistent multi-operator transfer program without printed fare media than the proposed TAP program.

# Regional Interagency Transfer (IAT) Policy

Finance, Budget and Audit Committee  
June 17, 2015

# Recommendations

1. Adopt the proposed change to the Policy on Use of Interagency Transfers, unanimously approved by the General Managers and Bus Operators Subcommittee (BOS).
2. Adopt the finding that the proposed policy change results in a Disparate Impact but there is substantial legitimate justification for the proposed change and there are no alternatives that would have a less disparate impact on minority riders.
3. Adopt the recommendation to distribute up to 1 million TAP cards free to bus riders purchasing transfers in advance of the effective date of the policy to address the underlying cause of the Disparate Impact fining (current TAP card possession).

# Proposed Interagency Transfer (IAT) Policy Changes

1. Eliminate paper transfers for customers transferring between agencies. Transfers allowed with a TAP card only
2. Transfer fare will be automatically paid with a TAP card, if transfer eligible, when boarding a second agency
3. Transfer period extended from 2 hours to 2.5 hours
4. A single transfer will be allowed within the 2.5 hours

# Customer and Agency Benefits

*Significant step in providing a more seamless, coordinated transit system, with 24 agencies now on TAP*

## CUSTOMERS

- Faster boardings
- Eliminate need to carry exact change
- Automatic transfer if eligible
- Consolidation of four different transfer methods in use today

## AGENCIES

- Faster boardings
- Consistent with local initiatives and efforts to reduce cash and paper media in favor of technology options
- Fraud reduction
- Directly collected IAT revenues



# Fare Equity Analysis Findings (Title VI)

- The Fare Equity Analysis completed for the Region resulted in a disparate impact finding for one sub-population, constituting about 8% of the County population within walking distance of fixed-route transit. Counting only those that use transit and transfer, affected number of individuals is about 40,000 (0.4%)
- The underlying cause of the disparate impact finding – possession of a TAP card – will be addressed through a comprehensive Marketing and Outreach campaign including dissemination of up to 1 million TAP cards to customers
- Policy approval requires a finding (included in staff recommendation) that the change results in a Disparate Impact but there is substantial legitimate justification for the change and there are no alternatives that would have a less disparate impact

# Next Steps

If the policy change is approved...

- TAP Operation will proceed with programming efforts, working closely with each Operator to define business rules and test final functionality
- A print and digital marketing campaign for customers will focus on customer education, including where TAP cards can be purchased and reloaded.
- An internal campaign for bus operators will include in-person training, division outreach, and print materials
- Implementation will be in approximately 6 to 9 months due to the significant programming and testing efforts, and to allow for thorough customer and operator education

**LOS ANGELES COUNTY TRANSPORTATION COMMISSION  
TRANSIT PERFORMANCE MEASUREMENT PROGRAM**

(Formerly Transit Coordination and Service Program)  
Adopted March 27, 1991

**INTRODUCTION**

The Los Angeles County Transportation Commission, pursuant to its legislative directive under Section 130380 of the California Public Utilities Code (AB 103 of 1979) and pursuant to its commitment to maximize return on public subsidies within appropriate laws, regulations, and policies, does hereby readopt the set of actions delineated in this document as its Transit Performance Measurement (TPM) Program in Los Angeles County.

Section 130383 of the California PUC requires the Commission "to adopt an updated transit coordination and service program not later than January 10, 1983, and biennially thereafter." The Commission "may amend the program at such time as it deems appropriate, in order to meet changing conditions in providing and funding transit service in the County of Los Angeles." The TPM Program has been in effect since January 1981, and readopted in January 1983, December, 1985 and March 1987.

The set of actions delineated in this document constitutes the Transit Performance Measurement Program adopted by the Commission in March 1991. The specific provisions of the program adopted on this date will be used to evaluate operator performance on the basis of operating statistics from FY 1990 and FY 1991.

As required by AB 103, the TPM Program is divided into two basic parts, each requiring annual action by the Los Angeles County Transportation Commission.

- o Monitoring of the transit system performance of Los Angeles County operators receiving TDA, STAF and Section 9 funds. Such monitoring is addressed in Section II of this policy statement. The Commission will annually publish a document summarizing each operator's performance on the seven indicators listed in Section II.
- o Analysis and definition of institutional relationships among Los Angeles County operators, and between these operators and the Commission. This is the subject of Section V of this policy statement.

Section IV of this policy statement is devoted to describing guidelines for data collection and submission. In the appendices will be found definitions of terms that appear throughout the policy statement.

**SECTION I: ALLOCATION OF PUBLIC MONIES FOR TRANSIT IN LOS ANGELES COUNTY**

- A. **AUTHORIZATION:** Section 130380(d) of the California Public Utilities Code, which requires LACTC to establish "guidelines for the utilization of all funds available for transit purposes."
- B. **REQUIREMENTS:** Operators receiving LACTC regional funds (i.e., TDA Article 4, State Transit Assistance, Section 9, and Proposition A Discretionary grant formula funds) shall comply with the reporting requirements detailed in Section IV;

**SECTION II. MONITORING OF TRANSIT SYSTEM PERFORMANCE**

- A. **AUTHORIZATION:** Section 130380(b), which calls for the program to contain "full analyses and recommended changes regarding the current distribution of all transit services throughout the County, including levels and types of transit services".
- B. **ACTIONS:** Beginning in Fiscal Year 1981-82, the Commission began monitoring the performance of all transit operators who receive funds under the formula allocation procedure (TDA, LTF, Section 9, and STAF subsidies) by collecting data and calculating performance with respect to the following seven indicators:
  - 1. Operating cost per vehicle service hour;
  - 2. Operating revenue plus local subsidies plus auxiliary revenues over operating cost;
  - 3. LACTC subsidy per unlinked passenger;
  - 4. Unlinked passenger per vehicle service hour;
  - 5. Passenger revenue over operating cost;
  - 6. Revenue per unlinked passenger; and
  - 7. Vehicle service hours per peak vehicle.

Weekday performance according to each of these indicators will be measured separately for the following six service classifications, which are defined in Appendix A:

- 1. Local service on demand-based headways;
- 2. Local service on policy-based headways;
- 3. Local service for intracommunity circulation;
- 4. Express service with multiple local stops;
- 5. Express service with few local stops; and
- 6. Dial-a-Ride service (whether general public, elderly and handicapped, or transportation-handicapped only).

Weekday performance will also be computed according to each indicator for each operator's system as a whole.

**SECTION III. PRODUCTIVITY GUIDELINES AND FINANCIAL STANDARDS**

- A. **AUTHORIZATION:** PUC Sections 130380(c) and (d), which calls for the development and inclusion in the Program of "transit service productivity guidelines and specific steps to be taken to bring existing transit service into conformity with the guidelines" and "financial standards to be met by all transit operators in the County."
- B. **ACTIONS:** Beginning in Fiscal Year 1981-82, operators receiving LTF, TDA, Section 9, or STAF operating subsidies have been expected to report on the financial and/or productivity standards presented below. These standards must be met separately for local, express, and dial-a-ride service; any exceptions are explained under each performance indicator (local service is defined as all service in Categories 1, 2, and 3; express service is all service in Categories 4 and 5; and dial-a-ride service is defined as all service in Category 6 of Appendix A.)

1. **PERFORMANCE INDICATOR #A**

**STANDARD:** The rate of growth in operating cost per vehicle service hour from one fiscal year to the next shall not exceed the actual rate of price inflation, as calculated from the Consumer Price Index (CPI-U, United States Department of Labor, Bureau of Labor Statistics) for the Los Angeles-Long Beach urbanized area.

**EXCEPTIONS:**

- a) If an operator's cost per vehicle service hour in a particular year is less than 80% of the highest cost per vehicle service hour, then the costs of the operator whose expenses are less may increase by 10% of the CPI-base rate of inflation. For example, if the CPI is 5%, an operator with lower expenses may be allowed cost increases of 5.5%.
- b) If the Commission determines by eight votes that costs have increased as a result of external circumstances to an extent which is not reflected in the Consumer Price Index, this standard will be raised to reflect these



circumstances.

2. PERFORMANCE INDICATOR #B

**STANDARD:** The ratio of operating revenue (both fares and auxiliary transportation revenue) and local subsidies to total operating costs shall not be less than 38 percent.

**NOTES:** (i) During the Fare Reduction Program (FY 83 through FY 85), Fare Reduction subsidies were counted as fares under Performance Indicator B. Beginning in data year FY 86, Proposition A Discretionary Funds distributed from Commission will be counted as LACTC subsidies under Performance Indicator C.

(ii) Proposition A Local Return funds received as general operating assistance or as fare assistance will be counted as local subsidies under Performance Indicator B.

3. PERFORMANCE INDICATOR #C

**STANDARD, LOCAL FIXED-ROUTE SERVICE:** An operator's subsidy per passenger shall not exceed 133% of the unweighted countywide mean for local fixed-route service.

**STANDARD, EXPRESS FIXED-ROUTE SERVICE:** An operator's subsidy per passenger shall not exceed 113% of the unweighted countywide mean for express fixed-route service.

**STANDARD, GENERAL PUBLIC DIAL-A-RIDE SERVICE:** An operator's subsidy per passenger shall not exceed 113% of the unweighted countywide mean for general-public dial-a-ride service.

**STANDARD, ELDERLY, & HANDICAPPED AND HANDICAPPED-ONLY DIAL-A-RIDE SERVICE COMBINED:** An operator's subsidy per passenger shall not exceed 113% of the unweighted countywide mean for these two types of service combined.

In each case, the mean shall be determined as in the following example:

Suppose that ten operators offer local fixed-route service in Los Angeles County. The subsidy per unlinked local-service passenger shall be computed for each of the ten, the ten figure summed, and the result divided by ten to arrive at the unweighted countywide mean.

The amount of subsidy devoted to any type of service is

calculated as the difference between the cost providing that service and all operator income applied to the service (passenger fares, and local and auxiliary subsidies).

4. PERFORMANCE INDICATOR #D

STANDARD: The number of unlinked passengers per weekday vehicle service hour for local and express service shall not be fewer than 30; for general public and elderly and handicapped dial-a-ride, not fewer than 5; and for transportation-handicapped dial-a-ride, not fewer than 2.5.

**SECTION IV: GUIDELINES FOR REPORTING OPERATOR DATA TO LACTC**

A. Operators will report the information shown on the TPM/TDA reporting table to the Commission. Audited Section 15 data for the preceding fiscal year will be submitted by November 1 of each fiscal year. Future three-year data shall be submitted with the operators' SRTPs.

B. Using the information shown on the TPM Reporting Table (Attachment 1), Commission staff will calculate the seven ratios specified under "Monitoring of Transit Performance" (Section II) for each operator and service classification. Costs per mile, hour, and peak vehicle will be based on total-system figures; the ratios will be calculated from weekday data. Ratios will be calculated for each type of service (demand local, demand policy, intracommunity, express multiple stops, express few stops, and dial-a-ride) and for all local combined, all express combined, and for dial-a-ride.

Every three years, the non-financial data used in these calculations will be audited by a contractor selected and paid by the Commission. Operators will be expected to: (a) submit to staff and to the auditing contractor all records and data required to perform this audit; and (b) advise the Commission and the auditing contractor of any change in their procedure for collecting and compiling the data which may warrant a change in the scope of the audit.

C. Routes which existed in 1980 during the consultant study will initially be classified according to the service classifications which were recommended by the consultant in that study. New routes will be classified by Commission staff using input from the operator and the definitions in Appendix A; these classifications will be subject to review by the Bus Operations Subcommittee. If an operator is dissatisfied with the classification assigned by staff to a specific route, the



) matter may be appealed to the Planning and Mobility Improvement Committee.

- D. For purposes of computing costs by service classification, the Commission will apply the three-variable cost model developed by a consultant to the operator's Section 15 data. If an operator wishes to show calculations from the "peak/base" model instead, and is prepared to submit the necessary additional data, the Commission staff, if it approves, will accommodate this request. An operator must request substitution of the peak/base model before IACTC staff perform the analysis of TPM data.
- E. Operators will be free to assign local subsidies to any service classification as they deem appropriate, except that funds which are restricted to a special purpose must be applied to the service classification which corresponds to that purpose (e.g., a special subsidy for a downtown minibus service must be applied to downtown minibus service).
- F. Operators will assign auxiliary revenues (e.g., advertising revenues and interest) across all service categories according to the proportion of service miles operated in each category.
- G. In their SRTPs, operators will be expected to report the statistics specified in #A above as follows:
  - 1) Audited data for the fiscal year just ended;
  - 2) Estimated data for the current fiscal year; and
  - 3) Estimated data for the upcoming fiscal year.

If there are significant changes in the distribution of service by classification between the current year and the upcoming year, the background and rationale for these changes should be discussed in the text of the SRTP.

- H. Furthermore, if new routes are being proposed in the SRTP, projections should be included (to the extent reasonably practicable) of the amount of resources to be devoted to these routes, as well as the known data for current routes.

**EXCEPTIONS:**

- 1) This requirement does not apply to additional service on existing routes, or to minor route extensions.
- 2) Service fully funded with Proposition A Local Return funds will be exempt from this requirement. Such service will be reported on separately in the financial and operating tables submitted to the Commission.

**SECTION V: INSTITUTIONAL ANALYSIS AND DEFINITION**

- A. **AUTHORIZATION:** PUC Section 130380(a), which requires that the Transit Performance Measurement Program include "the definition of institutional relationships between all transit operators in the County and the relationship between the Commission and the transit operators.
- B. **FINDINGS:**
1. The Commission, through its consultants and staff, reviewed institutional alternatives for the delivery of bus transit service in Los Angeles County, and found that no major institutional changes were warranted for inclusion at the time the TPM Program was enacted except such incremental change as may result from the reallocation of funds withheld because of non-compliance with the standards. These changes may include reallocation of service among operators, revision of service areas, private sector participation in subsidies, and the establishment of new transportation zones.
  2. However, the Commission retains the prerogative to monitor compliance by existing operating agencies with the productivity and financial standards set forth above, and to study institutional alternatives which may assist in improving the County's overall performance with respect to these standards.
  3. The Commission may wish to amend this program at a later date if it finds that desired standards of performance cannot be met by existing institutions, and that institutional alternatives are available which are reasonably expected to improve performance without overriding disadvantages in other areas.
  4. It is the general goal of Commission policy that the implementation of service reallocation or other incremental institutional change, if it occurs, should be accomplished in a way that minimizes the disruption or discontinuation of productive and cost-effective bus service to the ultimate users of public transit.

**TPM Report Form  
FY 2023  
Operator**

Category	FAP - Local	FAP - Express	FAP-Dial-A-Ride <sup>1</sup>	SubTotal	TSE	Base Restr	BSIP	MOSIP	Non-FAP Total	Total MTA Funded	Sub-Regional Paratransit <sup>2</sup>	Other Codes <sup>3</sup>	CRD	System Total	Approved	NTD Match	Preliminary /Audited	Submit for Approval	Approval	Approval Date	EZ Pass	Primary Contact	
Category	FAP Funded	FAP Funded	FAP Funded	FAP Funded	Non-FAP Funded	Non-FAP Funded	Non-FAP Funded	Non-FAP Funded	Non-FAP Funded	Total MTA Funded	Prop A 5% Incentive	Other Codes	CRD	System Total	Approved	NTD Match	Preliminary /Audited	Submit for Approval	Approval	Approval Date	EZ Pass	Primary Contact	
Category	Local	Express	Dial-A-Ride <sup>1</sup>	SubTotal	TSE	Base Restr	BSIP	MOSIP	Non-FAP Total	Total MTA Funded	Sub-Regional Paratransit <sup>2</sup>	Other Codes <sup>3</sup>	CRD	System Total	Approved	NTD Match	Preliminary	Submit for Approval	Approval	Approval Date	EZ Pass	Primary Contact	
Total Vehicle Miles (TVM)																							
Vehicle Service Miles (VSM)																							
Total Vehicle Hours (TVH)																							
Vehicle Service Hours (VSH)																							
Unlinked Passengers																							
Linked Passengers																							
Passenger Revenue																							
Auxiliary Revenue/Local Subsidy																							
Operating Cost																							
Active Vehicles																							
Peak Vehicles																							
DARS Seat Capacity																							
Full Time Equiv Employees																							
Base Fare																							

<sup>1</sup> "Included Dial-A-Ride" only includes operations that historically have been included in the FAP calculations.

<sup>2</sup> Prop A 5% of 40% Incentive

<sup>3</sup> "Other Codes" includes Subscriptions, Contracts, Special Events and Other Service.



LOS ANGELES COUNTY TRANSPORTATION COMMISSION

TRANSIT PERFORMANCE MEASUREMENT PROGRAM

(Formerly Transit Coordination and Service Program)

Preface

The Los Angeles County Transportation Commission, pursuant to its legislative directive under Section 130380 of the California Public Utilities Code (AB 103 of 1979) and pursuant to its commitment to maximize return on public subsidies within appropriate laws, regulations, and policies, does hereby re-adopt the set of actions delineated in this document as its Transit Performance Measurement (TPM) Program for Los Angeles County.

Section 130383 of the California PUC requires the Commission "to adopt an updated transit coordination and service program not later than January 10, 1983, and biennially thereafter." The Commission "may amend the program at such time as it deems appropriate, in order to meet changing conditions in providing and funding transit service in the County of Los Angeles." The TPM Program has been in effect since January 1981, re-adopted in January 1983, and re-adopted in December, 1985

The set of actions delineated in this document constitute the Transit Performance Measurement Program adopted by the Commission in December 1985. The specific provisions of the program adopted on this date will be used to evaluate operator performance and to determine bonuses on the basis of operating statistics from FY 1985 and FY 1986. Any bonuses resulting from these evaluations will be awarded in FY 1987 FY 1988, respectively from the Prop A 40% Discretionary Fund. This program has been amended into the Prop A Guidelines (Section 8).

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## INTRODUCTION

As required by AB 103, the TPM Program is divided into three basic parts, each requiring annual action by the Los Angeles County Transportation Commission.

- I. Monitoring of the transit system performance of all Los Angeles County operators receiving TDA, STAF and Section 9 funds. Such monitoring is addressed in Section II of this policy statement.
- II. Analysis and definition of institutional relationships among Los Angeles County operators, and between these operators and the Commission. This is the subject of Section VI of this policy statement.
- III. The third part concerns methods whereby the Commission awards public monies to the transit operators of the County. Section I of this policy statement explains the general disposition of all such monies, including the creation of a bonus fund from which awards may be made to operators that meet certain performance standards. These standards are described in detail in Section III. Section IV explicates the methodology used to determine the bonus amounts.

Section V of this policy statement is devoted to describing guidelines for data collection and submission. In the appendices will be found definitions of terms that appear throughout the policy statement.

SECTION I: ALLOCATION OF PUBLIC MONIES FOR TRANSIT IN LOS ANGELES COUNTY

A. Authorization: Section 130380(d) of the California Public Utilities Code, which calls for "guidelines for the utilization of all funds available for transit purposes."

B. Actions:

1. STA, TDA and Section 9 Funds

These funds are awarded to all eligible county transit operators on the basis of formulas determined biennially by the Commission. The formulas are based on the proportions of ~~passenger revenue~~ <sup>fare units</sup> and vehicle service ~~hours~~ <sup>miles</sup> furnished to the whole by each operator receiving these funds.

2. Proposition A 40% Discretionary Funds

Derived from the County's half-cent sales tax dedicated to transit, these discretionary funds are allocated in three ways, one of which is directly relevant to the TPM Program.

a. Incentive Projects

Five per cent of the Discretionary Funds are directed to Commission-approved Incentive projects.

b. Transit Operator Subsidy

Discretionary Funds not allocated to incentive projects and to the bonus pool (see below) are distributed to the County's transit operators according to a maximum eligible formula similar to the formula used for allocation of state and federal funds. However, operators are allocated only those funds which are needed after state and federal have been spent.

c. Bonus Pool for TPM Incentive Program

As one of the means employed by the Commission to "bring transit service into conformity with productivity guidelines," and action required by AB 103, the TPM incentive program has been developed to motivate transit operators to improve their performance with regard to both efficiency and effectiveness. Bonuses are awarded to operators who meet performance standards.

For bonuses to be awarded in FY 1987, the bonus pool will be ten per cent of the Proposition A



Discretionary Fund. For bonuses awarded in FY 1988, the pool will be fifteen per cent of the Discretionary Fund. For bonuses to be awarded in FY 1989, the pool will be twenty per cent of the Discretionary Fund.

## SECTION II. MONITORING OF TRANSIT SYSTEM PERFORMANCE

A. Authorization: Section 130380(b), which calls for the program to contain "full analyses and recommended changes regarding the current distribution of all transit services throughout the County, including levels and types of transit service."

B. Actions

1. Beginning in Fiscal Year 1981-82, the Commission began monitoring the performance of all transit operators who receive funds under the formula allocation procedure (TDA, LTF, Section 9, and STAF subsidies) by collecting data and calculating performance with respect to the following seven indicators:

1. Operating cost per vehicle service hour;
2. Operating revenue plus local subsidies plus auxiliary revenues over operating cost;
3. LACTC subsidy per unlinked passenger;
4. Unlinked passengers per vehicle service hour;
5. Passenger revenue over operating cost;
6. Revenue per unlinked passenger; and
7. Vehicle service hours per peak vehicle.

Weekday performance according to each of these indicators will be measured separately for the following six service classifications, which are defined in Appendix A:

1. Local service on demand-based headways;
2. Local service on policy-based headways;
3. Local service for intracommunity circulation;
4. Express service with multiple local stops;
5. Express service with few local stops; and
6. Dial-a-Ride service (whether general public, elderly & handicapped, or transportation-handicapped only).

Weekday performance will also be computed according to each indicator for each operator's system as a whole.

2. The Commission will annually publish a document summarizing each operator's performance on the seven



ratios on a systemwide basis, and for each service classification according to the Schedule shown in Section IV. The document may also include a verbal summary of the statistical information.

SECTION III. PRODUCTIVITY GUIDELINES AND FINANCIAL STANDARDS ON WHICH  
TPM BONUSES ARE BASED

A. Authorization: PUC Sections 130380(c) and (d), which call for the development and inclusion in the Program of "transit service productivity guidelines and specific steps to be taken to bring existing transit service into conformity with the guidelines" and "financial standards to be met by all transit operators in the County."

B. Actions:

Beginning in Fiscal Year 1981-82, operators receiving LTF, TDA, Section 9, or STAF operating subsidies will be expected to meet the four financial and/or productivity standards presented below. These standards must be met separately for local, express, and dial-a-ride service; any exceptions are explained under each performance indicator. (Local service is defined as all service in Categories 1, 2, and 3; express service is all service in Categories 4 and 5; and dial-a-ride service is defined as all service in Category 6, of Appendix A.)

1. PERFORMANCE INDICATOR #A

STANDARD: The rate of growth in operating cost per vehicle service hour from one fiscal year to the next shall not exceed the actual rate of price inflation, as calculated from the Consumer Price Index (CPI-U, United States Department of Labor, Bureau of Labor Statistics) for the Los Angeles-Long Beach urbanized area.

EXCEPTIONS:

- a) If an operator's cost per vehicle service hour in a particular year is less than 80% of the highest cost per vehicle service hour, then the costs of the operator whose expenses are less may increase by 10% of the CPI-based rate of inflation. For example, if the CPI is 5%, an operator with lower expenses may be allowed cost increases of 5.5%.
- b) If the Commission determines by eight votes that costs have increased as a result of external circumstances to an extent which is not reflected in the Consumer Price Index, this standard will be

raised to reflect these circumstances.

- c) Collective bargaining agreements will not be considered an eligible excuse to claim exemptions from the cost control standards of the Transit Performance Measurement Program.

2. PERFORMANCE INDICATOR #B

STANDARD: The ratio of operating revenue (both fares and auziliary transportation revenue) and local subsidies to total operating costs shall not be less than one third (33.33 per cent).

NOTE: (i) During the Fare Reduction Program (FY 83 through FY 85), Fare reduction subsidies are to be counted as fares under Performance Indicator B. Beginning in data year FY 86, Proposition A Discretionary Funds distributed from Commission will be counted as LACTC subsidies under Performance Indicator C.

(ii) Proposition A Local Return funds received as general operating assistance or as fare assistance will be counted as local subsidies under Performance Indicator B.

3. PERFORMANCE INDICATOR #C

STANDARD, LOCAL FIXED-ROUTE SERVICE: An operator's subsidy per passenger shall not exceed 133% of the unweighted countywide mean for local fixed-route service.

STANDARD, EXPRESS FIXED-ROUTE SERVICE: An operator's subsidy per passenger shall not exceed 133% of the unweighted countywide mean for express fixed-route service.

STANDARD, GENERAL-PUBLIC DIAL-A-RIDE SERVICE: An Operator's subsidy per passenger shall not exceed 133% of the unweighted countywide mean for general-public dial-a-ride service.

STANDARD, ELDERLY & HANDICAPPED AND HANDICAPPED-ONLY DIAL-A-RIDE SERVICE COMBINED: An operator's subsidy per passenger shall not exceed 133% of the unweighted countywide mean for these two types of service combined.

In each case, the mean shall be determined as in the following example:

Suppose that ten operators offer local fixed-route service in Los Angeles County. The subsidy per unlinked local-service passenger shall be computed for each of the ten, the ten figure summed, and the result divided by ten to arrive at the unweighted countywide mean.

The amount of subsidy devoted to any type of service is calculated as the difference between the cost of providing that service and all operator income applied to the service (passenger fares, and local and auxiliary subsidies).

4. PERFORMANCE INDICATOR #D

STANDARD: The number of unlinked passengers' per week-day vehicle service hour for local and express service shall not be fewer than 30; for general-public and E&H dial-a-ride, not fewer than 5; and for transportation-handicapped dial-a-ride, not fewer than 2.5.

SECTION IV. GUIDELINES FOR BONUS CALCULATION AND AWARD

- A. In order to earn bonus funding in any service category, an operator must meet one or more of the performance standards described in Section III, or be moving toward meeting one or more of these standards. Since there are three types of service (local, express, and dial-a-ride), and four performance indicators, an operator's bonus opportunities may extend across as many as twelve categories.
- B. Although slight variations may occur with regard to each individual indicator, the basic structure defining bonus eligibility is as follows:
1. NO BONUS EARNED. Operator does not meet the standard, and current performance equals or is worse than the previous year's.
  2. HALF BONUS EARNED. Operator does not meet the standard but current performance has improved over that of the previous year.
  3. THREE-QUARTERS BONUS EARNED. Operator meets or betters the standard, but current performance has deteriorated from the previous year's.
  4. FULL BONUS EARNED. Operator meets or betters the standard, and current performance equals or has improved over the previous year's.



C. Variations in Bonus Eligibility by Indicator

1. Performance Indicator A: Rate of Cost Increase

An operator that meets the standard will receive a full bonus. The three-quarters bonus has been eliminated for this indicator.

Where the standard is not met, the basic eligibility guidelines apply.

2. Performance Indicator B: Revenue and Local Subsidies, over Costs

An operator's performance may decline 10% from the previous year's and still permit receipt of a full bonus if the standard is being met. However, no statistically-valid decline may occur for two consecutive years. If current-year performance represents a second year of decline, then current-year performance is subject to the basic eligibility guidelines outlined in #B above.

Where the standard is not met, the basic eligibility guidelines apply.

NOTE: The required reclassification of Proposition A grant fund from passenger revenue to LACTC subsidy in FY 1986 may lead to a decline in the revenue to operating ratio for -- of the operators. Therefore, for data year 1986 (allocat year - 1988), operators need only meet the 33% standard order to qualify for the full bonus.

3. Performance Indicator #C: Subsidy per Passenger

An operator's performance may decline 10% from the previous year's and still permit receipt of a full bonus if the standard is being met. Where the standard is not met, the basic eligibility guidelines apply.

4. Performance Indicator #D: Passengers per Vehicle Service Hour

If an operator has more than 60 passengers per vehicle service for any type of service, a full bonus is automatically granted, even if the number of passengers per hour has declined from the previous year.

For operators with fewer than 60 passengers per vehicle service hour, performance may decline 10% from the previous year's and still permit receipt of a full

bonus if the standard is being met. Where the standard is not met, the basic eligibility guidelines apply.

D. The four performance indicators will be weighted as follows:

<u>Indicators</u>	Data Year FY 85	Data Year FY86	Data Year FY87 **
#A Cost Increase	25%	40%	40%
#B Revenue/Costs	25%	20%	20%
#C Subsidy per Pass	25%	20%	20%
#D Pass per VSH	25%	20%	20%
% Bonus Pool of Total Discretionary Pool	10%	15%	20%

\*\* And Thereafter

E. Bonus allocation will be subject to the following conditions:

1. Each operator's maximum possible TPM bonus cannot exceed his formula share of the total bonus pool. For example, Long Beach's maximum discretionary formula share for FY 86 was 0.048315. Thus Long Beach's maximum possible bonus for FY 87 was 0.048315 of \$12,950,000 (10% of the total Proposition A Discretionary Fund of \$129,500,000), or \$625,679.
2. The four indicators will analyze performance at the three service levels defined in Appendix A (all local, all express, and all dial-a-ride).

The bonus for each operator will be divided into three parts, one for all local service, one for all express service, and one for all dial-a-ride service. The size of each part will be based on the relative number of vehicle service hours contributed by each service category.

3. If an operator qualifies for a bonus amount but does not need the funds because of a sufficiency of other operating subsidies (defined in the discretionary guidelines), the operator will be credited for the unused bonus funds, or portion thereof, for two years. These credited funds may be used to offset otherwise-required fare increases.
4. An operator's initiation or termination of a service type



that is subject to the TPM Program will pose a problem in the calculation of the bonus for Indicator #A (rate of cost increase). This problem occurs because three consecutive years of data are needed in order to compute the rates of cost increase for two years; in addition, the progress comparison requires two consecutive years of data. In the case of service termination or initiation, the staff will compare the operator's cost per vehicle service hour in the last (or first) year of service with the cost per vehicle service hour of the same type of service offered by the other operators. The staff will assign a full, half or zero bonus according to whether the service being begun or ended is relatively inexpensive or relatively costly.

5. Only services defined as eligible in Section 2.0 of the Prop A Guidelines are eligible for inclusion in the TPM Program and should be reported on the TPM/TDA Reporting Form.
6. A one-year waiver from any of the standards may be granted by eight votes of the Commission if an operator can demonstrate that extraordinary and non-recurring circumstances (such as a new law, regulation or externally-adopted policy entailing significant costs) make it impossible to achieve the standard. If such a waiver is requested, the operator's budget shall be subject to review by the Commission to determine whether sufficient efforts were made to achieve offsetting efficiencies in other areas of the operation.

G. Unearned bonus funds will be used by the commission at its discretion. Examples of possible uses are:

1. Carried over to the bonus pool the following year;
2. Replace subsidy reductions from state and federal sources.

H. Schedule for Calculation and Award of Bonuses

The Section 15 Report and the TPM/TDA Report form containing the required audited data must be submitted to LACTC staff by November 1 of each year so that bonuses may be estimated in time for inclusion in the operators' SRTF's. An operator not submitting the required data by the November 1 deadline, will be subject to the following:

1. Proposition A Discretionary MOU monthly payments will be withheld until the data is submitted;
2. Staff will utilize best available data for the tardy

operator so that the remaining operators' bonuses can be calculated;

3. In no event will the tardy operators' calculated bonus based on estimated data be increased when audited data is submitted. If the audited data indicates that more bonus funds were allocated than audited performance warranted, an adjustment to the Prop A Discretionary MOU will occur.

I. Schedule for annual allocation of the TPM Bonus Program:

FOR FISCAL YEAR 1989 ALLOCATION

1. 11/1/87 - Operators submit audited TPM and Section 15 for fiscal year 1987
2. 12/31/87- LACTC adopts FY 1989 TPM Bonus Pool Allocation for Operator performance under the TPM Program
3. 3/15/88- Operators submit FY 1989 SRTPs to LACTC
4. 5/30/88- FY 1989 Funding allocations for all funds approved by LACTC
5. 7/1/88- Operator claims for funds for fiscal year 1988-89 begin

J. Schedule for 3 Year TPM Bonus Projections:

Lactc has committed to provide guidance on potential TPM bonus allocations over a three year time frame if operators will submit TPM worksheets. The following schedule will be used for three year TPM bonus projections:

1. 3/15/88- Operators submit their FY 1989 SRTPs with three year TPM tables completed.
2. 4/30/88- Lactc staff provides FY 1990-92 Bonus Projections to the Operators

SECTION V: GUIDELINES FOR REPORTING OPERATOR DATA TO LACTC

- A. Operators will report the information shown on the TPM/TDA reporting table to the Commission. Audited data for the preceding fiscal year will be submitted by November 1 of each fiscal year. Future 3 year data will be submitted with the Operators SRTPs.

- B. Using the information shown on the TPM Reporting table (attachment 1) the Commission staff will calculate the seven ratios specified under "Monitoring of Transit Performance" (Section II) for each operator and service classification. Of these seven, four will be used for the computation of bonuses. Costs per mile, hour, and peak vehicle will be based on total-system figures; the ratios will be calculated from weekday data. Ratios will be calculated for each type of service (demand local, demand policy, intracommunity, express multiple stops, express few stops, and dial-a-ride) and for all local combined, all express combined, and for dial-a-ride.

Every three years, the non-financial data used in these calculations will be audited by a contractor selected and paid by the Commission. Operators will be expected to staff and to the auditing contractor all records and data required to perform this audit, and (b) advise the Commission and the auditing contractor of any change in their procedure for collecting and compiling the data which may warrant a change in the scope of the audit.

- D. Routes which existed in 1980 during the consultant study will initially be classified according to the service classifications which were recommended by the consultant in that study. New routes will be classified by Commission staff using input from the operator and the definitions in Appendix A; these classifications will be subject to review by the Bus Operations Subcommittee. If an operator is dissatisfied with the classification assigned by staff to a specific route, the matter may be appealed to the Finance Review Committee.
- E. For the purposes of computing costs by service classification, the Commission will apply the three-variable cost model developed by a consultant to the operators' Section 15 data. If an operator wishes to show calculations from the "peak/base" model instead, and is prepared to submit the necessary additional data, the Commission staff, if it approves, will accommodate this request. An operator must request substitution of the peak/base model before LACTC staff perform the analysis of TPM data.
- F. Operators will be free to assign local subsidies to any service classification as they deem appropriate, except that:
- 1) Funds which are restricted to a special purpose must be applied to the service classification which corresponds to that purpose (e.g., a special subsidy for a downtown minibus service must be applied to downtown minibus service).



- 2) An operator's allocation of local subsidies must remain fixed for the first three years of the program (FY 81, FY 82, and FY 83).

EXCEPTION: If the amount of such revenues were to increase during the three-year period, the amount of increase may be allocated at the discretion of the operator. Such allocations must be reported in writing as footnotes on the TPM/TDA Report Form.

H. Operators will assign auxiliary revenues (e.g., advertising revenues and interest) across all service categories according to the proportion of service miles operated in each category.

I. In their SRTPs, operators will be expected to report the statistics specified in #A above as follows:

- 1) Audited data for the fiscal year just ended.
- 2) Estimated data for the current fiscal year and;
- 3) Estimated data for the upcoming fiscal year.

If there are significant changes in the distribution of service by classification between the current year and the upcoming year, the background and rationale for these changes should be discussed in the text of the SRTP.

J. Furthermore, if new routes are being proposed in the SRTP, projections should be included (to the extent reasonably practicable) of the amount of resources to be devoted to these new routes. A second TPM/TDA reporting form should be prepared that includes estimated operating data pertaining to these new routes, as well as the known data for current routes.

EXCEPTIONS:

- 1) This requirement does not apply to additional service on existing routes, or to minor route extensions.
- 2) Service fully funded with Proposition A Local Return funds will be exempt from this requirement. Such service will be reported on separately in the financial and operating tables submitted to the Commission.

SECTION VI: INSTITUTIONAL ANALYSIS AND DEFINITION

- A. Authorization: PUC Section 130380(a), which requires that the Transit Performance Measurement Program include "the definition of institutional relationships between all transit operators in the County and the relationship between the Commission and the transit operators."
- B. Findings:
1. The Commission, through its consultants and staff, reviewed institutional alternatives for the delivery of bus transit service in Los Angeles County, and found that no major institutional changes were warranted for inclusion at the time the TPM Program was enacted except such incremental change as may result from the reallocation of funds withheld because of non-compliance with the standards. These changes may include reallocation of service among operators, revision of service areas, private sector participation in subsidies, and the establishment of new transportation zones.
  2. However, the Commission retains the prerogative to monitor compliance by existing operating agencies with the productivity and financial standards set forth above, and to study institutional alternatives which may assist in improving the County's overall performance with respect to these standards.
  3. The Commission may wish to amend this Program at a later date if it finds that desired standards of performance cannot be met by existing institutions, and that institutional alternatives are available which are reasonably expected to improve performance without overriding disadvantages in other areas.
  4. It is the general goal of Commission policy that the implementation of service reallocation or other incremental institutional change, if it occurs, should be accomplished in a way that minimizes the disruption or discontinuation of productive and cost-effective bus service to the ultimate users of public transit.



**TPM Report Form  
FY 2023  
Operator**

Category	FAP - Local	FAP - Express	FAP-Dial-A-Ride <sup>1</sup>	SubTotal	TSE	Base Restr	BSIP	MOSIP	Non-FAP Total	Total MTA Funded	Sub-Regional Paratransit <sup>2</sup>	Other Codes <sup>3</sup>	CRD	System Total	Approved	NTD Match	Preliminary /Audited	Submit for Approval	Approval	Approval Date	EZ Pass	Primary Contact	
Category	FAP Funded	FAP Funded	FAP Funded	FAP Funded	Non-FAP Funded	Non-FAP Funded	Non-FAP Funded	Non-FAP Funded	Non-FAP Funded	Total MTA Funded	Prop A 5% Incentive	Other Codes	CRD	System Total	Approved	NTD Match	Preliminary /Audited	Submit for Approval	Approval	Approval Date	EZ Pass	Primary Contact	
Category	Local	Express	Dial-A-Ride <sup>1</sup>	SubTotal	TSE	Base Restr	BSIP	MOSIP	Non-FAP Total	Total MTA Funded	Sub-Regional Paratransit <sup>2</sup>	Other Codes <sup>3</sup>	CRD	System Total	Approved	NTD Match	Preliminary	Submit for Approval	Approval	Approval Date	EZ Pass	Primary Contact	
Total Vehicle Miles (TVM)																							
Vehicle Service Miles (VSM)																							
Total Vehicle Hours (TVH)																							
Vehicle Service Hours (VSH)																							
Unlinked Passengers																							
Linked Passengers																							
Passenger Revenue																							
Auxiliary Revenue/Local Subsidy																							
Operating Cost																							
Active Vehicles																							
Peak Vehicles																							
DARS Seat Capacity																							
Full Time Equiv Employees																							
Base Fare																							

<sup>1</sup> "Included Dial-A-Ride" only includes operations that historically have been included in the FAP calculations.

<sup>2</sup> Prop A 5% of 40% Incentive

<sup>3</sup> "Other Codes" includes Subscriptions, Contracts, Special Events and Other Service.

## Transit Performance Measures Data Element Definitions

### Fixed Route Definitions

	Data Item	Definitions
A.	Total Vehicle Miles*	The total distance traveled by transit service vehicles, including both revenue miles and deadhead miles. Excludes miles traveled during training, hostling, maintenance work, charter service, and other non-regular service-related activities.
B.	Vehicle Service Miles*	The total miles traveled by transit service vehicles while in revenue service. Excludes miles traveled to and from storage facilities
C.	Total Vehicle Hours*	The total hours of travel by transit service vehicles including hours consumed in revenue service, layover, and deadhead travel. Measured from vehicle pull-out time to vehicle pull-in time.
D.	Vehicle Service Hours*	The total hours of travel hat a transit service vehicle is in revenue service, including layover. Excludes hours consumed while traveling to and from storage facilities and during other deadhead travel.
E.	Peak Vehicles*	Annualized average of the maximum number of individual transit service vehicles assigned to service during peak hours.
F.	Unlinked Passengers	Total passengers means the number of boarding passengers whether revenue producing or not, carried by the public transportation system. Passengers are counted each time the board a vehicle even though it may be on the same journey from origin to destination.
G.	Passenger Revenue	<p>a. Revenue earned from carrying passengers along regularly scheduled routes. Includes base fare, zone and express premiums, extra cost transfers, and park-and-ride revenue.</p> <p>b. Special transit fares: revenues earned from subsidies received from subsidies or organizations outside the city or agency providing transit service for:</p> <ol style="list-style-type: none"> <li>1. Rides given in regular service but paid for by organization other than rider.</li> <li>2. Rides given along special routes for which revenue may be guaranteed.</li> </ol> <p>Not general fare assistance. Special transit fares must be applied to special TPM service classification.</p>
H.	Auxiliary Revenues	Revenues earned from operations closely associated with transportation operations; e.g., advertising, station and vehicle concessions(see Section 2, (4140) of <a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf</a> )

I.	Local Subsidies	Includes general operating assistance, local special fare assistance, Local Return funds and other local sources (See Section 2 (4300) of <a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf</a> )
J.	Operating Cost	All costs in operating expense object classes exclusive of depreciation and amortization and exclusive of all direct costs for providing charter service (See section (5000) of <a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf</a> )
K.	Full-Time Equivalent Employees	Number of employees employed in connection with the public transportation system, based on the assumption that 2,000 person-hours of work in one year constitute one employee. The count of employees shall include those contract employees employed by agencies which provide services to the transit operator, though not employed by the operator.

\*Statistics should reflect service actually operated rather than scheduled service.

Should fares not be collected, the term revenue reflects miles, hours, and vehicles operated during passenger service.

**Transit Performance Measures Data Element Definitions**

**Demand Responsive Definitions**

A.	Total Vehicle Miles*	The total distance traveled by transit service vehicles, including both revenue miles and deadhead miles. Excludes miles traveled during training, hostling, maintenance work, charter service and other non-regular service related activities.
B.	Vehicle Service Miles*	The total miles traveled while carrying passengers or while traveling to or from a passenger pick-up.
C.	Total Vehicles Hours*	The total hours of travel consumed in normal scheduled service, including deadhead to and from the service area, carrying passengers, travel to and first pick-up and from the last drop-off and standby; i.e., when the vehicle is available and waiting for trip assignment.
D.	Vehicle Service Hours*	The total hours of travel consumed in carrying passengers, travel to and from a passenger pick-up, and standby.
E.	Peak Vehicles*	Annualized average of the maximum of individual transit service vehicles assigned to service during peak hours.

F.	Unlinked Passengers	Total passengers means the number of boarding passengers whether revenue producing or not, carries by the public transportation system. Passengers are counted each time they board a vehicle even though it may be on the same journey from origin to destination.
G.	Passenger Revenue	<p>a. Revenue earned from carrying passengers in service area. Includes base fare and extra cost transfers.</p> <p>b. Special transit fares: revenues earned from subsidies received from agencies or organizations outside the city or agency providing transit service for:</p> <ol style="list-style-type: none"> <li>1. Rides given in regular service but paid for by other organization other than rider.</li> <li>2. Rides given in special service for which revenue may be guaranteed.</li> </ol> <p>Not general fare assistance. Special transit fares must be applied to specific TPM service classifications.</p>
H.	Auxiliary Revenue	Revenues earned from operations closely associated with transportation operations; e.g., advertising, station and vehicle concessions (See Section 2, (4140) of <a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf</a> )
I.	Local Subsidies	Includes general operating assistance, local special fare assistance, Local Return funds and other local sources (See Section 2 (4300) of <a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf</a> )
J.	Operating Cost	All costs in operating expense object classes exclusive of depreciation and amortization and exclusive of all direct costs for providing charter service (See Section (5000) of <a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/ntd/56681/uniform-system-accounts-usoa-effective-fy18_0.pdf</a> )
K.	Full-Time Equivalent Employees	The number of employees employed in connection with the public transportation system, based on the assumption that 2,000 person-hours of work in one year constitute one employee. The count of employees shall include those contract employees employed by agencies that provide services to the operator, though not employed by the operator.

\*Statistics should reflect the service actually operated rather than the scheduled service.

Should fares not be collected, the term revenue reflects miles, hours, and vehicles operated during passenger service.

## TPM Procedure

1. Receive TPM forms from operators (in SRTP).
2. Pull out all service categories weekday data [input].
3. Receive Section 15 reports.
4. Massage Series 300s cost data into miles, hours, and peak buses. (See operator's files for procedure.)
5. Assign cost to service categories [input]. (See operator's files for procedure.)
6. Input (2) and (5) into computer spreadsheet and generate ratios for the seven indicators.
7. A. Penalty 1: Find CPI change and establish cost change.  
B. Penalty 2: Revenue/cost compared to constant 33%.  
C. Penalty 3: Unweighed subsidy/passenger and compare (see file and program on disk).
8. Refer to individual folders for Section 15 manual calculations.
9. Refer to disk for spread sheet construction. (See TPM computer program file in cabinet.)



**TRANSIT PERFORMANCE MEASURES  
THREE-VARIABLE COST ALLOCATION WORKSHEET PROCEDURES**

**Items Needed:**

1. Audited Section 15 Report
2. Blank Three-Variable Cost Allocation worksheet
3. Previous year's completed Three-Variable worksheet

**Notes:**

The Three-Variable Cost Allocation process is a method for collapsing five categories of expenses into three. Expenses are reported in five categories in each operator's Section 15 Report, but the Transit Performance Measures (TPM) computer program uses only three categories of expenses to calculate cost statistics. Therefore, we use a hand-written worksheet to place all of the costs from the Section 15 Report into three columns that correspond to the TPM computer input variables: Vehicle Hours, Vehicle Miles, and Peak Vehicles.

For each operator, turn to Form 301/310/312 in the Section 15 Report (different operators use different forms). Make sure to use separate worksheets for dial-a-ride expenses and fixed route expenses. The Section 15 report should be labeled "MB" (motor bus, same as fixed route) or "DR" (dial-a-ride). Follow the 19-step guide for filling out the worksheet, starting with the Vehicle Hours column.

**TPMPROC.DR**

VEHICLE HOURS COLUMN  
COLUMN #1 OF 3

To Complete:

Locate the line number to be completed on the worksheet. Using the appropriate audited Section 15 Report, locate the item identified below and transfer the amount to the worksheet. Some items may be blank.

1.) Labor Section:

<u>Worksheet Line No.</u>	<u>Audited Section 15 Line No.</u>
010	Line 01, Vehicle Operations
030	Leave blank
042	Line 02, Vehicle Operations
042	Line 02, Non-Vehicle Maintenance
042	Line 03, Non-Vehicle Maintenance

2.) Fringe Section:

010	Line 03, Vehicle Operations
-----	-----------------------------

3.) Taxes Section:

Leave blank

4.) Services Section:

---	Line 04, Vehicle Operations
---	Line 04, Non-Vehicle Maintenance

VEHICLE MILES COLUMN  
COLUMN #2 OF 3

5.) Labor Section:

<u>Worksheet Line No.</u>	<u>Audited Section 15 Line No.</u>
041	Line 01, Vehicle Maintenance
041	Line 02, Vehicle Maintenance

6.) Fringe Section:

041	Line 03, Vehicle Maintenance
-----	------------------------------

7.) Material Section:

010	Line 05, Vehicle Operations
030	Line 07, Non-Vehicle Maintenance
041	Line 06, Vehicle Operations
042	Leave blank
020	Line 07, Vehicle Maintenance

8.) Casualty Section:

---	Line 09, Vehicle Operations
----	Line 09, Vehicle Maintenance
---	Line 09, Non-Vehicle Maintenance
---	Line 09, General Administration

9.) Taxes Section:

010	Line 10, Vehicle Operations
030	Line 10, Vehicle Maintenance
041	Line 10, General Administration

10.) Purchased Transportation:

Special Instructions: Look at previous year's worksheet. Use same percentages to add a portion of the the total to all 3 categories.

11.) Services Section:

---	Line 04, Vehicle Maintenance
-----	------------------------------

PEAK VEHICLES  
COLUMN #3 OF 3

12.) Labor Section:

<u>Worksheet Line No.</u>	<u>Audited Section 15 Line No.</u>
160	Line 02, General Administration
160	Line 03, General Administration

13.) Fringe Section:

160	Line 04, General Administration
-----	---------------------------------

14.) Material Section:

160	Line 05, General Administration
160	Line 06, General Administration
160	Line 07, General Administration

15.) Utilities Section:

---	Line 08, Vehicle Operations
---	Line 08, Vehicle Maintenance
---	Line 08, Non-Vehicle Maintenance
---	Line 08, General Administration

16.) Taxes Section:

Leave blank

17.) Service Section:

Leave blank

18.) Miscellaneous Section:

---	Line 13, Vehicle Operations
---	Line 13, Vehicle Maintenance
---	Line 13, Non-Vehicle Maintenance
---	Line 13, General Administration

19.) Expense Transfers:

---	Line 14, Vehicle Operations
---	Line 14, Vehicle Maintenance





# Formula Allocation Process

Funds allocated: Federal, State and Local

Participant: 16 Municipal Transit Operators and MTA

**Capital Program:** Funds allocated- Federal Section 5307

15 % Discretionary – Allocated on a needs and project merit basis.

85 % Capital – Formula Allocation Process.

## **Three Factors**

- 1/3 – total miles
- 1/3 – ½ fare units + ½ unlinked passengers
- 1/3 - Active fleet – (up to a maximum of peak buses + 20% for fixed route)- bus equivalent [number of seats/44 for Dial a Ride)

**Operating Program** – FAP: 2 Factors

- 50 % Revenue Service Miles
- 50 % Fare Units – defined as total farebox revenue divided by base fare (see attached)

The programs under the operating formula program are:

- TDA/STA (state funds): FAP
- Prop A Discretionary (Local): FAP (allocation of Prop A growth limited to CPI)

**Allocation Methodology:**

- 4 included operators shares are calculated as if they are in the FAP, their shares are removed and the 13 municipal operators and MTA shares are recalculated.
- The four eligible operators are funded from Prop A growth over CPI.
- Foothill Mitigation: (FAP)- allocation to mitigate for the expansion of Foothill. Difference in funding between Foothill service held at the original level as stated in the zone guidelines and Foothill's current service levels is , allocated to MTA and the Municipal operators.
- Interest: allocation based on each operator's share of funds.  
Interest only allocated to Municipal operators if it is allocated to MTA
- MOSIP (15 million) – FAP
- Transit Service Expansion (TSE) - only four operators in the program – level of funding at the original service levels increased by CPI each year.
- Base Restructuring- some operators, same allocation methodology as TSE,
- BSIP: FAP (funds held constant each year)
- Security: 10 % of prop C 5% off the top to MTA. 90 % allocated based on bus and rail boardings.

## Summary of Non-FAP Funded Programs

### Transit Service Expansion

Adopted June 27, 1990

TSE was developed in response to a request from Chairman Edelman for staff to implement short-term programs that would reduce congestion in identified corridors. Service proposals were solicited from cities and transit providers, 45 proposals were received. Prop A Discretionary unearned bonus TPM funds were assigned in FY91 and 92 and transitioned to Prop C 40% in FY 95.

Key attributes:

- New, fixed route service
- Measurably reduce congestion
- Distribute passengers to/from rail system
- Farebox recovery of at least 38%
- At least 5% of cost funded through Prop A Local Return

In 1996 State legislation (SB 1755) guaranteed continued funding of these services.

### 5% Security

Adopted April 22, 1992

Prop C 5% security funds are to be used to improve and expand rail and bus security for the county of Los Angeles. In 1996 State legislation (SB 1755) guaranteed distribution of this funding to all included and eligible operators by formula.

### Base Restructuring

Adopted May 27, 1992

Base restructuring was developed to address service expansions for operators between 1990 and 1992 during which the Prop A Discretionary 40% funds were frozen at 1990 "base" funding levels. The added services were to be given priority in the development of new fund uses. The program was originally funded with Prop A 40% funds and has transitioned to Prop C 40% funds after application of all Prop A to the FAP.

Key attributes:

- New, fixed route service since 1990
- Minimize fare increases
- Minimize service cutbacks
- Improve transit operator efficiency and effectiveness

In 1996 State legislation (SB 1755) guaranteed continued funding of these services.

**Bus System Improvement Plan**

Adopted July 24, 1996

BSIP was developed to achieve real improvements in the safety security quality and comfort of bus service in LA County for the transit dependent rider. Funded by Prop C 40%.

Key attributes:           Crowding relief  
                                  Mobility Improvements  
                                  Security

**Foothill Transit Mitigation**

September 27, 1995

Foothill Transit Mitigation provided funding to existing Eligible and Included Operators to mitigate the financial impact of designating Foothill Transit as an Included Operator adding Foothill Transit to the FAP. Funded by Prop C 40%.

**Municipal Operator System Improvement Program**

Adopted April 26, 2001

MOSIP was developed in response to pending state legislation (AB2643) to improve municipal operator service countywide. MTA was funded under a separate consent decree program. Funded by Prop C 40%.

Key attributes:           Assist MTA with reducing operating and capital costs through  
                                  collaboration  
                                  Reduce overlapping services and operate them at reduced cost  
                                  Reduce overcrowding  
                                  Expand services to transit dependent

### 3.1 LOS ANGELES COUNTY BUS TRANSIT FORMULA ALLOCATION PROCEDURE

The following procedure, which allocates certain transit subsidy funds (specifically Transportation Development Act funds authorized under SB 325, federal formula funds available for operating subsidies as authorized under Section 1607a of Title 49 of the United States Code, and State Transit Assistance funds distributed by formula under SB 620 among public transit operators in Los Angeles County, was originally adopted by the Los Angeles County Transportation Commission at its regular meeting of December 19, 1979, following a public hearing. The formula allocation procedure is required to be adopted and renewed by at least nine votes under Sections 99285(d) and 99285(e) of the California Public Utilities Code, as amended by AB 103. It was last renewed on June 26, 1991.

The formula below was continued by the MTA in accordance with state law (AB 152), which requires that:

PUC section 99285(d) The formula adopted by the Los Angeles County Metropolitan Transportation Authority shall be the same as the formula in existence on July 1, 1990, and shall remain in effect for at least five full fiscal years, commencing with the 1993-94 fiscal year. The MTA shall not reduce the total percentage share of revenues allocated during the 1990-91 fiscal year to the included municipal operators, as a whole, in existence on July 1, 1990, for at least five full fiscal years, commencing with the 1993-94 fiscal year. If a municipal operator significantly reduces service, a proportional share of that operator's funds allocated pursuant to this section may be reallocated.

Therefore, with certain exceptions [PUC section 99285 (e) and (f)], the MTA may not change the state and federal funding formula for five years, or until FY 99. The adopted formula allocation procedure is as follows:

TERMS OF FORMULA - The formula shall consist of the following factors:

- A. 50 percent weight on in-service revenue vehicle mileage;
- B. 50 percent weight on Fare Units (defined as total farebox revenue divided by the base fare).

This formula shall be applied to data from the most recent year for which audited actual results are available, usually the second year prior to the year of allocation. If a strike or other uncontrollable service disruption occurred in this year, annualized data shall be used.

If an operator increases service mileage during a fiscal year beyond what is shown in the approved Short Range Transit Plan, then the increase in mileage (as well as any increase in ridership attributable thereto) shall not be included in subsequent



calculations of funding shares under this formula, unless both the overall level of service provided by the operator and the associated recalculation of the formula have received the MTA's approval.

**EXTENSION THROUGH FY 1997-98** - The formula shall be in effect through Fiscal Year 1997-98. Formula allocations for Fiscal Years 1994-95, 1995-96, 1996-97, and 1997-98 shall be based on audited Fiscal Year 1992-93, 1993-94, 1994-95, and 1995-96 data, respectively. However, operators must annually submit completed Section 15 data by the FTA-approved deadline in order to receive their annual share of federal formula funds. (Operators whose tardy submission of Section 15 data results in a loss of federal funds to the Los Angeles-Long Beach Urbanized Area will have their formula share adjusted to reflect the total federal funds lost).

**SPLIT OF TDA, SECTION 9, AND STA** - In general, each operator's share of dollars from each funding source shall be equal to its formula share of the total from all three funding sources. However, if some deviation from this procedure is necessary to accommodate the specific administrative requirements of the particular funds, the MTA would be authorized to make the necessary adjustment after consultation with the affected operators, provided that the total TDA/Section 9/STA formula allocation to each operator is not reduced.

**CARRYOVER PROVISION** - Funds allocated by formula must be applied for in the year in which they are allocated, and will be available to the operator for a total of two (2) years - the year of allocation plus twelve (12) additional months. Reserving funds for specific capital projects constitutes "application" for funds. If reasonable progress toward expenditure of the funds has not been accomplished by this time, the funds are subject to reallocation. In the event the funds are reallocated as a result of the expiration of this carryover deadline, the operator who held the funds previously shall not participate in the reallocation.

If, however, funds are to be held beyond the year of allocation, the purpose of the fund accumulation should be documented in the Short Range Transit Plan (SRTP) at the beginning of the process. Later accumulations of funds should be generally consistent with the plan outlined in the SRTP. Any major change in the purpose for which funds are being accumulated will cause the allocation to be open to review with the possibility of reallocation. If funds are reallocated as a result of these reviews, the operator which previously held the funds shall not participate in the reallocation.

**FEDERAL FUND MAXIMIZATION** - In general, TDA or STA funds allocated by formula shall not be available as a 100 percent share of the cost of capital projects eligible for federal assistance, unless these projects are smaller than \$100,000 or approved by the MTA. However, exceptions to this policy will be warranted if all federal capital funds available in the county have been committed.

SERVICE COORDINATION COMPLIANCE - The MTA may reduce an operator's formula allocation if the operator is not in compliance with either a final resolution of a dispute under Article 7 of AB 103 or a final adopted transit coordination and service program (after appeals are heard and resolved) under Article 8. A "graduated response" by the MTA, starting with a "freeze" on allocations at the prior year level, is considered appropriate for dealing with non-compliance situations.

WITHHOLDING OF FUNDS FOR FUTURE-YEAR EXPENDITURE - The MTA shall assign all transit dollars available for formula allocation (i.e., after subtracting the rapid transit and discretionary percentage described below) to operators (according to the formula) in the fiscal year in which the funds become available. However, the MTA may withhold a portion of these funds (i.e., authorize a total amount of payments to operators which is less than the entire sum assigned to operators' accounts) if it finds that some of the funds will be needed to meet future-year capital or operating needs. The "future-year" funds attributable to each operator may be considered for use as a contingency fund for that operator to meet unanticipated subsidy requirements which may arise during the fiscal year.

RAPID TRANSIT SET-ASIDE - The MTA may, at its discretion, set aside a portion of STA and/or TDA funds, up to a maximum of \$100 million over ten years, as a local share for rapid transit projects. These funds will not be counted against the formula allocation of any bus operator.

DISCRETIONARY PERCENTAGE - Five percent of the total TDA, Section 9, and STA funds available for current-year allocation for bus transit purposes shall not be allocated by formula, but shall remain available to the MTA for allocation on a discretionary basis. This factor of five percent shall be applied to the funds remaining for allocation after the future-year set-asides and rapid transit set-asides have been subtracted. It is the intent of the MTA that the funds available for discretionary allocation will be allocated by the MTA at the same time, and to the same operators, as the formula funds (normally before the start of the fiscal year in which the funds become available).

RELATIONSHIP TO TRANSPORTATION IMPROVEMENT PROGRAM APPROVAL - Consistent with its legislative authority under AB 1246 to develop and adopt the TIP for Los Angeles County, the MTA retains the prerogative to disapprove or reduce funding, or to change the funding source, for any project proposed by an operator for inclusion in the TIP. However, the MTA's authority to reallocate the funds not used as a result of such actions is limited to the amount of this discretionary authority under paragraph (9): five percent of each operator's formula share of the funds currently available for allocation.

ARTICLE 4.5 - Consistent with past policy, the MTA will not process claims for TDA Article 4.5 purposes.



**ELIGIBILITY OF CONTRACT, SPECIAL EVENT, AND DIAL-A-RIDE SERVICE -** Only service miles and linked and unlinked boardings of transit service included in the Transit Performance Measurement (TPM) program shall be eligible for inclusion in the formula. However, the regular weekend operations of transit service included in the TPM program shall continue to be included in the formula. Service contracted by an operator to private operators (otherwise known as common carriers) shall be eligible for inclusion in the formula.

**AUDITING OF FORMULA DATA -** The MTA shall be responsible for auditing operators' reports of mileage and ridership, and shall bear the direct cost of such audits. The MTA may require information and documentation to be provided by operators to the extent necessary to perform these audits. Every effort will be made to use information already required for other reporting purposes.

**FUNDING OF NON-FIXED-ROUTE SERVICES -** No more than 0.25 percent of the annual amount distributed in the formula specified in paragraph (1) shall be allocated for the support of non-fixed route general purpose transportation services.



## Board Report

File #: 2022-0313, File Type: Budget

Agenda Number: 16.

**FINANCE, BUDGET, AND AUDIT COMMITTEE**  
**JUNE 15, 2022**

**SUBJECT: FISCAL YEAR 2022-23 TRANSIT FUND ALLOCATIONS**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

**CONSIDER:**

- A. APPROVING \$2.9 billion in FY 2022-23 (FY23) Transit Fund Allocations for Los Angeles County jurisdictions, transit operators and Metro operations as shown in Attachment A. These allocations comply with federal, state, and local regulations and LACMTA Board approved policies and guidelines;
- B. APPROVING fund exchanges in the estimated amount of \$3,323,653 of Metro's TDA Article 4 allocation with Municipal Operators' shares of Low Carbon Transit Operations Program. Funding will be adjusted based on LCTOP actual allocations;
- C. APPROVING fund exchanges in the estimated amount of \$975,482 of Metro's Prop C 40% allocation with Antelope Valley, Santa Clarita, Burbank and Pasadena's shares of Low Carbon Transit Operations Program. Funding will be adjusted based on LCTOP actual allocations;
- D. APPROVING fund exchange in the amount of \$ 170,195 of Metro's TDA Article 4 allocations with La Mirada Transit's share of FY17 Federal Section 5307 and \$199,062 of Metro's TDA Article 4 allocations with Arcadia Transit's share of FY17 Federal Section 5307;
- E. APPROVING Two-year lag funding for \$842,476 to Torrance Transit, Commerce Transit, and Long Beach Transit for the transitioned services from Metro as follows:
  - 1. The transfer of Metro Line 256 to City of Commerce Municipal Bus Lines consisting of 102,930 Revenue Miles and corresponding fundings in the amount of \$184,608;
  - 2. The transfer of a portion of Metro Line 130 to Torrance Transit consisting of 231,006 Revenue Miles and corresponding funding in the amount of \$414,163;
  - 3. The transfer of the eastern segment of Metro line 130 to Long Beach Transit consisting of 135,893 Revenue Miles and corresponding funding in the amount of \$243,705;
- F. APPROVING base funding increase from \$6.0 million to \$7.4 million in FY23 for Tier 2 Operators to accommodate local fund exchanges of American Recovery Plan Act (ARPA) Funding as approved by the LACMTA Board of Directors;
- G. APPROVING the execution of \$9.2 million local fund exchanges as appropriate to implement the Board approved ARPA allocations;

- H. APPROVING fund exchange of Federal Section 5307 discretionary fund awarded to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit in the amount of \$360,000 with Metro's TDA Article 4 allocation;
- I. APPROVING fund exchanges in the amount totaling \$17.1 million of Metro's Federal Section 5307 share with Municipal Operators' shares of Federal Sections 5337 and 5339;
- J. AUTHORIZING the Chief Executive Officer to adjust FY23 Federal Section 5307 (Urbanized Formula), Section 5339 (Bus and Bus Facilities) and Section 5337 (State of Good Repair) allocations upon receipt of final apportionments from the Federal Transit Authority and amend FY23 budget as necessary to reflect the adjustment;
- K. AUTHORIZING a \$1.26 million allocation to LIFE Program Administrators, FAME Assistance Corporation (FAME) and the International Institute of Los Angeles (IILA) to fund the FY23 Taxi Voucher component of the LIFE Program;
- L. ADOPTING a resolution designating Transportation Development Act (TDA) and State Transit Assistance (STA) fund allocations are in compliance with the terms and conditions of the allocations (Attachment B);
- M. APPROVING the reallocation of \$10 million in greater than anticipated FY22 Federal Section 5307 funds, plus additional allocations of \$5 million in FY24 and \$5 million in FY26 Federal Section 5307 funds in support of Local Operators Capital Requirements (Attachment C);
- N. APPROVING fund exchange of FY22 Federal Section 5307 funds in the amount of \$10 million allocated to Local Operators with other local funds as appropriate to accelerate grant approval and disbursement of funds by the Federal Transit Administration; and
- O. AUTHORIZING the Chief Executive Officer to negotiate and execute all necessary agreements to implement the above funding programs.

### **ISSUE**

Each year, transit operating and capital funds consisting of federal, state, and local revenues are allocated to Metro operations, transit operators, and Los Angeles County local jurisdictions for programs, projects, and services according to federal guidelines, state laws, and established funding policies and procedures. The Board of Directors must approve allocations for FY23 prior to fund disbursement.

The Municipal operators are requesting fund exchanges of their Federal Sections 5339 and 5337 allocations with Metro's share of Federal Section 5307 allocation to minimize the impact on administrative processes associated with these funding programs.

The Municipal operators, Burbank, and Pasadena are requesting fund exchanges of their LCTOP allocations with Metro's TDA Article 4 and Prop C 40% fund allocations to minimize the impact on administrative processes associated with these funding programs.

### **BACKGROUND**

The Los Angeles County Metropolitan Transportation Authority (LACMTA), as the Regional Transportation Commission for Los Angeles County, is responsible for planning, programming, and allocating transportation funding to Los Angeles County jurisdictions, transit operators, and Metro Operations. LACMTA Board approval will allow the continued funding of transportation projects, programs, and services in Los Angeles County.

### **DISCUSSION**

In Los Angeles County, commuters continue to rely on public transit to get where they need to go, even as the COVID-19 pandemic has forced riders to maintain social distancing and other safety measures. Transit Operators have had to adapt



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to a changing environment, adjusting service plans to respond to lower ridership and lack of available drivers during the pandemic which has forced agencies to cut bus service hours. In FY21, transit service levels were reduced to align service with on-street realities.

As more Americans get vaccinated and many start returning to workplaces, Metro staff believes that FY21 represents the re-baselined representation of the transit services and ridership index for LA County transit agencies. In consultation with the Bus Operations Subcommittee (BOS) members on March 15, 2022, Metro staff recommended to use FY21 vehicle service miles statistics to allocate State and Local funds and fare revenue data to be held constant at FY19 level. The current year, FY22 used a two-year average of service variables as the basis of the allocation in order to smooth the impacts of the COVID-19 pandemic. For federal grant allocations, Metro staff recommended the use of FY19 data to more accurately represent the need for future capital funding investments. BOS members concurred with Metro's recommendation on the assumption that the discussion will be continued next year to choose the best option for FY24.

### **Transit Fund Allocations**

The recommended FY23 Transit Fund Allocations are developed according to federal, state, and local requirements, as well as policies and guidelines previously approved by LACMTA Board. Details of significant information, methodologies and assumptions are described in **Attachment D**.

The Tier 2 Operators Funding Program will receive \$7.4 million of funding from Proposition A 95% of 40% Discretionary growth over inflation. This allocation includes a total of \$1,353,230 in ARPA funding as approved by the LACMTA Board of Directors, and the ARPA funds will be exchanged with local funds.

The Sub-Regional Paratransit operators, Voluntary NTD Reporting agencies, Avalon Ferry, Avalon Transit Services and Hollywood Bowl Shuttle Services will receive \$ 9,206,853 in ARPA funding as approved by the LACMTA Board of Directors, and the ARPA funds will be exchanged with local funds.

At its April 2022 meeting, the BOS awarded \$360,000 a year for three years of Federal Section 5307 15% Discretionary fund to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit. Funds will be exchanged with Metro's share of the Transportation Development Act (TDA) Article 4 fund.

Staff has reviewed the recommended allocations, related methodologies and assumptions with Metro operations, transit operators, Los Angeles County local jurisdictions, Technical Advisory Committee (TAC), Bus Operations Subcommittee (BOS) and the Local Transit Systems Subcommittee (LTSS). The TAC, BOS and LTSS have all formally adopted the recommended FY23 Transit Fund Allocations.

### **Low Income Fares is Easy (LIFE) Program**

The LIFE program, in addition to the provision of fare subsidies, provides Taxi Vouchers to individuals with short term/immediate need transit services who are otherwise unable to use fixed route transit. Taxi Vouchers and their required reimbursements to Taxi providers are managed by the program administrators and distributed to the rider, through approved agencies such as hospitals and shelters, to provide trips categorized by mobility or health limitations, urgency, or safety. Funding to accommodate Taxi reimbursements and voucher printing are to be allocated as follows: \$840,000 to FAME, and \$420,000 to IILA.

### **Reallocation of FY22 Actual Federal Section 5307 Capital Revenues**

As a result of the Federal Infrastructure Investment and Jobs Act (IIJA), additional revenues have been allocated to Los Angeles County under Federal Section 5307 funds for FY22. This funding is estimated to equal approximately \$58.6 million, or 28%, above previously allocated levels. Staff, working with members of the BOS, Los Angeles County Municipal Operators Association (LACMOA), and the Alliance of Local Transit Operators, is recommending that \$10 million of these greater than anticipated revenues in FY22, and additional even-year allocations of \$5 million in FY24 and FY26 be made available to address the capital needs of Local Operators, particularly the mandated conversion to electric or other zero emission vehicles. This will total \$20 million for the life of the IIJA. The currently eligible individual operators would receive an allocation approximately 23% greater than that originally approved by the Metro Board.

**DETERMINATION OF SAFETY IMPACT**

Adoption of this item will provide funding for increased safety efforts.

**FINANCIAL IMPACT**

The FY23 Transit Fund Allocations are included in the FY23 Budget in multiple cost centers and multiple projects. Approval of these recommendations authorizes LACMTA to disburse these funds to the Los Angeles County jurisdictions and transit operators.

**EQUITY PLATFORM**

Under Board-adopted guidelines, this item enables the programming of funds to recipients to support the implementation of various transportation projects and improvements throughout the region. The FY23 Transit Fund Allocations referenced in Attachment A are expected to provide benefits to people walking, biking, and taking transit, including those with disabilities. Further, the LIFE program is targeted to assist transit riders with lower incomes to their mobility barriers. Through the process of public input and engagement, local decision making, and project implementation, cities and unincorporated areas of the county, and transit operators are empowered to appropriately and equitably address the needs of their communities.

**ALTERNATIVES CONSIDERED**

The Board may choose not to approve the FY23 Transit Fund Allocations and instruct staff to use an alternative methodology for allocation. This alternative is not recommended as federal, state, and local requirements, as well as prior LACMTA Board policies and guidelines require an annual allocation of funding to Los Angeles County jurisdictions, transit operators, and Metro Operations for programs, projects and services. Allocation methodologies and assumptions comply with federal, state, and local requirements, as well as policies and guidelines previously approved by LACMTA Board and have been agreed upon by affected operators and jurisdictions.

**NEXT STEPS**

Upon Board approval of the recommended allocations and adoption of the resolution, we will work with Los Angeles County jurisdictions, transit operators, Southern California Association of Governments (SCAG) and Metro Operations to ensure the proper disbursement of funds.

**ATTACHMENTS**

- Attachment A - FY23 Transit Fund Allocations
- Attachment B - TDA and STA Resolution
- Attachment C - FY22 Federal Final Actual Transit Fund Allocations
- Attachment D - Summary of Significant Information, Methodologies and Assumptions

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Stephanie N. Wiggins  
Chief Executive Officer

Los Angeles County Metropolitan Transportation Authority  
2023 Transit Fund Allocations

**RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY FOR FISCAL YEAR 2022-2023 FOR LOCAL TRANSPORTATION, TRANSPORTATION DEVELOPMENT ACT, AND STATE TRANSIT ASSISTANCE FUND ALLOCATIONS**

**WHEREAS**, the Los Angeles County Metropolitan Transportation Authority (LACMTA) is the designated Transportation Planning agency for the County of Los Angeles and is, therefore, responsible for the administration of the Transportation Development Act (TDA), Public Utilities Code Section 99200 et seq.; and

**WHEREAS**, under Chapter 2.5, Article 5, the State Transit Assistance Fund (STA) Section 6753, allocations to claimants shall be made and take effect by resolution and shall designate: 1) the fiscal year for which the allocation is made; 2) the amount allocated to the claimant for each of the purposes defined in Sections 6730 and 6731; and 3) any other terms and conditions of the allocation; and

**WHEREAS**, Section 6659 requires that allocation instructions be conveyed each year to the county auditor by written memorandum of its executive director and accompanied by a certified copy of the authorizing resolution; and

**WHEREAS**, the resolution shall also specify conditions of payment and may call for a single payment, for payments as moneys become available, or for payment by installments monthly, quarterly, or otherwise; and

**WHEREAS**, the amount of a regional entity's allocation for a fiscal year that is not allocated to claimants for that fiscal year shall be available to the regional entity for allocation in the following fiscal year; and

**WHEREAS**, Section 6754 requires that the regional entity may allocate funds to an operator or a transit service claimant only if, in the resolution allocating the funds, it finds all of the following:

- a.1 The claimant's proposed expenditures are in conformity with the Regional Transportation Plan.
- a.2 The level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements of PUC Section 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, as they may be applicable to the claimant.
- a.3 The claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964, as amended.

**Los Angeles County Metropolitan Transportation Authority  
2023 Transit Fund Allocations**

- a.4 The sum of the claimant's allocations from the state transit assistance fund and from the local transportation fund does not exceed the amount the claimant is eligible to receive during the fiscal year.
- a.5 Priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

**WHEREAS**, the regional entity may allocate funds to an operator for the purposes specified in Section 6730 only if, in the resolution allocating the funds, it finds all of the following:

- b.1 The operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244.
- b.2 A certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle code, as required in PUC Section 99251. The certification shall have been completed within the last 13 month, prior to filing claims.
- b.3 The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7

**WHEREAS**, the regional entity may allocate funds to an operator to exchange funds pursuant to PUC Section 99314.4(b) only if, in the resolution allocating the funds made available pursuant to PUC Section 99231, it find that the operator is eligible to receive State Transit Assistance funds; and

**WHEREAS**, LACMTA staff in consultation with the Transit Operators and Cities has developed allocations in accordance with the Transportation Development Act as previously specified.

**NOW THEREFORE,**

- 1.0 The LACMTA Board of Directors approves the allocation of TDA and STA for the Fiscal Year 2022-23 to each claimant for each of the purposes as specified in Attachments A.
- 2.0 The Board of Directors hereby finds that a claimant's proposed expenditures are in conformity with the Regional Transportation Plan., the level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements; the claimant is making full use of federal funds



**Los Angeles County Metropolitan Transportation Authority  
2023 Transit Fund Allocations**

available under the Urban Mass Transportation Act of 1964; the sum of the claimant's allocations from the State Transit Assistance fund and from the Local Transportation Fund do not exceed the amount the claimant is eligible to receive during the fiscal year; and that priority consideration has been given to claims to offset reductions on federal operating assistance and the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high priority regional, countywide, or area wide public transportation needs.

- 3.0 The Board of Directors hereby finds that, for the purposes specified in Section 6730, the operators eligible for funding have made reasonable efforts to implement the productivity improvements recommended pursuant to PUC Section 99244. A certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, has been remitted. The operator is in compliance with the eligibility requirements of PUC Section 99314.6 or 99314.7
- 4.0 The Board of Directors hereby authorizes that the operators listed in Attachment A are eligible to receive State Transit Assistance funds.
- 5.0 The Board of Directors hereby authorizes that the operators may receive payments upon meeting the requirements of the STA eligibility test and submittal of TDA and STA claims.

**CERTIFICATION**

The undersigned, duly qualified and acting as the Board Secretary 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 June 2022.

\_\_\_\_\_  
COLLETTE LANGSTONE  
Board Secretary

DATED:  
(SEAL)

Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022

**ATTACHMENT C**



Bus Transit Subsidies

**FEDERAL FORMULA GRANTS**

**Fiscal Year 2022**

**PROPOSED**

**Final Actual Allocations**

June 07, 2022

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**FY 2022 FEDERAL FORMULA GRANTS ACTUAL REVENUE**

Los Angeles County Share of Los Angeles-Long Beach-Anaheim UZA

1	<b><u>Section 5307 Urbanized Area Formula Grants:</u></b>		
	Estimated Revenue		<b>\$ 317,929,002</b>
2	Estimated Revenue	\$ 317,929,002	
3	Off the Top:		
	1% Enhancement Allocation	(3,179,290)	
4		<u>\$ 314,749,712</u>	
5	85% Formula Allocation	\$ 267,537,255	
6	15% Discretionary Allocation	47,212,457	
7		<u>\$ 314,749,712</u>	
8	<b><u>Section 5339 Bus and Bus Facilities Formula Grants:</u></b>		
	Estimated Revenue		<b>\$ 24,549,578</b>
	<b><u>Section 5337 State of Good Repair (LA County Share of LA UZA 2):</u></b>		
	<b>High Intensity Fixed Guideway:</b>		
9	Directional Route Miles (DRM) Generated	\$ 49,388,763	
10	Vehicle Revenue Miles (VRM) Generated	85,584,206	
11		<u>\$ 134,972,969</u>	
	<b>High Intensity Motorbus:</b>		
12	Directional Route Miles (DRM) Generated	\$ 3,604,592	
13	Vehicle Revenue Miles (VRM) Generated	4,682,176	
14		<u>\$ 8,286,768</u>	
15	<b>Section 5337 State of Good Repair Total Estimated Revenue</b>		<b>\$ 143,259,737</b>
16	<b>Total Federal Formula Funds Available</b>		<b>\$ 485,738,317</b>

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**5307 Revised Allocation (Proposed)**

(\$ Millions)				
	Adopted	Actual	Variance	% Delta
1% Off the top (1)	\$ 2.48	\$ 3.16	\$ 0.67	27.0%
15% Discretionary Pool (1)	36.88	47.24	10.36	28.1%
85% Formula Pool	208.97	267.54	58.57	28.0%
<b>Total</b>	<b>\$ 248.33</b>	<b>\$ 317.93</b>	<b>\$ 69.60</b>	<b>28.0%</b>

**Recommendation**

- (1) - Maintain 1% and 15% pools as allocated including positive variance
- Pro-rated to recipients up to 100% of FY22 Request
  - 1% pool fulfillment of requests leads to a shift of \$24,336 to 15% pool
- Create a \$10 million carve out for Local Operators (LO) from 85% Formula Pool
- Assumes funding is for exclusively capital expenditures
- Assumes available funding subject to an internal Call for Projects among eligible operators
- Staff would propose an additional even-year allocation of 5307 85% Formula funding of \$5M per (FY's 24/26)

**Impacts**

	Adopted	Actual	Variance	% Delta
85% Formula Pool	\$ 208.97	\$ 267.54	\$ 58.57	
Local Operators Carve Out		(10.00)	(10.00)	
<b>Balance</b>	208.97	257.54	48.57	23.2%
Metro	141.32	174.17	32.84	
Municipal Operators	67.65	83.37	15.72	
<b>Balance</b>	<b>\$ 208.97</b>	<b>\$ 257.54</b>	<b>\$ 48.57</b>	<b>23.2%</b>
<b>Metro Impact</b>			\$ (6.76)	
<b>Municipal Operators Impact</b>			\$ (3.24)	
			<b>\$ (10.00)</b>	

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022  
FISCAL YEAR 2022  
FEDERAL SECTION 5307 CAPITAL ALLOCATION**

	OPERATOR	LA UZA 2 NET FORMULA SHARE	85% Formula Allocations PROPOSED	15% DISCRETIONARY ALLOCATION		1% ENHANCEMENT ALLOCATION		TOTAL	TDA Fund Exchange	S5339/S5337 Fund Exchange (1)	Total Funds Available
				Project Title	Amount	Project Title	Amount				
1	Antelope Valley	0.1154%	\$ 297,311	Battery Electric Commuter Coach Replacement	\$ 928,799			\$ 1,226,111		\$ 794,871	\$ 2,020,982
2	Arcadia	0.1653%	425,661					425,661		40,576	466,236
3	Claremont	0.0596%	153,398					153,398		14,623	168,021
4	Commerce	0.3453%	889,354	CNG Replacement Buses	2,360,806	Eastern Avenue Transit Hub	596,800	3,846,960		84,777	3,931,737
5	Culver City	1.4611%	3,762,994	Battery Electric Buses	2,170,990	Design and Build 10 TAILS	180,000	6,113,984		358,705	6,472,689
6	Foothill Transit	8.5786%	22,093,001	Zero-Emission Hydrogen Fuel Cell Buses	3,338,746			25,431,748		6,774,358	32,206,106
7	Gardena	1.2831%	3,304,490	CNG Replacement Buses	3,476,744			6,781,234		314,998	7,096,232
8	LADOT	3.9013%	10,047,267	Propane to Electric Buses	1,756,092			11,803,359		1,955,339	13,758,698
9	La Mirada	0.0668%	172,047					172,047		16,400	188,447
10	Long Beach Transit	6.4505%	16,612,509	Admin., Operating & Maintenance Facility Rehab	2,252,736	Bus Stop Improvements - Phase 2	550,000	19,745,244 (2)	(330,000)	1,817,815	21,233,060
11	Montebello	1.9227%	4,951,787	Regional Training (2)	330,000			4,951,787		472,026	5,423,813
12	Metro Bus Ops.	67.6283%	174,168,130	Bus Midlife Refurbishment - 900 New Flyer Xcelsior	23,634,571	Bus Stop Lighting with Security Enhancements	1,272,000	199,074,701 (2)	330,000	(14,712,743)	184,691,958
13	Norwalk	0.7057%	1,817,361	Five Battery Electric Buses	2,069,081	Phase IV Bus Stop Improvement Program	276,154	4,162,596		173,239	4,335,835
14	Redondo Beach	0.3408%	877,807					877,807		83,676	961,483
15	Santa Clarita	0.7914%	2,038,084	Commuter Bus Replacement	1,363,410			3,401,494		194,279	3,595,773
16	Santa Monica	4.7246%	12,167,548	Bus Replacement	3,554,817	Bus Stop Enhancements	280,000	16,002,365		1,258,783	17,261,148
16	Torrance	1.4594%	3,758,506					3,758,506		358,277	4,116,783
17	<b>TOTAL</b>	<b>100.0000%</b>	<b>\$ 257,537,255</b>		<b>\$ 47,236,792</b>		<b>\$ 3,154,954</b>	<b>\$ 307,929,001</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 307,929,001</b>

**Notes:** Total may not add due to rounding.

(1) Operators' share of Section 5337 and 5339 will be exchanged with Metro's share of Section 5307 allocation.

(2) Second year of fund allocations to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit. Funds to the SCR TTC will be exchanged with Metro's TDA share.



**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**FY22 ACTUAL Federal 5307 Capital Allocation**

**15% Discretionary Allocation and 1% Enhancement Allocation**

OPERATOR	15% DISCRETIONARY ALLOCATION <sup>(1)</sup>				1% ENHANCEMENT ALLOCATION <sup>(2)</sup>		
	Project Title	Estimated Allocation	Requested amount	FY22 Actual Allocation	Project Title	Estimated Allocation	FY22 Actual Allocation (=Requested amount)
1 Antelope Valley	Battery Electric Commuter Coach Replacement	\$ 717,399	\$ 1,576,701	\$ 928,799			
2 Arcadia							
3 Claremont							
4 Commerce	CNG Replacement Buses	2,121,733	2,360,806	2,360,806	Eastern Avenue Transit Hub	537,120	596,800
5 Culver City	Battery Electric Buses	1,676,860	4,140,394	2,170,990	Design and Build 10 TAILS	162,000	180,000
6 Foothill Transit	Zero-Emission Hydrogen Fuel Cell Buses	2,578,828	5,928,340	3,338,746			
7 Gardena	CNG Replacement Buses	2,685,417	5,902,016	3,476,744			
8 LADOT	Propane to Electric Buses	1,356,395	2,981,088	1,756,092			
9 La Mirada							
10 Long Beach Transit	Admin., Operating & Maintenance Facility Rehab	1,740,000	4,000,000	2,252,736	Bus Stop Improvements - Phase 2	467,500	550,000
	Regional Training	330,000	330,000	330,000			
11 Montebello							
12 Metro Bus Ops.	Bus Midlife Refurbishment - 900 New Flyer Xcelsior	18,273,588	126,510,400	23,634,571	Bus Stop Lighting with Security Enhancements	857,769	1,272,000
13 Norwalk	Five Battery Electric Buses	1,598,146	3,673,899	2,069,081	Phase IV Bus Stop Improvement Program	220,923	276,154
14 Redondo Beach							
15 Santa Clarita	Commuter Bus Replacement	1,053,090	2,632,726	1,363,410			
16 Santa Monica	Bus Replacement	2,745,720	6,312,000	3,554,817	Bus Stop Enhancements	238,000	280,000
17 Torrance							
18 <b>TOTAL</b>		<b>\$ 36,877,176</b>	<b>\$ 166,348,370</b>	<b>\$ 47,236,792</b>		<b>\$ 2,483,312</b>	<b>\$ 3,154,954</b>

Note:

(1) The City of Commerce share of actual allocation of 15% fund was \$360,928 more than their requested amount. This amount was proportionally reallocated to the other operators within 15% pool.

(2) After allocating 100% of requested amount of the 1% pool to the operators, \$24,336 excess amount was added to the 15% pool.

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**Federal Section 5307 Capital Allocations  
85% Formula Allocations**

	<b>OPERATOR</b>	<b>LA UZA 2 NET FORMULA SHARE</b>	<b>FY22 Estimate</b>	<b>85% Formula Allocations ACTUAL</b>	<b>\$10M Contribution</b>	<b>85% Formula Allocations PROPOSED</b>
1	Antelope Valley	0.1154%	\$ 241,244	\$ 308,856	\$ (11,544)	\$ 297,311
2	Arcadia	0.1653%	345,389	442,189	(16,528)	425,661
3	Claremont	0.0596%	124,470	159,355	(5,956)	153,398
4	Commerce	0.3453%	721,639	923,887	(34,533)	889,354
5	Culver City	1.4611%	3,053,365	3,909,109	(146,115)	3,762,994
6	Foothill Transit	8.5786%	17,926,685	22,950,858	(857,857)	22,093,001
7	Gardena	1.2831%	2,681,326	3,432,801	(128,311)	3,304,490
8	LADOT	3.9013%	8,152,545	10,437,396	(390,129)	10,047,267
9	La Mirada	0.0668%	139,602	178,727	(6,680)	172,047
10	Long Beach Transit	6.4505%	13,479,708	17,257,561	(645,053)	16,612,509
11	Montebello	1.9227%	4,017,975	5,144,062	(192,275)	4,951,787
12	Metro Bus Ops.	67.6283%	141,323,358	180,930,962	(6,762,832)	174,168,130
13	Norwalk	0.7057%	1,474,642	1,887,928	(70,567)	1,817,361
14	Redondo Beach	0.3408%	712,269	911,892	(34,085)	877,807
15	Santa Clarita	0.7914%	1,653,740	2,117,221	(79,137)	2,038,084
16	Santa Monica	4.7246%	9,872,982	12,640,006	(472,458)	12,167,548
17	Torrance	1.4594%	3,049,724	3,904,446	(145,940)	3,758,506
18	<b>TOTAL</b>	<b>100.0000%</b>	<b>\$ 208,970,663</b>	<b>\$ 267,537,255</b>	<b>\$ (10,000,000)</b>	<b>\$ 257,537,255</b>

**Notes:** Total may not add due to rounding.

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**FEDERAL SECTION 5337 - STATE OF GOOD REPAIR**

Actual apportionment

LOS ANGELES COUNTY SHARE (UZA 2)	Directional Route Miles (DRM) Allocation			Vehicle Revenue Miles (VRM) Allocation			Total \$ Allocation	Fund Exchange	Net Funds Available <sup>(1)</sup>
	DRM	DRM%	DRM \$Allocation	VRM	VRM%	VRM \$Allocation			
<b>High Intensity Fixed Guideway:</b>									
1 Metro (Including Metrolink)	485.4	99.774%	\$ 49,277,093	27,684,200	98.806%	\$ 84,562,064	\$ 133,839,157	\$ 1,133,812	\$ 134,972,969
2 Long Beach Transit	0.5	0.103%	50,759	60,068	0.214%	183,479	234,238	(234,238)	-
3 Santa Monica	0.6	0.123%	60,911	12,443	0.044%	38,007	98,919	(98,919)	-
4 Foothill Transit	-	0.000%	-	262,121	0.936%	800,655	800,655	(800,655)	-
5 Sub-total	486.5	100.000%	49,388,763	28,018,832	100.000%	85,584,206	134,972,969	-	134,972,969
<b>High Intensity Motorbus:</b>									
6 Antelope Valley	23.6	15.003%	540,803	116,374	4.821%	225,727	766,530	(766,530)	-
7 Foothill Transit	39.4	25.048%	902,867	1,528,527	63.322%	2,964,835	3,867,701	(3,867,701)	-
8 LADOT	35.1	22.314%	804,330	99,635	4.128%	193,259	997,589	(997,589)	-
9 Metro Bus Ops.	59.2	37.635%	1,356,592	669,370	27.730%	1,298,356	2,654,947	5,631,821	8,286,768
10 Sub-total	157.3	100.00%	3,604,592	2,413,906	100.000%	4,682,176	8,286,768	-	8,286,768
11 <b>Total LA County Share - UZA 2</b>	<b>643.80</b>		<b>\$ 52,993,355</b>	<b>30,432,738</b>	<b>200.000%</b>	<b>\$ 90,266,382</b>	<b>\$ 143,259,737</b>	<b>\$ -</b>	<b>\$ 143,259,737</b>

Note:

(1) Operators' share of Section 5337 will be exchanged with Metro's share of Section 5307 allocation.

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**FEDERAL SECTION 5339 - BUS AND BUS CAPITAL ALLOCATION**

Actual apportionment

	OPERATOR	LA UZA 2 NET FORMULA SHARE	Net Formula Share	Fund Exchange	Net Funds Available <sup>(1)</sup>
1	Antelope Valley	0.1154%	\$ 28,341	\$ (28,341)	\$ -
2	Arcadia	0.1653%	40,576	(40,576)	-
3	Claremont	0.0596%	14,623	(14,623)	-
4	Commerce	0.3453%	84,777	(84,777)	-
5	Culver City	1.4611%	358,705	(358,705)	-
6	Foothill	8.5786%	2,106,002	(2,106,002)	-
7	Gardena	1.2831%	314,998	(314,998)	-
8	LADOT	3.9013%	957,749	(957,749)	-
9	La Mirada	0.0668%	16,400	(16,400)	-
10	Long Beach	6.4505%	1,583,577	(1,583,577)	-
11	Montebello	1.9227%	472,026	(472,026)	-
12	Metro Bus Ops.	67.6283%	16,602,468	7,947,110	24,549,578
13	Norwalk	0.7057%	173,239	(173,239)	-
14	Redondo Beach	0.3408%	83,676	(83,676)	-
15	Santa Clarita	0.7914%	194,279	(194,279)	-
16	Santa Monica	4.7246%	1,159,864	(1,159,864)	-
17	Torrance	1.4594%	358,277	(358,277)	-
18	<b>TOTAL</b>	<b>100.0000%</b>	<b>\$ 24,549,578</b>	<b>\$ -</b>	<b>\$ 24,549,578</b>

Note:

(1) Operators' share of Section 5339 will be exchanged with Metro's share of Section 5307 allocation.

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**Summary of Bus Transit Subsidies  
Fiscal Year 2022**

**ACTUAL FEDERAL FORMULA GRANTS**

Operators	Urbanized Formula Program (Section 5307)			Bus & Bus Facilities (Section 5339)			State of Good Repair (Section 5337)			Total
	FY22\$Allocation	Fund Exchanges	Adjusted \$ Allocation	FY22 \$Allocation	Fund Exchange	Adjusted \$ Allocation	FY22 \$Allocation	Fund Exchange	Adjusted \$ Allocation	
	<b>Included Operators:</b>									
1 Metro Bus Ops	\$ 199,074,701	\$ (14,382,743)	\$ 184,691,958	\$ 16,602,468	\$ 7,947,110	\$ 24,549,578	\$ 136,494,104	\$ 6,765,633	\$ 143,259,737	\$ 352,501,273
<b>Municipal Operators:</b>										
2 Arcadia	425,661	40,576	466,236	40,576	(40,576)	-	-	-	-	466,236
3 Claremont	153,398	14,623	168,021	14,623	(14,623)	-	-	-	-	168,021
4 Commerce	3,846,960	84,777	3,931,737	84,777	(84,777)	-	-	-	-	3,931,737
5 Culver City	6,113,984	358,705	6,472,689	358,705	(358,705)	-	-	-	-	6,472,689
6 Foothill Transit	25,431,748	6,774,358	32,206,106	2,106,002	(2,106,002)	-	4,668,356	(4,668,356)	-	32,206,106
7 Gardena	6,781,234	314,998	7,096,232	314,998	(314,998)	-	-	-	-	7,096,232
8 La Mirada	172,047	16,400	188,447	16,400	(16,400)	-	-	-	-	188,447
9 Long Beach	19,745,244	1,487,815	21,233,060	1,583,577	(1,583,577)	-	234,238	(234,238)	-	21,233,060
10 Montebello	4,951,787	472,026	5,423,813	472,026	(472,026)	-	-	-	-	5,423,813
11 Norwalk	4,162,596	173,239	4,335,835	173,239	(173,239)	-	-	-	-	4,335,835
12 Redondo Beach	877,807	83,676	961,483	83,676	(83,676)	-	-	-	-	961,483
13 Santa Monica	16,002,365	1,258,783	17,261,148	1,159,864	(1,159,864)	-	98,919	(98,919)	-	17,261,148
14 Torrance	3,758,506	358,277	4,116,783	358,277	(358,277)	-	-	-	-	4,116,783
15 Sub-Total	92,423,337	11,438,254	103,861,591	6,766,740	(6,766,740)	-	5,001,513	(5,001,513)	-	103,861,591
<b>Eligible Operators:</b>										
16 Antelope Valley	1,226,111	794,871	2,020,982	28,341	(28,341)	-	766,530	(766,530)	-	2,020,982
17 LADOT	11,803,359	1,955,339	13,758,698	957,749	(957,749)	-	997,589	(997,589)	-	13,758,698
18 Santa Clarita	3,401,494	194,279	3,595,773	194,279	(194,279)	-	-	-	-	3,595,773
19 Foothill BSCP	-	-	-	-	-	-	-	-	-	-
20 Sub-Total	16,430,963	2,944,489	19,375,453	1,180,370	(1,180,370)	-	1,764,120	(1,764,120)	-	19,375,453
21 Total Excluding Metro	108,854,301	14,382,743	123,237,043	7,947,110	(7,947,110)	-	6,765,633	(6,765,633)	-	123,237,043
22 Re-Allocated to Local Operators (1)			10,000,000							10,000,000
23 <b>Grand Total</b>	<b>\$ 307,929,001</b>	<b>\$ -</b>	<b>\$ 317,929,001</b>	<b>\$ 24,549,578</b>	<b>\$ -</b>	<b>\$ 24,549,578</b>	<b>\$ 143,259,737</b>	<b>\$ -</b>	<b>\$ 143,259,737</b>	<b>\$ 485,738,316</b>

Note: Totals may not add due to rounding.

(1) The 5307 funds allocated to Local Operators will be exchanged with Metro's local funds.



**Los Angeles County Metropolitan Transportation Authority  
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Fiscal Year 2022**

**CAPITAL ALLOCATION % SHARE CALCULATION**

	OPERATOR	MILEAGE CALCULATION				ACTIVE FLEET CALCULATION						
		Local Vehicle Miles [Input]	Express Vehicle Miles [Input]	Total Miles Weighted 60% Local/ 40% Express	1/3 Weight	Active Fleet (1) [Input]	Peak Bus Fixed Route (2) [Input]	Allowable Peak Bus (Peak+20%)	DAR Seats (3) [Input]	Bus Eqvt. (44 Seats per Bus)	Total Active Vehicle	1/3 Weight
1	Antelope Valley	2,446,104	1,358,830	2,011,194	0.8153%	80	71	80.0	0	0.0	80.0	0.6989%
2	Arcadia DR	103,481	-	62,089	0.0252%	0	0	0.0	102	2.3	2.3	0.0203%
3	Arcadia MB	188,621	-	113,173	0.0459%	8	6	7.2	0	0.0	7.2	0.0629%
4	Claremont	48,300	-	28,980	0.0117%	0	0	0.0	218	5.0	5.0	0.0433%
5	Commerce	475,304	-	285,182	0.1156%	19	15	18.0	48	1.1	19.1	0.1668%
6	Culver City	1,832,828	-	1,099,697	0.4458%	54	44	52.8	0	0.0	52.8	0.4613%
7	Foothill Transit	10,319,428	6,972,134	8,980,510	3.6405%	347	303	347.0	0	0.0	347.0	3.0316%
8	Gardena	1,770,445	-	1,062,267	0.4306%	54	43	51.6	0	0.0	51.6	0.4508%
9	LADOT	2,982,484	2,943,835	2,967,024	1.2028%	199	170	199.0	0	0.0	199.0	1.7386%
10	La Mirada	73,476	-	44,086	0.0179%	0	0	0.0	208	4.7	4.7	0.0413%
11	Long Beach	8,195,601	-	4,917,361	1.9934%	234	196	234.0	40	0.9	234.9	2.0523%
12	Montebello	2,466,913	77,933	1,511,321	0.6127%	72	67	72.0	40	0.9	72.9	0.6370%
13	Metro Bus Ops.	82,830,000	5,360,000	51,842,000	21.0156%	2,419	1,963	2,355.6	0	0.0	2,355.6	20.5803%
14	Norwalk	1,089,677	-	653,806	0.2650%	34	24	28.8	0	0.0	28.8	0.2516%
15	Redondo Beach	487,557	-	292,534	0.1186%	20	14	16.8	75	1.7	18.5	0.1617%
16	Santa Clarita	2,249,325	1,086,067	1,784,022	0.7232%	83	69	82.8	0	0.0	82.8	0.7234%
17	Santa Monica	5,417,000	242,000	3,347,000	1.3568%	196	166	196.0	0	0.0	196.0	1.7124%
18	Torrance	1,634,000	613,000	1,225,600	0.4968%	56	48	56.0	48	1.1	57.1	0.4988%
19	<b>TOTAL</b>	<b>124,610,544</b>	<b>18,653,799</b>	<b>82,227,846</b>	<b>33.3333%</b>	<b>3,875</b>	<b>3,199</b>	<b>3,797.6</b>	<b>779</b>	<b>17.7</b>	<b>3,815.3</b>	<b>33.3333%</b>

**Notes:**

Include only MTA Funded Programs:

- (1) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode MB), Number of Active Vehicles in Fleet". LADOT's total active vehicles is reported separately.
- (2) Source: NTD Report Form S-10 "Service Non-Rail (Mode MB), Vehicles Operated in Annual Maximum Service". LADOT's figure is from TPM excluding Community Dash.
- (3) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode DR), Seating Capacity". Redondo Beach's Seating Capacity is apportioned between FAP and non-FAP vehicles.

**Los Angeles County Metropolitan Transportation Authority  
Federal Formula Grants Final Allocations  
Fiscal Year 2022**

**CAPITAL ALLOCATION % SHARE CALCULATION (Continued)**

OPERATOR	FARE UNITS				UNLINKED PASSENGERS		Gross Formula Share	Re-Allocate AVTA And Santa Clarita's Non-LA2 UZA Share	LA UZA 2 Net Formula Share
	Passenger Revenue [Input]	Base Fare \$ [Input]	Fare Units	1/2 of 1/3 Weight	Unlinked Passengers [Input]	1/2 of 1/3 Weight			
1 Antelope Valley	\$4,706,264	\$ 1.50	3,137,509	0.3188%	2,301,868	0.1078%	1.9408%	-1.8253%	0.1154%
2 Arcadia DR	5,087	0.50	10,174	0.0010%	22,841	0.0011%	0.0475%	0.0014%	0.0490%
3 Arcadia MB	7,526	0.50	15,052	0.0015%	54,902	0.0026%	0.1129%	0.0034%	0.1163%
4 Claremont	37,700	2.50	15,080	0.0015%	26,500	0.0012%	0.0578%	0.0018%	0.0596%
5 Commerce (1)	-	-	309,059	0.0314%	455,961	0.0213%	0.3351%	0.0102%	0.3453%
6 Culver City	2,908,933	1.00	2,908,933	0.2955%	4,600,876	0.2154%	1.4181%	0.0431%	1.4611%
7 Foothill	16,079,595	1.50	10,719,730	1.0891%	12,053,307	0.5644%	8.3256%	0.2529%	8.5786%
8 Gardena	2,235,072	1.00	2,235,072	0.2271%	2,920,856	0.1368%	1.2453%	0.0378%	1.2831%
9 LADOT	6,411,286	1.50	4,274,191	0.4343%	8,769,797	0.4106%	3.7863%	0.1150%	3.9013%
10 La Mirada	35,602	1.00	35,602	0.0036%	43,686	0.0020%	0.0648%	0.0020%	0.0668%
11 Long Beach	13,854,161	1.25	11,083,329	1.1260%	23,248,158	1.0886%	6.2603%	0.1902%	6.4505%
12 Montebello	3,972,587	1.10	3,611,443	0.3669%	5,328,407	0.2495%	1.8661%	0.0567%	1.9227%
13 Metro Bus Ops.	191,776,000	1.75	109,586,286	11.1338%	275,603,000	12.9047%	65.6344%	1.9939%	67.6283%
14 Norwalk	1,246,966	1.25	997,573	0.1014%	1,427,804	0.0669%	0.6849%	0.0208%	0.7057%
15 Redondo Beach	328,405	1.00	328,405	0.0334%	366,810	0.0172%	0.3308%	0.0100%	0.3408%
16 Santa Clarita	3,159,143	1.00	3,159,143	0.3210%	2,565,484	0.1201%	1.8877%	-1.0963%	0.7914%
17 Santa Monica	11,431,000	1.25	9,144,800	0.9291%	12,536,000	0.5870%	4.5853%	0.1393%	4.7246%
18 Torrance	2,473,000	1.00	2,473,000	0.2513%	3,620,000	0.1695%	1.4164%	0.0430%	1.4594%
19 <b>TOTAL</b>	<b>\$260,668,327</b>		<b>164,044,380</b>	<b>16.6667%</b>	<b>355,946,257</b>	<b>16.6667%</b>	<b>100.0000%</b>	<b>0.0000%</b>	<b>100.0000%</b>

**Note:**

(1) Commerce Fare Units are calculated as follows: ((Total Fare Units w/out MTA and Commerce) / (Total Unlinked Passengers w/out MTA and Commerce)) \* Commerce Unlinked Passengers.

**FORM FFA10, SECTION 9 STATISTICS PASSENGER MILES IS USED TO CALCULATE AVTA AND SANTA CLARITA'S RE-ALLOCATION OF CAPITAL MONIES.**

	ANTELOPE VALLEY			SANTA CLARITA		
	Passenger Miles	%	Re-Allocated Share	Passenger Miles	%	Re-Allocated Share
20 Non-LA 2 UZA (AV 123 for AVTA, AV 176 for Santa Clarita)	28,383,366	94.0517%	1.8253%	11,404,989	58.0772%	1.0963%
21 UZA number LA 2	1,795,116	5.9483%	0.1154%	8,232,648	41.9228%	0.7914%
22 Total	30,178,482	100.0000%	1.9408%	19,637,637	100.0000%	1.8877%



# ALLIANCE OF LOCAL TRANSIT OPERATORS

City of Agoura Hills  
City of Alhambra  
City of Artesia  
City of Avalon  
City of Azusa  
City of Baldwin Park  
City of Bell Gardens  
City of Beverly Hills  
City of Burbank  
City of Calabasas  
City of Carson  
City of Cerritos  
City of Covina  
City of Downey  
City of Duarte  
City of El Monte  
City of El Segundo  
City of Glendale  
City of Glendora  
City of Inglewood  
City of La Canada Flintridge  
City of Lakewood  
City of Lawndale  
City of Lynwood  
City of Manhattan Beach  
City of Monrovia  
City of Monterey Park  
City of Paramount  
City of Pasadena  
City of Pico Rivera  
City of Redondo Beach  
City of Rosemead  
City of San Fernando  
City of Santa Fe Springs  
City of South Gate  
City of South Pasadena  
City of West Covina  
City of West Hollywood  
City of Whittier  
Los Angeles County DPW  
Palos Verdes Peninsula  
Transit Authority  
Pomona Valley  
Transportation Authority

March 23, 2022

Stephanie Wiggins  
Chief Executive Officer  
One Gateway Plaza  
Los Angeles, CA 90012

SUBJECT: New Federal and State Funding Opportunities for Local Operator

Dear Ms. Wiggins,

The Alliance of Local Transit Operators, comprised of over 40 locally funded agencies in L.A. County, was formed to advocate that Federal Transit Administration (FTA) COVID relief funds be allocated to locally funded operators. With the extraordinary amount of new federal formula and discretionary capital funds passed in the Federal Infrastructure Bill to fund transit fleet modernization and climate priorities such as replacement of CNG/gasoline buses with zero-emission buses, our members also need funding to accomplish the transition to zero-emission fleets. We are requesting Metro work with the Alliance and LTSS to allocate new capital funds to local transit operators.

Much like with Metro and our municipal operator peers, our agencies are experiencing the same operational and capital challenges. Bus driver shortages, low ridership, and the implementation of the Innovative Clean Transit (ICT) regulation requiring zero-emission fleets by 2040 are shared issues. However, the resources to address these issues are not. Lack of capital funding for locally funded operators is further exacerbated by the ending of the Call for Projects, and unfortunately, Measure M subregional funds are not yet available in the amounts necessary to deliver capital improvements to meet the national and state climate priorities.

Despite these challenges, our members stand ready to help implement more equitable and sustainable transit services in L.A. County. Federal and state funding programs have prioritized making transit more equitable and supporting the 2028 Olympics. Increasing Local Transit funding with new or increased funding prioritizes equity by keeping the whole region on a level footing, not a select area served by specific operators. Our members provide local paratransit service and crucial first/last mile fixed-route service to access regional bus and rail services. Additionally, helping our members electrify would greatly aid L.A. County and the South Coast Air Basin achieve its air quality and climate change goals.

We appreciate your and Metro staff's assistance with including our members in the distribution of COVID relief funds. This arrangement was essential in helping us stay operational. Our members and the LTSS Subcommittee are excited to work quickly with Metro staff to develop a funding framework such as a countywide Call for Projects with FHWA CMAQ and other Infrastructure Bill program funds for FY 2023. In addition, local operators need Metro grant writing assistance to apply for FTA discretionary grant programs such as Low or No Emission and Buses and Bus Facilities.

We appreciate your consideration of our request. If you have any questions or would like to discuss this further, please contact me at (909) 596-7664.

Sincerely,

George Sparks, PVRTA Administrator  
For the Alliance of Local Transit Operators

CC: Metro Board



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza,  
Los Angeles, CA 90012-2952

**Stephanie N. Wiggins**  
*Chief Executive Officer*  
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April 7, 2022

Mr. George Sparks  
Pomona Valley Transit Authority Administrator  
Alliance of Local Transit Operators  
2120 Foothill Boulevard  
Suite 116  
La Verne, California 91750

Dear Mr. Sparks:

Thank you for your letter of March 23, 2022 expressing the views of the Alliance of Local Transit Operators (the Alliance) within Los Angeles County. Metro appreciates the role that local system providers play within the region's mobility network. I personally appreciate the readiness of your members to partner in the implementation of transit services that are more equitable and sustainable for Los Angeles County.

While there are indications that the Federal government seeks to increase infrastructure investments, significant information remains unknown including: proposed overall levels of resource availability, the scope of activities those resources will ultimately support, and the periods and timing of actions by the Administration, Congress, and the Federal Transit Administration (FTA).

Recognizing the vital role of Local Transit Systems play in the overall mobility framework here in Los Angeles County, I have asked my Chief Financial Officer, Nalini Ahuja to work with members of the Alliance to achieve a clear understanding of the needs of your members for future investments and to engage a dialog as to the various options Metro may, or may not, have, to seek to address those needs. I stand committed to ensuring that mobility improvements, be they through transit, infrastructure and capacity investments, or other equity driven solutions are at the forefront of Metro's actions.

I look forward to our continued partnership in addressing the needs of Los Angeles County residents and visitors.

Sincerely,

Stephanie N. Wiggins  
Chief Executive Officer

cc: Metro Board of Directors

## Summary of Significant Information, Methodologies & Assumptions for Revenue Estimates

- Sales tax revenue estimates are projected to increase by 19% over FY 2021-22 (FY22) amended budget based upon review of several economic forecasts.
- Assumed Consumer price index (CPI) growth of 3.3% represents a composite index from several economic forecasting sources.
- To accommodate the impacts of the COVID-19 pandemic, in March 2022, Bus Operations Sub-Committee (BOS) members concurred with the use of FY21 Vehicle Service Miles statistics and FY19 Fare Revenue to allocate State and Local funds.
- Senate Bill (SB) 1, known as the Road Repair and Accountability Act of 2017, allocates formula funds to transit agencies for two different programs: 1) State of Good Repair (SGR) and 2) State Transit Assistance. SGR is a program funded by the increase in Vehicle License Fees. To be eligible for SGR funding, eligible transit agencies must comply with various reporting requirements. The second program augments the base of the State Transit Assistance program with a portion of the new sales tax on diesel fuel. Recipients are asked to provide supplemental reporting on the augmented State Transit Assistance funding received each fiscal year to allow for transparency and accountability of all SB 1 expenditures. Recipients are asked to report on the general uses of STA expenditures. These funds are allocated using FAP calculation methodology to Included and Eligible Operators.
- Pursuant to section 130004, up to 1 percent of annual TDA revenues shall be allocated to Metro and up to  $\frac{3}{4}$  percent shall be allocated to Southern California Association of Governments (SCAG) for transportation planning and programming process. Beginning in FY20, Metro increased the TDA planning allocation to the full 1 percent of annual TDA revenues.
- Formula Equivalent funds are allocated by formula to Eligible Operators in lieu of Section 9, TDA, STA and Prop A 40% Discretionary funds. Fund source is Prop A 95% of 40% growth over CPI.
- Federal formula grants (urbanized Formula Section 5307, Bus and Bus Facilities Section 5339, and State of Good Repair Section 5337) are presented for budgetary purposes only and will be adjusted upon receipt of the final apportionments. To accommodate the impacts of the COVID-19 pandemic, in March 2022, Bus Operations Sub-Committee (BOS) members agreed to use FY19 data as the allocation basis. Values included in the allocation of federal funding assume Congressional action to fully fund formula allocations in the amount represented in the Infrastructure Investment and Jobs Act (IIJA).



- Federal Sections 5307 and 5339 are calculated using the Capital Allocation Procedure (CAP) as adopted by the Bus Operations Subcommittee (BOS). Section 5337 is calculated based on the directional route miles and vehicle revenue miles formula used by the Federal Transit Administration (FTA). Operators' shares of Sections 5339 and 5337 will be exchanged with Metro's share of Section 5307 allocation.

### **Bus Transit Subsidies (\$1,550.4M)**

#### **Formula Allocation Procedure (\$892.7M)**

Allocations of transit subsidy funds (STA, TDA Article 4, and Proposition A 95% of 40% Discretionary) are based on the Formula Allocation Procedure (FAP) that was adopted by the Los Angeles County Metropolitan Transportation Authority (LACMTA) Board of Directors and legislated through SB 1755 (Calderon – 1996). Los Angeles County Included and Eligible Operators' Transit Performance Measures (TPM) data is used for the FAP calculations. This data was validated and used in the calculations. The FAP as applied uses 50% of operators' vehicle service miles and 50% of operators' fare units. (Fare units are defined as operators' passenger revenues divided by operators' base cash fare).

In November 2008, the Board approved a Funding Stability Policy, where operators who increase their fares will have their fare units frozen at their level prior to the fare increase until such time that fare unit calculation based on the new higher fare becomes greater than the frozen level.

In FY 2008, the Board set aside \$18.0 million from GOI fund to provide operating assistance to Tier 2 Operators including LADOT Community Dash, Glendale, Pasadena and Burbank fixed route transit programs. Allocation is calculated using the same methodology as in the FAP and does not negatively impact the existing Included and Eligible Operators. This program was funded \$6.0 million each year for three years beginning FY 2011. With the Board's approval, we will continue to fund this program in FY 2023 in the amount of \$7.5 million. Funding includes \$1,353,230 in ARPA Funding as approved by the Board of Directors. ARPA funds will be exchanged with local funds.

#### **Measure R Allocations (\$230.3M)**

- **Measure R 20% Bus Operations (\$230.3M)**  
Measure R, approved by voters in November 2008, allocates 20% of the revenues for bus service operations, maintenance, and expansion. The 20% bus operations share is allocated using FAP calculation methodology to Included and Eligible Operators.
- **Clean Fuel Bus Capital Facilities and Rolling Stock Fund (\$0.0)**

The Measure R ordinance also provides a lump sum allocation of \$150.0 million over the life of the ordinance for clean fuel and bus facilities. This fund is allocated to Metro and LA County Municipal Operators at \$10 million every even year.

### **Measure M 20% Transit Operations (\$229.9M)**

Measure M, was approved by voters of Los Angeles County in November 2016 to improve transportation and ease traffic congestion. As defined in Section 3 of the Measure M Ordinance, the 20% Transit Operations share is allocated according to FAP calculation methodology to Included and Eligible Operators.

### **Proposition C 5% Security (\$51.6M)**

Ninety percent of Proposition C 5% Security fund is allocated to Los Angeles County transit operators and Metro Operations for security services. State law requires that each operator's share of funds be based on its share of unlinked boardings to total Los Angeles County unlinked boardings. The remaining ten percent is allocated to Metro to mitigate other security needs.

### **Proposition C 40% Discretionary Programs (\$73.0M)**

The following programs are funded with Prop C 40% Discretionary funds:

- **Municipal Operators Service Improvement Program (MOSIP).** MOSIP was adopted by the Board in April 2001. The program is intended to provide bus service improvements to the transit dependent in Los Angeles County by reducing overcrowding and expanding services. In the past, funding was increased by 3% from the previous year's funding level. All Municipal Operators participate in this program and funds are allocated according to FAP calculation methodology.
- **Zero-Fare Compensation.** The City of Commerce is allocated an amount equivalent to its FAP share as compensation for having zero fare revenues.
- **Foothill Mitigation.** This fund is allocated to operators to mitigate the impact of Foothill becoming an Included Operator. The Foothill Mitigation Program is calculated similarly to the TDA and STA portion of the normal FAP, except that Foothill's data is frozen at its pre-inclusion level. The result of this calculation is then deducted from the TDA and STA portion of the normal FAP to arrive at the Foothill Mitigation funding level. This methodology was adopted by the BOS in November 1995.
- **Transit Service Expansion Program (TSE).** Created in 1990 to increase ridership by providing funds for additional services to relieve congestion. The TSE Program continues for eight Municipal Operators including Culver City,

Foothill Transit, Gardena, Long Beach, Torrance, Antelope Valley, Santa Clarita, and LADOT for expansion or introduction of fixed-route bus service in congested corridors. Metro Operations does not participate in this program.

- **Base Re-Structuring Program (Base-Re).** The Base Restructuring Program continues for four Municipal Operators who added service before 1990. These operators are Commerce, Foothill Transit, Montebello, and Torrance.
- **Bus Service Improvement Program (BSIP).** Created in 1996 to provide additional buses on existing lines to relieve overcrowding. Metro Operations and all other Los Angeles County transit operators participate in this program, except for Claremont, Commerce, and La Mirada.

### **Senate Bill 1 (\$72.9 M)**

The following programs are funded with SB1:

- **State Transit Assistance (\$50.2 M)**
- **State of Good Repair (\$ 22.6 M)**

SB1 fund will be allocated based on Measure R allocation methodology.

### **Local Subsidies (\$853.7 M)**

#### **Proposition A Incentive Programs (\$31.3M)**

In lieu of TDA Article 4.5, five percent (5%) of Proposition A 40% Discretionary funds have been allocated to local transit operators through Board-adopted Incentive Program guidelines. Programs include the Sub-Regional Paratransit Program, the Voluntary NTD Reporting Program and the Sub-Regional Grant Projects. Under the Voluntary NTD Reporting Program, local transit operators report operating data for entitlement to the Federal FTA Section 5307 funds. Operators participating in the Voluntary NTD Reporting Program and who are not receiving Sub-Regional Paratransit funds are allocated an amount equal to the Federal FTA Section 5307 funds they generate for the region. Fund includes \$9,206,853 in ARPA funding as approved by LACMTA Board of Directors. ARPA fund will be exchanged with local funds.

Under the Sub-Regional Grant Projects, Avalon's Ferry, which provides a lifeline service to its residents who commute between Avalon and the mainland, will receive \$1,176,538 in subsidy which includes \$476,538 in ARPA funding.

At its May 16, 2017, meeting, the Local Transit System Subcommittee (LTSS) approved an additional \$50,000 to Avalon's Transit Services annual subsidy increasing the funding level to \$300,000. In FY23, \$109,874 and \$387,124 were added to Avalon's

Transit Service and the Hollywood Bowl Shuttles from ARPA funding to increase the subsidy level to \$409,874 and \$1,444,124, respectively.

### **Local Returns (\$773.5M)**

Proposition A 25% (\$245.1M)

Proposition C 20% (\$203.3M)

Measure R 15% (\$152.4M)

Measure M 17% (\$172.8M)

Local Return estimates are apportioned to all Los Angeles County cities and the County of Los Angeles based on population shares according to state statutes and Proposition A, Proposition C, Measure R and Measure M ordinances.

### **TDA Article 3 funds (\$11.1M)**

TDA Article 3 funds are for Bicycle and Pedestrian Facilities and are split into two parts:

- The 15% of TDA Article 3 funds are allocated towards the maintenance of regionally significant Class I bike paths as determined by LACMTA policy and in current TDA Article 3 Guidelines. This portion is divided in a ratio of 30% to 70% to City of Los Angeles and County of Los Angeles, respectively.
- The 85% of the funds are allocated to all Los Angeles County cities and the County of Los Angeles based on population shares. TDA Article 3 has a minimum allocation amount of \$5,000. The City of Industry has opted out of the TDA Article 3 program indefinitely. The Street and Freeway Subcommittee and the Technical Advisory Committee (TAC) have approved this redistribution methodology in prior years, and it remains unchanged.

### **TDA Article 8 funds (\$37.7M)**

TDA Article 8 funds are allocated to areas within Los Angeles County, but outside the Metro service area. This includes allocations to Avalon, Lancaster, Palmdale, Santa Clarita and portions of unincorporated areas of Los Angeles County. The amount of TDA funds for Article 8 allocation is calculated based on the proportionate population of these areas to the total population of Los Angeles County.

### **Federal Funds (\$484.7M)**

#### **Section 5307 Urbanized Formula Program (\$328.0 M)**

The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes Federal resources available to urbanized areas for transit capital and operating assistance in urbanized areas and for transportation related planning. Based on federal revenue estimates for FY23, \$328.0 million in Federal Section 5307 Urban Formula funds are allocated to Los Angeles County transit operators and LACMTA Operations. Eighty-five percent (85%) of these funds have been allocated based on a capital allocation formula consisting of total vehicle miles, number of vehicles, unlinked boardings, passenger revenue and base fare. The 15% Capital Discretionary fund and the 1% Transit Enhancement Act fund have been allocated on a discretionary basis with BOS review and concurrence.

At its April 19, 2021, meeting, the BOS allocated \$360,000 each year for the next three years to the Southern California Regional Transit Training Consortium (SCRTTC) from the 15% discretionary fund. SCRTTC provides a training resource network comprised of Community Colleges, Universities, Transit Agencies, and Public and Private Organizations focused on the development and delivery of training and employment of the transit industry workforce that is proficient at the highest standards, practices, and procedures for the industry. The funds will be exchanged with Metro's TDA Article 4 share and disbursed through Long Beach Transit.

### **Section 5339 Bus and Bus Facilities (\$33.3M)**

Section 5339 is a grant program authorized by 49 United States Code (U.S.C) Section 5339 as specified under the Federal Reauthorization Moving Ahead for Progress in the 21st Century or "MAP 21". The Program provides capital funding to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities. Based on federal revenue estimates for FY23, \$33.3 million is allocated to Los Angeles County operators and Metro operations using the Capital Allocation Procedure adopted by the BOS. Operators' shares are swapped with Metro's share of Federal Section 5307 to minimize the administrative process.

### **Section 5337 State of Good Repair (\$123.3)**

Section 5337 provides grants for new and expanded rail, bus rapid transit, and ferry systems that reflect local priorities to improve transportation options in key corridors. This program defines a new category of eligible projects, known as core capacity projects, which expand capacity by at least 10% in existing fixed guideway transit corridors that are already at or above capacity today, or are expected to be at or above capacity within five years. The program also includes provisions for streamlining aspects of the New Starts process to increase efficiency and reduce the time required to meet critical milestones. This funding program consists of two separate formula programs:

- **High Intensity Fixed Guideway** - provides capital funding to maintain a system in a state of good repair for rail and buses operating on lanes for exclusive use of



Los Angeles County Metropolitan Transportation Authority  
2023 Transit Fund Allocations

public transportation vehicles, i. e. bus rapid transit. Based on federal revenue estimates for FY23, \$116.1 million is allocated to Metro and Municipal operations.

- **High Intensity Motorbus** - provides capital funding to maintain a system in a state of good repair for buses operating on lanes not fully reserved only for public transportation vehicles. Based on federal revenue estimates for FY23, \$7.3 million is allocated to Metro Operations and Los Angeles County operators following the FTA formula: the fund allocated with Directional Route Miles (DRM) data is allocated using the operators' DRM data while the fund allocated with Vehicle Revenue Miles (VRM) data is allocated using the operators' VRM data. Operators' shares are swapped with Metro's share of Federal Section 5307 to minimize administrative process.

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocation



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Los Angeles County Metropolitan Transportation Authority

**Fiscal Year 2023**  
**TRANSIT FUND ALLOCATIONS**  
**ADOPTED**

July 1, 2022 – June 30, 2023

**June 23, 2022**

FY 2023

ADOPTED

# Transit Fund Allocations

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# **Bus Transit Subsidies**

## **STATE AND LOCAL FUNDS**

Los Angeles County Metropolitan Transportation Authority  
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**PRELIMINARY REVENUE ESTIMATES**

STATE AND LOCAL		FY23 Estimated Revenue	Carryover FY21 Budget vs Actual	Interest FY21 Actual	FY23 Total Funds Available	NOTE	FY22 Total Funds
<b>Transportation Development Act:</b>							
Planning & Administration:							
1	Planning - Metro	\$ 5,159,000			\$ 5,159,000		\$ 4,325,000
2	Planning - SCAG	3,869,250			3,869,250		3,243,750
3	Administration - Metro	3,909,692			3,909,692		3,285,455
4	Sub-total	12,937,942			12,937,942		10,854,205
5	Article 3 Pedestrian & Bikeways	2.0000% 10,059,241	1,067,999	17,074	11,144,314		8,788,481
6	Article 4 Bus Transit	91.2399% 458,902,200	48,722,058	778,935	508,403,193		401,289,100
7	Article 8 Streets & Highways	6.7601% 34,000,618	3,609,876	57,712	37,668,206		29,346,452
8	<b>Total</b>	<b>515,900,000</b>	<b>53,399,932</b>	<b>853,722</b>	<b>570,153,654</b>		<b>450,278,238</b>
<b>Proposition A:</b>							
9	Administration	5.0000% 51,590,000	6,660,104		58,250,104		45,393,434
10	Local Return	25.0000% 245,052,500	n/a		245,052,500	a	205,437,500
11	Rail Development	35.0000% 343,073,500	44,289,692		387,363,192		301,866,337
Bus Transit:							
12	95% of 40% Capped at CPI 3.3000%	40.0000% 269,348,521	n/a		269,348,521	b	260,743,970
13	95% of 40% Over CPI	103,131,279	n/a		103,131,279	c	84,480,330
14	Sub-total	372,479,800	-		372,479,800		345,224,300
15	5% of 40% Incentive	19,604,200	2,530,840		22,135,040		17,249,505
16	<b>Total</b>	<b>1,031,800,000</b>	<b>53,480,636</b>		<b>1,085,280,636</b>		<b>915,171,076</b>
<b>Proposition C:</b>							
17	Administration	1.5000% 15,477,000	1,998,155		17,475,155		13,618,005
18	Rail/Bus Security	5.0000% 50,816,150	6,560,610		57,376,760		44,712,448
19	Commuter Rail	10.0000% 101,632,300	13,121,220		114,753,520		89,424,897
20	Local Return	20.0000% 203,264,600	n/a		203,264,600	a	170,405,000
21	Freeways and Highways	25.0000% 254,080,750	32,803,050		286,883,800		223,562,242
22	Discretionary	40.0000% 406,529,200	52,484,880		459,014,080		357,699,587
23	<b>Total</b>	<b>1,031,800,000</b>	<b>106,967,916</b>		<b>1,138,767,916</b>		<b>899,422,179</b>
<b>State Transit Assistance:</b>							
24	Bus (PUC 99314 Rev Base Share)	59,853,013	180,083	103,150	60,136,246	d	35,067,836
25	Rail (PUC 99313 Population Share)	45,986,108	400,076	114,167	46,500,350		27,074,333
26	<b>Total</b>	<b>105,839,121</b>	<b>580,159</b>	<b>217,317</b>	<b>106,636,596</b>		<b>62,142,169</b>
<b>SB 1 State Transit Assistance:</b>							
27	Bus (PUC 99314 Rev Base Share)	49,664,799	489,828	84,568	50,239,195	d,e	28,102,490
28	Rail (PUC 99313 Population Share)	38,158,328	591,696	93,584	38,843,608	f	21,699,472
29	<b>Total</b>	<b>87,823,127</b>	<b>1,081,524</b>	<b>178,152</b>	<b>89,082,803</b>		<b>49,801,962</b>
<b>SB 1 State Of Good Repair</b>							
30	Bus (PUC 99314 Rev Base Share)	18,038,397	4,516,257	81,623	22,636,276	e	15,542,410
31	Rail (PUC 99313 Population Share)	13,859,212	3,576,090	26,357	17,461,658	f	11,927,983
32	<b>Total</b>	<b>31,897,608</b>	<b>8,092,347</b>	<b>107,979</b>	<b>40,097,934</b>		<b>27,470,393</b>

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**PRELIMINARY REVENUE ESTIMATES (continued)**

STATE AND LOCAL		FY23 Estimated Revenue	Carryover FY21 Budget vs Actual	Interest FY21 Actual	FY23 Total Funds Available	N O T E	FY22 Total Funds
<b>Measure R:</b>							
33 Administration	1.5000%	15,477,000	2,015,165	(258,844)	17,233,321		14,819,400
34 Transit Capital - "New Rail"	35.0000%	355,713,050	46,315,199	(906,990)	401,121,258		319,702,958
35 Transit Capital - Metrolink	3.0000%	30,489,690	3,969,874	60,014	34,519,578		26,767,032
36 Transit Capital - Metro Rail	2.0000%	20,326,460	2,646,583	153,650	23,126,692		17,271,842
37 Highway Capital	20.0000%	203,264,600	26,465,828	(772,268)	228,958,160		183,984,597
38 Operations "New Rail"	5.0000%	50,816,150	6,616,457	63,120	57,495,727		44,338,398
39 Operations Bus	20.0000%	203,264,600	26,465,828	542,063	230,272,491		177,536,341
40 Local Return	15.0000%	152,448,450	n/a	n/a	152,448,450	a	127,803,750
<b>41 Total</b>		<b>1,031,800,000</b>	<b>114,494,932</b>	<b>(1,119,255)</b>	<b>1,145,175,678</b>		<b>912,224,319</b>
<b>Measure M:</b>							
Local Return Supplemental & Administration:							
42 Administration	0.5000%	5,313,770	685,645	539	5,999,954		4,732,455
43 Supplemental transfer to Local Return	1.0000%	10,163,230	n/a	n/a	10,163,230	a,g	8,520,250
44	Sub-total	15,477,000	685,645	539	16,163,184		13,252,705
45 Local Return Base	16.0000%	162,611,680	n/a	n/a	162,611,680	a,g	136,324,000
46 Metro Rail Operations	5.0000%	50,816,150	6,556,895	64,849	57,437,894		44,203,302
47 Transit Operations ( Metro & Municipal Providers)	20.0000%	203,264,600	26,227,580	419,296	229,911,476		176,931,503
48 ADA Paratransit/Metro Discounts for Seniors & Students	2.0000%	20,326,460	2,622,758	(78,078)	22,871,140		18,455,538
49 Transit Construction	35.0000%	355,713,050	45,898,264	171,867	401,783,182		321,200,916
50 Metro State of Good Repairs	2.0000%	20,326,460	2,622,758	32,331	22,981,549		17,940,323
51 Highway Construction	17.0000%	172,774,910	22,293,443	(19,169)	195,049,184		162,719,276
52 Metro Active Transportation Program	2.0000%	20,326,460	2,622,758	24,935	22,974,153		18,746,073
53 Regional Rail	1.0000%	10,163,230	1,311,379	(32,467)	11,442,142		9,134,940
<b>54 Total</b>		<b>1,031,800,000</b>	<b>110,841,480</b>	<b>584,104</b>	<b>1,143,225,584</b>		<b>918,908,577</b>
<b>55 Total Funds Available</b>		<b>\$ 4,868,659,856</b>	<b>\$ 448,938,925</b>	<b>\$ 822,019</b>	<b>\$ 5,318,420,800</b>		<b>\$ 4,235,418,913</b>
<b>Total Planning &amp; Admin Allocations:</b>							
<b>56 (Lines 4, 9, 17, 33 and 42)</b>		<b>\$ 100,795,712</b>	<b>\$ 11,359,069</b>	<b>\$ (258,304)</b>	<b>\$ 111,896,476</b>		<b>\$ 89,417,499</b>

**Notes:**

- a) Local Return Subfunds do not show carryover balances. These funds are distributed in the same period received.
- b) Consumer price index (CPI) of 3.3% represents the average estimated growth rate based on various forecasting sources and historical trends applied to Prop A discretionary allocated to Included operators.
- c) Proposition A 95% of 40% Bus Transit growth over CPI estimate will be used to fund Eligible and Tier 2 operators. The carryover is not shown since it has been converted into Proposition C 40% discretionary to fund various Board-approved discretionary programs.
- d) STA Revenue estimates (including SB1/STA) from the State Controller's office is reduced by 10% for the revenue base share and population-base share due to anticipated shortfall of FY23 revenue.
- e) In order to be eligible for SB1-SGR funding, eligible agencies must comply with various reporting requirements. SGR revenue estimates from the State Controller's Office is reduced by 10% due to anticipated shortfall of FY23 revenue.
- f) STA and SGR portion of SB1 will be allocated based on Measure R allocation methodology.
- g) Measure M provides for a total of 17% net revenues for Local Return. Supplement of 1% to be funded by 1.5% Administration.

Los Angeles County Metropolitan Transportation Authority  
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**STATE AND LOCAL FUNDS**

Operators	Formula Allocation Procedure				Proposition C 5% Security	Proposition C 40% Discretionary	Measure R		Measure M	Senate Bill 1		Total	
	TDA Article 4 + Interest	STA + Interest	Proposition A 95% of 40 % Discretionary	Sub-Total FAP			20% Bus Operations	Clean Fuel & Facilities		STA	State of Good Repair		
<b>Included Operators:</b>													
1	Metro Bus Ops	\$ 370,984,253	\$ 44,361,104	\$ 197,849,638	\$ 613,194,996	\$ 42,121,831	\$ 24,923,334	\$ 158,160,906	\$ -	\$ 157,912,946	\$ 34,506,408	\$ 15,501,469	\$ 1,046,321,890
<b>Municipal Operators:</b>													
2	Arcadia	649,251	50,043	224,140	923,435	3,858	103,344	178,418	-	178,138	38,926	17,487	1,443,606
3	Claremont	146,856	16,460	73,725	237,040	1,541	26,227	58,686	-	58,594	12,804	5,752	400,643
4	Commerce	462,628	46,268	391,840	900,736	24,796	1,244,651	164,959	-	164,700	35,990	16,168	2,551,999
5	Culver City	7,661,136	875,700	3,922,235	12,459,071	366,724	1,837,732	3,122,138	-	3,117,243	681,166	306,003	21,890,078
6	Foothill Transit	35,517,430	4,201,163	18,816,891	58,535,484	1,321,336	8,956,784	14,978,433	-	14,954,950	3,267,887	1,468,047	103,482,922
7	Gardena	7,023,418	803,274	3,597,842	11,424,535	259,483	2,218,482	2,863,918	-	2,859,428	624,829	280,695	20,531,371
8	La Mirada	288,301	12,224	54,753	355,278	2,503	19,478	43,584	-	43,515	9,509	4,272	478,138
9	Long Beach	32,053,804	3,628,053	16,493,649	52,175,505	3,057,135	9,144,335	12,935,117	-	12,914,838	2,822,091	1,267,781	94,316,801
10	Montebello	11,229,362	1,288,149	5,769,584	18,287,095	425,185	3,521,890	4,592,647	-	4,585,446	1,001,991	450,129	32,864,382
11	Norwalk	4,391,066	501,057	2,244,218	7,136,341	151,822	859,288	1,786,420	-	1,783,619	389,748	175,088	12,282,326
12	Redondo Beach	1,028,033	115,801	518,670	1,662,505	35,996	188,837	412,867	-	412,219	90,076	40,465	2,842,965
13	Santa Monica	27,832,582	3,197,272	14,320,490	45,350,345	1,088,936	5,957,484	11,399,253	-	11,381,382	2,487,007	1,117,249	78,781,655
14	Torrance	9,135,072	1,039,677	5,070,845	15,245,594	405,759	3,578,843	3,706,766	-	3,700,954	808,715	363,303	27,809,935
15	Sub-Total	137,418,939	15,775,142	71,498,883	224,692,963	7,145,074	37,657,374	56,243,205	-	56,155,028	12,270,738	5,512,439	399,676,821
<b>Eligible Operators:</b>													
16	Antelope Valley	-	-	5,840,121	5,840,121	198,045	1,785,658	3,577,126	-	3,571,518	780,432	350,597	16,103,496
17	LADOT	-	-	29,876,731	29,876,731	1,854,633	6,467,230	7,645,048	-	7,633,063	1,667,942	749,297	55,893,945
18	Santa Clarita	-	-	5,035,631	5,035,631	319,501	1,377,446	2,991,220	-	2,986,530	652,603	293,172	13,656,102
19	Foothill BSCP	-	-	6,467,657	6,467,657	-	599,534	1,654,985	-	1,652,391	361,073	162,206	10,897,845
20	Sub-Total	-	-	47,220,140	47,220,140	2,372,179	10,229,868	15,868,379	-	15,843,501	3,462,049	1,555,272	96,551,388
<b>Tier 2 Operators:</b>													
21	LADOT Community Dash	-	-	4,841,452	4,841,452	-	-	-	-	-	-	-	4,841,452
22	Glendale	-	-	1,450,906	1,450,906	-	-	-	-	-	-	-	1,450,906
23	Pasadena	-	-	962,342	962,342	-	-	-	-	-	-	-	962,342
24	Burbank	-	-	292,142	292,142	-	-	-	-	-	-	-	292,142
25	Sub-Total	-	-	7,546,842	7,546,842	-	-	-	-	-	-	-	7,546,842
26	Lynwood Trolley	-	-	-	-	-	233,639	-	-	-	-	-	233,639
27	Total Excluding Metro	137,418,939	15,775,142	126,265,865	279,459,946	9,517,253	48,120,882	72,111,584	-	71,998,530	15,732,787	7,067,710	504,008,691
28	County of Los Angeles											67,097	67,097
29	<b>Grand Total</b>	<b>\$ 508,403,193</b>	<b>\$ 60,136,246</b>	<b>\$ 324,115,503</b>	<b>\$ 892,654,941</b>	<b>\$ 51,639,084</b>	<b>\$ 73,044,216</b>	<b>\$ 230,272,491</b>	<b>\$ -</b>	<b>\$ 229,911,476</b>	<b>\$ 50,239,195</b>	<b>\$ 22,636,276</b>	<b>\$ 1,550,397,678</b>

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**BUS TRANSIT FUNDING PERCENTAGE SHARES**

Operators	Vehicle Service Miles (VSM) FY21 Data (1)	Passenger Revenue (2)	Base Fare (2)	Fare Units (2)	Fare Units Prior to Fare Increase/decrease	Fare Units Used in FAP (3)	Sum 50% VSM + 50% Fare Units	Proposition A Base Share	DAR Cap Adjustment (4)	TDA/STA Share
<b>Included Operators</b>										
1 Metro Bus Ops.(5)	56,982,000	\$ 185,702,000	\$ 1.75	106,115,429	197,161,600	<b>197,161,600</b>	127,071,800	73.7677%	0.0000%	73.7677%
2 Arcadia DR	31,836	5,087	0.50	10,174	72,829	<b>72,829</b>	52,333	0.0304%	0.0000%	0.0304%
3 Arcadia MB	167,449	7,290	0.50	14,580	-	14,580	91,015	0.0528%	0.0000%	0.0528%
4 Claremont	12,460	37,700	2.50	15,080	81,840	<b>81,840</b>	47,150	0.0274%	0.0000%	0.0274%
5 Commerce	265,067	-	-	-	-	-	132,534	0.0769%	0.0000%	0.0769%
6 Culver City	1,343,654	2,722,099	1.00	2,722,099	3,673,208	<b>3,673,208</b>	2,508,431	1.4562%	0.0000%	1.4562%
7 Foothill	9,847,355	13,270,666	1.75	7,583,238	14,221,000	<b>14,221,000</b>	12,034,178	6.9861%	0.0000%	6.9861%
8 Gardena	898,337	2,083,161	1.00	2,083,161	3,703,600	<b>3,703,600</b>	2,300,969	1.3358%	0.0000%	1.3358%
9 La Mirada	34,431	35,602	1.00	35,602	-	35,602	35,017	0.0203%	0.0000%	0.0203%
10 Long Beach	4,812,562	13,370,830	1.25	10,696,664	15,972,456	<b>15,972,456</b>	10,392,509	6.0331%	0.0000%	6.0331%
11 Montebello	1,524,218	3,675,867	1.10	3,341,697	5,855,556	<b>5,855,556</b>	3,689,887	2.1421%	0.0000%	2.1421%
12 Norwalk	776,472	1,179,834	1.25	943,867	2,094,068	<b>2,094,068</b>	1,435,270	0.8332%	0.0000%	0.8332%
13 Redondo Beach DR	26,902	12,084	1.00	12,084	-	12,084	19,493	0.0113%	0.0000%	0.0113%
14 Redondo Beach MB	323,349	301,087	1.00	301,087	-	301,087	312,218	0.1812%	0.0000%	0.1812%
15 Santa Monica	3,655,755	11,315,000	1.25	9,052,000	14,661,333	<b>14,661,333</b>	9,158,544	5.3167%	0.0000%	5.3167%
16 Torrance	1,446,281	2,054,200	1.00	2,054,200	4,510,000	<b>4,510,000</b>	2,978,141	1.7289%	0.0000%	1.7289%
17 Sub-Total	82,148,128	235,772,507		144,980,962		262,370,843	172,259,486	100.0000%	0.0000%	100.0000%
<b>Eligible Operators</b>										
18 Antelope Valley	2,612,827	4,689,668	1.50	3,126,445	3,543,241	<b>3,543,241</b>	3,078,034	1.6684%	0.0000%	1.6684%
19 Santa Clarita	2,050,130	3,097,621	1.00	3,097,621	-	3,097,621	2,573,876	1.3951%	0.0000%	1.3951%
20 LADOT Local	2,152,230	2,802,798	0.50	5,605,596	6,727,520	<b>6,727,520</b>	4,439,875	2.4066%	0.0000%	2.4066%
21 LADOT Express	1,124,193	3,294,488	1.50	2,196,325	3,152,832	<b>3,152,832</b>	2,138,513	1.1591%	0.0000%	1.1591%
22 Foothill - BSCP	1,220,309	1,486,549	1.50	991,033	1,650,000	<b>1,650,000</b>	1,435,155	0.7719%	0.0000%	0.7719%
23 Sub-Total	9,159,689	15,371,124		15,017,020		18,171,214	13,665,452	7.4012%	0.0000%	7.4012%
24 Total	91,307,817	251,143,631		159,997,982		280,542,057	185,924,937			

**Notes:**

(1) Operators' statistics exclude BSIP, TSE, Base Restructuring and MOSIP services that are funded from PC 40% Discretionary. Also excluded are services funded from other sources (CRD, federal, etc.)

(2) In FY23, Fare units are held constant at FY19 level.

(3) Fare units used are frozen to the level prior to fare change in accordance with the Funding Stability Policy, adopted by the Board in November 2007.

(4) TDA cap of 0.25% is applied for DAR operators - Arcadia, Claremont, La Mirada and Redondo Beach DR.

(5) MTA Statistics include contracted services with LADOT for Lines 422, 601 and 602 (Consent Decree Lines), Glendale and Palos Verdes Peninsula Transit Authority (PVPTA).



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**INCLUDED & ELIGIBLE OPERATORS ESTIMATED FUNDING LEVELS**

Operators	TDA & STA % Shares	TDA Article 4 plus interest			STA Rev Base Share Plus Interest	Prop A Discretionary % Shares	Prop A Discretionary Allocations <sup>(2)</sup>	Total Formula Funds	Two Year Lag Funding <sup>(3)</sup>	
		Allocated	Fund Exchange <sup>(1)</sup>	Net						
<b>Included Operators</b>										
1	Metro Bus Ops	73.7677%	\$ 375,037,163	\$ (4,052,910)	\$ 370,984,253	\$ 44,361,104	73.7677%	\$ 197,849,638	\$ 613,194,996	\$ (842,476)
2	Arcadia DR	0.0304%	154,453		154,453	18,269	0.0304%	81,828	254,551	
3	Arcadia MB	0.0528%	268,618	226,180	494,798	31,773	0.0528%	142,312	668,884	
4	Claremont	0.0274%	139,158	7,698	146,856	16,460	0.0274%	73,725	237,040	
5	Commerce	0.0769%	391,157	71,471	462,628	46,268	0.0769%	391,840	900,736	184,608
6	Culver City	1.4562%	7,403,333	257,803	7,661,136	875,700	1.4562%	3,922,235	12,459,071	
7	Foothill Transit	6.9861%	35,517,430	-	35,517,430	4,201,163	6.9861%	18,816,891	58,535,484	
8	Gardena	1.3358%	6,791,032	232,386	7,023,418	803,274	1.3358%	3,597,842	11,424,535	
9	La Mirada <sup>(4)</sup>	0.0203%	103,347	184,954	288,301	12,224	0.0203%	54,753	355,278	
10	Long Beach <sup>(5)</sup>	6.0331%	30,672,243	1,381,561	32,053,804	3,628,053	6.0331%	16,493,649	52,175,505	243,705
11	Montebello	2.1421%	10,890,259	339,103	11,229,362	1,288,149	2.1421%	5,769,584	18,287,095	
12	Norwalk	0.8332%	4,236,027	155,039	4,391,066	501,057	0.8332%	2,244,218	7,136,341	
13	Redondo Beach DR	0.0113%	57,531		57,531	6,805	0.0113%	30,480	94,816	
14	Redondo Beach MB	0.1812%	921,474	49,028	970,502	108,996	0.1812%	488,191	1,567,689	
15	Santa Monica	5.3167%	27,030,343	802,239	27,832,582	3,197,272	5.3167%	14,320,490	45,350,345	
16	Torrance	1.7289%	8,789,624	345,448	9,135,072	1,039,677	1.7289%	5,070,845	15,245,594	414,163
17	Sub-Total	100.0000%	508,403,193	-	508,403,193	60,136,246	100.0000%	269,348,521	837,887,959	
<b>Eligible Operators</b>										
<b>Formula Equivalent Funded from Proposition A 95% of 40% Growth over CPI <sup>(6)</sup></b>										
18	Antelope Valley <sup>(7)</sup>	1.6684%	-	342,986	342,986	1,003,315	1.6684%	4,493,820	\$ 5,840,121	
19	Santa Clarita <sup>(7)</sup>	1.3951%	-	438,884	438,884	838,980	1.3951%	3,757,767	5,035,631	
20	LADOT Local	2.4066%	12,235,077		12,235,077	1,447,221	2.4066%	6,482,060	20,164,357	
21	LADOT Express	1.1591%	5,893,153		5,893,153	697,069	1.1591%	3,122,152	9,712,375	
22	Foothill - BSCP	0.7719%	3,924,364		3,924,364	464,192	0.7719%	2,079,101	6,467,657	
23	Sub-Total	7.4012%	22,052,594	781,870	22,834,464	4,450,776	7.4012%	19,934,900	47,220,140	
24	<b>Total FAP</b>		<b>\$ 508,403,193</b>		<b>\$ 508,403,193</b>	<b>\$ 60,136,246</b>	<b>107.4012%</b>	<b>\$ 269,348,521</b>	<b>\$ 885,108,099</b>	<b>\$ -</b>
<b>Proposition A Discretionary (95% of 40%) Growth Over CPI:</b>										
25	Revenue								<b>\$ 103,131,279</b>	
Uses of Fund:										
26	Eligible Operators - Formula Equivalent Funds								47,220,140	
27	Tier 2 Operators <sup>(8)</sup>								7,546,842	
28	Total Uses of Funds								<b>54,766,982</b>	
29	Proposition A Discretionary (95% of 40%) GOI Surplus (Shortfall)								<b>48,364,297</b>	
30	Backfill from (Transfer to) PC40% Discretionary								<b>(48,364,297)</b>	
31	Total								<b>\$ -</b>	

**Notes:**

- (1) Included Operators' share of LCTOP fund will be exchanged with Metro's TDA Article 4 allocation.
- (2) Prop A Discretionary funds (95% of 40%) allocated to Included Operators have been capped at 3.3% CPI for FAP allocation.
- (3) The Two-Year Lag Column is for information only. THESE AMOUNTS ARE ALREADY INCLUDED IN PROP A DISCRETIONARY Allocations.
- (4) Included \$170,195 of the city of La Mirada and \$199,062 of the City of Arcadia's share of 5307 grants in FY17. Fund will be exchanged with Metro's TDA 4.
- (5) Funds allocated to the SCRRTC through Long Beach Transit will be exchanged with Metro's TDA share.
- (6) Formula Equivalent funds are allocated by formula to Eligible Operators in lieu of Section 9, TDA, STA and Prop A 40% Discretionary funds. Fund source is Prop A 95% of 40% growth over CPI.
- (7) Antelope Valley and Santa Clarita's LCTOP fund will be exchanged with Metro's Prop C 40% Discretionary transfer to Proposition A Discretionary GOI.
- (8) Included \$1,353,230 in ARPA funding. ARPA funds will be exchanged with local funds.

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**PROPOSITION C 5% TRANSIT SECURITY FUNDING ALLOCATION**

Operators	FY21 Unlinked Passengers	Percent of Total Unlinked Passengers	Total <sup>(1)</sup>
1 Antelope Valley	914,281	0.3835%	\$ 198,045
2 Arcadia	17,809	0.0075%	3,858
3 Claremont	7,114	0.0030%	1,541
4 Commerce	114,472	0.0480%	24,796
5 Culver City	1,692,993	0.7102%	366,724
6 Foothill	6,099,989	2.5588%	1,321,336
7 Gardena	1,197,912	0.5025%	259,483
8 LADOT Local/Express	8,561,969	3.5915%	1,854,633
9 La Mirada	11,555	0.0048%	2,503
10 Long Beach	14,113,352	5.9202%	3,057,135
11 Montebello	1,962,879	0.8234%	425,185
12 Norwalk	700,892	0.2940%	151,822
13 Redondo Beach DR/MB	166,176	0.0697%	35,996
14 Santa Clarita	1,474,984	0.6187%	319,501
15 Santa Monica	5,027,105	2.1087%	1,088,936
16 Torrance	1,873,197	0.7858%	405,759
17 Sub-Total	43,936,679	18.4303%	9,517,253
18 Metro Bus/Rail Ops <sup>(2)</sup>	194,456,679	81.5697%	42,121,831
19 <b>Total</b>	<b>238,393,358</b>	<b>100.0000%</b>	<b>\$ 51,639,084</b>

**Notes:**

(1) Total funding is 90% of Prop C 5% Transit Security:

Estimated Revenue: \$ 57,376,760

90% Thereof: \$ 51,639,084

(2) Metro operations data includes unlinked passengers for bus and rail.

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**PROPOSITION C 40% DISCRETIONARY PROGRAMS**

	Operators	MOSIP			Zero-fare Compensation n <sup>(1)</sup>	Foothill Transit Mitigation <sup>(2)</sup>	Transit Service Expansion	Discretionary Base Restructuring	BSIP Overcrowdin g Relief	Total
		Prop A % Share	% Share	\$ Allocation						
	<b>INCLUDED OPERATORS</b>									
1	Metro Bus Ops			\$ -	\$ -	\$ 12,412,094	\$ -	\$ -	\$ 12,511,239	\$ 24,923,334
2	Arcadia	0.0832%	0.2474%	64,634	-	15,102	-	-	23,608	103,344
3	Claremont	0.0274%	0.0814%	21,259	-	4,967	-	-	-	26,227
4	Commerce	0.0769%	0.2288%	59,758	900,736	13,963	-	270,194	-	1,244,651
5	Culver City	1.4562%	4.3296%	1,131,024	-	264,274	260,439	-	181,996	1,837,732
6	Foothill	6.9861%	20.7712%	5,426,076	-	-	360,470	2,163,140	1,007,098	8,956,784
7	Gardena	1.3358%	3.9715%	1,037,481	-	242,417	748,595	-	189,989	2,218,482
8	La Mirada	0.0203%	0.0604%	15,789	-	3,689	-	-	-	19,478
9	Long Beach	6.0331%	17.9376%	4,685,866	-	1,094,897	2,471,477	-	892,094	9,144,335
10	Montebello	2.1421%	6.3688%	1,663,729	-	388,746	-	1,233,930	235,485	3,521,890
11	Norwalk	0.8332%	2.4773%	647,147	-	151,212	-	-	60,928	859,288
12	Redondo Beach DR/MB	0.1926%	0.5725%	149,565	-	34,947	-	-	4,325	188,837
13	Santa Monica	5.3167%	15.8078%	4,129,485	-	964,893	-	-	863,105	5,957,484
14	Torrance	1.7289%	5.1403%	1,342,810	-	313,760	876,524	785,150	260,598	3,578,843
15	Sub-Total	26.2323%	77.9947%	20,374,623	900,736	3,492,869	4,717,505	4,452,414	3,719,227	37,657,374
	<b>ELIGIBLE OPERATORS</b>									
16	Antelope Valley	1.6684%	4.9605%	1,295,847	-	29,840	408,166	-	51,804	1,785,658
17	Santa Clarita	1.3951%	4.1480%	1,083,597	-	24,953	213,483	-	55,413	1,377,446
18	LADOT Local/Express	3.5657%	10.6017%	2,769,490	-	602,942	2,932,371	-	162,427	6,467,230
19	Foothill BSCP	0.7719%	2.2950%	599,534	-	-	-	-	-	599,534
20	Sub-Total	7.4012%	22.0053%	5,748,468	-	657,736	3,554,020	-	269,645	10,229,868
21	City of Lynwood Trolley						233,639	-	-	233,639
22	Total Municipal Operators	33.6335%	100.0000%	26,123,091	900,736	4,150,604	8,505,164	4,452,414	3,988,873	48,120,882
23	<b>Total</b>	<b>33.6335%</b>	<b>100.0000%</b>	<b>\$ 26,123,091</b>	<b>\$ 900,736</b>	<b>\$ 16,562,699</b>	<b>\$ 8,505,164</b>	<b>\$ 4,452,414</b>	<b>\$ 16,500,112</b>	<b>\$ 73,044,216</b>

Last Year	\$ 25,288,568		\$ 8,233,460	\$ 4,310,178	\$ 15,973,003
% Increase	3.30%		3.30%	3.30%	3.30%
Current Year	<b>\$ 26,123,091</b>		<b>\$ 8,505,164</b>	<b>\$ 4,452,414</b>	<b>\$ 16,500,112</b>

**Note:**

(1) Allocated as part of FAP to Commerce as compensation for having zero passenger revenues.

(2) Antelope Valley, Santa Clarita, Burbank and Pasadena's LCTOP fund will be exchanged with Metro's "Foothill Mitigation" Fund. Metro will allocate Prop A Discretionary (95% of 40% ) GOI fund to Antelope Valley and Santa Clarita.

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**MEASURE R 20% BUS OPERATIONS AND CAPITAL ALLOCATIONS**

Operators	20% Bus Operations			Clean Fuel Bus Capital Facilities and Rolling Stock Fund (1)	
	Proposition A Base Share	MR Percentage Share	Bus Operations Allocation	Federal Section 5307 Capital Allocation	\$ Allocation
<b><u>Included Operators:</u></b>					
1 Metro Bus Ops	73.7677%	68.6842%	\$ 158,160,906	65.6344%	\$ -
2 Arcadia	0.0832%	0.0775%	178,418	0.1604%	-
3 Claremont	0.0274%	0.0255%	58,686	0.0578%	-
4 Commerce	0.0769%	0.0716%	164,959	0.3351%	-
5 Culver City	1.4562%	1.3558%	3,122,138	1.4181%	-
6 Foothill	6.9861%	6.5047%	14,978,433	8.3256%	-
7 Gardena	1.3358%	1.2437%	2,863,918	1.2453%	-
8 La Mirada	0.0203%	0.0189%	43,584	0.0648%	-
9 Long Beach	6.0331%	5.6173%	12,935,117	6.2603%	-
10 Montebello	2.1421%	1.9944%	4,592,647	1.8661%	-
11 Norwalk	0.8332%	0.7758%	1,786,420	0.6849%	-
12 Redondo Beach DR	0.0113%	0.0105%	24,262	0.3308%	-
13 Redondo Beach MB	0.1812%	0.1688%	388,605		-
14 Santa Monica	5.3167%	4.9503%	11,399,253	4.5853%	-
15 Torrance	1.7289%	1.6097%	3,706,766	1.4164%	-
<b><u>Eligible Operators:</u></b>					
16 Antelope Valley	1.6684%	1.5534%	3,577,126	1.9408%	-
17 Santa Clarita	1.3951%	1.2990%	2,991,220	1.8877%	-
18 LADOT Local	2.4066%	2.2407%	5,159,784	3.7863%	-
19 LADOT Express	1.1591%	1.0793%	2,485,264		-
20 Foothill BSCP	0.7719%	0.7187%	1,654,985		-
21 Total Municipal Operators	33.6335%	31.3158%	72,111,584	34.3656%	-
22 <b>Total Funds Allocated</b>	<b>107.4012%</b>	<b>100.0000%</b>	<b>\$ 230,272,491</b>	<b>100.0000%</b>	<b>\$ -</b>

**Notes:**

(1) Clean Fuel Capital Facilities and Rolling Stock Funds of \$10M will be allocated every even fiscal year.

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**MEASURE M 20% TRANSIT OPERATIONS**  
(Metro and Municipal Providers)

Operators	Measure M Percentage Share <sup>(1)</sup>	\$ Allocation
<b><u>Included Operators:</u></b>		
1 Metro Bus Ops	68.6842%	\$ 157,912,946
2 Arcadia	0.0775%	178,138
3 Claremont	0.0255%	58,594
4 Commerce	0.0716%	164,700
5 Culver City	1.3558%	3,117,243
6 Foothill	6.5047%	14,954,950
7 Gardena	1.2437%	2,859,428
8 La Mirada	0.0189%	43,515
9 Long Beach	5.6173%	12,914,838
10 Montebello	1.9944%	4,585,446
11 Norwalk	0.7758%	1,783,619
12 Redondo Beach DR	0.0105%	24,224
13 Redondo Beach MB	0.1688%	387,995
14 Santa Monica	4.9503%	11,381,382
15 Torrance	1.6097%	3,700,954
<b><u>Eligible Operators:</u></b>		
16 Antelope Valley	1.5534%	3,571,518
17 Santa Clarita	1.2990%	2,986,530
18 LADOT Local	2.2407%	5,151,695
19 LADOT Express	1.0793%	2,481,368
20 Foothill BSCP	0.7187%	1,652,391
21 Total Municipal Operators	31.3158%	71,998,530
22 <b>Total Funds Allocated</b>	<b>100.0000%</b>	<b>\$ 229,911,476</b>

**Notes:**

(1) Metro follows Measure R allocation methodology for Measure M 20% Transit Operations.

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**Senate Bill 1 - Road Repair and Accountability Act of 2017**

	<b>Operators</b>	<b>Measure R % Share <sup>(1)</sup></b>	<b>SB1 - STA Allocation</b>	<b>SB1 - SGR Allocation <sup>(2)</sup></b>	<b>Total</b>
	<b><u>Included Operators:</u></b>				
1	Metro Bus Ops	68.6842%	\$ 34,506,408	\$ 15,501,469	\$ 50,007,877
2	Arcadia	0.0775%	38,926	17,487	56,413
3	Claremont	0.0255%	12,804	5,752	18,555
4	Commerce	0.0716%	35,990	16,168	52,157
5	Culver City	1.3558%	681,166	306,003	987,169
6	Foothill	6.5047%	3,267,887	1,468,047	4,735,934
7	Gardena	1.2437%	624,829	280,695	905,524
8	La Mirada	0.0189%	9,509	4,272	13,780
9	Long Beach	5.6173%	2,822,091	1,267,781	4,089,871
10	Montebello	1.9944%	1,001,991	450,129	1,452,119
11	Norwalk	0.7758%	389,748	175,088	564,837
12	Redondo Beach DR	0.0105%	5,293	2,378	7,671
13	Redondo Beach MB	0.1688%	84,783	38,087	122,870
14	Santa Monica	4.9503%	2,487,007	1,117,249	3,604,256
15	Torrance	1.6097%	808,715	363,303	1,172,018
	<b><u>Eligible Operators:</u></b>				
16	Antelope Valley	1.5534%	780,432	350,597	1,131,028
17	Santa Clarita	1.2990%	652,603	293,172	945,774
18	LADOT Local	2.2407%	1,125,725	505,714	1,631,439
19	LADOT Express	1.0793%	542,217	243,583	785,800
20	Foothill BSCP	0.7187%	361,073	162,206	523,279
21	Total Municipal Operators	31.3158%	15,732,787	7,067,710	22,800,497
22	County of Los Angeles		-	67,097	67,097
23	<b>Total Funds Allocated</b>	<b>100.0000%</b>	<b>\$ 50,239,195</b>	<b>\$ 22,636,276</b>	<b>\$ 72,875,471</b>

**Notes:**

(1) STA and SGR portion of SB1 will be allocated based on Measure R allocation methodology.

(2) Preliminary estimates. Subject to the submittal of eligible projects.



Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**LOW CARBONTRANSIT OPERATIONS PROGRAM**

**Eligible Allocation Fiscal Year 2021 - 2022**

Operators	LCTOP Share <sup>(1)</sup>	TDA Fund Exchange <sup>(2)</sup>	Prop A GOI / Prop C 40% Fund Exchange <sup>(3)</sup>	Net Funds Available <sup>(1)</sup>
<b>1 Metro Bus Ops.</b>		<b>\$ 3,323,653</b>	<b>\$ 975,482</b>	<b>\$ 4,299,135</b>
2 Antelope Valley <sup>(3)</sup>	\$ 342,986		(342,986)	-
3 Arcadia	27,118	(27,118)		-
4 Claremont	7,698	(7,698)		-
5 Commerce	71,471	(71,471)		-
6 Culver City	257,803	(257,803)		-
7 Foothill Transit	-	-		-
8 Gardena	232,386	(232,386)		-
9 La Mirada	14,759	(14,759)		-
10 Long Beach	1,021,561	(1,021,561)		-
11 Montebello	339,103	(339,103)		-
12 Norwalk	155,039	(155,039)		-
13 Redondo Beach	49,028	(49,028)		-
14 Santa Clarita <sup>(3)</sup>	438,884		(438,884)	-
15 Santa Monica	802,239	(802,239)		-
16 Torrance	345,448	(345,448)		-
<b>17 Tier Two Operators</b>				
18 Burbank <sup>(3)</sup>	63,611		(63,611)	-
19 Pasadena <sup>(3)</sup>	130,001		(130,001)	-
<b>20 TOTAL</b>	<b>\$ 4,105,523</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,299,135</b>

Note:

(1) Estimated - To be adjusted based on actual allocations.

(2) Included Operators' share of LCTOP fund will be exchanged with Metro's TDA Article 4 allocation.

(3) LCTOP fund will be exchanged with Metro's "Foothill Mitigation Fund" share. Metro will allocate Proposition A Discretionary (95% of 40% ) GOI fund to these operators.

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**TIER 2 OPERATORS ESTIMATED FUNDING LEVELS**

Operators	Vehicle Service Miles FY21 data	Passenger Revenue (1)	Base Fare (2)	Fare Units (2)	50% VSM + 50% Fare Units	% Share			
1 LADOT Community Dash	3,860,618	\$ 3,413,087	\$ 0.50	<b>16,808,232</b>	10,334,425	5.2002%			
2 Glendale	720,218	875,056	1.00	<b>2,187,836</b>	1,454,027	0.7317%			
3 Pasadena	721,701	687,525	0.75	916,700	819,201	0.4122%			
4 Burbank	209,767	189,786	1.00	189,786	199,777	0.1005%			
5 Sub-Total	5,512,304	5,165,454		20,102,554	12,807,429	6.4446%			
6 Included and Eligible Oper	91,307,817	251,143,631		159,997,982	185,924,937	93.5554%			
7 Total	96,820,121	\$256,309,085		180,100,536	198,732,366	100.0000%			
<b>STA Revenue</b>									
	% Share	TDA Article 4 + Interest	Base Share + Interest	Proposition A Discretionary	Total				
8 Funds Allocated to Included Operators		\$ 508,403,193	\$ 60,136,246	\$ 269,348,521	\$837,887,959				
<u>Formula Equivalent Calculation</u>									
9 LADOT Community Dash		5.2002%	\$ 26,437,841	\$ 3,127,188	\$ 14,006,587	\$ 43,571,616			
10 Glendale		0.7317%	3,719,736	439,987	1,970,691	6,130,414			
11 Pasadena		0.4122%	2,095,704	247,889	1,110,289	3,453,882			
12 Burbank		0.1005%	511,074	60,452	270,764	842,290			
13 Total		6.4446%	\$ 32,764,355	\$ 3,875,517	\$ 17,358,330	\$ 53,998,203			
<b>Funds Allocated to Tier 2 Operators 11.11% (3)</b>									
						MTA Allocations	ARPA Fund Allocations (4)	LCTOP fund Exchange (5)	FY23 Total Funds Available
<u>Actual Allocation</u>									
14 LADOT Community Dash		\$ 2,937,636	\$ 347,477	\$ 1,556,339	\$ 4,841,452	n/a	\$ -	\$ 4,841,452	
15 Glendale		413,318	48,889	218,973	681,180	769,726	-	1,450,906	
16 Pasadena		232,864	27,544	123,370	383,777	448,564	130,001	962,342	
17 Burbank		56,788	6,717	30,086	93,591	134,940	63,611	292,142	
18 Total		\$ 3,640,605	\$ 430,627	\$ 1,928,768	\$ 6,000,000	\$ 1,353,230	\$ 193,612	\$ 7,546,842	

	Prop A Incentive Allocation <sup>(6)</sup>	Before Tier 2		Net Prop A Incentive Allocation
		GOI Allocation	GOI Allocation Deduction	
19 LADOT Community Dash		\$ 1,318,365	\$ (146,490)	\$ 1,171,875
20 Glendale		335,965	(37,331)	298,634
21 Pasadena		337,284	(37,477)	299,807
22 Burbank		133,444	(14,828)	118,616
23 Total		\$ 2,125,058	\$ (236,125)	\$ 1,888,932

**Notes:**

- (1) Fare Unit are held constant at FY19 FAP level.
- (2) Funding Stability Policy is applied on LADOT and Glendale Fare Units.
- (3) This percentage is applied as a deduction from Tier 2 Operators' Incentive Program allocations.
- (4) ARPA funding to Burbank, Glendale and Pasadena is included for FY23. City of Los Angeles Community Dash program is anticipated to be drawn directly by City of Los Angeles DOT.
- (5) Burbank and Pasadena's LCTOP fund will be exchanged with Metro's "Foothill Mitigation" Fund. Metro will allocate Prop A Discretionary (95% of 40% ) GOI fund to these operators.
- (6) Estimated - to be Adjusted to Actual apportionment.

# **LOCAL SUBSIDIES**

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS**  
(In Order of Priority)

<b>PRIORITY I: EXISTING SUB-REGIONAL PARATRANSIT PROJECTS</b>		<b>MTA Allocation</b>	<b>ARPA Allocations <sup>(1)</sup></b>	<b>FY 23 Total Funds Available</b>
1	Agoura Hills	\$ 66,450	\$ 70,592	\$ 137,042
2	Antelope Valley, Elderly & Disabled	337,251	356,709	693,960
3	Beverly Hills Taxi & Lift Van	-	3,994	3,994
4	Culver City Community Transit and LA County	58,867	64,250	123,117
5	Gardena, Hawthorne and LA County	194,807	204,924	399,731
6	Glendale Paratransit and La Canada Flintridge	269,419	282,601	552,019
7	Inglewood Transit and LA County	216,411	222,889	439,300
8	LA County (Whittier et al)	209,817	222,647	432,464
9	LA County (Willowbrook)	43,386	45,573	88,959
10	Los Angeles Taxi & Lift Van, City Ride <sup>(1)</sup>	415,976	-	415,976
11	Los Angeles Dial-a-Ride, City Ride <sup>(1)</sup>	1,109,084	-	1,109,084
12	Monrovia D.A.R. and LA County	103,558	113,731	217,289
13	Palos Verdes PTA D.A.R.	42,394	44,557	86,950
14	Palos Verdes PTA - PV Transit	397,850	420,134	817,984
15	Pasadena Community Transit, San Marino and LA County	478,805	502,286	981,090
16	Pomona Valley TA - E&D (Get About)	803,438	843,260	1,646,698
17	Pomona Valley TA General Public (VC)	74,883	80,123	155,006
18	Santa Clarita D.A.R.	959,631	974,059	1,933,689
19	West Hollywood (DAR)	259,246	273,325	532,571
20	West Hollywood (Taxi)	-	14,733	14,733
21	Whittier (DAR)	291,382	305,666	597,048
22	Redondo Beach Community Transit and Hermosa Beach <sup>(2)</sup>	-	4,346	4,346
23	<b>TOTAL EXISTING SUB-REGIONAL PARATRANSIT PROJECTS</b>	<b>\$ 6,332,655</b>	<b>\$ 5,050,398</b>	<b>\$ 11,383,052</b>
<b>PRIORITY II: SERVICES THAT RECEIVE GROWTH OVER INFLATION (</b>				
24	City of L.A. - Bus Service Continuation Project/DASH/Central City Shuttle	\$ -	\$ -	\$ -
25	Santa Clarita - Local Fixed Route	-	-	-
26	Antelope Valley - Local Fixed Route	-	-	-
27	Foothill - Bus Service Continuation Project	-	-	-
28	<b>TOTAL SERVICES THAT RECEIVE GROWTH OVER INFLATION</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
29	<b>PRIORITY III: APPROVED EXISTING EXPANDED PARATRANSIT</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
30	<b>PRIORITY IV: APPROVED NEW EXPANDED PARATRANSIT SERVICES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS (Continued)**  
(In Order of Priority)

<b>Priority V: VOLUNTARY NTD DATA REPORTING</b> (Estimated - to be Adjusted to Actual apportionment) FY19 NTD Report Year		<b>Estimate</b>	<b>Tier 2 Deduction <sup>(3)</sup></b>	<b>MTA Allocation</b>	<b>ARPA Allocations <sup>(1)</sup></b>	<b>FY 23 Total Funds Available</b>
31	City of Alhambra (MB and DR)	\$ 117,855		\$ 117,855	\$ 123,984	\$ 241,839
32	City of Artesia (DR)	5,416		5,416	5,744	11,161
33	City of Azusa (DR)	40,761		40,761	43,058	83,820
34	City of Baldwin Park (MB and DR)	102,409		102,409	106,057	208,466
35	City of Bell (MB/DR)	24,232		24,232	25,536	49,769
36	City of Bell Gardens (MB and DR)	64,250		64,250	67,785	132,035
37	City of Bellflower (MB and DR)	41,472		41,472	44,082	85,554
38	City of Burbank (MB)*	133,444	(14,828)	114,740	121,213	235,953
39	City of Calabasas (MB and DR)	53,535		53,535	58,950	112,485
40	City of Carson (MB and DT)	190,852		190,852	201,215	392,067
41	City of Cerritos (MB )	104,000		104,000	109,430	213,430
42	City of Compton (MB)	56,550		56,550	59,542	116,091
43	City of Covina (DR)	26,765		26,765	28,025	54,791
44	City of Cudahy (MB and DR)	24,345		24,345	25,383	49,727
45	City of Downey (MB and DR)	87,898		87,898	91,941	179,839
46	City of Duarte (MB)	26,024		26,024	28,832	54,856
47	City of El Monte (MB and DR)	130,497		130,497	139,311	269,808
48	City of Glendora (MB and DR)	79,024		79,024	84,874	163,898
49	City of Glendale (MB)*	335,965	(37,331)	288,875	303,901	592,776
50	City of Huntington Park (MB)	109,324		109,324	98,850	208,174
51	City of Los Angeles -- Community DASH* (MB) (1)	1,318,365	(146,490)	1,133,577	-	1,133,577
52	City of Los Angeles -- Department of Aging (DR) (1)	171,081		171,081	-	171,081
53	LA County Dept. of Public Works -- Avocado Heights (MB)	17,009		17,009	17,928	34,936
54	LA County Dept. of Public Works -- East Valinda (MB)	19,155		19,155	20,174	39,329
55	LA County Dept. of Public Works -- East LA (MB and DR)	138,679		138,679	146,701	285,380
56	LA County Dept. of Public Works -- Willowbrook (MB)	36,015		36,015	37,660	73,676
57	LA County Dept. of Public Works -- King Medical (MB)	15,381		15,381	16,171	31,552
58	LA County Dept. of Public Works -- Athens (MB)	15,989		15,989	16,882	32,872
59	LA County Dept. of Public Works -- Lennnox (MB)	12,428		12,428	13,227	25,655
60	LA County Dept. of Public Works -- South Whittier (MB)	88,434		88,434	93,642	182,076
61	LA County Dept. of Public Works -- Florance/Firestone (MB)	24,480		24,480	22,134	46,614
62	City of Lakewood (DR)	31,729		31,729	28,689	60,419
63	City of Lawndale (MB)	34,170		34,170	35,932	70,102
64	City of Lynwood (MB)	59,293		59,293	62,365	121,658
65	City of Malibu (DT)	3,654		3,654	6,786	10,439
66	City of Manhattan Beach (DR)	21,753		21,753	22,437	44,190
67	City of Maywood (DR)	24,995		24,995	26,242	51,236
68	City of Monterey Park (MB and DR)	105,444		105,444	111,576	217,020
69	City of Pasadena (MB)*	337,284	(37,477)	290,009	302,275	592,284
70	City of Pico Rivera (DR)	8,939		8,939	9,497	18,436
71	City of Rosemead (MB and DR)	76,565		76,565	80,604	157,170
72	City of Santa fe Springs (DR)	9,217		9,217	9,191	18,408
73	City of South Gate (DT and MB)	153,141		153,141	162,051	315,192
74	City of South Pasadena (DR)	15,457		15,457	16,319	31,776
75	City of West Covina (MB and DR)	98,678		98,678	104,328	203,006
76	City of West Hollywood (MB)	50,448		50,448	52,393	102,841
<b>77</b>	<b>TOTAL VOLUNTARY NTD DATA REPORTING</b>	<b>\$ 4,642,399</b>	<b>\$ (236,125)</b>	<b>\$ 4,344,542</b>	<b>\$ 3,182,919</b>	<b>\$ 7,527,461</b>

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**PROPOSITION A 5% OF 40% DISCRETIONARY PROGRAMS (Continued)**  
**(In Order of Priority)**

<b>PRIORITY VI: SPECIAL DEMONSTRATION PROJECTS</b>		<b>MTA Allocation</b>	<b>ARPA Allocations <sup>(1)</sup></b>	<b>FY 23 Total Funds Available</b>
78	Avalon Ferry Subsidy	\$ 700,000	\$ 476,538	\$ 1,176,538
79	Avalon Transit Services (Jitney and Dial-a-Ride)	300,000	109,874	409,874
80	Hollywood Bowl Shuttle Service	1,057,000	387,124	1,444,124
81	<b>TOTAL SPECIAL DEMONSTRATION PROJECTS</b>	<b>\$ 2,057,000</b>	<b>\$ 973,536</b>	<b>\$ 3,030,536</b>
82	Total funds	\$ 12,734,197	\$ 9,206,853	\$ 21,941,049
83	Reserves for contingencies (4)	9,400,843	-	9,400,843
<b>84</b>	<b>TOTAL ESTIMATED REVENUE</b>	<b>\$ 22,135,040</b>	<b>\$ 9,206,853</b>	<b>\$ 31,341,892</b>
85	Surplus (Deficit)	\$ -		

**NOTES:**

- (1) Operators' ARPA Allocated funding will be exchanged with local funds. City of Los Angeles ARPA funding, \$2,952,268 will be received directly from FTA.
- (2) Redondo Beach Community Transit and Hermosa Beach Dial-A-Ride are now included in FAP allocation.
- (3) Tier 2 Operators' share have been reduced by % of GOI Funding per Tier 2 Operators Funding Program.
- (4) These funds are held in reserve for future contingency purposes such as deficit years, growth over inflation, approved new or existing expanded paratransit services, and new NTD reporters.



Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8**

LOCAL JURISDICTION	Population DOF Report 2021 data <sup>(1)</sup>	Population as % of County	Proposition A Local Return Estimate <sup>(2)</sup>	Proposition C Local Return Estimate <sup>(2)</sup>	Measure R Local Return Estimate <sup>(2)</sup>	Measure M Local Return Estimate	TDA Article 3 Ped & Bike (A)	TDA Article 8 (S & H)		Total
								Population	Article 8 Allocation	
1 AGOURA HILLS	20,457	0.2037%	\$ 499,085	\$ 413,978	\$ 310,483	\$ 351,881	\$ 19,266		\$ -	\$ 1,594,694
2 ALHAMBRA	86,258	0.8588%	2,104,418	1,745,559	1,309,170	1,483,725	81,208			6,724,080
3 ARCADIA	57,660	0.5740%	1,406,719	1,166,836	875,127	991,811	54,287			4,494,780
4 ARTESIA	16,484	0.1641%	402,157	333,578	250,184	283,542	15,526			1,284,987
5 AVALON	3,973	0.0396%	96,928	80,400	60,300	68,340	5,000	3,973	220,402	531,369
6 AZUSA	49,587	0.4937%	1,209,763	1,003,467	752,600	852,947	46,688			3,865,465
7 BALDWIN PARK	75,935	0.7560%	1,852,570	1,536,658	1,152,494	1,306,159	71,490			5,919,371
8 BELL	36,319	0.3616%	886,067	734,969	551,227	624,724	34,198			2,831,185
9 BELLFLOWER	77,458	0.7712%	1,889,726	1,567,478	1,175,609	1,332,357	72,924			6,038,094
10 BELL GARDENS	42,233	0.4205%	1,030,349	854,648	640,986	726,451	39,765			3,292,199
11 BEVERLY HILLS	33,399	0.3325%	814,828	675,879	506,909	574,497	31,449			2,603,562
12 BRADBURY	1,045	0.0104%	25,495	21,147	15,860	17,975	5,000			85,477
13 BURBANK	103,969	1.0351%	2,536,510	2,103,968	1,577,976	1,788,373	97,880			8,104,706
14 CALABASAS	24,341	0.2423%	593,842	492,576	369,432	418,690	22,922			1,897,463
15 CARSON	91,668	0.9126%	2,236,405	1,855,039	1,391,279	1,576,783	86,300			7,145,806
16 CERRITOS	50,048	0.4983%	1,221,010	1,012,796	759,597	860,877	47,122			3,901,402
17 CLAREMONT	35,707	0.3555%	871,136	722,584	541,938	614,197	33,622			2,783,477
18 COMMERCE	12,792	0.1274%	312,084	258,865	194,149	220,035	12,051			997,184
19 COMPTON	97,775	0.9734%	2,385,396	1,978,623	1,483,967	1,681,830	92,049			7,621,865
20 COVINA	48,833	0.4862%	1,191,368	988,209	741,156	839,977	45,978			3,806,689
21 CUDAHY	23,750	0.2364%	579,424	480,617	360,463	408,524	22,366			1,851,393
22 CULVER CITY	39,805	0.3963%	971,114	805,514	604,135	684,687	37,479			3,102,929
23 DIAMOND BAR	56,717	0.5647%	1,383,713	1,147,753	860,815	975,590	53,399			4,421,270
24 DOWNEY	111,425	1.1093%	2,718,412	2,254,851	1,691,138	1,916,624	104,899			8,685,924
25 DUARTE	21,457	0.2136%	523,482	434,214	325,661	369,082	20,208			1,672,647
26 EL MONTE	116,465	1.1595%	2,841,372	2,356,843	1,767,632	2,003,317	109,643			9,078,807
27 EL SEGUNDO	16,660	0.1659%	406,450	337,140	252,855	286,569	15,692			1,298,706
28 GARDENA	60,344	0.6008%	1,472,200	1,221,151	915,863	1,037,978	56,814			4,704,006
29 GLENDALE	203,834	2.0293%	4,972,895	4,124,885	3,093,664	3,506,152	191,887			15,889,483
30 GLENORA	51,540	0.5131%	1,257,410	1,042,989	782,242	886,541	48,526			4,017,707
31 HAWAIIAN GARDENS	14,467	0.1440%	352,948	292,761	219,571	248,847	13,628			1,127,755
32 HAWTHORNE	86,999	0.8661%	2,122,496	1,760,555	1,320,416	1,496,471	81,905			6,781,843
33 HERMOSA BEACH	19,451	0.1936%	474,542	393,620	295,215	334,577	18,319			1,516,273
34 HIDDEN HILLS	1,913	0.0190%	46,671	38,712	29,034	32,906	5,000			152,323
35 HUNTINGTON PARK	58,937	0.5868%	1,437,873	1,192,678	894,509	1,013,776	55,489			4,594,326

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8 (continued)**

LOCAL JURISDICTION	Population DOF Report 2020 data <sup>(1)</sup>	Population as % of County	Proposition A Local Return Estimate <sup>(2)</sup>	Proposition C Local Return Estimate <sup>(2)</sup>	Measure R Local Return Estimate <sup>(2)</sup>	Measure M Local Return Estimate	TDA Article 3 Ped & Bike (A)	TDA Article 8 (S & H)		Total
								Population	Article 8 Allocation	
36 INDUSTRY (B)	427	0.0043%	10,417	8,641	6,481	7,345	-			32,884
37 INGLEWOOD	110,159	1.0967%	2,687,526	2,229,232	1,671,924	1,894,847	103,707			8,587,235
38 IRWINDALE	1,441	0.0143%	35,156	29,161	21,871	24,787	5,000			115,974
39 LA CANADA-FLINTRIDGE	20,194	0.2010%	492,669	408,656	306,492	347,357	19,019			1,574,192
40 LA HABRA HEIGHTS	5,451	0.0543%	132,987	110,309	82,732	93,763	5,140			424,931
41 LAKEWOOD	80,218	0.7986%	1,957,061	1,623,331	1,217,498	1,379,831	75,522			6,253,244
42 LA MIRADA	48,631	0.4842%	1,186,440	984,121	738,091	836,503	45,788			3,790,942
43 LANCASTER	161,372	1.6066%	3,936,958	3,265,603	2,449,202	2,775,763	151,916	161,372	8,952,102	21,531,545
44 LA PUENTE	40,087	0.3991%	977,994	811,220	608,415	689,537	37,745			3,124,912
45 LA VERNE	33,084	0.3294%	807,143	669,504	502,128	569,079	31,153			2,579,007
46 LAWDALE	32,710	0.3257%	798,019	661,936	496,452	562,645	30,801			2,549,852
47 LOMITA	20,431	0.2034%	498,451	413,452	310,089	351,434	19,242			1,592,667
48 LONG BEACH	467,730	4.6566%	11,411,109	9,465,215	7,098,911	8,045,432	440,304			36,460,972
49 LOS ANGELES CITY	3,923,341	39.0598%	95,716,914	79,394,661	59,545,996	67,485,462	4,193,800			306,336,833
50 LYNWOOD	69,880	0.6957%	1,704,847	1,414,126	1,060,595	1,202,007	65,790			5,447,366
51 MALIBU	11,537	0.1149%	281,466	233,468	175,101	198,448	10,869			899,353
52 MANHATTAN BEACH	35,058	0.3490%	855,303	709,451	532,088	603,033	33,011			2,732,886
53 MAYWOOD	27,670	0.2755%	675,059	559,944	419,958	475,952	26,056			2,156,969
54 MONROVIA	38,479	0.3831%	938,764	778,680	584,010	661,878	36,231			2,999,563
55 MONTEBELLO	62,914	0.6264%	1,534,899	1,273,159	954,869	1,082,185	59,233			4,904,345
56 MONTEREY PARK	60,380	0.6011%	1,473,078	1,221,879	916,410	1,038,598	56,848			4,706,812
57 NORWALK	105,393	1.0493%	2,571,251	2,132,785	1,599,588	1,812,867	99,220			8,215,711
58 PALMDALE	156,074	1.5538%	3,807,704	3,158,390	2,368,793	2,684,632	146,929	156,074	8,658,196	20,824,644
59 PALOS VERDES ESTATES	13,286	0.1323%	324,136	268,862	201,647	228,533	12,516			1,035,693
60 PARAMOUNT	55,200	0.5496%	1,346,703	1,117,054	837,791	949,496	51,971			4,303,015
61 PASADENA	145,306	1.4466%	3,544,999	2,940,484	2,205,363	2,499,411	136,792			11,327,050
62 PICO RIVERA	63,157	0.6288%	1,540,828	1,278,076	958,557	1,086,365	59,462			4,923,288
63 POMONA	151,319	1.5065%	3,691,697	3,062,166	2,296,624	2,602,841	142,453			11,795,781
64 RANCHO PALOS VERDES	41,541	0.4136%	1,013,467	840,644	630,483	714,548	39,114			3,238,255
65 REDONDO BEACH	66,484	0.6619%	1,621,996	1,345,403	1,009,052	1,143,593	62,594			5,182,637
66 ROLLING HILLS	1,866	0.0186%	45,524	37,761	28,321	32,097	5,000			148,704
67 ROLLING HILLS ESTATES	8,098	0.0806%	197,565	163,875	122,906	139,294	7,632			631,273
68 ROSEMEAD	54,229	0.5399%	1,323,013	1,097,405	823,054	932,794	51,057			4,227,323
69 SAN DIMAS	34,003	0.3385%	829,564	688,101	516,076	584,886	32,018			2,650,645
70 SAN FERNANDO	24,754	0.2464%	603,918	500,934	375,701	425,794	23,311			1,929,658

Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**PROPOSITION A, PROPOSITION C , MEASURE R and MEASURE M LOCAL RETURN, TDA ARTICLE 3 & 8 (continued)**

LOCAL JURISDICTION	Population DOF Report 2020 data <sup>(1)</sup>	Population as % of County	Proposition A Local Return Estimate <sup>(2)</sup>	Proposition C Local Return Estimate <sup>(2)</sup>	Measure R Local Return Estimate <sup>(2)</sup>	Measure M Local Return Estimate	TDA Article 3 Ped & Bike (A)	TDA Article 8 (S & H)		Total
								Population	Article 8 Allocation	
71 SAN GABRIEL	39,945	0.3977%	974,530	808,347	606,260	687,095	37,611			3,113,842
72 SAN MARINO	12,961	0.1290%	316,207	262,285	196,714	222,942	12,210			1,010,358
73 SANTA CLARITA	221,572	2.2059%	5,405,645	4,483,840	3,362,880	3,811,264	208,585	221,572	12,291,694	29,563,908
74 SANTA FE SPRINGS	18,129	0.1805%	442,289	366,867	275,151	311,837	17,075			1,413,219
75 SANTA MONICA	92,968	0.9256%	2,268,120	1,881,346	1,411,010	1,599,144	87,524			7,247,145
76 SIERRA MADRE	10,655	0.1061%	259,948	215,620	161,715	183,277	10,039			830,599
77 SIGNAL HILL	11,617	0.1157%	283,417	235,087	176,316	199,824	10,945			905,589
78 SOUTH EL MONTE	21,296	0.2120%	519,554	430,956	323,217	366,313	20,056			1,660,097
79 SOUTH GATE	96,553	0.9613%	2,355,583	1,953,894	1,465,421	1,660,810	90,899			7,526,606
80 SOUTH PASADENA	25,668	0.2555%	626,217	519,430	389,573	441,516	24,172			2,000,907
81 TEMPLE CITY	36,225	0.3606%	883,774	733,067	549,800	623,107	34,109			2,823,857
82 TORRANCE	144,832	1.4419%	3,533,435	2,930,892	2,198,169	2,491,258	136,346			11,290,100
83 VERNON	295	0.0029%	7,197	5,970	4,477	5,074	5,000			27,718
84 WALNUT	29,835	0.2970%	727,878	603,756	452,817	513,192	28,094			2,325,737
85 WEST COVINA	105,593	1.0513%	2,576,130	2,136,832	1,602,624	1,816,307	99,409			8,231,302
86 WEST HOLLYWOOD	36,125	0.3597%	881,334	731,043	548,282	621,387	34,015			2,816,062
87 WESTLAKE VILLAGE	8,180	0.0814%	199,566	165,535	124,151	140,704	7,709			637,665
88 WHITTIER	86,196	0.8581%	2,102,905	1,744,305	1,308,229	1,482,659	81,149			6,719,247
89 UNINCORP LA COUNTY	1,024,204	10.1967%	24,987,287	20,726,297	15,544,723	17,617,352	2,132,146	136,022	7,545,812	88,553,616
<b>90 TOTAL</b>	<b>10,044,458</b>	<b>100.0000%</b>	<b>\$ 245,052,500</b>	<b>\$ 203,264,600</b>	<b>\$ 152,448,450</b>	<b>\$ 172,774,910</b>	<b>\$ 11,144,314</b>	<b>679,013</b>	<b>\$ 37,668,206</b>	<b>\$ 822,352,980</b>

**Note:**

(1) Population estimates are based on State of California Department of Finance's (DOF) 2021 population estimates. The Unincorporated Population figure for TDA Article 8 is based on 2007 estimates by Urban Research.

(2) Proposition A, Proposition C, Measure R and Measure M Local Return funds are allocated their share of estimated revenues (minus administration) without carryover since payments are made based on actual revenues received.

TDA Article 3 Allocation:

(A) 15% of the estimated revenue is first awarded to the City of Los Angeles and Los Angeles County (30%-70% split) as Supplemental Allocation.

(B) City of Industry has opted out of the TDA Article 3 program indefinitely.

# **Bus Transit Subsidies FEDERAL FORMULA GRANTS**



**FEDERAL FORMULA GRANTS REVENUE ESTIMATES <sup>(1),(2)</sup>**

**Los Angeles County Share of Los Angeles-Long Beach-Anaheim UZA**

1	<b>Section 5307 Urbanized Area Formula Grants:</b>		
	<b>Estimated Revenue</b>		<b>\$ 328,000,000</b>
2	Estimated Revenue	\$ 328,000,000	
3	Off the Top: 1% Enhancement Allocation	<u>(3,280,000)</u>	
4		<u>\$ 324,720,000</u>	
5	85% Formula Allocation	\$ 276,012,000	
6	15% Discretionary Allocation	<u>48,708,000</u>	
7		<u>\$ 324,720,000</u>	
8	<b>Section 5339 Bus and Bus Facilities Formula Grants:</b>		
	<b>Estimated Revenue</b>		<b>\$ 33,318,249</b>
	<b>Section 5337 State of Good Repair (LA County Share of LA UZA 2):</b>		
	<b>High Intensity Fixed Guideway:</b>		
9	Directional Route Miles (DRM) Generated	\$ 42,476,661	
10	Vehicle Revenue Miles (VRM) Generated	<u>73,606,447</u>	
11		<u>\$ 116,083,108</u>	
	<b>High Intensity Motorbus:</b>		
12	Directional Route Miles (DRM) Generated	\$ 3,232,135	
13	Vehicle Revenue Miles (VRM) Generated	<u>4,031,361</u>	
14		<u>\$ 7,263,496</u>	
15	<b>Section 5337 State of Good Repair Total Estimated Revenue</b>		<b>\$ 123,346,604</b>
16	<b>Total Federal Formula Funds Available</b>		<b>\$ 484,664,853</b>

Note:

(1) Funding based on assumption of full Congressional authorization of the Infrastructure Investment and Jobs Act (IIJA).

(2) Fund allocations are based on FY19 TPM data.





Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**FEDERAL FORMULA GRANTS (Estimated - to be Adjusted to Actual apportionment) (1)**

Operators	Urbanized Formula Program (Section 5307)			Bus & Bus Facilities (Section 5339)			State of Good Repair (Section 5337)			Total
	Allocation	Fund Exchanges	Adjusted Allocation	Allocation	Fund Exchange	Adjusted Allocation	Allocation	Fund Exchange	Adjusted Allocation	
<b>Included Operators:</b>										
1 Metro Bus Ops	\$ 211,493,706	\$ (16,778,676)	\$ 194,715,030	\$ 22,532,573	\$ 10,785,676	\$ 33,318,249	\$ 116,993,604	\$ 6,353,000	\$ 123,346,604	\$ 351,379,883
<b>Municipal Operators:</b>										
2 Arcadia	456,196	55,069	511,265	55,069	(55,069)	-	-	-	-	511,265
3 Claremont	164,402	19,846	184,248	19,846	(19,846)	-	-	-	-	184,248
4 Commerce	978,650	115,058	1,093,708	115,058	(115,058)	-	-	-	-	1,093,708
5 Culver City	7,324,953	486,828	7,811,781	486,828	(486,828)	-	-	-	-	7,811,781
6 Foothill Transit	27,204,297	7,286,368	34,490,665	2,858,228	(2,858,228)	-	4,428,140	(4,428,140)	-	34,490,665
7 Gardena	4,352,007	427,510	4,779,517	427,510	(427,510)	-	-	-	-	4,779,517
8 La Mirada	184,389	22,258	206,647	22,258	(22,258)	-	-	-	-	206,647
9 Long Beach	22,011,643	1,996,140	24,007,783	2,149,202	(2,149,202)	-	206,938	(206,938)	-	24,007,783
10 Montebello	7,711,188	640,625	8,351,813	640,625	(640,625)	-	-	-	-	8,351,813
11 Norwalk	2,756,712	235,117	2,991,829	235,117	(235,117)	-	-	-	-	2,991,829
12 Redondo Beach	940,777	113,564	1,054,342	113,564	(113,564)	-	-	-	-	1,054,342
13 Santa Monica	22,529,374	1,675,036	24,204,410	1,574,147	(1,574,147)	-	100,889	(100,889)	-	24,204,410
14 Torrance	4,028,127	486,247	4,514,374	486,247	(486,247)	-	-	-	-	4,514,374
15 Sub-Total	100,642,715	13,559,666	114,202,381	9,183,699	(9,183,699)	-	4,735,967	(4,735,967)	-	114,202,381
<b>Eligible Operators:</b>										
16 Antelope Valley	318,639	724,580	1,043,220	38,464	(38,464)	-	686,116	(686,116)	-	1,043,220
17 LADOT	13,360,651	2,230,757	15,591,409	1,299,841	(1,299,841)	-	930,917	(930,917)	-	15,591,409
18 Santa Clarita	2,184,288	263,672	2,447,960	263,672	(263,672)	-	-	-	-	2,447,960
19 Foothill BSCP	-	-	-	-	-	-	-	-	-	-
20 Sub-Total	15,863,579	3,219,010	19,082,588	1,601,977	(1,601,977)	-	1,617,033	(1,617,033)	-	19,082,588
21 Total Excluding Metro	116,506,294	16,778,676	133,284,970	10,785,676	(10,785,676)	-	6,353,000	(6,353,000)	-	133,284,970
22 <b>Grand Total</b>	<b>\$ 328,000,000</b>	<b>\$ -</b>	<b>\$ 328,000,000</b>	<b>\$ 33,318,249</b>	<b>\$ -</b>	<b>\$ 33,318,249</b>	<b>\$ 123,346,604</b>	<b>\$ -</b>	<b>\$ 123,346,604</b>	<b>\$ 484,664,853</b>

Note: Totals may not add due to rounding.

(1) FY23 Allocations are based on FY19 statistics.



Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**FEDERAL SECTION 5307 CAPITAL ALLOCATION**

(Estimated - to be Adjusted to Actual apportionment)

	OPERATOR	LA UZA 2 NET FORMULA SHARE	85% FORMULA ALLOCATION	15% DISCRETIONARY ALLOCATION		1% ENHANCEMENT ALLOCATION		TOTAL	TDA Fund Exchange	S5339/S5337 Fund Exchange (1)	Total Funds Available
				Project Title	\$ Amount	Project Title	\$ Amount				
1	Antelope Valley	0.1154%	\$ 318,639					\$ 318,639		\$ 724,580	\$ 1,043,220
2	Arcadia	0.1653%	456,196					456,196		55,069	511,265
3	Claremont	0.0596%	164,402					164,402		19,846	184,248
4	Commerce	0.3453%	953,153			Bus Stop Improvements	25,497	978,650		115,058	1,093,708
5	Culver City	1.4611%	4,032,937	Purchase of Ten Battery Electric Buses	2,837,416	Transit Center Shelter and Ticketing Improvement	454,600	7,324,953		486,828	7,811,781
6	Foothill Transit	8.5786%	23,677,870	Zero Emission Bus Infrastructure	3,398,428	Bus Stop Enhancement Program	128,000	27,204,297		7,286,368	34,490,665
7	Gardena	1.2831%	3,541,541	Purchase (7) 40-foot Zero Emission Buses	698,466	Bus Stop Seating Project	112,000	4,352,007		427,510	4,779,517
8	LADOT	3.9013%	10,768,020	Replace (3) CNG Buses	2,592,631			13,360,651		2,230,757	15,591,409
9	La Mirada	0.0668%	184,389					184,389		22,258	206,647
10	Long Beach Transit	6.4505%	17,804,227	LBT1 Facility Modernization Project	3,237,416	Bus Improvements for Phase 3	610,000	22,011,643 (2)	(360,000)	2,356,140	24,007,783
			SCR TTC/Southern California Regional Transit Training Consortium	360,000							
11	Montebello	1.9227%	5,307,010	Replace (5) gasoline hybrid buses with hydrogen fuel cell	2,404,178			7,711,188		640,625	8,351,813
12	Metro Bus Ops.	67.6283%	186,662,290	Charging Infrastructure Project	24,211,416	E-Paper/Bus Stop Electronic Display Project	620,000	211,493,706 (2)	360,000	(17,138,676)	194,715,030
13	Norwalk	0.7057%	1,947,732	Transportation Facility Improvements (Phase III)	808,980			2,756,712		235,117	2,991,829
14	Redondo Beach	0.3408%	940,777					940,777		113,564	1,054,342
15	Santa Clarita	0.7914%	2,184,288					2,184,288		263,672	2,447,960
	Santa Monica	4.7246%	13,040,402	Purchase Ten Zero-Emission Battery Electric Buses	8,642,104	Bus Stop Improvements	846,868	22,529,374		1,675,036	24,204,410
16	Torrance	1.4594%	4,028,127					4,028,127		486,247	4,514,374
17	<b>TOTAL</b>	<b>100.0000%</b>	<b>\$ 276,012,000</b>		<b>\$ 49,191,035</b>		<b>\$ 2,796,965</b>	<b>\$ 328,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 328,000,000</b>

Notes: Total may not add due to rounding.

(1) Operators' share of Section 5337 and 5339 will be exchanged with Metro's share of Section 5307 allocation.

(2) First year of three years' fund allocations to the Southern California Regional Transit Training Consortium (SCR TTC) through Long Beach Transit. Funds to the SCR TTC will be exchanged with Metro's TDA share.



Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**FEDERAL SECTION 5337 - STATE OF GOOD REPAIR**  
**(Estimated - to be Adjusted to Actual apportionment)**

	LOS ANGELES COUNTY SHARE (UZA 2)	Directional Route Miles (DRM) Allocation			Vehicle Revenue Miles (VRM) Allocation			Total \$ Allocation	Fund Exchange	Net Funds Available <sup>(1)</sup>
		DRM	DRM%	DRM \$Allocation	VRM	VRM%	VRM \$Allocation			
<b>High Intensity Fixed Guideway:</b>										
1	Metro (Including Metrolink)	462.9	99.763%	\$ 42,375,962	27,318,023	98.591%	\$ 72,569,654	\$ 114,945,616	\$ 1,137,492	\$ 116,083,108
2	Long Beach Transit	0.5	0.108%	45,772	60,669	0.219%	161,166	206,938	(206,938)	-
3	Santa Monica	0.6	0.129%	54,927	17,302	0.062%	45,962	100,889	(100,889)	-
4	Foothill Transit	-	0.000%	-	312,318	1.127%	829,665	829,665	(829,665)	-
5	Sub-total	464.0	100.000%	42,476,661	27,708,312	100.000%	73,606,447	116,083,108	-	116,083,108
<b>High Intensity Motorbus:</b>										
6	Antelope Valley	23.6	15.003%	484,923	110,163	4.991%	201,193	686,116	(686,116)	-
7	Foothill Transit	39.4	25.048%	809,575	1,527,057	69.180%	2,788,900	3,598,475	(3,598,475)	-
8	LADOT	35.1	22.314%	721,220	114,819	5.202%	209,697	930,917	(930,917)	-
9	Metro Bus Ops.	59.2	37.635%	1,216,417	455,325	20.628%	831,571	2,047,988	5,215,508	7,263,496
10	Sub-total	157.3	100.00%	3,232,135	2,207,364	100.000%	4,031,361	7,263,496	-	7,263,496
11	<b>Total LA County Share - UZA 2</b>	<b>621.30</b>		<b>\$ 45,708,796</b>	<b>29,915,676</b>	<b>200.000%</b>	<b>\$ 77,637,808</b>	<b>\$ 123,346,604</b>	<b>\$ -</b>	<b>\$ 123,346,604</b>

Note:

(1) Operators' share of Section 5337 will be exchanged with Metro's share of Section 5307 allocation.





Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**FEDERAL SECTION 5339 - BUS AND BUS CAPITAL ALLOCATION**  
**(Estimated - to be Adjusted to Actual apportionment)**

	OPERATOR	LA UZA 2 NET FORMULA SHARE	Net Formula Share	Fund Exchange	Net Funds Available <sup>(1)</sup>
1	Antelope Valley	0.1154%	\$ 38,464	\$ (38,464)	\$ -
2	Arcadia	0.1653%	55,069	(55,069)	-
3	Claremont	0.0596%	19,846	(19,846)	-
4	Commerce	0.3453%	115,058	(115,058)	-
5	Culver City	1.4611%	486,828	(486,828)	-
6	Foothill	8.5786%	2,858,228	(2,858,228)	-
7	Gardena	1.2831%	427,510	(427,510)	-
8	LADOT	3.9013%	1,299,841	(1,299,841)	-
9	La Mirada	0.0668%	22,258	(22,258)	-
10	Long Beach	6.4505%	2,149,202	(2,149,202)	-
11	Montebello	1.9227%	640,625	(640,625)	-
12	Metro Bus Ops.	67.6283%	22,532,573	10,785,676	33,318,249
13	Norwalk	0.7057%	235,117	(235,117)	-
14	Redondo Beach	0.3408%	113,564	(113,564)	-
15	Santa Clarita	0.7914%	263,672	(263,672)	-
16	Santa Monica	4.7246%	1,574,147	(1,574,147)	-
17	Torrance	1.4594%	486,247	(486,247)	-
18	<b>TOTAL</b>	<b>100.0000%</b>	<b>\$ 33,318,249</b>	<b>\$ -</b>	<b>\$ 33,318,249</b>

Note:

(1) Operators' share of Section 5339 will be exchanged with Metro's share of Section 5307 allocation.



Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**Federal Section 5307 Capital Allocation  
FISCAL YEAR 2023**

**CAPITAL ALLOCATION % SHARE CALCULATION**

	OPERATOR	MILEAGE CALCULATION (FY19 data)				ACTIVE FLEET CALCULATION (FY19 data)						
		Local Vehicle Miles [Input]	Express Vehicle Miles [Input]	Total Miles Weighted 60% Local/ 40% Express	1/3 Weight	Active Fleet (1) [Input]	Peak Bus Fixed Route (2) [Input]	Allowable Peak Bus (Peak+20% )	DAR Seats (3) [Input]	Bus Eqvt. (44 Seats per Bus)	Total Active Vehicle	1/3 Weight
1	Antelope Valley	2,446,104	1,358,830	2,011,194	0.8153%	80	71	80.0	0	0.0	80.0	0.6989%
2	Arcadia DR	103,481	-	62,089	0.0252%	0	0	0.0	102	2.3	2.3	0.0203%
3	Arcadia MB	188,621	-	113,173	0.0459%	8	6	7.2	0	0.0	7.2	0.0629%
4	Claremont	48,300	-	28,980	0.0117%	0	0	0.0	218	5.0	5.0	0.0433%
5	Commerce	475,304	-	285,182	0.1156%	19	15	18.0	48	1.1	19.1	0.1668%
6	Culver City	1,832,828	-	1,099,697	0.4458%	54	44	52.8	0	0.0	52.8	0.4613%
7	Foothill Transit	10,319,428	6,972,134	8,980,510	3.6405%	347	303	347.0	0	0.0	347.0	3.0316%
8	Gardena	1,770,445	-	1,062,267	0.4306%	54	43	51.6	0	0.0	51.6	0.4508%
9	LADOT	2,982,484	2,943,835	2,967,024	1.2028%	199	170	199.0	0	0.0	199.0	1.7386%
10	La Mirada	73,476	-	44,086	0.0179%	0	0	0.0	208	4.7	4.7	0.0413%
11	Long Beach	8,195,601	-	4,917,361	1.9934%	234	196	234.0	40	0.9	234.9	2.0523%
12	Montebello	2,466,913	77,933	1,511,321	0.6127%	72	67	72.0	40	0.9	72.9	0.6370%
13	Metro Bus Ops.	82,830,000	5,360,000	51,842,000	21.0156%	2,419	1,963	2,355.6	0	0.0	2,355.6	20.5803%
14	Norwalk	1,089,677	-	653,806	0.2650%	34	24	28.8	0	0.0	28.8	0.2516%
15	Redondo Beach	487,557	-	292,534	0.1186%	20	14	16.8	75	1.7	18.5	0.1617%
16	Santa Clarita	2,249,325	1,086,067	1,784,022	0.7232%	83	69	82.8	0	0.0	82.8	0.7234%
17	Santa Monica	5,417,000	242,000	3,347,000	1.3568%	196	166	196.0	0	0.0	196.0	1.7124%
18	Torrance	1,634,000	613,000	1,225,600	0.4968%	56	48	56.0	48	1.1	57.1	0.4988%
19	<b>TOTAL</b>	<b>124,610,544</b>	<b>18,653,799</b>	<b>82,227,846</b>	<b>33.3333%</b>	<b>3,875</b>	<b>3,199</b>	<b>3,797.6</b>	<b>779</b>	<b>17.7</b>	<b>3,815.3</b>	<b>33.3333%</b>

**Notes:**

Include only MTA Funded Programs:

(1) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode MB), Number of Active Vehicles in Fleet". LADOT's total active vehicles is reported separately.

(2) Source: NTD Report Form S-10 "Service Non-Rail (Mode MB), Vehicles Operated in Annual Maximum Service". LADOT's figure is from TPM excluding Community Dash.

(3) Source: NTD Report Form A-30 "Vehicle Inventory Report (Mode DR), Seating Capacity". Redondo Beach's Seating Capacity is apportioned between FAP and non-FAP vehicles.



Los Angeles County Metropolitan Transportation Authority  
FY 2023 Transit Fund Allocations

**Federal Section 5307 Capital Allocation  
FISCAL YEAR 2023**

**CAPITAL ALLOCATION % SHARE CALCULATION (Continued)**

	OPERATOR	FARE UNITS (FY19 data)				UNLINKED PASSENGERS (FY19 data)		Gross Formula Share	Re-Allocate AVTA And Santa Clarita's Non-LA2 UZA Share	LA UZA 2 Net Formula Share
		Passenger Revenue [Input]	Base Fare \$ [Input]	Fare Units	1/2 of 1/3 Weight	Unlinked Passengers [Input]	1/2 of 1/3 Weight			
1	Antelope Valley	\$4,706,264	\$ 1.50	3,137,509	0.3188%	2,301,868	0.1078%	1.9408%	-1.8253%	0.1154%
2	Arcadia DR	5,087	0.50	10,174	0.0010%	22,841	0.0011%	0.0475%	0.0014%	0.0490%
3	Arcadia MB	7,526	0.50	15,052	0.0015%	54,902	0.0026%	0.1129%	0.0034%	0.1163%
4	Claremont	37,700	2.50	15,080	0.0015%	26,500	0.0012%	0.0578%	0.0018%	0.0596%
5	Commerce (1)	-	-	309,059	0.0314%	455,961	0.0213%	0.3351%	0.0102%	0.3453%
6	Culver City	2,908,933	1.00	2,908,933	0.2955%	4,600,876	0.2154%	1.4181%	0.0431%	1.4611%
7	Foothill	16,079,595	1.50	10,719,730	1.0891%	12,053,307	0.5644%	8.3256%	0.2529%	8.5786%
8	Gardena	2,235,072	1.00	2,235,072	0.2271%	2,920,856	0.1368%	1.2453%	0.0378%	1.2831%
9	LADOT	6,411,286	1.50	4,274,191	0.4343%	8,769,797	0.4106%	3.7863%	0.1150%	3.9013%
10	La Mirada	35,602	1.00	35,602	0.0036%	43,686	0.0020%	0.0648%	0.0020%	0.0668%
11	Long Beach	13,854,161	1.25	11,083,329	1.1260%	23,248,158	1.0886%	6.2603%	0.1902%	6.4505%
12	Montebello	3,972,587	1.10	3,611,443	0.3669%	5,328,407	0.2495%	1.8661%	0.0567%	1.9227%
13	Metro Bus Ops.	191,776,000	1.75	109,586,286	11.1338%	275,603,000	12.9047%	65.6344%	1.9939%	67.6283%
14	Norwalk	1,246,966	1.25	997,573	0.1014%	1,427,804	0.0669%	0.6849%	0.0208%	0.7057%
15	Redondo Beach	328,405	1.00	328,405	0.0334%	366,810	0.0172%	0.3308%	0.0100%	0.3408%
16	Santa Clarita	3,159,143	1.00	3,159,143	0.3210%	2,565,484	0.1201%	1.8877%	-1.0963%	0.7914%
17	Santa Monica	11,431,000	1.25	9,144,800	0.9291%	12,536,000	0.5870%	4.5853%	0.1393%	4.7246%
18	Torrance	2,473,000	1.00	2,473,000	0.2513%	3,620,000	0.1695%	1.4164%	0.0430%	1.4594%
19	<b>TOTAL</b>	<b>\$260,668,327</b>		<b>164,044,380</b>	<b>16.6667%</b>	<b>355,946,257</b>	<b>16.6667%</b>	<b>100.0000%</b>	<b>0.0000%</b>	<b>100.0000%</b>

**Note:**

(1) Commerce Fare Units are calculated as follows: ((Total Fare Units w/out MTA and Commerce) / (Total Unlinked Passengers w/out MTA and Commerce)) \* Commerce Unlinked Passengers.

**FORM FFA10, SECTION 9 STATISTICS PASSENGER MILES IS USED TO CALCULATE AVTA AND SANTA CLARITA'S RE-ALLOCATION OF CAPITAL MONIES.**

	ANTELOPE VALLEY			SANTA CLARITA			
	Passenger Miles	%	Re-Allocated Share	Passenger Miles	%	Re-Allocated Share	
20	Non-LA 2 UZA (AV 123 for AVTA, AV 176 for Santa Clarita)	28,383,366	94.0517%	1.8253%	11,404,989	58.0772%	1.0963%
21	UZA number LA 2	1,795,116	5.9483%	0.1154%	8,232,648	41.9228%	0.7914%
22	Total	30,178,482	100.0000%	1.9408%	19,637,637	100.0000%	1.8877%



1992 REGULAR SESSION  
CHAPTER 60 (Assembly Bill No. 152)

BILL TRACKING SUMMARY FOR THIS DOCUMENT

*1992 Cal ALS 60; 1992 Cal AB 152; Stats 1992 ch 60*

[Approved by Governor May 19, 1992.] Urgency legislation is effective immediately, Non-urgency legislation will become effective January 1, 1993

**DIGEST:** AB 152, Katz. Transportation agencies: Los Angeles County.

(1) Existing law creates, prescribes the powers and duties of, and specifies the governing bodies of, the Southern California Rapid Transit District and the Los Angeles County Transportation Commission, respectively.

This bill would abolish the district and the commission. The bill would create the Los Angeles County Metropolitan Transportation Authority as the successor to those agencies. The bill would prescribe the membership of the governing body of the authority and would provide for the authority to assume, over a specified period of time, the rights, powers, duties, obligations, and responsibilities of the district and the commission, and would prescribe additional powers and duties of the authority. In so doing, the bill would impose a state-mandated local program. Additionally, the bill would impose various requirements and prohibitions applicable to lobbyists and lobbyist employers, as defined, and would require the authority to adopt an ordinance, as specified, regulating the making of gifts to members and designated employees of the authority.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

**SYNOPSIS:** An act to amend Sections 99285 and 130108 of, to add Sections 130050.2, 130051.9, 130051.10, 130051.11, 130051.12, 130051.13, 130051.14, 130051.15, 130051.16, 130051.17, 130051.18, and 130051.19 to, to repeal Section 30251 of, to repeal Chapter 6 (commencing with Section 30800) of Part 3 of Division 10 of, and to repeal and add Sections 130051, 130051.5, and 130051.6 of, the Public Utilities Code, relating to transportation.

**NOTICE:** [A> Uppercase text within these symbols is added <A]

\* \* \* indicates deleted text

**TEXT:** The people of the State of California do enact as follows:

[\*1] SECTION 1. This act shall be known and may be cited as the Los Angeles County Metropolitan Transportation Authority Reform Act of 1992.

[\*2] SECTION 2. (a) It is the intent of the Legislature that the Los Angeles County Metropolitan Transportation Authority be a unified comprehensive institutional structure that ensures maximum accountability to the people and that the authority succeed to the powers, duties, obligations, liabilities, immunities, and exemptions of both the Los Angeles County Transportation Commission and the Southern California Rapid Transit District as provided in this act.

(b) It is the intent of the Legislature that nothing in this act shall enlarge or diminish the statutory rights, duties, obligations, or privileges of any labor organization. Further, it is the intent of the Legislature that nothing in this act shall enlarge or diminish the statutory rights, duties, obligations, or privileges of the Los Angeles County Metropolitan Transportation Authority with respect to any affected labor organization as a result of the authority's succession to the Southern California Rapid Transit District and the Los Angeles County Transportation Commission by virtue of this act.

[\*2x8] SECTION 2.8. Section 30251 of the Public Utilities Code is repealed.

**[\*2x9]** SECTION 2.9. Chapter 6 (commencing with Section 30800) of Part 3 of Division 10 of the Public Utilities Code is repealed.

**[\*3]** SECTION 3. Section 99285 of the Public Utilities Code is amended to read:

§ 99285.

(a) The county transportation commissions created pursuant to Division 12 (commencing with Section 130000) shall submit to the transportation planning agency those [A> CLAIMS <A] to be funded, and the transportation planning agency shall approve only those claims submitted \* \* \* .

(b) Each commission shall adopt appropriate criteria by which [A> CLAIMS <A] shall be analyzed and evaluated, and shall approve only those [A> CLAIMS <A] which will provide for a coordinated public transportation system consistent with the adopted transportation improvement program and adopted regional transportation plan and which will not result in undesirable duplication of public transportation services.

(c) In considering proposals, the Los Angeles County [A> METROPOLITAN <A] Transportation [A> AUTHORITY <A] shall consider, among other things, the fare revenue to operating cost ratio and the public transit service mileage of each operator in the [A> AUTHORITY OPERATING AREA <A], but under no circumstances shall the included municipal operators [A> IN EXISTENCE AND RECEIVING FORMULA ALLOCATION PROGRAM FUNDING ON JULY 1, 1990, <A] receive less than 15 percent of the funds [A> ALLOCATED UNDER THAT PROGRAM FROM STATE AND FEDERAL FUNDING SOURCES <A].

(d) Subdivision (c) shall only remain in effect until \* \* \* the Los Angeles County [A> METROPOLITAN <A] Transportation [A> AUTHORITY <A] has, following a public hearing, adopted a formula for the allocation of funds available [A> IN THE AUTHORITY OPERATING AREA TO THE AUTHORITY OPERATOR <A] and eligible "included municipal operators" as defined in subdivisions (a) and (d) of Section 99207. \* \* \*

[A> THE FORMULA ADOPTED BY THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY SHALL BE THE SAME AS THE FORMULA IN EXISTENCE ON JULY 1, 1990, AND SHALL REMAIN IN EFFECT FOR AT LEAST FIVE FULL FISCAL YEARS, COMMENCING WITH THE 1993-94 FISCAL YEAR. THE AUTHORITY SHALL NOT REDUCE THE TOTAL PERCENTAGE SHARE OF REVENUES ALLOCATED DURING THE 1990-91 FISCAL YEAR TO THE INCLUDED MUNICIPAL OPERATORS, AS A WHOLE, IN EXISTENCE ON JULY 1, 1990, FOR AT LEAST FIVE FULL FISCAL YEARS, COMMENCING WITH THE 1993-94 FISCAL YEAR. IF A MUNICIPAL OPERATOR SIGNIFICANTLY REDUCES SERVICE, A PROPORTIONAL SHARE OF THAT OPERATOR'S FUNDS ALLOCATED PURSUANT TO THIS SECTION MAY BE REALLOCATED. <A]

(e) [A> FOR A PERIOD OF AT LEAST FIVE FULL FISCAL YEARS, COMMENCING WITH THE 1993-94 FISCAL YEAR, IN THE INTEREST OF PROMOTING EFFICIENCY, ANY INCLUDED MUNICIPAL OPERATOR HAVING OPERATING COSTS LESS THAN THE REGIONAL BUS SYSTEM OPERATED BY THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY SHALL BE ALLOCATED NOT LESS THAN THE SAME PROPORTION OF AVAILABLE FUNDS ALLOCATED TO THAT OPERATOR ON JULY 1, 1990 <A].

(f)[A> (1) FOR THE 1998-99 AND SUBSEQUENT FISCAL YEARS, A TWO-THIRDS VOTE OF THE MEMBERS OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY SHALL BE REQUIRED IN ORDER TO ADOPT OR MODIFY THE FORMULA FOR ALLOCATION OF FUNDS AVAILABLE IN THE AUTHORITY OPERATING AREA TO THE AUTHORITY OPERATOR AND INCLUDED MUNICIPAL OPERATORS AS DEFINED IN SUBDIVISIONS (A) AND (D) OF SECTION 99207. SUBDIVISION (C) SHALL BE APPLICABLE IF THE AUTHORITY FAILS TO ADOPT A FORMULA. <A]

[A> (2) A TWO-THIRDS VOTE OF THE MEMBERS <A] shall be required in order to establish or change the criteria for admitting new included municipal operators for eligibility for funds allocated under Article 4 (commencing with Section 99260).

[A> (3) A TWO-THIRDS VOTE OF THE MEMBERS <A] shall be required, based on the criteria in [A> EFFECT UNDER PARAGRAPH (2) <A], to allocate funds under Article 4 (commencing with Section 99260) to any "included municipal operator," as defined in subdivision (d) of Section 99207, which has not previously received funds under this article.

[A> (G) THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY SHALL GIVE EQUAL CONSIDERATION TO THE CAPITAL PROJECTS OF ALL OPERATORS IN THE COUNTY, AND SHALL ALLOCATE AVAILABLE REGIONAL BUS TRANSIT CAPITAL FUNDS BASED ON OBJECTIVE CRITERIA ADOPTED BY A TWO-THIRDS VOTE OF THE MEMBERS. <A]

[\*4] SECTION 4. Section 130050.2 is added to the Public Utilities Code, to read:

§ 130050.2.

There is hereby created the Los Angeles County Metropolitan Transportation Authority. The authority shall be the single successor agency to the Southern California Rapid Transit District and the Los Angeles County Transportation Commission as provided by the act that enacted this section.

[\*5] SECTION 5. Section 130051 of the Public Utilities Code is repealed.

[\*6] SECTION 6. Section 130051 is added to the Public Utilities Code, to read:

§ 130051.

The Los Angeles County Metropolitan Transportation Authority consists of 14 members, as follows:

(a) Five members of the Los Angeles County Board of Supervisors.

The board of supervisors may appoint, as an alternate member to a supervisor, a mayor or member of a city council of any city, other than the City of Los Angeles, within Los Angeles County, or a member of the public. If the number of members of the Los Angeles County Board of Supervisors is increased, the authority shall, within 60 days of the increase, submit a plan to the Legislature for revising the composition of the authority.

(b) The Mayor of the City of Los Angeles or an alternate appointed by the mayor.

(c) Two public members and one member of the City Council of the City of Los Angeles appointed by the Mayor of the City of Los Angeles.

(d) Four members, each of whom shall be a mayor or a member of a city council, appointed by the Los Angeles County City Selection Committee. For purposes of the selection of these four members, the County of Los Angeles, excluding the City of Los Angeles, shall be divided into the following four sectors:

(1) The North County/San Fernando Valley sector.

(2) The Southwest Corridor sector.

(3) The San Gabriel Valley sector.

(4) The Southeast Long Beach sector.

The League of California Cities, Los Angeles County Division, shall define the sectors. Every city within a sector shall be entitled to vote to nominate one or more candidates from that sector for consideration for appointment by the Los Angeles County City Selection Committee. A city's vote shall be weighted in the same proportion that its population bears to the total population of all cities within the sector.

The members appointed pursuant to this subdivision, and their alternates, shall be appointed by the Los Angeles County City Selection Committee upon an affirmative vote of its members which represent a majority of the population of all cities within the county, excluding the City of Los Angeles.

The members selected by the city selection committee shall serve four-year terms with no limitation on the number of terms that may be served by any individual. The city selection committee may, in its discretion, shorten the initial four year term for one or more of the members for the purpose of ensuring that the members will serve staggered terms.

(e) If the population of the City of Los Angeles, at any time, becomes less than 35 percent of the combined population of all cities in the county, the position of one of the two public members appointed pursuant to subdivision (c), as determined by the Mayor of the City of Los Angeles by lot, shall be vacated, and the vacant position shall be filled by appointment by the city selection committee pursuant to subdivision (d) from a city not represented by any other member appointed pursuant to subdivision (d).

(f) One nonvoting member appointed by the Governor.

[\*7] SECTION 7. Section 130051.5 of the Public Utilities Code is repealed.

[\*8] SECTION 8. Section 130051.5 is added to the Public Utilities Code, to read:

§ 130051.5.

(a) The appointing authorities specified in subdivisions (c) and (d) of Section 130051 may each appoint alternate members to the Los Angeles County Metropolitan Transportation Authority to represent, at a meeting of the authority, a regular member it has appointed, but only if the regular member cannot attend the meeting.

(b) For purposes of this section, an alternate member shall be:

(1) In the case of the member of the City Council of the City of Los Angeles appointed by the Mayor of the City of Los Angeles, any person appointed by the mayor with the consent of the city council. If the alternate member is a member of the city council, consent of the city council is not necessary. In the case of the two public members appointed by the mayor, any persons appointed by the mayor.

(2) In the case of a member appointed by the Los Angeles County City Selection Committee, the mayor or city council member of a city within the county, other than the City of Los Angeles or a city represented by a regular member.

(c) Any alternate member appointed to the Los Angeles County Metropolitan Transportation Authority, including any appointed pursuant to Section 130051, shall act for, and in the interests of, his or her appointing authority.

(d) Except for alternate members appointed pursuant to subdivision (d) of Section 130051, alternate members appointed to the Los Angeles County Metropolitan Transportation Authority shall not vote on any matter reserved to the authority exclusively pursuant to Section 130051.12.

**[\*9]** SECTION 9. Section 130051.6 of the Public Utilities Code is repealed.

**[\*10]** SECTION 10. Section 130051.6 is added to the Public Utilities Code, to read:

§ 130051.6.

(a) Except as provided in subdivision (b), each member of the Los Angeles County Metropolitan Transportation Authority shall serve a term of four years or until his or her successor is appointed and qualified. A member may be removed at the pleasure of the appointing authority. A member may be reappointed for additional terms without limitation on the number of reappointments. Other than the member initially appointed by the Governor, and members appointed to staggered terms pursuant to subdivision (e) of Section 130051, the members initially appointed shall serve until January 1, 1997.

(b) The membership of any member serving on the authority as a result of holding another public office shall terminate when the member ceases holding the other public office.

**[\*11]** SECTION 11. Section 130051.9 is added to the Public Utilities Code, to read:

§ 130051.9.

(a) The Los Angeles County Metropolitan Transportation Authority shall appoint a full-time chief executive officer who shall act for the authority under its direction and perform those duties delegated by the authority.

(b) The Los Angeles County Metropolitan Transportation Authority shall appoint a general counsel, inspector general, and board secretary.

(c) The inspector general shall, at a noticed public hearing of the authority, report quarterly on the expenditures of the authority for travel, meals and refreshments, private club dues, membership fees and other charges, and any other expenditures which are specified by the authority.

**[\*12]** SECTION 12. Section 130051.10 is added to the Public Utilities Code, to read:

§ 130051.10.

(a) The members of the Los Angeles County Metropolitan Transportation Authority shall be appointed no later than February 1, 1993. The authority shall have no powers, duties, or responsibilities until February 1, 1993.

(b) From February 1, 1993, until April 1, 1993, the Los Angeles Metropolitan Transportation Authority exclusively, may exercise any of the powers of the board of directors of the Southern California Rapid Transit District and the governing body of the Los Angeles County Transportation Commission, except those powers that the authority has expressly delegated to the district or to the commission.

**[\*13]** SECTION 13. Section 130051.11 is added to the Public Utilities Code, to read:

§ 130051.11.

(a) The Los Angeles County Metropolitan Transportation Authority may determine its organizational structure, which may include, but is not limited to, the establishment of departments, divisions, subsidiary units, or similar entities. Any department, division, subsidiary unit, or similar entity established by the authority shall be referred to in this chapter as an "organizational unit." The authority shall, at a minimum, establish the following organizational units:

(1) A transit construction organizational unit to assume the construction responsibilities for all exclusive public mass transit guideway construction projects in Los Angeles County.

(2) An operating organizational unit with the following responsibilities:

(A) The operating responsibilities of the Southern California Rapid Transit District on all exclusive public mass transit guideway projects in the County of Los Angeles.

(B) The operation of bus routes operated by the Southern California Rapid Transit District, and all the duties, obligations, and liabilities of the district relating to those bus routes.

(3) A transportation planning and programming organizational unit with all planning responsibilities previously performed by the Southern California Rapid Transit District and the Los Angeles County Transportation Commission.

(b) Nothing in this section shall be construed to require specific bus routes to be operated. The authority or the operating organizational unit may make any adjustment with respect to bus routes, bus services, or both, which is within the power of the Los Angeles County Transportation Commission, or the Southern California Rapid Transit District.

(c) Any obligations of the Southern California Rapid Transit District arising out of a collective bargaining agreement entered into by the district shall be the exclusive obligations of the Los Angeles County Metropolitan Transportation Authority. It is the intent of the Legislature that the rights or obligations under any collective bargaining agreement in existence on January 1, 1993, not be enlarged or diminished by this section or any other provision of the act which added this section.

(d) No collective bargaining agreement entered into by the Southern California Rapid Transit District on or after January 1, 1993, shall be effective unless approved by the Los Angeles County Metropolitan Transportation Authority. The authority's approval of an agreement shall cause the agreement to be binding upon the authority.

(e) On and after April 1, 1993, any reference to the Southern California Rapid Transit District in Article 10 (commencing with Section 30750) of Chapter 5 of Part 3 of Division 10 is deemed to refer to the Los Angeles County Metropolitan Transportation Authority.

(f) The Los Angeles County Metropolitan Transportation Authority may administratively delegate to an organizational unit or to its chief executive officer any powers and duties it deems appropriate. Powers and duties which may be delegated to an organizational unit include, but are not limited to, the following:

- (1) The power of eminent domain.
- (2) Approval of contracts, except the final approval of labor contracts.
- (3) Hearing and resolving bid protests.

(g) The Los Angeles County Metropolitan Transportation Authority shall establish a citizens' advisory council pursuant to subdivision (d) of Section 130105.

**[\*14]** SECTION 14. Section 130051.12 is added to the Public Utilities Code, to read:

§ 130051.12.

The Los Angeles County Metropolitan Transportation Authority shall, at a minimum, reserve to itself exclusively, all of the following powers and responsibilities:

- (a) Establishment of overall goals and objectives.
- (b) Adoption of the aggregate budget for all organizational units of the authority.
- (c) Designation of additional included municipal operators pursuant to subdivision (f) of Section 99285.
- (d) Approval of final rail corridor selections.
- (e) Final approval of labor contracts covering employees of the authority and organizational units of the authority.
- (f) Establishment of the authority's organizational structure.
- (g) Conducting hearings and the setting of fares for the operating organizational unit established pursuant to paragraph (2) of subdivision (a) of Section 130051.11.
- (h) Approval of transportation zones.
- (i) Approval of the issuance of any debt instrument with a maturity date that exceeds the end of the fiscal year in which it is issued.
- (j) Approval of benefit assessment districts and assessment rates.
- (k) Approval of contracts for construction and transit equipment acquisition which exceed five million dollars (\$ 5,000,000), and making the findings required by subdivision (c) of Section 130238.

**[\*15]** SECTION 15. Section 130051.13 is added to the Public Utilities Code, to read:

§ 130051.13.

On April 1, 1993, the Southern California Rapid Transit District and the Los Angeles County Transportation Commission are abolished. Upon the abolishment of the district and the commission, the Los Angeles County Metropolitan Transportation Authority shall succeed to any or all of the powers, duties, rights, obligations, liabilities, indebtedness, bonded and otherwise, immunities, and exemptions of the district and its board of directors and the commission and its governing body.

**[\*16]** SECTION 16. Section 130051.14 is added to the Public Utilities Code, to read:

§ 130051.14.

On and after April 1, 1993, any reference in this part, or in any other provision of law or regulation, to the Southern California Rapid Transit District or to the Los Angeles County Transportation Commission or to the county transportation commission in general shall be deemed to refer to the Los Angeles County Metropolitan Transportation Authority.

**[\*17]** SECTION 17. Section 130051.15 is added to the Public Utilities Code, to read:  
§ 130051.15.

(a) Upon the abolishment of the Southern California Rapid Transit District and the Los Angeles County Transportation Commission, the Los Angeles County Metropolitan Transportation Authority shall assume the rights and obligations of the district and the commission under any contract to which the district or the commission is a party and which is to be performed, in whole or in part, on or after January 1, 1993. All real and personal property owned by the district or the commission shall be transferred to the authority by operation of law.

(b) The Los Angeles County Metropolitan Transportation Authority shall assume, without any condition whatsoever, all responsibilities and obligations previously assumed by the Southern California Rapid Transit District or the Los Angeles County Transportation Commission with regard to the full funding agreement, including all agreements pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964 which relate to the full funding agreement, with the Federal Transit Administration for the funding of the Los Angeles County Metro Rail Project. It is the intent of the Legislature that nothing in this act shall enlarge or diminish the projects covered or any rights or obligations under any existing agreements pursuant to Section 13(c).

(c) The Los Angeles County Metropolitan Transportation Authority shall not, until April 1, 1993, renew or extend any personal services contract entered into between either the Los Angeles County Transportation Commission or the Southern California Rapid Transit District and an employee or former employee of either agency prior to January 1, 1993.

**[\*18]** SECTION 18. Section 130051.16 is added to the Public Utilities Code, to read:  
§ 130051.16.

Notwithstanding any other provision of law, the Los Angeles County Metropolitan Transportation Authority shall assume the duties, obligations, and liabilities of the Southern California Rapid Transit District, including those duties, obligations, and liabilities arising from or relating to collective bargaining agreements or labor obligations imposed by state or federal law, only to the extent that the authority is acting pursuant to specific duties, obligations, liabilities, rights, or powers to which it succeeded as a result of the abolishment of the district pursuant to Section 130051.13.

**[\*19]** SECTION 19. Section 130051.17 is added to the Public Utilities Code, to read:  
§ 130051.17.

(a) Prior to the approval of any contract by the Los Angeles County Metropolitan Transportation Authority, or by any organizational unit of the authority, the authority shall adopt an ordinance comparable to Article 2 (commencing with Section 89504) of Chapter 9.5 of Title 9 of the Government Code, which regulates the acceptance of gifts by members of the authority, alternate members, members of the board of an organizational unit, and designated employees of the authority. The ordinance shall prohibit any employee of the authority from accepting gifts with a total value of more than two hundred fifty dollars (\$ 250) in a calendar year from any single source.

(b) The ordinance shall require the limitations on receiving gifts by members of the authority, alternate members, and members of the board of an organizational unit who are not elected local officials to be substantially comparable to those specified by Chapter 9.5 (commencing with Section 89500) of Title 9 of the Government Code.

(c) For the purposes of this section, "gift" shall have the same meaning as in Section 82028 of the Government Code.

(d)(1) Payments, advances, or reimbursements, for travel, including actual transportation and related lodging and subsistence which is reasonably related to a governmental purpose, or to an issue of local, state, national or international public policy, is not prohibited or limited by this section if either of the following apply:

(A) The travel is in connection with a speech given by a member, alternate member, member of the board of an organizational unit, or designated employee, the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech, and the travel is within the United States.

(B) The travel is provided by a government, a governmental agency, a foreign government, a governmental authority, a bona fide public or private educational institution, as defined in Section 203 of the Revenue and Taxation Code, or a nonprofit charitable or religious organization which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or by a person domiciled outside the United States which substantially satisfies the requirements for tax exempt status under Section 501(c)(3) of the Internal Revenue Code.



(2) Gifts of travel not described in paragraph (1) are subject to the limits in this section.

(3) Paragraph (1) applies only to travel which is reported on the recipient's statement of economic interest.

(4) For purposes of this section, a gift does not include travel which is provided by the Los Angeles County Metropolitan Transportation Authority.

(5)(A) The policy shall specify appropriate penalties for violations by employees including, but not limited to, personnel action.

(B) The policy shall specify appropriate penalties for violations by members of the authority, alternate members, and the members of the board of an organizational unit who are not subject to Chapter 9.5 (commencing with Section 89500) of Title 9 of the Government Code, which shall include, but not be limited to, removal from office by the appointing authority.

[\*20] SECTION 20. Section 130051.18 is added to the Public Utilities Code, to read:

§ 130051.18.

(a) For purposes of this section, the following terms are defined as follows:

(1) "Activity expense" means any expense incurred or payment made by a lobbyist, lobbying firm, or lobbyist employer, or arranged by a lobbyist, lobbying firm, or lobbyist employer, which benefits in whole or in part any authority official, or a member of the immediate family of an authority official.

(2) "Authority" means the Los Angeles County Metropolitan Transportation Authority and all of its organizational units as defined by Section 130051.11.

(3) "Authority action" means the drafting, introduction, consideration, modification, enactment, or defeat of an ordinance, resolution, contract, or report by the governing board of an organizational unit of the authority, or by an agency official, including any action taken, or required to be taken, by a vote of the members of the authority or by the members of the governing board of an organizational unit of the authority, except those actions relating to Article 10 (commencing with Section 30750) of Chapter 5 of Part 3 of Division 10.

(4) "Authority official" means any member of the authority, alternate member, member of an organizational unit of the authority, and employee of the authority.

(5) "Contribution" means a payment, a forgiveness of a loan, a payment of a loan by a third party, or an enforceable promise to make a payment except to the extent that full and adequate consideration is received unless it is clear from the surrounding circumstances that it is not made for political purposes. An expenditure made at the behest of a candidate, committee, or elected officer is a contribution to the candidate, committee, or elected officer unless full and adequate consideration is received for making the expenditure.

"Contribution" also includes the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events; the candidate's own money or property used on behalf of his or her candidacy; the granting of discounts or rebates not extended to the public generally or the granting of discounts or rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; the payment of compensation by any person for the personal services or expenses of any other person if such services are rendered or expenses incurred on behalf of a candidate or committee without payment of full and adequate consideration.

"Contribution" also includes any transfer of anything of value received by a committee from another committee, unless full and adequate consideration is received.

"Contribution" does not include amounts received pursuant to an enforceable promise to the extent such amounts have been previously reported as a contribution. However, the fact that such amounts have been received shall be indicated in the appropriate campaign statement.

"Contribution" does not include a payment made by an occupant of a home or office for costs related to any meeting or fundraising event held in the occupant's home or office if the costs for the meeting or fundraising event are five hundred dollars (\$ 500) or less.

"Contribution" does not include volunteer personal services or payments made by any individual for his or her own travel expenses if such payments are made voluntarily without any understanding or agreement that they shall be, directly or indirectly, repaid to him or her.

(6) "Employee of the authority" means anyone who receives compensation from the authority for full or part-time employment, and any contractor, subcontractor, consultant, expert, or adviser acting on behalf of, or providing advice to, the authority.

(7) "Filing officer" means the individual designated by the authority with whom statements and reports required by this section shall be filed.

(8) "Lobbying" means influencing or attempting to influence authority action through direct or indirect communication with an authority official.

(9) "Lobbyist" means any individual who receives any economic consideration, other than reimbursement for reasonable travel expenses, for lobbying, including consultants and officers or employees of any business entity seeking to enter into a contract with the authority.

(10) "Lobbyist employer" means any person, other than a lobbying firm, who does either of the following:

(A) Employs one or more lobbyists for the purpose of influencing authority action.

(B) Contracts for the services of a lobbying firm for economic consideration for the purpose of influencing authority action.

(b)(1) Lobbyists and lobbyist employers shall register with the filing officer within 10 days after qualifying as a lobbyist or lobbyist employer. Registration shall be completed prior to the commencement of lobbying by the lobbyist. Registration shall include the filing of a registration statement, and the payment of any fees authorized by this section. Registration shall be renewed annually by the filing of a new registration statement and the payment of a fee.

(2) Each lobbyist and lobbyist employer required to register under this section may be charged a fee by the authority that shall be in an amount necessary to pay the direct costs of implementing this section.

(3) The lobbyist registration statement shall include all of the following:

(A) The name, address, and telephone number of the lobbyist.

(B) For each person from whom the lobbyist receives compensation to provide lobbying services, all of the following:

(i) The full name, business address, and telephone number of the person.

(ii) A written authorization signed by the person.

(iii) The time period of the contract or employment agreement.

(iv) The lobbying interests of the person.

(C) A statement signed by the lobbyist certifying that he or she has read and understands the prohibitions contained in subdivisions (f) and (g).

(4) The registration statement of a lobbyist employer shall include all of the following:

(A) The full name, business address, and telephone number of the lobbyist employer.

(B) A list of the lobbyists who are employed by the lobbyist employer.

(C) The lobbying interests of the lobbyist employer, including identification of specific contracts or authority actions.

(D) A statement signed by the designated responsible person that he or she has read and understands the prohibitions contained in subdivisions (f) and (g).

(5)(A) The registration statement may be amended within 10 days of a change in the information included in the statement. However, if the change includes the name of a person by whom a lobbyist is retained, the registration statement shall be amended to show that change prior to the commencement of lobbying by the lobbying firm or the lobbyist.

(B) Lobbying firms and lobbyist employers upon ceasing all lobbying activity which required registration shall file a notice of termination within 30 days after the cessation.

(C) Lobbyists and lobbyist firms shall remain subject to subdivisions (f) and (g) for 12 months after filing a notice of termination.

(c) Lobbyists and lobbyist employers which receive payments, make payments, or incur expenses or expect to receive payments, make payments, or incur expenses in connection with activities which are reportable pursuant to this section shall keep detailed accounts, records, bills, and receipts, and make them reasonably available for inspection.

(d) When a person is required to report activity expenses pursuant to this section, all of the following information shall be provided:

(1) The date and amount of each activity expense.

(2) The full name and official position, if any, of the beneficiary of each expense, a description of the benefit, and the amount of the benefit.

(3) The full name of the payee of each expense if other than the beneficiary.

(e)(1) A lobbyist shall complete and verify a periodic report, and file the original of his or her report with the filing officer within one week following the end of each calendar quarter. The periodic report shall contain all of the following:

(A) A report of all activity expenses by the lobbyist during the reporting period.

(B) A report of all contributions of one hundred dollars (\$ 100) or more made or delivered by the lobbyist to any agency official during the reporting period.

(2) A lobbyist employer shall file a periodic report containing all of the following:

(A) The name, business address, and telephone number of the lobbyist employer.

(B) The total amount of payments to each lobbying firm.

(C) The total amount of all payments to lobbyists employed by the filer.

- (D) A description of the specific lobbying interests of the filer.
- (E) A periodic report, completed and verified by each lobbyist employed by a lobbyist employer pursuant to paragraph (1) of subdivision (e).
- (F) Each activity expense of the filer and a total of all activity expenses of the filer.
- (G) The date, amount, and the name of the recipient of any contribution of one hundred dollars (\$ 100) or more made by the filer to an authority official.
- (H) The total of all other payments to influence authority action.
- (3)(A) The periodic reports required by subdivision (e) shall be filed during the month following each calendar quarter. The period covered shall be from the beginning of the calendar year through the last day of the calendar quarter prior to the month during which the report is filed, except that the period covered by the first report a person is required to file shall begin with the first day of the calendar quarter in which the filer first registered or qualified.
- (B) The original and one copy of each report shall be filed with the filing officer, shall be retained by the authority for a minimum of four years, and shall be available for inspection by the public during regular working hours.
- (f)(1) It is unlawful for a lobbyist to make gifts to an authority official aggregating more than ten dollars (\$ 10) in a calendar month, or to act as an agent or intermediary in the making of any gift, or to arrange for the making of any gift by any other person.
- (2) It is unlawful for any authority official knowingly to receive any gift which is made unlawful by this section. For the purposes of this subdivision, "gift" has the same meaning as defined in Section 130051.17.
- (g) No lobbyist shall do any of the following:
  - (1) Do anything with the purpose of placing an authority official under personal obligation to the lobbyist, the lobbying firm, or the lobbyist's or the firm's employer.
  - (2) Deceive or attempt to deceive any authority official with regard to any material fact pertinent to any authority action.
  - (3) Cause or influence any authority action for the purpose of thereafter being employed to secure its passage or defeat.
  - (4) Attempt to create a fictitious appearance of public favor or disfavor of any authority action, or cause any communications to be sent to any authority official in the name of any fictitious person or in the name of any real person, except with the consent of that real person.
  - (5) Represent falsely, either directly or indirectly, that the lobbyist or the lobbying firm can control any authority official.
  - (6) Accept or agree to accept any payment that is contingent upon the outcome of any authority action.
- (h) Any person who knowingly or willfully violates any provision of this section is guilty of a misdemeanor.
- (i) The District Attorney of the County of Los Angeles is responsible for the prosecution of violations of this section.
- (j) Any person who violates any provision of this section is liable in a civil action brought by the civil prosecutor or by a person residing within the jurisdiction of the authority for an amount up to five hundred dollars (\$ 500), or three times the amount of an unlawful gift or expenditure, whichever is greater.
- (k) The provisions of this section are not applicable to any of the following:
  - (1) An elected public official who is acting in his or her official capacity to influence authority action.
  - (2) Any newspaper or other periodical of general circulation, book publisher, radio or television station which, in the ordinary course of business, publishes or broadcasts news items, editorials, or other documents, or paid advertisement, that directly or indirectly urges authority action, if the newspaper, periodical, book publisher, radio or television station engages in no further or other activities in connection with urging authority action other than to appear before the authority in support of, or in opposition to the authority action.
- (l) No former authority official shall become a lobbyist for a period of one year after leaving the authority.

[\*21] SECTION 21. Section 130051.19 is added to the Public Utilities Code, to read:

§ 130051.19.

(a) The Los Angeles County Metropolitan Transportation Authority shall adopt an affirmative action plan for its management positions which reflects the ethnic demographics of the county, taking into consideration the availability of the work force in the various ethnic groups.

(b) The authority shall, prior to the approval of any contract by the authority or by its organization units, adopt and implement a disadvantaged business enterprise program which establishes participation goals of not less than 15 percent of the dollar value of all contracts by minority business enterprises and not less than 5 percent by women business enterprises.

(c) The authority shall establish a Transportation Business Advisory Council to advise it on matters regarding the disadvantaged business enterprise program to enable the authority to meet or exceed women and minority business enterprise participation goals. Members of the council shall be selected by the authority, and shall include representatives of professional organizations and other groups which advocate on behalf of greater participation of women and minority business enterprises in public contracts. The chairperson of the authority or his or her designee shall meet with the council, and the authority shall provide adequate staff support for the council, and shall consider all recommendations made by the council.

**[\*22]** SECTION 22. Section 130108 of the Public Utilities Code is amended to read:  
 § 130108.

[A> (A) <A] Each member of a commission may be compensated at a rate not exceeding one hundred dollars (\$ 100), for any day attending to the business of the commission, but not to exceed four hundred dollars (\$ 400) in any month, and the necessary traveling and personal expenses incurred in the performance of his duties as authorized by the commission. [A> MEMBERS OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY SHALL BE COMPENSATED PURSUANT TO SUBDIVISION (B). <A]

[A> (B) EACH MEMBER OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY SHALL BE COMPENSATED AT A RATE NOT EXCEEDING ONE HUNDRED AND FIFTY DOLLARS (\$ 150) FOR ANY DAY ATTENDING TO THE BUSINESS OF THE AUTHORITY, BUT NOT TO EXCEED SIX HUNDRED DOLLARS (\$ 600) PER MONTH, AND OTHER EXPENSES WHICH ARE DIRECTLY RELATED TO THE PERFORMANCE OF DUTIES AS AUTHORIZED BY THE AUTHORITY. <A]

**[\*23]** SECTION 23. Sections 5 and 9 of this act shall become operative on April 1, 1993.

**[\*24]** SECTION 24. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act. Notwithstanding Section 17580 of the Government Code, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

**[\*25]** SECTION 25. Notwithstanding any other provision of law, the Controller shall deduct, from any state funds allocated to the Los Angeles County Metropolitan Transportation Authority for transportation purposes, the amount the authority was reimbursed by the state for costs resulting from state mandates resulting from this act. The deducted state funds shall be transferred to the unappropriated balance of the fund from which they were appropriated.

**[\*26]** SECTION 26. If any provision of this act or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

#### EXPLANATORY NOTES ASSEMBLY BILL 152:

Pub Util C § 99285. (1) Substituted "claims" for "proposals" after "agency those" in subd (a) and after "by which and after "only those" in subd (b); (2) deleted "for such proposals" at the end of subd (a); (3) substituted "Metropolitan Transportation Authority" for "Transportation Commission" in subds (c) and (d); (4) amended subd (c) by (a) substituting "authority operating area" for "Southern California Rapid Transit District" after "operator in the"; (b) adding "in existence and receiving formula allocation program funding on July 1, 1990,"; and (c) substituting "allocated under that program from state and federal funding sources" for "deposited in the fund attributable to the area within the transit district" at the end; (5) amended subd (d) by (a) deleting "such time as" after "in effect until"; (b) substituting "in the authority operating area to the authority operator" for "under Section 1604 of Title 49 of the United States Code and available under this chapter in the Southern California Rapid Transit District to the district"; (c) deleting the former second sentence; and (d) adding the second paragraph; (6) substituted subd (e) for former subd (e); (7) added subd (f)(1); (8) redesignated former subds (f) and (g) to be subds (f)(1) and (f)(2); (9) substituted "A two-thirds vote of the members" for "Eight affirmative votes of the voting members, or designated alternates," at the beginning of subds (f)(2) and (f)(3); (10) substituted "effect under paragraph (2)" for "subdivision (f)" in subd (f)(3); and (11) added subd (g).

Pub Util C § 130108. (1) Designated the former section to be subd (a); (2) added the second sentence of subd (a); and (3) added subd (b).

Senate Bill No. 1755

CHAPTER 554

An act to amend Section 99285 of, and to add Section 99207.5 to, the Public Utilities Code, relating to transportation.

[Approved by Governor September 15, 1996. Filed with Secretary of State September 16, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1755, Calderon. Transportation: Los Angeles County: transit operations: funding.

The Mills-Alquist-Deddeh Act prescribes formulas for the allocation of funds to transit operators.

This bill would revise those formulas for the allocation of funds to transit operators in Los Angeles County.

*The people of the State of California do enact as follows:*

SECTION 1. Section 99207.5 is added to the Public Utilities Code, to read:

99207.5. In Los Angeles County, an "eligible municipal operator" is a transit operator that has been designated eligible to receive formula-equivalent funds allocable for transit operating purposes, other than funds specifically included in the formula allocation program.

SEC. 2. Section 99285 of the Public Utilities Code is amended to read:

99285. (a) The county transportation commissions created pursuant to Division 12 (commencing with Section 130000), including those agencies in Los Angeles County created by statute that assume the same statutory obligations as county transportation commissions, shall submit to the transportation planning agency those claims to be funded, and the transportation planning agency shall approve only those claims submitted.

(b) Each commission shall adopt appropriate criteria by which claims shall be analyzed and evaluated, and shall approve only those claims which will provide for a coordinated public transportation system consistent with the adopted transportation improvement program and adopted regional transportation plan and which will not result in undesirable duplication of public transportation services.

(c) In considering proposals, the Los Angeles County Metropolitan Transportation Authority shall consider, among other things, the fare revenue to operating cost ratio and the public transit service mileage of each operator in the authority operating area, but

under no circumstances shall the included municipal operators in existence and receiving formula allocation program funding on July 1, 1996, receive less than the percentage of state, federal, and local funds allocated in the 1995–96 fiscal year for bus services. An operator designated as an included municipal operator effective July 1, 1996, shall, under no circumstances, receive less than its percentage of state, federal, and local funds for eligible services pursuant to the formula specified in subdivision (d).

Under no circumstances shall included or eligible municipal operators, as defined in Sections 99207 and 99207.5, respectively, in existence on July 1, 1996, and receiving formula-equivalent funding from sources other than federal operating funds pursuant to Section 5307 of Title 49 of the United State Code, and funds claimed under Article 4 (commencing with Section 99260) and Article 6.5 (commencing with Section 99310) of this chapter receive less than the proportional share allocated during the 1995–96 fiscal year from the Proposition A 40 percent fund and other available funding sources.

(d) Commencing with the 1996–97 fiscal year, eligible and included municipal operators and the Los Angeles County Metropolitan Transportation Authority shall continue to be allocated not less than the amount that would be allocated to them under the formula allocation procedure in effect July 1, 1995, and under subdivision (i). Based upon audited transit performance data submitted for bus transit operations covering the most recent year for which audited data is available, each of those operator's share of the funds available for allocation shall be calculated as follows: 50 percent of the operator's vehicle service miles, and 50 percent of the operator's passenger revenues divided by its base cash fare.

(e) A three-fourths vote of the principal members of the Los Angeles County Metropolitan Transportation Authority shall be required to modify the formulas for allocating of funds available for bus service under this section to the authority operator and included and eligible municipal operators, as defined or described in Sections 99207, 99207.5, and 130050.2.

(f) (1) A two-thirds vote of the members shall be required in order to establish or change the criteria for admitting new included municipal operators for eligibility for funds allocated under Article 4 (commencing with Section 99260).

(2) A two-thirds vote of the members shall be required, based on the criteria in effect under paragraph (1), to allocate funds under Article 4 (commencing with Section 99260) to any "included municipal operator," as defined in subdivision (d) of Section 99207, which has not previously received funds under this article.

(g) The Los Angeles County Metropolitan Transportation Authority shall give equal consideration to the capital projects of all operators in the county, and shall allocate regional federal bus transit



capital funds based on the authority's capital allocation procedure existing on July 1, 1995, exclusive of funds specifically earmarked by federal law for other purposes.

(h) It is the intent of the Legislature that neither this section nor the creation of the Los Angeles County Metropolitan Transportation Authority and its operating organizational unit shall impact the allocation of funds pursuant to Article 8 (commencing with Section 99400) by local agencies currently eligible to receive these funds.

(i) As part of the formula allocation procedure used to distribute from a state transit assistance fund, the Mills-Deddeh Transportation Development Act (Division 11 (commencing with Section 120000) of the Public Utilities Code), Section 5307 of Title 49 of the United States Code, and Proposition A 40 percent funds pursuant to this chapter, and federal operating funds to Los Angeles County operators, eligible and included municipal operators designated on September 25, 1991, or July 1, 1992, who, since that time, have received annual allocations of local sales tax funding in lieu of specified formula funds, shall continue to receive those same formula-equivalent levels of funding from local discretionary sources. Included municipal operators who receive annual allocations of local sales tax funding for specified services or service levels shall continue to receive equivalent levels of funding allocated from local sources for these services in the 1995-96 fiscal year.

(j) Ninety percent of the Proposition C 5 percent security funds shall be allocated to the included and eligible municipal operators and the Los Angeles County Metropolitan Transportation Authority according to their proportionate number of transit passengers served. The funds shall be allocated only to those operators which have filed with the Los Angeles County Metropolitan Transportation Authority a cost-effective program to provide transit security services. Any unallocated funds shall revert to the remaining balance of security funds which shall be disbursed at the discretion of the Los Angeles County Metropolitan Transportation Authority.

(k) This section shall not impact or restrict the use of those portions of Mills-Deddeh Transportation Development Act, Proposition A, or Proposition C local return or other transportation funds allocated to cities or counties by population nor shall this section restrict the level or source of funding programmed by local jurisdiction to operators.

RESOLUTION CALLING SPECIAL ELECTION  
PROPOSING A RETAIL TRANSACTIONS AND  
USE TAX FOR PUBLIC TRANSIT PURPOSES BE  
SUBMITTED TO THE VOTERS OF THE COUNTY AT  
THE SPECIAL ELECTION AND ORDERING THE  
CONSOLIDATION OF THE SPECIAL ELECTION  
WITH THE NOVEMBER GENERAL ELECTION

Proposition A

BE IT RESOLVED by the Los Angeles County Transportation Commission, that a special election is hereby ordered and called to be held on Tuesday, November 4, 1980, and that the following Proposition be submitted to the electors of the County of Los Angeles at the special election.

BE IT FURTHER RESOLVED that the Los Angeles County Transportation Commission requests that the Board of Supervisors of the County of Los Angeles, State of California, order the consolidation of the special election with the November General Election and orders that the Proposition be placed upon the same ballot as shall be provided for the General Election to be held on the 4th day of November, 1980, and that the same precincts, polling places, and precinct board members as used for the General Election shall be used for the Special Election pursuant to Elections Code Section 23300 et seq.

The exact form of the Proposition as it is to appear on the ballot and a complete text of the proposed ordinance is as follows:

BALLOT PROPOSITION. (See attached Exhibit A)

ORDINANCE. (See attached Exhibit B)

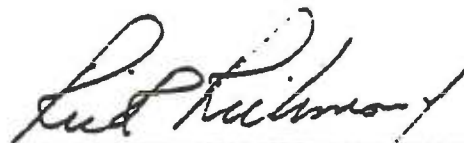
Proclamation. Pursuant to Section 2653 of the Elections Code the Los Angeles County Transportation Commission hereby PROCLAIMS that a special County-wide election shall be held on

Tuesday, November 4, 1980, to vote upon the Proposition set forth in this resolution. The polls shall be open for said election from 7:00 a.m. to 8:00 p.m. The Registrar-Recorder shall cause this proclamation to be published in a daily newspaper of general circulation, printed, published, and circulated in Los Angeles County, for at least one (1) time not less than fifty (50) days before the 4th day of November, 1980, pursuant to Elections Code Section 2554.

The Acting Executive Director of the Los Angeles County Transportation Commission is ordered to file a copy of this resolution with the Registrar-Recorder at least seventy-four (74) days prior to the date of the election.

ANALYSIS OF ORDINANCE. The County Counsel of the County of Los Angeles is hereby requested to prepare an analysis of said ordinance pursuant to Section 3781 of the Elections Code.

I certify that the foregoing Resolution was adopted by a majority vote of all members of the Los Angeles County Transportation Commission, at its meeting held on the 20th day of August, 1980.



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RICK RICHMOND  
Executive Director  
Los Angeles County  
Transportation Commission

LOS ANGELES COUNTY TRANSPORTATION COMMISSION -  
PUBLIC TRANSIT: To improve and expand existing  
public transit Countywide, reduce fares, construct  
and operate a rail rapid transit system serving  
at least:

San Fernando Valley  
West Los Angeles  
South Central Los Angeles/Long Beach  
South Bay/Harbor  
Century Freeway Corridor  
Santa Ana Freeway Corridor  
San Gabriel Valley

and more effectively use State and Federal funds,  
benefit assessments, and fares for those purposes,  
shall the Commission approve an ordinance author-  
izing a Countywide  $\frac{1}{2}$  percent sales tax?

Revenues will be allocated: 25 percent to local  
jurisdictions for local transit; a specified  
reduced fare structure for SCRTD for 3 years; and  
specified allocations for rail rapid transit and  
to the Commission for public transit purposes.

YES

NO

ORDINANCE NO. 16

AN ORDINANCE ESTABLISHING A RETAIL TRANSACTIONS  
AND USE TAX IN THE COUNTY OF LOS ANGELES  
FOR PUBLIC TRANSIT PURPOSES

The Los Angeles County Transportation Commission do ordain  
as follows:

SECTION I

A retail Transactions and Use Tax is hereby imposed in the  
County of Los Angeles as follows:

SECTION 1. DEFINITIONS. The following words, whenever used in  
this Ordinance, shall have the meanings set forth below:

- (a) "Commission" means the Los Angeles County Transportation  
Commission.
- (b) "County" means the incorporated and unincorporated territory  
of the County of Los Angeles.
- (c) "Transaction" or "Transactions" have the same meaning,  
respectively, as the words "Sale" or "Sales"; and the word  
"Transactor" has the same meaning as "Seller", as "Sale"  
or "Sales" and "Seller" are used in Part 1 (commencing  
with Section 6001) of Division 2 of the Revenue and Taxa-  
tion Code.

SECTION 2. IMPOSITION OF RETAIL TRANSACTIONS TAX. There is hereby  
imposed a tax for the privilege of selling tangible personal property



at retail upon every retailer in the County at a rate of one-half 1% of the gross receipts of the retailer from the sale of all tangible personal property sold by him at retail in the County.

SECTION 3. IMPOSITION OF USE TAX. There is hereby imposed a complementary tax upon the storage, use or other consumption in the County of tangible personal property purchased from any retailer for storage, use or other consumption in the County. Such tax shall be at a rate of one-half of 1% of the sales price of the property whose storage, use or other consumption is subject to the tax.

SECTION 4. APPLICATION OF SALES AND USE TAX PROVISIONS OF REVENUE AND TAXATION CODE. The provisions contained in Part 1 of Division 2 the Revenue and Taxation Code (Sales and Use Taxes, commencing with Section 6001), insofar as they relate to sales or use taxes and are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code (Transactions and Use Taxes, commencing with Section 7251), shall apply and be part of this Ordinance, being incorporated by reference herein, except that:

(a) The Commission, as the taxing agency, shall be substituted for that of the State;

(b) An additional transactor's permit shall not be required if a seller's permit has been or is issued to the transactor under Section 6067 of the Revenue and Taxation Code; and

(c) The word "County" shall be substituted for the word "State" in the phrase, "Retailer engaged in business in this State"



in Section 6203 of the Revenue and Taxation Code and in the definition of that phrase.

A retailer engaged in business in the County shall not be required to collect use tax from the purchase of tangible personal property unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, or subsidiary or person in the County under authority of the retailer.

All amendments subsequent to January 1, 1970, to the above cited Sales and Use Taxes provisions relating to sales or use taxes and not consistent with this Ordinance shall automatically become a part of this Ordinance; provided, however, that no such amendment all operate as to affect the rate of tax imposed by the Commission.

SECTION 5. USE OF REVENUES RECEIVED FROM IMPOSITION OF THE TRANSACTIONS AND USE TAX. The revenues received by the Commission from the imposition of the transactions and use tax shall be used for public transit purposes, as follows:

(a) Definitions:

1. "System" or "Rail rapid transit system" means all land and other improvements and equipment necessary to provide an operable, exclusive right-of-way, or guideway, for rail transit.

2. "Local transit" means eligible transit, paratransit, and Transportation Systems Management improvements which benefit one jurisdiction.

(b) Purpose of Tax.

This tax is being imposed to improve and expand existing public transit Countywide, including reduction of transit fares, to construct and operate a rail rapid transit system hereinafter described, and to more effectively use State and Federal funds, benefit assessments, and fares.

(c) Use of Revenues.

Revenues will be allocated as follows:

1. For the first three (3) years from the operative date of this Ordinance:
  - a. Twenty-five (25) percent, calculated on an annual basis, to local jurisdictions for local transit, based on their relative percentage share of the population of the County of Los Angeles.
  - b. To the Southern California Rapid Transit District (District), or any other existing or successor entity in the District receiving funds under the Mills-Alquist-Deddeh Act, such sums as are necessary to accomplish the following purposes:
    - (1) Establishment of a basic cash fare of fifty (50) cents.
    - (2) Establishment of an unlimited use transfer charge of ten (10) cents.

- (3) Establishment of a charge for a basic monthly transit pass of \$20.00.
- (4) Establishment of a charge for a monthly transit pass for the elderly, handicapped and students of \$4.00.
- (5) Establishment of a basic cash fare for the elderly, handicapped and students of twenty (20) cents.
- (6) Establishment of a comparable fare structure for express or premium bus service.

c. The remainder to the Commission for construction and operation of the System.

2. Thereafter:

- a. Twenty-five (25) percent, calculated on an annual basis, to local jurisdictions for local transit, based on their relative percentage share of the population of the County of Los Angeles.
- b. Thirty-five (35) percent, calculated on an annual basis, to the Commission for construction and operation of the System.
- c. The remainder shall be allocated to the Commission for public transit purposes.

3. Scope of Use.

Revenues can be used for capital or operating expenses.

(d) Commission Policy.

1. Relative to the Local Transit Component:

a. Allocation of funds to local jurisdictions

shall be subject to the following conditions:

1. Submission to the Commission of a description of intended use of the funds, in order to establish legal eligibility. Such use shall not duplicate or compete with existing transit service.
2. The Commission may impose regulations to insure the timely use of local transit funds.
3. Recipients shall account annually to the Commission on the use of such funds.

b. Local jurisdictions are encouraged to use available funds for improved transit service.

2. Relative to the System Component:

a. The Commission will determine the System to be constructed and operated.

b. The System will be constructed as expeditiously as possible. In carrying out this policy, the Commission shall use the following guidelines:

1. Emphasis shall be placed on the use of funds for construction of the System.
2. Use of existing rights-of-way will be emphasized.

c. The System will be constructed and operated in substantial conformity with the map attached hereto as Exhibit "A". The areas proposed to be served are, at least, the following:

San Fernando Valley

West Los Angeles

South Central Los Angeles/Long Beach

South Bay/Harbor

Century Freeway Corridor

Santa Ana Freeway Corridor

San Gabriel Valley

SECTION 6. EXCLUSION OF TAX IMPOSED UNDER BRADLEY-BURNS UNIFORM

LOCAL SALES AND USE TAX LAW. The amount subject to tax under this Ordinance shall not include the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county, pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, or the amount of any State-administered transactions or use tax.

SECTION 7. EXEMPTIONS FROM RETAIL TRANSACTIONS TAX.

- (a) There are exempted from the tax imposed by this Ordinance the gross receipts from the sale of tangible personal property to operators of waterborne vessels to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.



- (b) There are exempted from the tax imposed under this Ordinance the gross receipts from the sale of tangible personal property to the operators of aircraft to be used or consumed principally outside the County in which the sale is made, and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
- (c) Sales of property to be used outside the County which are shipped to a point outside the County pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point, are exempt from the tax imposed under this Ordinance.

For purposes of this Section, "delivery" of vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, the aircraft license in compliance with Section 21411 of the Public Utilities Code and undocumented vessels registered under Article 2 (commencing with Section 680) of Chapter 5 of Division 3 of the Harbors and Navigation Code shall be satisfied by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his principal place of residence.

"Delivery" of commercial vehicle shall be satisfied by registration to a place of business out of County, and a declaration under penalty of perjury signed by the



buyer that the vehicle will be operated from that address.

- (d) The sale of tangible personal property is exempt from tax, if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this Ordinance. A lease of tangible personal property which is a continuing sale of such property is exempt from tax for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this Ordinance. For purposes of this Section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

SECTION 8. EXEMPTIONS FROM USE TAX.

- (a) The storage, use or other consumption of tangible personal property, the gross receipts from the sale of which have been subject to a transaction tax under any State administered transactions and use taxes ordinances, shall be exempt from the tax imposed under this Ordinance.
- (b) The storage, use or other consumption of tangible personal property purchased by operators of waterborne

vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property in such vessels for commercial taxes is exempt from the use tax.

(c) In addition to the exemption provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, United States, or any foreign government, is exempt from the use tax.

(d) The storage, use, or other consumption in the County of tangible personal property is exempt from the use tax imposed under this Ordinance if purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of the Ordinance. The possession of, or the exercise of any right or power over, tangible personal property under a lease which is a continuing purchase of such property is exempt from tax for any period of time for which a lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this Ordinance. For the purposes of this Section, storage, use or other consumption, or possession, or exercise of

any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

SECTION 9. PLACE OF CONSUMMATION OF RETAIL TRANSACTION. For the purpose of a retail transaction tax imposed by this Ordinance, all retail transactions are consummated at the place of business of the retailer, unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-State destination or to a common carrier for delivery to an out-of-State destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State, or has more than one place of business, the place or places at which the retail sales are consummated for the purpose of the transactions tax imposed by this Ordinance shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

SECTION 10. DEDUCTION OF LOCAL TRANSACTIONS TAXES ON SALES OF MOTOR VEHICLE FUEL. The Controller shall deduct local transactions taxes on sales of motor vehicle fuel which are subject to tax and refund pursuant to Part 2 (commencing with Section 7301)

of this division, unless the claimant establishes to the satisfaction of the Controller that the claimant has paid local sales tax reimbursement for a use tax measured by the sale price of the fuel to him.

If the claimant establishes to the satisfaction of the Controller that he has paid transactions tax reimbursement or Commission use tax measured by the sale price of the fuel to him, including the amount of the tax imposed by said Part 2, the Controller shall repay to the claimant the amount of transactions tax reimbursement or use tax paid with respect to the amount of the motor vehicle license tax refunded. If the buyer receives a refund under this Section, no refund shall be made to the seller.

SECTION 11. ADOPTION AND ENACTMENT OF ORDINANCE. This Ordinance is hereby adopted by the Commission and shall be enacted upon authorization of the electors voting in favor thereof at the special election called for November 4, 1980, to vote on the measure.

SECTION 12. OPERATIVE DATE. This Retail Transactions and Use Tax Ordinance shall be operative the first day of the first calendar quarter commencing not less than 180 days after the adoption of said Ordinance.

SECTION 13. EFFECTIVE DATE. The effective date of this Ordinance shall be August 20, 1980.



PASSED AND ADOPTED by the Los Angeles County Transportation Commission this 20th day of August, 1980, by the following vote:

YES: Geoghegan, Hahn, Rubley, Russ, Szabo, Ward, Zimmerman.  
NOES: Cox, Remy, Russell, Schabarum.  
ABSENT: None

The Los Angeles County  
Transportation Commission

By \_\_\_\_\_  
Chairman

ATTEST:

Executive Director  
of the Los Angeles County  
Transportation Commission

  
\_\_\_\_\_  
RICK RICHMOND

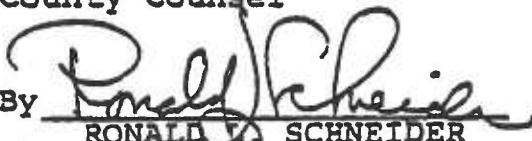
I hereby certify that at its meeting of August 20, 1980, the foregoing Ordinance was adopted by the Los Angeles County Transportation Commission.

Executive Director  
of the Los Angeles County  
Transportation Commission

  
\_\_\_\_\_  
RICK RICHMOND

APPROVED AS TO FORM:

JOHN H. LARSON  
County Counsel

By   
\_\_\_\_\_  
RONALD A. SCHNEIDER  
Principal Deputy County Counsel



STATE MEASURES

MEDIDAS ESTATALES

**9** **SAFE DRINKING WATER BOND LAW.** Allow increase from \$15,000,000 to \$30,000,000 in bond proceeds for grants to improve public water systems. Fiscal Impact: Revenue loss to State General Fund of \$36 million over a 30-year period.

106	YES	<input type="radio"/>	<input type="radio"/>	106	SI
107	NO	<input type="radio"/>	<input type="radio"/>	107	NO

**9** **LEY DE BONOS PARA AGUA POTABLE INCONTAMINADA.** Permite un aumento de \$15,000,000 a \$30,000,000 en las ganancias de bonos para subvenciones para mejorar los sistemas públicos de agua. Impacto fiscal: Una pérdida de ingresos al Fondo General del Estado de \$36 millones a través de un periodo de 30 años.

**10** **SMOKING AND NO-SMOKING SECTIONS.** Provides for designation of smoking and no-smoking sections in specified types of enclosed facilities. Fiscal Impact: Minor costs to state and local government. Indeterminable reductions in state and local tax revenues and savings from decline in smoke-related illnesses and decline in fire losses.

109	YES	<input type="radio"/>	<input type="radio"/>	109	SI
110	NO	<input type="radio"/>	<input type="radio"/>	110	NO

**10** **SECCIONES PARA FUMAR Y NO FUMAR.** Autoriza la designación de secciones para fumar y no fumar en tipos especificados de edificios cerrados. Impacto fiscal: Costos menores al gobierno estatal y local. Reducciones indeterminables en los ingresos procedentes de los impuestos estatales y locales y ahorros debido a la disminución de enfermedades relacionadas al fumar y pérdidas a causa de incendios.

**11** **JUDGES SALARIES.** Establishes judicial base salaries. Allows specified changes by Legislature. Provides laws setting judges salaries are not contract obligations. Fiscal Impact: State salary and pension reductions of approximately \$2.7 million from 1981 through 1985.

112	YES	<input type="radio"/>	<input type="radio"/>	112	SI
113	NO	<input type="radio"/>	<input type="radio"/>	113	NO

**11** **SALARIOS JUDICIALES.** Establece los salarios judiciales básicos. Permite cambios especificados por la Legislatura. Estipula que las leyes que fijan los salarios judiciales no son obligaciones de contrato. Impacto fiscal: Reducciones estatales de salarios y pensiones de aproximadamente \$2.7 millones de 1981 a 1985.

LOS ANGELES COUNTY TRANSPORTATION COMMISSION SPECIAL ELECTION

ELECCION ESPECIAL DE LA COMISION DE TRANSPORTACION DEL CONDADO DE LOS ANGELES

**A** **LOS ANGELES COUNTY TRANSPORTATION COMMISSION PUBLIC TRANSIT.** To improve and expand existing public transit Countywide, reduce fares, construct and operate a rail rapid transit system serving at least:  
 San Fernando Valley  
 West Los Angeles  
 South Central Los Angeles/Long Beach  
 South Bay/Harbor  
 Century Freeway Corridor  
 Santa Ana Freeway Corridor  
 San Gabriel Valley  
 and more effectively use State and Federal funds, benefit assessments, and fares for those purposes, shall the Commission approve an ordinance authorizing a Countywide 1/2 percent sales tax?  
 Revenues will be allocated: 25 percent to local jurisdictions for local transit; a specified reduced fare structure for SCRTD for 3 years; and specified allocations for rail rapid transit and to the Commission for public transit purposes.

123	YES	<input type="radio"/>	<input type="radio"/>	123	SI
125	NO	<input type="radio"/>	<input type="radio"/>	125	NO

**A** **COMISION DE TRANSPORTACION DEL CONDADO DE LOS ANGELES - TRANSITO PUBLICO.** Para mejorar y extender el tránsito público existente en todo el Condado, para reducir los pasajes, para construir y operar un sistema de tránsito rápido de vías férreas que sirva por lo menos:  
 El Valle de San Fernando  
 West Los Angeles  
 South Central Los Angeles/Long Beach  
 South Bay/Harbor  
 El Corredor del Autopista Century  
 El Corredor del Autopista Santa Ana  
 El Valle de San Gabriel  
 y para usar más eficazmente los fondos Federales y Estatales, las tasaciones de beneficio y los pasajes para dichos propósitos, ¿deberá la Comisión aprobar una ordenanza que autorice un impuesto de 1/2 por ciento sobre la venta en todo el Condado?  
 Los ingresos se distribuirán: el 25 por ciento a las jurisdicciones locales para el tránsito local; una estructura especificada de pasajes reducidos para el SCRTD durante 3 años; y asignaciones especificadas para el tránsito rápido de vías férreas y a la Comisión para propósitos de tránsito público.

5-081-11-E



## ANALYSIS OF PROPOSITION A

By John H. Larson, County Counsel

Present law provides that the Los Angeles County Transportation Commission may, by ordinance, and subject to voter approval, impose a retail transactions and use tax (commonly called a "sales tax") in the incorporated and unincorporated area of the County of Los Angeles for public transit purposes.

The Commission has adopted such an ordinance imposing a one-half cent sales tax, the revenues of which would be used to a) improve and expand existing public transit Countywide, including reduction of transit fares, b) construct and operate a rail rapid transit system, and c) more effectively use State and Federal funds, benefit assessments, and fares. The revenues would be allocated as follows:

1. For the first three years from the operative date of the ordinance:
  - a) Twenty-five percent, calculated on an annual basis, would be allocated to local jurisdictions for local transit, based on their relative percentage share of the population of the County of Los Angeles.
  - b) From the remaining seventy-five percent, sufficient funds would be allocated to the Southern California Rapid Transit District or any other existing or successor entity in the District receiving funds under the Mills-Alquist/Deddeh Act to accomplish the following purposes:
    - (1) Establishment of a basic cash fare of fifty cents.
    - (2) Establishment of an unlimited use transfer charge of ten cents.
    - (3) Establishment of a charge for a basic monthly transit pass of \$20.00.
    - (4) Establishment of a charge for a monthly pass for the elderly, handicapped and students of \$4.00.
    - (5) Establishment of a basic cash fare for the elderly, handicapped and students of twenty cents.
    - (6) Establishment of a comparable fare structure for express or premium bus service.
  - c) The remainder would be allocated to the Commission for construction and operation of a rail transit system.
2. Thereafter:
  - a) Twenty-five percent, calculated on an annual basis, would be allocated to local jurisdictions for local transit, based on their relative percentage share of the population of the County of Los Angeles.
  - b) Thirty-five percent, calculated on an annual basis, would be allocated to the Commission for construction and operation of the rail transit system.
  - c) The remainder would be allocated to the Commission for public transit purposes.

Revenues would be used for capital or operating expenses.

The rail transit system would be constructed and operated in substantial conformity with a map attached to the ordinance and areas proposed to be served, at the least, are described.

The ordinance also indicates Commission policies relative to local and rail transit.

Provisions detailing the imposition and application of the tax as well as certain tax exclusions, exemptions and a deduction are indicated in the ordinance.

The ordinance would be operative, and the tax would be imposed beginning July 1, 1981.

(For full text of Proposition, see Sample Ballot; the full text of the proposed sales tax ordinance is available at the Los Angeles County Transportation Commission, 311 South Spring Street, Suite 1206, Los Angeles, California 90013.)

## ARGUMENT IN FAVOR OF PROPOSITION A

It's time for some plain talk about transportation in Los Angeles County: It's a sick patient and needs some strong medicine to heal itself.

Let's face facts:

- Gasoline doubled in price last year; many experts feel that it will soon exceed \$2.00 per gallon;

- Midwest instability could result in more gas lines or gas rationing;

- Because we don't have an adequate public transit system, most people must continue to drive on increasingly clogged streets and highways: that costs them time and money and wastes energy.

Proposition A is a realistic, sensible approach to these problems. It will:

- Improve and expand existing public transit countywide by providing substantial funding directly to each city for transit improvements;

- Guarantee a 50¢ countywide bus fare, 10¢ transfer, and \$4 monthly pass for seniors, handicapped and students for at least 3 years;



STATE MEASURES

MEDIDAS ESTATALES

**9** SAFE DRINKING WATER BOND LAW. Allows increase from \$15,000,000 to \$30,000,000 in bond proceeds for grants to improve public water systems. Fiscal Impact: Revenue loss to State General Fund of \$36 million over a 30-year period.

106 YES

107 NO

106 SI

107 NO

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**11** JUDGES SALARIES. Establishes judicial base salaries. Allows specified changes by Legislature. Provides laws setting judges salaries are not contract obligations. Fiscal Impact: State salary and pension reductions of approximately \$27 million from 1981 through 1988.

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113 NO

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**11** SALARIOS JUDICIALES. Establece los salarios judiciales básicos. Permite cambios especificados por la Legislatura. Estipula que las leyes que fijan los salarios judiciales no son obligaciones de contrato. Impacto fiscal: Reducciones estatales de salarios y pensiones de aproximadamente \$27 millones de 1981 a 1988.

LOS ANGELES COUNTY TRANSPORTATION COMMISSION SPECIAL ELECTION

ELECCION ESPECIAL DE LA COMISION DE TRANSPORTACION DEL CONDADO DE LOS ANGELES

**A** LOS ANGELES COUNTY TRANSPORTATION COMMISSION PUBLIC TRANSIT. To improve and expand existing public transit Countywide, reduce fares, construct and operate a rail rapid transit system serving at least:

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- Century Freeway Corridor
- Santa Ana Freeway Corridor
- San Gabriel Valley

and more effectively use State and Federal funds, benefit assessments, and fares for those purposes, shall the Commission approve an ordinance authorizing a Countywide 1/2 percent sales tax? Revenue will be allocated: 25 percent to local jurisdictions for local transit; a specified reduced fare structure for SCRTD for 3 years; and specified allocations for rail rapid transit and to the Commission for public transit purposes.

123 YES

125 NO

**A** COMISION DE TRANSPORTACION DEL CONDADO DE LOS ANGELES - TRANSITO PUBLICO. Para mejorar y extender el tránsito público existente en todo el Condado, para reducir los pasajes, para construir y operar un sistema de tránsito rápido de vías férreas que sirva por lo menos:

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- South Bay/Harbor
- El Corredor del Autopista Century
- El Corredor del Autopista Santa Ana
- El Valle de San Gabriel

y para usar más eficazmente los fondos Federales y Estatales, las tasaciones de beneficio y los pasajes para dichos propósitos, deberá la Comisión aprobar una ordenanza que autorice un impuesto de 1/2 por ciento sobre la venta en todo el Condado? Los ingresos se distribuirán: el 25 por ciento a las jurisdicciones locales para el tránsito local; una estructura especificada de pasajes reducidos para el SCRTD durante 3 años; y asignaciones especificadas para el tránsito rápido de vías férreas y a la Comisión para propósitos de tránsito público.



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By John H. Larson, County Counsel

Present law provides that the Los Angeles County Transportation Commission may, by ordinance, and subject to voter approval, impose a retail transactions and use tax (commonly called a "sales tax") in the incorporated and unincorporated area of the County of Los Angeles for public transit purposes.

The Commission has adopted such an ordinance imposing a one-half cent sales tax, the revenues of which would be used to a) improve and expand existing public transit Countywide, including reduction of transit fares, b) construct and operate a rail rapid transit system, and c) more effectively use State and Federal funds, benefit assessments, and fares. The revenues would be allocated as follows:

1. For the first three years from the operative date of the ordinance:
  - a) Twenty-five percent, calculated on an annual basis, would be allocated to local jurisdictions for local transit, based on their relative percentage share of the population of the County of Los Angeles.
  - b) From the remaining seventy-five percent, sufficient funds would be allocated to the Southern California Rapid Transit District or any other existing or successor entity in the District receiving funds under the Mills-Alquist/Deddeh Act to accomplish the following purposes:
    - (1) Establishment of a basic cash fare of fifty cents.
    - (2) Establishment of an unlimited use transfer charge of ten cents.
    - (3) Establishment of a charge for a basic monthly transit pass of \$20.00.
    - (4) Establishment of a charge for a monthly pass for the elderly, handicapped and students of \$4.00.
    - (5) Establishment of a basic cash fare for the elderly, handicapped and students of twenty cents.
    - (6) Establishment of a comparable fare structure for express or premium bus service.
  - c) The remainder would be allocated to the Commission for construction and operation of a rail transit system.
2. Thereafter:
  - a) Twenty-five percent, calculated on an annual basis, would be allocated to local jurisdictions for local transit, based on their relative percentage share of the population of the County of Los Angeles.
  - b) Thirty-five percent, calculated on an annual basis, would be allocated to the Commission for construction and operation of the rail transit system.
  - c) The remainder would be allocated to the Commission for public transit purposes.

Revenues would be used for capital or operating expenses.

The rail transit system would be constructed and operated in substantial conformity with a map attached to the ordinance and areas proposed to be served, at the least, are described.

The ordinance also indicates Commission policies relative to local and rail transit.

Provisions detailing the imposition and application of the tax as well as certain tax exclusions, exemptions and a deduction are indicated in the ordinance.

The ordinance would be operative, and the tax would be imposed beginning July 1, 1981.

(For full text of Proposition, see Sample Ballot; the full text of the proposed sales tax ordinance is available at the Los Angeles County Transportation Commission, 311 South Spring Street, Suite 1206, Los Angeles, California 90013.)

### ARGUMENT IN FAVOR OF PROPOSITION A

It's time for some plain talk about transportation in Los Angeles County: It's a sick patient and needs some strong medicine to heal itself.

Let's face facts:

- Gasoline doubled in price last year; many experts feel that it will soon exceed \$2.00 per gallon;

- Mideast instability could result in more gas lines or gas rationing;

- Because we don't have an adequate public transit system, most people must continue to drive on increasingly clogged streets and highways: that costs them time and money and wastes energy.

Proposition A is a realistic, sensible approach to these problems. It will:

- Improve and expand existing public transit countywide by providing substantial funding directly to each city for transit improvements;

- Guarantee a 50¢ countywide bus fare, 10¢ transfer, and \$4 monthly pass for seniors, handicapped and students for at least 3 years;



section 130350 until such time as an appropriate court decision is rendered that the statute is unconstitutional.

#### ANALYSIS

In 1976, the Legislature created the Los Angeles County Transportation Commission (hereafter "Commission") pursuant to the provisions of the County Transportation Commissions Act (Pub. Util. Code §§ 130000-130373) 1/ to coordinate the operation of all public transportation services within Los Angeles County. (§130250.) Among its duties, the Commission is to "work toward maximizing the effectiveness of existing resources available" for transportation development (§ 130001, subd. (c)), "plan, design, and construct an exclusive public mass transit guideway system in the county" if certain requirements are met (§ 130258, subd. (a)), report to the Legislature "recommendations for changes and improvements in institutional arrangements, methods of funding, and methods and criteria for auditing the performance of transit operators" (§ 130290), "determine the projects on the federal-aid urban system to be funded" (§ 130306), "resolve transit service dispute between transit operators in the County of Los Angeles" (§ 130372, subd. (a)), and prepare "a proposed transit coordination and service program." (§ 130380.)

The Commission has also been given authority to adopt a "retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County of Los Angeles" (§ 130350), the revenues from which "shall be used for public transit purposes." (§ 130354.) The tax, of the type commonly known as a "sales tax," would be imposed generally "for the privilege of selling tangible personal property . . . at a rate of one-half of 1 percent of the gross receipts of the retailer." (Rev. & Tax. Code § 7261; see § 130350.)

On August 20, 1980, the Commission exercised its statutory authority and enacted a half-cent sales tax ordinance. Section 130350, however, mandates that for the ordinance to become operative, "a majority of the electors voting on the measure vote to authorize its enactment

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1. All section references hereafter are to the Public Utilities Code unless otherwise stated.



at a special election." On November 4, 1980, approval of the voters was given in a special election, and the tax is scheduled to go into effect on July 1, 1981.

The first question presented for analysis is whether the sales tax imposed by the Commission comes within the "special taxes" provision of section 4 of article XIII A of the Constitution. If so, a two-thirds approval vote by the electorate would be required for such imposition rather than the simple majority requirement of section 130350. In this case, the November 4, 1980, approval vote did not meet the two-thirds standard. We conclude that the two-thirds constitutional requirement is applicable here, and thus the tax was not validly authorized by the electorate on November 4, 1980.

Section 4 of article XIII A of the Constitution states:

"Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district, may impose special taxes on such district, except ad valorem taxes on real property or a transaction tax or sales tax on the sale of real property within such City, County or special district."

This constitutional provision, although stated in the permissive, has been interpreted as prohibiting the imposition of "special taxes" without a two-thirds approval vote. (Amador Valley Joint Union High Sch. Dist. v. State Bd. of Equalization (1978) 22 Cal.3d 208, 242; hereafter "Amador.")

The problem with which we are faced is that this new constitutional amendment fails to define the term "special taxes." We have previously reviewed the possible definitions of the term and have concluded "that the term special taxes has not acquired any well-defined or established meaning." (62 Ops.Cal.Atty.Gen. 673, 685 (1979); see also Mills v. County of Trinity (1980) 108 Cal.App.3d 656, 659-660.)

We have, however, certain guidelines to aid us in interpreting this constitutional provision. It is well settled that the primary goal in interpreting any constitutional language is "to give full effect to the framers' objective and the growing needs of the people."



(Mills v. County of Trinity, supra, 108 Cal.App.3d 656, 660.) As the Court of Appeal stated long ago, the Constitution "is not to be interpreted according to narrow or supertechnical principles, but liberally and on broad general lines, so that it may accomplish in full measure the objects of its establishment and so carry out the great principles of government." (Stephens v. Chambers (1917) 34 Cal.App. 660, 663-664.) Even the literal meaning of the words used "may be disregarded to avoid absurd results and to fulfill the apparent intent of the framers. [Citations.]" (Amador, supra, 22 Cal.3d 208, 245.)

Here, we are well informed as to the purposes of article XIII A as a whole and of section 4 thereof in particular. In Amador, the Supreme Court concluded that the various provisions of the article "are both reasonably germane to, and functionally related in furtherance of, a common underlying purpose, namely, effective real property tax relief." (Amador, supra, 22 Cal.3d 208, 230; see Trent Meredith, Inc. v. City of Oxnard (Jan. 6, 1981), 2 Civ. 9339, \_\_\_ Cal.App.3d \_\_\_.)

In Board of Supervisors v. Lonergan (1980) 27 Cal.3d 855, 863-864, the Supreme Court again reviewed the central purpose of the article and stated:

"By its terms, article XIII A applies only to real property taxes. In Amador we upheld the constitutionality of the enactment and accorded it the liberal construction to which initiative measures are entitled. (22 Cal.3d at pp. 219, 248.) In so doing, throughout our opinion and in varying contexts we observed that the measure pertained to the subject of real property taxation and declared its underlying purpose and chief aim to be real property tax relief. (Id., at pp. 218, 220, 224, 230, 231, 243.)"

Against this general description of article XIII A's focus, we must examine the Commission's tax imposition in question. A sales tax is not a property tax; it is an excise tax on the privilege of doing an activity. (See City of Glendale v. Trondsen (1957) 48 Cal.2d 93, 103-104; 62 Ops.Cal.Atty.Gen. 254, 257 (1979); Due, Sales Taxation (1957) p. 3.) Consequently, it cannot be said that the Commission's levy falls within the general aim of the new constitutional amendment.

We must, however, examine further the specific purpose of section 4 of article XIII A in order to reach a definite conclusion to the question presented.

In Amador, the reference to "special taxes" in section 4 was explained thusly:

"As previously noted, article XIII A consists of four major elements, a real property tax rate limitation (§ 1), a real property assessment limitation (§ 2), a restriction on state taxes (§ 3), and a restriction on local taxes (§ 4). Although petitioners insist that these four features constitute separate subjects, we find that each of them is reasonably interrelated and interdependent, forming an interlocking "package" deemed necessary by the initiative's framers to assure effective real property tax relief. Since the total real property tax is a function of both rate and assessment, sections 1 and 2 unite to assure that both variables in the property tax equation are subject to control. Moreover, since any tax savings resulting from the operation of sections 1 and 2 could be withdrawn or depleted by additional or increased state or local levies of other than property taxes, sections 3 and 4 combine to place restrictions upon the imposition of such taxes. Although sections 3 and 4 do not pertain solely to the matter of property taxation, both sections, in combination with sections 1 and 2, are reasonably germane, and functionally related, to the general subject of property tax relief." (Amador, supra, 22 Cal.3d 208, 231; full sentence italics added.)

In County of Fresno v. Malmstrom (1979) 94 Cal.App.3d 974, 983, the Court of Appeal concluded, "Section 4 of that constitutional provision is aimed at limiting local governments' ability to replace funds reduced by other sections of the article by shifting to other types of taxes."

We have previously observed that section 4 was "designed to preserve the property tax relief obtained by sections 1 and 2" (62 Ops.Cal.Atty.Gen. 673, 686 (1979)) and that it must be read together with the other sections "to effectuate its purpose of property tax relief." (62 Ops.Cal.Atty.Gen. 254, 257 (1979).)

That the object of section 4 is to prevent subterfuge and the circumvention of the property tax relief limitations of sections 1 and 2 is amply demonstrated in the analysis provided to the voters in the ballot pamphlet at the time of the measure's adoption. 2/ With regard to section 4, the voters were told that "the initiative would restrict the ability of local governments to impose new taxes in order to replace the property tax revenue losses." (Cal. Voters Pamphlet (June 6, 1978), p. 70.) The analysis further discussed the impact of the replacement of property taxes by other taxes as follows:

"If these property tax revenue losses were substantially replaced, local governments could maintain the existing level of government services and employment.

"Part of these revenue losses could be covered temporarily by using the state surplus. Additional revenues to pay for these services would have to come from higher state or local taxes such as those imposed on personal income, sales and corporations. Depending upon which tax sources were used to replace local property tax losses, there could be a shift in who initially bears the tax burden. This is because most sales and personal income taxes are paid by nonbusiness taxpayers, whereas about 65 percent of property taxes are initially paid by business firms." (Ibid.)

With this additional background in mind with specific regard to section 4, we believe that the Commission's tax ordinance in question comes within this constitutional provision requiring prior voter approval.

First, it is a type of tax that is specifically mentioned in the ballot pamphlet as a possible replacement for property tax revenue losses caused by the limitations contained in sections 1 and 2.

Second, it comes within the expressed goals of

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2. Ballot pamphlets provide the "legislative history" of initiative measures adopted by the voters (White v. Davis, 75) 13 Cal.3d 757, 775) and thus are helpful in determining the probable meaning of uncertain language. (Board of Supervisors v. Lonergan, *supra*, 27 Cal.3d 855, 866; Amador, *supra*, 22 Cal.3d 208, 245-246.)



section 4 as stated in the ballot pamphlet's argument in favor of the measure's adoption: "Limits property tax to 1% of market value, requires two-thirds vote of both houses of the legislature to raise any other taxes, limits yearly market value tax raises to 2% per year, and requires all other tax raises to be approved by the people." (Cal. Voters Pamphlet (June 6, 1978), p. 58; emphasis added.)

Third, it meets the general tests stated in Amador: "it seems evident that section 4 assists in preserving home rule principles by leaving to local voters the decision whether or not to authorize 'special' taxes to support local programs" (Amador, supra, 22 Cal.3d 208, 226) and "since any tax savings resulting from the operation of sections 1 and 2 could be withdrawn or depleted by additional or increased state or local levies other than property taxes, sections 3 and 4 combine to place restrictions upon the imposition of such taxes." (Id. at 230-231.)

Fourth, it meets the standard set forth in County of Fresno v. Malmstrom, supra, 94 Cal.App.3d 974, 983: "A 'special tax' is a tax collected and earmarked for a special purpose, rather than being deposited in a general fund. [Citations.]"

Fifth, it is covered by the constitutional voter requirement under our previous conclusions that a special tax is a new or additional local tax levied for revenue purposes. (62 Ops.Cal.Atty.Gen. 831, 836-838 (1979), 62 Ops.Cal.Atty.Gen. 673, 685-687 (1979).) 3/

We are not unmindful of the fact that the Commission has no power to levy a property tax. An argument may thus be made that no "replacement" can occur and hence the Commission's tax is wholly outside the scope of article XIII A. The construction, however, of a rail rapid transit system (the primary objective of the Commission's levy) is one that would be a normal use of local property taxes prior

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3. In Trent Meredith, Inc. v. City of Oxnard (Jan. 6, 1981) 2 Civ. 59339, \_\_\_ Cal.App.3d \_\_\_, our definition was termed "overly broad" and the Malmstrom definition was dismissed as dictum; however, the court refused to provide its own definition and was considering an exaction dissimilar to a sales tax.

to the adoption of article XIII A. 4/ We believe that the voters, in adopting article XIII A, were concerned with government spending in general (see County of Fresno v. Malmstrom, supra, 94 Cal.App.3d 974, 981) and the types of taxes that would fund the kinds of government activities traditionally supported by local property taxes.

Accordingly, we conclude that in light of the article's goals and purposes, the "special taxes" provision of section 4 of article XIII A is applicable to the adoption of a retail transactions and use tax ordinance by the Commission. Consequently, the ordinance in question was not validly approved by the voters on November 4, 1980.

We next consider whether the State Board of Equalization (hereafter "Board") must administer the tax approved by a majority of the voters under section 13050 even though it failed to be adopted under the 2/3 vote requirements of article XIII A. We believe that the Board is bound by section 3.5 of article III of the Constitution to administer the tax ordinance regardless of our conclusion that the measure was not constitutionally approved by the voters.

The Board's role in administering the Commission's tax ordinance is specified in Revenue and Taxation Code sections 7270-7272, made applicable by the provisions of section 130350. These statutes provide:

"Prior to the operative date of any ordinance imposing a transactions and use tax pursuant to this part, the district shall contract with the board to perform all functions incident to the administration and operation of the ordinance. If the district shall not have contracted with the board prior to the operative date of its ordinance, it shall nevertheless so contract and, in such case, the operative date shall be the first day of the first calendar quarter following the execution of the contract." (Rev. & Tax Code § 7270.)

"All transactions and use taxes collected by the board pursuant to contract with the district shall be

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4. Once constructed, user fees would likely fund the system's operation, and the replacement of a user fee by a sales tax might warrant a different conclusion. (See Mills v. County of Trinity, supra, 108 Cal.App.3d 656, 660.)

transmitted by the board to the district periodically as promptly as feasible. The transmittals shall be made at least twice in each calendar quarter." (Rev. & Tax Code § 7271.)

"The district shall pay to the board its costs of preparation to administer and operate the transactions and use taxes ordinance. The district shall pay such costs monthly as incurred and billed by the board. Such costs include all preparatory costs, including costs of developing procedures, programming for data processing, developing and adopting appropriate regulations, designing and printing of forms, developing instructions for the board's staff and for taxpayers, and other necessary preparatory costs which shall include the board's direct and indirect costs as specified by Section 11256 of the Government Code. Any disputes as to the amount of preparatory costs incurred shall be resolved by the Director of Finance, and his decision shall be final. The maximum amount of all preparatory costs to be paid by the district shall not, in any event, exceed one hundred twenty-five thousand dollars (\$125,000)." (Rev. & Tax Code § 7272.)

As we noted in our analysis of the first question, the Commission's tax ordinance was approved by the voters pursuant to section 130350 ("a majority of the electors voting on the measure vote to authorize its enactment at a special election"). If, however, the ordinance imposes "special taxes" under article XIII A of the Constitution, then the majority voter requirement of section 130350 is unconstitutional in light of the two-thirds requirement of article XIII A. We have, in effect, concluded in response to the first question that section 130350 is unconstitutional insofar as it allows a mere majority voter approval.

Nevertheless, the Board may be compelled to administer the tax until an appropriate court rules that the Commission's tax ordinance is unconstitutional. Section 3.5 of article III of the Constitution provides:

"An administrative agency, including an administrative agency created by the Constitution or an initiative statute, has no power:



"(a) To declare a statute unenforceable, or refuse to enforce a statute, on the basis of it being unconstitutional unless an appellate court has made a determination that such statute is unconstitutional;

"(b) To declare a statute unconstitutional;

"(c) To declare a statute unenforceable, or to refuse to enforce a statute on the basis that federal law or federal regulations prohibit the enforcement of such statute unless an appellate court has made a determination that the enforcement of such statute is prohibited by federal law or federal regulations."  
(Emphasis added.)

Clearly, the Board is an "administrative agency" for purposes of this article. (See Cal. Const. art. XIII, § 17; Gov. Code §§ 15606, 15623; 62 Ops.Cal.Atty.Gen. 809, 811-812 (1979); 62 Ops.Cal.Atty.Gen. 788, 790-791 (1979).)

It thus may not "refuse to enforce" section 3.5's mere majority requirement "on the basis of it being unconstitutional unless an appellate court has made a determination that such statute is unconstitutional." (See Goldin v. Public Utilities Commission (1979) 23 Cal.3d 638, 669, fn. 18; 62 Ops.Cal.Atty.Gen. 809, 811 (1979).) Of course, the Board would also be required to obey a superior court order as it directly relates to the issue, should the lower court declare the statute unconstitutional. (See Fenske v. Board of Administration (1980) 103 Cal.App.3d 590, 595-596.)

The purposes of section 3.5 of article III would be served by its application to the problem before us, even where as here the statute is enacted prior to the constitutional provision. Whether the Commission's tax ordinance imposes "special taxes" is a close question of law. Such a determination should be made by the judiciary before an express legislative enactment is found to be inconsistent therewith. This conclusion is consistent with the intent of section 3.5, as expressed in the ballot pamphlet's argument in favor of the measure's adoption:

"Once the law has been enacted, however, it does not make sense for an administrative agency to refuse to carry out its legal responsibilities because the agency's members have decided the law is invalid. Yet,

administrative agencies are so doing with increasing frequency. These agencies are all part of the Executive Branch of government, charged with the duty of enforcing the law.

"The Courts, however, constitute the proper forum for determination of the validity of State statutes. There is no justification for forcing private parties to go to Court in order to require agencies of government to perform the duties they have sworn to perform.

"Proposition 5 would prohibit the State agency from refusing to act under such circumstances, unless an appellate court has ruled the statute is invalid.

"We urge you to support this Proposition 5 in order to insure that appointed officials do not refuse to carry out their duties by usurping the authority of the Legislature and the Courts. Your passage of Proposition 5 will help preserve the concept of the separation of powers so wisely adopted by our founding fathers." (Cal. Voters Pamphlet (June 6, 1978), p. 26.)

This language was further supported in the rebuttal portion of the ballot pamphlet as follows:

"The opposition cites a case by the California Supreme Court concerning 'suspect' statutes. However, the United States Supreme Court has consistently held that 'State statutes, like federal ones, are entitled to the presumption of constitutionality until their invalidity is judicially declared.'

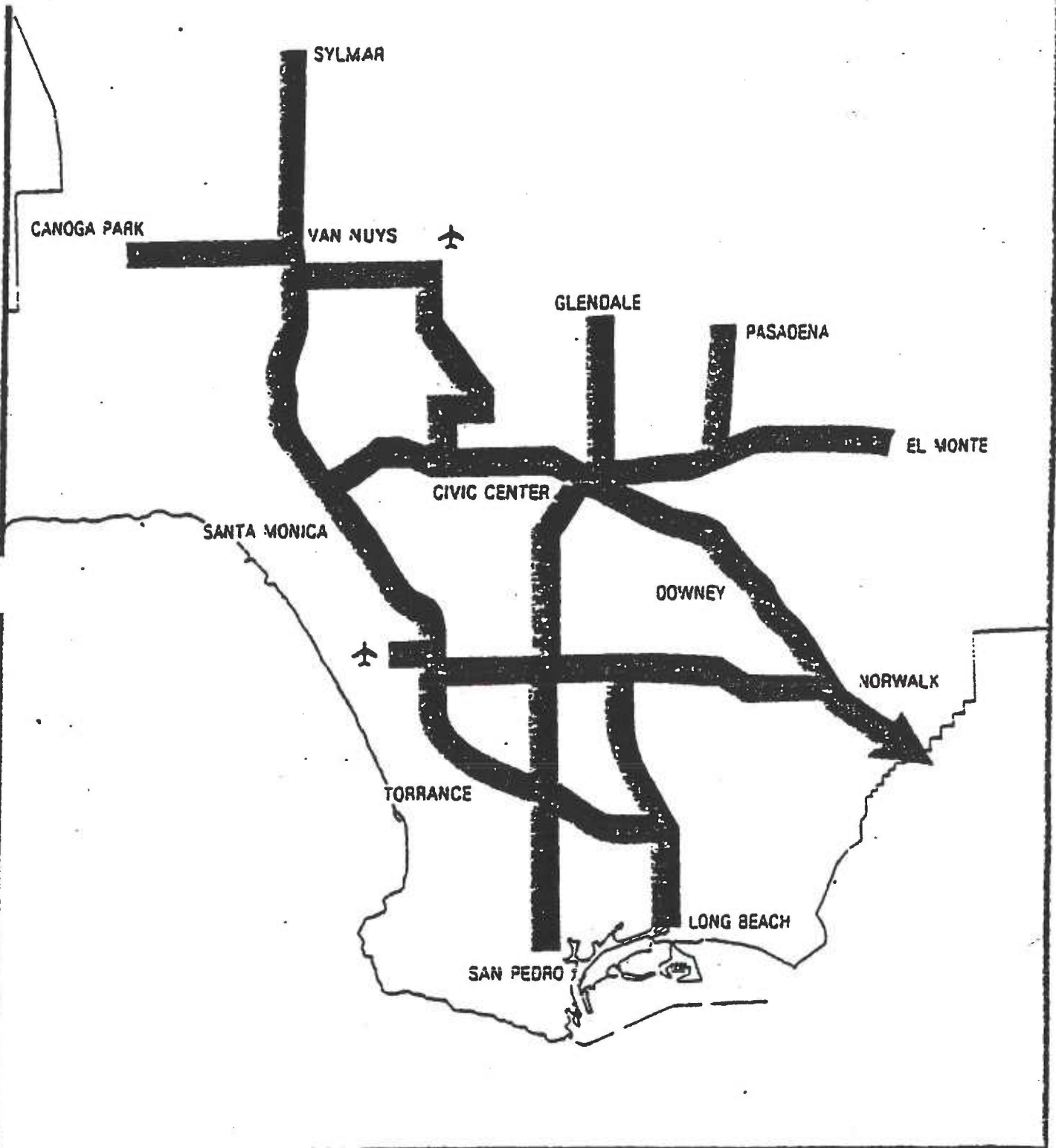
"Under Proposition 5, the agencies themselves may challenge 'suspect' statutes in the courts. Then private citizens will save time and expense otherwise imposed on them to compel State agencies to perform their duties. Such agencies will no longer usurp the constitutional powers of the courts.

"Your vote for Proposition 5 will return responsibility for making major decisions to the properly constituted authorities. No longer will bureaucratic officials, however well-intentioned, be able to make decisions properly reserved to the Courts

and your elected representatives." (Id. at p. 27.)

We conclude, therefore, that the Board must administer the Commission's tax ordinance until an appropriate judicial decision is rendered, ruling that section 130350 is in conflict with section 4 of article XIII A of the Constitution.

# RAIL RAPID TRANSIT SYSTEM





**PROPOSITION A 40% DISCRETIONARY FUND**  
**Discretionary Grant Program and Incentive Program Guidelines**  
**Adopted April 24, 1991**

**INTRODUCTION**

The Proposition A Discretionary Fund Guidelines summarize the funding policies and administrative procedures related to the Discretionary Grant Program as well as to the Incentive Program. They can be used as a reference manual by LACTC staff, eligible recipients, and the interested public. The following serves as a Table of Contents:

**I. DISCRETIONARY GRANT PROGRAM**

1. Eligible Operators
2. Eligible Service
3. Funding Methodology
4. Carryover Funds
5. Capital Projects
6. Contract and Negotiation
7. Reimbursement
8. Conditions
9. Close-out
10. Penalties

**II. INCENTIVE PROGRAM**

11. Eligible Recipients
12. Eligible Projects
13. Funding Methodology
14. Carryover Funds
15. Capital Projects
16. Contract and Negotiation
17. Reimbursement
18. Conditions
19. Close-out
20. Penalties
21. Termination
22. Amendments

**DISCRETIONARY GRANT PROGRAM**

**1.0 Eligible Operators**

Participants in the Discretionary Grant Program will be limited to the following operators:

Arcadia Dial-A-Ride

Gardena Municipal Bus Lines

Claremont Dial-A-Ride

La Mirada Dial-A-Ride

Commerce Municipal Bus Lines

Long Beach Public Transportation Company

Culver City Municipal Bus Lines

Montebello Bus Lines

Norwalk Transit System

Torrance Transit System

Redondo Beach Dial-A-Ride

Southern California Rapid Transit District

Santa Monica Municipal Bus Lines

LACTC - approved Transportation Zones 1

1 LACTC approved Transportation Zones shall be eligible for Proposition A Discretionary funds and must adhere to the Zone Guidelines.

1.1 In order to receive Proposition A Discretionary Grant Funds, operators must provide warranties in the Memorandum of Understanding that they will:

- A. Cooperate and coordinate with other operators in the development of an integrated countywide transportation system;
- B. Make every effort to improve upon the existing span and scope of their transit service (minimum standards are detailed in Section 8.1);
- C. Ensure that service quality improvements are implemented whenever possible (e.g., added service to meet demand; routing and scheduling improvements);
- D. Ensure that the existing level of service is maintained and that major service changes are subject to the adopted Service Notification Policy (Attachment C);
- E. Make every effort to ensure that the total number of linked passengers (riders) is maintained or increased;
- F. Certify that they are not effectively precluded by any new collective bargaining agreement which is in effect on or after July 1, 1988, from contracting existing, new or restructured services;
- G. Make every effort to control operating costs within the CPI on an average over time, in order to keep base fare increases within the Consumer Price Index (CPI) increase;
- H. Agree to secure a local contribution as described in Section 8.3.

## 2.0 Eligible Service

Fixed-Route and General Public Dial-A-Ride services operated by the Transportation Development Act (TDA) Article 4 recipients are eligible for Discretionary Grant formula funds. In addition, the LACTC can make a Transportation Zone eligible for funds, subject to the Zone Guidelines. Service operated on a cost-less-revenue basis, subscription service, and special event services are not eligible for Discretionary Grant formula funds. Only the services included in the Transit Performance Measurement program are eligible for Discretionary Grant Formula funds. It should be noted that



any service added will be subject to the LACTC TPM program. Operators should refer to the Service Notification policy for the procedures regarding elimination or significant reductions in service.

### 3.0 Discretionary Grant Funding Methodology

- 3.1 The maximum Discretionary Grant subsidy during fiscal year 1992 for each operator is determined by their percentage share of a formula that consists of 50% Fare Units and 50% Vehicle Service Miles. The data used for calculating the transit operators' base year (FY 92) percentage share is the latest available audited data (FY 90).

For FY 92, total Discretionary Grant subsidies will be based on the formula share and increased by an amount not to exceed the CPI increase for each fiscal year thereafter. The CPI increase will be determined by LACTC each year based on the Los Angeles - Long Beach urbanized area cost of living index. Final fiscal year maximum grant shares will be determined when CPI data is available. The Executive Director is authorized to administratively amend the MOU to reflect any changes as a result of the actual CPI increase for that fiscal year.

LACTC agrees to develop a methodology in cooperation with the bus operators for determining future fiscal year changes to the base year noted above. LACTC recognizes that services have been added by the operators since FY 1990, and agrees that those services will be given priority in the development of new fund uses.

Twenty percent of the total Discretionary Grant funds allocated will be considered "fare subsidy dollars." The transit operator's local contribution will be credited when calculating "Total Farebox Revenue". For Discretionary grant funds, the 0.25% formula allocation cap on Dial-a-Ride operators will be eliminated for the purpose of calculating FY 1992 share.

For those operators who are cost-effective and who draw down less than 50% of their current annual allocation of Proposition A Discretionary funds, the following shall apply:

- o Operators can use up to 20% of their annual allocation of Discretionary funds for fare subsidy purposes; and
- o that amount shall be deducted from the operating expenses when calculating the 38% farebox (plus local contribution) recovery TPM standard.

- 3.2 All available TDA, STA, and Section 9 operating subsidies must

be committed before Discretionary Grant formula funds can be allocated. No carryover of TDA, STA, or Section 9 operating assistance is allowed. A worksheet to determine and operator's eligible subsidy will be provided (Attachment A). Exhibit A-1 shows how an operator's eligibility is determined.

- 3.3 If the mid-year adjustment (which will be completed in February of each year) indicates that the Proposition A Discretionary fund receipts will be higher than committed under CPI as described in Section 3.1, additional Discretionary Grant funds will be transferred to the Proposition C 40% Fund. LACTC recognizes that services have been added by the operators since FY 1990, and agrees that those services will be given priority in the development of new fund uses. If the mid-year adjustment shows that the Proposition A receipts will be lower than the CPI, there will be a mid-year adjustment to each operator's maximum grant and operators will be credited with the marginal increase in future years as Proposition A 40% funds become available. Notice of an adjustment shall be provided at the earliest opportunity.

#### 4.0 Carryover Funds

- 4.1 Operators participating in the Discretionary Grant formula fund program can carryover, for two years, 100% of their annual formula grant allocation minus any portion received during the fiscal year. The carryover funds will be calculated after the Discretionary Grant formula fund program's fiscal year close-out and will be based on audited actual expenses.

All carryover funds will be held in the operator's name with the County Auditor. Any unused carryover funds will be transferred to the Proposition C 40% Fund after two years. TPM bonus funds earned prior to FY 1992, not spent by an operator at the close of FY 1991, will be available to the same operator for a period of two years.

These carryover funds will be held by the Commission until the next fiscal year when the operator requests Discretionary Grant formula funds. At that time, the carryover funds, will be drawn down first. The carryover funds will not be considered when calculating an operator's eligibility for Discretionary Grant formula allocation. Interest accrued to the carryover funds will be credited to the Discretionary fund and not to the individual operator.

- 4.2 Operators who are due a credit based upon the Proposition A

Fare Reduction program must notify the LACTC no later than March of each year, concurrently with the operator's SRTP, how much, if any, of the credit they wish to draw down for the following year's operating expenses. The amount of credit an operator wishes to draw down will be subtracted from the total available Discretionary Grant formula fund for that year.

If an operator is eligible for Proposition A Fare Reduction and Stabilization funds under this section, the operator may claim up to the full 20% fare subsidy funds noted in Section 3.1, notwithstanding the provisions under Section 3.2.

All available subsidies, including the remaining Discretionary Grant formula funds, must be used by the operator before any Proposition A Fare Reduction and Stabilization credit funds will be allocated. The following process will be used to reimburse the funds:

In order to avoid commingling Proposition A Fare Reduction and Stabilization credit funds with the annual Discretionary Grant formula funds, the Discretionary Grant Memorandum of Understanding (MOU) worksheet will be amended to reflect monthly payments of the Discretionary Grant formula subsidy for the first few months of the year. These balances will be monitored against the operator's budget, and after all Discretionary Grant formula funds are expended, the Proposition A Fare Reduction credit will be disbursed in the final months of the year (unless the credit is needed sooner). The disbursement schedule will be flexible; for example if the annual Discretionary Grant formula funds are used the first six months, the credit will be disbursed during the last six months.

#### 5.0 Capital Projects

Only carryover Discretionary Grant formula funds can be used for capital projects. Operators must follow the existing approval process as required under the Transportation Development Act and the Transportation Improvement Program when applying Proposition A Discretionary formula grant carryover to capital projects.

#### 6.0 Contract and Negotiation

The contracting document will be the Memorandum of Understanding (MOU) (shown on Attachment B). The negotiation of the MOU is conducted triennially unless Proposition A Discretionary Guidelines are revised by the LACTC, whichever occurs first. The Executive Director shall have the authority to administratively amend the operator's MOU to reflect the financial plan worksheet. The MOU amount cannot exceed an operator's annual formula allocation; carryover is not



included in the MOU (until the audit is completed).

Worksheets must be submitted within 120 days of the beginning of the fiscal year, and the Discretionary Grant worksheet will be considered part of the MOU. LACTC staff will process the MOU within 30 days from receipt of the worksheet and completed TDA claim. The worksheet must be consistent with the transit operators' adopted current year operating budget and must not show a deficit greater than the maximum Proposition A Discretionary Grant allocation and prior year's carryover funds. Fare, service and expense assumptions must be supported by governing board action.

The Executive Director has the authority to negotiate agreements with an operator based on the Commission-adopted standard MOU providing that all of the conditions in Sections 1.1 and 8 are met. Any agreement that does not comply will be brought to the Commission for approval.

#### **7.0 Reimbursement**

- 7.1 LACTC will reimburse an operator up to the maximum amount allowable under the executed MOU. No payments will be made until the MOU is fully executed.
- 7.2 LACTC will disburse 1/12 of the operator's maximum eligible formula grant share each month provided funds are available. Reconciliation will occur annually in May, based upon estimated expenses and revenues. Final adjustments will be made in November, pending audit completion.

#### **8.0 Conditions**

In order to obtain Discretionary Grant formula funds, operators must meet the following conditions:

- 8.1 The following minimum service standards will be maintained within transit operators' respective service areas by fixed-route operators throughout the boundaries of the SCRTD district:
  - o Hours of operation - The system shall be in operation on workdays during the hours of 6:00 a.m. to 7:00 p.m.
  - o Availability - It is the responsibility of the operator to ensure that transit service is provided in an operator's service area within one mile of 95% of the residents no less frequently than hourly. However, the operator does not have to be the provider of that service.

- 8.2 Proposition A Discretionary Grants can be only awarded to transit operators with adopted current year operating budgets which do not show a deficit. Fare, service, and expense assumptions must be supported by governing board action.
- 8.3 In accordance with the Proposition A Local Return Guidelines, the municipal operator must secure continued financial support of any funds derived from a property tax. In addition, the municipal operator must secure local financial support. The actual amount of support will be equivalent to 5% of the fiscal year's operating budget, or 25% of the fiscal year's Local Return funds received by the municipality, whichever is less. The local contribution requirement will be calculated at the beginning of the fiscal year. A mid-year adjustment will be made to the local contribution requirement no later than January 31 of each year. Only local contributions made to the operating budget are eligible.

If the local contribution requirement is not met, the operator must make full refund of its Discretionary Grant formula allocation to LACTC.

If Local Return funds are to be used toward the local contribution requirement, they should be used in accordance with the Local Return Guidelines.

Any municipal operator whose sponsoring city did not commit an amount equal to or greater than 50% of their annual allocation, during the year ending June 30, will have their Proposition A Discretionary fund grant reduced by the amount of the uncommitted annual allocation that is over 50%.

- 8.4 Operators are subject to the Transit Performance Measurement (TPM) program and the LACTC Private Sector Participation policy (Attachment D) which are hereby incorporated into the Guidelines by reference.

#### 9.0 Close-out

The TDA Fiscal and Compliance audit required by state law must verify an operator's revenues and expenses and certify that the operator has complied with all the conditions of the Discretionary Grant program. The Local Contribution requirement must also be verified for municipal operators.

Audits are due within 120 days of the end of the fiscal year. LACTC will withhold current fiscal year Discretionary Grant

program payments from operators with audits outstanding after the 120-day due date.

- 10.0 Penalties. Any recommendation to withhold Proposition A Discretionary funds as described in Sections 10.1 and 10.2 below will require eight (8) affirmative votes of the Commission.
- 10.1 The LACTC may withhold funds if it is determined that an operator has not made every effort to adhere to all warranties and conditions identified in the Discretionary Guidelines .
- 10.2 LACTC reserves the right to terminate the MOU and withhold all payments identified in the MOU in the event of continued and/or gross violations.



## INCENTIVE PROGRAM

### 11.0 Eligible Recipients

Only the County of Los Angeles, cities, and public transit operators are eligible to apply for and receive Incentive Program funds. Private operators or other agencies may receive funds, however, only through sponsorship by the County of Los Angeles, cities and public transit operators.

Eligible recipients include public and private, for-profit and non-profit, transit and paratransit operators.

### 12.0 Eligible Projects

12.1 Paratransit Substitution - Paratransit alternatives will be funded for the replacement or substitution of fixed-route bus service.

12.2 Contracting - Contracting alternatives will be funded for replacement or substitution of fixed-route bus service.

### 12.3 Subregional Paratransit Projects

12.4 Coordination Demonstration Projects - Applicants demonstrating viability of coordination of non-service activities (for example, marketing and telephone information).

12.5 Service Restructuring - Applicants may request planning funds to pursue joint efforts in service restructuring.

13.1 A maximum of 5% of the Proposition A Discretionary funds will be allocated to the Incentive Program. Portions of the 5% Incentive Program funds not spent in a given year will be either: 1) reallocated to Incentive Projects; 2) carried over to the next year to minimize future fare increases or service reductions; or 3) allocated to other eligible Commission projects.

13.2 In order to be considered for Incentive Program funds, all eligible applicants must submit a completed Incentive Project application.

13.3 In-kind contributions may be considered as part of the local contribution if auditable financial information is available.

13.4 An Applicant may request additional Incentive funds at mid-year to implement additional service. Funding increases up to \$100,000 may be administratively approved up to the prevailing CPI level.

Replacement transit service projects will be eligible to receive additional incentive funds for service increases up to 10% or \$100,000, whichever is less, on a 50/50 match basis provided the need for such service increase is documented by ridership demand and the project continues to conform with at least one of the cost saving criteria. Funding for service increases in excess of 10% will be subject to Transportation Commission approval.

#### 14.0 Carryover Funds

Any Discretionary Incentive Program funds not spent by a recipient by the close of the contract period will lapse back to the Proposition A 40% Discretionary Fund.

#### 15.0 Capital Projects

Incentive Program funds cannot be used for capital projects. Revenue service vehicles and depreciation for fixed facilities may be funded pending supporting justification.

#### 16.0 Contract and Negotiation

16.1 The contracting document will be the Memorandum of Understanding (MOU) and the scope of work. The negotiations of the MOU and the scope of work will be reviewed annually for compliance. Staff will provide the Transit Committee quarterly status reports on the commitments and expenditures of the Incentive Program.

16.2 In the case of contract service, the applicant is required to provide an estimated cost of major budget items under the scope of work; however, the extent of the LACTC funding will be contingent upon the amount of the final contract. No funding will be provided until LACTC is notified of the amount of the final contract.

#### 17.0 Reimbursement

17.1 LACTC will reimburse a recipient up to the maximum amount allowable under the executed MOU. Requests for funds should be accompanied by the Incentive Program Reimbursement Form. Requests for funds must be submitted quarterly but can be submitted as often as monthly.

17.2 Advance payments are not allowable. The Incentive Program Reimbursement Form requests interim information on specific operating and financial data as a check on the reasonableness of expenditures and revenues.

17.3 LACTC agrees to pay an operator within 15 days of submittal of a completed reimbursement form.

## 18.0 Conditions

In order to obtain Incentive Program funds, recipients should meet the following conditions:

### 18.1 Paratransit Substitution, Service Contracting, and Service Restructuring:

- o Service must be for general public use.
- o Service replaced is not special event service.
- o The applicant commits to funding at least 50% of net project cost from local funds.

18.2 Each Applicant will be funded for no less than one year. At Commission discretion, the contract period may be extended consistent with the duration of the project.

18.3 The project proposal must indicate that the service currently provided will be maintained or improved, including accessibility to handicapped individuals. All indicators will be considered, but failure to meet one or more of the criteria does not necessarily exclude the potential project. Documentation must be provided if any indicator cannot be met. The following indicators will be used to analyze the quality of service.

- o Frequency of service (the number of times a vehicle passes a given point in a period of time). Response time also may be given to satisfy this requirement.
- o Span of service (the extent of service from beginning to end, e.g., 8 a.m. - 6 p.m. is a span of service.
- o Access (distance to a bus stop or a pick-up point).
- o Passenger capacity (vehicle capacity should reflect passenger demand so that the total number of passengers are safely accommodated on all in-service vehicles; this includes both seated and standing persons).
- o Interagency transfer agreement (an agreement between two transit agencies where the passengers of one may transfer to the other at a nominal cost. If the applicant cannot establish an interagency transfer agreement, evidence must be provided demonstrating good faith effort.
- o Coordination with other agencies.

18.5 The project must show that implementation would result in anticipated cost savings of at least 25%, using at least one

of the following indicators:

- o Total cost savings
- o Subsidy per passenger
- o Cost per vehicle service hour
- o Cost per passenger

**19.0 Close-Out**

The LACTC reserves the right to require an audit of the project's financial and performance statistics.

**20.0 Penalties**

The LACTC reserves the right to terminate the MOU and to withhold all payments identified in the MOU in the event that the project does not result in cost savings of at least 25% as discussed in Section 18.5.

**21.0 Termination**

Either the LACTC or the recipient can terminate the MOU with a minimum of 60 days' notice.

**22.0 Amendments to the Proposition A Discretionary Guidelines**

22.1 The Commission may find it necessary to make changes to the Proposition A Discretionary Program Guidelines. Changes in policy as defined in 22.2 below will require a formal amendment to the guidelines. Administrative changes as defined in 22.3 below will be implemented without a formal amendment to the guidelines.

22.2 Policy amendments are changes to the guidelines which will impact the total amount of funds received by an operator. Policy amendments include changes in the formula used to allocate funds or conditions required to receive funds.

22.3 Administrative changes are technical or procedural changes which will have no impact on the total amount of funds received by an operator. Included in this section are changes related to reporting requirements. Administrative changes will be made at the discretion of Commission staff.

22.4 Affected operators will be notified in writing of any proposed amendments and will be given 30 days from the date of written notification by the Commission prior to review by any committees to review and comment on the proposed changes. The review process for policy amendments will further include review by the appropriate advisory committees including the Bus Operators Subcommittee, Technical Advisory Committee and Planning and Mobility Improvement Committee before final

action is taken by the Commission. The Commission's action will be the final authority regarding changes to the Discretionary Program.

22.5 Administrative changes will take effect 30 days following written notification by the Commission. Upon approval by the Commission, operators will be given notice of policy amendments at least six months prior to effective date.



TABLE 4  
FINANCIAL STATEMENT  
FY 1992 PROPOSITION A DISCRETIONARY GRANT WORKSHEET  
(THOUSANDS OF DOLLARS)

Claimant: Mode: (Bus, DAR, Rail, or System Total)	Date: Contact: FY 1991                      FY 1992
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<hr/>	
SOURCES OF FUNDS FOR OPERATING	+
FEDERAL CASH GRANTS AND REIMBURSEMENTS	+
UMTA Sec. 9 Operating	+
UMTA Sec. 18 Operating	+
UMTA Sec. 8 Technical Studies	+
Other Federal	+
STATE CASH GRANTS AND REIMBURSEMENTS	+
TDA Carryover - Prior Year	+
TDA Current From Unallocated	+
STA Current From Unallocated	+
Other State	+
LOCAL CASH GRANT AND REIMBURSEMENTS	+
Passenger Fares	+
Special Transit Service	+
Charter Service Revenues	+
Auxiliary Transportation Revenue	+
Non-transportation Revenues	+
Prop. A Discretionary Grant	+
Prop A. Local Return	+
Prop A. Incentive Fund	+
Other Local - Prop. A Exchanges	+
SUBTOTAL OPERATING REVENUES	+
TOTAL OPERATING EXPENSES	+
	+
	+
	+
	+
COST PER VSH CALCULATION	+
Vehicle Service Hours (VSH)	+
Cost Per VSH	+
XChange Cost/VSH	+
MAINTENANCE OF EFFORT	+
5% of Operating Expenses	+
25% of Local Return Funds	+



## DISCRETIONARY GRANT EXAMPLE

Fiscal Year 1992, Operator A (in \$1,000's):

LACTC Subsidy		
UMTA Section 9 Operating Funds	\$	300
State Transit Assistance Funds		100
TDA (operating)		1,000
Farebox Revenue		500
Local Subsidies (including Local Return, General Revenue, etc.)		700
Other		<u>300</u>
Total Operating Revenues	\$	<u>2,900</u>
Total Operating Costs (Excluding depreciation)		<u>(3,500)</u>
Eligible Transit Operator Subsidy <sup>1</sup>	\$	<u>600</u>

<sup>1</sup> Eligible Transit Operator Subsidy must be less than or equal to Maximum Transit Operator

MEMORANDUM OF UNDERSTANDING

WHEREAS, on November 4, 1980, the voters of the County of Los Angeles approved by majority vote Proposition A, an ordinance establishing a one-half percent sales tax for public transit purposes; and

WHEREAS, the Los Angeles County Transportation Commission (LACTC), as the taxing agency, has entered into an agreement with the California State Board of Equalization for administration of the tax; and

WHEREAS, \_\_\_\_\_ (GRANTEE) has requested funds under the Discretionary Grant Program of Proposition A; and

WHEREAS, the LACTC has approved the following goals for implementation of the Proposition A Discretionary Program:

- o Minimize fare increases;
- o Minimize service cutbacks; and
- o Improve transit operator efficiency and effectiveness.

NOW, THEREFORE, LACTC and \_\_\_\_\_ hereby agree to the following terms and procedures for implementation of the Proposition A Discretionary Grant Program.

This agreement will be in effect from July 1, 1991 through June 30, 1994 as amended, unless Proposition A Discretionary Guidelines are revised by LACTC prior to the expiration date. In the event the Guidelines are so revised, this agreement shall terminate on the effective date of the revised Guidelines.

This Memorandum of Understanding between LACTC and \_\_\_\_\_ addresses specifically:

- o Service adjustments and standards
- o Reimbursement to GRANTEE
- o Carryover of funds
- o Local contribution requirements
- o Conditions
- o Penalties

**MEMORANDUM OF UNDERSTANDING**

Page 2 of 4.

**ARTICLE 1. SERVICE ADJUSTMENTS AND STANDARDS**

- 1.0 The GRANTEE agrees to comply with all applicable provisions, including all applicable service adjustments, standards, warranties and conditions specified in Sections 1.1 through 8 of the Proposition A Discretionary Grant Program Guidelines adopted April 24, 1991.
- 1.1 GRANTEE agrees to continue reporting Transit Performance Measurement (TPM) data to LACTC as required under the TPM Guidelines adopted pursuant to AB 103 (PUC Section 130380), and will be evaluated as needed by LACTC. Only the services included in the TPM program are eligible for Discretionary Grant formula funds.

**ARTICLE 2. REIMBURSEMENT TO GRANTEE**

- 2.0 Requests for reimbursement to GRANTEE shall be made by the GRANTEE annually using the Proposition A Discretionary Grant Worksheet (Attachment A). LACTC will disburse 1/12 of the operator's maximum eligible formula grant share each month, provided funds are available. Reconciliation will occur annually in May, based upon estimated actual expenses and revenues. All disbursements will be considered an estimate subject to adjustment upon receipt of the TDA Fiscal and Compliance audits. The audit must be submitted within 120 days of the close of the fiscal year. Under no circumstances will the amount of money transferred to the GRANTEE under this agreement exceed \$ \_\_\_\_\_ per month, or \$ \_\_\_\_\_ for the fiscal year, and this amount will increase in accordance with the Los Angeles-Long Beach Urbanized Area Consumer Price Index (CPI) annually. A financial worksheet must be submitted annually by GRANTEE indicating maximum annual allocation and estimated monthly payments. The GRANTEE's final approved financial plan will be attached to this Memorandum of Understanding upon approval by the Executive Director, and will serve as an amendment to this agreement.

The reimbursement ceiling may be adjusted in certain situations, as specified in the Proposition A Discretionary Grant Program Guidelines.

**ARTICLE 3. CARRYOVER OF FUNDS**

- 3.0 The GRANTEE agrees to commit all TDA, STA and Section 9 operating subsidies prior to committing Discretionary Grant formula funds. The GRANTEE agrees that for Discretionary Grant formula funds not requested by the close of Fiscal Year 1991, one-half will revert to the LACTC to be reallocated,

and one-half will be available to the operator for a period of two years. The carryover funds may be used by the GRANTEE for operating purposes to avoid or minimize fare increases, or for capital expenses subject to the Transportation Improvement Program (TIP) review and approval process.

- 3.1 Any Transportation Performance Measurement (TPM) bonus funds earned prior to FY 1992, and not spent by GRANTEE at the close of FY 1991, will remain available to the GRANTEE for a period of two years following the year such funds were earned. These carryover funds may be used by the GRANTEE for operating purposes only to avoid or minimize fare increases.
- 3.2 GRANTEE may carry over, for two years, one hundred percent (100%) of annual grant allocations earned during and subsequent to FY 1992, minus any portion received during the fiscal year. The carryover funds will be calculated after the Discretionary Grant formula fund program's fiscal year close-out, and will be based on audited expenses.

#### ARTICLE 4. LOCAL CONTRIBUTION REQUIREMENT

- 4.0 In accordance with the Proposition A Local Return Guidelines, the GRANTEE agrees to secure continued financial support from any funds derived from a property tax. In addition, the GRANTEE agrees to secure local financial support. The actual amount of local support will be equivalent to five percent (5%) of the current fiscal year operating budget, or twenty-five percent (25%) of the current fiscal year Local Return funds received by the GRANTEE's sponsoring municipality, whichever is less. The GRANTEE agrees that the above requirements equate to a local contribution of \$\_\_\_\_\_ for the Fiscal Year 1992. This amount may be adjusted upon receipt of the Local Return Quarterly Financial Report, and the TDA Fiscal and Compliance audit.
- 4.1 Only local contributions made to the operating budget are eligible to meet the Local Contribution Requirement.
- 4.2 Any municipal operator whose sponsoring city did not commit an amount equal to or greater than fifty percent (50%) of their annual Proposition A Local Return allocation during the year ended June 30 will have their Proposition A Discretionary fund grant reduced by the amount of uncommitted annual Proposition A Local Return funds allocated which exceed fifty percent.
- 4.3 If the Local Contribution Requirement is not met, the GRANTEE must make a full refund of its Discretionary Grant formula allocation to LACTC.

**ARTICLE 5. CONDITIONS**

5.0 The LACTC, at its discretion, may withhold all or part of the GRANTEE's discretionary grant allocation if all conditions identified in Section 8.0 of the Discretionary Grant Program Guidelines are not met.

**ARTICLE 6. PENALTIES**

6.0 The LACTC reserves the right to terminate this agreement and withhold funds if it is determined that the GRANTEE has not made every effort to adhere to all warranties and conditions identified in the Discretionary Grant Guidelines. In addition, the LACTC reserves the right to terminate this agreement in the event of continued and/or gross violations of this Memorandum of Understanding. Any withholding of funds, termination of the MOU, or imposition of any financial penalty against GRANTEE under Sections 10.1 and 10.2 of the Discretionary Grant Guidelines is subject to eight (8) affirmative votes by the LACTC.

This Memorandum of Understanding is hereby executed this day of \_\_\_\_\_, 1992.

City of:

Los Angeles County  
Transportation Commission

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
NEIL PETERSON  
Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By:

\_\_\_\_\_  
Legal Counsel

\_\_\_\_\_  
DAVID KELSEY  
County Counsel

By:

\_\_\_\_\_  
Deputy

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_



## **MEMORANDUM OF UNDERSTANDING FOR PROPOSITION A DISCRETIONARY FUNDS**

WHEREAS, on November 4, 1980, the voters of the County of Los Angeles approved by majority vote Proposition A, an ordinance establishing a one-half percent tax for public transit purposes; and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority ("MTA"), as the agency responsible for administering the tax, has entered into an agreement with the California State Board of Equalization for administration of the tax; and

WHEREAS, \_\_\_\_\_ ("GRANTEE") has requested funds under the Proposition A Discretionary Grant Program (the "Program") for operating assistance; and

WHEREAS, at its July 27, 1994 meeting, the MTA authorized GRANTEE to receive funds under the Program; and

WHEREAS, the MTA has approved the following goals for implementation of the Program:

- Minimize fare increases;
- Minimize service cutbacks; and
- Improve transit operator efficiency and effectiveness.

NOW, THEREFORE, MTA and GRANTEE hereby agree to the following terms and procedures for transfer of the Discretionary Grant formula funds.

### **ARTICLE 1.       TERM**

- 1.0           This Memorandum of Understanding ("MOU") will be in effect from July 1, 1994 through June 30, 1997 as amended, unless the Proposition A Discretionary Guidelines adopted April 24, 1991 (the "Guidelines") are revised by MTA prior to the expiration date. In the event the Guidelines are so revised, this MOU shall terminate on the effective date of the revised Guidelines.



**Memorandum of Understanding  
for Proposition A Discretionary Funds  
Page 2 of 6**

**ARTICLE 2. SERVICE ADJUSTMENTS AND STANDARDS**

- 2.0 The GRANTEE agrees to comply with all applicable provisions of the Guidelines, including without limitation, all applicable service adjustments, standards, warranties and conditions specified in Sections 1.1 through 8.4 of the Guidelines.
- 2.1 GRANTEE agrees to continue reporting Transit Performance Measurement (TPM) data to MTA as required under the TPM Guidelines adopted pursuant to AB 103 (PUC Section 130380). The TPM data will be evaluated as needed by MTA. Only the services included in the TPM program are eligible for Discretionary Grant formula funds.
- 2.2 In order to receive Proposition A Discretionary Grant funds, GRANTEE warrants that it will:
- A. Cooperate and coordinate with other operators in the development of an integrated countywide transportation system;
  - B. Make every effort to improve upon the existing span and scope of their transit service (minimum standards are detailed in Section 8.1 of the Guidelines);
  - C. Ensure that service quality improvements are implemented whenever possible (e.g., added service to meet demand; routing and scheduling improvements);
  - D. Ensure that the existing level of service is maintained and that major service changes are subject to the adopted Service Notification Policy;
  - E. Make every effort to ensure that the total number of linked passengers (riders) is maintained or increased;
  - F. Certify that GRANTEE is not effectively precluded by any collective bargaining agreement which is in effect on or after July 1, 1988, from contracting existing, new or restructured services;
  - G. Make every effort to control operating costs within the CPI (as defined in Article 3 below) on an average over time, in order to keep base fare increases within the CPI increase;
  - H. Agree to secure a local contribution as described in Section 8.3 of the Guidelines.

**Memorandum of Understanding  
for Proposition A Discretionary Funds  
Page 3 of 6**

**ARTICLE 3. REIMBURSEMENT TO GRANTEE**

- 3.0 Requests for reimbursement to GRANTEE shall be made by the GRANTEE annually using the Proposition A Discretionary Grant Worksheet (Attachment A). However, the MTA will disburse 1/12 of the GRANTEE's maximum eligible formula grant share each month, provided funds are available.
- 3.1 Reconciliation will occur annually in May, based upon estimated actual expenses and revenues. All disbursements will be considered an estimate subject to adjustment upon receipt of the TDA Fiscal and Compliance audits. The audit must be submitted within 120 days of the close of the fiscal year.
- 3.2 If the audit indicates GRANTEE did not expend all Program formula funds received during the fiscal year of allocation, such unexpended funds must be returned to MTA within 60 days of the completion of the TDA Fiscal and Compliance Audits. Such unexpended funds will be treated as carryover funds and held by MTA on behalf of GRANTEE for a period of two years.
- 3.3 Under no circumstances will the amount of money transferred to the GRANTEE under this MOU exceed \$\_\_\_\_\_ per month, or \$\_\_\_\_\_ for FY 1995. Fiscal Year 1996 and 1997 allocations will be made in accordance with the Guidelines.
- 3.4 A financial worksheet must be submitted annually by GRANTEE indicating maximum annual allocation and estimated monthly payments.
- 3.5 The GRANTEE's final approved financial plan will be attached to this MOU upon approval by the Chief Executive Officer or his designee, and will serve as an amendment to this MOU.
- 3.6 The reimbursement ceiling may be adjusted in certain situations, as specified in the Guidelines.

**ARTICLE 4. CARRYOVER OF FUNDS**

- 4.0 The GRANTEE agrees to commit all TDA, STA and Section 9 operating subsidies prior to committing Discretionary Grant formula funds.
- 4.1 GRANTEE may carry over, for two years, one hundred percent (100%) of their annual grant formula allocation, minus any portion received during the fiscal year. The carryover funds will be calculated after the Discretionary Grant formula fund program's fiscal year close-out, and will be based on audited expenses.

**Memorandum of Understanding  
for Proposition A Discretionary Funds  
Page 4 of 6**

- 4.2 Only carryover Program formula funds can be used for capital projects. GRANTEE must follow the existing MTA approval process when applying Program carryover funds to capital projects.
- 4.3 Any unused carryover funds will be transferred to the Proposition C 40% Fund after two years.

**ARTICLE 5. LOCAL CONTRIBUTION REQUIREMENT**

- 5.0 In accordance with the Proposition A Local Return Guidelines, the GRANTEE agrees to secure continued financial support from any funds derived from a property tax. In addition, the GRANTEE agrees to secure local financial support.
- 5.1 The actual amount of local support will be equivalent to five percent (5%) of the current fiscal year operating budget, or twenty-five percent (25%) of the current fiscal year Local Return funds received by the GRANTEE's sponsoring municipality, whichever is less. The GRANTEE agrees that the above requirements equate to a local contribution of \$\_\_\_\_\_ for the Fiscal Year 1995. This amount will be adjusted upon receipt of the TDA Fiscal and Compliance audit.
- 5.2 Only local contributions made to the operating budget are eligible to meet the Local Contribution Requirement.
- 5.3 Any GRANTEE not expending an amount equal to or greater than fifty percent (50%) of their annual Proposition A Local Return allocation during the year ended June 30 will have their Proposition A Discretionary fund grant reduced by the amount of unexpended annual Proposition A Local Return funds allocated which exceed fifty percent of that year's allocation.
- 5.4 If the Local Contribution Requirement is not met, the GRANTEE must make a full refund of its Discretionary Grant formula fund allocation to MTA.

**ARTICLE 6. CONDITIONS**

- 6.0 The MTA, at its discretion, may withhold all or part of the GRANTEE's discretionary grant allocation if all conditions identified in Section 8 of the Guidelines are not met.
- 6.1 GRANTEE agrees to comply with all applicable local, state and federal laws, rules and regulations in the provision of public transit services.

**Memorandum of Understanding  
for Proposition A Discretionary Funds  
Page 5 of 6**

- 6.2 GRANTEE understands and agrees that in programming these funds and entering into this MOU, MTA is acting pursuant to its statutory authority and shall have no liability in connection with the use of these funds for public transit purposes. GRANTEE agrees to indemnify MTA for all liability arising out of GRANTEE's performance in the provision of public transit services paid for by these funds.

**ARTICLE 7. PENALTIES**

- 7.0 The MTA reserves the right to terminate this MOU and withhold funds if it is determined that the GRANTEE has not made every effort to adhere to all warranties and conditions identified in the Guidelines. In addition, the MTA reserves the right to terminate this MOU in the event of continued and/or gross violations of this MOU.
- 7.1 Any withholding of funds, termination of the MOU, or imposition of any financial penalty against GRANTEE under Sections 10.1 and 10.2 of the Guidelines is subject to nine (9) affirmative votes by the governing board of the MTA.

**Memorandum of Understanding  
for Proposition A Discretionary Funds  
Page 6 of 6**

IN WITNESS WHEREOF, the GRANTEE and the MTA have caused this MOU to be executed by their duly authorized representatives on the date noted below:

GRANTEE

Los Angeles County  
Metropolitan Transportation  
Authority

\_\_\_\_\_

\_\_\_\_\_  
FRANKLIN E. WHITE  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:  
DE WITT CLINTON  
County Counsel

By: \_\_\_\_\_  
Legal Counsel

By: \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## APPLICATION INSTRUCTIONS

The following instructions are to provide applicants with guidance for completing the attached application forms.

In completing the application forms, the guidelines should be carefully reviewed according to the category of project proposed. In addition, applicants should consider the following:

- o Budget should be carefully gauged so that funds requested are limited to only that amount estimated to be actually needed to implement the project. Receipt of inflated requests could result in denial of funding.
- o Copies of executed contracts between the applicants and any other operating firms or consultants must be forwarded with the completed application. The extent of LACTC funding will be contingent upon the amount of the final contract. No funding will be provided until LACTC is notified of the amount of the final contract.
- o First-time applicants should address each section of the application as applicable.
- o Continuing project applicants may reference previous applications; however, changes in project scope must be detailed.

### I. Section 1 - General Applicant Information

This section must be completed by both new and continuing applicants for all project categories. Applicants must complete all applicable sections.

### II. Section 2 - Incentive Program Project Description

This section must be completed for all project categories. New applicants must address each of the elements (in the order requested) as outlined below. Attach additional pages as necessary in order to respond to the requested information. (To maintain a uniform format, please make copies of the attached blank sheet and type in the information requested.)

Continuing applicants should detail changes in the existing program, if applicable. Brevity and clarity will be greatly appreciated.

- A. Project Goals and Objectives - State the goals of the project. Describe specific objectives expected to be achieved in FY 1989-90 and strategies for achieving those objectives.



- B. **System Description (for all projects) - Describe the project/service and include the following (as applicable)**
- o Type(s) of service (to be) provided (refer to Range of Transit Services Appendix II) including those provided through service contract (add sheets if necessary);
  - o The ridership group to be served/targeted
    - How will service be provided?
    - Who is eligible and how is eligibility established?
  - o List of existing public and private transportation operators providing similar or complementary service (if applicable);
  - o Other relevant geographic and demographic information.
- C. **Administration and Monitoring - Describe the administrative structure of the proposed project. Who will administer the project? Will service be directly provided or contracted? Is contractor currently chosen?**
- D. **Marketing Program - Describe how the project will be marketed and publicized (if applicable).**
- E. **Coordination and Consolidation - Describe service coordination agreements and/or arrangements with other transportation operators in the proposed service area and/or having adjoining/intersecting services.**

Specifically address activities to avoid duplication and to enable convenient transfers, and other collaborative activities. Attach any documentation of such coordination and consolidation arrangements.

Subregional Grant recipients must annually document additional coordination activities with local jurisdictions, bus operators and social service agencies. The coordination work program should include a) the identification of any excess capacity; b) description of any cooperative study, analysis, and negotiation to be undertaken with other agencies; and c) specifications of measures to improve transfer opportunities and estimates of productivity, improvements expected. Up to 10% of the potential funding will be based on level of effort and success in these efforts.

### **III. Section 3 - Budget and Service Data**

This section must be completed by all new and continuing Incentive Program applicants. New project applicants should complete both Proposed and Planned budget columns only.

- o TABLE 2 - Operating and Expense Data
- o TABLE 3 - Revenue Data

Applicants should refer to Definition of Categories and Terms (Appendix I) for help in completing Tables 2 and 3.

**SECTION 1. GENERAL APPLICANT INFORMATION**

**PART ONE**

1. Applicant: \_\_\_\_\_
2. Principal Contact Person: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: ( ) \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_
3. Financial Officer: \_\_\_\_\_
4. Type of Incentive Project \_\_\_\_\_
5. Estimated Duration of Project: \_\_\_\_\_
6. Amount of Incentive Program Funds Requested: \_\_\_\_\_

**PART TWO**

7. Participating City(ies), Transit Operator(s), or Los Angeles County: \_\_\_\_\_  
\_\_\_\_\_
8. Geographical Area of Service: \_\_\_\_\_  
\_\_\_\_\_
9. Start-up Date of FY 1990-91 Services: \_\_\_\_\_
10. Service Parameters
  - o Type of Service: \_\_\_\_\_  
\_\_\_\_\_
  - o Days and Hours of Transportation Services: \_\_\_\_\_  
\_\_\_\_\_
  - o Eligibility Restrictions: \_\_\_\_\_  
\_\_\_\_\_

SECTION 1. General Applicant Information

- o Transfer/coordination arrangements with contiguous systems (fixed-route and demand-responsive)

\_\_\_\_\_

\_\_\_\_\_

11. Service Provider Check Box(es)

o Operated directly by applicant

o Service contracted

12. Service Accesibility - Describe how the service wil be accessible to the disabled. \_\_\_\_\_

\_\_\_\_\_

13. Type, size and number of vehicles used to provide service:

<u>TYPE</u>	<u>SIZE (PASSENGERS)</u>	<u># VEHICLES</u>

14. Employees

# of City/Agency Administration	_____
# of City/Agency Operations	_____
# of Contractor Operations/Admin.	_____
Total # of employees for project	_____

SECTION 2.

INCENTIVE PROGRAM PROJECT DESCRIPTION      FY \_\_\_\_\_  
(To be completed for all Incentive project categories)

**LACTC INCENTIVE PROGRAM APPLICATION**  
**FY 1990-91**  
**RIDERSHIP AND OPERATING DATA**

Project Name: \_\_\_\_\_

SERVICES SUPPLIED	AUDITED* FY 1988-89	CURRENT* FY 1989-90	PROPOSED FY 1990-91	PLANNED FY 1991-92
01. Number of vehicles in operation				
02. Total vehicle miles				
03. Total vehicle hours				
04. Total vehicle revenue miles				
05. Total vehicle revenue hours				
<b>SERVICE CONSUMED</b>				
01. Unlinked passenger trips				
<b>OPERATING EXPENSES</b>				
01. Vehicle Operations				
02. Vehicle Maintenance				
03. Non-vehicle maintenance				
04. General Administration				
05. Total Operating Expense				
06. Eligible Capital Expenses*				
07. Total Project Costs				
<b>FARES (ACTUAL, NOT TOTAL)</b>				
01. Base Fare				
02. E + D Fare				
03. Student Fare				
04. Monthly Pass Cost				
05. Other (Identify)				

\* If Applicable



Project Name: \_\_\_\_\_

OPERATING REVENUE	AUDITED* FY 1988-89	CURRENT* FY 1989-90	PROPOSED FY 1990-91	PLANNED FY 1991-92
01. Passenger Farebox				
02. Special Rider Subsidies				
03. Auxiliary Transportation Revenues				
04. Prop A Local Return				
05. Prop A Incentive				
06. Prop A Discretionary				
07. TDA Article 4				
08. TDA Article 8				
09. STAF				
10. UMTA Section 9				
11. UMTA Section 18				
12. Area Agency on Aging				
13. Other (Identify)				
<b>TOTAL OPERATING REVENUES</b>				
<b>CAPITAL REVENUES*</b>				
01. Prop A Local Return				
02. Prop A Incentive				
03. TDA Article 4				
04. TDA Article 8				
05. STAF				
06. UMTA Section _____				
07. Area Agency on Aging				
08. Other funds (Identify _____)				
09. Total capital revenues				

\* If applicable

DEFINITIONS OF CATEGORIES AND TERMS (Refer to Tables 2, and 3)

TABLE 2 - OPERATING AND EXPENSE DATA

- Total Vehicle Miles: The total miles actually traveled.
- Total Revenue Miles: The total miles traveled while available to carry passengers.
- Total Vehicle Hours: The total hours actually operated.
- Total Revenue Hours: The total hours operated while available to carry passengers.

Base Fare: The minimum cash fare paid by regular adult Passengers.

Unlinked Passenger Trips: The number of boarding passengers carried whether revenue producing or not. Passengers are counted each time they board a vehicle even though it may be on the same journey from origin to destination.

TABLE 3 - FINANCIAL DATA

Vehicle Operation: All activities relating to carrying passenger including dispatching of buses or vans, passenger counting for scheduling purposes, supervision of drivers, scheduling of drivers and vehicles, and the direct supervision of operations activities.

Vehicle Maintenance: Maintaining and repairing equipment, related to the transit system, including rolling stock, lifts, and non-revenue vehicles.

Non-Vehicle Maintenance: Maintaining all other items and facilities.

Administration: Costs for policy determination, general management, accounting services, sales of tokens and passes, printing and distributing route/service information, management transportation and travel expenses, etc.

Vehicle Leases and Rentals: Payments for the use of capital assets not owned by the transit system.

Farebox Revenue: Revenue earned from carrying passengers in regular-route or demand-responsive transit service.

Definitions and Categories of Terms (Cont'd.)

Proposition A - Incentive: The 5% of Discretionary funds set aside by LACTC for city-initiated projects.

Proposition A Local Return: That portion (25%) of monies given back to cities generated by a 0.5% sales tax dedicated for transit purposes in Los Angeles County.

State Transit Operating Funds: Funds obtained by claims made in accordance with the Transportation Development Act, as amended to date.

Federal Transit Operating Funds: Receipt or accrual of federal government funds to assist in defraying operating transit costs.

Subsidy from Other Sectors of Operations: Funds generated by sources not listed above.

RANGE OF TRANSIT SERVICES

General Public: Systems available to all city residents with no restrictions.

Elderly and Disabled: Systems restricted to riders 62 years old and older and the physically handicapped. Note: jurisdictions may elect to lower minimum age to 60 years old and/or permit system usage by the developmentally disabled.

Transportationally Disabled: Systems restricted to medically certified frail elderly and physically handicapped riders unable to use traditional transit services.

Community Based Fixed Route: Systems providing local circulation or limited commuter services while operating on fixed routes and deviated fixed routes.

Dial-A-Ride: Systems providing demand responsive or advanced reservation door to door or curb-to-curb services and point deviation Dial-A-Rides.

**ARTICLE II**

**LACTC SERVICE NOTIFICATION POLICY  
COMPLIANCE REVIEW  
PROCEDURES**

**1.0 PUBLIC HEARING**

The LACTC's Service Notification Policy adheres to existing federal law, which requires transit operators to hold a public hearing for for major service changes which involve: (a) 25% or more of the number of transit route miles; (b) 25% or more of the number of transit revenue vehicle miles of a route computed on a daily basis; or (c) the establishment of a new route. In addition, the LACTC's Service Notification Policy requires that a public hearing be held whenever: (a) an entire portion of a line operating within a single jurisdiction is proposed for cancellation; or (b) an operator proposes to cancel all weekend, evening, peak period or midday service. All of the above changes require 90-day advance notification.

**2.0 FILING A PROTEST**

If an affected jurisdiction feels that inadequate notification has been given, or that a public hearing should be held, the City may write a letter to protest to:

Director, Transportation Policy  
Los Angeles County Transportation Commission  
818 West Seventh Street, Suite 1100  
Los Angeles, California 90017

The letter should include, at a minimum, the following information:

1. Name of the operator proposing the change.
2. Type of service change.
3. Line number(s) affected.
4. Type of notification(s) received.
5. Date the notification was received.
6. Date of proposed service change.
7. Reason(s) for protesting the service change.

The letter should be sent to LACTC with a copy to the operator(s) in question within 60 days following implementation of the service change. The operator may, upon receipt of the protest letter, file any appropriate documentation of notification procedures and justification for the service change within 14 days of receipt of such letter.

### **3.0 LACTC REVIEW**

LACTC staff will review letters of protest on a case-by-case basis, in the order in which they are received. The LACTC will consult with both the city(ies) and with the operator(s) prior to making a finding regarding compliance. Each party involved in the dispute will be notified in writing of the Commission's findings within 45 days of receipt of the protest letter. If it is found that the operator was in compliance with the policy, no further action will be taken by the Commission. If a finding of non-compliance is made, the Commission will work with the respective parties to determine what measures should be taken to alleviate the problem. Possible measures may include, but not be limited to:

1. Reinstating the original service within 30 days of the Commission's findings, to remain effective until adequate notice is provided.
2. Evaluating alternative services.



1. Service Modifications Requiring Public Hearings

A public hearing must be held by the operator for major service changes which involve (a) 25% or more of the number of transit route miles; (b) 25% or more of the number of transit revenue vehicle miles of a route computed on a daily basis; (c) establishment of a new transit route. The public hearing may be held at any time following the 90-day notification as long as at least 30-day advance notice of the public hearing is given to affected jurisdictions. For example, if a service change is to become effective on January 1, 1986, the bus operator making the change must notify cities no later than October 2, 1985. The public hearing may be held on or before December 31, 1985, as long as the operator notifies cities and riders of the public hearing thirty days in advance (in this case, by December 1, 1985).

2. Service Modifications Requiring Notification Only

If a service change has a substantial impact on the affected jurisdiction, but is not considered a major service change under the criteria described under (1) above, the bus operator making the change is required to notify the Commission and affected jurisdiction 90 days before the change is implemented. Such notification is sufficient without a public hearing requirement for changes which involve (a) deletion of any time period or span of service (e.g., late evening, weekend, midday, or peak period); or (b) cancellation of any route or segment of a route which is more than one mile long, or which operates entirely within a jurisdiction, regardless of the mileage involved (e.g., if a portion of a line which runs entirely within the City of Lynwood is scheduled for deletion, while the remainder of the line runs within the City of Long Beach, this would require 90-day notification of both the City of Long Beach and the City of Lynwood).

The 90-day notification may be shortened or waived in such cases per mutual agreement between cities and the operator.

3. Operational Changes

Operators will not be required to give 90-day notification of minor operational changes which will not significantly impact cities. They will, however, be required to send a letter to the Commission and the affected cities prior to the change, notifying them of route realignment of one-half mile or less, or of relocation of route turnarounds involving one mile of a route or less.

**MEMORANDUM OF UNDERSTANDING**  
**for**  
**Proposition A 40% Discretionary Grant Funds**

This Memorandum of Understanding (the “MOU”) is entered into by and between \_\_\_\_\_ (the “GRANTEE”) and the Los Angeles County Metropolitan Transportation Authority (“LACMTA”).

WHEREAS, on November 4, 1980, the voters of Los Angeles County approved by majority Proposition A, an ordinance establishing a one-half percent sales tax for public transit purposes; and

WHEREAS, the LACMTA is the agency responsible for administering the tax; and

WHEREAS, each year the LACMTA may, but it is not obligated to, include in its annual budget process an allocation of Proposition A 40% Discretionary Funds to the GRANTEE (the “Funds”); and

WHEREAS, the GRANTEE is an eligible operator and desires to receive the FUNDS from LACMTA for public transit purposes; and

WHEREAS, LACMTA and GRANTEE desire to agree to the terms and conditions of the grant of FUNDS to the GRANTEE (“MOU”).

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, LACMTA and Grantee hereby agree as follows:

**ARTICLE 1. TERM**

- 1.0 This MOU shall be in effect from **July 1, 2020 until June 30, 2030**, unless: (a) the Proposition A Discretionary Guidelines adopted April 24, 1991 (the Guidelines”) are revised by LACMTA prior to the expiration date, in which case this MOU shall terminate on the effective date of the revised Guidelines; or, (b) terminated early: (i) by either party for any reason upon six months prior written notice; or (ii) by the LACMTA upon its decision not to include the Funds in its annual Budget.

**ARTICLE 2. USE OF FUNDS - SERVICE ADJUSTMENTS AND STANDARDS**

- 2.0 Grantee shall utilize the Funds in accordance with the LACMTA Proposition A 40% Discretionary Fund Guidelines (the “Guidelines”) adopted, and in accordance with the LACMTA Board’s action in approving this grant of Funds. The Grantee agrees to comply with all applicable provisions of the Guidelines, including without limitation, all applicable service adjustments, standards, warranties and conditions specified in Sections 1.1. through 8.4 of the Guidelines.

- 2.1 Grantee shall use the Funds only for operating assistance of public transit and shall not use the Funds to substitute for any other funds, service, or project not specified in this MOU.
- 2.2 Grantee agrees to continue reporting Transit Performance Measurement (TPM) data to LACMTA as required under the TPM Guidelines adopted pursuant to AB 103 (PUC Section 130380). The TPM data will be evaluated as needed by LACMTA. Only the services included in the TPM program are eligible for the Funds.
- 2.3 In order to receive the Funds, Grantee warrants that it will:
  - A. Cooperate and coordinate with other operators in the development of an integrated county wide transportation system;
  - B. Make every effort to improve upon the existing span and scope of their transit service (minimum standards are detailed in Section 8.1 of the Guidelines);
  - C. Ensure that service quality improvements are implemented whenever possible (e.g. added service to meet demand; routing and scheduling improvements);
  - D. Ensure that the existing level of service is maintained and that major service changes are subject to the adopted Service Notification Policy;
  - E. Make every effort to ensure that the total number of linked passengers (riders) is maintained or increased;
  - F. Certify that Grantee is not effectively precluded by any collective bargaining agreement which is in effect on or after July 1, 1988, from contracting existing, new or restructured services;
  - G. Agree to secure a local contribution as described in Section 8.3 of the Guidelines.

### **ARTICLE 3. PAYMENT OF FUNDS - REIMBURSEMENT TO GRANTEE**

- 3.0 Each fiscal year, to the extent the Funds are available, LACMTA may make to Grantee a grant of the Funds in an amount approved and authorized by the LACMTA Board as part of the LACMTA budget for such fiscal year. The authorized annual grant amount for each fiscal year will be specified in the Annual Funding Marks for that fiscal year as approved by the LACMTA Board. Attached as **Exhibit A** is the applicable Annual Funding Marks for

GRANTEE'S Proposition A 40% Discretionary funds for FY 2021. If LACMTA staff, in coordination with the Eligible/Included Operators, develops a mid-year reallocation of any Annual Funding Marks that is approved by the LACMTA Board, GRANTEE hereby directs and authorizes LACMTA to make such mid-year adjustments to its Annual Funding Marks, as approved by the LACMTA Board, if applicable.

- 3.1 Requests for reimbursement to Grantee shall be made by the Grantee annually using the Proposition A Discretionary Grant Worksheet **Exhibit B**. However, the LACMTA will disburse 1/12 of the Grantee's maximum eligible funding mark each month, provided the funds are available.
- 3.2 Reconciliation will occur annually in May, based upon estimated actual expenses and revenues. All disbursements will be considered an estimate subject to adjustment upon receipt of reporting and audit compliance requirements (see Article 4 contained herein). The audit must be submitted within 120 days of the close of the fiscal year.
- 3.3 If the audit indicates that the Grantee did not expend all the Funds received during the fiscal year of allocation, such unexpended Funds must be returned to LACMTA within 60 days of the completion of the financial and compliance audit(s). Such unexpended Funds will be treated as carryover funds and held by LACMTA on behalf of Grantee for a period of two years.
- 3.4 Grantee may carryover for two years, one hundred percent (100%) of its annual funding mark minus any portion expended during the fiscal year. The carryover funds will be calculated after the Discretionary Grant formula fund program's fiscal year close-out, and will be based on audited expenses.
- 3.5 Only carryover Program formula funds can be used for capital projects. Grantee must follow the existing LACMTA approval process when applying program carryover funds to capital projects.
- 3.6 After two years, any unused carryover funds will be transferred to the LACMTA's general Proposition A 40% Fund and will be available for reprogramming by the LACMTA.
- 3.7 Under no circumstances will the amount of money transferred to the Grantee under this MOU exceed the monthly, (1/12) funding allocation as listed in the applicable Annual Funding Marks.
- 3.8 Each year, GRANTEE shall submit one (1) invoice to LACMTA requesting the Funds. All invoices must include information documenting the cost of the project for the upcoming fiscal year.
- 3.9 An invoice and the Proposition A Discretionary Grant Worksheet (Exhibit

B) must be submitted annually to the LACMTA by Grantee indicating maximum annual allocation and estimated monthly payments.

#### **ARTICLE 4. REPORTING AND AUDIT REQUIREMENTS**

- 4.0 For the term of this MOU, Grantee shall comply with all Transportation Development Act (TDA), State Transit Assistance (STA) and National Transit Database (NTD) reporting requirements and shall annually submit a completed copy of said reports to LACMTA. Grantee agrees to commit all TDA, STA and NTD operating subsidies prior to committing the Funds.
- 4.1 If Grantee receives the Funds in lieu of STA and or TDA funds, the portion of Proposition A Discretionary funds received in lieu of STA funds (“In-Lieu-Funds”) are subject to the STA efficiency test; and if Grantee fails the STA efficiency test, Grantee may not use the In-Lieu-Funds for transit operating purposes. A Grantee in receipt of In-Lieu-Funds is not required to submit a TDA Article 4 claim form, and is therefore not subject to the TDA reporting requirements. However, Grantee must comply with the audit requests as prescribed by LACMTA (see Article 4.3), and comply with all other Proposition A Discretionary Guideline provisions.
- 4.2 By November 1st of each year, the Grantee shall submit to the LACMTA a completed TPM form, which separately reports data pertaining to these Funds and to the applicable fiscal year.
- 4.3 Each fiscal year, LACMTA or its designee shall have the right to conduct a financial and compliance audit(s) of the Project. Grantee agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with conditions defined by this MOU and the Guidelines.

#### **ARTICLE 5. LOCAL CONTRIBUTION REQUIREMENT**

- 5.0 In accordance with the Proposition A Local Return Guidelines, the Grantee agrees to secure continued financial support from any funds derived from a property tax. In addition, the Grantee agrees to secure local financial support.
- 5.1 The actual amount of local support will be equivalent to the lesser of: (i) five percent (5%) of the current fiscal year operating budget, or (ii) twenty-five percent (25%) of the current fiscal year Local Return funds received by the Grantee or Grantee’s sponsoring municipality, as applicable. The Grantee agrees that the above requirements equate to a local contribution as stated in the fiscal worksheet Exhibit B. This amount will be adjusted upon receipt of the financial and compliance audit(s).

- 5.2 Only local contributions made to the operating budget are eligible to meet the Local Contribution Requirement.
- 5.3 Any Grantee not expending an amount equal to or greater than fifty percent (50%) of the annual Proposition A Local Return allocation during the year ended June 30 will have the Funds described in the Annual Funding Marks for the applicable fiscal year reduced by the amount of unexpended annual Proposition A Local Return funds allocated which exceed fifty percent of that year's allocation.
- 5.3 If the Local Contribution Requirement is not met, the Grantee must make a full refund of the Funds for the applicable fiscal year to LACMTA.

#### **ARTICLE 6. CONDITIONS**

- 6.0 This grant is subject to the terms and conditions agreed herein and in the Guidelines. The LACMTA, at its discretion, may withhold all or part of the Grantee's discretionary grant allocation if all conditions identified in Section 8 of the Guidelines are not met. This grant does not imply nor obligate any future funding commitment on the part of LACMTA.
- 6.1 Grantee agrees to comply with all applicable local, state and federal laws, rules and regulations in the provision of public transit services.
- 6.2 Grantee understands and agrees that in programming these Funds and entering into this MOU, LACMTA is acting pursuant to its statutory authority and shall have no liability in connection with the use of these Funds for public transit purposes. Grantee agrees to indemnify LACMTA for all liability arising out of Grantee's use of the Funds and Grantee's performance in the provision of public transit services paid for by these Funds.
- 6.3 Grantee is not a contractor, agent or employee of the LACMTA. Grantee shall not represent itself as a contractor, agent or employee of the LACMTA and shall have no power to bind the LACMTA in contract or otherwise.
- 6.4 No amendment or modification to this MOU shall be binding upon either party unless such amendment or modification is in writing duly executed by both parties. This MOU shall not be amended or modified by any acts or conduct of the parties.

#### **ARTICLE 7. PENALTIES**

- 7.0 The LACMTA reserves the right to terminate this MOU and withhold Funds if it is determined that the Grantee has not made every effort to adhere to all warranties and conditions identified in the Guidelines. In addition, the



LACMTA reserves the right to terminate this MOU in the event of continued and/or gross violations of this MOU.

- 7.1 Any withholding of Funds, termination of the MOU, or imposition of any financial penalty against Grantee under the Guidelines is subject to a two-thirds affirmative vote of the LACMTA governing board.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be duly executed as of the dates below with all the formalities required by law.

GRANTEE

LOS ANGELES COUNTY  
METROPOLITAN  
TRANSPORTATION  
AUTHORITY

By: \_\_\_\_\_

By: \_\_\_\_\_

Phillip A. Washington  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

ATTEST:

MARY C. WICKHAM  
County Counsel

By: \_\_\_\_\_

By: \_\_\_\_\_

Deputy

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**FY21 PROPOSITION A 40% DISCRETIONARY FUNDS**

City of Arcadia	\$238,270
City of Claremont	\$87,154
City of Commerce	\$291,336
City of Culver City	\$3,643,789
Foothill Transit	\$16,936,688
City of Gardena	\$3,683,129
City of La Mirada	\$70,754
Long Beach Transit	\$16,063,272
City of Montebello	\$5,639,033
City of Norwalk	\$2,157,062
City of Redondo Beach	\$515,622
City of Santa Monica	\$13,664,880
City of Torrance	\$4,329,522
Antelope Valley Transit	\$5,621,487
City of Los Angeles	\$20,742,720
City of Santa Clarita	\$4,717,718
Foothill BSCP	\$4,477,996

## FY 2021 Proposition A Discretionary Grant Worksheet

**Claimant:**  
**Mode:**  
**(Bus, DAR, Rail, or System Total)**

**Date:**  
**Contact:**

**SOURCE OF OPERATING FUNDS:**

Maximum Annual Allocation	Estimated Monthly Payment
---------------------------------	---------------------------------

**FEDERAL CASH GRANTS AND REIMBURSEMENTS**

FTA Sec. 5307 (Sec. 9) Operating		
CMAQ (Operating)		

**STATE CASH GRANTS AND REIMBURSEMENTS**

TDA Current from unallocated		
STA Current from unallocated		
Other State (Specify)		

**LOCAL CASH GRANTS AND REIMBURSEMENTS**

Passenger Fares		
Special Transit Service		
Charter Service Revenues		
Auxiliary Transportation Revenues		
Non-transportation Revenues		
Prop. A 40% Discretionary		
Prop. A 25% Local Return		
Prop. A Incentive fund		
Prop. A Interest		
BSIP		
TSE		
Base		
MOSIP		
Prop. C 40% Discretionary		
Prop. C 20% Local Return		
Prop. C 5% Security		
Prop. C Interest		
Measure R 20%		
Measure R 15%		
Other Local (Specify)		

<b>TOTAL OPERATING REVENUES</b>		
<b>TOTAL OPERATING EXPENSES</b>		

**Cost per VSH Calculation**

Vehicle Service Hours (VSH)	
Costs per VSH	
% Change/VSH	
Maintenance of Effort	
5% Operating Expenses	
25% of Local Return	

PROPOSITION A 40% DISCRETIONARY FUND  
 "BASE" RESTRUCTURING GUIDELINES  
ADOPTED MAY 27, 1992

## 1. INTRODUCTION

The Proposition A Discretionary "Base" Restructuring Guidelines summarize the funding policies and administrative procedures related to: a) defining the base level of transit service provided by operators receiving funds under the 40% Discretionary Program; and b) outlining the methodology to be utilized by ~~LACTC~~ LACMTA related to incorporating new operators, new services/ service expansion, or reductions in overall service levels into the Proposition A "Base".

These guidelines are to be incorporated into the Proposition A 40% Discretionary Grant Program Guidelines adopted April 24, 1991.

The overall purpose of these guidelines is to ensure stable funding levels to transit operators with which to operate the ~~FY-90~~ base level of service, as reported on audited Transit Performance Measurement (TPM) forms. It is the intent of the transit operators and LACMTA in preparing these guidelines to:

- a. allow operators maximum flexibility to deploy the base level of service in the best interests of the riding public, the transit operators themselves, and Los Angeles county as a whole. this flexibility relates specifically to route and schedule restructuring, and service redeployment;
- b. fulfill reporting requirements using existing data sources and data collection methods to the fullest extent possible;
- c. maintain operators' incentive to improve the cost-efficiency of transit services, and,
- d. allow the administration of the program to be carried out in a cost-effective and efficient manner.

## 2. BACKGROUND

The revised Proposition A 40% Discretionary Guidelines adopted April 24, 1991 (hereinafter referred to as the "Guidelines") state the following:

LACTC agrees to develop a methodology in cooperation with the bus operators for determining future fiscal year changes to the base year noted above (FY 1992 formula shares based on FY 1990 audited data). ~~LACTC recognizes that services have been added by the operators since FY 1990, and agrees that those services will be given priority in the development of new fund uses.~~ Beginning with FY 1997, LACMTA will use data from the most current audited TPM forms to calculate allocations of Proposition A 40% Discretionary funds.

PROPOSITION A 40% DISCRETIONARY FUND  
"BASE" RESTRUCTURING GUIDELINES  
Adopted May 27, 1992

3. DEFINITION OF PROP. A "BASE" LEVEL OF SERVICE

The Guidelines state that the base service level for Proposition A Discretionary funding effective in FY 92 will be the level of service reported in the FY 90 Transit Performance Measurement (TPM) report. The base level of service is further defined as the number of system total annual vehicle service hours, excluding externally funded contract and "other" services. Within the constructs specified in 1.a. and 1.c. above, operators warrant the provision of similar route configurations operated as part of the FY 90 base level of service. Service levels included in the Proposition A 40% "base" service will be included in formula funding calculations for Included Municipal Operators.

4. RESTRUCTURING SCENARIOS

A variety of circumstances may trigger a restructuring of the Proposition A "Base" funding shares. Listed below are three scenarios which would require base restructuring.

SCENARIO I: NEW/EXPANSION SERVICE ABOVE THE FY 90 BASE LEVEL

a. Service Added During FY 91 and FY 92:

Service added which exceeds the Proposition A Base funding level must be approved by the LACTC as part of the regular Short Range Transit Plan (S RTP)/ Transportation Improvement Program (TIP) process. Local funds, or funds made available through service efficiencies, shall be the funds of "first use" for the provision of new or augmented transit services which exceed the Proposition A Discretionary "Base" funding level.

Operators must include a financial capacity certification for service added as part of their S RTPs. An operator cannot assume that added service not approved by LACTC, or service funded temporarily due to extenuating circumstances, will become eligible for Proposition C. However, any service approved by LACTC in an operator's FY 91 and/or FY 92 S RTP will receive priority consideration for Proposition C Discretionary funds. Such priority consideration applies only to the FY 91 annual element and the FY 92 annual element of S RTPs approved by LACTC. Additional service increases projected beyond those identified in the annual elements of the FY 91 and FY 92 S RTPs (FY 93 and beyond) which cannot be

TABLE 97-8  
 CALCULATION OF FOOTHILL MITIGATION  
 FORMULA ALLOCATION PROCEDURE FUNDS

*uses FAP share w/ DAR Cap*

	Share @ FTZ		Foothill @ Zone level				95 TPM Audited Levels				Mitigation Requirement
	Zone Level	TPM Level	Federal Sec. 9	TDA Article 4	STA	Total - FAP	Federal Sec. 9	TDA Article 4	STA	Total - FAP	Delta
Arcadia	0.135505%	0.135505%	20,328	279,987	18,744	317,057	20,328	279,987	18,744	317,057	-
Claremont	0.033878%	0.033878%	5,052	69,587	4,182	78,800	5,052	69,587	4,182	78,800	-
Commerce	0.081177%	0.080601%	12,177	167,733	10,031	189,940	12,090	166,542	9,960	188,582	1,348
Culver City	1.133511%	1.126465%	170,027	2,342,118	140,088	2,652,213	168,820	2,325,492	139,074	2,633,386	18,827
Foothill	4.876893%	5.650160%	731,504	10,076,466	602,613	11,410,583	832,524	11,468,019	685,833	12,988,376	(1,575,793)
Gardena	1.183291%	1.174892%	177,484	2,444,975	146,210	2,768,668	178,234	2,427,620	145,181	2,749,035	19,654
La Mirada	0.060985%	0.080985%	9,148	126,010	7,536	142,694	9,148	126,010	7,536	142,694	-
Long Beach	5.656167%	5.616728%	833,425	11,460,431	686,578	13,000,432	827,609	11,398,936	681,702	12,908,147	92,285
Montebello	1.466648%	1.456237%	219,997	3,030,482	181,234	3,431,693	218,438	3,008,950	178,947	3,407,333	24,360
Norwalk	0.379467%	0.376773%	56,820	784,074	48,891	887,885	56,616	776,508	46,658	881,582	6,303
Redondo Beach	0.019833%	0.019833%	2,975	40,979	2,451	46,405	2,975	40,979	2,451	46,405	-
Santa Monica	5.375812%	5.337452%	808,342	11,107,358	684,284	12,577,984	800,618	11,028,511	659,549	12,488,678	89,286
MTA Bus Ops	78.074376%	77.520158%	11,711,156	161,321,180	9,647,651	182,679,987	11,828,024	160,176,025	9,678,166	181,383,215	1,298,772
Torrance	1.823057%	1.811535%	243,458	3,353,641	200,561	3,797,660	241,730	3,329,634	199,137	3,770,702	26,958
Antelope Valley	0.787105%	0.781797%	-	-	94,791	94,791	-	-	94,135	94,135	656
Santa Clarita	0.750482%	0.745289%	112,689	-	92,735	205,304	111,790	-	92,093	203,883	1,421
City of Los Angeles	1.011525%	1.004525%	151,729	2,090,063	124,994	2,366,786	150,679	2,075,600	124,129	2,350,408	16,378
							16,000,000	208,625,000	12,357,000		1,599,669

The above table represents replication of Proposed BOS mitigation methodology dated November 27, 1995

Federal Operating Assistance levels are shown for illustrative purposes only. The MTA intends to "swap" TDA funds with Municipal Operators.



FY 1997 - Recalculating Proposition A Shares @ FY 1995 OPERATING LEVELS per TDM TABLE L-6

FY 97 Proposition A Impact

OPERATOR	Current FAP Shares (No DAR CAP)	Original Proposition A Base Share	Delta	FAP Basis	Frozen A Basis	Delta
Arcadia	0.1647%	0.1384%	0.0263%	246,387	207,071	39,316
Claremont	0.0409%	0.0457%	-0.0048%	61,236	68,375	(7,139)
Commerce	0.0806%	0.0636%	0.0170%	120,529	95,157	25,372
Culver City	1.1249%	0.9937%	0.1312%	1,682,990	1,486,754	196,236
Foothill	5.5472%	4.4104%	1.1368%	8,299,558	6,598,701	1,700,857
Gardena	1.1743%	1.0246%	0.1497%	1,756,901	1,532,986	223,915
La Mirada	0.0741%	0.0719%	0.0022%	110,888	107,575	3,313
Long Beach	5.5137%	5.1903%	0.3234%	8,249,562	7,765,623	483,939
Montebello	1.4555%	1.6433%	-0.1878%	2,177,617	2,458,673	(281,055)
Norwalk	0.3766%	0.4647%	-0.0881%	563,417	695,275	(131,858)
Redondo Beach	0.0241%	0.0224%	0.0017%	36,061	33,514	2,547
Santa Monica	5.3346%	4.4571%	0.8775%	7,981,481	6,668,624	1,312,857
MTA Bus Ops	77.4783%	80.2098%	-2.7315%	115,921,527	120,008,350	(4,086,823)
Torrance	1.6107%	1.2642%	0.3465%	2,409,846	1,891,471	518,375
Antelope Valley	0.7614%	0.4914%	0.2700%	1,139,257	735,223	404,035
Santa Clarita	0.7449%	0.4297%	0.3152%	1,114,541	642,909	471,632
City of Los Angeles	1.0041%	0.7267%	0.2774%	1,502,254	1,087,274	414,980

04

TABLE 2



February 9, 1996

Los Angeles County  
Metropolitan  
Transportation  
Authority

MEMO TO: Bus Operators Subcommittee  
FROM: Keith D. Willough/Jim McLaughlin  
SUBJECT: Foothill Formula Allocation Mitigation and  
Prop A Base Share Recalculation

One Gateway Plaza

Los Angeles, CA

90012

213.922.6000

Mailing Address:

P. O. Box 194

Los Angeles, CA  
90053

Attached are data as discussed at the BOS meeting on January 30 for your review and comment. As indicated on the timeline distributed at yesterday's General Manager's meeting (Attachment 1), our goal is to reach consensus on these measures so that funding marks can be issued and preparation of the Short Range Transit Plans can proceed.

The FAP funds (Attachment 2) are calculated to fully mitigate for all operators the impact of Foothill Transit being designated an Included Municipal Operator. Note that the aggregate mitigation is greater than Foothill's increase alone. This occurs because the mitigation to LADOT, Santa Clarita and Antelope Valley expands the total funds above 100% of actual FAP revenues.

The Proposition A funds (Attachment 3) are shown recalculated using FY 95 statistics to establish a new Prop A Base.

We plan to meet on these issues at the special BOS meeting on February 15. Once consensus is reached on the above items, we will reissue funding marks and FY 97 and outyear inflation rates for use in developing the SRTP.

If you have any questions, feel free to call either Jim at (213) 922-2806 or Keith at (213) 922-2827.

Attachments



February 8, 1996

Los Angeles County  
Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012

213.922.6000

Mailing Address:  
P.O. Box 194  
Los Angeles, CA 90053

**MEMO TO:** GENERAL MANAGERS  
**FROM:** JOSEPH E. DREW *[Signature]*  
**SUBJECT:** PROPOSED TIME LINE ON Foothill Transit Included Operator Issues and FY 1997 Funding Marks

The following is a tentative schedule for discussion purposes:

- ◆ Circulate requested FAP and Proposition A Base data and related policy issues for discussion. *Goal Date: 2/9/96*
- ◆ Potentially meet with BOS to discuss these issues as part of the proposed BOS meeting on February 15. *Goal Date: 2/15/96*
- ◆ Reconvene as necessary to achieve consensus. *Goal Date: 2/29/96*
- ◆ Use consensus for FY 1997 Funding Marks pending Board Approval.
- ◆ Take consensus recommendation to Planning and Programming Committee meeting on March 21, 1996.
- ◆ Board approval of consensus recommendation at Board meeting of March, 1996.

Calculation of Formula Allocation Procedure Mitigation - Inclusion of Foothill Transit as Included Operator

Fiscal Year 1997			Foothill @ Zone level				95 TPM Audited Levels				Mitigation Requirement
	FAP Share @ FTZ	FAP Share @ FTZ	Federal	TDA	Total	Federal	TDA	Total	Delta		
	Operator	Appl Level TPM Level	Sec. 9	Article 4	STA FAP Funds	Sec. 9	Article 4	STA FAP Funds			
Arcadia	0.1355%	0.1355%	20,328	279,987	16,744	317,057	20,328	279,987	16,744	317,057	-
Claremont	0.0337%	0.0337%	5,052	69,587	4,162	78,800	5,052	69,587	4,162	78,800	-
Commerce	0.0815%	0.0809%	12,220	168,335	10,067	190,622	12,133	167,135	9,995	189,264	(1,358)
Cuver City	1.1376%	1.1295%	170,637	2,350,521	149,571	2,661,729	169,421	2,333,777	139,589	2,642,767	(18,962)
Foothill	4.8942%	5.5899%	734,129	10,112,620	604,775	11,451,524	635,490	11,508,673	688,277	13,032,840	1,581,115
Gardena	1.1875%	1.1791%	176,131	2,453,748	146,744	2,776,623	176,862	2,436,268	145,699	2,758,828	(19,795)
La Mirada	0.0810%	0.0810%	9,148	126,010	7,536	142,694	9,148	126,010	7,536	142,694	-
Long Beach	5.2182%	5.1810%	782,730	10,782,103	644,813	12,209,645	777,154	10,705,292	640,219	12,122,665	(86,980)
Montebello	1.4719%	1.4814%	220,787	3,041,335	181,664	3,444,008	219,214	3,019,669	180,588	3,419,471	(24,535)
Norwalk	0.3808%	0.3781%	57,124	786,887	47,059	891,070	56,717	781,281	46,724	864,722	(6,348)
Redondo Beach	0.0198%	0.0198%	2,975	40,979	2,451	46,405	2,975	40,979	2,451	46,405	-
Santa Monica	5.3949%	5.3565%	809,235	11,147,211	666,648	12,623,094	803,470	11,067,800	661,699	12,533,168	(89,926)
MTA Bus Ops	78.3545%	77.7983%	11,753,178	161,900,003	9,682,267	183,335,446	11,689,448	160,746,645	9,613,291	182,029,384	(1,306,062)
Torrance	1.6289%	1.6173%	244,332	3,365,674	201,281	3,611,288	242,591	3,341,697	199,847	3,784,135	(27,151)
Antelope Valley	0.7698%	0.7844%	-	-	95,123	95,123	-	-	94,462	94,462	(661)
Santa Clarita	0.7531%	0.7479%	112,963	-	93,059	206,022	112,179	-	92,413	204,591	(1,431)
City of Los Angeles	1.0151%	1.0080%	152,259	2,097,372	125,431	2,375,062	151,202	2,082,808	124,560	2,358,570	(16,492)
<b>Total Mitigation Requirement</b>										<b>1,599,699</b>	

Notes:

The above table represents the calculation of mitigating funds necessary as a result of the inclusion of Foothill Transit at its audited FY 1995 TPM level.

Federal Operating Assistance levels are shown for illustrative purposes only. The MTA intends to "swap" TDA funds with Municipal Operators for administrative purposes.

A correction has been made to MTA service levels from previous reports pursuant to guidelines procedure for strike-related service calculations.

LD

02/09/1998 17:23 213-922-2868 MTA ONLY W/IDE PLANNING



**FY 1997 - Recalculating Proposition A Shares @ FY 95 TPM Levels**

Current FAP Shares are based on audited FY 1995 operating data

Proposition A Funding Basis = 149,618,000  
 FY 97 Proposition A Impact

Operator	FY95 Current FAP Shares (No DAR CAP)	FY95 Frozen Prop A Base Share	Delta	FY95 FAP Basis	FY95 Frozen A Basis	Delta
Arcadia	0.1852624%	0.13840%	0.02686%	247,262	207,071	40,191
Claremont	0.0410738%	0.04570%	-0.00463%	61,454	68,375	(6,922)
Commerce	0.0808437%	0.06360%	0.01724%	120,957	95,157	25,800
Culver City	1.1288528%	0.99370%	0.13515%	1,888,967	1,486,754	202,213
Foothill	5.5668669%	4.41037%	1.15650%	8,329,035	6,598,701	1,730,334
Gardena	1.1784280%	1.02460%	0.15383%	1,763,140	1,532,986	230,154
La Mirada	0.0743776%	0.07190%	0.00248%	111,282	107,575	3,707
Long Beach	5.1781730%	5.19030%	-0.01213%	7,747,479	7,765,623	(18,144)
Montebello	1.4606205%	1.64330%	-0.18268%	2,185,351	2,458,673	(273,321)
Norwalk	0.3779075%	0.46470%	-0.08679%	565,418	695,275	(129,857)
Redondo Beach	0.0241879%	0.02240%	0.00179%	36,189	33,514	2,675
Santa Monica	5.3535188%	4.45710%	0.89642%	8,009,828	6,668,624	1,341,204
MTA Bus Ops	77.7535009%	80.20883%	-2.45633%	116,333,233	120,008,350	(3,675,117)
Torrance	1.6163860%	1.26420%	0.35219%	2,418,404	1,891,471	526,934
Antelope Valley	0.7640803%	0.49140%	0.27268%	1,143,202	735,223	407,979
Santa Clarita	0.7475032%	0.42970%	0.31780%	1,118,399	642,909	475,491
City of Los Angeles	1.0075362%	0.72670%	0.28084%	1,507,455	1,087,274	420,181

Notes:

PropA(D)

The above table addresses the 1/30/96 BOS motion to recalculate Proposition A Base shares at FY 1995 Operating levels.

EMERGENCY  
BOS # 4

FY 1997

CURRENT FUNDING MARKS  
BOS # 9

## SPECIAL BOS MEETING - 2/22/96 Meeting

BOS at its 2/22/96 special meeting approved the following motions:

1. The provision of freezing the Proposition A 40% Discretionary Shares at the FY' 1990 level be removed from the Proposition A 40% Discretionary Guidelines. The Proposition A 40% Allocation Shares be calculated annually similar to the way Formula Allocation procedure shares are calculated except that Proposition A 40% Discretionary Shares not be subject to the Dial-A-Ride (DAR) cap. The recalculation of Proposition A Allocation be in effect for the FY' 1997 funding marks.
2. All included municipal operators, eligible operators and MTA operations be mitigated against any adverse financial impact due to the designation of Foothill Transit as an included-operator. The mitigation take place annually from the Proposition C 40% Discretionary Funds.

Approved by MTA Board

Item # 48 Regular Meeting March 27, 1996



**ATTACHMENT A**  
**PROPOSITION A INCENTIVE**  
**PROGRAM GUIDELINES**

**September 2001**

## **I. INTRODUCTION**

The Proposition A Incentive Program earmarks 5 percent of the 40 percent Proposition A Discretionary funds to promote projects that encourage the development of an integrated public transportation system that addresses the varied transportation needs of Los Angeles County residents. This includes subregional paratransit, eligible fixed-route services, locally funded community based transportation services and other specialized transportation services.

## **II. PROGRAM PURPOSE**

The Incentive Program was originally created in 1985 as a replacement for TDA Article 4.5, which provides State transportation fund for intra-community public transportation services. The purpose in developing this program was twofold: 1) to encourage coordinated paratransit systems that are regional in nature, and 2) to institute performance standards that promote the effectiveness of participating systems as a condition of receipt of funds.

## **III. PROGRAM OBJECTIVES**

The primary objectives of the Incentive Program are to provide funding to:

- Coordinate and improve services provided by cities, operators, and social services agencies to achieve more efficient and cost effective systems.
- Improve the mobility of persons for whom regular fixed route transportation is either inadequate or inappropriate.
- Encourage the use of local transit funds for projects of regional significance and benefit, such as the provision of Americans with Disabilities Act (ADA) complementary paratransit.
- Divert demand from the more costly Access Services Incorporated (ASI) to more cost efficient locally funded subregional systems.
- Encourage locally funded public transportation systems to report NTD data, thereby enhancing data collection and the flow of Federal Section 5307 funds to the region.

## **IV. ELIGIBLE APPLICANTS**

Local Municipalities and Departments of Los Angeles County  
Joint Powers Authorities (JPAs)  
California Department of Transportation (Caltrans) and other State transportation agencies  
Los Angeles County Metropolitan Transportation Authority  
Public Operators

Eligible projects may be operated by any type of service provider, including public, private for profit and private non-profit operators.

## V. FUNDING PRIORITIES

Incentive funds are disbursed according to the following funding priorities, subject to funds availability:

1. First priority is given to existing Subregional paratransit participants as of June 30, 2001, and identified in Table 1. FY 1999-2000 service and funding levels will be used to determine FY 2001-2002 funding levels, with future fiscal year funding levels to be determined based on the most recently audited NTD report. Eligibility criteria and performance standards will be applied as outlined in Exhibit A.
2. Second priority is given to funding the four Eligible or Included operators for specific services, per Board actions in September 1991 and September 1995, as identified below:
  - Santa Clarita Transit
  - Antelope Valley Transit Authority
  - City of Los Angeles – DASH Routes A, B and E, Harbor Shuttle and Bus Service Continuation Project (BSCP)
  - Foothill Transit's Bus Service Continuation Project (BSCP)

These four services will receive funding from the Incentive program if growth over inflation in the Proposition A Discretionary Program is inadequate to fully fund these systems. Per Senate Bill 1755 as enacted in 1996, if the funds in the Proposition A Incentive program are not enough to fund the affected fixed route operators, MTA will identify other funding sources to assure full funding.

An assessment of available funds in the Discretionary category will be conducted annually to determine whether any funding from the Incentive program is needed to backfill the Discretionary program for the purposes of the aforementioned systems only. Only the four operators and their specific programs listed above are eligible for this funding source. All other recipients of the Formula Allocation Process (FAP) are ineligible to receive funds for their fixed route systems under this category.

3. Third priority will be given to existing subregional paratransit participants, identified in Table 1, which are known to have expanded their service areas after the subregional paratransit program was closed to new and/or expanded projects in the early 1990s.
4. Fourth priority will be given to approved applications for expanded and/or new subregional paratransit systems.
5. Until the region develops a methodology to return to source the funds generated from NTD reporting by locally funded public transportation systems, fifth priority will be given to locally funded public transportation systems which voluntarily report NTD data.

In order to increase the amount of Federal Revenues to the region and support increased mobility, Proposition A Incentive Funds will be used to offset costs for locally funded public



transportation systems participating in the voluntary NTD reporting program. Subject to availability of Proposition A Incentive funds, MTA will disburse funds to each participating agency in an amount equal to the Federal funds generated for the region by each agency's reported data (determined by the unit values set annually by the Federal Transit Administration for revenue miles and passenger miles), after an independent auditor certifies the data and the FTA has allocated the funds to the region.

Voluntary NTD reporters should notify the MTA at the beginning of the NTD reporting year. This allows the MTA to administer consolidated passenger mile sampling and to schedule an audit after the reporting year. If the MTA pays for the audit, the MTA may deduct the cost of the audit, and other MTA administrative fees associated with oversight of NTD reporting, from the payments made to the voluntary reporters. Specific public transportation services funded through the Formula Allocation Process and the subregional paratransit program are required to report through NTD and therefore are not considered voluntary reporters.

6. Sixth priority will be given to Special Demonstration projects that maximize the efficiency of transit/paratransit services. Emphasis will be placed on funding programs that provide innovative, cost saving measures for delivery of transit/paratransit services.

## **VI. GENERAL AND ADMINISTRATIVE CONDITIONS**

### **Documentation of Coordination and Consolidation**

Proposed projects are required to document coordination and/or consolidation with existing public transportation services and with participating local governments, as evidenced by executed agreements, joint resolutions and approved implementation plans.

### **Duration of Incentive Projects**

Each approved Incentive project will be funded for no less than one year. Ongoing project funding is subject to funds availability and will be predicated upon a formal annual evaluation that will determine each participant's ability to achieve program objectives.

### **Reimbursement of Other Fund Sources**

After all projects in the first and second priority categories have been funded, any unallocated balances will initially be used to reimburse funding sources that have, in the past, supplemented Incentive funds. Additional unallocated balances will be used on programs in the manner stipulated in the Funding Priorities section.

### **Maintenance of Effort**

All applicants must commit, among all Proposition A and C projects, an amount greater than or equal to ½ of the cities' annual allocation of Proposition A and C Local Return. If cities do not commit adequate Local Return funding, they will have their Proposition A Discretionary Incentive grant reduced by the amount of uncommitted annual allocation over 50%.

## **Governing Body Authorization**

Completed Incentive applications must include authorization and approval of the project from the participating agencies' governing body (ies) in order to be considered for funding.

## **Memorandum of Understanding**

Each incentive program lead agency and/or recipient must execute a Memorandum of Understanding (MOU) with the MTA which delineates the type of project funded, grant amount, the coordinating agencies and the service standards that must be met on an annual basis.

## **Funding Disbursement/Quarterly Reports**

Funding for Incentive recipients will be disbursed on a quarterly basis subject to timely submittal of the appropriate quarterly report. In the case of the Subregional participants, no program can receive funds in excess of 25% of their net operating cost.

All operating projects, with the exception of those who directly report to FTA, must report auditable National Transit Database (NTD) data to the MTA. Failure to submit auditable NTD data by the Subregional systems by August 31 of each year may result in cancellation of funding. All other Incentive Program recipients must submit a report detailing expenditures to date and project status on a quarterly basis. All quarterly reports will be due on the last day of the months of October, January, April, and July. Funds may also be withheld from approved recipients if quarterly reports are not completed and submitted on schedule.

## **Audits**

The MTA will audit all Incentive participants on an annual basis. The audits are designed to confirm fiscal compliance and verify operating statistics reported as part of the quarterly and NTD reports submittals.

## EXHIBIT A

### Subregional Paratransit Objectives, Eligibility and Application of Performance Standards

Subregional systems are intended to encourage coordinated multi-agency, multi-jurisdictional projects specifically through improved delivery of paratransit services. Coordination is defined as the sharing of resources and expansion of service areas beyond single jurisdiction boundaries to enhance access to goods and services and potentially decrease project cost.

Proposers in this category must meet the following criteria in order to be eligible for the program:

- Operate new, or consolidate existing paratransit services that serve two jurisdictions with a combined population of at least 25,000 residents or any three nearby jurisdictions. Unincorporated County areas in a two-jurisdiction project must be at least one fifth of the population or size of the coordinating agency's service area to be eligible.<sup>1</sup> At a minimum, subregional paratransit systems offer curb-to-curb transportation throughout the contiguous jurisdictions during all service operating hours to all elderly and people with disabilities who meet eligibility requirements.
- Use all MTA allocated funds to increase the number and mobility of the passengers carried. Incentive funds may not be used to reduce a city's contribution of Proposition A and/or C Local Return or other funding sources.
- Coordinate proposed services nearby systems, social services agencies, and the regional operators. Coordination may occur at many levels, from simple information sharing to total consolidation of services. Examples of coordination include execution of transfer agreements, sharing of resources, coordination of services with social service agencies, regional operators and/or other transportation service providers. Coordination efforts shall be subject to review by MTA staff or consultants.
- Where applicable, coordinate Americans with Disabilities Act (ADA) trips with Access Services, Inc. (ASI) to assure cost-effective service provision.

Upon meeting the program eligibility criteria delineated above, participants are eligible to receive up to 25% of their net operating cost, subject to the following performance standards:

- 15% of the project's net operating cost will be allocated based on annual submittal of a timely and accurate NTD report subject to certification by an independent auditor.
- 10% of the project's net operating costs will be allocated based on attainment of the following three performance standards:

---

<sup>1</sup> Due to the size (both in terms of population and area) of the City of Los Angeles and the unincorporated County of Los Angeles, MTA will assess, on a project-by-project basis, whether and how this requirement will be imposed on their projects.



1) Total cost per revenue hour increasing by less than 110% of the Los Angeles County CPI, as measured either to the previous year, or to the compounded CPI for the previous three-year period.

2) Total subsidy per passenger does not exceed 133% of the countywide mean for the mode of service. Modes are defined as follows:

- ❑ **General Public** – Paratransit systems available to all service area residents with no eligibility restrictions.
- ❑ **User Side Subsidy** – User choice voucher programs, typically taxis and/or lift-vans.
- ❑ **Elderly and Disabled** – Systems restricted to elderly riders and people with disabilities. User Side Subsidy programs are not included in this category.
- ❑ **Geographically Constrained** – Geographically large service areas which result in a system-wide average trip length greater than six miles per boarding.
- ❑ **Transportation Disabled** – Systems restricted to medically certified frail elderly and people with disabilities who are unable to use traditional fixed-route public transportation services.

3) Attainment of the Passengers per Revenue Vehicle Hour standard for each service mode:

<u>Mode</u>	<u>Standard</u>
General Public	5.0
User Side Subsidy	4.0
Elderly and Disabled	3.5
Geographically Constrained	2.5
Transportation Disabled	2.5

NOTE: MTA funding for attainment of the above three performance standards will be allocated as a percentage of net operating costs as follows:

-- meet one performance standard	4%
-- meet two performance standards	7%
-- meet three performance standards	10%

To calculate net operating costs, MTA will use the operating costs less fare revenues as reported in the annual NTD report (Modal Expense Form 301 and Operating Funding Form 203) for each program participant. MTA will exclude from the calculation any subsidies provided by ASI.

New projects will be funded at 20% of their net operating cost for the first two years, or until there is sufficient audited data to apply the three performance standards referenced above.

**TABLE 1**

<b>Los Angeles County Subregional Paratransit Projects as of June 30, 2001</b>		
	<b>Project Title/Sponsor</b>	<b>Participating Municipalities</b>
1	Antelope Valley Dial-a-Ride	Palmdale, Lancaster, LA County
2	Beverly Hills Taxi and Lift Van	Beverly Hills, West Hollywood, Los Angeles
3	Culver City Community Transit	Culver City, LA County
4	Gardena Special Transit	Gardena, Hawthorne, LA County
5	Glendale Paratransit	Glendale, La Canada Flintridge, LA County
6	Huntington Park Dial-a-Ride	Huntington Park, South Gate, LA County
7	Inglewood Paratransit	Inglewood, LA County
8	Los Angeles CITYRIDE – Taxi Lift Van*	Los Angeles, Beverly Hills, West Hollywood
9	Los Angeles CITYRIDE – Dial-a-Ride*	Los Angeles
10	Monrovia Dial-a-Ride	Monrovia, LA County
11	Palos Verdes Peninsula Transit Authority Dial-a-Ride	Palos Verdes Estates, Rolling Hills Estates, Rancho Palos Verdes, LA County
12	Palos Verdes Peninsula Transit Authority PV Transit	Palos Verdes Estates, Rolling Hills Estates, Rancho Palos Verdes, LA County
13	Pasadena Community Transit*	Pasadena, San Marino, LA County
14	Pomona Valley Transit Authority -- Get About	San Dimas, La Verne, Pomona
15	Pomona Valley Transit Authority -- General Public	San Dimas, La Verne, Pomona
16	Redondo Beach Community Transit	Redondo Beach, Hermosa Beach
17	Santa Clarita Dial-a-Ride	Santa Clarita, LA County
18	Westco Dial-a-Ride	West Covina, LA County
19	West Hollywood Taxi and Lift Van Program	West Hollywood, Beverly Hills, Los Angeles
* NOTE: These projects are eligible for priority one and three funding, subject to funds availability and annual approval of the Board.		



Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

PLANNING AND PROGRAMMING COMMITTEE  
SEPTEMBER 20, 2001

**SUBJECT: PROPOSITION A INCENTIVE PROGRAM**

**ACTION: APPROVE REVISED GUIDELINES**

**RECOMMENDATION**

Approve the revised Proposition A Incentive Program Guidelines as presented in Attachment A, leading to the following specific actions, to be implemented effective FY 02:

- A. Expand the Subregional Paratransit Program; and,
- B. Provide funding for National Transit Database reporting by local transit systems.

**ISSUES**

The MTA funds 19 subregional paratransit projects through the Proposition A Incentive Program. These projects provide cost-effective service to seniors and persons with disabilities at less than half the cost of those trips operated by Access Services, Incorporated (ASI). In 1992, due to the impacts of the recession, MTA suspended the process to set annual fundmarks for the existing 19 subregional paratransit projects and closed the program to new projects.

Recommendation A will adjust funding levels to reflect current operating costs, apply credible performance standards and allow new projects to receive funding. Recommendation B will provide a short-term funding source to reimburse locally funded operators that voluntarily report National Transit Database (NTD) data.

Staff has revised the guidelines with input and approval of the Local Transit Systems Subcommittee (LTSS), the Bus Operations Subcommittee (BOS) and the Technical Advisory Committee (TAC).

**POLICY IMPLICATIONS**

The Subregional Paratransit Program delivers two million trips per year at an average cost of \$9 per trip (see Attachment B). Of these two million trips, staff estimates that 600,000 Americans with Disabilities Act (ADA) eligible trips would otherwise be taken via Access Paratransit at an average cost of \$25 per trip.



The average savings to the MTA and the region is \$16 per ADA eligible trip (\$9.6 million per year). Recommendation A will allow for expansion of subregional paratransit which will help mitigate future demand for more costly ASI services.

The Proposition A Incentive Program leverages local return sales tax revenues by funding up to 25% of each project's net operating costs. The remaining 75% is paid through each participating city's Proposition A and/or Proposition C local return. Because 75% of the net operating cost is paid for by local (non-MTA) funds, the MTA's exposure is minimized.

Approval of Recommendation B will provide a new funding source to community-based transportation services operated by local cities and the County. Local return transit systems do not receive federal transit assistance and therefore are not required to report NTD. However, the statistics of all public transportation services in Los Angeles County should be reported regardless of funding sources, as revenue miles and passenger miles generate additional FTA Section 5307 funds to the region. In fact, FTA pays nearly 40 cents per revenue vehicle mile.

Presently, MTA policy returns one-percent of net operating costs to local transit systems voluntarily reporting NTD. This compensation has not been sufficient to attract and retain more voluntary reporters. As a short-term solution, subject to funds availability, Recommendation B will provide each operator the full amount of revenues generated by NTD reporting. Staff estimates that 21 operators will voluntarily report NTD data, generating an additional \$4 million annually in Federal Section 5307 capital funds to the region by FY 2004 (see Attachment C).

## OPTIONS

The Board could elect to maintain the current guidelines as is. Staff recommends against this as the subregional paratransit program has been closed to new applicants since 1992 and there are several worthwhile new projects which would help to reduce the demand for more costly ASI services. The Board could elect to adopt Recommendation A, but not Recommendation B. Staff recommends against this as Recommendation B will encourage more NTD reporting.

Both Recommendation A and Recommendation B are key tasks in the ASI Business Plan previously approved by the Board in May 2000.

Another option is to change the funding priorities so that new subregional paratransit projects are funded ahead of existing subregional paratransit projects which have since expanded their services. Staff recommends against this as the LTSS requested the MTA make existing projects whole before funding new subregional paratransit projects.

## FINANCIAL IMPACT

Presently, the Proposition A Incentive fund generates \$10 million per year. Approximately \$4.7 million is allocated for existing subregional paratransit and other grant projects. Approval of Recommendation A will increase the funding for existing and new Incentive projects to an estimated \$5.2 million annually, depending on net operating costs of the participating projects

(see Table 1). The FY 02 budget includes funding for both the expanded Subregional Paratransit program and the enhanced support of NTD reporting by local transit systems.

**Table 1: Prop. A Incentive Estimate of Revenues and Expenses**

Prop. A Incentive Program	<u>Present (FY '02)</u>	<u>Recommendation A</u>	<u>Recommendation A &amp; B</u>
<b>Total Funds Available</b>	\$10,000,000	\$10,000,000	\$10,000,000
<b>Existing Subregional Paratransit and other Grant Projects</b>	(\$4,700,000)	(\$4,700,000)	(\$4,700,000)
<b>New and/or Expanded Subregional Paratransit Projects</b>	N/A	(\$500,000)	(\$500,000)
<b>Voluntary NTD Reporting</b>	<u>N/A</u>	<u>N/A</u>	<u>(\$4,000,000)</u>
<b>Surplus</b>	\$5,300,000	\$4,800,000	\$800,000
<b>Section 5307 Funds to LA County</b>	<u>\$170,000,000</u>	<u>\$170,000,000</u>	<u>\$174,000,000</u>

If Recommendation B is approved, payments of Proposition A Incentive funds to support NTD reporting are estimated to grow to approximately \$4 million by FY 04. These additional payments are subject to audit and will be offset on a dollar-for-dollar basis by increased FTA Section 5307 funds to the Los Angeles urbanized area. Consistent with State law, 85% of these funds are distributed by the local Formula Allocation Process to the 17 included and eligible operators including MTA Operations. The other 15% of Section 5307 funds support specific capital projects identified by the BOS, including some MTA bus capital projects. Attachment D illustrates some of the major steps in the NTD reporting process that will increase revenues available to the included operators. The local-return funded transit systems are not eligible for Section 5307 funds, and for this reason staff proposes to use Proposition A Incentive to support expanded NTD reporting by local transit systems.

**BACKGROUND/ DISCUSSION**

The Proposition A Incentive guidelines acknowledge that traditional fixed-route transit is not appropriate for some public transportation users. The purpose of the Subregional Paratransit Program is to encourage the formation of multi-jurisdictional, sub-regional paratransit programs where two or more cities and/or isolated unincorporated Los Angeles County "islands" form together to coordinate and share services, reduce costs, and provide paratransit service which will improve regional mobility for people who cannot use fixed-route.

Since 1985, 19 subregional paratransit projects have operated two million trips annually across multiple jurisdictions, serving primarily seniors and people with disabilities at less than \$9 per trip versus ASI at \$25 or more per trip. Subregional paratransit is highly valuable and cost effective to the region. Recommendation A will expand these services where gaps in service

occur. Recommendation B will provide a short-term funding source to reimburse cities which previously had little incentive to voluntarily report NTD data to MTA. Participation in the voluntary NTD reporting program is estimated to increase federal Section 5307 revenues to the region by more than \$4 million per year by FY 04.

### NEXT STEPS

MTA and ASI will communicate with all cities and the County regarding applications for new Subregional Paratransit projects. Staff will evaluate the applications and report back to the Board with recommendations for new projects at the beginning of the calendar year, and if the Board approves, funding will start in the next fiscal year (FY 2003). Staff will also communicate with the cities to pursue additional participation in the voluntary NTD reporting program.

The MTA role in coordinating paratransit services and encouraging local transit systems to report NTD statistics will be further described in the Community Based Transportation Services Plan under development for presentation to the Board in October 2001. This report will attempt to identify opportunities for the leveraged fund concept, exemplified in the Proposition A Subregional Paratransit program, to be expanded to other elements of community-based public transportation in Los Angeles County.

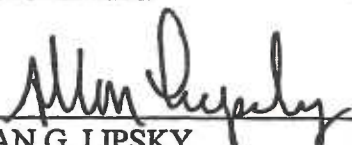
### ATTACHMENTS

- A. Proposition A Incentive Program Guidelines – Revised September 2001
- B. Existing Subregional Paratransit Projects
- C. 5-Year Forecast of New Section 5307 Revenues Generated by NTD Reporting
- D. National Transit Database Report Process

Prepared by: Jim McLaughlin, Director, Transit Planning  
Jay Fuhrman, Transportation Planner, Transit Planning

  
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Countywide Planning  
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\_\_\_\_\_  
ALLAN G. LIPSKY  
Office of the Chief Executive Officer



April 2, 1990

Historical Info.

MEMO TO: PROPOSITION A ADMINISTRATORS

FROM: PATRICIA V. McLAUGHLIN

SUBJECT: PROPOSITION A INCENTIVE FUND PROGRAM FOR FY 1990-91


The Los Angeles County Transportation Commission is accepting applications from local jurisdictions and public transit operators in Los Angeles County for projects to be funded under LACTC's Incentive program. Funding for the following categories of projects will be provided out of this fund:

- o Bridge Funding
- o Service Replacement
- o Subregional Grants
- o Special Demonstration Projects
- o Mobility Funding

Subregional Grants and ongoing funding provide funds for up to 25 percent of the system's total operating budget. Service Replacement and Special Demonstration projects will be funded on a 50/50 match basis.

Incentive funds are made available out of Proposition A Discretionary funds. The Commission has allocated 5 percent of these Discretionary funds for incentive projects that improve the access to and the efficiency of public transportation. Because there are several categories of incentive projects, each submitted project will be evaluated with the other competing applications. Approximately \$7.0 million will be available under this program in FY 1990-91.

Attached are the Guidelines and schedule for review and approval of applications. Application packets with instructions and details on the requirements of the Incentive program are also included. If you have any questions, please call Richard DeRock or your local return analyst for further information at (213) 626-0370.

  
PATRICIA V. McLAUGHLIN  
Manager  
Local Assistance Programs

Attachment

PVM:db  
INCNGUID.1

PROPOSITION A INCENTIVE PROGRAM GUIDELINES

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## PROPOSITION A INCENTIVE PROGRAM GUIDELINES

### INTRODUCTION

Pursuant to the policies adopted by the Los Angeles County Transportation Commission, applications are being accepted for Proposition A Discretionary Incentive funds. The submittal of a completed, authorized application package prepared in accordance with the guidelines on the following pages, forms the basis upon which the Commission will evaluate and select those new and continuing projects to be funded.

In preparing the application, close attention should be paid to the Incentive Program purpose and objectives, eligibility, project evaluation, and funding criteria.

Two copies of the final completed application material for both new and continuing projects must be received by May 14, 1990. Authorizing resolutions should be submitted no later than July 1, 1990. Any application material submitted after the May 14 deadline will not be given full consideration and may jeopardize final approval of the application.

After an internal staff review, the applications received will be subject to the regular LACTC review and approval process before recommendations are forwarded to the full Commission for approval. All applicants will be notified of the Committee review schedule and will be invited to attend these meetings. All applicants will be notified of the Commission's action within two weeks after a final decision is made.

### INCENTIVE PROGRAM

#### I. Purpose and Objectives of the Program

- A. Provide funding incentives for projects that improve access to and the efficiency of public transportation in Los Angeles County.
- B. Encourage the use of local transit funds for projects of regional significance and benefit.
- C. Support projects which will:
  1. Complement existing transit services to form an integrated public transportation system.
  2. Coordinate and improve services provided by cities, operators, and social service agencies to achieve more cost and service effective systems and efficient operations.

3. Improve the transportation mobility of the residents of Los Angeles County.
- D. Allocated incentive funds to:
1. fund worthwhile new projects;
  2. continue to fund worthwhile ongoing projects;
  3. retain a reserve for new opportunities.
- E. Provide a continued source of funding to projects that:
1. have successfully achieved project objectives during the demonstration period;
  2. will provide substantial benefit to the public if continued;
  3. require funding from the LACTC to continue; and
  4. continue to meet LACTC Program objectives.

## II. Eligible Applicants/Projects

Only the County of Los Angeles, Cities, and qualifying joint powers authorities are eligible to apply for and receive Incentive Program funds.

However, private operators, social service agencies or other public agencies (for example, the Long Beach Public Transportation Company and the Southern California Rapid Transit District), may receive funds through the sponsorship of a city, or the County of Los Angeles, or the LACTC.

Eligible projects may be operated by any type of service provider, including public, private for profit, and private non-profit operators.

## III. Categories of Eligible Projects

- A. Bridge Funding - LACTC will provide funding to keep fixed-route bus service (that has been cancelled) in operation for up to six months pending city assumption or replacement of the service. Funding will be provided at 100% of the net operating cost.
- B. Service Replacement - LACTC will provide funding for cost-saving replacement of cancelled or reduced fixed-route bus service. Funding would be provided at 50%/40%/30% of the net operating budget for three years.



- C. Subregional Grants - LACTC will provide funding for cities to join together to establish mobility enhancing subregional systems. Funding would be provided at 20% of the net operating budget for the first year; and up to 25% for 2 additional years based upon performance and improvements to mobility (up to three years commencing from date of original approval.)
- D. Special Demonstration Projects - LACTC will provide one-time funding for new and innovative projects that would improve passenger mobility and access to service, decrease operating costs and increase service efficiencies and enhance passenger acceptance (for example, computerized telephone information, automated paratransit dispatching or other projects). Funding would be provided at 50% of the net project budget for one or two years.
- E. Mobility Funding - After the initial three-year demonstration period, Service Replacement and Subregional Projects may apply for ongoing funding for up to 25% of the net operating budget, based on continuing to meet LACTC objectives and meeting specified performance standards. The specific eligibility criteria to qualify for mobility funding is detailed in Eligibility Criteria, Section V, Page 8.

Special Demonstration projects are not eligible to receive on-going funding under the Incentive program.

At its discretion, the Commission may adjust and interpret the above categories and funding levels to adapt to special funding situations and opportunities as they arise (for example, special circumstances relating to the availability of federal demonstration funds).

## GENERAL CONDITIONS

### I. Duration of Incentive Projects

Each approved Incentive project will be funded for no less than one year and will be formally evaluated annually by the Commission, based on the continued achievement of Commission objectives and the availability of funding.

### II. Timing of Submittals

Applications for Incentive projects (including mobility funding) are due on an annual basis (in May of each year) and are subject to review and approval by the Commission. Applications for new incentive projects may be accepted at other times of the year, as the opportunity arises to implement such projects.

### III. Governing Body Authorizations

Completed Incentive applications must include authorization and approval of the project from the participating cities' governing body(ies) to be considered for funding.

### IV. Funding Disbursement/Quarterly Reports

Funding for Incentive Program recipients will be disbursed quarterly to all categories of projects that comply with program requirements.

Incentive program recipients will be required to submit quarterly reports to the Commission. All operating projects must report auditable UMTA Section 15 data. All other Incentive program recipients must submit a report detailing expenditures to date and project status. Quarterly reports will be due on the last day of the months of October, January, April, and July. Funds may be withheld from approved recipients if quarterly reports are not completed and submitted on schedule. Failure to submit auditable Section 15 data will result in substantial funding penalties and/or cancellation of funding.

### V. Funding for Included Municipal Operators

Included Municipal Operators may not receive Incentive funds for any project that is funded with formula subsidies (UMTA Section 9, STA, TDA, or Proposition A Discretionary Formula funds).

### VI. Uncommitted Funds

All applicants must commit (among all Proposition A projects), an amount greater than or equal to 1/2 of the cities' annual allocation of Proposition A Local Return. If cities do not commit adequate Local Return funding, they will have their Proposition A Discretionary Incentive grant reduced by the amount of uncommitted annual allocation over 50%.

### VII. Documentation of Coordination and Consolidation

Proposed projects are required to document coordination with the existing transit services and with participating local governments, as evidenced by executed agreements, joint resolutions, and approved implementation plans.

## VIII. Service Expansion During Term of Demonstration

Service expansion will only be approved if expansion is done in response to excess demand on already-approved Incentive projects. The applicant must demonstrate that demand in excess of existing service capacity is warranted based upon verifiable ridership and that there will be minimal negative effect on the cost per passenger.

## IX. Capital Funding

Capital lease or depreciation costs, whichever is less, is eligible for funding under the Service Replacement and Sub-regional project categories. Funding is limited to the initial funding period, not to exceed three years. If an UMTA capital grant is available, the Commission may choose to fund local grant match out of Incentive funds in lieu of lease or depreciation.

## ELIGIBILITY CRITERIA

### I. Bridge Funding Projects

Projects approved under this alternative will be funded at up to 100% of net costs for up to six months. Eligible applicants must also meet the following conditions:

- o Proposed service is scheduled for cancellation or reduction by a fixed-route operator.
- o The applicant commits to local funding of the service following the bridge funding period.

### II. Service Replacement Projects

Projects approved under this category will be funded at 50%/40%/30% of the net operating budget for three years. Eligible projects must meet the following conditions:

- o Replaces service eliminated by an existing fixed route operator; or
- o Replaces low productivity or high cost bus services during certain periods of time or in low density area; and
- o Service is for general public use;
- o Service is not special event service;
- o Applicant commits to funding at least 50/60/70 percent of net project cost from local (non-formula) funds;



- o Applicant reports auditable Section 15 data to the Commission; and
- o Proposed service meets Cost Savings Criteria and Quality of Service Indicators outlined in Sections A and B that follow.

A. Cost Savings Criteria

The proposed project must show an anticipated reduction in the total operating cost of at least 25% (excluding capital). Cost savings may be measured by either a reduction in:

- o Subsidy per passenger; or
- o Cost per revenue vehicle service hour

B. Quality of Service

The proposed project must demonstrate that the level and quality of service currently provided will be maintained or improved, including accessibility to disabled individuals, fare discounts, transfer agreements, and interagency coordination.

III. Subregional Grants

Projects approved under this category will be funded at 20% of the net budget for the first year. In the second and third years, funding will be up to 25% based on attainment of the performance standards outlined in Performance Based Funding Section, Page 8.

Proposers in this category must meet the following criteria:

- o Operate new, or consolidate existing paratransit services that serve two jurisdictions with more than 50,000 residents or any three contiguous jurisdictions. Unincorporated county areas in a two jurisdiction project must be at least one third of the population or size of the coordinating city to be eligible;
- o Use all Commission allocated funds to increase the number and mobility of the passengers carried. Incentive funds may not be used to reduce a city's contribution of Proposition A Local Return or other funding sources.
- o Coordinate proposed services, including the arranging of transfer agreements, with adjacent systems, social services agencies, and the regional operators;

- o Make excess capacity available to social service agencies with similar target ridership on a marginal cost basis;
- o Collect and report auditable operating and financial data a quarterly basis, in conformance with UMTA Section 15 requirements.

#### IV. Special Demonstration Projects

Projects approved under this category will be funded one-time only at 50% of the net operating budget for one or two years. Eligible applicants must demonstrate technologies or methods that accomplish one or more of the following:

1. Improve the efficiency and effectiveness of the delivery of service, for example:
  - o Computerized joint service dispatching and scheduling
  - o Joint training or service eligibility programs
  - o Interoperator fare collection/sharing
2. Improve dissemination of passenger information and/or enhance transfer opportunities, for example:
  - o Automated joint telephone information
  - o Intermodal tele-guide (video passenger information)
  - o Cooperative public/private sector ride guides (bus stop information, service directories, maps, etc.)
  - o Public/private coordinated marketing
3. Reduce operating and/or capital costs through joint purchasing of vehicles, parts, maintenance services, insurance, and other service related items that can be purchased less expensively in quantity (limited to first year start up costs only).
4. Demonstrates advanced technologies that will be required through regulation or will reduce service costs, for example:
  - o Low emission engine technologies
  - o Smart card technology



In addition, Special Demonstration projects must show:

- o Considerable technological or operating benefit; and
- o Commitment to on-going funding of the project.

V. Mobility Funding

One-hundred twenty days (120) prior to the close of the initial three-year operating period, Service Replacement and Subregional projects will be evaluated for eligibility for mobility funding. Successful projects will be awarded up to 25% of the net operating budget (excluding capital) based upon attainment of the performance standards and mobility outlined below. Projects will be evaluated based upon the following criteria:

1. Project has successfully met Incentive program objectives during initial operating period (must have met and will continue to meet both project eligibility criteria and LACTC objectives.)
2. Project will continue to provide a substantial mobility benefit to the public (based upon cost, patronage, and need).
3. Project applicant demonstrates that LACTC Incentive funding is necessary for the project to continue (unavailability or limited availability of alternative funding sources).

Special Demonstration and Bridge Funding projects are not eligible for mobility funding.

All projects approved for mobility funding will be evaluated annually to determine continued funding levels.

**PERFORMANCE MEASUREMENTS**

I. Performance Standards

Funding for second and third-year Subregional Paratransit Grant and Mobility Funding recipients is performance based. The amount of awarded funding will be based on audited performance data as specified below:

- o Up to 10% for continued progress towards Commission mobility and coordination goals, and one of the following:
  - o 4% for the attainment of one of the three performance standards; or

- o 9% for the attainment of two of the three performance standards; or
- o 15% for the attainment of all three performance standards.

The performance standards are as follows:

1. Cost per revenue vehicle hour does not increase more than 110% of the C.P.I., as measured over a floating three year period.
2. The total subsidy per passenger does not exceed 125% of the county-wide mean for mode of service.
3. The project attains the appropriate Passenger per Revenue Vehicle Hour standard from Table 1.

TABLE 1

PASSENGER PER REVENUE VEHICLE  
 HOUR STANDARDS

	FIXED ROUTE	DIAL A RIDE
<u>Year 1</u> (Subregional only)		
General Public	15.0	3.0
Elderly and Disabled	-	2.5
Transportation Disabled	-	2.0
<u>Year 2</u> (Subregional only)		
General Public	19.0	4.0
Elderly and Disabled	-	3.0
Transportation Disabled	-	2.5
<u>Mobility and Mature Subregional</u>		
General Public	25.0	5.0
Elderly and Handicapped	-	3.5
Transportation Disabled	-	2.5

## PROJECT MONITORING AND EVALUATION

LACTC Staff will maintain communication with the principal contact person for possible assistance.

- o LACTC staff will perform field visits at various project locations (e.g., to meet with the principal contact person, or to ride the service in question) during the course of the project.
- o All projects will be audited annually. Such audits will confirm fiscal compliance and verify operating statistics (if applicable). The Commission will engage an independent auditing firm to complete the audits.
- o All operating projects must report UMTA Section 15 data to the Commission on a quarterly basis. If the data provided is found to be inaccurate or inadequate during the audit, and cannot be corrected by the recipient, recipient must reimburse the awarded funds to the Commission.
- o Formal project evaluations will be conducted in November and in April of each year for approved Incentive projects.
- o Staff will evaluate Incentive projects in November based upon the audits and other relevant information to determine conformance/progress towards project objectives and performance standards. Necessary funding adjustments (based upon audited results) will be made at this time. A formal written report will be forwarded to the recipients.
- o Staff will review quarterly reports received to date and prior year's performance statistics to project performance audited to the end of the current year. The results of this evaluation will be used to determine the level and/or continuation of funding for recipients. The results of this evaluation will be included in the annual report to the Commission.

Staff will report to the Bus Operations Subcommittee, Paratransit Operations Subcommittee, Technical Advisory Committee, Elderly and Handicapped Transportation Advisory Council, and the appropriate Committees annually in June.

## APPLICATION INSTRUCTIONS

The following instructions are to provide applicants with guidance for completing the attached application forms.

In completing the application forms, the guidelines should be carefully reviewed according to the category of project proposed. In addition, applicants should consider the following:

- o Budget should be carefully gauged so that funds requested are limited to only that amount estimated to be actually needed to implement the project. Receipt of inflated requests could result in denial of funding.
- o Copies of executed contracts between the applicants and any other operating firms or consultants must be forwarded with the completed application. The extent of LACTC funding will be contingent upon the amount of the final contract. No funding will be provided until LACTC is notified of the amount of the final contract.
- o First-time applicants should address each section of the application as applicable.
- o Continuing project applicants may reference previous applications; however, changes in project scope must be detailed.

### I. Section 1 - General Applicant Information

This section must be completed by both new and continuing applicants for all project categories. Applicants must complete all applicable sections.

### II. Section 2 - Incentive Program Project Description

This section must be completed for all project categories. New applicants must address each of the elements (in the order requested) as outlined below. Attach additional pages as necessary in order to respond to the requested information. (To maintain a uniform format, please make copies of the attached blank sheet and type in the information requested.)

Continuing applicants should detail changes in the existing program, if applicable. Brevity and clarity will be greatly appreciated.

- A. Project Goals and Objectives - State the goals of the project. Describe specific objectives expected to be achieved in FY 1989-90 and strategies for achieving those objectives.



- B. System Description (for all projects) - Describe the project/service and include the following (as applicable)
- o Type(s) of service (to be) provided (refer to Range of Transit Services Appendix II) including those provided through service contract (add sheets if necessary);
  - o The ridership group to be served/targeted
    - How will service be provided?
    - Who is eligible and how is eligibility established?
  - o List of existing public and private transportation operators providing similar or complementary service (if applicable);
  - o Other relevant geographic and demographic information.
- C. Administration and Monitoring - Describe the administrative structure of the proposed project. Who will administer the project? Will service be directly provided or contracted? Is contractor currently chosen?
- D. Marketing Program - Describe how the project will be marketed and publicized (if applicable).
- E. Coordination and Consolidation - Describe service coordination agreements and/or arrangements with other transportation operators in the proposed service area and/or having adjoining/intersecting services.

Specifically address activities to avoid duplication and to enable convenient transfers, and other collaborative activities. Attach any documentation of such coordination and consolidation arrangements.

Subregional Grant recipients must annually document additional coordination activities with local jurisdictions, bus operators and social service agencies. The coordination work program should include a) the identification of any excess capacity; b) description of any cooperative study, analysis, and negotiation to be undertaken with other agencies; and c) specifications of measures to improve transfer opportunities and estimates of productivity, improvements expected. Up to 10% of the potential funding will be based on level of effort and success in these efforts.



III. Section 3 - Budget and Service Data

This section must be completed by all new and continuing Incentive Program applicants. New project applicants should complete both Proposed and Planned budget columns only.

o TABLE 2 - Operating and Expense Data

o TABLE 3 - Revenue Data

Applicants should refer to Definition of Categories and Terms (Appendix I) for help in completing Tables 2 and 3.

SECTION 1. GENERAL APPLICANT INFORMATION

PART ONE

1. Applicant: \_\_\_\_\_
2. Principal Contact Person: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: ( ) \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_
3. Financial Officer: \_\_\_\_\_
4. Type of Incentive Project \_\_\_\_\_
5. Estimated Duration of Project: \_\_\_\_\_
6. Amount of Incentive Program Funds Requested: \_\_\_\_\_

PART TWO

7. Participating City(ies), Transit Operator(s), or Los Angeles County: \_\_\_\_\_  
\_\_\_\_\_
8. Geographical Area of Service: \_\_\_\_\_  
\_\_\_\_\_
9. Start-up Date of FY 1990-91 Services: \_\_\_\_\_
10. Service Parameters
  - o Type of Service: \_\_\_\_\_  
\_\_\_\_\_
  - o Days and Hours of Transportation Services: \_\_\_\_\_  
\_\_\_\_\_
  - o Eligibility Restrictions: \_\_\_\_\_  
\_\_\_\_\_

SECTION 1. General Applicant Information

- o Transfer/coordination arrangements with contiguous systems (fixed-route and demand-responsive)
- 
- 

11. Service Provider Check Box(es)

o Operated directly by applicant

o Service contracted

12. Service Accesibility - Describe how the service wil be accessible to the disabled. \_\_\_\_\_

---

13. Type, size and number of vehicles used to provide service:

<u>TYPE</u>	<u>SIZE (PASSENGERS)</u>	<u># VEHICLES</u>
-------------	--------------------------	-------------------

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14. Employees

# of City/Agency Administration	_____
# of City/Agency Operations	_____
# of Contractor Operations/Admin.	_____
Total # of employees for project	_____

SECTION 2.

INCENTIVE PROGRAM PROJECT DESCRIPTION      FY \_\_\_\_\_  
(To be completed for all Incentive project categories)

FY 1990-91  
RIDERSHIP AND OPERATING DATA

Project Name: \_\_\_\_\_

SERVICES SUPPLIED	AUDITED* FY 1988-89	CURRENT* FY 1989-90	PROPOSED FY 1990-91	PLANNED FY 1991-92
01. Number of vehicles in operation				
02. Total vehicle miles				
03. Total vehicle hours				
04. Total vehicle revenue miles				
05. Total vehicle revenue hours				
<b>SERVICE CONSUMED</b>				
01. Unlinked passenger trips				
<b>OPERATING EXPENSES</b>				
01. Vehicle Operations				
02. Vehicle Maintenance				
03. Non-vehicle maintenance				
04. General Administration				
05. Total Operating Expense				
06. Eligible Capital Expenses*				
07. Total Project Costs				
<b>FARES (ACTUAL, NOT TOTAL)</b>				
01. Base Fare				
02. E + D Fare				
03. Student Fare				
04. Monthly Pass Cost				
05. Other (Identify)				

\* If Applicable

January 1990  
Incentive Program



## SECTION 3.

LACTC INCENTIVE PROGRAM APPLICATION  
FY 1990-91  
FINANCIAL DATA

Project Name: \_\_\_\_\_

	AUDITED* FY 1988-89	CURRENT* FY 1989-90	PROPOSED FY 1990-91	PLANNED FY 1991-92
<b>OPERATING REVENUE</b>				
01. Passenger Farebox				
02. Special Rider Subsidies				
03. Auxiliary Transportation Revenues				
04. Prop A Local Return				
05. Prop A Incentive				
06. Prop A Discretionary				
07. TDA Article 4				
08. TDA Article 8				
09. STAF				
10. UMTA Section 9				
11. UMTA Section 18				
12. Area Agency on Aging				
13. Other (Identify)				
<b>TOTAL OPERATING REVENUES</b>				
<b>CAPITAL REVENUES*</b>				
01. Prop A Local Return				
02. Prop A Incentive				
03. TDA Article 4				
04. TDA Article 8				
05. STAF				
06. UMTA Section _____				
07. Area Agency on Aging				
08. Other funds (Identify _____)				
09. Total capital revenues				

\* If applicable

DEFINITIONS OF CATEGORIES AND TERMS (Refer to Tables 2, and 3)TABLE 2 - OPERATING AND EXPENSE DATA

- Total Vehicle Miles: The total miles actually traveled.
- Total Revenue Miles: The total miles traveled while available to carry passengers.
- Total Vehicle Hours: The total hours actually operated.
- Total Revenue Hours: The total hours operated while available to carry passengers.
- Base Fare: The minimum cash fare paid by regular adult Passengers.

Unlinked Passenger Trips: The number of boarding passengers carried whether revenue producing or not. Passengers are counted each time they board a vehicle even though it may be on the same journey from origin to destination.

TABLE 3 - FINANCIAL DATA

Vehicle Operation: All activities relating to carrying passengers including dispatching of buses or vans, passenger counting for scheduling purposes, supervision of drivers, scheduling of drivers and vehicles, and the direct supervision of operations activities.

Vehicle Maintenance: Maintaining and repairing equipment, related to the transit system, including rolling stock, lifts, and non-revenue vehicles.

Non-Vehicle Maintenance: Maintaining all other items and facilities.

Administration: Costs for policy determination, general management, accounting services, sales of tokens and passes, printing and distributing route/service information, management transportation and travel expenses, etc.

Vehicle Leases and Rentals: Payments for the use of capital assets not owned by the transit system.

Farebox Revenue: Revenue earned from carrying passengers in regular-route or demand-responsive transit service.

) Definitions and Categories of Terms (Cont'd.)

Proposition A - Incentive: The 5% of Discretionary funds set aside by LACTC for city-initiated projects.

Proposition A Local Return: That portion (25%) of monies given back to cities generated by a 0.5% sales tax dedicated for transit purposes in Los Angeles County.

State Transit Operating Funds: Funds obtained by claims made in accordance with the Transportation Development Act, as amended to date.

Federal Transit Operating Funds: Receipt or accrual of federal government funds to assist in defraying operating transit costs.

Subsidy from Other Sectors of Operations: Funds generated by sources not listed above.

## RANGE OF TRANSIT SERVICES

General Public: Systems available to all city residents with no restrictions.

Elderly and Disabled: Systems restricted to riders 62 years old and older and the physically handicapped. Note: jurisdictions may elect to lower minimum age to 60 years old and/or permit system usage by the developmentally disabled.

Transportationally Disabled: Systems restricted to medically certified frail elderly and physically handicapped riders unable to use traditional transit services.

Community Based Fixed Route: Systems providing local circulation or limited commuter services while operating on fixed routes and deviated fixed routes.

Dial-A-Ride: Systems providing demand responsive or advanced reservation door to door or curb-to-curb services and point deviation Dial-A-Rides.

SCHEDULE FOR INCENTIVE FUND  
PROGRAM APPLICATION REVIEW AND APPROVAL  
1990-91

<u>EVENT</u>	<u>DATE</u>
Incentive Program Applications Mailed to Cities	April 2
<u>Workshop on Preparation of All Incentive Project Applications</u>	April 17
<u>All Incentive Program Applications Due at LACTC</u>	May 7
Review of Applications by Commission Advisory Committees	May 15 - 30
Circulation of New and/or Expanded Service Project Applications to potentially affected jurisdictions	May 31
<u>City Council Authorizing Resolutions due at LACTC</u>	June 1
Final Action by Commission Committees	June 5 - 26
Final Action by LACTC	June 27
Disposition Letters Mailed	July 2



**LACTC INCENTIVE GRANT PROGRAM  
 QUARTERLY REPORT - FY \_\_\_\_\_  
 RIDERSHIP AND OPERATING DATA**

Project Name: \_\_\_\_\_

**ACTUAL BY QUARTER**

SERVICES SUPPLIED	July-Sept	Oct-Dec	Jan-Mar	Apr-Jun	Total
01. Number of vehicles in operation					
02. Total vehicle miles					
03. Total vehicle hours					
04. Total vehicle revenue miles					
06. Total vehicle revenue hours					
<b>SERVICE CONSUMED</b>					
1. Unlinked passenger trips					
2. Passenger miles					
<b>OPERATING EXPENSES</b>					
1. Vehicle operations					
2. Vehicle maintenance					
3. Non-vehicle maintenance					
4. General administration					
5. Total operating expenses					
6. Eligible Capital Expenses					
7. Total farebox revenue					
8. Total net expenses					
<b>QUALITY OF SERVICE</b>					
1. Percent on time performance					
2. Percent missed trips (fixed route only)					
3. Percent no shows (Dial-A-Ride only)					
4. Total Roadcalls					

LACTE INCENTIVE GRANT PROGRAM  
 ANNUAL REPORT - FY \_\_\_\_\_  
RIDERSHIP AND OPERATING DATA

FORM A

Project Name: \_\_\_\_\_

ACTUAL BY QUARTER

SERVICES SUPPLIED	July-Sept	Oct-Dec	Jan-Mar	Apr-Jun	Total
01. Number of vehicles in operation					
02. Total vehicle miles					
03. Total vehicle hours					
04. Total vehicle revenue miles					
06. Total vehicle revenue hours					
07. Total revenue capacity miles	-	-	-	-	-
<b>SERVICE CONSUMED</b>					
12. Unlinked passenger trips					
13. Passenger miles					
<b>SERVICE PERSONNEL</b>					
14. Full time vehicle operators	-	-	-	-	-
15. Part time vehicle operators	-	-	-	-	-
16. Dispatchers/supervisors	-	-	-	-	-
17. Ticket stubs/fare collectors	-	-	-	-	-
18. Information operators	-	-	-	-	-
19. Security Personnel	-	-	-	-	-
20. Total service personnel	-	-	-	-	-
<b>QUALITY OF SERVICE</b>					
1. Percent on-time performance					
2. Percent missed trips (fixed route only)					
3. Percent No shows (DAR only)					
4. Total road calls					
Total Accidents					

**OPERATING EXPENSE AND REVENUES**

Project Name: \_\_\_\_\_

ACTUAL BY QUARTER

OPERATING EXPENSES	July-Sept	Oct-Dec	Jan-Mar	Apr-Jun	1
1. Vehicle operations					
2. Vehicle maintenance					
3. Non vehicle maintenance					
4. General administration					
5. Total operating expenses					

OPERATING REVENUES	Total
1. Passenger farebox revenues	
2. Special rider subsidies	
3. Auxiliary transportation revenues	
4a. Proposition A Local Return	
4b. Proposition A Incentive	
4c. Proposition A Discretionary	
5a. TDA Article 4	
5b. TDA Article 8	
6. STAF	
7. Other state funds (Identify _____)	
8. UMTA Section 9	
9. UMTA Section 18	
10. UMTA Section _____	
11. Area Agency on Aging	
12. Other federal funds (Identify _____)	
13. Other miscellaneous funds (Identify _____)	
14. Total operating revenues	

**CAPITAL EXPENSES AND REVENUES**

Project Name: \_\_\_\_\_

**ACTUAL BY QUARTER**

<b>CAPITAL EXPENSES (Greater than \$5,000)</b>	<b>July-Sept</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>Apr-Jun</b>	<b>Total</b>
1. Vehicle purchases					
2. Vehicle depreciation					
3. Vehicle rental and leases					
4. Other major capital (Identify) _____					
5. Total capital expense					

<b>CAPITAL REVENUES</b>	<b>Total</b>
1a. Proposition A Local Return	
1b. Proposition A Incentive	
2a. TDA Article 4	
TDA Article 8	
STAF	
4. Other state funds (Identify) _____	
8. UMTA Section 3	
9. UMTA Section 9	
10. UMTA Section 16(b)(2)	
11. Area Agency on Aging	
12. Other federal funds (Identify _____)	
13. Miscellaneous revenues (Identify _____)	
14. Total capital revenues	



ANNUAL REPORT

OF SERVICE OPERATED

	AVERAGE WEEKDAY (FIXED ROUTE ONLY)				AVERAGE WEEKDAY	AVERAGE SATURDAY	AVERAGE SATURDAY
	5 A.M.-10 A.M. A.M. PEAK	10 A.M.-2 P.M. MIDDAY	2 P.M.-7 P.M. P.M. PEAK	7 P.M.-5 A.M. OTHER			
<b>SERVICE SUPPLIED</b>							
01	Number of vehicles in operation						
02	Vehicle miles						
03	Vehicle hours						
04	Vehicle revenue miles						
05	Scheduled vehicle revenue miles (FR only)						
06	Vehicle revenue hours						
07	Revenue capacity miles						
34a	Directional route miles (mixed flow) FR only						
34b	Directional route miles (HOV lanes) FR only						
<b>SERVICE CONSUMED</b>							
12	Unlinked passenger trips						
13	Passenger miles						
<b>SERVICE PERSONNEL</b>							
14	Scheduled full-time vehicle operators						
15	Scheduled part-time vehicle operators						
16	Revenue vehicle movement control personnel						
17	Ticket agents, fare collectors						
18	Information operators						
19	Security agents						
20	Total service personnel						
<b>SERVICE OPERATED (Total Annual)</b>							
21	Days schedules operated						
22	Days not operated due to no scheduled services						
23	Days not operated due to start-ups and/or terminations						
24	Days not operated due to strikes						
25	Days not operated due to officially declared emergencies						
26	Days not operated due to other reasons (Describe _____)						
27	Total days						



LACTIC INCENTIVE GRANT PROGRAM  
 REPORT - FY \_\_\_\_\_  
ANNUAL SERVICE VEHICLE SUMMARY

Project Name: \_\_\_\_\_

VEHICLE TYPE	OWNERSHIP CODE #	SERVICE TYPE (DR OR FR)	TOTAL VEHICLES NEEDED FOR DAILY MAXIMUM SERVICE	TOTAL VEHICLES AVAILABLE TO TRANSIT SYSTEM
Automobiles				
Non-modified Vans				
Small Buses (less than 25 seats)				
Medium Buses (25 - 35 seats)				
Large Buses (more than 35 seats)				

LACIC INCENTIVE PROGRAM  
 ANNUAL REPORT  
 FEDERALLY FUNDED VEHICLES  
 FY \_\_\_\_\_

Object Name: \_\_\_\_\_

	NUMBER OF VEHICLES IN TOTAL FLEET	VEHICLE TYPE CODE	OWNERSHIP CODE	YEAR OF MANUFACTURE	MANUFACTURER CODE	MODEL NUMBER	NUMBER OF ACTIVE VEHICLES IN FLEET	EMERGENCY CONTINGENCY VEHICLES	FUEL TYPE CODE	SEATING CAPACITY	STANDING CAPACITY	TOTAL MILES ON ACTIVE VEHICLES DURING THE PERIOD (000)	AVERAGE LIFETIME MILEAGE PER ACTIVE VEHICLE (000)
01													
02													
03													
04													
05													
06													
07													
08													
09													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20													
21													
22													
23													
24													
25													

NOTE: Report only those vehicles that were purchased with federal funds.

FEDERALLY FUNDED VEHICLE REPORT

Vehicle Summary Codes

TABLE A

Vehicle Type Codes

	= AO
Automobiles	= VN
Vans	= BA
Large Buses (>35 seats)	= BB
Medium Buses (25-35 seats)	= BC
Small Buses (<25 seats)	

TABLE B

Ownership Codes

Lease-Purchase Agreement	= LP
Leased or borrowed from related party	= LR
Owned outright by operator	= OO
True Lease (conventional)	= TL
Other	= OR

TABLE C

Manufacturers Codes

AM General	- AMG	Fleetwood	- FEI	Mercedes	- MBZ
American Man	- MAN	Flexette	- FLT	MCI	- MCI
Bluebird	- BBB	Flxible	- FLX	Neoplan	- NEO
Chance	- CHA	Flyer	- FIL	Plymouth	- PLY
Chevrolet	- CMD	FMC	- FMC	SAAB	- SSC
Coach & Equipt	- CEQ	Ford	- FRD	Superior	- SUP
Collins	- COL	GMC	- GMC	Thomas	- TBB
Crown Coach	- CRC	GMC-Canada	- GML	TMC	- TMC
Dodge	- DTD	Gilling	- GIL	Transcoach	- TRN
Eagle	- EII	Grumman	- GAI	Wayne	- WAY

Table D

Fuel Type Code

Gasoline	- GA
Diesel	- DI
Propane	- PR
Electric	- EL

LACTC INCENTIVE GRANT PROGRAM  
SECTION 15 DATA REPORTING FORMS

GLOSSARY OF FORMS

FORM A: RIDERSHIP AND OPERATING DATA

Number of Vehicles in Operation: Total vehicles dedicated to provide services. For user-side subsidy projects, estimate the "equivalent" number of vehicles that would be required to provide the service.

Total Vehicle Miles: Total vehicle miles actually traveled. In user-side subsidy programs, these are the miles for which expenses are publicly subsidized.

Total Vehicle Hours: Total hours actually operated. For user-side subsidy programs, these are the hours for which vehicle expenses are publicly subsidized.

Total Revenue Vehicle Miles: The total miles traveled while available to carry passengers. For user-side subsidy programs, these are the miles which are publicly subsidized.

Total Revenue Vehicle Hours: The total hours operated while available to carry passengers. For user-side subsidy programs, these are the hours which are publicly subsidized.

Total Revenue Capacity Miles: The product of the total vehicle revenue miles and the vehicle's total capacity, defined as the normal full load (seated plus standing).

Unlinked Passenger-trips: The number of boarding passengers carried whether revenue-producing or not. Passengers are counted each time they board a vehicle even though it may be on the same journey from origin to destination.

Passenger Miles: The sum of all the miles traveled by individual passengers. Each entry is the product of the number of passengers and the trip distance, i.e., 2 passengers board a vehicle and travel one mile. The vehicle has traveled 2 passenger miles. (This measure is usually derived by a statistically valid random sampling procedure. Contact Commission staff for the appropriate procedure for your organization.)

Full Time Operators: The number of vehicle drivers who operate a vehicle for 2000 hours per year.



Part Time Operators: The number of vehicle drivers who operate vehicles for less than 2000 hours per year. This number should include individuals who are full time but have other duties.

Dispatchers/Supervisors: The number of individuals who dispatch vehicles, schedule trips, provide road supervision, or directly supervise the vehicle operators.

Ticket Stubs/Fare Collectors: The number of individuals who's primary responsibility while in this function is the collection of fare media.

Information Operators: The number of individuals who's primary responsibility is to provide information. Includes both phone information and face to face information.

Security Personnel: The total number of individuals who's primary duty is the provision of security. This number should include all under cover officers and all transit-dedicated police, whether on vehicles or at terminals.

Total Service Personnel: The total number of non-duplicated individuals needed to provide service. This number should exclude any dedicated administrative personnel.

Percent On Time Performance: FOR FIXED-ROUTE, the percentage of trips which arrive 0 minutes early and no more than 10 minutes late. For DIAL-A-RIDE, the percentage of trips which arrive no more than 5 minutes early and no more than 10 minutes late.

Percent Missed Trips: FOR FIXED-ROUTES ONLY - The percentage of scheduled trips which were not completed.

Percent No Shows: FOR DIAL-A-RIDE ONLY - The percentage of dispatched trips where the passenger was not picked-up.

Total Road Calls: The number of events where a staff or maintenance person is sent to respond to service interruption for any reason; (i.e., vehicle breakdown, farebox jam, accident, etc.).

Total Accidents: The number of events involving system vehicles which result in more than \$150 of property damage or any physical injury.



FORM B: OPERATING EXPENSES AND REVENUES FORMS

Vehicle Operations: All activities relating to the carry of passengers, including the dispatching of buses or vans, passenger counting, scheduling, supervision of drivers, scheduling of vehicles and drivers, and the direct supervision of operations activities, including fuel, oil, tires, and insurance.

Vehicle Maintenance: Maintenance of rolling stock and vehicle equipment related to operations. Includes the labor cost of fueling, changing tires, but not the items' cost.

Non-Vehicle Maintenance: All other maintenance activities including maintenance to transit facilities, bus stops and signs, administrative buildings, etc.

Administration: Costs for policy determination, general management, accounting services, printing and distribution, management travel expenses, etc.

Total Operating Expenses: The sum of the above categories.

Passenger Farebox Revenues: The total revenues generated by the carrying of passengers. Includes ticket and pass sales.

Special Rider Subsidies: Any revenues paid by a third party in excess or in place of the base fare for the transportation of individuals. Usually is a per ride subsidy.

Auxiliary Transportation Revenues: Any revenues generated by the transit system that are not related to the carrying of passengers. Includes advertising revenue, concession payments, leasing of property, etc.

Prop A Local Return: The total Prop A Local Return used by a system for operating revenue including Prop A Local Return paid by other jurisdictions.

Prop A Incentive: The total amount of Proposition A Discretionary Incentive funds received for the operations of the transit service.

Prop A Discretionary: The total amount of Proposition A Discretionary utilized for operations.

Other State Funds: Any other funds used for operations which have a source or are administered by the state.

Area Agency on Aging: Any AAA funds that are used to provide transportation services. (Do not include funds for escorts, meals on wheels, or other non-transit functions.)

Other Federal Funds: Any other funds which are received from the federal government or a federal government program.

Other Miscellaneous Funds: Any funds from a source not listed above. INCLUDES CITY GENERAL REVENUE.

Total Operating Revenues: The sum of all of the revenues listed above.

FORM C: CAPITAL EXPENSES AND REVENUES

Vehicle Purchase: Any partial payment or lump sum payment for the purchase of a vehicle, excluding interest expense. (For this form, interest is considered a lease cost and included in Vehicle Rentals and Lease.)

Vehicle Depreciation: Any charge incurred for the use of a vehicle purchased previously. Depreciation does not include interest. Do not complete unless depreciation charges are being taken against the project.

Vehicle Rentals and Leases: Any payment made for the use of vehicles purchased by another party.

Other Major Capital: Any expense for a capital item other than a vehicle, with a value greater than \$5000.00. May include interest expenses.

Total Capital Expenses: The sum of the above categories.

FORM D: AVERAGE SERVICE OPERATED

Directional Route Miles: The sum of the length of each fixed route. Distance is measured in both directions. Note, however, if a route shares a street with another route, the distance on the shared street should only be counted once.

- a. Mixed flow = miles operated on regular streets and free-ways.

b. HOV Lanes = miles operated HOV facilities.

Service Operated (Days): The number of days operated or not operated in each category.

**FORM E: ANNUAL VEHICLE SUMMARY**

Automobiles: The total number of standard automobiles and station wagons which may be used for service.

Non-Modified Vans: The total number of standard vans and minivans that may be used to provide service.

Small Bus (less than 25 seats): The number of small buses, including modified vans, designed to carry no more than 25 people, that may be used to provide service.

Medium Bus (25-35 seats): The number of medium buses which may be used and are designed to carry at least 25 passengers but no more than 35 passengers seated.

Large Buses (more than 35 seats): The number of large buses which may be used and are designed to carry more than 35 people seated.

**FORM F: FEDERALLY FUNDED VEHICLE REPORT**

Vehicle Type Code: The appropriate entry from Table A.

Ownership Code: The appropriate entry from Table B.

Manufacturers' Code: The Appropriate entry from Table C.

Model Number: Any number which is commonly used by a manufacturer to identify a vehicle (i.e., GMC 5301, RTSII, etc.) Omit if there is no common ID number.

Active Vehicles: Number of vehicles which are available for use by the operator.

Emergency Contingency Vehicles: Number of vehicles which are stored for an emergency. These vehicles are not regularly used or maintained.

Page 6.

)  
Fuel Type Code: The appropriate entry from Table D.

Total Miles...During Period: The total miles accrued on all vehicles of the same model and year during the fiscal year.

Average Lifetime Miles: The average total miles on the type of vehicle.







Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

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\* 38

PLANNING AND PROGRAMMING COMMITTEE  
June 18, 1998

**SUBJECT: REVISIONS TO SELECTED PROPOSITION A & C (Local Return, Incentive, 25%, 10%) AND TDA ARTICLE 8 GUIDELINES**

**ACTION: ADOPTION OF REVISED GUIDELINES**

**RECOMMENDATION**

Adopt the revised:

- Proposition A & C Local Return Guidelines
- Proposition A Incentive Program Guidelines
- Proposition C (25%) - Transit-Related Improvements to Streets and Freeways Guidelines
- Proposition C (10%) - Commuter Rail, Park & Ride Guidelines
- Transportation Development Act (TDA) - Article 8 Guidelines

**ISSUE**

The Proposition A & C Local Return Guidelines were last revised in 1995 and Proposition A Incentive Guidelines were revised in 1987. The existing Proposition C 10% and 25% Guidelines were adopted in 1992. The TDA Article VIII Guidelines were updated in 1991. It is a long standing policy of the Board to readopt the Guidelines on a periodic basis. As part of a comprehensive effort to bring back these guideline revisions to the Board at one time, all five guidelines are being revised together.

The proposed guideline revisions are necessary to streamline administrative procedures and clarify policies. In addition, the proposed revisions incorporate changes necessary to reflect current MTA practices and policies. Board approval is required for the revised guidelines to be effective July 1, 1998.

**POLICY IMPLICATIONS**

The proposed guideline revisions will have no effect on other MTA programs and projects. In the long term, these revisions will allow MTA to implement a more balanced and integrated transportation program in Los Angeles County.

## **OPTIONS**

An alternative is not to revise the guidelines at this time. Some changes are required to reflect policies and procedures approved by the Board since the guidelines were last adopted. Moreover, the proposed guideline revisions have undergone an extensive six-month review process. All Los Angeles County Cities were given the opportunity to review and comment on the guideline changes. All the proposed guideline changes were also circulated for review and comment to TAC and all appropriate TAC Subcommittees. The proposed revisions are a result of comments and recommendations received from the Cities, TAC and TAC's Subcommittees.

## **FINANCIAL IMPACT**

There is no financial impact on the budget. (The adoption of these guidelines will lead to a more cost effective transportation program in L.A. County.)

## **BACKGROUND/DISCUSSION**

**Reasons for Revising the Guidelines:** The Board has a policy to update the guidelines on a periodic basis to better accommodate the transportation needs of the County. There is a need to revise these guidelines to: reflect current policies and practices, revise performance standards, simplify and consolidate information, reduce duplication of text, update the forms and charts, eliminate outdated requirements, provide consistent definitions, and reflect programming priorities. For example the Call for Projects process was adopted after the issuance of the original Proposition C Guidelines which revised the discretionary grant process and created new program objectives. The existing local return guidelines had some duplicative sections and local agencies requested clarifications and changes in reporting requirements.

**The Guideline Review Process:** The guideline revision process started in November 1997 with an all city workshop conducted by MTA staff. The workshop was held to inform local transportation agencies of the upcoming guideline revision process and invite their input. Drafts of the revised Proposition A and C Local Return Guidelines were sent to the local agencies for comment and MTA staff incorporated most of the suggestions in the revised documents.

The proposed Guidelines were reviewed by the Technical Advisory Committee (TAC) and appropriate TAC Subcommittees. These committees included; the Streets and Freeways Subcommittee, Local Transit System Subcommittee (LTSS), Bus Operations Subcommittee (BOS), and the TDM/Air Quality Subcommittee. Staff incorporated all recommendations from the TAC and Subcommittees except the following:

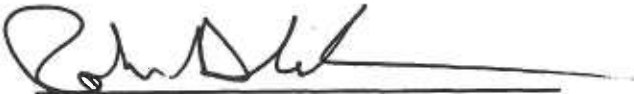
The TDM Subcommittee and TAC recommended adding Transportation Management Associations/Organizations meeting certain eligibility criteria as eligible applicants to the Proposition C 25% to compete for MTA funding.

As a response to TAC comments under the eligible uses section of Proposition C 25% Guidelines for TDM projects, staff included TMA/TMO implemented projects sponsored by a Local Jurisdiction as eligible projects.

Guidelines Revision Details: A brief description of each guideline as well as the details of the proposed changes are shown in Attachment A. Attachment A also includes TAC and TAC Subcommittee recommendations. The revised guidelines are shown as Attachment B.

Prepared by:

Nalini Ahuja (Lead), Susan Richan, Benkin Jong, Shahrzad Amiri, Patricia Chen, Desiree Portillo-Rabinov, and Jon Grace, Project Managers, Transportation Development and Implementation



ROBERT D. CASHIN  
Deputy Executive Officer  
Transportation Development and  
Implementation



JAMES L. de la LOZA  
Executive Officer  
Regional Transportation Planning and Development



SHARON L. LANDERS  
Office of the Chief Executive Officer

Attachments:

- Attachment A -- Summary of Guidelines Revisions and Actions
- Attachment B -- Final Guidelines



# Attachment A

PROGRAM DESCRIPTION	PROPOSED REVISIONS	COMMITTEE ACTION/ RECOMMENDATION	STAFF RESPONSE
<p align="center"><b>Proposition A &amp; C Local Return Guidelines</b></p> <p>Proposition A &amp; C are the two ½ cent sales tax measures financing the County's Transit Development Program. 25% of "Prop" A and 20% of "Prop" C revenues (designated Local Return funds) are distributed on a "per capita" basis to cities and the County for transit projects. LACMTA administers the program and ensures that Jurisdictions comply with the project eligibility, audit and administrative requirements detailed in the Prop A &amp; C Local Return Guidelines.</p>	<p>The revised Guidelines offer a simplified format providing easier project identification, eligibility and code referencing, updated forms and flow charts, an uncomplicated table of contents, and, concurrent with effective date, access available via disk or Internet. Most notably, the document has been reduced in length from 95 to under 50 pages without compromise to its informational value. Significant changes include:</p> <ul style="list-style-type: none"> <li>• Eligibility clarification on stand alone projects, i.e., traffic signals, storm drains, and landscaping.</li> <li>• Jurisdictions participating as the seller in Prop A fund exchanges will, for two years from the date of transaction, be subject to disqualification or lowered application score in MTA's Call for Projects.</li> <li>• Due date on Annual Expenditure Report (Form C) was changed from September 1 to October 15.</li> <li>• Lapse term for Prop C is the same for Prop A: first year of allocation plus three.</li> <li>• Jurisdictions are required to report NTD data when MTA Board adopts methodology.</li> <li>• Jurisdictions to call out all administrative charges to direct administration to in order to verify compliance with 20% cap.</li> <li>• Recreational transit projects shall be reported annually by transit destination, at the end of each fiscal year.</li> </ul>	<p>Approved by all committees.</p>	<p>All recommendations from the above bodies have been included in the revisions</p>
<p align="center"><b>Proposition A Discretionary Incentive Guidelines</b></p> <p>The Proposition A Discretionary Incentive Program earmarks 4 percent of the 40 percent Proposition A Discretionary funds to promote projects that encourage the development of an integrated public transportation system that addresses the varied transportation needs of Los Angeles County residents.</p> <p>The program was originally created in 1985 as a replacement for TDA Article 4.5 which provides State transportation funds for intra-community transit services. The intent in developing this program was twofold: 1) To encourage coordinated paratransit systems that are regional in nature, and 2) To institute performance standards that promote the effectiveness of participating systems as a condition of receipt of funds.</p> <p>Participating systems are required to submit National Transit Database (NTD; formerly Section 15) data. Submittal of NTD data to the FTA results in additional Section 5307 (formerly Section 9) dollars for Los Angeles County.</p>	<ul style="list-style-type: none"> <li>• The criteria used to determine the appropriate level of funding for Subregional recipients has been modified. MTA staff worked closely with the subregional funds recipients to develop these standards.</li> <li>• The fixed route systems category was added in order to make the guidelines consistent with Board adopted policy and current practice.</li> <li>• The funding priorities section was added to reflect the manner in which the funds would be disbursed.</li> <li>• The Carryover Funding portion was added to establish policy regarding reimbursement of funds borrowed by the Incentive program.</li> <li>• Under funding Disbursement/Quarterly Reports portion, a firm date of August 31 was added as the deadline for submittal of NTD data for those subregional operators that do not report directly to the FTA..</li> </ul>	<p>Approved by the committees</p>	<p>All committee recommendations included in the guidelines.</p>

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# Attachment A

PROGRAM DESCRIPTION	PROPOSED REVISIONS	COMMITTEE ACTION/ RECOMMENDATION	STAFF RESPONSE
<p><b>TRANSIT RELATED IMPROVEMENTS TO FWYS &amp; HWYS - PROP C-25%</b></p> <p>Funds are used to facilitate transit and rideshare flow on freeways and streets with projects that: increase capacity (i.e. HOV lanes), improve street operations (i.e. preferential transit treatment, transportation systems management and signal synchronization) or reduce single occupancy trips (i.e. parking management programs, bikeways). Funds are programmed on a competitive basis through the countywide, biennial, multi-modal Call for Projects and budget processes. The program objectives, eligible applicants and eligible use examples are discussed in the Guidelines. The above areas as well as the evaluation criteria are to be reviewed and adopted by the Board of Directors prior to the Call for Projects process.</p>	<p>The Guidelines have been updated to conform with existing policies and practices. The major changes from the existing Guidelines are listed as follows:</p> <ul style="list-style-type: none"> <li>• The Objectives section was revised to identify objectives such as: reduction of vehicular stops, increasing average speeds, reduction of single occupancy trips and reduction of congestion. In addition, eligibility for projects under Transportation Demand Management and Regional Bikeways was expanded.</li> <li>• State transportation agencies and other public agencies involved with transportation projects were added as eligible applicants.</li> <li>• In the Eligible Uses section for HOV projects, the <u>HOV System Integration Plan</u> was referenced as a guiding document. The section containing evaluation criteria was removed.</li> <li>• In the Eligible Uses section for TDM projects, listed new examples of eligible projects.</li> <li>• The Eligible Uses section was reorganized and minor revisions made to the Incident Management Program and the Park-and-Ride Lot categories.</li> <li>• In the Eligible Uses section for TSM projects, the <u>Signal Synchronization and Bus Speed Improvement Guidelines</u> were referenced as a guiding document. Added clauses requiring Grantees' to be financially responsible for operations and maintenance funds and to conduct before and after studies in conformance with the <u>Before and After Study Guidelines for Signal Synchronization Projects</u>. Also, identified additional examples of eligible projects.</li> <li>• In the Eligible Uses Section added Regional Bikeways as a category with the requirement that they be Class I or II as defined in the State's Highway Design Manual.</li> </ul>	<p>The proposed Guidelines were reviewed, discussed approved by the Streets and Freeways Subcommittee, Local Transit Systems Subcommittee, Bus Operators Subcommittee, TDM, Air Quality Subcommittee, and the Technical Advisory Committee (TAC) with recommendations. Staff incorporated all recommendations in the Revised Guidelines except one. The TDM Subcommittee and TAC recommended adding Transportation Management Associations/Organizations meeting certain eligibility criteria as eligible applicants to compete for MTA funding.</p>	<p>As a response to the TAC comments, under the Eligible Uses section for TDM projects, staff included "TMA/TMO implemented projects sponsored by a Local Jurisdiction as an example of an eligible project. Currently, TMA/TMOs can partner with Local Jurisdictions to nominate a project in the Call for Projects and staff supports this requirement for two reasons. The Local Jurisdictions have long standing ties with the MTA and partnering at the local level will encourage closer local working relationships. Including TMA/TMOs as an eligible applicant would be a change from current practice and some organizations may not provide long term financial stability for the projects.</p>



# Attachment A

PROGRAM DESCRIPTION	PROPOSED REVISIONS	COMMITTEE ACTION/ RECOMMENDATION	STAFF RESPONSE
<b>Proposition 10% Commuter Rail and Park-n-Ride Lots</b>			
<p>To increase mobility and reduce congestion, ten percent of the revenue from the Proposition C ½ cent sales tax measure is allocated for funding commuter rail, transit facility, park-n-ride lots and freeway bus stops. Funds are programmed on a competitive basis through MTA's Call for Projects with commuter rail given funding priority</p>	<p>Broadened the "Eligible Uses of Funds" definition to accommodate jurisdictions in funding, through MTA's Call for Projects' competitive process, new rail capital, rail enhancement and rehabilitation projects. The expanded definition also makes eligible Call funding of commuter rail operating and maintenance costs.</p> <p>Consistent with Local Return Guideline conditional requirements for park-n-ride funding, language was added specifying that parking revenues generated during non-work hours must be returned to local return accounts for lot maintenance and/or improvement.</p> <p>The funding allocation ratio of 75% for commuter rail and 25% for transit facility/park-n-rides was eliminated. New language specifies that funding awards will be based on project applications' consistency with the Long Range Transit Plan and availability of Prop C funds. Throughout the Guidelines, language emphasizes that Commuter Rail should receive priority in funding.</p>	<p>Approved by all committees.</p>	<p>Committee recommendations have been included in the guideline revisions.</p>
<b>Transportation Development Act (TDA) Article 8 Guidelines</b>			
<p>In the areas outside the MTA transit service area, TDA funds are provided under Article VIII. These areas include the North Los Angeles County cities of Lancaster, Palmdale, Santa Clarita, and the unincorporated Los Angeles County, and Catalina Island, including the City of Avalon and unincorporated County. These funds are provided for unmet transit needs. If there are no unmet transit needs, as determined through a public hearing process and a finding of the MTA Board of Directors, these funds can be spent for streets and roads purposes.</p>	<p>Changes to the administration of the TDA Article 8 program have taken place incrementally since the guidelines were last adopted in 1990 through the annual distribution of updated claim forms and allocation instructions. The TDA Article 8 program has been modified to make it consistent with the TDA Article 3 and 4 programs in their treatment of interest and the timely use of funds. The guidelines contained in this package have been revised to reflect the current administration of the program, as follows:</p> <ul style="list-style-type: none"> <li>• New requirement to demonstrate project readiness and agency commitment through inclusion of city council-approved Capital Improvement Program or Budget in Claim Form.</li> <li>• MTA Board delegating authority of identifying Hearing Board &amp; SSTAC membership to CEO/designee</li> <li>• Maintenance of records three years after project completion/expenditure</li> <li>• Claim Form Amendment: Amendment required if local jurisdiction intends to spend funds for purposes other than those stated in claim form.</li> <li>• Timely use of funds: zero year-end balance, with exceptions for work that is under contract by June 30 of fiscal year.</li> <li>• Capital Reserve: purpose and process for setting up multi-year capital reserve</li> <li>• Re-numbered to stand alone rather than form one chapter of LACMTA TDA Guidelines</li> <li>• PUC references collapsed into text to save space</li> <li>• Appendices added: sample claim form, audit Guideline, and copy of Chapter 2 of State Controller's Guidelines Relating to Gas Tax Expenditures</li> </ul>	<p>Approved by MTA Technical Advisory Committee (TAC), Bus Operations Subcommittee (BOS), Local Transit Systems Subcommittee (LTSS), and Streets and Freeways Subcommittee.</p>	<p>All committee recommendations included in the guidelines.</p>

**PROPOSITION A DISCRETIONARY INCENTIVE GRANT PROGRAM  
MEMORANDUM OF UNDERSTANDING  
FOR COLLECTING AND REPORTING DATA FOR THE  
NATIONAL TRANSIT DATABASE  
FOR REPORT YEAR 2018**

This Memorandum of Understanding (MOU) is entered into as of May 1, 2020 by and between Los Angeles County Metropolitan Transportation Authority (“LACMTA”) and the \_\_\_\_\_ (the “City”).

WHEREAS, on November 14, 1980, the voters of the County of Los Angeles approved by majority vote Proposition A, an ordinance establishing a one-half percent sales tax for public transit purposes; and

WHEREAS, at its September 26, 2001 meeting, the LACMTA authorized payment of Proposition A Discretionary Incentive funds to each participating agency in an amount equal to the Federal funds generated for the region by each agency’s reported data; and

WHEREAS, at its June 20, 2019 meeting, LACMTA approved the Fiscal Year FY 2019-20 transit fund allocations, which included funds to make payments to all cities that voluntarily reported NTD data for FY 2017-18; and

WHEREAS, the City has voluntarily submitted their FY2017-18 data to the National Transit Database (NTD) and have successfully met all NTD and Federal Transit Administration (FTA) requirements in order to generate Federal 5307 funds for the Los Angeles County region; and

WHEREAS, the City has requested funds under the Proposition A Discretionary Incentive Program for collecting and reporting data for the NTD from the FY 2017-18 Report Year (the “Project”); and

WHEREAS, on February 9, 2020, the Federal Transit Administration (FTA) published in the Federal Register the FY 2019-20 Apportionments, Allocations, and Program Information including unit values for the data reported to the NTD; and

WHEREAS, the parties desire to agree on the terms and conditions for payment for the Project.

NOW, THEREFORE, LACMTA and the City hereby agree to the following terms and procedures:

**ARTICLE 1.           TERM**

1.0     This Memorandum of Understanding (“MOU”) will be in effect from **May 1, 2020**, through **June 30, 2023** at which time all unused funds shall lapse.

**ARTICLE 2. STANDARDS**

- 2.0 To receive payment for the submittal of the FY 2017-18 NTD statistics, the City warrants that it:
- A. Adhered to the Federal Guidelines for collecting and Reporting NTD statistics including all audit requirements;
  - B. Prepared and submitted the FY 2017-18 **ANNUAL NTD REPORT** of the City's fixed-route and/or demand response transit service to the LACMTA on or before **October 31, 2018**;

**ARTICLE 3. PAYMENT OF FUNDS TO CITY**

- 3.0 LACMTA shall pay the City for collecting and reporting FY 2017-18 NTD statistics. LACMTA shall pay the City for submitting the FY 2017-18 **ANNUAL NTD REPORT** for the applicable transit services as follows:

**MOTOR BUS SERVICE**

For City's motor bus services, LACMTA shall pay an amount equal to the \$174,367 revenue vehicle miles reported by the City multiplied by the FTA unit value of \$0.438026446 per revenue vehicle mile. See Attachment A for detail

**DEMAND RESPONSE TAXI SERVICE**

For City's demand response taxi service, LACMTA shall pay an amount equal to the 62,183 revenue vehicle miles reported by the City multiplied by the FTA unit value of \$0.438026446 per revenue vehicle mile. See Attachment A for detail.

- 3.1 The City shall submit one invoice to LACMTA prior to **June 30, 2023**, in the amount of **\$103,615** in order to receive its payment described above.

3.2 **INVOICE BY CITY:**

Send invoice with supporting documentation to:

Los Angeles County Metropolitan Transportation Authority  
Accounts Payable  
P. O. Box 512296  
Los Angeles, CA 90051-0296  
accountspayable@metro.net

Re: LACMTA MOU# MOUPAIXXX200000 M.S. Chelsea Meister (99-4-3)

**ARTICLE 4. CONDITIONS**

- 4.0 The City agrees to comply with all requirements specified by the FTA guidelines for reporting NTD statistics.
- 4.1 The City understands and agrees that LACMTA shall have no liability in connection with the City's use of the funds. The City shall indemnify, defend, and hold harmless LACMTA and its officers, agents, and employees from and against any and all liability and expenses including defense costs and legal fees and claims for damages of any nature whatsoever, arising out of any act or omission of the City, its officers, agents, employees, and subcontractors in performing the services under this MOU.
- 4.2 The City is not a contractor, agent or employee of LACMTA. The City shall not represent itself as a contractor, agent or employee of LACMTA and shall have no power to bind LACMTA in contract or otherwise.
- 4.3 The City agrees that expenditure of the Proposition A Discretionary Incentive funds will be used for projects that meet the eligibility, administrative, audit and lapsing requirements of the Proposition A and Proposition C Local Return guidelines most recently adopted by the LACMTA Board.
- 4.4 These expenditures will be subject to **AUDIT** as part of LACMTA's annual Consolidated Audit.

**ARTICLE 5. REMEDIES**

- 5.0 LACMTA reserves the right to terminate this MOU and withhold or recoup funds if it determines that the City has not met the requirements specified by the FTA for collecting and submitting NTD statistics through LACMTA.

**ARTICLE 6. MISCELLANEOUS**

- 6.0 This MOU constitutes the entire understanding between the parties, with respect to the subject matter herein.
- 6.1 The MOU shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties who agreed to the original MOU or the same level of authority.

**ARTICLE 7. CONTACT INFORMATION**

7.0 LACMTA's Address:  
Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
Los Angeles, CA 90012  
Attention: Susan Richan (99-4-4)

7.1 City's Address:



IN WITNESS WHEREOF, the City and LACMTA have caused this MOU to be executed by their duly authorized representatives on the date noted below:

CITY:

Los Angeles County Metropolitan  
Transportation Authority

\_\_\_\_\_  
Mayor/City Manager

By: \_\_\_\_\_  
PHILLIP A. WASHINGTON  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By: \_\_\_\_\_  
Legal Counsel

By: \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTACHMENT A  
 LACMTA Voluntary NTD Reporting Program for FY20  
 Using FY18 FTA Formula Programs Apportionment Data Values

Jurisdiction	MODE	Number of Vehicles in Operation	Total Vehicle Revenue Miles	\$ from VRM	Tier II Operator Deduction	Total (\$) Due to Jurisdiction
Alhambra	MB	9	165,419	72,457.90		72,458
Alhambra	DR	8	102,289	44,805.29		44,805
Artesia	DR (DT)	5	13,018	5,702.23		5,702
Azusa	DR	6	95,307	41,746.99		41,747
Baldwin Park	MB	6	170,315	74,602.47		74,602
Baldwin Park	DR	2	36,514	15,994.10		15,994
Bell	MB	1	33,467	14,659.43		14,659
Bell	DT	5	23,395	10,247.63		10,248
Bell	DR	3	10,366	4,540.58		4,541
Bellflower	MB	2	72,453	31,736.33		31,736
Bellflower	DR	2	28,718	12,579.24		12,579
Bell Gardens	MB	3	96,419	42,234.07		42,234
Bell Gardens	DR	3	52,500	22,996.39		22,996
Burbank	MB	14	309,680	135,648.03	(19,100)	116,548
Calabasas	MB	11	145,520	63,741.61		63,742
Calabasas	DR	1	16,517	7,234.88		7,235
Carson	MB	7	345,915	151,519.92		151,520
Carson	DT	8	94,330	41,319.03		41,319
Cerritos	MB	5	174,367	76,377.36		76,377
Cerritos	DT	10	62,183	27,237.80		27,238
Compton	MB	5	129,233	56,607.47		56,607
Compton	DR	2	21,230	9,299.30		9,299
Covina	DR	4	58,773	25,744.13		25,744
Cudahy	MB	1	34,548	15,132.94		15,133
Cudahy	DT	5	17,248	7,555.08		7,555
Downey	MB	6	115,807	50,726.53		50,727
Downey	DR	10	75,729	33,171.30		33,171
Duarte	MB	2	81,471	35,686.45		35,686
El Monte	MB	7	248,237	108,734.37		108,734
El Monte	DR	6	79,335	34,750.83		34,751
Glendora	MB	3	89,070	39,015.02		39,015
Glendora	DR	10	117,169	51,323.12		51,323
Huntington Park	MB		DID NOT REPORT FOR FY18			
Huntington Park	DT		DID NOT REPORT FOR FY18			
LACDPWAvocado	MB	1	39,169	17,157.06		17,157
LACDPWELA	MB	6	248,646	108,913.52		108,914
LACDPWELA	DR	7	78,793	34,513.42		34,513
LACDPWEast Valinda	MB	1	43,863	19,213.15		19,213
LACDPWKing Medical	MB	1	34,782	15,235.44		15,235
LACDPWWillowbrook Shuttle	MB	2	78,299	34,297.03		34,297
LACDPWWhittier	MB	4	210,244	92,092.43		92,092
LACDPWAthens	MB	1	37,312	16,343.64		16,344
LACDPWLennox	MB	1	29,651	12,987.92		12,988
LACDPWFioranceFirestone	MB	2	56,647	24,812.88		24,813
Lakewood	DR	14	81,479	35,689.96		35,690
Lawndale	MB	2	77,378	33,893.61		33,894
Lynwood	MB	4	134,510	58,918.94		58,919
Malibu	DT	9	53,514	23,440.55		23,441
ManhattanBeach	DR	4	42,535	18,631.45		18,631
Maywood	MB	2	32,140	14,078.17		14,078
Maywood	DR	2	23,820	10,433.79		10,434
MontereyPark	MB	6	224,033	98,132.38		98,132
MontereyPark	DR	3	25,428	11,138.14		11,138
Pico Rivera	DR	3	21,737	9,521.38		9,521
Rosemead	MB	2	115,949	50,788.73		50,789
Rosemead	DR	3	42,854	18,771.19		18,771
Santa Fe Springs	DR	2	13,166	5,767.06		5,767
South Gate	MB	5	176,395	77,265.67		77,266
South Gate	DT	9	185,992	81,469.41		81,469
SouthPasadena	DR	5	36,012	15,774.21		15,774
WestCovina	MB	4	164,341	71,985.70		71,986
WestCovina	DR	4	67,766	29,683.30		29,683
West Hollywood	MB	4	104,163	45,626.15		45,626
<b>Total</b>		<b>285</b>	<b>5,492,997</b>	<b>2,406,078</b>	<b>(19,100)</b>	<b>2,386,978</b>
FY20 Revenue Mile Rate			0.438025446			

**PROPOSITION A DISCRETIONARY INCENTIVE GRANT PROGRAM  
MEMORANDUM OF UNDERSTANDING  
FOR SUB-REGIONAL PARATRANSIT SERVICES**

CONTRACT NUMBER MOUPA5XXXA000

This Memorandum of Understanding is dated as of July 1, 2021, and is by and between the Los Angeles County Metropolitan Transportation Authority (“LACMTA”) and the \_\_\_\_\_ (“GRANTEE”)

WHEREAS, on November 14, 1980, the voters of the County of Los Angeles approved by majority vote Proposition A, an ordinance establishing a one-half percent sales tax for public transit purposes; and

WHEREAS, LACMTA had established the Proposition A (5% or 40%) Discretionary Incentive Program (“Program”) for eligible recipients to provide specialized transportation service in conjunction with the agencies in accordance with the requirements of the Proposition A Incentive Program Guidelines, adopted September 26, 2001, (“Guidelines”); and

WHEREAS, LACMTA defines a sub-regional paratransit program as a consolidated specialized transportation service that serves two jurisdictions or more with a minimum of 25,000 residents or any three nearby jurisdictions, or in the case of an unincorporated county area, a two jurisdiction program in which the County portion is at least one-fifth (1/5) the population of the coordinating city; and

WHEREAS, the GRANTEE recently requested funds under the Program to provide specialized transportation service in conjunction with the City of La Canada Flintridge, and the unincorporated Los Angeles County communities of Montrose and La Crescenta; and

WHEREAS, at its May 23, 2002 meeting, LACMTA authorized the GRANTEE to receive funds under the Program; and

WHEREAS, LACMTA has approved the following goals for implementation of the Program:

1. Coordinate and improve services provided by cities, operators, and social service agencies to achieve more efficient and cost effective systems;
2. Improve the mobility of persons for whom regular fixed route transportation is either inadequate or inappropriate;
3. Encourage the use of local transit funds for projects of regional significance and benefit, such as the provision of Americans with Disabilities Act (ADA) complementary paratransit;
4. Provide more cost efficient locally funded sub-regional paratransit systems as an alternative to the more costly Access Services Incorporated (ASI);

NOW, THEREFORE, LACMTA and GRANTEE hereby agree to the following terms and procedures for the grant of the Proposition A Discretionary Incentive Grant funds ("Program Funds"):

**ARTICLE 1            TERM**

1.0     This Memorandum of Understanding ("MOU") will be in effect from July 1, 2021, through June 30, 2021, unless terminated earlier as provided herein.

**ARTICLE 2.           SERVICE STANDARDS**

2.0     The GRANTEE shall use the Program Funds to provide that certain specialized transportation services, known as the Paratransit Program as specified in the scope of work attached as Attachment A (the "Project") to eligible paratransit users as a coordinated transportation program with the agencies specified herein and in accordance with the Guidelines.

2.1     GRANTEE shall document coordination activities with existing transit services and with participating local governments. This documentation shall consist of executed agreements, joint resolutions, and/or approved implementation plans. Within 90 days from the date the LACMTA board approves initial funding marks for the Project, GRANTEE shall provide such documentation to LACMTA prior to receiving any Program Funds for the applicable fiscal year (FY).

2.2     In order to be eligible for the Program Funds, GRANTEE shall:

- A.     Operate as a consolidated Sub-Regional Paratransit Program;
- B.     Use all Program Funds to increase the number and mobility of the passengers carried. Incentive funds may not be used to reduce a city's or Los Angeles County's contribution of Proposition A and/or C Local Return or other funding sources;
- C.     Coordinate proposed services, including executing appropriate transfer agreements with adjacent systems, social services agencies, and the regional operators; and,
- D.     Where applicable, coordinate American With Disabilities Act (ADA) trips to assure cost-effective service provision.

**ARTICLE 3. ESTABLISHMENT OF ANNUAL FUNDMARK**

- 3.0 Each fiscal year, to the extent the Program Funds are available, LACMTA staff will develop funding marks for the Sub-Regional Paratransit Program to be funded for the applicable fiscal year. The GRANTEE’s share of the Program Funds for the Sub-Regional Paratransit Program will be detailed in the annual Transit Fund Allocations (the “Annual Fundmark”) to the extent the Sub-Regional Paratransit Program is funded that fiscal year. GRANTEE shall have the opportunity to review and comment on the Annual Fundmark prior to LACMTA staff submitting the Annual Fundmark to the LACMTA Board for approval. LACMTA Board approval will be required prior to fund disbursement.
- 3.1 For each fiscal year covered by this MOU, LACMTA will allocate GRANTEE’s share of the Program Funds pursuant to the Annual Fundmark for that fiscal year as approved by the LACMTA Board. LACMTA staff will apply performance standards as described below to determine the grant amount. In no event will this performance standard based grant amount exceed 25% of net operating costs for the applicable fiscal year, unless otherwise approved by the LACMTA Board of Directors.
- 3.2 The performance standards as described in Section 3.3 will be applied to data reported to the National Transit Database (NTD) from a prior fiscal year as determined by the LACMTA Board of Directors in the Annual Fundmark to calculate the GRANTEE’s share of the Program funds. For example, the LACMTA Board of Directors may determine that GRANTEE’s performance for FY 22 shall determine the amount of Program funding GRANTEE received in FY 24.
- 3.3 Establishment of the GRANTEE’s share of the Program Funds will be based upon their attainment of the following performance standards:

Standards met as specified in Exhibit A to the Guidelines	Amount of net operating costs (up to grant amount)*	
Submittal of timely and accurate NTD report for the project	15% (base funding)	
Meet one performance standard	+4%	19% total
Meet two performance standards	+7%	22% total
Meet three performance standards	+10%	25% total

\*Net operating costs shall be calculated as provided in the Guidelines.

- 3.4 LACMTA will make the final payment for each fiscal year after eligible data is reported to NTD.
- 3.5 LACMTA reserves the right on an annual basis to move Project from one modal category to another based upon average trip length and/or changes to customer eligibility requirements.
- 3.6 Any additional funds that are allocated to the GRANTEE per LACMTA Board Approval, including but not limited to CARES, CRRSSA, ARPA, are not part of the Program Funds



described above and therefore are not subject to the 25% cap of operating costs and other program rules.

#### **ARTICLE 4. INVOICES**

- 4.0 Requests for reimbursement to GRANTEE shall be made by the GRANTEE submitting invoices quarterly or annually. LACMTA shall pay 25% of the reasonable and allowable costs actually incurred by GRANTEE, not to exceed the Annual Fundmark, in providing the specialized transportation services described herein, unless otherwise approved by the LACMTA Board of Directors.
- 4.1 Net operating costs shall be calculated as provided in the Guidelines. If LACMTA overpaid Program Funds to GRANTEE, LACMTA may withhold future payments due to GRANTEE to offset Program Funds.

#### **ARTICLE 5. REPORTING OF NATIONAL TRANSIT DATABASE (NTD)**

- 5.0 To receive payment detailed in Article 4 GRANTEE must submit their ANNUAL NTD REPORT and adhere to the Federal Guidelines for collecting and reporting NTD statistics including all audit requirements.
- 5.1 GRANTEE shall submit annual NTD data for the prior fiscal year to LACMTA by August 31 of each year, unless GRANTEE intends to report NTD directly to the FTA. If reporting NTD to FTA directly, GRANTEE is requested to provide LACMTA with a copy of the NTD report, and verification that FTA accepted the report.

#### **ARTICLE 6. CONDITIONS**

- 6.0 GRANTEE agrees to comply with the applicable sections of the Guidelines, all applicable local, State and Federal laws, rules and regulations in the provision of public specialized transportation services.
- 6.1 LACMTA or their representative may perform field visits at various times throughout the term of this MOU to determine compliance with Federal, State, and Program requirements.
- 6.2 GRANTEE understands and agrees that in programming the Program Funds and entering into this MOU, LACMTA is acting pursuant to its statutory authority and shall have no liability in connection with GRANTEE's use of the Program Funds. GRANTEE shall indemnify, defend, and hold harmless LACMTA and its officers, agents, and employees from and against any and all liability and expenses including defense costs and legal fees and claims for damages of any nature whatsoever, arising out of the Project, including, without limitation: i) the performance of the GRANTEE, its officers, agents, employees, and subcontractors in providing the public specialized transportation services paid for by the

Program Funds including, without limitation, i) any costs or liability on account of bodily injury, death, or personal injury of any person or for damage to or loss of use of property; ii) GRANTEE's use or misuse of the Program Funds; and/or iii) a breach of this MOU.

- 6.3 GRANTEE is not a contractor, agent or employee of LACMTA. GRANTEE shall not represent itself as a contractor agent or employee of LACMTA and shall have no power to bind LACMTA in contract or otherwise.
- 6.4 GRANTEE is required to meet the maintenance of effort requirements as specified in the Guidelines. GRANTEE's failure to meet such requirements may reduce the Program Funds GRANTEE receives hereunder.
- 6.5 GRANTEE shall document coordination activities with existing transit services and with participating local governments. This documentation shall consist of executed agreements, joint resolutions, and/or approved implementation plans.

**ARTICLE 7. PENTALTIES**

- 7.0 In the event the GRANTEE materially defaults in any of its obligations hereunder, including, without limitation, failure to meet the requirements identified in the Guidelines, LACMTA may declare a default by written notice to the GRANTEE. The notice shall specify the basis for the default. LACMTA reserves the right to withhold funds and to terminate this MOU unless such default is cured before the effective date stated in such notice which shall be not sooner than ten (10) days after the date of the notice. The GRANTEE shall return the Program Funds to the extent costs or expenses are disallowed or misused as determined by LACMTA audit.

IN WITNESS WHEREOF, the GRANTEE and LACMTA have caused this MOU to be executed by their duly authorized representatives on the date noted below:

GRANTEE:  
City of Glendale

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_  
City Manager

By: \_\_\_\_\_  
STEPHANIE N. WIGGINS  
*Chief Executive Officer*

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:  
RODRIGO A. CATRO-SILVA  
County Counsel

By: \_\_\_\_\_

By: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

Prop. C  
Index

ORDINANCE NUMBER 49

1980. 11. 2 30

AN ORDINANCE ESTABLISHING AN ADDITIONAL  
RETAIL TRANSACTION AND USE TAX IN THE COUNTY  
OF LOS ANGELES FOR PUBLIC TRANSIT PURPOSES

13578

The Los Angeles County Transportation Commission ordains  
as follows:

A Retail Transactions and Use Tax is hereby imposed in  
the County of Los Angeles as follows:

SECTION 1. IMPOSITION OF RETAIL TRANSACTIONS TAX. There is hereby  
imposed a tax for the privilege of selling tangible personal  
property at retail upon every retailer in the County at a rate of  
one-half of one percent of the gross receipts of the retailer from  
the sale of all tangible personal property sold at retail in the  
County. This tax is in addition to the tax authorized by Ordinance  
No. 16, on August 20, 1980.

SECTION 2. IMPOSITION OF USE TAX. There is hereby imposed a  
complementary tax upon the storage, use or other consumption in the  
County of tangible personal property purchased from any retailer  
for storage, use or other consumption in the County. Such tax  
shall be at a rate of one-half of 1% of the sales price of the  
property whose storage, use or other consumption is subject to the  
tax. This tax is in addition to the tax authorized by Ordinance  
No. 16, on August 20, 1980.

SECTION 3. DEFINITIONS: The following words, whenever used in this Ordinance, shall have the meanings as set forth below:

- (a) "Commission" means the Los Angeles County Transportation Commission or any successor entity.
- (b) "County" means the incorporated and unincorporated territory of the County of Los Angeles.
- (c) "Transaction" or "Transactions" have the same meaning, respectively, as the words "Sale" or "Sales"; and the word "Transactor" has the same meaning as "Seller", as "Sale" or "Sales" and "Seller" are used in Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.
- (d) "Public Transit Purposes" are expenditures which maintain, improve and expand public transit, reduce congestion, and increase mobility, and include, but are not limited to, the following:
  - 1. Transit and paratransit activities, including rail, bus and advanced technologies
  - 2. Fare Subsidies
  - 3. Commuter Rail
  - 4. Transit Centers
  - 5. Park-and-Ride Lots
  - 6. Public Information Services Technology and Systems
  - 7. Freeway Bus Stations and Facilities



8. Rail and Bus Safety and Security
9. Maintenance of and Improvements to Streets and Highways used as public transit thoroughfares, including, but not limited to, the following:
  - coordination and synchronization of signalization
  - provisions for prompt service to assist motorists with disabled automobiles or trucks
  - construction of high occupancy vehicle (HOV) lanes
  - other activities which reduce congestion and improve air quality by providing transportation improvements to freeways, and state highways used as public transit thoroughfares, including construction of transit ways including bus ways, carpool lanes, and operational and interchange improvements.
10. Transportation Systems Management and Transportation Demand Management

SECTION 4. USE OF REVENUES RECEIVED FROM IMPOSITION OF THE TRANSACTIONS AND USE TAX. The revenues received by the Commission from the imposition of the transactions and use tax shall be used for public transit purposes, as follows:

(a) Purpose of Tax.

To improve transit service and operations, reduce traffic congestion, improve air quality, efficiently operate and improve the condition of the streets and freeways utilized by public transit, and reduce foreign fuel dependence. The purposes of this tax include (1) meeting operating expenses; purchasing or leasing supplies, equipment or materials; meeting financial reserve requirements; obtaining funds for capital projects necessary to maintain service within existing service areas; (2) increasing funds for the existing public transit service programs; (3) instituting or increasing passenger or commuter services on rail or highway rights of way (4) the continued development of a regional transportation improvement program.

(b) Use of Revenues.

A Los Angeles County Anti-Gridlock Transit Improvement Fund will be created to supplement current transportation funds and help meet the documented shortfall in funds needed to complete the Los Angeles County transportation system.

- Forty percent of the revenue from the 1/2 cent sales and use tax will be used to improve and expand rail and bus transit County-wide, to provide fare subsidies, increase graffiti prevention and removal, and increase energy-efficient, low-polluting public transit service. Funds from this revenue source will not be used for capital

)  
improvements for the Metro Rail Project between Union Station and Hollywood.

- Five percent of the revenue from the 1/2 cent sales and use tax will be used to improve and expand rail and bus security.
- Ten percent of the revenue from the 1/2 cent sales and use tax will be used to increase mobility and reduce congestion by providing additional funds for Commuter Rail and the construction of Transit Centers, Park-and-Ride Lots, and Freeway Bus Stops.
- Twenty percent of the revenue from the 1/2 cent sales and use tax will be a Local Return Program to be used by cities and the County for public transit, paratransit, and related services including to improve and expand supplemental paratransit services to meet the requirements of the Federal Americans With Disabilities Act. At the option of each city and the County funds can be used consistent with the County's Congestion Management Program to increase safety and improve road conditions by repairing and maintaining streets heavily used by public transit.

)  
Transportation system and demand management programs are also eligible.

Funds for the Local Return Program will be allocated to the cities and the County on a per capita basis. Local Return funds not expended within three years will be returned to the Commission for reallocation. Local Return funds may not be traded or sold to other jurisdictions.

- Twenty-five percent of the revenue from the 1/2 cents sales and use tax will be used to provide essential County-wide transit-related improvements to freeways and State highways. To facilitate transit flow, the operation of major streets and freeways will be improved by providing preference and priority for transit. Traffic signals may be synchronized, and coordinated and "Smart Street" corridors may be created on those corridors served by public transit. Transportation Systems Management techniques which assist transit service may also be funded. Transportation improvements on freeways and State highways may include transitways and other improvements to facilitate and expedite flow of transit and rideshare vehicles, and carpools.

- The non-Local Return Funds will be allocated in formula and discretionary programs basis to be developed and approved by the LACTC within six months of voter approval of this Ordinance. In no event shall administrative costs exceed one and one-half (1 1/2%) percent of the funds generated by the tax.

SECTION 5. APPLICATION OF SALES AND USE TAX PROVISIONS OF REVENUE AND TAXATION CODE. The provisions contained in Part 1 of Division 2 of the Revenue and Taxation Code (Sales and Use Taxes, commencing with Section 6001), insofar as they relate to sales or use taxes and are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code (Transactions and Use Taxes), commencing with Section 7251), and all amendments thereto shall apply and be part of this Ordinance, being incorporated by reference herein, except that:

- (a) The Commission, as the taxing agency, shall be substituted for that of the State;
- (b) An additional transactor's permit shall not be required if a seller's permit has been or is issued to the transactor under Section 6067 of the Revenue and Taxation Code; and
- (c) The word "County" shall be substituted for the word "State" in the phrase, "Retailer engaged in



business in this State" in Section 6203 of the Revenue and Taxation Code and in the definition of that phrase.

A retailer engaged in business in the County shall not be required to collect use tax from the purchase of tangible personal property unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property; including, but not limited to soliciting or receiving the order, either directly or indirectly, at a place of the retailer in the County or through any representative, agent, canvasser, solicitor, or subsidiary or person in the County under authority of the retailer.

SECTION 6. ADOPTION OF REVENUE AND TAXATION CODE SECTIONS 7261 and 7262. Pursuant to the provision of Revenue and Taxation Code Section 7262.2, the required provisions of Sections 7261 and 7262 of that Code as now in effect or as later amended are adopted by reference in this Ordinance.

SECTION 7. PLACE OF CONSUMMATION OF RETAIL TRANSACTION. For the purpose of a retail transaction tax imposed by this Ordinance, all retail transactions are consummated at the place of business of the retailer, unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-State destination or to a common carrier for delivery to an out-of-State destination. The

) gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State, or has more than one place of business, the place or places at which the retail sales are consummated for the purpose of the transactions tax imposed by this Ordinance shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

SECTION 8. APPROPRIATIONS LIMIT. A Commission appropriations limit is hereby established equal to the revenues collected and allocated during the 1990/91 fiscal year plus an amount equal to one and a half times the taxes that would be levied or allocated on a one-half of one percent transaction and use tax in the first full fiscal year following enactment and implementation of this Ordinance.

SECTION 9. DIVISION OF TAXES. This Ordinance imposes a one half of one percent transactions and use tax. Another measure imposing a one half percent transactions and use tax entitled the Local Communities Safety Act - Los Angeles County Regional Justice Facilities Financing Agency is scheduled to be submitted to the electorate in the same election as this Ordinance. If both measures are approved by the electorate, the limits of Revenue and Taxation Code Section 7251.1 would be exceeded. In the event that

) both measures are approved by a majority of the electors voting on the measures and both measures are otherwise valid, the transactions and use tax is to be divided equally with one fourth percent going to the Los Angeles County Transportation Commission for the purposes set forth in this Ordinance and one fourth percent going to the Los Angeles County Regional Justice Facilities Financing Agency for the purposes set forth in its Ordinance provided that legislation is enacted to authorize such a division. However, if at some future time the statutory limit on sales tax is increased, then the full one half of one percent transactions and use tax shall be restored to each agency.

SECTION 10. ADOPTION AND ENACTMENT OF ORDINANCE. This Ordinance is hereby adopted by the Commission and shall be enacted upon authorization of the electors voting in favor thereof at the special election called for November 6, 1990, to vote on the measure.

SECTION 11. EFFECTIVE AND OPERATIVE DATES. This ordinance shall take effect on the day it is adopted by the Los Angeles County Transportation Commission and pursuant to Public Utilities Code Section 130352 shall be operative on the first day of the first calendar quarter commencing not less than 180 days after adoption of the ordinance.

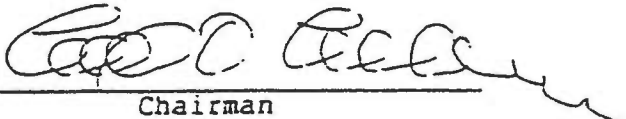
PASSED AND ADOPTED by the Los Angeles County  
Transportation Commission this 8th day of August, 1990, by the  
following vote:

AYES: EDELMAN, BRADLEY, GRABINSKI, ALATORRE, REED, BACHARACH,  
TOLBERT

NOES: SCHABARUM, DANA, ANTONOVICH

ABSENT: HAHN

The Los Angeles County  
Transportation Commission

By   
Chairman

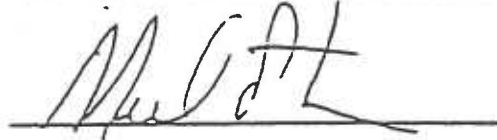
ATTEST:

Executive Director  
of the Los Angeles County  
Transportation Commission

  
\_\_\_\_\_

I hereby certify that at its meeting of August 8, 1990, the foregoing Ordinance was adopted by the Los Angeles County Transportation Commission.

Executive Director  
of the Los Angeles County  
Transportation Commission

  
\_\_\_\_\_

APPROVED AS TO FORM

DE WITT W. CLINTON  
County Counsel

By

  
\_\_\_\_\_ Deputy



RESOLUTION CALLING SPECIAL ELECTION  
PROPOSING AN ADDITIONAL RETAIL TRANSACTIONS  
AND USE TAX FOR PUBLIC TRANSIT PURPOSES TO  
BE SUBMITTED TO THE VOTERS OF THE COUNTY AT  
THE SPECIAL ELECTION AND REQUESTING THE  
CONSOLIDATION OF THE SPECIAL ELECTION WITH  
THE NOVEMBER GENERAL ELECTION

BE IT RESOLVED by the Los Angeles County Transportation Commission, that a special election is hereby ordered and called to be held on Tuesday, November 5, 1990, and that the following Proposition be submitted to the electors of the County of Los Angeles at the special election.

BE IT FURTHER RESOLVED that the Los Angeles County Transportation Commission requests that the Board of Supervisors of the County of Los Angeles, State of California, consolidate the special election with the November General Election and place the Proposition upon the same ballot as shall be provided for the General Election to be held on the 6th day of November 1990, and, that the same precincts, polling places, and precinct board members as used for the General Election shall be used for the Special Election pursuant to Elections Code Sections 23300 et seq.

BALLOT PROPOSITION. The exact form of the Proposition as it is to appear on the ballot and a complete text of the proposed ordinance is as follows:

<p>LOS ANGELES COUNTY TRANSPORTATION COMMISSION          1990 FAST-TRACK ANTI-GRIDLOCK TRANSIT          IMPROVEMENT PROPOSITION:</p> <p>To fund improved frequency, speed, and          reliability of rail and bus service, additional          transit security, graffiti removal, and clean-air          transit vehicles, shall a 1/2 percent Countywide          sales tax increase and an appropriations          limit be established?</p>	<p>YES</p>
	<p>NO</p>

ORDINANCE. The attached Ordinance, Exhibit A, is incorporated herein by reference.

PROCLAMATION. Pursuant to Section 2653 of the Elections Code the Los Angeles County Transportation Commission hereby PROCLAIMS that a special County-wide election shall be held on Tuesday, November 6, 1990, to vote upon the Proposition set forth in this resolution. The polls shall be open for said election from 7:00 a.m. to 8:00 p.m. The Registrar-Recorder shall cause this proclamation to be published in a daily newspaper of general circulation, printed, published, and circulated in Los Angeles County, for at least one (1) time not

later than fifty (50) days before the 6th day of November, 1990, pursuant to Elections Code Section 2554.

FILING RESOLUTION: The Executive Director of the Los Angeles County Transportation Commission is ordered to file a copy of this resolution with the Clerk of the Board of Supervisors, the County Clerk and the Registrar-Recorder at least eighty-eight (88) days prior to the date of the election.

ANALYSIS OF ORDINANCE. The County Counsel of the County of Los Angeles is hereby requested to prepare an analysis of said ordinance pursuant to Section 3781 of the Elections Code.

CEQA EXEMPTION: The California Environmental Quality Act does not apply to this tax proposal, according to Public Resources Code Section 21080(b)(3) and (11) through (14), and Title 14, California Code of Regulations, Sections 15273, 15275 and 15276.

This tax is proposed for the purpose of (1) meeting operating expenses; purchasing or leasing supplies, equipment or materials; meeting financial reserve requirements; obtaining funds for capital projects necessary to maintain service within existing service areas; (2) increasing funds for the existing public transit service programs; (3) instituting or increasing passenger or commuter services on rail or highway rights of way already in use and/or (4) the continued development of a regional transportation improvement program.

The Commission hereby finds that the purpose of this tax includes supplementing existing tax revenues to meet a demonstrated shortfall due to decreasing federal funding and increasing transportation costs needed to complete the Los Angeles County Transportation System as set forth in the Regional Transportation Improvement Program and as described in the Ordinance both of which are incorporated herein by reference, including funding to meet operating expenses, purchase or lease of equipment or materials, meet financial reserve needs and requirements and to obtain funds for capital projects necessary to maintain service within existing service areas and to assist in meeting stricter air quality standards and accessibility requirements.

The Executive Director of the Los Angeles County Transportation Commission is directed to promptly file a Notice of Exemption under the California Environmental Quality Act.

ELECTION/REGISTRAR-RECORDER: Commission staff is instructed to cooperate with the Registrar-Recorder and to perform or cause to be performed such functions preliminary to the conduct of such special election as may be agreed upon with the Registrar-Recorder.

Pursuant to Public Utilities Code Section 130351, the cost incurred by the County in conducting the special election will be reimbursed.

The Board of Supervisors is hereby authorized to canvass the returns of said special election requested herein to be consolidated.

DIVISION OF TAXES: The attached Ordinance, Exhibit A, imposes a one half of one percent transactions and use tax. Another measure imposing a one-half percent transactions and use tax entitled the Local Communities Safety Act - Los Angeles County Regional Justice Facilities Financing Agency is scheduled to be submitted to the electorate in the same election as this Ordinance. If both measures are approved by the electorate, the limits of Revenue and Taxation Code Section 7251.1 would be exceeded. In the event that both measures are approved by a majority of the electors voting on the measures and both measures are otherwise valid, the transactions and use tax is to be divided equally with one fourth percent going to the Los Angeles County Transportation Commission for the purposes set forth in the attached Ordinance and one fourth percent going to the Los Angeles County Regional Justice Facilities Financing Agency for the purposes set forth in its Ordinance provided that legislation is enacted to authorize such a division. However, if at some future time the statutory limit on sales taxes is increased than the full one-half of one percent transactions and use tax shall be restored to each agency.



I certify that the foregoing Resolution was adopted by a majority vote of all members of the Los Angeles County Transportation Commission, at its meeting held on the 8 th day of August, 1990.



NEIL PETERSON  
Executive Director  
Los Angeles County  
Transportation Commission

B:2:LACTC3.nwp



) SECTION 3. DEFINITIONS: The following words, whenever used in this Ordinance, shall have the meanings as set forth below:

- (a) "Commission" means the Los Angeles County Transportation Commission or any successor entity.
- (b) "County" means the incorporated and unincorporated territory of the County of Los Angeles.
- (c) "Transaction" or "Transactions" have the same meaning, respectively, as the words "Sale" or "Sales"; and the word "Transactor" has the same meaning as "Seller", as "Sale" or "Sales" and "Seller" are used in Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.
- (d) "Public Transit Purposes" are expenditures which maintain, improve and expand public transit, reduce congestion, and increase mobility, and include, but are not limited to, the following:
  - 1. Transit and paratransit activities, including rail, bus and advanced technologies
  - 2. Fare Subsidies
  - 3. Commuter Rail
  - 4. Transit Centers
  - 5. Park-and-Ride Lots
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  - 7. Freeway Bus Stations and Facilities

8. Rail and Bus Safety and Security
9. Maintenance of and Improvements to Streets and Highways used as public transit thoroughfares, including, but not limited to, the following:
  - coordination and synchronization of signalization
  - provisions for prompt service to assist motorists with disabled automobiles or trucks
  - construction of high occupancy vehicle (HOV) lanes
  - other activities which reduce congestion and improve air quality by providing transportation improvements to freeways, and state highways used as public transit thoroughfares, including construction of transit ways including bus ways, carpool lanes, and operational and interchange improvements.
10. Transportation Systems Management and Transportation Demand Management

SECTION 4. USE OF REVENUES RECEIVED FROM IMPOSITION OF THE TRANSACTIONS AND USE TAX. The revenues received by the Commission from the imposition of the transactions and use tax shall be used for public transit purposes, as follows:

(a) Purpose of Tax.

To improve transit service and operations, reduce traffic congestion, improve air quality, efficiently operate and improve the condition of the streets and freeways utilized by public transit, and reduce foreign fuel dependence. The purposes of this tax include (1) meeting operating expenses; purchasing or leasing supplies, equipment or materials; meeting financial reserve requirements; obtaining funds for capital projects necessary to maintain service within existing service areas; (2) increasing funds for the existing public transit service programs; (3) instituting or increasing passenger or commuter services on rail or highway rights of way (4) the continued development of a regional transportation improvement program.

(b) Use of Revenues.

A Los Angeles County Anti-Gridlock Transit Improvement Fund will be created to supplement current transportation funds and help meet the documented shortfall in funds needed to complete the Los Angeles County transportation system.

- Forty percent of the revenue from the 1/2 cent sales and use tax will be used to improve and expand rail and bus transit County-wide, to provide fare subsidies, increase graffiti prevention and removal, and increase energy-efficient, low-polluting public transit service. Funds from this revenue source will not be used for capital







- )
- The non-Local Return Funds will be allocated in formula and discretionary programs basis to be developed and approved by the LACTC within six months of voter approval of this Ordinance. In no event shall administrative costs exceed one and one-half (1 1/2) percent of the funds generated by the tax.

SECTION 5. APPLICATION OF SALES AND USE TAX PROVISIONS OF REVENUE AND TAXATION CODE. The provisions contained in Part 1 of Division 2 of the Revenue and Taxation Code (Sales and Use Taxes, commencing with Section 6001), insofar as they relate to sales or use taxes and are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code (Transactions and Use Taxes), commencing with Section 7251), and all amendments thereto shall apply and be part of this Ordinance, being incorporated by reference herein, except that:

- (a) The Commission, as the taxing agency, shall be substituted for that of the State;
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- (c) The word "County" shall be substituted for the word "State" in the phrase, "Retailer engaged in

business in this State" in Section 6203 of the Revenue and Taxation Code and in the definition of that phrase.

A retailer engaged in business in the County shall not be required to collect use tax from the purchase of tangible personal property unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property; including, but not limited to soliciting or receiving the order, either directly or indirectly, at a place of the retailer in the County or through any representative, agent, canvasser, solicitor, or subsidiary or person in the County under authority of the retailer.

SECTION 6. ADOPTION OF REVENUE AND TAXATION CODE SECTIONS 7261 and 7262. Pursuant to the provision of Revenue and Taxation Code Section 7262.2, the required provisions of Sections 7261 and 7262 of that Code as now in effect or as later amended are adopted by reference in this Ordinance.

SECTION 7. PLACE OF CONSUMMATION OF RETAIL TRANSACTION. For the purpose of a retail transaction tax imposed by this Ordinance, all retail transactions are consummated at the place of business of the retailer, unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-State destination or to a common carrier for delivery to an out-of-State destination. The

gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State, or has more than one place of business, the place or places at which the retail sales are consummated for the purpose of the transactions tax imposed by this Ordinance shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

SECTION 8. APPROPRIATIONS LIMIT. A Commission appropriations limit is hereby established equal to the revenues collected and allocated during the 1990/91 fiscal year plus an amount equal to one and a half times the taxes that would be levied or allocated on a one-half of one percent transaction and use tax in the first full fiscal year following enactment and implementation of this Ordinance.

SECTION 9. DIVISION OF TAXES. This Ordinance imposes a one half of one percent transactions and use tax. Another measure imposing a one half percent transactions and use tax entitled the Local Communities Safety Act - Los Angeles County Regional Justice Facilities Financing Agency is scheduled to be submitted to the electorate in the same election as this Ordinance. If both measures are approved by the electorate, the limits of Revenue and Taxation Code Section 7251.1 would be exceeded. In the event that



both measures are approved by a majority of the electors voting on the measures and both measures are otherwise valid, the transactions and use tax is to be divided equally with one fourth percent going to the Los Angeles County Transportation Commission for the purposes set forth in this Ordinance and one fourth percent going to the Los Angeles County Regional Justice Facilities Financing Agency for the purposes set forth in its Ordinance provided that legislation is enacted to authorize such a division. However, if at some future time the statutory limit on sales tax is increased, then the full one half of one percent transactions and use tax shall be restored to each agency.

SECTION 10. ADOPTION AND ENACTMENT OF ORDINANCE. This Ordinance is hereby adopted by the Commission and shall be enacted upon authorization of the electors voting in favor thereof at the special election called for November 6, 1990, to vote on the measure.

SECTION 11. EFFECTIVE AND OPERATIVE DATES. This ordinance shall take effect on the day it is adopted by the Los Angeles County Transportation Commission and pursuant to Public Utilities Code Section 130352 shall be operative on the first day of the first calendar quarter commencing not less than 180 days after adoption of the ordinance.

PASSED AND ADOPTED by the Los Angeles County  
Transportation Commission this 8th day of August, 1990, by the  
following vote:

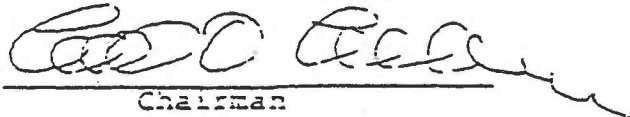
AYES: EDELMAN, BRADLEY, GRABINSKI, ALATORRE, REED, BACARACE,  
TOLBERT

NOES: SCHABAROV, DANA, ANTONOVICH

ABSENT: SAEN

The Los Angeles County  
Transportation Commission

By

  
Chairman



LOS ANGELES COUNTY TRANSPORTATION COMMISSION

PROPOSITION C 40% DISCRETIONARY POLICY GUIDELINES:

- \* RAIL SYSTEM CAPACITY EXPANSION
- \* MANDATED PROGRAMS
- \* SERVICE QUALITY AND CUSTOMER CONVENIENCE

(Adopted May 27, 1992)

Candidates for Discretionary funding fall into four major eligibility groups: (1) Bus System Expansion projects, (2) Guideway System Expansion projects, (3) Service Quality and Customer Convenience projects and (4) Mandated Program Projects. Since this portion of Proposition C is totally discretionary, the Commission can distribute these funds as it deems appropriate; with the exception that no Discretionary funds can be spent on the construction of Metro Red Line MOS-1 and MOS-2.

**I. Discretionary funding goals common to all eligibility groups**

- Strengthen and improve the regional transportation system.
- Promote an integrated, coordinated transportation network throughout Los Angeles County, as represented by the goals and objective set forth by the Commission.
- Implement and/or improve service in a cost efficient manner (i.e. a proposed project's success in achieving the eligibility group's goals).
- Encourage the maximizing and leveraging of federal, state and local funding sources.
- Maximize use of Proposition C funds by applying the Discretionary funds to projects that have exhausted all other reasonable funding opportunities. Proposition C Discretionary funds are designated "funds of last resort".

**II. Discretionary funding goals specific to each eligibility group**

**A. Bus System Expansion projects.**

- Expand bus system capacity by adding more service to existing bus service (including general public paratransit).

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994.740

- Expand bus system capacity by providing service to an area (or patronage) not previously served by existing bus service.
  - Expand bus system capacity by reconfiguring service to an area.
- B. Rail System Capacity Expansion projects.
- Expand rail system by adding more service to existing guideways.
  - Expand rail system by providing new service to an area not previously served by existing guideways.
- C. Service Quality and Customer Convenience projects.
- Improve transit service quality and increase customer convenience and comfort (i.e., improve service reliability and speed).
  - Enhance access to transit and promote easy interface with other transportation modes including driving, walking, bicycling, and ridesharing.
  - Improve the cleanliness and appearance of transit vehicles, stations, stops and facilities.
- D. Mandated Program projects
- Enable the region to achieve compliance with the Americans with Disabilities Act (ADA) and the South Coast Air Quality Management Plan (AQMP).
  - Enable transit operators to achieve compliance with the ADA and the AQMP.

### **III. Project Eligibility**

#### **Eligible Projects: Criteria common to all eligibility groups**

- A candidate project should advance most or all of the Discretionary funding goals common to all eligibility groups, as well as the funding goals of the eligibility group into which the project falls.

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**May 18, 1992**  
**Page 3**

- Leverage of non-Proposition C funds in any Discretionary Program funding request will be favorably evaluated.
    1. In those cases where projects are co-proposed under another Proposition C component, a local match may be required where appropriate. If a rail expansion project, for example, originally requesting funds under the Proposition C Commuter Rail and Transit Center Component requests additional Discretionary Program funding, a 25% local match could be required to receive Discretionary Program funding.
    2. Good faith efforts to provide local contributions are required. High local contributions are stressed and will be appropriately considered in project evaluation. Local contribution includes the TDA and TPM definitions, including auxiliary income.
  - The applicant must provide documentation and certification that all available funding sources have been committed and are unavailable for the project(s) requested. Funds committed for capital reserves and, in certain cases, prudent operating reserves can be included.
  - Financial capacity certification for all projects, as per Federal Transit Administration definitions and standards. Applicants must demonstrate current and future financial capacity to sustain all new operating costs. All capital projects are subject to the TIP review and approval process.
- A. Eligible Bus System Capacity Expansion Projects**  
Policy guidelines adopted April 24, 1991; see attached guidelines.



**B. Eligible Rail System Capacity Expansion Projects**

- Priority will be given to funding all existing guideway operating (defined as Base Service) cost shortfalls not covered by previously dedicated sales tax revenues; and capital funding shortfalls prior to funding any service expansion or new guideway extension.
  1. Base or existing guideway service, will be defined as the level of annual service miles and hours determined by the Commission and the contracted guideway operator every two fiscal years. As guideway extensions are added, base service will be redefined under the terms set forth in each subsequent Rail Operating Agreement.
  2. For commuter (or heavy) rail, all Proposition C 10% Commuter Rail funds must be exhausted before any commuter rail projects can be eligible for Discretionary funding.
- All rail operating and capital costs, except construction costs for Metro Red Line MOS-1 and MOS-2, (base, extension and expansion) are eligible for Proposition C Discretionary funds.
  1. Rail Extensions involve major capital expansion (e.g., additional track miles.)
    - a. The Rail Construction Corporation and the Southern California Regional Rail Authority are the only agencies eligible to apply for rail extension funding.
    - b. Operators may apply for other types of alternative guideway extensions (e.g., electric trolley bus routes).
  2. Rail Expansion projects involve service enhancements along an existing-length guideway (e.g., headway reduction, service hour extension, and station modifications.)
  3. All demonstrated relevant expansion or extension operating costs are eligible for funding. These include: direct labor, propulsion power and overhead costs.

4. Eligible Rail (or Guideway) Extension capital costs include:
  - a. Right-of-way acquisition
  - b. All EIR efforts and preliminary engineering
  - c. Construction
  - d. Rolling stock
  
5. Eligible Rail Service Expansion capital costs include additional marginal capital costs such as:
  - a. Station modifications
  - b. New stations
  - c. Signalization improvements at grade crossings
  - d. Facility modifications/expansion
  - e. Grade separations
  - f. Other capital expenses required to support increased service
  - g. Vehicle rehabilitation and replacement of expansion vehicles are eligible after all other funding sources are exhausted.

- For all Rail Extensions, and Rail Expansion projects that are specifically aimed at increasing systemwide patronage, priority will be given to projects that demonstrate how:

1. Operating cost efficiencies and farebox recovery will improve from the base level of service over the life of the project (and/or demonstration period).
2. The service will have a lower local operating subsidy (from Proposition C funds only) than base rail service. Targets for local operating subsidy per linked rider will be established on a case-by-case basis.

**C. Eligible Service Quality and Customer Convenience Projects**

- All capital and operating expenditures to improve and augment existing services are eligible. These include, but are not limited to:
  - a. Service reliability projects
  - b. Signal pre-emption and other transit flow

- projects
- c. Crowd and pass-up reduction projects
- d. Farebox equipment
- e. Passenger counters
- f. Bicycle parking and interface/access projects (including costs for lockers, racks, permit administration, marketing, station area circulation improvements and maintenance)
- g. Transit station and park-&-ride lot improvements
- h. Transit stop improvements
- i. Graffiti prevention and removal projects

**D. Eligible Mandated Program Projects**

A Mandated Program is established by Commission action. Two such Mandated Programs exist today: ADA and Air Quality. Further Commission action can add further programs.

- To be eligible, a project must be related to the added extraordinary marginal cost of complying with either the ADA or the AQMP:
  1. Extraordinary marginal capital costs associated with ADA compliance. Extraordinary cost items are defined as those that increase the price of equipment or facilities by more than 20%. These cost include:
    - a. operators' capital and operations modifications to meet service, maintenance and administrative requirements which go beyond the current levels of accessible service delivery expectations;
    - b. mandated provision of complementary paratransit services which mirror the fixed route system for those individuals who cannot use that system;
    - c. provision of social service transportation beyond the current levels of social service delivery expectations

- 1) The Consolidated Transit Services Agency (CTSA) was established under Government Code 159f50 et seq to coordinate social service transportation in Los Angeles County. Non-fixed route paratransit providers in Los Angeles County are not required to participate in the CTSA Paratransit Plan. However, by not participating, the operator may forego the opportunity to receive additional Commission operating assistance with complying with the ADA.
2. AQMP compliance costs associated with:
- a. The marginal capital and operating cost (over a standard revenue or non-revenue vehicle) of an alternatively powered vehicle.
    - 1) The alternatively powered vehicle may either be new or retrofitted.
    - 2) Marginal operating costs include the cost differential in providing alternative fuel technology.
  - b. The marginal capital and operating costs associated with facility modifications that accommodate alternative fuels or power sources and alternatively powered fleet operations.
    - 1) Under some circumstances Electric Trolley Bus (ETB) operations, including the purchase and deployment of catenary, can be considered eligible (e.g., when the ETB operation essentially replaces a standard bus line operation).
  - c. The capital and operating costs that any public transit agency incurs in complying with AQMP requirements for employers.
- Following the mandate of the ADA, priority will be given to ADA applications for mainstream operations; paratransit is to provide a supplement, serving those who cannot be mainstreamed. Where applicable, funds for ADA projects are a supplement to Local Return funds for the



purposes of complying with the ADA and providing supplemental paratransit services.

**IV. Funding procedures**

- Once a project for new or expanded service is approved, the Commission will commit to the level of funding provided for the specific project for the agreed demonstration period (one to three years.) Applicants must submit annual reports on project status prior to funding authorization for the next demonstration year. Each status report will be evaluated against the original project application. Any material deviations from the original project proposal and any substantial deviation from stated project objectives will be evaluated on an individual project basis. Based on the project annual performance review, the Commission can suspend or cancel any future demonstration funding (capital and operating.)
- Normally, operating and capital funds are provided as costs are incurred. However, funding can also be advanced under special circumstances. Project implementation is required within six months of the agreed schedule start-up date. If project start-up exceeds six months, the Commission can suspend, cancel or decrease project funding.
- Should the Commission decide to continue operating funding for the project beyond the demonstration period, funds will be provided annually, adjusted for inflation. Capital funds supporting these ongoing services are eligible projects for funding.
  1. Automatic growth adjustments beyond the demonstration period are subject to the same growth restrictions as those imposed on Proposition A Discretionary fund adjustments allocated to included municipal operators.
  2. Continued funding for Bus System Expansion projects will be pooled with other funds in the Proposition C Base service.
  3. Continued funding for Rail System Capacity Expansion projects will be incorporated into the Proposition C base service; permanent funding and new base service levels will be reflected in the subsequent two-year Rail Operating Agreement.

4. Where applicable, continued funding for Service Quality and Customer Convenience projects can be pooled with the base Proposition C service for either bus or rail.
5. Mandated projects shall be funded for marginal costs of extraordinary capital items on a one time per project basis. Funding may be provided for a single project over a multi-year period if the LACTC determines that such an arrangement is in the interests of countywide mobility.

V. Project Submittal and Approval Process

- Applications: Depending on the applicant, new or revised project applications will be submitted annually and approved or disapproved by the Commission policy board. Application forms, procedures and schedules will be distributed annually. Applications should contain the following information:
  - A. Details showing how the candidate project will advance the Discretionary funding goals listed in Section I of these guidelines as well as the funding goals of the eligibility group into which the project falls as listed in Section II.
  - B. Details showing how the candidate project will meet the applicable eligibility criteria listed in Section III for the eligibility group into which the project falls.
  - C. Certification that Proposition C Discretionary funds applied for under this category are supplemental to federal, State and existing local funding and revenue sources. Documentation and certification that all available funding sources have been committed and are unavailable for the project(s) requested. Applications should show additional funding sources including estimated farebox recovery - if there are any.
  - D. When applicable, for demonstration projects by bus and rail operators certification that Proposition A and Proposition C base service will be maintained by existing funding sources. Except when specified by the project itself, project funds will not subsidize existing services. For mandated projects



by paratransit operators, analogous Maintenance of Effort certification that current service levels funded from Proposition A local return funds will be maintained.

- E. Full detail on capital and operating costs and revenue.
- F. An implementation schedule.
- G. Adequate information to support Commission funding analysis, but should not be an excessive administrative burden. Applications should be clear and concise. Application forms will request service statistics and other project parameters. In most cases will not require any operating statistics from fixed-route operators beyond that normally required for TPM and Section 15 submittal.
- H. Service delivery data such as:
  - \* Linked and unlinked passengers
  - \* Service hours and miles
  - \* Headways
- I. A statement indicating that the submittal represents the agency's best estimates and that backup data is available should it be required.
- J. Project conformance documentation with all appropriate local, state and federal rules and regulations.
- K. Financial capacity certification for all projects according to Federal Transit Administration definitions and standards. Applicants must demonstrate current and future financial capacity to sustain all new operating costs.
- L. The final application must be approved by the applicant's governing board; however, a preliminary application may be submitted if it is signed by the Chief Executive Officer or General Manager. If the Board of Directors has transferred the authority for funding requests and service adjustments within the parameters of the proposal, the Chief Executive Officer's signature alone will suffice.

V. Reporting and Auditing Requirements

- All claimants will be subject to an annual audit and must comply with UMTA Section 15 reporting requirements.
- The operator must submit a project evaluation and financial review four months prior to the end of each funded year. Any proposed or foreseen changes to project scope, cost and schedule must be included in the evaluation.
  - A. The Commission will annually review and evaluate each demonstration project based on the agreed project performance criteria. The Commission will determine if the project should continue to receive demonstration funding and/or permanent funding.
  - B. Claimants receiving Proposition C base service funding (i.e., permanent Proposition C funding) must annually submit Transit Performance Measurement (TPM) reporting forms, and annual warranties will be required, as described in the Proposition A 40% Discretionary Guidelines.

LOS ANGELES COUNTY TRANSPORTATION COMMISSION  
PROPOSITION C 40% DISCRETIONARY GUIDELINES

BUS SYSTEM CAPACITY EXPANSION COMPONENT

Adopted April 24, 1991

This document presents the Proposition C 40% Guidelines for the Bus System Capacity Expansion component only. Other eligible programs contained in the Interim Guidelines will be addressed at a later date.

**I. Statement of Funding Intent**

- A. These funds are intended to accomplish several primary objectives:
- o Implement service that is cost effective (i.e., delivers high mobility per marginal subsidy dollar expended).
  - o Encourage and reward improvements to cost effectiveness of the base transit system.
  - o Strengthen and improve the regional transportation system.
- B. The Proposition C Discretionary funds are to be the "funds of last resort." They are available only after all other funding opportunities have been exhausted.

**II. Project Eligibility**

**A. Eligible Projects**

1. **Bus Operating.** Projects eligible for funding under this component include new service and service expansion (e.g., headway reduction) projects which demonstrate regional system enhancement. Existing services not included within the Proposition A base service (e.g., projects funded with Proposition A 5% Incentive funds, Transit Service Expansion funds or other temporary funds) are also eligible when temporary funds are no longer available for that service. These services will be treated as a priority. Base service is ineligible for funding under this program.
2. **Bus Capital.** Projects eligible for funding under this component include expenses related to system expansion (e.g., new or expanded service). The highest priority are additional vehicles to meet service expansion noted above. Capital vehicle investments needed to operate base service are not eligible for this funding source. Vehicle

rehabilitation, new purchases and replacement of expansion vehicles are eligible after all other existing and potential funding sources are exhausted. On an exception basis, the Commission may approve a project as eligible if using local funds is demonstrated to be more cost-effective than the use of alternative funding sources.

The first one to three years of funding for expansion bus service is considered experimental. As a result, the LACTC should not commit to buying buses with 100% Proposition C discretionary funds for service that may not be ultimately successful. The following options are allowable for lease, rehabilitation and/or procurement of revenue vehicles:

- a. Applicant purchases revenue vehicles using local return funds or other local funding sources. Under this option, the applicant procures the vehicles and retains ownership. The local funds used to purchase revenue vehicles can be used to satisfy the local contribution requirement which is equal to 5% of the net operating budget or 25% Proposition A and C Local Return, whichever is less.
- b. Applicant may lease vehicles over the demonstration period, or have a contract operator provide vehicles over the demonstration period. The lease cost is an eligible expense.
- c. As a last resort, the Commission may allow Proposition C Discretionary funds to be used in procuring or rehabilitating vehicles with a useful life exceeding the demonstration period. Application review must consider this risk, placing a lower priority on such requests than other demonstration projects. Should the experimental service not receive an ongoing funding commitment from the LACTC, the applicant must pay back into the Proposition C fund the prorated share of remaining vehicle useful life.
- d. Applicant may calculate net present value of lease over the project demonstration period as an eligible cost, and use this funding along with other local funds to purchase a vehicle. In this case, the vehicle remains in local ownership after the demonstration period, whether or not the service receives ongoing



funding.

While other capital procurements may be deemed eligible, claimants are not encouraged to submit applications for projects unrelated to new or expanded service. Such applications are subject to determination of eligibility at the discretion of the Commission.

**B. Minimum Criteria for Project Eligibility**

1. Certification that all existing fund sources have been committed and are unavailable for the expansion services requested.
2. Demonstrate how 38% farebox recovery (plus local contributions) can be achieved by the end of the demonstration period.
3. Certification of full participation in the integrated countywide transportation system.
4. New service proposed should require less than the countywide weighted average local subsidy per linked rider (local subsidy = Proposition A and C subsidy, excluding Local Return funds) after the demonstration period. The countywide weighted average will be calculated using the included operators, LADOT, the County and Foothill Transit. Other applicants may be included over time. LACTC may exclude some service types (e.g., feeder service) from this requirement in the interest of improving network integration.
5. Good faith efforts to provide local contribution is required for all project proposals. The amount desired is the systemwide average local fund contribution as a percent of net operating costs in FY 91, local contribution requirement which is equal to 5% net operating budget, or 25% of Proposition C Local Return funds, whichever is less, in addition to Proposition A Discretionary MOE. Local contributions higher than desired, and improved cost-effectiveness will be considered in the project evaluation. Local contribution includes the TDA and TPM definitions, including auxiliary income.
6. Financial capacity certification for all projects, as per the UMTA requirements and process. (Applicants must demonstrate current and future



financial capacity to continue operating the new/expanded service). All capital projects are subject to the TIP review and approval process.

### C. Funding Procedures

Once a project for new or expanded service is approved, the LACTC will commit to the level of funding provided for the specific project for a demonstration period of between one and three years. Applicants must submit interim reports on results annually, prior to funding authorizations for each year of the demonstration. In the event that service and/or passenger results significantly deviate from the proposal submitted, operating funds may be terminated at the end of any fiscal year prior to demonstration period completion. Capital funds must be repaid to the Commission, based on a prorated share of useful life remaining.

Operating funding begins when costs are incurred relative to service. Capital funds begin once expenses are incurred. If an approved project is not implemented on schedule, the Commission may prorate funding for the project based on the actual start-up date. If not implemented within six months of the scheduled start-up date on the application, the Commission reserves the right to cancel the funding agreement. The project demonstration period, and total funding, will remain intact if the project is implemented within six months of proposed start-up.

Should the Commission decide to continue funding for the service expansion/new service project beyond the demonstration period, operating funds will be provided for the service annually, growing at the rate of inflation to the extent that growth in Proposition C funds is at least equal to the rate of inflation. Applicants funded under this approach will be required to provide the warranties and other commitments for the service consistent with all Proposition A Discretionary Guidelines for the base service level. Capital funds supporting these ongoing services are eligible projects for funding.

### III. Project Submittal and Approval Process

- A. Applications. New or revised project applications will be submitted annually and approved or disapproved by the Commission policy board. Application forms, procedures and schedules will be distributed annually. Applications must reflect a specific service improvement, including

route and level of service.

B. Approval Criteria. Approval shall be given to expanded and new services meeting LACTC-adopted criteria. Criteria include:

1. Marginal linked riders per marginal subsidy dollar (i.e., cost effectiveness of the service proposed);
2. System integration improvements (e.g., feeder service, system connectivity, express service using HOV facility investments);
3. Congestion relief (e.g., bus overcrowding, congested corridors service expansion);
4. Service redeployment efforts which measurably improve the cost effectiveness of the base system funded under Proposition A (i.e., improved cost effectiveness of existing subsidy dollars);
5. Leveraging and attracting new funding into the region (e.g., new public or private funding sources);
6. Geographic coverage (e.g., completeness of the regional transportation system);
7. Regional significance of the proposed service; and
8. The amount of local contribution (as defined in TDA and TPM guidelines) committed to the proposed expansion project is a criteria for evaluation.

New and expanded service project proposals will compete with one another based on performance against the above noted criteria. The 14 operators receiving Proposition A Discretionary funding for their "base" system are required to certify that the base will be maintained with existing funding sources.

Applicants must demonstrate that Proposition C Discretionary funds applied for under this category are supplemental to federal, State and existing local funding and revenue sources.

Service expansion project applications must include adequate information to support Commission funding analysis, but should not be an excessive administrative burden. Applications should be clear and concise. Operators must provide backup information if so requested by the LACTC.

C. Bus Operating. Applications must include the following information regarding a specific new or expanded transit bus service:

1. Definition of the route, headways by time of day, service hours and miles, and total estimated operating cost. Applications need not specify stop locations or specific schedule (i.e., arrival and departure time by stop). The LACTC service dispute process will continue to apply. Analysis of potential service duplication in the corridor proposed is to be included.
2. Projected new linked passengers to be carried by the proposed project. New linked passengers are determined by reducing estimates of total boardings by estimates of transfer boardings. Transfer boardings should be estimated by dividing the number of boardings using transfers by the population of those passengers who would require transfers to continue a trip (i.e., transfer boardings/(cash + tickets + transfer boardings)). If passes are available to riders, these boardings should be excluded from the calculation above (pass users do not need a transfer to continue a trip). The resulting transfer rate should be applied to all boardings (i.e., assumes pass users transfer in the same proportion as non-pass users).

Transfer rates may be developed on a systemwide or type of service basis, depending on the operator's data availability. Systemwide or type of service transfer rates may be adjusted based on operator expectations if reasons for differences are explained and justified.

In the case of projects intended to reduce overcrowding on existing transit services, the existing boardings above the LACTC-adopted countywide standard for overcrowding funding eligibility can be counted as new or marginal riders attracted by the service expansion. The conversion to linked passengers must apply to this group of boardings as well.

3. Estimated farebox recovery and other funding sources which will pay for the proposed project. Application must demonstrate that a minimum of 38% of the estimated operating cost can be recovered from new passenger fares and other local funding (farebox recovery requirement) for all new and expansion services by no later than the end of the



demonstration period.

4. A worksheet calculating the minimum local contribution requirement (maintenance of effort), and an indication of the actual amount of local contribution committed to the service expansion project. (See Attachment A).
5. Summary of internal resource redeployment plans, if any, to help fund the proposed service expansion project requested (i.e., redeploying existing resources from high cost and/or low productivity services to more cost-effective services), including the amount of resources redeployed available to support this project (i.e., hours, cost), and the expected net result in linked ridership (adjusted for loss in less productive services).
6. Summary of external redeployment plans, if any, to improve cost effectiveness and free up resources to help fund the service expansion request. External redeployment may include contracting for services with the private or public sector at a lower cost, and/or higher passenger productivity than internal results, and/or transferring responsibilities for specific services among operators. The amount of service redeployed, the net cost impact of the redeployment, and the expected linked ridership and funding impact of the effort are required in this summary.
7. Final net Proposition C funding required for the service expansion request, net change in linked passengers expected to result from both the redeployment and the new or expanded service, and a calculation of net linked passenger trips per additional Proposition C dollar requested is required.
8. A statement indicating that the submittal represents the agency's best estimates and that backup data is available should it be required.
9. The final application must be approved by the applicant's governing board; however, a preliminary application may be submitted if it is signed by the Chief Executive Officer or General Manager. If the Board of Directors has transferred the authority for funding requests and service adjustments within the parameters of the proposal, the Chief Executive Officer's signature alone will suffice.

- D. Bus Capital. All capital project applications are subject to the TIP review process and require UMTA financial capacity certification. In addition, applicants must certify that buses requested are not required for operation of base service funded from Proposition A resources. The capital request must be paired with an operating cost request, if funding for both is necessary.

Additional information required within the application includes:

1. Steps 1 through 4 of the operating component above are required. In Step 1, the number of vehicles required to provide the proposed service must be specified.
2. A listing of vehicles proposed for use in the project by type (e.g., articulated, 40 foot coach) and source (e.g., buses redeployed from other services, current active spares, energy contingency fleet, net additional vehicles required). The Fleet Inventory table from the Short Range Transit Plan (S RTP) guidelines may be used for this submittal.
3. A proposed approach and cost for gaining net additional vehicles required. As noted under Section II, new vehicle procurements are discouraged for demonstration projects. Options to be explored include delaying retirement of existing vehicles, leasing vehicles from other operators, leasing vehicles from the private sector, rehabilitating vehicles, and procuring new vehicles. Applicants should provide evidence of financial cost effectiveness for the option(s) selected.
4. Estimated revenues by source to fund the capital request is required. The Proposition C Discretionary funds needed to supplement all existing revenue sources is to be specified.
5. Steps 7, 8 and 9 of the operating fund request are required here as well. In the event that both capital and operating funds are requested, Step 7 calculations should include both capital and operating costs.

#### IV. Reporting and Auditing Requirements

All claimants will be subject to an annual audit and must



comply with federal UMTA Section 15 reporting requirements. In addition, claimants must annually submit Transit Performance Measurement (TPM) reporting forms, and annual warranties will be required, as described in the Proposition A 40% Discretionary Guidelines (Attachment B). All reporting will be on a route-by-route basis.

The operator must submit a service evaluation and financial review of the service four months prior to the end of the demonstration period. The review will compare actual results to the initial application, and must include passenger count results (linked and unlinked). Any changes to requests in funding for the future must be included in the evaluation. The LACTC will verify the results submitted and conduct its own evaluation of the project, including consideration of the project criteria and competing project results. The LACTC will determine whether or not funding should continue based on audit results. Note that funding may differ from that provided during the demonstration period based on service evaluation results.

PROPOSITION C DISCRETIONARY PROGRAM  
ADMINISTRATIVE GUIDELINES

I. INTRODUCTION

On November 6, 1990, the voters of Los Angeles County approved Proposition C, a measure which increases the sales tax in the county by one-half percent. More than \$400 million in annual revenues will be used to expand and improve rail transit, bus transit, and paratransit services in the county. In addition, streets and highways heavily used by transit will receive operational improvements and better maintenance.

Proposition C stated that 40% of the funds raised through the half-percent increase--approximately \$160 million--would be set aside in a Discretionary account. LACTC staff will program the funds, subject to Commission approval, to projects needed to complete the integrated, countywide transit network. As approved by the Commission in the Proposition C General Principles, the Discretionary account consists of four components: Bus System Capacity Expansion, Rail System Capacity Expansion, Service Quality and Customer Convenience, and Mandated Programs.

II. PROPOSITION C PROGRAM GOALS

Proposition C Discretionary funding should:

1. Focus on the mobility needs of Los Angeles County, as set forth in the 30 Year Integrated Transportation Plan;
2. Direct resources to transit needs that do not otherwise receive funding from Proposition C accounts;
3. Encourage and reward cost-effective improvements to expanded service, customer convenience, safety and that improve air quality;
4. Encourage the maximizing and leveraging of federal, state and local funding sources;
5. Be applied as the funds of "last resort".

As the 30 Year Integrated Transportation Plan changes over time, projects completed and new unmet needs identified, LACTC priorities will change and the focus of Proposition C Discretionary funding will shift accordingly. Thus, at the Commission's direction the criteria set forth in both the Administrative and Policy Guidelines may change over time.

### III. PROPOSITION C DISCRETIONARY PROGRAM FUNDING ELEMENTS

Applications for Proposition C Discretionary funding will be accepted for projects falling within the following components:

1. Bus System Capacity Expansion - For operating and capital projects that improve and expand bus service in the County;
2. Rail System Capacity Expansion - For rail capital and rail service expansion projects that demonstrate regional rail system enhancement;
3. Service Quality and Customer Convenience - For projects designed to increase customer comfort and improve convenience in using a multitmodal system;
4. Mandated Programs - For those capital and operating projects that are needed to achieve compliance with the Americans with Disabilities Act and the South Coast Air Quality Management Plan.

### IV. GENERAL ELIGIBILITY APPLICATION REQUIREMENTS

To be eligible, all applicants must submit two completed copies of the application package, prepared in accordance with these guidelines, to the LACTC by April 1, prior to the fiscal year in which the funding is first requested. Any required documentation submitted after the deadline may not be given full consideration, jeopardizing final approval of the application.

Following staff review, applications, along with staff analyses and recommendations, will be forwarded to the appropriate Commission advisory committee for further review and approval. Committees will then forward applications to the full Commission for action. Full Commission action will be made in May of each year, and applicants will be notified of the Commission's final decision within fourteen (14) days of final action. Where feasible, this should provide the applicant with enough time to implement the project by July 1.

#### A. Eligible Applicants

##### 1. Bus System Capacity Expansion

- \* LACTC
- \* Public Transit Operators

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- \* Los Angeles County and Local Municipalities
- \* Private, non-profit operators

2. Rail System Capacity Expansion

- \* LACTC
- \* Public Transit Operators
- \* Los Angeles County and Local Municipalities
- \* Private, non-profit operators

3. Service Quality and Customer Convenience

- \* LACTC
- \* Public Transit Operators
- \* Caltrans
- \* California Highway Patrol
- \* Los Angeles County and Local Municipalities
- \* Commuter Transportation Services
- \* Transportation Management Associations/Ridesharing Agencies

4. Mandated Programs

- \* LACTC
- \* Public Transit Operators
- \* Private, non-profit operators
- \* Caltrans
- \* Los Angeles County and Local Municipalities

B. Eligible Projects and Uses

Applicants should refer to the appropriate Policy Guidelines prior to consulting the Administrative Guidelines and submitting an application. The Policy Guidelines contain a detailed account of funding categories and more precise definitions of eligible capital and operating costs under Proposition C.



Discretionary funding.

While Proposition C Discretionary funds are intended as "funds of last resort", LACTC also recognizes the need for operators to retain prudent operating and capital fund contingencies.

On an individual case basis, the Commission will work with the applicant in determining a practical definition of "available non-Prop C funds" as well as reasonable operating and capital fund contingency levels.

1. BUS SERVICE CAPACITY EXPANSION

- a. Operating - New service or service expansion, such as headway reduction, that is not included in the Proposition A Base Service levels is eligible upon demonstration of regional system enhancement. In addition, applicant must show that temporary funding is not available for the service.
- b. Capital - Funding will be programmed for vehicle purchases made necessary by new or expanded service (vehicle rehabilitation, in special cases) and maintenance if all other potential funding sources are exhausted. Vehicle purchases made simply to maintain base level service are not eligible for service.

2. RAIL SYSTEM CAPACITY EXPANSION

a. Base Rail Service Expansion

i. Operating

- \* All operating costs associated with expanded service: extended service hours and/or headway reductions are eligible.

All facets of existing light rail base service and service expansions will be presented in



the Rail Operating Agreement. This biennial operating agreement between the Commission and the RTD will (much like the current agreement expiring July 1992) outline an agreed level of service frequency and expansion over the term of the contract.

ii. Capital - Eligible projects include:

- \* Station modifications;
- \* New stations;
- \* Signalization improvements at grade crossings;
- \* Facility modifications/expansion;
- \* Grade separations.

b. Rail Extensions

i. Operating - Eligible projects include:

- \* Rail maintenance;
- \* Other operating expenses associated with rail extensions.

ii. Capital - Eligible projects include:

- \* Right of way acquisition;
- \* All EIR efforts and preliminary engineering;
- \* Construction;
- \* Rolling stock.

3. SERVICE QUALITY AND CUSTOMER CONVENIENCE

Eligible projects for Discretionary funding include:

- a. Technological improvements such as:
  - \* Farebox equipment;
  - \* Passenger counters;
  - \* Security equipment.
- b. Capital and operating improvements, such as:
  - \* Bikeway construction and bicycle accommodations;
  - \* Transit stations and park-and-ride lots;
  - \* Graffiti prevention and removal;
  - \* Customer information services;
  - \* Security projects also eligible under Proposition C Rail and Bus Security.

4. MANDATED PROGRAMS

Eligible projects include:

- a. Extraordinary marginal capital and operating costs associated with implementing the Americans with Disabilities Act;
- b. Funding for LACTC's Consolidated Transit Services Agency (CTSA), including the annual paratransit and accessible service plans;
- c. Extraordinary marginal capital costs for retrofitting of alternatively powered transit vehicles;
- d. Extraordinary marginal capital and operating costs associated with facility modifications that accommodate alternative fuels and power sources.

All applications will be evaluated on a case-by-case basis. Because resources are finite, staff will select projects for funding based not solely on their individual merits, but by their performance in comparative analysis

with similar projects, including their abilities to meet the stated goals and priorities set forth in the 30 Year Plan.

**C. ELIGIBILITY CRITERIA**

1. The appropriate Discretionary Program Policy Guideline contains a summary of the eligibility criteria that will be used in evaluating applications. Applicants may apply for funding from more than one Discretionary component without filling out more than one form. An applicant need only state on the line provided on the General Information Worksheet the proposed funding component.
2. LACTC staff will determine which component is tapped for funding, based on availability of funds and applicant's previous funding allocations. The various components overlap substantially on some points, and staff may choose to fund a project through funding from two or more components.

**D. DURATION OF PROPOSITION C DISCRETIONARY PROJECTS**

A significant number of projects applying for Discretionary funding will initially be limited to a demonstration period. At the end of that period, staff will reevaluate the project in light of its original scope. If concluded as successful, the Commission can act to permanently fund the increased service. No demonstration period will last less than one year or more than three years; Base Rail Service Expansion projects will have a maximum demonstration period of two years, after which they will be evaluated for inclusion in base service levels. Rail Extension projects will have no demonstration period.

LACTC staff will evaluate each project annually, comparing project performance with its originally stated scope and objectives, its integration into the 30 Year Plan, and available funding. The Commission reserves the right to cancel funding for any project that fails to demonstrate significant progress toward its stated goals.

**E. GOVERNING BODY AUTHORIZATION**

The submitted application for Proposition C Discretionary must also include authorization and/or approval of the proposed project from the applicant's governing body. Such authorization must be submitted no later than June 1 to ensure full and complete Commission consideration of the application.

**F. FUNDING DISBURSEMENT**

Disbursement of monies will be handled one of two ways: front-end financing or on a cost reimbursement basis. LACTC prefers to provide funds as costs are incurred, though at staff's discretion, funds can be provided at the outset of a project. Front-end financing will primarily occur when an applicant demonstrates severely restricted cash flows that prohibit the applicant from undertaking start-up costs.

In addition, staff may recommend front-end financing in an effort to establish a ceiling on costs for a particular project. Recipients will be expected to employ a competitive bidding process for procurement of goods and services in an effort to further cost containment.

Funds will normally be distributed on a quarterly basis to cover expenses incurred in the previous fiscal quarter. For large capital projects, funding may be provided on a more frequent basis upon demonstration of necessity.

**G. AUDITING AND REPORTING OF PROJECT EXPENSES**

Where appropriate, funding recipients will report on a quarterly basis those costs incurred during the preceding fiscal quarter. Upon receipt and review of the expense report, the Commission will provide funds to cover the enumerated costs.

If front-end financing is utilized, monies will be distributed at the commencement of the project. In such cases, recipients must still report quarterly to the Commission. The report should include a comparison of budgeted and actual costs.

Quarterly reports will be due on the last days of October, January, April, and July. Failure to submit the



required report with the required information may result in a cessation of funding until the report is provided and reviewed by Commission staff.

Projects will be audited on an annual basis by Commission staff to determine progress toward the achievement of both project and Commission goals and objectives. The LACTC audit team will submit recommendations to the proper Advisory Committee on subsequent funding for audited projects.

#### H. EVALUATION CRITERIA

Each Discretionary Program Policy Guideline contains a summary of eligibility criteria that LACTC staff will consider in the evaluation process. Listed below are brief descriptions of how these criteria will be applied:

1. Regional Significance - Applicants must demonstrate the proposed project's consistency with the 30 Year Plan and how the project will further the completion of the regional transportation system. In addition, applicants must explain why the proposed project fulfills a need currently unmet by current transit programs.
2. Local funding commitment - The Policy Guidelines explicitly state that the intent is to fund shortfalls; discretionary funds should be "funds of last resort". Operators are expected to demonstrate good faith efforts (to the extent that is reasonable and practical) in pooling and leveraging outside funds, and priority will be accorded those who seek to maximize the use of other funding sources.

For rail extensions, the 30 Year Plan contains a Local Funding Requirement policy which outlines a desired local match for applicants who wish to have a rail extension built through their jurisdiction.

3. Operating cost-efficiencies and improvements - Operating cost will be monitored against audited Transit Performance Measurement (TPM) forms annually. As stated in the Bus and Rail System Expansion Policy Guidelines: the LACTC will discourage funding applications that do not clearly demonstrate how operating cost efficiencies and



farebox recovery will improve over the life of the project or demonstration period. For bus service expansion, a farebox recovery ratio of 38% is required. Farebox recovery and other operating efficiency goals for rail expansions and extensions will be outlined in the Rail Operating Agreement.

4. Subsidy levels - LACTC staff will calculate the subsidy per vehicle service hour. Subsidies include funding from other Proposition C components, Prop A Discretionary grants, Prop A Incentive Funds and exchanges for other Proposition A funds. Those applicants who fall below the average countywide subsidy average will be favorably evaluated. In addition, marginal linked riders per marginal subsidy dollar will indicate the cost-effectiveness of the service proposed. Applicants must present methodology and assumptions used in arriving at marginal ridership figures.
5. Customer convenience - Applicant must explain how the proposed project improves customer convenience and security, when applicable. For example, a proposal for additional security personnel should cite surveys showing constituent concern about safety, above-average incident rates on certain lines, or a combination of the two.
6. Mandated Program criteria - Different criteria will apply to projects complying with the SCAQMP and those with the ADA:
  - a. SCAQMP-mandated projects must quantify the expected benefits to air quality and the cost-effectiveness of the capital investment.
  - b. An ADA-mandated project must present an implementation schedule, project capital costs, explain the benefits to be derived, and show that it will not duplicate existing federal law.

#### I. APPLICATION INSTRUCTIONS

The following instructions should provide guidance to applicants wishing to complete the attached application for Proposition C Discretionary funding.

Proposition C Discretionary Program  
Administrative Guidelines  
November 6, 1991  
Page 11

A detailed definition of terms, titled Application Guide, used in each application Section is attached.

Applicants should review the appropriate policy guidelines prior to completing the application. In addition, applicants should do the following:

- \* Carefully estimate project budget so that the funding requests reflects the amount needed to implement the project. Inflated budget estimates or inaccurate requests could endanger a project's funding.
- \* Complete each section of the application as indicated in the instructions.

Applicants need only complete one application for all Discretionary funding categories. LACTC staff may choose to reassign projects to other Proposition C funding categories or other Discretionary components in an effort to ensure both competitiveness among projects and provide the broadest availability of funding.

APPLICATION GUIDE  
SECTION III BUDGET WORKSHEETS

**PART A. OPERATING EXPENSES**

Costs under this category represent the marginal operating costs associated with the proposed project. Expense categories 1-4 are consistent with UMTA expense definitions, and as required in Section 15 reports. All transit providers receiving federal funds should be familiar with these expense object class definitions since they are required to submit Section 15 data each year. State all projected estimates, operating and capital, in 1993 dollars.

1. **Labor/Fringe Benefits:** All direct labor, including fringe benefits, associated with the proposed project. Including full time equivalent employees (FTE's) is optional, but encouraged. For those projects that involve the shifting of labor resources, like bus redeployment, applicant should provide marginal labor cost savings associated with the project on Line 5. In such a case, applicant should provide worksheet containing pertinent data, assumptions and calculations.
2. **Services:** All marginal service costs associated with the proposed project.
3. **Materials and Supplies:** All marginal material/supplies costs associated with the proposed project.
4. **Miscellaneous/Other:** All other marginal costs associated with the proposed project.
5. **Less: Cost Savings from Project:** All associated marginal operating cost savings in categories 1-4 realized from implementing the proposed project.
6. **TOTAL ADJUSTED OPERATING EXPENSES:** Total lines 1-4 and minus line 5. Represents total project marginal operating costs net of any cost savings.

**PART B. CAPITAL EXPENSES**

7. **Vehicle (s):** Total cost of buses or light rail vehicles required for the proposed project. For buses, identify number and use: peak vehicles, internal/external redeployment, expansion on attached document. Provide breakdown of costs exceeding the standard vehicle cost (e.g., special handicapped modifications and pollution control equipment).
8. **Equipment:** Total cost of equipment required for proposed project. Provide supporting itemization for equipment request exceeding \$250,000.

9. **Facilities:** Cost of new facilities or facility modifications. Provide supporting cost methodology and assumptions.
10. **Land Acquisition:** Cost of land and right of way associated with the project. Provide supporting documentation on location, size and appraisal.
11. **Right of Way Improvements:** Total cost of ROW improvements associated with proposed project. Provide supporting documentation on location, size and improvements.
12. **Other:** All other capital costs.
13. **TOTAL PROJECT CAPITAL EXPENSES:** Total lines 7-12. Attach all supporting documentation on assumptions, methodology etc.
14. **TOTAL PROJECT COST:** Add lines 6 and 13.

**PART C: OPERATING REVENUE**

15. **Federal:** All expected federal operating assistance.
16. **State (a-c):** All expected state operating assistance, by funding category: TDA, STA and other.
17. **Local (a-c):** All expected local operating revenue, EXCLUDING PROPOSED PROP C DISCRETIONARY ASSISTANCE, associated with the project.
18. **TOTAL PROJECT OPERATING REVENUE:** Add lines 15-17. Represents all expected local and external operating assistance absent of Prop C Discretionary assistance.

**PART D: CAPITAL REVENUE**

19. **Federal:** All expected federal capital funding assistance.
20. **State (a-c):** All expected state capital funding assistance, by funding category: TDA, STA and other.
21. **Local (a-c):** All expected local capital revenue contribution, EXCLUDING PROPOSED PROP C DISCRETIONARY ASSISTANCE, associated with the project.

22. **TOTAL PROJECT CAPITAL REVENUE** : Add lines 19-21. Represents all expected local and external capital assistance absent of Prop C Discretionary assistance.
23. **TOTAL PROJECT REVENUE**: Add lines 18 and 22.
24. **TOTAL PROJECT FUNDING SHORTFALL**: Subtract line 14 from line 23. This amount represents the total proposed Prop C Discretionary funding application. Enter this amount on line 6 of Section I: Project Information.

**PART E. CUSTOMER SERVICE DATA**

25. **Total Vehicle Miles**: Total scheduled vehicle miles, including deadhead miles, net of vehicle mile changes through redeployment. For example, if a proposed project for bus system expansion involved discontinuing a certain route and redeploying the miles on a different route, list the total vehicle miles on the new route less the miles from the discontinued route. For further discussion on vehicle miles definition, and all other definitions of terms used in part E., refer to the LACTC Transit Performance Measurement reporting forms.
26. **Total Service Miles**: Total scheduled vehicle miles, less deadhead miles, net of service vehicle mile changes through redeployment.
27. **Total Vehicle Hours**: Total scheduled vehicle hours, including deadhead hours, net of vehicle hour changes through redeployment.
28. **Total Service Hours**: Total scheduled vehicle hours, less deadhead hours, net of vehicle service changes through redeployment.
29. **Unlinked Passengers**: Total estimated unlinked passengers, or boardings, expected from the project. The estimates must incorporate the passenger impacts of any redeployment.
30. **Linked Passengers**: Total estimate unlinked passengers, less transfers, expected from the project. The estimates must reflect the passenger impacts of any redeployment.



**MEMORANDUM OF UNDERSTANDING TO ALLOCATE PROPOSITION C 40% DISCRETIONARY FUNDS**

This Memorandum of Understanding ("MOU") is entered into as of July 1, 2022, by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and \_\_\_\_\_ ("GRANTEE").

WHEREAS, on November 6, 1990, the voters of the County of Los Angeles approved by majority Proposition C, an ordinance establishing a one-half percent sales tax for public transit purposes; and

WHEREAS, the LACMTA, is the agency responsible for administering the tax; and

WHEREAS, from time to time, the LACMTA Board has identified, Proposition C 40% Discretionary Funds (the "FUNDS") as the funding source for the following programs: Proposition C Interest Funds ("PCI"), Transit Service Expansion ("TSE"), Foothill Mitigation ("FMIT"), Recession Mitigation ("RM"), Fair Share Allocation ("SHARE"), Bus System Improvement Plan ("BSIP") and Base Restructuring ("BASE").

WHEREAS, the GRANTEE is an eligible operator and desires to receive the FUNDS from LACMTA for the following programs (please check as applicable) (referred to, individually as a "Program" and collectively, as "Programs."):

- |   |   |
|---|---|
| <input type="checkbox"/> Prop C. Interest Funds                 | <input checked="" type="checkbox"/> Foothill Mitigation |
| <input type="checkbox"/> Transit Service Expansion              | <input type="checkbox"/> Base Restructuring             |
| <input checked="" type="checkbox"/> Bus System Improvement Plan |   |

WHEREAS, LACMTA and GRANTEE desire to agree to the terms and conditions of the grant of FUNDS for the GRANTEE's Programs ("MOU").

NOW THEREFORE, in consideration of the mutual term and conditions contained herein, LACMTA and GRANTEE hereby agree as follows:

**ARTICLE 1 - TERM**

- 1.1. This MOU will be in effect from July 1, 2022, through June 30, 2032, unless terminated earlier as provided herein.

**ARTICLE 2 – ALLOCATION OF PROPOSITION C DISCRETIONARY FUNDS AND INVOICE PROCEDURE**

- 2.1. Each fiscal year, to the extent the FUNDS are available, LACMTA staff, in coordination with

the Eligible/Included Operators, will develop funding marks for those Programs to be funded that fiscal year (the "Annual Funding Marks"). The Annual Funding Marks will describe GRANTEE's share of the FUNDS for GRANTEE's Programs to the extent such Programs are funded that fiscal year. GRANTEE shall have the opportunity to review and comment on the applicable Annual Funding Marks prior to LACMTA staff submitting the Annual Funding Marks to the LACMTA Board for approval.

- 2.2. For each fiscal year covered by this MOU, GRANTEE hereby directs LACMTA to allocate GRANTEE's share of the FUNDS pursuant to the applicable Annual Funding Marks for that fiscal year as approved by the LACMTA Board. Attached as "Exhibit A" are the applicable Annual Funding Marks for GRANTEE's Projects in FY 2023. If LACMTA staff, in coordination with the Eligible/Included Operators, develops a mid-year reallocation of any Annual Funding Marks that is approved by the LACMTA Board, GRANTEE hereby directs and authorizes LACMTA to make such mid-year adjustments to its Annual Funding Marks, as approved by the LACMTA Board, if applicable.
- 2.3. Each fiscal year, GRANTEE shall send LACMTA one invoice for each GRANTEE Program in an amount consistent with the amount shown on the applicable Annual Funding Marks. LACMTA shall not be obligated to forward the FUNDS for a particular Program to GRANTEE until it receives an invoice. For each Program, LACMTA shall make payments to GRANTEE on a quarterly basis, unless otherwise agreed to in writing by the parties.

#### ARTICLE 3 - USE OF FUNDS

- 3.1. GRANTEE shall utilize the FUNDS (i) in accordance with the LACMTA Proposition C 40% Discretionary Guidelines (the "GUIDELINES") (as adopted by LACMTA in May 1992, (ii) only for operating assistance of the applicable Program transit services in the year of allocation for which GRANTEE has received FUNDS, and cannot be carried over to the next fiscal year and (iii) in accordance with LACMTA Board action in approving the FUNDS to GRANTEE.
- 3.2. GRANTEE shall not use any FUNDS received for a particular Program to substitute for any other funds, service, or project except as otherwise specifically provided for in this MOU.
- 3.3. GRANTEE shall utilize the BSIP FUNDS for services that will relieve overcrowding for the most transit dependent customers and results in improving service quality for the transit dependent.
- 3.4. GRANTEE shall not use any FUNDS received for the SHARE or RM Program to substitute for other funds; provided, however, GRANTEE may use the FUNDS received for the SHARE or RM Program to substitute for the following funds only: (I) Formula Allocation Procedure funds; (ii) Proposition A Discretionary funds; (iii) if GRANTEE has incurred debts or is planning to incur debts to balance its operating and capital budgets for the same fiscal year in which the FUNDS were programmed (the "Same Fiscal Year"), GRANTEE may use the FUNDS received for the SHARE or RM Program in lieu of such borrowings; and/or (iv) Proposition A & C Local Return funds budgeted for the Same Fiscal Year which

were originally programmed as operating revenues and which have been reprogrammed for capital purposes; provided, however, the total amount of FUNDS received for the SHARE or RM Program budgeted in the Same Fiscal Year as operating revenues does not decrease as a result of such reprogramming and the Maintenance of Effort continues to be met.

- 3.5. Any unspent FUNDS received for a particular Program must be returned to LACMTA no later than 60 days after the completion of any required fiscal and compliance audits of such program performed either by the LACMTA or GRANTEE, unless otherwise agreed to in writing by the parties.

#### ARTICLE 4 – AUDIT AND REPORTING REQUIREMENTS

- 4.1. Each fiscal year, LACMTA or its designee shall have the right to conduct a financial and compliance audit(s) of GRANTEE's Programs. GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with conditions defined by this MOU. GRANTEE shall maintain financial records for three (3) years after the end of the fiscal year within which the FUNDS were dispersed. LACMTA may audit as provided herein up to three years after the end of the fiscal year within which the FUNDS were dispersed.
- 4.2. GRANTEE shall comply with all Federal National Transit Database reporting requirements and shall annually submit a completed copy of said report to LACMTA by January 31st of each fiscal year.
- 4.3. By January 31st of each fiscal year, the GRANTEE shall submit to the LACMTA a completed TPM form which separately reports prior fiscal year data pertaining to all non formula service.
- 4.4. By December 31st of each fiscal year, the GRANTEE shall submit to the LACMTA an annual financial audit report which identifies the use of the FUNDS for transit purposes.

#### ARTICLE 5 - MISCELLANEOUS

- 5.1. Each grant given pursuant to an Annual Funding Mark shall be a one-time grant subject to the terms and conditions agreed to herein and in the GUIDELINES. Notwithstanding the term of this MOU, each grant does not imply nor obligate any future funding commitment on the part of the LACMTA.
- 5.2. GRANTEE understands and agrees that in programming the FUNDS and entering into this MOU, LACMTA is acting pursuant to its statutory authority and shall have no liability in connection with the use of these FUNDS for public transit purposes or for any of the Programs. GRANTEE shall fully indemnify, defend and hold the LACMTA, its directors, officers, employees and agents harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property,

any environmental obligation, legal fees and any claims for damages of any nature whatsoever arising out of (i) breach of GRANTEE'S obligations under this MOU; (ii) misuse of the FUNDS by GRANTEE, or its officers, agents, employees or subcontractors; (iii) any act or omission of the GRANTEE or its officers, agents, employees or subcontractors in the performance and/or provision of the services provided under the GRANTEE'S Programs.

- 5.3. GRANTEE agrees to comply with all applicable local, state and federal laws and regulations in the provision of public transit services and any services rendered for the GRANTEE's Programs.
- 5.4. The LACMTA reserves the right to terminate this MOU and withhold the FUNDS if it is determined that the GRANTEE has not complied with all the terms and conditions contained herein or in the GUIDELINES.
- 5.5. Any withholding of FUNDS, termination of the MOU, or imposition of any financial penalty against GRANTEE pursuant to the GUIDELINES is subject to nine (9) affirmative votes by the governing board of the LACMTA.
- 5.6. No amendment or modification to this MOU shall be binding upon either party unless such amendment or modification is in writing duly executed by both parties. This MOU shall not be amended or modified by any acts or conduct of the parties.
- 5.7. GRANTEE is not a contractor, agent or employee of the LACMTA. GRANTEE shall not represent itself as a contractor, agent or employee of the LACMTA and shall have no power to bind the LACMTA in contract or otherwise.
- 5.8. This MOU constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements and understandings.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be duly executed as of the dates below with all the formalities required by law.

GRANTEE

LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION  
AUTHORITY

By: \_\_\_\_\_

By: \_\_\_\_\_  
Stephanie N. Wiggins  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: \_\_\_\_\_

DAWYN R. HARRISON  
Acting County Counsel

By: \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

Date: \_\_\_\_\_



	Zero-fare Compensation	Foothill Transit Mitigation	Transit Service Expansion	Discretionary Base Restruct.	BSIP Overcrowding Relief	TOTAL
<b><u>INCLUDED OPERATORS</u></b>						
<b>Metro Bus Ops.</b>	\$ -	\$ 12,412,094	\$ -	\$ -	\$ 12,511,239	\$ 24,923,334
Arcadia	-	15,102	-	-	23,608	38,710
Claremont	-	4,967	-	-	-	4,967
Commerce	900,736	13,963	-	270,194	-	1,184,893
Culver City	-	264,274	260,439	-	181,996	706,709
Foothill	-	-	360,470	2,163,140	1,007,098	3,530,708
Gardena	-	242,417	748,595	-	189,989	1,181,001
La Mirada	-	3,689	-	-	-	3,689
Long Beach	-	1,094,897	2,471,477	-	892,094	4,458,468
Montebello	-	388,746	-	1,233,930	235,485	1,858,161
Norwalk	-	151,212	-	-	60,928	212,140
Redondo Beach DR/MB	-	34,947	-	-	4,325	39,272
Santa Monica	-	964,893	-	-	863,105	1,827,998
Torrance	-	313,760	876,524	785,150	260,598	2,236,032
Subtotal Included	900,736	3,492,867	4,717,505	4,452,414	3,719,226	17,282,748
<b><u>ELIGIBLE OPERATORS</u></b>						-
Antelope Valley	-	29,840	408,166	-	51,804	489,810
Santa Clarita	-	24,953	213,483	-	55,413	293,849
LADOT Local/Express	-	602,942	2,932,371	-	162,427	3,697,740
Foothill BSCP	-	-	-	-	-	-
Subtotal Eligible	-	657,735	3,554,020	-	269,644	4,481,399
<b>City of Lynwood Trolley</b>			233,639	-	-	233,639
<b>Total Municipal Operators</b>	900,736	4,150,602	8,505,164	4,452,414	3,988,870	21,997,786
<b>TOTAL</b>	\$ 900,736	\$ 16,562,696	\$ 8,505,164	\$ 4,452,414	\$ 16,500,109	46,921,120



June 4, 1990

MEMO TO: PLANNING & MOBILITY IMPROVEMENT COMMITTEE - 6/14 MTG.  
FROM: NEIL PETERSON  
SUBJECT: TRANSIT SERVICE EXPANSION PROGRAM

ISSUE

Whether to approve the use of Proposition A Discretionary unearned Transit Performance Measurement Program funds to finance additional bus service to relieve congestion and enhance both urban and suburban mobility.

RECOMMENDATION

1. Approve the Transit Service Expansion Program outlined below as a means to provide additional bus service in the most cost-effective manner to relieve congestion and enhance both urban and suburban mobility.
2. Allocate \$13 million of Proposition A Discretionary unearned Transit Performance Measurement Program (TPM) funds to finance a transit service expansion program beginning July 1, 1990 as outlined below.
3. Authorize the Executive Director to take the administrative steps necessary to implement the service expansion program. Staff will provide quarterly progress reports to the LACTC.

BACKGROUND

In accordance with State law, LACTC has a Transit Performance Measurement Program in place to ensure that transit funds are used to provide the most mobility for the least amount of funds. If the funds in the TPM program are not earned by the operators, the LACTC retains the authority to redirect those funds toward the best transit use.

While LACTC has had some success with city-and-county-sponsored commuter and suburban services, and certain municipal operators (most notably Long Beach and Torrance) have been able to negotiate cost-saving arrangements for suburban and commuter services, a specific service expansion program is recommended to encourage additional commute hour congestion-relieving transit service.

TRANSIT SERVICE EXPANSION PROGRAM COMPONENTS

In order to implement the Transit Service Expansion Program, LACTC staff recommends the following administrative guidelines for encouraging additional congestion-relieving transit service.

- o Estimated Program Funds- Staff recommends that \$13 million in unearned FY91 TPM funds be allocated for a two-year period.
- o Local Contribution - 5% of costs or no more than 25% of Proposition A Local Return annual allocation, whichever is less.
- o Program Duration - Minimum 2 year commitment beginning July, 1990. (Intent is to develop an ongoing funding source to fund future maintenance of the service expansion programs.)
- o Eligible Costs - Operating and vehicle lease costs associated with adding transit service in Los Angeles County.
- o Eligible Recipients - Transit operators and municipalities.
- o Eligible Service - Funding would be considered based upon the following six objectives:
  - (1) Proposed service will relieve congestion in a congested travel corridor;
  - (2) Proposed service is during commute hours and will measurably reduce vehicle miles traveled (VMT) and air pollution;
  - (3) Proposed service is replacing service dropped by another operator that is considered essential to mobility;
  - (4) Proposed service is a demonstration of public-private cooperation to reduce congestion and/or enhance suburban mobility;
  - (5) Proposed service is a feeder to light rail or commuter rail stations; and
  - (6) Proposed service is a feeder to regional bus service.

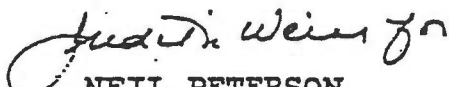
Application should include the following assurances:

1. Recipient agrees to comply with all relevant state and federal laws and regulations in regard to provision of the service; and
2. Recipient agrees to use the Countywide Customer Information (Dial-one-number) program; and
3. Recipient agrees to provide documentation of a cost-effective proposal in establishing the new service; and
4. Recipient agrees to establish a projected farebox recovery ratio (farebox plus local contribution) over operating costs of at least 38% for the proposed service. In the second year of funding, the recipient would provide documentation of compliance prior to receiving funding.

COMMITTEE COMMENTS

The proposed Transit Service Expansion Program, as outlined above, was presented to municipal bus operators and representatives of private sector transportation companies for comments at the Bus Operations Subcommittee (BOS) meeting on April 5, 1990. Subsequent to the April 5th meeting, the LACTC has received several favorable comments from representatives of the private sector and specific proposals from municipal operators expressing interest in seeking funds for expanding their service with the Transit Service Expansion Program. Specific issues were raised by the Southern California Rapid Transit District (SCRTD) regarding the proposed Transit Service Expansion Program. The LACTC's response to the SCRTD's comments is attached.

Prepared By: DALE ROYAL  
Transportation Analyst II  
Transit Programs

  
NEIL PETERSON  
Executive Director

NP/SN:dr

A:SVSEXPAN.DR2





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## LACTC TRANSIT SERVICE EXPANSION PROGRAM

### BACKGROUND AND PURPOSE

On June 27, 1990, the Commission allocated \$13 million for two years to create the Transit Service Expansion Program. Under a two-year pilot plan, the funds are available to all cities and bus operators in the county to expand bus service during rush hours in congested traffic corridors.

### TRANSIT SERVICE EXPANSION PROGRAM COMPONENTS

- \* Local Contribution - 5% of operating costs or no more than 25% of Proposition A Local Return annual allocation, whichever is less.
- \* Program Duration - Minimum 2 year commitment. LACTC's intent is to develop an ongoing funding source to fund future maintenance of the service expansion programs.
- \* Eligible Costs - Operating and vehicle lease costs associated with adding transit service in Los Angeles County.
- \* Eligible Recipients - Transit operators and municipalities.
- \* Eligible Service - Fixed route bus service which meets all or a majority of LACTC's five objectives. (See following section: Eligible Service Objectives)

TRANSIT SERVICE EXPANSION PROGRAM  
ELIGIBLE SERVICE OBJECTIVES

- (1) Proposed service will relieve congestion in a congested travel corridor. Operator must provide data that conditions as they currently exist are travel congested and by what factor(s) proposal relieves such conditions.
  
- (2) Proposed service is during commute hours and will measurably reduce vehicle miles traveled and air pollution. Operator must provide information on conditions as they currently exist and by what factor(s) proposal relieves such conditions.
  
- (3) Proposed service is a demonstration of public-private cooperation to reduce congestion and/or enhance suburban mobility. In an effort to maximize services per dollar and increase opportunities for private providers to perform mass transportation and related services, operators must include examination to determine if proposed service could include participation of the private sector.
  
- (4) Proposed service is a feeder to light rail or commuter rail stations and regional bus service. Operator to show detailed information on an effective feeder service coordinated to provide optimum service.
  
- (5) Proposed service is replacing service dropped by another operator that is considered essential to mobility. Operator to reference if proposed service is replacing service dropped by another operator and relate the relevance to current mobility needs.

Application should include the following assurances:

1. Recipient agrees to comply with all relevant state and federal laws and regulations in regard to provision of the service; and
2. Recipient agrees to use the Countywide Customer Information (dial-one-number) program; and
3. Recipient agrees to provide documentation of a cost-effective proposal in establishing the new service; and
4. Recipient agrees to establish a projected farebox recovery ratio (farebox plus local contribution) over operating costs of at least 38% for the proposed service. In the second year of funding, the recipient would provide documentation of compliance prior to receiving funding.

-----  
-----  
APPLICATION FORM IS ATTACHED

TRANSIT SERVICE EXPANSION PROGRAM  
APPLICATION FORM

1. Applicant: \_\_\_\_\_
2. Principal Contact Person: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: ( ) \_\_\_\_\_
3. Address: \_\_\_\_\_  
\_\_\_\_\_
4. Name of Expansion Project: \_\_\_\_\_
5. Estimated Start Date: \_\_\_\_\_
6. Amount of Funds Requested: \_\_\_\_\_
7. Geographical Area of Service: \_\_\_\_\_  
\_\_\_\_\_
8. Type of Service: \_\_\_\_\_ Commuter bus  
\_\_\_\_\_ Express bus  
\_\_\_\_\_ Circulator/Shuttle  
\_\_\_\_\_ Feeder  
\_\_\_\_\_ Other (describe): \_\_\_\_\_
9. Days and Hours of Transportation Services: \_\_\_\_\_  
\_\_\_\_\_
10. Transfer/coordination arrangements with contiguous systems (fixed-route and demand responsive)  
\_\_\_\_\_
11. Service Provider Check Box(es)  
  - o Operated directly by applicant
  - o Service contracted
12. Service Accessibility - Describe how the service will be accessible to the disabled:  
\_\_\_\_\_
13. Attach map and/or detailed route description.

EXPANSION PROGRAM PROJECT DESCRIPTION  
(Use space below for narrative)



FI 1770-71  
FINANCIAL AND OPERATING DATA

Project Name: \_\_\_\_\_

SERVICES SUPPLIED	YEAR 1 FY 1990-91	NOTES	YEAR 2 FY 1991-92	NOTES
01. Number of vehicles in operation				
02. Total vehicle miles				
03. Total vehicle hours				
04. Total vehicle revenue miles				
05. Total vehicle revenue hours				
<b>SERVICE CONSUMED</b>				
06. Unlinked passenger trips				
<b>OPERATING EXPENSES</b>				
07. Vehicle Operations				
08. Vehicle Maintenance				
09. Non-vehicle maintenance				
10. General Administration				
11. Total Operating Expense				
<b>REVENUES</b>				
12. Farebox Revenue				
13. Prop A Local Return				
14. Other (Identify)				
15. Total Revenues				
16. Transit Service Expansion Funds Requested				

A:FORMS.TSE

July 1990

Transit Service Expansion Program

## GLOSSARY OF TERMS

### OPERATING AND EXPENSE DATA

Total Vehicle Miles: The total miles actually traveled.

Total Revenue Miles: The total miles traveled while available to carry passengers.

Total Vehicle Hours: The total hours actually operated.

Total Revenue Hours: The total hours operated while available to carry passengers.

Base Fare: The minimum cash fare paid by regular adult Passengers.

Unlinked Passenger Trips: The number of boarding passengers carried whether revenue producing or not. Passengers are counted each time they board a vehicle even though it may be on the same journey from origin to destination.

Vehicle Operation: All activities relating to carrying passengers including dispatching of buses or vans, passenger counting for scheduling purposes, supervision of drivers, scheduling of drivers and vehicles, and the direct supervision of operations activities.

Vehicle Maintenance: Maintaining and repairing equipment, related to the transit system, including rolling stock, lifts, and non-revenue vehicles.

Non-Vehicle Maintenance: Maintaining all other items and facilities.

Administration: Costs for policy determination, general management, accounting services, sales of tokens and passes, printing and distributing route/service information, management transportation and travel expenses, etc.

Farebox Revenue: Revenue earned from carrying passengers in regular-route or demand-responsive transit service.

**TRANSIT SERVICE EXPANSION PROGRAM  
INTERNAL SELECTION GUIDELINES**

At its inception, the primary intent of the Transit Service Expansion Program was to capture new markets or new market segments in order to create new demand for transit services and/or reduce vehicle miles traveled. Projects accomplishing this goal by adding new lines or services or expanding or extending existing lines will therefore be favored over projects which merely enhance existing services for existing demand.

Eligibility criteria have been established. Applications that do not contain assurances to meet these minimum standards will not be considered.

To aid Commission Staff in ranking Transit Service Expansion Program applications, Eligible Service Objectives established at the Planning and Mobility Improvement meeting of 6/14/90 have been prioritized considering the goals and objectives of the Commission. Specifically, selected programs should lead to improved constituent satisfaction, improve mobility, deliver the maximum mobility per dollar expended, and, ideally, improve the quality of life.

Additionally, because selected Transit Service Expansion Programs will be financed by a finite, 2-year funding source, continued service and its potential long-term funding will have to be considered. Other relevant factors include effective use of Transit Service Expansion funds, measured by Transit Service Expansion subsidy required per passenger, utilization and productivity, measured by passengers per hour, and whether potential service disputes exist which might prevent service implementation.

Lastly, a mix of types of projects is desired. Applicants should be assured that applications need not be final, and can be revised as to scope and funding sources to make them more attractive for selection by the Commission, preferably with the help of the appropriate area team.

Please use the attached worksheet for the internal selection process.

**TRANSIT SERVICE EXPANSION PROGRAM  
INTERNAL SELECTION GUIDELINES**

Eligibility Checklist

- \_\_\_\_\_ Proposed service is fixed route
- \_\_\_\_\_ Proposed farebox recovery ratio is 38% or higher
- \_\_\_\_\_ Request is for operating expenses only, no capital
- \_\_\_\_\_ Local Contribution requirement is satisfied

Priority Checklist      Rate: (Scale 1-10)

**Most Important**

1. Proposed service will relieve congestion in a congested travel corridor. \_\_\_\_\_
  
2. Proposed service is during commute hours and will measurably reduce vehicle miles traveled (VMT) and air pollution. \_\_\_\_\_
  
3. Proposed service is a feeder to light rail or commuter rail stations. \_\_\_\_\_
  
4. Proposed service is a demonstration of public and private cooperation to reduce congestion and/or enhance suburban mobility. \_\_\_\_\_

**Less Important**

5. Proposed service is a feeder to regional bus service. \_\_\_\_\_
  
6. Proposed service is replacing service dropped by another operator that is considered essential to mobility. \_\_\_\_\_

Quantitative Measures

- Subsidy per passenger \_\_\_\_\_
- Cost per passenger \_\_\_\_\_
- Cost per vehicle service hour \_\_\_\_\_

TRANSIT SERVICE EXPANSION PROGRAM  
INTERNAL SELECTION GUIDELINES

) Qualitative Measures

Does the service penetrate a new market, attract new riders?

How soon can the service start?

Are service duplication/service boundary problems likely?

What cities would be served by this proposal?

What other transportation services currently exist in area?

Is this project long or short term? What happens in Year 3?

Additional Comments:





Los Angeles County  
 Transportation Commission  
 513 West Seventh Street  
 Suite 1100  
 Los Angeles, CA 90017  
 (213) 800-1100

September 14, 1990

MEMO TO: PLANNING AND MOBILITY IMPROVEMENT COMMITTEE -  
 9/19 MEETING

FROM: NEIL PETERSON

SUBJECT: TRANSIT SERVICE EXPANSION PROGRAM - QUARTERLY REPORT

#### ISSUE

At the close of the 1990 fiscal year, the Commission authorized the Executive Director to "take the administrative steps necessary" to implement the Transit Service Expansion Program and provide quarterly progress reports to the LACTC.

Subsequent to the adoption of this program, international events in the Persian Gulf have dramatically altered short-term planning in the transit industry. LACTC staff is working with the County's bus operators to outline an energy contingency plan in the event that gasoline rationing becomes necessary. There is also a potential for sharp increases in fuel costs as a consequence of the Middle East situation. With these changes in the world situation and their possible impacts on transit, it is appropriate to re-evaluate the Transit Service Expansion Program and determine if some portion of the \$13 million originally budgeted for this program should be placed in a reserve for emergency use.

#### RECOMMENDATIONS

1. Consider the Transit Service Expansion Program review criteria being used by the staff and provide any additional guidance the Committee deems appropriate to evaluate the projects for funding. (See Attachment 1, Review Criteria)
2. In accordance with the action taken on June 27, staff has the authority to make the final funding decisions without further Commission action. Review Attachment 2, which lists projects recommended for funding and determine if additional Commission action and input is desirable. Projects not recommended for funding are summarized in Attachment 3. Attachment 4 summarizes seven of the project-specific financial and service performance statistics used by staff during the evaluation process.

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September 14, 1990  
Page 2.

3. Re-evaluate the \$13 million commitment to this program. Despite the strong response from applicants and a demand which far exceeds available resources, it may be prudent to limit initial funding to approximately \$7 million pending developments in the Middle East and the outcome of the November election on the 1/2-cent sales tax. At that time, the picture of priority needs and available resources will be clearer and it may be possible to fund additional projects.

#### BACKGROUND

On June 27, 1990, the Commission allocated \$13 million to create the Transit Service Expansion Program. Approved as a two-year pilot program, these funds are available to all cities and bus operators in the County to expand or introduce fixed-route bus service during rush hours in congested traffic corridors and to expand bus feeder service to rail lines.

As required by the Transit Service Expansion Program, this is a quarterly status report for the period July 1, 1990 to September 30, 1990.

#### ANALYSIS

##### Administrative Procedures

To begin administering this new program, LACTC staff used the first quarter to develop procedures for receiving and reviewing project proposals for the Transit Service Expansion Program. Staff prepared an application form, mailed information packets to all cities and bus operators in the County, and established a deadline for project proposals of Friday, September 7, 1990.

LACTC staff received 45 project proposals from ten applicants - eight bus operators and two cities with subsidies requested for two years totaling \$36,485,000. Attachment 2 identifies projects recommended for funding. These projects total approximately \$13 million, committing the original budget in its entirety. The initial schedule assumed a review period through September 21 and notification to the applicants on September 28.

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September 14, 1990  
Page 3.

Project Proposal Review

According to the guidelines authorized by the Commission, staff is responsible for reviewing and deciding whether to fund each Transit Service Expansion Program proposal based on eligibility requirements and each project's ability to meet the Commission's mobility objectives.

Staff has contacted all applicants to discuss their proposals, in addition to reviewing the data in the applications, to ensure a full understanding of their proposals. Given the very competitive nature of this program and the limited resources available, staff has worked diligently to review all proposals in an objective and fair fashion. The enthusiastic response to the Transit Service Expansion Program clearly demonstrates the unmet needs and the importance of obtaining additional funding to expand transit services throughout the County.

*Mark Willis for*  
NEIL PETERSON  
Executive Director

DR:NP/kgb  
JW2:EXPANSION

## Attachment 1

TRANSIT SERVICE EXPANSION PROGRAM  
REVIEW CRITERIA

At its inception, the primary intent of the Transit Service Expansion Program was to capture new markets or new market segments in order to create new demand for transit services and/or reduce vehicle miles traveled. Projects accomplishing this goal by adding new lines or services or expanding or extending existing lines will therefore be favored over projects which merely enhance existing services for existing demand.

Eligibility criteria have been established. Applications that do not contain assurances to meet these minimum standards will not be considered.

To aid Commission Staff in ranking Transit Service Expansion Program applications, Eligible Service Objectives established at the Planning and Mobility Improvement meeting of 6/14/90 have been prioritized considering the goals and objectives of the Commission. Specifically, selected programs should lead to improved constituent satisfaction, improve mobility, deliver the maximum mobility per dollar expended, and, ideally, improve the quality of life.

Additionally, because selected Transit Service Expansion Programs will be financed by a finite, 2-year funding source, continued service and its potential long-term funding will have to be considered. Other relevant factors include effective use of Transit Service Expansion funds, measured by Transit Service Expansion subsidy required per passenger, utilization and productivity, measured by passengers per hour, and whether potential service disputes exist which might prevent service implementation.

Lastly, a mix of types of projects is desired. Applicants should be assured that applications need not be final, and can be revised as to scope and funding sources to make them more attractive for selection by the Commission, preferably with the help of the appropriate area team.

Please use the attached worksheet for the internal selection process.



APPLICATION GUIDE  
SECTION I GENERAL AND SUMMARY INFORMATION

The General and Summary Information worksheet should be fairly straightforward. The intent of this guide is only to answer any questions that may arise and to delimit the information requested, allowing the applicant to avoid submitting too much or too little information.

1. **Applicant:** Identify the transit operator applying for the funds. Only one applicant should be listed, though the funding may be shared by more than one entity.
2. **Contact Person:** Designate one individual in the applicant's employ who will serve as the liaison between LACTC and the funding recipient on all matters pertaining to the Discretionary grant. Include the person's title, direct telephone line (if appropriate), and his mailing address.
3. **Project Name:** Provide the specific name of the project for which funding is requested. The purpose is to avoid future confusion by attaching an easily identifiable title to the project that will remain consistent throughout the demonstration period.
4. **Proposed Proposition C 40% Discretionary Funding Category:** Identify the component (1) of the Proposition C Discretionary account from which applicant is requesting funds. LACTC staff reserves the right to award funds from a different component than the one requested.
5. **Desired Duration of Demonstration Period:** Demonstration projects have a maximum life of three (3) years. Upon completion of the demonstration period, the project will be evaluated for inclusion in base service levels, if appropriate.
6. **Total Funding Requested:** This figure should be taken from Line 24 of the Budget Worksheet.
7. **Governing Body Authorization Date:** Authorization of the applicant's governing body must be obtained by June 1, prior to the first fiscal year of funding.
8. **PROJECT JUSTIFICATION:** Briefly describe how the proposed project conforms to the goals and objective set forth in the approved 30 Year Plan. The description should include mention of how the project augments the regional transportation system, improves upon existing service, or serves a currently underserved transportation need. The Project Justification need not be lengthy, but it must specifically address the project's relationship to the 30 Year Plan.



SECTION I. GENERAL AND SUMMARY INFORMATION

An integral aid in correctly completing the following application forms is the attached Application Guide. This guide contains data definitions as well as step by step instructions to calculate certain statistics required in the forms. The application forms are divided into three sections. Each application form is accompanied with an Application Guide to provide the applicant with clear instructions on what information needs to be provided. Read each Guide BEFORE completing the application form provided in each section. And refer to the Guide while compiling the necessary data to include in the forms.

1. Applicant: \_\_\_\_\_
2. Contact Person: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_
3. Project Name: \_\_\_\_\_
4. Proposed Proposition C 40% Discretionary Funding Category:  
\_\_\_\_\_
5. Desired duration of demonstration period: \_\_\_\_\_
6. Total Proposition C Discretionary  
Funding Requested: \$ \_\_\_\_\_
7. Governing Body Authorization date: \_\_\_\_\_
8. PROJECT JUSTIFICATION (attach additional pages as needed):

APPLICATION GUIDE  
SECTION II PROJECT INFORMATION

The Project Information Worksheet serves to provide LACTC staff with basic information about the project as a supplement to the Budget Worksheet. It will aid in LACTC planning and should provide a brief but comprehensive summary of the proposed project.

1. **Projected Participant(s):** While only one applicant should be listed for the General and Summary Information Worksheet, a project may entail more than one participant. A security enhancement under the Service Quality and Customer Convenience component, for example, might include both an operator and a separate security force. List all entities that will participate in the proposed project with a brief description of their roles.
2. **Project Site Location(s):** List all site locations that will be affected by implementation of the project. This may include, for instance, existing rail stations, park-and-rides, maintenance yards, and bus and rail lines.
3. **Project Start Date:** Identify the projected start date for the project and indicate what "start date" entails, i.e., actual service start-up, commencement of construction, awarding of contracts. LACTC staff reserves the right to reject the projected start date and to negotiate with the applicant over the definition of "start date."
4. **PROJECT DESCRIPTION:** The Project Description should include the vital statistics of the project. Describe routes, headways, time schedules for implementation and construction, and any other additional information that is necessary to provide a complete description of the project.

SECTION II. PROJECT INFORMATION

1. Projected Participant (s)  
(applicant should be listed first)

---

---

---

2. Project Site Location(s)

---

---

---

3. Project Start Date: \_\_\_\_\_

4. PROJECT DESCRIPTION (attach additional pages as needed):

SECTION III. BUDGET WORKSHEETS

1. Applicant: \_\_\_\_\_ 2. Date: \_\_\_\_\_
3. Project Title: \_\_\_\_\_
4. Project Start Date: \_\_\_\_\_
5. Category of Project: \_\_\_\_\_ a. Rail System Capacity Expansion  
\_\_\_\_\_ b. Bus System Capacity Expansion  
\_\_\_\_\_ c. Service Quality  
\_\_\_\_\_ d. Mandated Programs
6. Type of Project: \_\_\_\_\_ a. Capital  
\_\_\_\_\_ b. Operating

PROJECT EXPENSE INFORMATION

PART A. OPERATING EXPENSES

EXPENSE OBJECT CLASS	YEAR 1: ESTIMATED FY 1993	YEAR 2: PROJECTED FY 1994	YEAR 3: PROJECTED FY 1995	YEAR 4: PROJECTED FY 1996
1. Labor/Fringe benefits	\$	\$	\$	\$
2. Services				
3. Materials and supplies				
4. Miscellaneous/Other				
5. Less: Cost savings from project				
6. TOTAL ADJUSTED OPERATING EXPENSES (Add lines 1-4;less line 5)	\$	\$	\$	\$



**PART B. CAPITAL EXPENSES**

EXPENSE CATEGORY	YEAR 1: ESTIMATED FY 1993	YEAR 2: PROJECTED FY 1994	YEAR 3: PROJECTED FY 1995	YEAR 4: PROJECTED FY 1996
7. Vehicle(s)	\$	\$	\$	\$
8. Equipment				
9. Facilities a. Engineering b. Construction				
10. Land/ Acquisition				
11. Right of Way Improvements				
12. Other				
13. TOTAL CAPITAL EXPENSES (add 7 thru 12)				
14. TOTAL PROJECT EXPENSES (6 + 14)	\$	\$	\$	\$

PART C.

PROJECT REVENUE INFORMATION

OPERATING REVENUE	YEAR 1: ESTIMATED FY 1993	YEAR 2: PROJECTED FY 1994	YEAR 3: PROJECTED FY 1995	YEAR 4: PROJECTED FY 1996
15. FEDERAL	\$	\$	\$	\$
16. STATE				
a. TDA				
b. STA				
c. Other				
17. LOCAL				
a. Prop A				
b. Farebox				
c. Other				
18. TOTAL OPERATING REVENUE (add 15 thru 17)	\$	\$	\$	\$

PART D. CAPITAL REVENUE

CAPITAL REVENUE	YEAR 1: ESTIMATED FY 1993	YEAR 2: PROJECTED FY 1994	YEAR 3: PROJECTED FY 1995	YEAR 4: PROJECTED FY 1996
19. FEDERAL	\$	\$	\$	\$
a. Sec. 9				
b. Sec. 3				
c. Other				
20. STATE				
a. TDA				
b. STA				
c. Other				
21. LOCAL				
a. Prop A				
c. Other				
22. TOTAL PROJECT CAPITAL REVENUE	\$	\$	\$	\$
23. TOTAL PROJECT REVENUE (18 + 22)	\$	\$	\$	\$
24. PROJECT FUNDING SHORTFALL (23 - 14)	\$	\$	\$	\$

PART E. CUSTOMER SERVICE DATA

	YEAR 1: ESTIMATED FY 1993	YEAR 2: PROJECTED FY 1994	YEAR 3: PROJECTED FY 1995	YEAR 4: PROJECTED FY 1996
25. Total vehicle miles				
26. Total service miles				
27. Total vehicle hours				
28. Total service hours				
29. Unlinked passengers				
30. Linked passengers				

TRANSIT SERVICE EXPANSION PROGRAM  
INTERNAL SELECTION GUIDELINES

Eligibility Checklist

- \_\_\_\_\_ Proposed service is fixed route
- \_\_\_\_\_ Proposed farebox recovery ratio is 33% or higher
- \_\_\_\_\_ Request is for operating expenses only, no capital
- \_\_\_\_\_ Local Contribution requirement is satisfied

Priority Checklist Rate: (Scale 1-10)

Most Important

1. Proposed service will relieve congestion in a congested travel corridor. \_\_\_\_\_
2. Proposed service is during commute hours and will measurably reduce vehicle miles traveled (VMT) and air pollution. \_\_\_\_\_
3. Proposed service is a feeder to light rail or commuter rail stations. \_\_\_\_\_
4. Proposed service is a demonstration of public and private cooperation to reduce congestion and/or enhance suburban mobility. \_\_\_\_\_

Less Important

5. Proposed service is a feeder to regional bus service. \_\_\_\_\_
6. Proposed service is replacing service dropped by another operator that is considered essential to mobility. \_\_\_\_\_

Quantitative Measures

- Subsidy per passenger \_\_\_\_\_
- Cost per passenger \_\_\_\_\_
- Cost per vehicle service hour \_\_\_\_\_



NOT RECOMMENDED  
TRANSIT SERVICE EXPANSION PROJECTS

Attachment 3

PROJECT	SUBSIDY		SUBSIDY TOTAL
	First Year	Second Year	
Santa Clarita AV Commuter	\$124,920	\$412,395	\$537,315
Santa Clarita BVV Commuter	\$103,100	\$297,550	\$400,650
Glendale Shuttle	\$252,300	\$524,100	\$776,400
Beverly Hills Blvd. Shuttle	\$77,353	\$77,353	\$154,706
Covina Feeder to RTD	\$40,000	\$50,000	\$90,000
LADOT 419	\$58,406	\$60,720	\$119,126
LADOT 423	\$1,153,431	\$1,200,597	\$2,354,028
LADOT 438	\$126,123	\$130,763	\$256,886
LADOT 448	\$89,732	\$92,779	\$182,511
DASH/Exposition Park	\$240,313	\$248,993	\$489,306
DASH/Studio City - Van Nuys	\$520,323	\$550,393	\$1,070,716
RTD S-113	\$374,335	\$386,444	\$760,779
RTD S-116	\$603,331	\$612,604	\$1,215,935
RTD S-118	\$316,194	\$327,720	\$643,914
RTD S-122	\$309,054	\$320,580	\$629,634
RTD S-123	\$319,764	\$331,250	\$651,014
RTD S-432	\$1,049,884	\$1,130,938	\$2,180,822
RTD X-555	\$776,622	\$832,232	\$1,608,854
RTD X-559	\$776,622	\$832,232	\$1,608,854
RTD Line 130	\$485,132	\$510,103	\$995,235
RTD Line 48 Extension	\$121,760	\$161,000	\$282,760
District 2	\$165,415	\$172,779	\$338,194
Line X-561 Express	\$648,510	\$680,560	\$1,329,070
foothill Transit	\$375,003	\$380,877	\$755,880
Diamond Bar Circulator	\$308,424	\$320,530	\$628,954
Diamond Bar/Fullerton	\$353,424	\$367,296	\$720,720
LB Harbor Shuttle	\$367,500	\$367,500	\$735,000
LB Belmont Shore	\$280,000	\$880,000	\$1,160,000
<b>TOTAL NOT RECOMMENDED</b>	<b>\$11,034,325</b>	<b>\$12,259,169</b>	<b>\$23,293,494</b>
<b>APPLICATION TOTALS</b>	<b>\$17,224,958</b>	<b>\$19,259,399</b>	<b>\$36,484,357</b>

RECOMMENDED  
TRANSIT SERVICE EXPANSION PROJECTS

Attachment 2

HIGHEST PRIORITY PROJECTS (not in rank order)	SUBSIDY		SUBSIDY TOTAL
	First Year	Second Year	
LADOT 500	\$336,055	\$352,101	\$688,156
LADOT 502	\$450,434	\$470,821	\$921,255
LADOT DASH/San Pedro St.	\$571,456	\$590,163	\$1,161,619
RTD 3-114	\$220,914	\$242,240	\$463,154
Long Beach Downtown Shuttle	\$740,000	\$740,000	\$1,480,000
Gardena	\$753,770	\$1,026,260	\$1,780,030
Long Beach Line 3	\$370,000	\$370,000	\$740,000
Sub-total	\$3,454,459	\$3,774,385	\$7,228,844

SECOND PRIORITY PROJECTS (in rank order)	SUBSIDY		SUBSIDY TOTAL
	First Year	Second Year	
LADOT 501 (8)	\$622,062	\$609,737	\$1,231,799
LADOT 431 (9)	\$254,641	\$260,936	\$515,577
Santa Clarita - Varsity (10)	\$41,840	\$138,080	\$179,920
Antelope Valley Cntr (11)	\$116,565	\$412,395	\$528,960
Peothill 210 Express (12)	\$610,088	\$622,605	\$1,232,693
Lynwood (13)	\$135,529	\$139,863	\$275,392
Torrance (14)	\$13,600	\$54,500	\$68,100
LADOT 499 (15)	\$191,933	\$201,473	\$393,408
Long Beach Line 50 (16)	\$325,800	\$325,800	\$651,600
LADOT 413 (17)	\$424,114	\$460,956	\$885,070
Sub-total	\$2,736,174	\$3,206,345	\$5,942,519

TOTAL RECOMMENDED	\$6,190,633	\$7,000,730	\$13,191,363
-------------------	-------------	-------------	--------------

TRANSIT SERVICE EXPANSION PROGRAM  
PROJECT CRITERIA - 9/10/90

Attachment 4

PROJECTS	TOTAL OPERATING COST (1st Yr/2nd Yr)	SUBSIDY (1st Yr/2nd Yr)	PASSENGERS	PASSENGER/HOUR	FACIL. SUBSIDY/ PASSENGER	COST/ PASSENGER	COST/HOUR
Antelope Valley (Downtown to Valley)	\$227,000/802,500	\$116,565/412,395	25,700	9.0	\$ 4.50	\$8.80	\$74.00
Santa Clarita (Commuter AV)	\$201,520/665,060	\$124,920/412,310	41,950	11.0	\$ 2.40	\$4.80	\$51.00
Santa Clarita (Commuter SFV)	\$174,500/497,920	\$108,100/297,550	35,500	7.0	\$ 3.00	\$5.00	\$33.00
Santa Clarita (Commuter Westwood/Guilver City)	\$67,490/222,710	\$41,840/138,080	16,830	19.0	\$ 3.00	\$4.00	\$75.00
Glendale (Shuttle)	\$279,850/636,300	\$252,800/524,100	19,325	12.1	\$13.08	\$14.48	\$30.80
Lynwood (Blue Line Feeder)	\$218,594/225,586	\$135,529/139,863	181,861	45.5	\$ 75	\$1.21	\$55.00
Beverly Hills (Parking Shuttle)	\$122,000/122,000	\$77,453/122,000	69,000	18.4	\$ 1.13	\$1.77	\$32.60
Orinda (Blue Line Feeder)	\$1,454,467/1,939,290	\$753,770/1,026,360	758,000	60	\$ 65	\$1.05	\$62.89
Torrance (Blue Line Feeder)	\$34,000/136,000	\$13,600/54,500	16,585	18.5	\$ 82	\$2.05	\$37.95
Covina (Feeder to RTD/Foothill)	\$211,880/243,680	\$40,000/50,000	28,804	6.1	\$1.38	\$2.35	\$29.90
<b>LADOT PROJECTS</b>							
Line 499 - Sylmar/ Pacifica Downtown (Service Expansion)	\$309,573/324,957	\$191,935/201,473	51,765	15.0	\$ 71	\$5.98	\$89.70
Line 500 - San Gabriel to Warner Center (Suburb-to-Suburb)	\$542,024/567,904	\$336,055/352,101	130,775	15.0	\$ 57	\$6.15	\$62.18

30

ATTACHMENT 1-8

<u>PROJECTS</u>	<u>TOTAL OPERATION COST (1st Yr/2nd Yr)</u>	<u>SUBSIDY (1st Yr/2nd Yr)</u>	<u>PASSENGERS</u>	<u>PASSENGER/HOUR</u>	<u>FACIL. SUBSIDY/ PASSENGER</u>	<u>COST/ PASSENGER</u>	<u>COST/HOUR</u>
210 Express SCV Pasadena	\$1,093,950/1,129,714	\$610,088/622,605	210,000	25.00	\$3.36	\$5.21	\$130.00
Diamond Bar Circulator	\$456,816/476,341	\$308,424/320,530	110,000	15.00	\$2.80	\$4.15	\$62.00
Diamond Bar/Fullerton	\$523,466/545,840	\$353,424/367,296	126,645	15.00	\$2.79	\$4.13	\$62.00
I.B. Downtown Shuttle	\$1,200,000/1,200,000	\$740,000/740,000	800,000	25.00	\$2.92	\$1.50	\$37.50
Route 6 Extension	\$600,000/600,000	\$372,200/372,200	666,670	33.50	\$2.56	\$2.90	\$30.00
Redondo Route 50	\$540,000/540,000	\$325,800/325,800	627,910	35.00	\$2.62	\$2.86	\$30.00
Harbor Shuttle	\$750,000/750,000	\$367,500/367,500	1,119,405	45.00	\$2.33	\$2.67	\$30.00
Belmont Shore	\$880,000/880,000	\$766,000/766,000	320,000	20.00	\$2.39	\$2.75	\$55.00

PROJECTS	TOTAL OPERATION COST (1st Yr/2nd Yr)	SUBSIDY (1st Yr/2nd)	PASSENGERS	PASSENGER/HOUR	FACTO SUBSIDY/ PASSENGER	COST/ PASSENGER	COST/HOUR
<b>SCRIPD PROJECTS</b>							
S-113 (Rail Feeder)	\$774,175/812,884	\$374,335/384,484	714,000	57.7	\$ .52	\$1.68	\$72.28
S-114 (Rail Feeder)	\$516,114/541,920	\$230,514/242,040	510,000	71.4	\$ .45	\$1.01	\$72.28
S-116 (Rail Feeder)	\$1,032,231/1,083,844	\$603,831/612,604	765,000	53.6	\$ .79	\$1.35	\$72.28
S-118 (Rail Feeder)	\$516,114/541,920	\$316,194/327,720	357,000	50.0	\$ .89	\$1.45	\$72.28
S-122 (Rail Feeder)	\$516,114/541,920	\$309,034/320,580	369,750	51.79	\$ .84	\$1.40	\$72.28
S-123 (Rail Feeder)	\$516,114/541,920	\$319,764/331,290	350,625	49.10	\$ .91	\$1.47	\$72.28
X-432 - Westwood/UCLA to Pico Station, (Rail Feeder)	\$1,621,084/1,702,138	\$1,049,884/1,130,938	1,020,000	47.60	\$1.03	\$1.59	\$75.68
X-555 (Rail Feeder)	\$1,112,202/1,167,812	\$776,622/832,232	599,250	48.96	\$1.30	\$1.86	\$90.87
X-559 (Rail Feeder)	\$1,112,202/1,167,812	\$776,622/832,232	599,250	48.96	\$1.30	\$1.86	\$90.87
Line 130 (Service Enhancement)	\$785,012/824,263	\$485,132/510,103	535,500	46.67	\$ .91	\$1.47	\$68.41
Line 48 Extension	\$208,000/276,000	\$121,760/161,000	154,000	36.89	\$ .79	\$1.35	\$49.82
District 2 (Service Enhancement)	\$318,189/334,107	\$165,415/172,779	320,319	62.60	\$ .52	\$ .99	\$62.21
Line X-561 Express	\$1,098,510/1,153,435	\$648,510/680,560	600,000	44.40	\$1.08	\$1.81	\$81.37
Foothill Transit (495 & 498) SCV Downtown	\$727,439/750,935	\$375,003/380,877	197,370	33.00	\$1.90	\$3.00	\$121.39



PROJECTS	TOTAL OPERATION COST (1st Yr/2nd Yr)	SUBSIDY (1st Yr/2nd Yr)	PASSENGERS	PASSENGER/HOUR	FARE SUBSIDY/ PASSENGER	COST/ PASSENGER	COST/HOUR
<b>LADOT PROJECTS (CONT'D)</b>							
Line 501 - Mission Hills to Century City (Suburb-to-Suburb)	\$1,003,325/983,446	\$622,062/609,737	203,685	15.0	\$3.05	\$4.93	\$73.89
Line 502 - Mission Hills to El Segundo (Suburb to Suburb)	\$726,587/759,388	\$450,484/470,821	159,180	15.0	\$2.83	\$6.56	\$68.47
Line 413 (Service Enhancement)	\$684,055/711,220	\$424,114/440,956	116,820	15.0	\$3.63	\$5.86	\$87.83
Line 419 (Service Enhancement)	\$94,526/97,952	\$58,606/60,730	11,010	15.0	\$5.32	\$8.59	\$128.78
Line 423 (Service Enhancement)	\$1,860,453/1,936,446	\$1,153,481/1,200,597	343,140	15.0	\$3.36	\$5.42	\$81.33
Line 431 (Service Enhancement)	\$410,712/427,317	\$254,641/260,936	97,920	15.0	\$2.60	\$4.19	\$62.91
Line 438 (Service Enhancement)	\$203,424/210,908	\$126,123/130,763	20,805	15.0	\$4.06	\$9.78	\$146.66
Line 448 (Service Enhancement)	\$144,728/149,629	\$89,732/92,770	20,505	15.0	\$4.38	\$7.06	\$105.87
DASH/Expo Park - 7th & Flower to USC	\$388,408/401,601	\$240,813/248,993	395,784	34.2	\$1.01	\$1.98	\$33.61
Union Station DASH/San Pedro Station Blue Line Feeder	\$921,671/953,004	\$571,436/590,863	939,988	34.2	\$1.01	\$1.98	\$33.58
DASH/Studio City/ Van Nuys	\$855,844/888,537	\$530,623/550,893	294,570	15.0	\$1.80	\$2.91	\$43.58

## ATTACHMENT 2

### ISSUE

At the September PMIC, SCRTD Board member Marvin Holen expressed an interest in the cost-efficiency of the proposed Transit Service Expansion (TSE) projects and requested that a comparison of performance statistics be made between SCRTD "system averages" and each TSE project. Mr. Holen recommended that staff develop the comparison and report the results at a subsequent Committee meeting. Table 2-A summarizes the results of the comparative analysis.

### ASSUMPTIONS

To provide a fair and equitable comparison, the analysis was based on the four TPM performance criteria which are used each year to allocate Proposition A Discretionary bonus funds, i.e., cost per revenue hour, subsidy per (unlinked) passenger, boardings per revenue hour, and the ratio of passenger revenue to operating cost. Since a majority of the local service TSE projects were scheduled with "policy-based" headways, only "policy-based" SCRTD local lines were selected for the local service comparative analysis. However, while a majority of the express service TSE projects were scheduled as commuter express services, with few local stops, all SCRTD express lines were included in the express service comparative analysis to provide a conservative estimate of SCRTD operating expenses.

The source for all SCRTD statistics is the SCRTD's FY 90 (audited) TPM/TDA Data Reporting Form. An assumed 5% (FY 91) inflation rate was applied to SCRTD expenses. The source for all TSE project statistics was each operator's project proposal.

### CONCLUSIONS

The principal conclusion which can be drawn from the comparative analysis is that each of the 17 TSE projects compare quite favorably to the SCRTD. All local service TSE projects are considerably more cost-efficient than SCRTD policy-based local service, while express service TSE projects demonstrate similar to marginally improved performance over SCRTD express service. On average, none of the SCRTD service included in the analysis, both local and express, would have met the minimum TSE program criteria of 38% farebox recovery. Total annual operating expenses associated with SCRTD local "policy-based" and express service are \$50 million and \$103 million, respectively.

TABLE 2-A  
 TRANSIT SERVICE EXPANSION PROGRAM  
 Comparison Between SCRID and Service Expansion IPM Criteria

	COST PER HOUR		SUBSIDY PER PASSENGER		BOARDINGS PER HOUR		RATIO OF REV TO COST	
	LOCAL	EXPRESS	LOCAL	EXPRESS	LOCAL	EXPRESS	LOCAL	EXPRESS
SCRID SYSTEM AVERAGE	\$92.98	\$104.50	\$2.03	\$2.17	34.4	33.6	23.4%	28.3%
SERVICE EXPANSION PROJECTS								
Antelope Valley Commuter	--	\$74.00	--	\$4.50	--	9.0	--	48.6%
Foothill 210 Express	--	\$130.00	--	\$3.39	--	25.0	--	44.2%
Gardena	\$62.89	--	\$0.65	--	60.0	--	38.0%	--
LADOT DASH/San Pedro St.	\$33.58	--	\$0.61	--	34.2	--	38.0%	--
LADOT 413	--	\$87.83	--	\$3.63	--	15.0	--	38.0%
LADOT 431	--	\$62.91	--	\$2.60	--	15.0	--	38.0%
LADOT 499	--	\$89.70	--	\$3.71	--	15.0	--	38.0%
LADOT 500	--	\$62.18	--	\$2.57	--	15.0	--	38.0%
LADOT 501	--	\$73.89	--	\$3.05	--	15.0	--	38.0%
LADOT 502	--	\$68.47	--	\$2.83	--	15.0	--	38.0%
Long Beach Downtown Shuttle	\$37.50	--	\$0.92	--	25.0	--	38.5%	--
Long Beach Line 6	\$30.00	--	\$0.56	--	33.5	--	38.0%	--
Long Beach Line 50	\$30.00	--	\$0.62	--	35.0	--	39.7%	--
Lynwood	\$55.00	--	\$0.75	--	45.5	--	38.0%	--
RID S-114	\$72.28	--	\$0.45	--	71.4	--	55.3%	--
Santa Clarita - Westwood	--	\$75.00	--	\$3.00	--	11.0	--	38.0%
Torrance	\$37.95	--	\$0.82	--	18.5	--	38.2%	--

11/5/90

## ATTACHMENT 3

### ISSUE

At the September PMIC meeting, Commissioner Fukai asked staff to explain why SCRTD local lines 37, 48, 125, and 210 were not recommended for funding in the Transit Service Expansion Program. Because Supervisor Hahn's office arranged for SCRTD to expand service on these four lines during the weekends, Fukai was concerned about on-going funding for this established service.

### FINDINGS

The weekend service enhancements to SCRTD lines 37, 48, 125, and 210 are currently funded directly by the County of Los Angeles. The proposal from SCRTD involves a request to replace funds from the County with Transit Service Expansion funds.

After reviewing the history of these services with County Public Works, LACTC staff has the understanding that, in 1987, Supervisor Hahn's office agreed to provide SCRTD funding to operate the expanded services using revenues from the County's Proposition A Local Return with the assurance that these services would be reported with SCRTD's other services so that they would receive formula funding when eligible in two years. Once the services were eligible for funding, LACTC understood that the County contribution would be limited to the amount not funded through the formula.

Based on the data SCRTD provided in its Service Expansion request, the various services generate enough vehicle miles and fare units to be fully funded through the formula program.

### CONCLUSIONS

SCRTD Lines 37, 48, 125, and 210 are ineligible for the Service Expansion Program because their operating expenses are eligible for full funding through the Commission's formula funding program for federal, state, and local transit operating subsidies.

**TRANSIT SERVICE EXPANSION PROGRAM  
RECOMMENDED PROJECTS**

ANTELOPE VALLEY COMMUTER SERVICES: COUNTY OF LOS ANGELES  
(Lancaster to Warren Center/Downtown L.A.)

This service would operate two interconnected routes. One route would operate 3 buses from a newly constructed park-n-ride lot in Lancaster 85 miles to downtown Los Angeles during peak hours. The second route would operate from the same park-n-ride facility 33 miles to Warner Center and Ventura Blvd. These services are anticipated to be highly successful as similar services from Palmdale, (8 miles to the south) are full and cost effective.

GARDENA MUNICIPAL BUS LINES: LINE #3  
(Compton to South Bay Galleria)

Service modified to extend from Compton and Willowbrook (Compton Civic Center) to the Compton Transit Center (across from the Metro Blue Line's Compton Station). Between the Compton Station and the South Bay Galleria Transit Center, service will be expanded to include peak period commuter service. The service would emphasize directness of service for through commuters.

FOOTHILL TRANSIT: 210 EXPRESS SERVICE  
(Pasadena to Claremont)

This commuter service will operate during peak hours along the 210 freeway. The service will begin in the east San Gabriel Valley and will terminate in Pasadena. This service operates in a corridor with no existing service and will connect to the the proposed LA DOT Pasadena, Glendale, Burbank, and Sherman Oaks express.

CITY OF LOS ANGELES/LADOT

Line 409 (Sylmar to Downtown L.A.)

The final suburb to suburb line was developed as an expansion of the City's commuter bus network to provide park-and-ride service to commuters traveling between the San Fernando Valley and downtown Los Angeles. The 210 and 2 Freeways would be utilized with service stopping at a new park-and-ride lot in Sylmar and a currently unused Caltrans lot in Pacoimas. The Sylmar-Pacoima area is one of the fastest growing areas in the City of Los Angeles. Six vehicles would be required to operate the fixed-route, general public commuter service on a 20 minute headway during the Monday-Friday period. First year boardings of 52,000 riders could reduce vehicle miles traveled by approximately 1.3 annual miles.

CITY OF LOS ANGELES/LADOTLine 413 (Van Nuys to Downtown L.A.)

The City proposes to expand the present 4 inbound A.M. trips and 4 outbound P.M. trips by operating four additional buses which would serve to accommodate increasing ridership (a 115% increase since taking over for RTD in 1987), expand the A.M. and P.M. service span, and operate reverse peak direction between East Los Angeles and the San Fernando Valley. The present service operates from Van Nuys to downtown Los Angeles via Burbank, but the City proposes to expand the line to serve East Los Angeles, a potential ridership demand identified in a SCAG study of the East Los Angeles/West San Gabriel Valley. In addition, the City of Burbank has indicated an interest to provide a proportionate share of the required funds. An estimated 117 boardings during the first year could reduce annual vehicle miles traveled by as much as 2.3 million miles.

Line 431 (Westwood to Downtown L.A.)

The City seeks to add two buses to the present service to accommodate increased ridership demand, to expand service hours, and to provide reverse peak direction commuter service between West Los Angeles and downtown Los Angeles. Line 431 now operates on the 10 Freeway from West Los Angeles to downtown. The additional service is projected to carry approximately 100,000 boardings and reduce vehicle miles traveled by 1,470,000 miles annually.

Line 500 (Encino to Pasadena)

Line 500, which would service the 101/134/210 Freeway corridor between Encino and Pasadena, has been identified by both the SCRTD and the SCAG San Fernando Valley Study as being a corridor with tremendous potential. Providing fixed-route general public commuter bus service operating 20 minute headways on a weekday schedule, the line would serve off-freeway stops in Encino, Sherman Oaks, Glendale, Burbank, and Pasadena and link commuters with SCRTD bus lines and local city services. Nine vehicles will be required to provide peak period bi-directional service. A grant to purchase the vehicles recently was approved by UMTA. A proportionate share of the funding by each entity along the route is anticipated. Projections indicate that the estimated 130,000 boardings would reduce vehicle miles traveled by as much as 1.9 million annual miles.



CITY OF LOS ANGELES/LADOTLine 501 (Granada Hills to Century City)

The third line of the suburb to suburb City of Los Angeles proposals (the others are Lines 409, 500 and 502), Line 501 is proposed to provide all day bi-directional commuter express service along the I-405 corridor between the San Fernando Valley and West Los Angeles. As previously stated, the I-405 is a heavily congested freeway. Using the existing Encino park-and-ride lot, the line also would serve Granada Hills, Westwood, and Century City. LADOT discussions with major employers potentially served by the route have expressed interest, support, and promises of high ridership. Attaining the projected 205,000 boardings during the first year could reduce vehicle miles travelled by approximately three million annual miles.

Line 502 (Granada Hills to El Segundo)

Line 502 would operate fixed route general public commuter service on 20 minute headways during Monday through Friday, utilizing the I-405 freeway as the principal corridor and connecting the San Fernando Valley and West Los Angeles. Localities served by the line include Granada Hills, Encino, Westchester and El Segundo. Like Line 500, this line also would be bi-directional and utilize the Encino Park and Ride Lot as a service hub. An additional park-and-ride lot in Granada Hills also would be employed to attract rider-ship. LACTC data indicates that the I-405 corridor experiences speeds of less than 30 miles per hour for six or more hours daily. With a projected 160,000 boardings during the first year, vehicle miles traveled could be reduced by 3.2 million annual miles.

DASH/SAN PEDRO STREET STATION (Local Shuttle)

This program would expand the City's current DASH/Central City operation by including access to the Spring Street Corridor, Garment District, the new Reagan State Building, and the temporary Main Library Building. The shuttle also would serve as a feeder to the Metro Blue Line at the San Pedro Station, allowing workers on the east side of downtown the opportunity to access sites without a long detour to the westside of town. The service, connecting Union Station directly with the Metro Blue Line, would be operated through the competitive procurement process. The general public fixed-route service, charging a \$0.25 fare, would operate at minimum, the same level of service presently operated by DASH, Monday through Friday, 6:30 a.m. to 6:30 p.m. and Saturday from 10:00 a.m. to 5:00 p.m. Additional service hours could be operated pending analysis by the LACTC and the SCRFD. The service, scheduled to coincide with the arrival times of the Metro Blue Line at the San Pedro Stations, will maintain headways of six minutes during midday and 3-10 minutes during morning and afternoon hours.

LONG BEACH TRANSIT: DOWNTOWN SHUTTLE

(Local Shuttle)

The service is designed to transport persons to the various activity centers within the Long Beach central business district. It will serve east and west Ocean Boulevard and connect with bus and light rail service at the transit mall.

LONG BEACH TRANSIT: LINE 16

(Atlantic Boulevard to Artesia Blue Line Station)

Operates north/south on Atlantic Avenue from Long Beach Central Business District (CBD) to Alondra Boulevard. Headway will be decreased from 15 to 10 minutes on weekdays and from 25 to 15 minute on Saturdays to handle current passenger loads and improve on-time performance. Some weekday tripper service may be reallocated or eliminated. Alternate trips may be extended west to the Artesia Blue Line station.

LONG BEACH TRANSIT: LINE 50

(Redondo Ave. to Wardlaw Blue Line Station)

This line will serve Redondo Avenue which is the only north-south corridor without transit service. It will connect McDonnell Douglas with the Metro Blue line's Wardlaw Road Station and provide service to the Disabled Resource Center and a proposed auto mall and retail center. Long Beach Transit received a petition with over 2,000 signatures requesting service on Redondo Avenue.

CITY OF LYNWOOD TROLLEY

(Local Shuttle)

The City of Lynwood proposed to add a third route to its existing fixed route trolley system and to alter one of its existing routes to enhance bus feeder service to the Blue Line Imperial Station. The new trolley route would serve businesses and medical offices along Imperial Highway between Bullis Road and Wilmington Avenue (at the Imperial Station). Also, one of the existing trolley routes which travels in a loop through the City would be enlarged to travel further west and link communities south of Imperial Highway to the Blue Line Station. Based on existing ridership, the new route would carry about 200,000 passengers annually.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT (S-114)  
(Bell Gardens to Florence Blue Line Station)

Proposed Line 114 would travel east from the Florence Blue Line Station on Hope and Clara Streets to Bell Gardens, terminating at Garfield and Emil Avenues. The service, running every 30 minutes, is expected to carry 2000 passengers per day using two vehicles. Since the Florence Station is one of the Blue Line facilities without any parking, feeder bus service is critical to the patronage levels. Currently, only one bus route (RTD Line 111) connects the Florence Station to patrons east of the Blue Line along Florence Avenue and no bus routes connect the Florence Station to the densely populated areas to the south of Florence Avenue in Huntington Park, Southgate, Cudahy, and Bell Gardens.

CITY OF SANTA CLARITA: ROUTE 79S  
(Santa Clarita to Century City)

Service to be operated through central Santa Clarita to the 14 freeway to I-5, I-405 with a stop in the San Fernando Valley at Ventura Blvd, (for transfers to RTD), continuing over the Sepulveda Pass with final destinations in Westwood and Century City. This service would use 3 buses during peak periods to provide commuter services. A recent transit study indicated the probable success of this service.

TORRANCE TRANSIT: LINE #6  
(Del Amo Mall to Artesia Blue Line Station)

No fixed-route transit service currently exist along this proposed route. This line would operate between the Metro Blue line Artesia Station and the proposed Del Amo Fashion Center Transit Terminal (and park-and-ride facility). It would serve the 190th Street industrial employment corridor extending through Torrance, Gardena, Los Angeles and Carson.



## PROJECTS NOT RECOMMENDED FOR FUNDING

BEVERLY HILLS SHUTTLE

(Local Shuttle)

The proposed service would operate a shopper shuttle between Robertson and La Cienega in an effort to encourage motorists to use a parking structure at La Cienega Boulevard. The service is viewed as needed to improve mobility during rush hours, when on-street parking is banned.

CITY OF COVINA FEEDER

(Local Shuttle)

Covina is requesting funds to expand its fixed route trolley service on Mondays. Current service operates Tuesday through Saturday within the city limits. Covina is requesting \$40,000 for the first year and \$50,000 for the second year.

This project was not recommended since it did not meet the minimum farebox recovery ratio and congestion reduction criteria.

FOOTHILL TRANSIT: EXPANSION OF EXPRESS LINES 495 & 498

(Diamond Bar to Downtown L.A.)

Foothill Transit is requesting \$375,003 for the first year and \$380,877 for the second year to add extra buses to relieve overcrowding on Express Lines 495 (Diamond Bar to L.A.) and 498 (Glendora to L.A.). While this project meets farebox recovery standards, it is a service modification of existing service and not an expansion for new service.

FOOTHILL TRANSIT: DIAMOND BAR SHUTTLE

(Local Shuttle)

Foothill Transit is requesting funds to start a fixed route shuttle in the City of Diamond Bar. Service would operate on a daily basis during both peak and off-peak hours. This project was not recommended since it did not meet the minimum farebox recovery ratio, nor would it significantly reduce traffic due to the limited service area.

FOOTHILL TRANSIT: EXPRESS

(Diamond to Fullerton)

Foothill Transit is requesting funds to establish an all-day express service from Diamond Bar to Fullerton. Service would operate hourly in each direction. This project was not recommended since it did not meet the minimum farebox recovery ratio. Additionally, approval would require an intra-county agreement with Orange County and RTD concurrence pertaining to Line 490.

GLENDALE SHUTTLE

(Local Shuttle)

This service proposed to add a fourth route to Glendale's Bee Line service. The route would connect residential areas with existing bus services in the Glendale Central Business District (CBD). The service would carry an estimated 20,000 passengers annually.

CITY OF LOS ANGELES/LADOTLine 419 (Chatsworth to Downtown L.A.)

The City proposes to add one bus on its Van Nuys to downtown Los Angeles route to accommodate increased ridership demand. The service presently utilizes the I-5 Freeway and operates 5 a.m. and 5 p.m. weekday trips.

Line 423 (Thousand Oaks to Downtown L.A.)

The proposed service plans to operate six additional buses to accommodate increasing ridership demand, expand service to an all day operation, and offer bi-directional commuter service between downtown Los Angeles and the San Fernando Valley, including Encino, Woodland Hills, Calabasas, Agoura Hills, and Westlake Village. Line 423 presently operates eight A.M. and P.M. trips.

Line 438 (Hermosa Beach to Downtown L.A.)

Operating for A.M. and P.M. trips, the City proposes to add two buses to accommodate increasing ridership demand and expand the span of service hours. The service operates weekdays between Hermosa Beach and downtown Los Angeles.

Line 448 (Rancho Palos Verdes to Downtown L.A.)

Like Line 438, the City proposes to enhance service due to increasing ridership demand. Four additional buses would be added to the present three AM and three PM trips between Rancho Palos Verdes and downtown Los Angeles. The span of service hours would be expanded under this proposal to improve weekday commuter service to the South Bay.

DASH/EXPOSITION PARK (Local Shuttle)

This service would be an extension to the DASH/Central City Shuttle and provide a direct link between CBD office/retail, cultural sites, major Exposition Park attractions, the Convention Center, and Figueroa Streets. Four peak vehicles will maintain 15 minute headways during the peak morning and afternoon hours, and 30 minutes during the base period.

CITY OF LOS ANGELES/LADOTDASH/STUDIO CITY-VAN NUYS (Local Shuttle)

The development of this proposal was in response to a San Fernando transportation meeting where interested parties noted the need for a local shuttle bus circulation system. The service presented is a general public fixed route system with a \$0.25 fare operating Monday through Friday from 7 a.m. to 6 p.m. and on Saturday from 9 a.m. to 6 p.m.

Six vehicles will be employed to provide a bi-directional service on 30 minute headways. The local circulator would improve access to government offices, medical facilities, Valley Colleges, and other major activity points that cannot be directly accessed currently by public transit.

LONG BEACH TRANSIT: HARBOR SHUTTLE

(Long Beach to San Pedro)

The Harbor Shuttle provides a link between the City of Long Beach, Terminal Island, and San Pedro. The route will terminate at the downtown Long Beach Metro Blue Line Station. This is an existing route, and no expansion of service would be provided.

LONG BEACH BELMONT SHORE SHUTTLE

(Local Shuttle)

The proposed service plans to operate three shuttle/trolley vehicles along Second Street in Long Beach to provide employees and patrons access to and between businesses and remote parking sites in Belmont Shore. The route would travel along 2nd Street from Manna Drive, east to Livingston Drive, with periodic trips to the Downtown Long Beach Blue Line Station.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICTS-113 (Inglewood to Florence Blue Line Station)

This proposed fixed-route Metro Blue Line feeder service would operate on a 30 minute headway during the weekday from 6 a.m. to 8 p.m. Service would begin in the City of Inglewood utilizing Manchester Avenue, then travel through the City of Los Angeles over 79th Street to the county area before arriving at the Florence Station.

S-116 (Inglewood to 103rd Street Blue Line Station)

A second proposal beginning in the City of Inglewood, this service provides fixed route Metro Blue Line feeder transportation to the 103rd Street Station via the City and County of Los Angeles. Service would operate weekdays from 6 a.m. to 8 p.m. on a 20 minute headway. Principle streets utilized for the service include Manchester Boulevard, Arbor Vitae Street, and 92nd Street.



NOT RECOMMENDED  
TRANSIT SERVICE EXPANSION PROJECTS

Alphabetical Listing

PROJECT	ROUTE	SUBSIDY		SUBSIDY TOTAL
		First Year	Second Year	
Beverly Hills Shuttle	Parking Shuttle	\$77,653	\$77,653	\$155,306
Covina Feeder to RTD	Local Trolley	\$40,000	\$50,000	\$90,000
Feeder to 495/498	Diamond Bar to Downtown L.A.	\$375,003	\$380,877	\$755,880
Foothill D/B Circulator	Shuttle in Diamond Bar	\$208,424	\$320,530	\$528,954
Foothill Fullerton Express	Diamond Bar to Fullerton	\$353,424	\$367,296	\$720,720
Glendale Shuttle	Shuttle	\$252,800	\$524,100	\$776,900
LADOT 419	Chatsworth to Downtown L.A.	\$58,606	\$60,730	\$119,336
LADOT 423	Thousand Oaks to Downtown LA	\$1,153,481	\$1,200,597	\$2,354,078
LADOT 438	Hermosa Beach to Downtown LA	\$126,123	\$130,763	\$256,886
LADOT 448	Rancho PV to Downtown L.A.	\$89,732	\$92,770	\$182,502
LDDOT DASH/Expo	USC to Downtown L.A.	\$240,813	\$248,993	\$489,806
LADOT DASH/Studio City	Studio City to Van Nuys	\$530,623	\$550,893	\$1,081,516
LB Harbor Shuttle	San Pedro to Long Beach	\$367,500	\$367,500	\$735,000
LB Belmont Shore	Shuttle/2nd Street + LB CBD	\$880,000	\$880,000	\$1,760,000
RTD S-113	Inglewood to Florence Station	\$374,335	\$384,484	\$758,819
RTD S-116	Inglewood to 103rd St. Sta	\$603,831	\$612,604	\$1,216,435
RTD S-118	Southgate to 103rd St. Sta	\$316,194	\$327,720	\$643,914
RTD S-122	Lynwood to Imperial Station	\$309,054	\$320,580	\$629,634
RTD S-123	Gardena to Compton Station	\$319,764	\$331,290	\$651,054
RTD X-432	Westwood to Downtown L.A.	\$1,049,884	\$1,130,938	\$2,180,822
RTD X-555	Huntington Beach to Downtown	\$776,622	\$832,232	\$1,608,854
RTD X-559	Fullerton to Artesia Station	\$776,622	\$832,232	\$1,608,854
RTD X-561	Panorama City to Century City	\$648,510	\$680,560	\$1,329,070
RTD Line 48 Extension	San Pedro St. service	\$121,760	\$161,000	\$282,760
RTD Line 130	Torrance to Fullerton	\$485,132	\$510,103	\$995,235
RTD District 2 Lines	Weekend service enhancements	\$165,415	\$172,779	\$338,194
Santa Clarita Route 76X	Lancaster to Santa Clarita	\$124,920	\$412,395	\$537,315
Santa Clarita Route 70	SF Valley to Santa Clarita	\$108,100	\$297,550	\$405,650
<b>TOTAL NOT RECOMMENDED</b>		<b>\$11,034,325</b>	<b>\$12,259,169</b>	<b>\$23,293,494</b>
<b>APPLICATION TOTALS</b>		<b>\$17,224,958</b>	<b>\$19,259,399</b>	<b>\$36,484,357</b>

SANTA CLARITA ROUTE 70

(San Fernando Valley to Santa Clarita)

The proposed service would travel 18 miles from River Oaks Shopping Center in Santa Clarita to Mission Boulevard/McClay Avenue in the City of San Fernando, offering local limited-stop service. The City of Santa Clarita says this route would offer a vital and long-desired link to San Fernando, including connections to at least seven SCRTD express and major local lines.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICTS-113 (Southgate to 103rd Street Blue Line Station)

This Metro Blue Line feeder would operate to the 103rd Street Station from the City of Lynwood via Abbott Road, Century Boulevard and 103rd Street on a 30 minute headway during weekdays from 6 a.m. to 3 p.m.

S-122 (Lynwood to Imperial Blue Line Station)

The Carlin Avenue/124th Street route would begin in the Los Angeles County/City of Compton area at McMillan Street and Lime Avenue and operate through the cities of Lynwood and Compton to the Imperial Station. Thirty minute headways are proposed for the 6 a.m. to 3 p.m. weekday fixed-route service.

S-123 (Gardena to Compton Blue Line Station)

This potential shuttle route would operate from the City of Gardena to the Compton Station via 135th Street, Rosecrans Avenue, and Compton Boulevard. The thirty minute service is proposed for weekday operation between 6 a.m. - 8 p.m.

X-432 (Westwood to Downtown L.A.)

The proposed express Blue Line feeder service would connect the Westwood-UCLA-Century City-West Los Angeles Transit Center with the Pico Station in downtown Los Angeles. From the West L.A. Transit Center, the service would access the Santa Monica Freeway for the journey downtown. The 6 a.m. - 8 p.m. service would operate on a twenty minute headway.

X-555 (Huntington Beach to Del Amo Blue Line Station)

The District proposes to operate new express bus service from Huntington Beach in Orange County via the San Diego Freeway to the Del Amo Station. This service would operate only in the peak periods, 6 a.m. to 10 a.m. and 3 p.m. to 7 p.m. during weekdays on a 20 minute headway.

X-559 (Fullerton to Artesia Blue Line Station)

The second proposed Metro Blue Line feeder from Orange County begins in Fullerton and utilizes the Artesia Freeway and arterials in the cities of Artesia, Cerritos, Lakewood, and Bellflower. The approximate 18 mile route would terminate at the Artesia Station in Compton and operate weekdays only on 20 minute headways during the peak periods.

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICTX-561 (Panorama City to Century City)

This proposed weekday, express bus service from the San Fernando Valley (Panorama City) to Century City would utilize the District's Business Development Operating Facility to minimize costs. The service would principally travel over Van Nuys Boulevard, Ventura Boulevard, the San Diego Freeway, and Sunset Boulevard before winding its way through UCLA and on to Century City. Peak hour service (6am-9am; 3pm-6pm) would be provided over the 13.5 mile route length on 20 minute headways.

Line 43 (San Pedro Street Fixed Route)

This line extension along San Pedro Street would interface with the planned Avalon Station on the Metro Green Line. Funding is requested to replace financial support previously provided by the County of Los Angeles. Service would be provided six days per week on a 20 minute headway.

Line 130 (Torrance to Fullerton)

The District proposes to add three additional vehicles to this service from the Fullerton Park-Ride lot to the Artesia Metro Blue Line Station in the City of Compton before continuing on its route to Gardena, Hermosa Beach, and Redondo Beach. The 17 mile line would operate between 5 a.m. - 9 p.m. on a 30 minute headway. Presently, service is operated on a 60 minute headway.

Supervisional District #2 Service Enhancement

This proposal involves a funding request to replace County of Los Angeles funding on three routes on weekdays only: Line 37 (West Adams Boulevard) for Sunday only, Line 125 (Rosecrans Avenue) for Saturday and Sunday, and Line 210 (Crenshaw Boulevard-Vine Street) for Saturday only. A total of eight additional vehicles would be provided to continue the service.

SANTA CLARITA ROUTE 76X

## (Lancaster to Santa Clarita)

The proposed service would offer a new express route linking Santa Clarita Valley with destinations in Antelope Valley. The route would travel 37 miles from the River Oaks Shopping Center in Santa Clarita to Antelope Valley Transit's proposed transit terminal at 10th Street-West and Avenue "K" in Lancaster.



LACTC

Los Angeles County  
Transportation Commission

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DOWNTOWN

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November 7, 1990

MEMO TO: PLANNING AND MOBILITY IMPROVEMENT COMMITTEE -  
11/19 MEETING

FROM: NEIL PETERSON

SUBJECT: TRANSIT SERVICE EXPANSION PROGRAM

ISSUE

Should LACTC staff allocate \$13 million for additional bus service using the Transit Service Expansion Program, or limit additional funding for bus services and use the remaining portion of this fund for other purposes?

RECOMMENDATION

1. Authorize the Executive Director to allocate \$13 million in Proposition A Discretionary unearned Transit Performance Measurement Program revenue to fund the projects proposed in the Transit Service Expansion Program.

BACKGROUND

On June 27, 1990, the Commission allocated \$13 million from the FY 91 Proposition A Discretionary unearned Transit Performance Measurement Program Fund to create the Transit Expansion Service Program. Approved as a two-year pilot program, the funds are intended to encourage cities and bus operators to expand or introduce fixed route bus service in congested corridors during rush hours, as well as expand bus feeder service to rail lines.



Between July and September 7, 1990 (the deadline), LACTC staff received 45 project proposals from eleven applicants with subsidies requested for two years totaling \$36,485,000. Based on the Transit Service Expansion Program objectives, staff developed criteria for, first, determining if a project was eligible, and then dividing the eligible projects into two categories - recommended or not recommended - based on how well each satisfied the service objectives and measures of cost-effectiveness.

At the September 19, 1990 Planning and Mobility Improvement Committee meeting, staff recommended seventeen projects for funding, assuming a \$12 million pool available (see Attachment 1-copy of the September 26 agenda report). However, in recognizing uncertainty regarding developments in the Middle East and the outcome of the November election, staff divided the 17 projects into highest and second priority - intended to assist the Committee if they deemed it prudent to limit initial funding. The following 17 projects are now recommended for full funding:

RECOMMENDED  
 TRANSIT SERVICE EXPANSION PROJECTS

RECOMMENDED PROJECTS (listed alphabetically) (not in rank order)	ROUTE	SUBSIDY		SUBSIDY TOTAL
		First Year	Second Year	
Antelope Valley Cntr	Lancaster to Downtown L.A.	\$116,565	\$412,395	\$528,960
Gardena Line 3	Redondo Beach to Compton Sta	\$753,770	\$1,026,360	\$1,780,130
Foothill 210 Express	Claremont to Pasadena	\$610,088	\$622,605	\$1,232,693
LADOT 409	Sylmar to Downtown L.A.	\$191,935	\$201,473	\$393,408
LADOT 413	Van Nuys to Downtown L.A.	\$424,114	\$440,956	\$865,070
LADOT 431	Westwood to Downtown L.A.	\$254,641	\$260,936	\$515,577
LADOT 500	Encino to Pasadena	\$336,055	\$352,101	\$688,156
LADOT 501	Granada Hills to Century City	\$622,062	\$609,737	\$1,231,799
LADOT 502	Granada Hills to El Segundo	\$450,484	\$470,821	\$921,305
LADOT DASH/San Pedro St.	Shuttle	\$571,436	\$590,863	\$1,162,299
Long Beach CBD Shuttle	Downtown Shuttle	\$740,000	\$740,000	\$1,480,000
Long Beach Line 6	Atlantic Bl. to Artesia Sta	\$372,200	\$372,200	\$744,400
Long Beach Line 50	Redondo Ave. to Wardlow Sta	\$325,800	\$325,800	\$651,600
Lynwood Trolley	Imperial Bl. to Imperial Sta	\$135,529	\$139,863	\$275,392
RTD S-114	Bell Gardens to Florence Sta	\$230,514	\$242,040	\$472,554
Santa Clarita Route 798	Santa Clarita to Century City	\$41,840	\$138,080	\$179,920
Torrance Line 6	Del Amo Mall to Artesia Sta	\$13,600	\$54,500	\$68,100
TOTAL RECOMMENDED		\$6,190,633	\$7,000,730	\$13,191,363

COMMENTS

At the September 19, 1990 meeting, the Committee voted to hold the item for reconsideration at its next meeting. The Committee further directed staff to report back on several items related to the Transit Service Expansion Program. These items are:

- (1) "Energy Contingency Fund" - staff has reviewed fund balances and has identified the State Transit Assistance (STA, fund #9 \$7.3 million available) as the preferred source of revenue to establish an "energy contingency fund." (see PMIC Agenda Item: Energy Contingency Plan)
- (2) TPM/SCRTD Comparisons - staff used the Transit Performance Measurement (TPM) standards to compare the proposed transit services with SCRTD system averages. The analysis shows that all 17 of the recommended projects compare quite favorably to similar SCRTD services, local and express. (see Attachment 2)
- (3) District 2 Lines - staff determined that RTD lines 37, 48, 125, and 210 are not eligible for the Transit Service Expansion Program because these existing service enhancements qualify for formula funding, including Proposition A Discretionary dollars. (see Attachment 3)
- (4) Route Descriptions - short descriptions of each of the 45 Transit Service Expansion proposals are attached. (see Attachment 4)


CONCLUSION

Based on the information above and staff's review of the project proposals, staff recommends funding for the seventeen projects identified on page 2. These projects best satisfy the Transit Service Expansion Program objectives and will expand cost-effective fixed-route bus service in Los Angeles County.

Memo To: PMIC - 11/19 Meeting  
November 7, 1990  
Page 4

An expansion of bus service is warranted because of increased demand for transit caused by rising gas prices, higher parking fees, and requirements to improve air quality. The enthusiastic response to the Transit Service Expansion Program clearly demonstrates the unmet needs, and staff intends to continue work to obtain additional funding to expand transit services throughout the County.

Prepared By: DALE ROYAL  
Project Manager  
Southeast Area Team

  
NEIL PETERSON  
Executive Director

DR:jj  
SEAST1/  
PMIC11/19

Attachments

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MEMO TO: PLANNING AND MOBILITY IMPROVEMENT COMMITTEE -  
12/12 MEETING

FROM: NEIL PETERSON

SUBJECT: TRANSIT SERVICE EXPANSION PROGRAM

#### ISSUE

Shall the Planning and Mobility Improvement Committee reaffirm the policies adopted for the Transit Service Expansion Program and the staff recommendation for allocation of the funds?

#### RECOMMENDATION

- 1) Review and reaffirm the policies adopted for the Transit Service Expansion Program in June of 1990.
- 2) Reaffirm approval of staff recommendation for the allocation of the Transit Service Expansion Program funds.

#### BACKGROUND

At the November Planning and Mobility Improvement Committee meeting the Committee approved the attached staff recommendations. At the November 28th Commission meeting, an alternative allocation was proposed, (attachment B) and several Commissioners questioned the policies which led to the staff recommendations. Based on the discussion, the Commission referred this item back to the Committee for further discussion.

The Transit Service Expansion Program was developed in response to a request from Chairman Edelman for staff to implement several

short-term programs which would serve to reduce congestion in the identified congested corridors. Staff identified \$13 million of Proposition A Discretionary TPM unearned bonus funds as being available for congestion relief during the 1991 and 1992 fiscal years. Based on the availability of these revenues and the Commission's desire to provide near term congestion relief, LACTC staff developed the following policies for fund allocation. These policies are as follows:

Transit Service Expansion funds shall be allocated to services that:

- o provide new services to commuters in congested corridors during peak periods; and
- o measurably reduce congestion or vehicle miles travelled in the identified congested corridors; and
- o feed or distribute passengers to or from the rail system; and
- o provide general public, fixed route transit; and
- o operate at a farebox recovery of at least 38%; and
- o provide at least 5% of the total cost from Local Proposition A resources.

The Commission adopted these policies on June 27 of 1990 and authorized staff to solicit requests for funding from local cities and transit operators. Letters requesting service proposals were mailed in July with proposals due at the Commission by September 7, 1990. A total of 45 service proposals with a cost of over \$31 million were received. From this list of service proposals, our staff ranked the projects based on their ability to meet the program objectives and recommended 17 projects (details in attachment A) for funding.

#### APPLICATION OF THE CRITERIA

The SCRTD has raised concerns over the application of the criteria. RTD felt that the criteria were being applied unequally, and that Commission staff had approved funding for certain existing City of Long Beach and Los Angeles routes. Our staff has reviewed the proposed services, and while several are extensions or additions of reverse commute to existing lines, each of the services recommended for funding is in fact new service in




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Page 3.

compliance with the program policies.

CONCERNS WITH STUDIO CITY SHUTTLE AND DISTRICT 2 SERVICES

While Commission staff stands behind its original funding recommendations, we recognize the validity of the concerns raised by Commissioner Patsacouras and Commissioner Fukai. With regards to the funding of the Studio City-Van Nuys Shuttle, our staff has reviewed this project and has been informed by City of Los Angeles staff that the City Council had authorized the recruitment of a firm for the operations of this service irrespective of funding from the Service Expansion Program. With regards to Commissioner Fukai's concern over the proposed cancellation of the Supervisorial District 2 Service Enhancements and Line 48 extension, our staff has met with SCRTD, County Public Works and Supervisor Hahn's staff to review the current funding arrangements and reach agreement on the scope and need for additional revenues. Based on these discussions, the County and the RTD have agreed to withdraw the District 2 Service Enhancements and Line 48 for consideration for TSE funding with the understanding that the LACTC will identify an alternative funding source so that these services do not have to be canceled in FY 1991.

Prepared By: RICHARD DeROCK  
Project Manager  
San Fernando Valley/North County Area Team

  
NEIL PETERSON  
Executive Director

NP:RDR:js  
RDR2a:SEREX

MOTION REQUESTING TRANSIT SERVICE EXPANSION PROGRAM FUNDING

I move that the committee include the following projects to be funded by the Transit Service Expansion Program:

1. District 2 Service Enhancement Lines (Line 37-West Adams Boulevard and Line 125-Rosecrans Avenue and Line 210-Crenshaw Boulevard)

This enhancement is needed to reduce overcrowding and maintain on-time performance.

2. Line 48 Extension (Maple Avenue-South San Pedro Street)

This extension is needed to respond to the service demand generated in this area.

3. Line 130 Service Enhancement (Artesia Boulevard)

This enhancement is needed to reduce headways to interface with Torrance Transit Line 5 and Long Beach Transit Line 5.

4. DASH/Studio City-Van Nuys Shuttle Service

This service is needed to establish a fixed-route circulation and distribution system in the area.

I would ask for your favorite consideration on this request and would appreciate a "yes" vote on this motion.

TRANSIT SERVICE EXPANSION PROGRAM FUNDING REQUESTED

<u>PROJECT DESCRIPTION</u>	<u>FY 91 TOTAL COST</u>	<u>FY 92 TOTAL COST</u>	<u>SUBSIDY TOTAL</u>
1. DISTRICT 2 SERVICE ENHANCEMENT	\$165,415	\$172,709	\$338,124
2. LINE 48 EXTENSION	\$121,760	\$161,000	\$282,760
3. LINE 130 SERVICE ENHANCEMENT	\$485,132	\$510,103	\$995,235
4. DASH/STUDIO CITY-VAN NUYS SHUTTLE	\$801,477	\$840,800	\$1,642,277
<p>\$500,000 for startup costs are not included. LADOT applied for total subsidy of \$1,081,516 for this project.</p>			
TOTAL COST	\$1,574,784	\$1,586,482	\$3,261,266

PROPOSED SERVICE CANCELLATIONS

<u>PROJECT DESCRIPTION</u>	<u>FY 91 TOTAL COST</u>	<u>FY 92 TOTAL COST</u>	<u>SUBSIDY TOTAL</u>
1. LONG BEACH LINE 6	\$372,200	\$372,200	\$744,400
<p>Line already in operation with different funding source.</p>			
2. FOOTHILL LINE 210 EXPRESS	\$610,088	\$622,605	\$1,232,693
<p>Most expensive service on the recommended list (\$130/hour). Exceeds District cost per hour by 25 percent.</p>			
3. LADOT LINE 413	\$424,114	\$440,956	\$865,070
<p>Lowest priority on recommended list. Speculative reverse peak trips.</p>			
4. LADOT LINE 431	\$254,641	\$260,936	\$515,577
<p>Speculative reverse commute service.</p>			
TOTAL COST	\$1,661,043	\$1,696,697	\$3,357,740



May 31, 1994

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**TO: FINANCE, BUDGET & EFFICIENCY COMMITTEE  
PLANNING AND PROGRAMMING COMMITTEE**

**THROUGH: FRANKLIN E. WHITE**

**FROM: *for* JUDITH A. WILSON *DAW***

**SUBJECT: TRANSIT SERVICE EXPANSION AND BUS OVERCROWDING  
RELIEF PROJECTS FUNDING RECOMMENDATIONS FOR  
FISCAL YEAR 1995**

**RECOMMENDATIONS**

That the Board of Directors adopt the following recommendations for FY 1995 funding of the Transit Service Expansion/Bus Overcrowding Relief (TSE/BOR) projects:

- A. Recommend funding in the amount of \$2,951,000 in FY 1995 for the projects listed in Attachment 1 that have met all of the performance criteria and are successful projects.
- B. Recommend funding in the amount of \$491,700 in FY 1995 for Long Beach Line 131 and Torrance Line 6 in Attachment 1 which have met all of the performance criteria except Boarding per Service Hour and are more cost efficient than comparable local bus lines to be funded in the FY 1995 LACMTA proposed budget.
- C. Recommend funding the amount of \$395,000 in FY 1995 for MTA Line 620 provided that a third-party subsidy contribution can be identified to supplement farebox revenue up to 38% of operating expense.
- D. Notify the affected operators of the intent to not recommend funding for the TSE/BOR lines listed in Attachment 2 which have not met performance standards and are less cost efficient than comparable express bus lines to be funded in the FY 1995 LACMTA proposed budget.

This report was held over from the May Finance, Budget & Efficiency and Planning & Programming Committee meetings so that staff could provide the Board with information on how these lines compare with the entire MTA Service Restructuring Program. Attachment 4 is the table of TSE/BOR services that was included in the May report. Attachment 5 compares MTA services that were identified for potential cancellation in the April 23, 1994 Public Hearing (packages K & L) with the TSE/BOR lines. This comparison indicates that a number of the identified MTA local lines would not meet the boardings per hour threshold or the MTA subsidy per boarding criterion. Similarly, only a few of the identified MTA express lines meet the passenger miles per seat mile criterion.

Staff believes the comparison to be valuable since it indicates the continuing need to look at opportunities to implement a uniform set of countywide service criteria, which is the goal for next year, including a further review of MTA services.

Staff will work with the Bus Operations Subcommittee after the resolution of the FY 1995 operating shortfall to develop a funding recommendation for FY 1996 and beyond. At the request of the operators, staff will include in this review those services not recommended for funding under the TSE/BOR in FY 1995 should their operators elect to continue operation using other funding.

### ALTERNATIVES CONSIDERED

Previously, staff has considered the possibility of modifying the existing Proposition A formula funding criteria to include these services. The Bus Operations Subcommittee Ad Hoc TSE/BOR Working Group does not endorse making revisions to the Proposition A Discretionary Guidelines and Formula Allocation Procedure.

They recommended that the annual funding for this program should be permanently allocated from Proposition C Discretionary funds. Staff does not agree with this recommendation due to the number of other demands for Proposition C Discretionary funds and the need to address the FY 1995 operating deficit.

A second alternative would be to not allocate regional funds for ANY of the TSE/BOR programs for Fiscal Year 1995. This would require the operators to either cancel the services or fully fund these services from other revenues. This option was not recommended as staff believes that the most productive services should be continued through an alternative funding recommendation.



A third alternative would be to allocate partial funding to those programs listed in the Not Recommended category that have shown steady, although slow, ridership growth during the demonstration period; or those projects that have recently made major modifications to their service in order to improve the productivity of the service in hopes of meeting the performance criteria. An additional \$2.0 million would be required to provide 50% of the requested funding for projects that have not met the performance criteria. Staff rejected this alternative due to the lack of the needed additional funds for these programs.

### IMPACT ON BUDGET AND OBJECTIVES

Staff has recommended that approximately \$2.4 million of Transit Service Expansion funds that remain unexpended from the original \$13.1 million originally allocated to fund this program be deobligated. This money would be used to partially fund this program for Fiscal Year 1995. The additional \$1.4 million needed will be identified from another source. If the Board approves FY 1995 funding, Planning and Programming staff will continue to work with the Municipal Operators and the MTA Operations unit to try to identify a permanent funding plan for Fiscal Year 1996 and beyond, and will return to the Board with a recommendation.

#### **Impact on Operating and Capital Deficit**

Funding of these services would increase the deficit by \$1.4 million for FY 1995. Failure to fund any service would allow the deobligated funds (\$2.4 million) to be reallocated and used to address the deficit.

### BACKGROUND

The Transit Service Expansion and Bus Overcrowding Relief Programs were established in June 1990 as pilot programs when the Los Angeles County Transportation Commission (LACTC) authorized the expenditure of a one-time revenue source resulting from \$13.1 million of Proposition A Discretionary unearned Transit Performance Measurement Program (TPM) funds. The program was originally intended to fund additional congestion-relieving transit service, including providing transit connections to the Metro Blue Line. The program called for a two year commitment, with an intent to develop an ongoing funding source for the programs after the initial time period, if the lines met appropriate performance standards.

In the spring of 1991, LACTC staff, working with RTD staff and the municipal operators recommended revisions to the Proposition A formula funding guidelines, effectively freezing the

funding (CPI increases only) at FY 1990 levels, while providing a mechanism through the Bus System Capacity Expansion Component of the Proposition C 40% Discretionary Guidelines, to fund new and expansion services once temporary funds were no longer available for those services.

It was planned that all new and expansion services would go through a two-year minimum demonstration period, and if deemed successful, would be funded by Proposition C, assuming funds were available. Shortly after these guidelines were adopted, the recession impacted Los Angeles County much more severely than forecast, causing the demand for Proposition C Discretionary funds to outpace the availability of those funds. Today the MTA is faced with attempting to provide funding for these new expansion services that have proven to be successful from a funding source that is over-committed. By deobligating the unexpended funds from the original TSE/BOR program and using them to supplement Proposition C for FY 1995, the required additional funding needed from Proposition C is minimized.

A recommendation to deobligate approximately \$2.4 million of the remaining unexpended Transit Service Expansion/Bus Overcrowding Relief Program funds, along with any additional funds that may be identified, will be made in June when the Call for Projects deobligation and recertification process will come before the Board.

## DISCUSSION

Working with updated operating statistics available for the various TSE/BOR projects, staff has made a determination that the projects listed in Attachment 1 have proven to be the most successful TSE/BOR projects. Attachment 2 lists those projects that have not met the criteria and are not recommended for future funding. Table 1 contains the most current operating statistics that are available for each of the projects.

During the fall of 1993, staff from MTA Countywide Planning worked with staff from Multimodal Planning and the Municipal Operators to develop performance criteria that could be used to evaluate the TSE/BOR projects for continuation. The criteria developed are shown in Attachment 3.

The intent in developing the evaluation criteria was to provide a means of comparison both between these projects and countywide averages. This became a useful tool when staff reviewed the TSE/BOR projects in conjunction with the review of all MTA services that were considered for modifications and adjustments as a part of the budget process. When comparing cost efficiency as measured by the MTA subsidy per boarding, for the TSE services with the MTA

services that were included in the public hearing proposals, some very noticeable differences are seen. TSE local lines that are recommended for funding have MTA subsidy per boarding costs that range from \$0.70 to \$1.37. In comparison, the MTA lines that were identified in public hearing package L have MTA subsidy per boarding costs ranging from \$0.99 to \$3.98. Similarly, when looking at subsidy per boarding information for express lines, we find the AVTA service which is recommended for funding requiring a subsidy of \$1.51, while other TSE services not recommended for funding require a subsidy per boarding that ranges from \$3.68 to \$5.65. Other MTA express services that were considered at the public hearing in package K that are being retained require a subsidy that ranges from \$2.30 to \$6.45, with all but two being under \$4.00 subsidy per boarding.

The criteria also include elements referenced in the original LACTC report that details the program components and assurances, such as "recipient agrees to establish a projected farebox recovery ratio (farebox plus local contribution) over operating costs of at least 38% for the proposed service." This ratio is consistent with the Proposition A Discretionary funding program which provides local jurisdictions with the option of supplementing fare revenue with local funds. Longer term funding options could also include more local jurisdiction funding, or examining the value of these services compared to other services provided by the affected operators.

## SUMMARY

In conclusion, based on the review process undertaken to date by staff, \$3.8 million would be required in FY 1995 to fund the most productive services. Deobligating \$2.4 million in unexpended funds from the original TSE/BOR program would provide most of the needed FY 1995 funding. An additional \$1.4 million in other funds will be identified and allocated to this program. Planning and Programming staff has convened a working group of Municipal Operators to review long-term funding alternatives for this program for FY 1996 and beyond. The working group will continue to meet during the next year to examine alternative courses of action regarding a permanent recommendation for this program.

PREPARED BY: Steven P. Brown  
Systems Integration Section  
Countywide Planning Department

Projects that meet performance criteria. (Annual funding requirements are listed by each project.)

1. **Antelope Valley Transit** **\$ 264,000**  
This is a commuter express-type service operating from Lancaster/Palmdale to Downtown Los Angeles and the west San Fernando Valley. The ridership is very good on this service. The farebox recovery ratio is over 66%, and the MTA subsidy per boarding is \$1.51, compared to the evaluation criterion of \$2.19.
  
2. **LADOT DASH Route "D"** **\$ 456,000**  
DASH route connecting the San Pedro Metro Blue Line Station with the garment district, the Spring Street corridor, City Hall and Union Station. All of the performance indicators are very good for this route.
  
3. **Gardena/Culver City Overcrowding** **\$ 320,000**  
Overcrowding relief service operated by Gardena and Culver City is very well utilized and meets the suggested evaluation criteria for overcrowding relief. This criteria states that:
  - "a line is overcrowded if, during the peak hour of the peak period in which supplementary service is funded, patronage exceeds a 1.40 ratio of passengers to seats at the maximum load point of that period, and
  - patronage for that entire peak period exceeds a 1.25 ratio of passengers to seats at the maximum load point."
  
4. **Gardena Line 3** **\$ 310,000**  
This project supplements service on Line 3 from Redondo Beach to the Metro Blue Line Compton Station. All of the performance criteria are good on this route. The farebox return + local subsidy is low on this project as it was originally funded based upon an hourly rate per service hour, which was greater than the usual 62% MTA subsidy funding. Gardena has committed to providing a minimum of 38% farebox + local subsidy for future grants.
  
5. **Long Beach Line 61** **\$ 403,000**  
This service is an extension to the Atlantic Boulevard service to the Metro Blue Line Artesia Station. Ridership has been very good, with many of the riders generated along Atlantic destined for the Blue Line.



ATTACHMENT 1 (cont.)

6. Long Beach Line 131 \$ 352,000  
Ridership on this line has been slightly below the expected 30 boardings per hour.
7. Long Beach Runabout \$ 800,000  
This is very productive shuttle service in downtown Long Beach linking together retail, attractions, businesses, government offices and the Metro Blue Line.
8. Lynwood Metro Blue Line Shuttle \$ 147,000  
This is a line operating from Downtown Lynwood to the Metro Blue Line at the Imperial Station. This service currently charges no fare. Funding of this project by the MTA in FY 95 is contingent upon the City providing local funds to bring the farebox recovery ratio up to the minimum of 38%.
9. MTA Line 114 \$ 251,000  
This is a Metro Blue Line feeder route from the Bell Gardens and Cudahy areas to the Florence Blue Line Station. All of the performance factors for this line are very good. Ridership is amongst the best of the Transit Service Expansion projects.
10. MTA Line 620 (Boyle Heights Shuttle) \$ 395,000  
Line 620, the Boyle Heights Shuttle, has a very good boardings per service hour level of 53.5. In order to be considered for permanent funding, additional resources will be sought from a local jurisdiction or a third party to help subsidize the 25¢ fare and ensure a farebox plus local fund recovery ratio of 38%. A study of restructuring all transit services in Central and East Los Angeles is tentatively planned to start in early Fiscal Year 1995, and would include a review of this service and the possibility of transferring this to another operator or utilizing smaller vehicles on the route.
11. Torrance Line 6 \$ 139,700  
This is a Metro Blue Line connector route between the Artesia Station and Del Amo Fashion Center Mall. Torrance has done targeted marketing for this route in the past year which helped improve ridership and thus meet the minimum farebox recovery ratio of 38%. The MTA subsidy per boarding of \$1.34 is well below the minimum performance standard of \$1.75.

TOTALS

\$3,837,700

Projects recommended to be deleted from this program

**Foothill Transit Line 690**                      \$ 216,129

This is a Park and Ride Express service that operates along the 210 Freeway between Claremont and Downtown Pasadena. This service carries fewer than 10 boardings per revenue hour and has an average load (passenger miles per seat mile) ratio of 0.19, compared to the countywide average of 0.40.

**LADOT Line 409**                                 \$ 216,200

This is a Commuter Express service that operates from Sylmar to Downtown Los Angeles, via the 210 and 2 Freeways. Service is also provided to this area by MTA Lines 406 and 407. Performance on this line has been poor in the past, with a high subsidy per boarding of nearly \$7.00 in FY 93, forecast to be \$4.92 in FY 94. Boardings per hour are forecast this year to be 11.32 and the average load is anticipated to be 0.26.

**LADOT Line 549**                                 \$ 377,800

Service has been modified on this route to reflect ridership patterns. Additionally, improvements to the Encino Park and Ride lot have helped increase ridership, somewhat, however the performance criteria continue to be weak. For FY 94, boardings per hour is forecast at about 9, and the average load at 0.11.

**LADOT Line 573**                                 \$ 500,000

This service has been modified twice this year. The first modification extended service into the Santa Clarita Valley. The second adjustment, which involved eliminating most of the midday and reverse peak service, was recently implemented. Since the January 17 earthquake, ridership has fluctuated on this line and service reliability has been impacted due to the traffic problems getting into and out of Santa Clarita. This line still does not meet the suggested criteria. For FY 94, boardings per hour are forecast at nearly 14, with passenger miles per seat mile projected to be 0.27.

**LADOT Line 574**                                 \$ 505,200

Ridership has been steadily, although very slowly, growing on this line. The recession has drastically impacted the El Segundo Employment Area, and the ability to continue to support new transit services such as this line and the MAX service from San Pedro and Palos Verdes is limited. Congestion and transportation into and out of El Segundo were improved dramatically with the opening of the I-105 freeway. For FY 94, boardings per hour are anticipated to be 9.51, while passenger miles per seat mile will be 0.22.



**MTA 15-Bus Overcrowding Relief Program \$1,005,000**

The 15-bus overcrowding relief program has allowed the MTA Operations Department to utilize these vehicles on an as-needed basis where demand has warranted. It is recommended here that all MTA overcrowding relief service be designated and monitored by the Operations Planning Department, using one set of criteria, funded from the total operating budget, such as how the most recent 40-vehicle peak-hour overcrowding relief program was implemented.

**MTA Line 130 \$ 95,000**

This is supplemental service in the Line 130 schedule along Artesia Boulevard, providing additional service between the South Bay Galleria Mall, the Metro Blue Line and Cal State Dominguez Hills. This service is currently carrying about 23 boardings per hour, with an MTA subsidy per boarding of \$2.28, which is higher than the evaluation criterion of \$1.75.

**Torrance MAX Service \$ 100,000**

This service has been modified this past year and has shown some improvement in productivity, however the service still does not perform as well as the average of similar services throughout the County. MAX has been funded for several years from a variety of different sources. Ridership on Line 3 from San Pedro is very good, however the performance of Line 2 from Palos Verdes is not up to standard and thus effects the entire project. MAX has recently adopted a new operating schedule for FY 1995 which will reduce their subsidy requirements and improve the productivity on this line. Area Team staff will continue to work with MAX staff to review and modify the services in the South Bay to maximize productivity. This service will be a successful feeder to the Metro Green Line in the future, however funding for continued service until the Green Line opens is the concern now.

TRANSIT SERVICE EXPANSION PROGRAM EVALUATION CRITERIA

All four criteria must be met to allow the project to be further considered for funding. The first two were originally adopted by the LACTC in 1990 when this program began. Criteria #3 has an alternative, 3A, which can be used to evaluate park-and-ride (commuter) type express services.

Projects meeting all 4 criteria would be eligible for consideration of funding up to 100% of the amount requested (which is a maximum of 62% of the gross project cost).

1. MTA Subsidy not to exceed 62% of the gross operating cost. Operators are allowed to credit local funds applied to these projects towards the Farebox + Local Subsidy Recovery Ratio.
2. Average growth in costs per revenue vehicle service hour over the life of the service should be no greater than the average Los Angeles-Long Beach CPI for the same period. In some cases where a negotiated contract with a private provider is higher than this rate, any increase in the MTA subsidy would be limited to no more than a CPI increase.
3. 30 Boardings per revenue hour for local lines;  
25 Boardings per revenue hour for all-day multiple-stop express lines;  
15 Boardings per revenue hour for shuttle services.
- 3A. Park-and-ride commuter-type express routes must achieve a passenger miles per seat mile ratio equal to or greater than the LA County mean for similar services. This will yield a measure of service productivity that takes into account length (mileage) of the trip and size of the vehicle in use; however, it will not be affected by the operating time of the trip. This would not apply to local, shuttle, or all-day multiple-stop express services.
4. The MTA subsidy per boarding for TSE services is not to exceed twice the LA County mean for local and shuttle routes. For express routes, MTA subsidy per boarding is not to exceed 2½ times the LA County mean. The LA County mean will be calculated from bus Transit Performance Measurement reports submitted annually. The most recent complete submittal year will form the basis for the evaluation.

Overcrowding Relief

Performance is to be defined as the deployment of service on lines that are overcrowded or that would be overcrowded if the deployed service were removed.

- A line is overcrowded if, during the peak hour of the peak period in which supplementary service is funded, patronage exceeds a 1.40 ratio of passengers to seats at the maximum load point of that period, and patronage for that entire peak period exceeds a 1.25 ratio of passengers to seats at the maximum load point.

TRANSIT SERVICE EXPANSION PROGRAM

TRANSIT OPERATOR	LINE NO.	FY 1993							FY 1994 est.						
		(1) FARE + LOCAL RATIO	(1A) FARE BOX ONLY	(2) COST GROWTH 92/93	(3) BRDGS /VEH HOUR	(3A) PSGR MILES/ SEAT MILE	(4) MTA SUBSIDY/ BRDG	(5) TOTAL SUBSIDY/ BRDG	(1) FARE + LOCAL RATIO	(1A) FARE BOX ONLY	(2) COST GROWTH 92/94	(3) BRDGS /VEH HOUR	(3A) PSGR MILES/ SEAT MILE	(4) MTA SUBSIDY/ BRDG	(5) TOTAL SUBSIDY/ BRDG
<b>PROJECTS TO BE FUNDED</b>															
AVTA	LA/SFV Exp	68.8%	67.0%	9.20%	12.79	0.69	\$1.74	\$1.85	73.0%	66.8%	15.10%	13.50	0.71	\$1.51	\$1.86
LADOT	DASH "D"	38.0%	6.0%	-55.86%	16.00	N/A	\$1.12	\$1.69	38.0%	15.2%	-55.19%	23.48	N/A	\$0.76	\$1.05
Gardena	3	14.7%	14.7%	0.01%	50.08	N/A	\$1.28	\$1.28	13.6%	13.6%	5.00%	49.98	N/A	\$1.37	\$1.37
Long Beach	61	37.9%	36.5%	3.71%	48.35	N/A	\$0.69	\$0.71	38.0%	35.7%	5.60%	48.35	N/A	\$0.70	\$0.73
Long Beach	Runabout	37.9%	0.0%	15.88%	40.65	N/A	\$0.82	\$1.33	38.0%	0.0%	17.53%	48.39	N/A	\$0.70	\$1.14
MTA	114	38.0%	31.5%	3.01%	44.27	N/A	\$1.32	\$1.46	38.0%	31.5%	5.92%	44.27	N/A	\$1.36	\$1.50
Long Beach	131	37.7%	11.1%	-18.28%	14.80	N/A	\$2.27	\$3.23	46.3%	19.7%	-15.96%	26.67	N/A	\$1.11	\$1.65
Lynwood	MBL Shuttle	38.0%	0.0%	4.11%	48.79	N/A	\$0.70	\$1.13	38.0%	0.0%	4.11%	48.79	N/A	\$0.70	\$1.13
Torrance	6	38.0%	14.9%	3.70%	15.35	N/A	\$1.58	\$2.17	38.0%	17.8%	5.40%	18.48	N/A	\$1.34	\$1.77
MTA	620	14.2%	14.2%	3.01%	43.90	N/A	\$1.70		16.6%	16.6%	5.92%	53.50	N/A	\$1.39	
<b>GARDENA/CULVER CITY OVERCROWDING</b>		SEE NOTE BELOW													
<b>PROJECTS TO DELETE</b>															
Foothill	690	18.2%	12.9%	5.75%	6.09	0.13	\$10.78	\$11.48	38.2%	29.9%	0.67%	9.50	0.19	\$4.95	\$5.61
LADOT	409	38.0%	14.3%	-12.82%	8.39	0.19	\$6.91	\$9.56	38.0%	20.1%	-17.47%	11.32	0.26	\$4.92	\$6.34
LADOT	549	38.0%	11.4%	1.67%	4.74	0.06	\$8.22	\$11.76	38.0%	19.7%	8.36%	8.83	0.11	\$4.74	\$6.13
LADOT	573	38.0%	9.2%	0.42%	6.93	0.13	\$5.91	\$8.65	38.0%	15.4%	19.56%	13.77	0.27	\$3.68	\$5.02
LADOT	574	38.0%	8.2%	-5.29%	4.29	0.11	\$9.80	\$14.51	38.0%	14.2%	17.51%	9.51	0.22	\$5.65	\$7.81
Torrance	MAX	38.0%	13.6%	6.51%	8.51	0.19	\$5.61	\$7.82	39.2%	14.2%	8.74%	9.96	0.27	\$4.81	\$6.80
MTA	130	38.0%	19.1%	3.01%	23.30	N/A	\$2.21	\$2.89	38.0%	19.1%	5.92%	23.30	N/A	\$2.28	\$2.97
<b>MTA OVERCROWDING</b>		FUND FROM GENERAL BUDGET IN CONJUNCTION WITH OTHER OVERCROWDING RELIEF PROGRAMS													
EVALUATION CRITERIA		38.00%		3.10%	LOC=30	COUNTY	\$1.75		38.00%		6.29%	LOC=30	COUNTY	\$1.75	
					EXP=25	AVERAGE	\$2.19					EXP=25	AVERAGE	\$2.19	
					SHTL=15	.40	\$1.75					SHTL=15	.40	\$1.75	

NOTE: OVERCROWDING RELIEF IS BASED UPON A NEED TO RETAIN THE SERVICE AS REMOVING IT WILL CAUSE CROWDING TO WORSEN TO A LOAD FACTOR OVER 1.4 DURING THE PEAK HOUR

Indicates failed criteria

## TRANSIT SERVICE EXPANSION PROGRAM

TRANSIT OPERATOR	LINE NO.	FARE RECOVERY RATIO (2)	BRDGS /VEH HOUR (3)	MTA SUBSIDY /BRDG (4)	TOTAL SUBSIDY /BRDG
<b>LOCAL LINES</b>					
MTA (note 1)	33	38.4	56.2	\$0.99	\$0.99
MTA	56	14.1	19.3	\$3.77	\$3.77
MTA	119	18.7	22.9	\$2.87	\$2.87
MTA	124	27.3	34.9	\$1.81	\$1.81
MTA	127	20.8	23.7	\$2.62	\$2.62
MTA	130	25.9	37.3	\$1.88	\$1.88
MTA	161	19.1	25.8	\$3.01	\$3.01
MTA	168	19.2	24.7	\$2.78	\$2.78
MTA	177	14.8	23.3	\$3.48	\$3.48
MTA	220	16.5	25.2	\$2.90	\$2.90
MTA	225	14.1	20.9	\$3.98	\$3.98
MTA	236	21.3	32.0	\$2.09	\$2.09
MTA	250	16.6	23.5	\$2.85	\$2.85
MTA	264	15.1	23.0	\$3.18	\$3.18
MTA	265	18.0	24.2	\$3.21	\$3.21
<b>PROJECTS RECOMMENDED FOR FUNDING</b>					
<i>Gardena</i>	<i>3</i>	<i>13.6</i>	<i>50.0</i>	<i>\$1.37</i>	<i>\$1.37</i>
<i>Long Beach</i>	<i>61</i>	<i>35.7</i>	<i>48.4</i>	<i>\$0.70</i>	<i>\$0.73</i>
<i>Long Beach</i>	<i>131</i>	<i>19.7</i>	<i>26.7</i>	<i>\$1.11</i>	<i>\$1.65</i>
<i>Torrance</i>	<i>6</i>	<i>17.8</i>	<i>18.5</i>	<i>\$1.34</i>	<i>\$1.77</i>
<i>MTA</i>	<i>114</i>	<i>31.5</i>	<i>44.3</i>	<i>\$1.36</i>	<i>\$1.50</i>
<i>Culver City</i>	<i>Overcrowding</i>				
<i>Gardena</i>	<i>Overcrowding</i>				
<b>PROJECTS RECOMMENDED FOR DELETION</b>					
MTA	130	19.1	23.3	\$2.28	\$2.97
MTA	Overcrowding	to be funded from general budget in conjunction with other overcrowding relief programs.			

1. These MTA lines were identified for potential cancellation in the April 23 public hearing (packages K & L).  
Data for these lines based on most current Line Performance Trends report.
2. Farebox recovery ratio criterion is 38%.
3. Boardings per vehicle hour criterion for local service is 30.
4. MTA subsidy per boarding criterion for local service is \$1.75.



## TRANSIT SERVICE EXPANSION PROGRAM

TRANSIT OPERATOR	LINE NO.	FARE RECOVERY RATIO (2)	PSGR MILES/ SEAT MILE (3)	MTA SUBSIDY /BRDG (4)	TOTAL SUBSIDY /BRDG
<b>EXPRESS LINES</b>					
MTA	401	29.6	0.43	\$2.30	N/A
MTA	418	24.3	0.53	\$3.80	N/A
MTA	426	19.8	0.38	\$2.92	N/A
MTA	427	21.8	0.35	\$6.45	N/A
MTA	429	19.0	0.32	\$3.25	N/A
MTA	436	20.3	0.39	\$3.87	N/A
MTA	443	13.5	0.24	\$8.88	N/A
MTA	445	12.3	0.24	\$12.09	N/A
MTA	457	10.2	0.18	\$19.08	N/A
MTA	466	22.3	0.32	\$6.40	N/A
MTA	487/489/491	22.7	0.23	\$3.19	N/A
MTA	497	32.4	0.27	\$5.05	N/A
<b><u>PROJECTS RECOMMENDED FOR FUNDING</u></b>					
AVTA	LA/SFV Exp	66.8	0.71	\$1.51	\$1.86
<b><u>PROJECTS RECOMMENDED FOR DELETION (5)</u></b>					
Foothill	690	29.9	0.19	\$4.95	\$5.61
LADOT	409	20.1	0.26	\$4.92	\$6.34
LADOT	549	19.7	0.11	\$4.74	\$6.13
LADOT	573	15.4	0.27	\$3.68	\$5.02
LADOT	574	14.2	0.22	\$5.65	\$7.81
Torrance	MAX	14.2	0.27	\$4.81	\$6.80

1. These MTA lines were identified for potential cancellation in the April 23 public hearing (packages K & L).  
Data for these lines based on most current Line Performance Trends report.
2. Farebox recovery ratio criterion is 38%.
3. Psgr miles per seat mile criterion for express service is 0.40.
4. MTA subsidy per boarding criterion for express service is \$2.19.
5. Comparison based on estimated FY 94 data.



## TRANSIT SERVICE EXPANSION PROGRAM

TRANSIT OPERATOR	LINE NO.	FARE RECOVERY RATIO (2)	BRDGS /VEH HOUR (3)	MTA SUBSIDY /BRDG (4)	TOTAL SUBSIDY /BRDG
<b>LOCAL CIRCULATORS</b>					
MTA (note 1)	208	11.6	21.6	\$3.72	\$3.72
MTA	620	16.6	53.5	\$1.39	\$1.39
<b><u>PROJECTS RECOMMENDED FOR FUNDING</u></b>					
MTA	620	16.6	53.5	\$1.39	\$1.39
Lynwood	MBL Shuttle	0.0	48.8	\$0.70	\$1.13
LADOT	DASH "D"	15.2	23.5	\$0.76	\$1.05
Long Beach	Runabout	0.0	48.4	\$0.70	\$1.14
<b><u>PROJECTS RECOMMENDED FOR DELETION</u></b>					
None					

1. These MTA lines were identified for potential cancellation in the April 23 public hearing (packages K & L).  
Data for these lines from most current Line Performance Trends report.
2. Farebox recovery ratio criterion is 38%.
3. Boardings per vehicle hour criterion for shuttle service is 15.
4. MTA subsidy per boarding criterion for shuttle service is \$1.75.

*Excerpt from MTA Board Minutes,  
- July 20, 1994.*

5. Director Yaroslavsky made a motion to amend certain sections. This motion was seconded and the following action taken.

APPROVED amended FY 1995 funding of the Transit Service Expansion/Bus Overcrowding Relief (TSE/BOR) projects noted:

- a. funding in the amount of \$2.8 million in FY 1995 for the projects noted in the CEO's report dated May 31, 1994, that have met all of the performance criteria and are successful projects; and
- b. funding in the amount of \$491,700 in FY 1995 for Long Beach Line 131 and Torrance Line 6;
- c. assigning operating responsibility for demonstration MTA Line 620 (Boyle Heights Shuttle) to LADOT effective July 1, 1994;
- d. allocate funding of \$395,000 to LADOT and enter into a contract with LADOT for continued operation of Line 620 by the MTA until such time as LADOT procures another service provider;
- e. authorizing Foothill Transit, Torrance Transit and LADOT to use funds received from their formula share of the \$20 million supplemental Proposition C Discretionary operating subsidy contained in the FY 95 budget to continue operation of Foothill Line 690, Torrance MAX services and LADOT Lines 409, 549, 573 and 574; this is limited to FY 95 operation only;
- f. authorizing additional funds in the amount of \$650,000, through December 31, 1994, to cover the insufficient funding for LADOT Lines 409, 549, 573 and 574; conduct ridership surveys and prepare performance evaluation of these services to be considered by MTA Board in October, 1994; and
- g. work with the Bus Operators Subcommittee to develop reasonable productivity standards to be used to evaluate all of the TSE/BOR lines, and seek permanent funding sources for all eligible TSE/BOR lines.



23

July 8, 1996

ITEM 6



TO: BOARD OF DIRECTORS

FROM: JOSEPH E. DREW, CHIEF EXECUTIVE OFFICER

SUBJECT: OVERCROWDING RELIEF FOR THE TRANSIT DEPENDENT  
RECOMMENDATION

Los Angeles County  
 Metropolitan  
 Transportation  
 Authority

One Gateway Plaza  
 Los Angeles, CA  
 90012

213.922.6000

Mailing Address:

P.O. Box 194  
 Los Angeles, CA 90053

That the Board:

- a) Adopt the resolution in Attachment 1 regarding expenditure of funds to relieve overcrowding for the transit dependent; and,
- b) Approve the execution of an Internal Programming Declaration to allocate funds within the MTA for this project in accordance with the recommended methodology summarized in Attachment 2.

ORGANIZATIONAL IMPACT

The overcrowding relief provided as part of the Bus System Improvement Plan will improve bus service for the transit dependent.

BUDGET IMPACT

Funds for this program were approved by the Board in March 1996, and incorporated within the FY 1996-97 Budget adopted in June, 1996.

ALTERNATIVES CONSIDERED

A number of service deployment strategies were considered prior to the development of the proposed program recommended by staff.

BACKGROUND AND/ OR DISCUSSION

At the March 27, 1996 meeting the Board approved the Bus System Improvement Plan including the appropriation of \$10.4 million in Proposition C Discretionary Funds for Fiscal Year 1997 for an annual Countywide program to improve service on overcrowded lines for the transit dependent. The MTA will receive an allocation of \$7,871,802.

Staff from Regional Transportation Planning and Development and Operations have met several times to discuss various service delivery options and implementation schedules. The staff consensus is to allocate additional service through three categories. Two of the categories will be demonstration programs to test innovative ways to relieve overcrowding. The third category uses a conventional method. The plan will require 62 buses with approximately 20 buses allocated to each of the following three categories:

- a demonstration program of new limited service (Lines 311, 394) to relieve overcrowding where limited service does not operate today;
- more local service on Lines 30-31 and Line 204 to demonstrate the effect of extra capacity on attracting more riders and improving service quality; and,
- conventional overcrowding relief offering more local service to bring load factors down to a level commensurate with existing Board policy.

Bus System Improvement Plan funding allocated in this innovative manner will allow MTA Operations to improve service for the transit dependent. Instituting more limited service, which typically only stops at cross streets with transit service or major attractors, is anticipated to be particularly effective because it reduces travel time at the same time that seating capacity is increased. The MTA has had excellent customer response to new limited services in the Crenshaw Blvd. and Manchester/Firestone corridors.

The additional local service on Lines 30-31 and Line 204 will demonstrate what a significantly reduced load factor can achieve in terms of attracting more riders and improving on-board conditions. Compared to the typical 1.45 load factor allowing 19 standees, the proposed 1.1 load factor will decrease the average standing load to fewer than five. There should be fewer pass-ups and customers riding these lines will find seats more quickly once aboard. Staff will monitor the results and make refinements and adjustments to maximize the benefits to riders. It is anticipated that when the additional service is fully integrated into bus operator assignments, fewer buses will be required for the limited stop and 1.1 load factor services thereby allowing relief of overcrowding for the rest of the MTA's bus services.

The traditional way to relieve overcrowding (adding more local service to adjust boarding levels to current standards) will also improve service quality. Staff will assess passenger impacts in all three categories. Program modifications will be considered annually as part of the budget process based on data collected by the MTA.

Due to prior vehicle commitments for the Olympics, the contracting of six local lines, the demands of seasonal Hollywood Bowl service, and ongoing difficulties with methanol engines, it is anticipated that buses will become available for this program beginning in September. Operator availability will be dependent on assumption of contract operation of six lines recently awarded (to be phased in through mid-October).

## ATTACHMENTS

1. Resolution and Certification
2. Initial MTA Overcrowding Relief Plan

Prepared by: Jim McLaughlin, Bus System Improvement Plan  
Dana Woodbury, Scheduling & Operations Planning

  
JAMES L. de la LOZA – Executive Officer,  
Regional Transportation Planning and Development  
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ATTACHMENT 1

RESOLUTION

The Los Angeles County Metropolitan Transportation Authority hereby acknowledges that these funds are to be allocated to services that will relieve overcrowding for the most transit dependent customers and affirms through signature below that staff has been directed to develop a methodology for the allocation of these funds so that service quality for the transit dependent improves and that said allocation shall be contingent upon policy board approval of that methodology.

CERTIFICATION

The undersigned, duly qualified and acting as Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the attached is a true and correct copy of a Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on July 24, 1996.

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Helen M. Bolen  
Board Secretary

DATED:

(SEAL)

ATTACHMENT 2

OVERCROWDING RELIEF FOR THE TRANSIT DEPENDENT  
ADDITIONAL BUSES REQUIRED

I. ESTABLISH NEW LIMITED STOP BUS SERVICE

LINE	DESCRIPTION	MAXIMUM		BUS EQUIVALENTS
		ADDITIONAL PEAK	BUSES BASE	
311	Florence Ave.	9	0	9
394	San Fernando Road Limited	<u>11</u>	<u>0</u>	<u>11</u>
	Sub-Total	20	0	20

II. REDUCE PASSENGER LOAD FACTOR FROM 145% TO 110%

LINE	DESCRIPTION	MAXIMUM		BUS EQUIVALENTS
		ADDITIONAL PEAK	BUSES BASE	
30-31	Pico Blvd-East First St	6	4	10
204-354	Vermont Ave	<u>7</u>	<u>4</u>	<u>11</u>
	Sub-Total	13	8	21

III. PROVIDE OVERCROWDING RELIEF DURING PEAK PERIODS

LINE	DESCRIPTION	BUS EQUIVALENTS
4-304	Santa Monica Blvd-Santa Monica Blvd Limited	2
16-316	W. Third St-W. Third St/Metro Red Line Limited	2
33-333	Venice Blvd-Venice Blvd Limited	2
45-345	Broadway-Broadway Limited	2
60	Long Beach Blvd-Santa Fe Ave	2
66-67	E. Olympic Blvd-W. Eighth St	3
81	Figuerroa St	2
90-91	Los Angeles-Sunland-Sylmar	2
152	Fallbrook Ave-Roscoe Blvd-Vineland Ave-Burbank	1
163	Sherman Way-Hollywood Way	2
206	Normandie Ave	<u>1</u>
	Sub-Total	21

Note: For overcrowding relief, as demand varies throughout the bus system, buses may be reallocated.

GRAND TOTAL

62

**BUS SYSTEM IMPROVEMENT PLAN**

Operator: \_\_\_\_\_

Line No.: \_\_\_\_\_

Peak Load Point: \_\_\_\_\_

Peak One Hour Period: \_\_\_\_\_

	Baseline	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Average Daily Boardings					
Peak Vehicles Assigned to Line					
Total Seat Capacity on Line					
Average Passenger Loads at Peak Load Point during Peak Hour of Service					
Standees Reduced					
Revenue Vehicle Hours					
Average One-Way Run Time					
Schedule Reliability *					

\* Schedule Reliability for fixed route service defined as the percentage of total trips arriving no later than 5 minutes after the scheduled arrival time at the time point closest to the peak load point, and for demand responsive services as response time to a request for pick-up.

**MEMORANDUM OF UNDERSTANDING  
FOR  
ALLOCATION OF PROPOSITION C  
DISCRETIONARY FUNDS FOR OVERCROWDING RELIEF  
TO THE TRANSIT DEPENDENT**

WHEREAS, on November 6, 1990, the voters of the County of Los Angeles approved by majority vote Proposition C, an ordinance establishing a one-half percent sales tax for public transit purposes; and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority ("MTA"), is the agency responsible for administering the tax; and

WHEREAS, at its meeting of the governing board on March 27, 1996, MTA approved the Bus System Improvement Plan including a one-time appropriation of \$10.4 million in Proposition C Discretionary Funds ("the Funds"), for Fiscal Year 1997 using the formula allocation process for all operators that receive regional funds, for an annual Countywide program to improve service on overcrowded lines for the transit dependent ("the Project"); and

WHEREAS, the City of \_\_\_\_\_ ("the GRANTEE"), is an eligible operator and desires to receive the Funds to operate additional service on overcrowded lines with transit dependent riders; and

WHEREAS, the Project will further MTA in meeting its goals of improved mobility and increased quality of life for its constituents; and

WHEREAS, MTA and GRANTEE desire to agree to the terms and conditions described in this Memorandum of Understanding ("the MOU").

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, MTA and GRANTEE hereby agree as follows:

**ARTICLE 1.            PAYMENT OF FUNDS**

- 1.0            To the extent the Funds are available, MTA shall make to Grantee a one-time grant of \$ \_\_\_\_\_ subject to the terms and conditions contained herein.
  
- 1.1            This one-time grant shall be paid over a twelve (12) month period. MTA shall make four (4) quarterly disbursements with each disbursement not to exceed the amount of \$ \_\_\_\_\_.

MEMORANDUM OF UNDERSTANDING

Name of Grantee

**ARTICLE 2.            TERM**

2.0                    The term of this MOU will be in effect from July 1, 1996 through June 30, 1997.

**ARTICLE 3.            INVOICE OF GRANTEE**

3.0                    Each quarter, Grantee shall submit one (1) invoice to MTA requesting the Funds not to exceed the amount \$                    All invoices must include adequate information documenting the cost of the Project.

**ARTICLE 4.            USE OF FUNDS**

4.0                    GRANTEE shall utilize the Funds in accordance with the MTA Proposition C Guidelines (as adopted by MTA in May 1992) ("the Guidelines"), only for operating assistance of the Project and in accordance with the MTA Board of Directors' action at its March 27, 1996 meeting.

4.1                    GRANTEE shall not use the Funds to substitute for any other funds, service, or project not specified in this MOU.

4.2                    GRANTEE shall not carryover any unused Funds to a subsequent fiscal year.

4.3                    Any unspent Funds must be returned to MTA no later than 60 days after the completion of the FY 1997 fiscal and compliance audits performed either by the MTA or the GRANTEE.

4.4                    Unused funds shall revert to the MTA.

**ARTICLE 5.            REPORTING AND AUDIT REQUIREMENTS**

5.0                    MTA, and/or its designee, shall have the right to conduct a financial and compliance audit(s) of the Project. GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with conditions defined by this MOU and the Guidelines.

5.1                    The GRANTEE shall comply with all Federal National Transit Database reporting requirements and shall submit a copy of said report to MTA.

5.2                    The GRANTEE will submit a separate Transit Performance Measurement (TPM) report to the MTA for the fiscal year of this Project.



## MEMORANDUM OF UNDERSTANDING

### Name of Grantee

5.3

To measure the effectiveness of the addition of capacity, both in terms of relieving overcrowding and improving travel times, the GRANTEE shall submit to the MTA baseline measurements of average running times (end-to-end travel time of vehicles assigned to fixed routes) and average passenger loads (expressed as number of passengers over the average seating capacity of assigned vehicles) during the peak one-hour period at the peak load point of each service or bus line which GRANTEE intends to allocate additional service using funds provided under this MOU, prior to expenditure of funds.

5.4

After deployment of additional service, the GRANTEE shall monitor the effectiveness of the additional service by collecting data on the bus routes, route segments, or demand-responsive services for which additional service is deployed. Data should be collected at least once every three months, using a methodology developed by the GRANTEE and approved by the MTA. This data shall be submitted quarterly to the MTA, no later than October 18, 1996 for the first quarter, January 17, 1997 for the second quarter, April 18, 1997 for the third quarter, and July 18, 1997 for the fourth quarter of the Fiscal Year 1997. Submitted data shall be specific to each service for which additional service is deployed, and shall include average daily boardings, total seat capacity of vehicles assigned, average passenger loads during the peak one-hour period at the peak load point of the service, number of standing customers reduced, number of peak buses, number of revenue service hours, average running time, and schedule reliability expressed by fixed route operators as the percentage of total trips arriving no later than 5 minutes after the scheduled arrival time at the time point closest to the peak load point of the line, and expressed by demand responsive services as response time to a request for pick-up.

## ARTICLE 6.

### CONDITIONS

6.0

This is a one-time grant subject to the terms and conditions agreed to herein and in the Guidelines. This grant does not imply nor obligate any future funding commitment on the part of the MTA.

6.1

Prior to expenditure of funds, the Policy Board of GRANTEE shall adopt a resolution to certify that the Funds will be used to operate additional service to relieve overcrowding for the most transit dependent riders in GRANTEE'S transit system. The resolution shall read:

**"The City of \_\_\_\_\_ hereby acknowledges that these funds are to be allocated to services that will relieve overcrowding for the most transit dependent customers and affirms through signature below that staff has been directed to develop a methodology for the allocation of these**

MEMORANDUM OF UNDERSTANDING

Name of Grantee

**funds so that service quality for the transit dependent improves and that said allocation shall be contingent upon policy board approval of that methodology.”**

The GRANTEE shall transmit to the MTA the adopted resolution with any staff report attached prior to receipt of funds. If GRANTEE's Policy Board does not adopt the above resolution by August 31, 1996, the Funds shall be returned to the MTA.

- 6.2 GRANTEE agrees to strive for a minimum 38% farebox recovery ratio (passenger fares plus local revenues divided by operating costs).
- 6.3 GRANTEE agrees to comply with all applicable local, state and federal laws, rules and regulations in the provision of public transit services.
- 6.4 GRANTEE understands and agrees that in programming these funds and entering into this MOU, MTA is acting pursuant to its statutory authority and shall have no liability in connection with the use of these funds for public transit purposes. GRANTEE agrees to indemnify MTA for all liability arising out of GRANTEE's performance in the provision of public transit services paid for by these funds.
- 6.5 GRANTEE is not a contractor, agent or employee of the MTA. GRANTEE shall not represent itself as a contractor, agent or employee of the MTA and shall have no power to bind the MTA in contract or otherwise.

**ARTICLE 7. PENALTIES**

- 7.0 The MTA reserves the right to terminate this MOU and withhold funds if it is determined that the GRANTEE has not made every effort to adhere to all warranties and conditions identified in the Proposition C Discretionary Guidelines. In addition, the MTA reserves the right to terminate this MOU in the event of continued and/or gross violations of this MOU.
- 7.1 Any withholding of funds, termination of the MOU, or imposition of any financial penalty against GRANTEE under the Proposition C Discretionary Guidelines is subject to nine (9) affirmative votes by the governing board of the MTA.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be duly executed as of the dates below with all the formalities required by law.

GRANTEE:

LOS ANGELES COUNTY  
METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_

By: \_\_\_\_\_

ROGER SNOBLE  
Chief Executive Officer

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: \_\_\_\_\_

LLOYD W. PELLMAN  
COUNTY COUNSEL

NAME: \_\_\_\_\_

By: \_\_\_\_\_

DEPUTY

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

# MUNICIPAL OPERATOR SERVICE IMPROVEMENT PROGRAM GUIDELINES

## INTRODUCTION

These guidelines summarize the funding policies and administrative procedures for the Municipal Operator Service Improvement Program (MOSIP) established by MTA Board action on April 26, 2001 to improve and expand Countywide transit service.

## PROGRAM OBJECTIVES

The purpose of the program is to improve service to transit users countywide. The program is flexible to allow each operator to determine how best to accomplish needed improvements. The objectives of the program are:

- a) to improve service to transit users countywide
- b) to assist the MTA in reducing its operating and capital costs through collaboration with the municipal operators and the MTA
- c) to identify overlapping services and develop strategies to operate those services at a reduced cost
- d) to work with the MTA on new countywide service expansion plans to reduce overcrowding and expand new services to the transit dependent
- e) to provide input into MTA's vehicle purchase plan to reduce costs; and
- f) to continue work with MTA on countywide fare media options and the Universal Fare System to achieve a seamless ride for the transit patrons in Los Angeles County.

## PROGRAM AMOUNT AND ALLOCATION PERIOD

This is an ongoing program, beginning in FY 02. The first five years of funding (FYs 02 through 06) were approved by the MTA Board as part of the action establishing the program. The Board approved \$15 million in Proposition C 40% Discretionary Funds for FY 02 and \$15 million for each of the next four years plus a cumulative 3% annual increase as shown in Table 1. The funding allocation shares of the operators are subject to annual approval by the MTA Board. Continuation of funding for fiscal years after 2006 will require further MTA Board action.

Table 1

### Proposition C 40% Fund Amounts

(\$ in millions)

FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
15.00	15.45	15.91	16.39	16.88

## ALLOCATION METHODOLOGY

Funds will be allocated among the included and eligible municipal operators according to the shares calculated by the Formula Allocation Procedure for the year in which funds are allocated.

## ELIGIBLE RECIPIENTS

All included and eligible municipal operators participating in MTA's FY 2002 formula allocation program are eligible to receive these funds. MTA Operations was awarded funds separately through MTA's budget process and Board action.

## ELIGIBLE PROJECTS

Funds can be used for capital and operating projects which meet the above program purpose and/or objectives.

## PROGRAM RESTRICTIONS

A three-fourths vote of the MTA Board is required to make any changes to the program as adopted by the Board on April 26, 2001.

For the duration of the program covered under the MOU for Fiscal Year 2002-2006, neither the MTA nor the municipal operators will pursue legislation, legal or other actions to alter the funding sources currently subject to formula allocations.

## FUND DISBURSEMENT

Funds will be disbursed after a memorandum of understanding (MOU) between the operator and the MTA has been executed and the operator has submitted to MTA a service improvement plan showing the assignment of that fiscal year's funds between operating and capital purposes. The service improvement plan should include a description and start date of the service on which these funds will be spent. The plan should explain how these services will meet the program plan objective and benefit transit users. If some or all funds are to be spent on capital projects, the service improvement plan should describe the project cost, schedule, milestone and the project benefit. The service improvement plan may be amended by the operator in coordination with the MTA. Funds for operating purposes will be disbursed monthly in equal portions of an operator's allocation once an invoice for the annual allocation amount is received from that operator. Funds for capital purposes will be disbursed once an operator has submitted an invoice for such needed funds in anticipation of project costs.



## RESERVE/CARRY-OVER REQUIREMENTS

An operator may reserve or carry-over its allocation to the next fiscal year; however the funds will retain their original year of allocation for the purpose of applying the lapsing requirement.

An operator may assign its funds for a given fiscal year to another operator that is able to use them according to the program, purpose, and objectives and within the lapsing requirement timeframe.

## LAPSING REQUIREMENT

Given the objective of the program to improve transit service, operators are encouraged to spend these funds in a timely manner.

Operators have four years, that is the year of allocation plus three years, to spend the funds allocated through this program. Lapsed funds will revert back to a joint municipal operator fund, which will be allocated proportionally to all other municipal operators.

## AUDIT/REPORTING REQUIREMENTS

Use of these funds will be audited as part of the annual audit of each municipal operator. Operators will retain all documents and records related to this program and the use of funds for a period of three years after the year in which the funds are expended. Records of the use of these funds for operating transit services will be kept and reported separately on TPM forms, and not included in FAP funded uses. If funds are used for capital purposes, they should be reported separately on the capital project tables in the SRTP. Semi-annual Reports: Operators will provide a semi-annual report, to MTA describing how the service is meeting the program objectives. For capital projects, the semi-annual report should describe the project progress and estimated completion date. MTA will compile the operators semi-annual reports into a regional semi-annual MOSIP program update for the MTA Board. MTA's consent decree will be reported separately on TPM forms and not included in FAP funded uses.

**MEMORANDUM OF UNDERSTANDING  
TO ALLOCATE PROPOSITION C 40% DISCRETIONARY FUNDS  
FOR THE MUNICIPAL OPERATOR SERVICE IMPROVEMENT PROGRAM (MOSIP)**

This Memorandum of Understanding ("MOU") is entered into as of July 1, 2018, by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and ("GRANTEE").

WHEREAS, on November 6, 1990, the voters of the County of Los Angeles approved by majority Proposition C, an ordinance establishing a one-half percent sales tax for public transit purposes; and

WHEREAS, the LACMTA, is the agency responsible for administering the tax; and

WHEREAS, on April 26, 2001, the LACMTA Board approved the creation of an ongoing municipal operator service improvement program ("MOSIP") beginning in FY 2002 to improve service to the transit dependent countywide by reducing overcrowding and expand services; and

WHEREAS, the Board approved \$15 million in Proposition C 40% Discretionary funds for fiscal year 2002 and \$15 million for each of the next four fiscal years with a 3% cumulative increase each year to fund the MOSIP; and

WHEREAS, on November 29, 2007, the LACMTA Board authorized the continuation of the MOSIP program; and

WHEREAS, the MOSIP objectives are as follows:

- a) to improve service to transit users countywide
- b) to assist LACMTA in reducing its operating and capital costs through collaboration with the municipal operators and LACMTA
- c) to identify overlapping services and develop strategies to operate those services at a reduced cost
- d) to work with LACMTA on new countywide service expansion plans to reduce overcrowding and expand new services to the transit dependent
- e) to provide input into LACMTA's vehicle purchase plan to reduce costs; and
- f) to continue work with LACMTA on countywide fare media options and the Universal Fare System to achieve a seamless ride for the transit patrons in Los Angeles County

WHEREAS, the GRANTEE is an eligible or included operator and desires to receive the FUNDS from LACMTA for the MOSIP; and

WHEREAS; LACMTA and GRANTEE desire to agree to the terms and conditions of the grant of FUNDS.

NOW THEREFORE, in consideration of the mutual term and conditions contained herein, LACMTA and GRANTEE hereby agree as follows:

ARTICLE 1 - TERM

- 1.1. This MOU will be in effect from July 1, 2018, through June 30, 2028, unless terminated earlier as provided herein.
- 1.2 During the term of this MOU, LACMTA and Grantee shall not pursue legislation, legal or other actions to alter the LACMTA Board approved funding sources currently subject to formula allocations.

ARTICLE 2 - A ALLOCATION OF PROPOSITION C DISCRETIONARY FUNDS AND INVOICE PROCEDURE

- 2.1 Each fiscal year, to the extent the FUNDS are available and authorized by the LACMTA Board for MOSIP, LACMTA staff, in coordination with the Eligible/Included Operators, will develop funding marks for the MOSIP to be funded that fiscal year (the "Annual Funding Mark"). The funds allocations for MOSIP will be developed according to the formula allocation procedure. The Annual Funding Mark will describe GRANTEE's share of the FUNDS for the MOSIP to the extent the MOSIP is funded that fiscal year. GRANTEE shall have the opportunity to review and comment on the Annual Funding Mark prior to LACMTA staff submitting the Annual Funding Mark to the LACMTA Board for approval. LACMTA Board approval will be required annually prior to fund disbursement.
- 2.2 For each fiscal year covered by this MOU, LACMTA will allocate GRANTEE's share of the FUNDS pursuant to the Annual Funding Mark for that fiscal year as approved by the MTA Board. Attached as Exhibit A are the Annual Funding Mark for the MOSIP in FY 2019. If LACMTA staff, in coordination with the Eligible/Included Operators, develops a mid-year reallocation of the Annual Funding Mark which is approved by the MTA Board, MTA will make such mid-year adjustments to its Annual Funding Mark, as approved by the LACMTA Board, if applicable.
- 2.3 Each fiscal year, GRANTEE shall send LACMTA one invoice for the MOSIP in an amount consistent with the amount shown on the Annual Funding Mark. LACMTA shall not be obligated to forward the FUNDS for the MOSIP to GRANTEE until it receives an invoice and the service improvement plan described in Section 3.0 below. LACMTA shall disburse funds for operating purposes monthly in equal portions. LACMTA shall disburse funds for capital purposes in one payment on a reimbursement basis.

ARTICLE 3 - USE OF FUNDS

- 3.0 GRANTEE shall submit a service improvement plan annually showing the assignment of funds between operating and capital purposes. The service improvement plan should include a description and start date of the service on which these Funds will be spent. The plan should explain how these services will meet the MOSIP plan objectives and benefit transit users. If some or all of the Funds are to be spent on capital projects, the service improvement plan should describe the project cost, schedule, milestone and the project benefit. The service improvement plan may be amended by Grantee in coordination with the LACMTA.
- 3.1 GRANTEE shall use the FUNDS as described in the service improvement plan.
- 3.2 GRANTEE shall utilize the FUNDS in accordance with the LACMTA Municipal Operator Service Improvement (Program) Guidelines (the "GUIDELINES") as approved by BOS in June 2001, including complying with reserve/carryover requirement and lapsing requirements.
- 3.3 GRANTEE shall not use any FUNDS received for the MOSIP to substitute for any other funds, service, or project except as otherwise specifically provided for in this MOU.

ARTICLE 4 - AUDIT AND REPORTING REQUIREMENTS

- 4.1 GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with conditions defined by this MOU. GRANTEE shall maintain all documents and records related to the MOSIP and the use of the Funds for three (3) years after the end of the fiscal year in which the FUNDS were expended. LACMTA may audit as provided herein up to three years after the end of the fiscal year within which the FUNDS were expended.
- 4.2 GRANTEE shall comply with all Federal National Transit Database reporting requirements and shall annually submit a completed copy of said report to LACMTA.
- 4.3 By November 30, 2009, the GRANTEE shall submit to the LACMTA a completed TPM form which separately reports prior fiscal year data pertaining to all non-formula service, including the use of the Funds for operating transit service.
- 4.4. By December 30, 2009, the GRANTEE shall submit to the LACMTA an annual financial audit report which identifies the use of the FUNDS for transit purposes outlined in the MOSIP guidelines in the Operators Service Improvement Plan.

- 4.5 Operators will provide an annual report, The Service Improvement Plan, to LACMTA describing how the service is meeting the MOSIP objectives. For capital projects, the annual report should describe the project progress and estimated completion date.

ARTICLE 5 - MISCELLANEOUS

- 5.1 This grant shall be a one-time grant subject to the terms and conditions agreed to herein and in the GUIDELINES. Except as otherwise provided in this MOU, the grant does not imply nor obligate any future funding commitment on the part of the LACMTA.
- 5.2 GRANTEE understands and agrees that in programming the FUNDS and entering into this MOU, LACMTA is acting pursuant to its statutory authority and shall have no liability in connection with the use of these FUNDS for public transit purposes or for the MOSIP or the projects or services described in the service improvement plan. GRANTEE shall fully indemnify, defend and hold the LACMTA; it directors, officers, employee and agents harmless from and against any liability and expenses, including without limitation, defense costs; any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, legal fees and any claims for damages of any nature whatsoever arising out of (i) breach of GRANTEE'S obligations under this MOU; (ii) misuse of the FUNDS by GRANTEE or its officers, agents, employees or subcontractors; (iii) any act or omission of the GRANTEE or its officers, agents, employees or subcontractors in the performance and/or provision of the services provided under this MOU, the service improvement plan and/or the MOSIP.
- 5.3 GRANTEE agrees to comply with all applicable local, state and federal laws and regulations in the provision of public transit services and any services rendered for the MOSIP.
- 5.4 LACMTA reserves the right to terminate this MOU and withhold the FUNDS if the LACMTA Board terminates the MOSIP program or if it is determined that the GRANTEE has not complied with all the terms and conditions contained herein or in the GUIDELINES until GRANTEE is determined to be in compliance.
- 5.5 To be consistent with existing legislation regarding the statutory formula allocation practice, any change in the MOSIP is subject to a three-fourths vote by the governing board of the LACMTA.
- 5.6 No amendment or modification to this MOU shall be binding upon either



party unless such amendment or modification is in writing duly executed by both parties. This MOU shall not be amended or modified by any acts or conduct of the parties.

- 5.7 GRANTEE is not a contractor, agent or employee of the LACMTA. GRANTEE shall not represent itself as a contractor, agent or employee of the LACMTA and shall have no power to bind the LACMTA in contract or otherwise.
- 5.8 This MOU and the Guidelines constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements and understandings.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be duly executed as of the dates below with all the formalities required by law.

GRANTEE

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY

By: \_\_\_\_\_

By: \_\_\_\_\_

Phillip A Washington  
Chief Executive Officer

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**FY 2019 MUNICIPAL OPERATOR SERVICE IMPROVEMENT PROGRAM FUNDS**

<b>Transit Operator</b>	<b>Amount</b>
CITY OF ARCADIA	\$67,249
CITY OF CLAREMONT	\$26,644
CITY OF COMMERCE	\$85,606
CITY OF CULVER CITY	\$1,067,981
FOOTHILL TRANSIT	\$4,915,456
CITY OF GARDENA	\$1,071,923
CITY OF LA MIRADA	\$20,765
LONG BEACH TRANSff	\$4,587,785
CITY OF MONTEBELLO	\$1,617,306
CITY OF NORWALK	\$624,498
CITY OF REDONDO BEACH	\$146,412
CITY OF SANIA MONICA	\$3,944,636
CITY OF TORRANCE	\$1,248,610
ANTELOPE VALLEYTRANSIT AUTHORITY	\$1,196,310
CITY OF SANTA CLARITA	\$1,154,428
CITY OF LOS ANGELES	\$2,479,377
FOOTHILL TRANSIT (BSCP)	\$537,726
<b>TOTAL</b>	<b>\$24,792,712</b>

PROPOSITION C 5% TRANSIT SECURITY FUNDS GUIDELINES



I. INTRODUCTION

Five percent (5%) of the revenue from the  $\frac{1}{2}$  cent sales and use tax is to be used to improve and expand Rail and Bus Security. Approximately \$20 million dollars will be available annually for this funding category.

II. PURPOSE AND OBJECTIVES OF THE PROGRAM

- To provide funding incentives for those projects which improve security in public transit services of the County of Los Angeles;
- To encourage a secure riding environment for transit users;
- To encourage the use of local transit funds for transit security activities and programs of regional significance and benefit.

III. ELIGIBLE USERS OR APPLICANTS

- LACTC
- Public Transit Operators
- County of Los Angeles and local municipalities
- CALTRANS
- California Highway Patrol

IV. EXAMPLES OF ELIGIBLE PROJECTS/USES

- A. Security for New Rail Line(s) - LACTC may use the funding category to provide the security portion of the operating budget for the initial two years of operations on a new Rail-operating segment (light Rail, heavy Rail, or Commuter Rail). This should be during the period of time that the project is being operated, under a special operating agreement with the Commission. The operating agreement must contain a security plan approved by the Commission. In determining the level of Rail security to be funded from this source, the Commission will consider such criteria as the severity of the anticipated security problems, the affected ridership, the cost-effectiveness of the security measures, and other appropriate factors.

B. Years 3rd, 4th, and 5th's Rail Security Incentives - This category may be used by LACTC to provide a monetary incentive to operators to allocate formula, or other operator monies, to continued high security on a Rail line, after the initial operating agreement with LACTC has ended. LACTC may fund from this category up to 25%/15%/10% of the security portion of the Rail line's operating budget for years three, four, and five, respectively. In order to receive this funding, the Rail line's security must be maintained at a level mutually agreed upon by the operator and LACTC.

C. Security Improvement of Transit Services and Support Facilities - Funding may be provided, on a discretionary basis, for security on specific Bus and/or Rail services and support facilities. Support facilities may include: Park-and-Ride lots, bus stops, Transit Centers/stations, property being held for future transit uses such as Rail rights-of-way, future station sites, etc. One-time grants may be provided for capital facilities required to support transit security operations.

Applicants must demonstrate in the application the security needs for each transit line or support facility. The LACTC may require that these security needs be addressed as part of an overall security plan, mutually agreed upon by the agency and LACTC. The funds must be used to provide additional security services and may not be used to replace existing security funding from other sources. Applicants shall describe the nature of the security activities that will be implemented and an estimate, in measures that can be quantified, of the security improvements that will be achieved.

Funding requests for security for Bus, Rail, and related support facilities will be evaluated using the following criteria as guidelines:

- Severity of the security problems;
- Level of affected transit ridership/usage of the facility;
- Cost of the security measures;
- Matching contributions of funds from other sources;
- Ability of the security measures to create a secure riding environment, ensure community confidence, and attract new riders to the transit system;
- Cost-effectiveness of the security measures;

- Effectiveness of the security measures in addressing significant community concerns; for example, along vacant Rail rights-of-way.

D. Special Demonstration Projects - Funding may be provided, on a discretionary basis, for special security projects designed to test the potential for obtaining improvements in security or to meet specific community security concerns. This could include assessment studies of security needs. Projects approved under this category will be funded one time only, for one or two years. Eligible applicants must demonstrate new security programs or new applications of existing security programs to target a specific security need. Projects will be evaluated on their potential application to regionally-significant security needs.

E. Security contingency reserve - LACTC may fund up to 100% of supplemental security for Rail transit facilities during the construction phase, to augment security provided by the contractor(s). This may also include providing security for facilities during promotional community events. Use of monies for these purposes shall only occur when special circumstances require supplemental security, beyond that being provided by the project budget or by the contractor.

At its discretion, the Commission may adjust and interpret the above categories and funding levels, to adapt to special funding situations and opportunities as they arise.

#### V. INELIGIBLE PROJECTS/USES

Security activities with existing funding sources currently in place (e.g., where Prop. C funds would replace existing funding).

Any security activities or facilities not directly related to transit service.

#### VI. ADMINISTRATIVE AND ACCOUNTING PROCESS/FUNDING DISBURSEMENT

Funding will be disbursed quarterly. Recipients will be required to submit quarterly reports to the Commission, detailing expenditures to-date and project status. Quarterly reports will be due on the last day of the months of October, January, April, and July. Funds may be withheld from approved recipients, if quarterly reports are not completed and submitted on schedule.

#### VII. PROJECT SUBMITTAL AND APPROVAL PROCESS

The LACTC may allocate funds for all project categories, at its discretion. Users of discretionary funds must submit an



application, with appropriate documentation, to the LACTC.  
(Application forms will be available at the LACTC.)

A. Timing of Submittals

Applications for Discretionary projects are due on an annual basis and are subject to review and approval by the Commission. Except for Fiscal Year 91-92, ALL APPLICATIONS MUST BE RECEIVED NO LATER THAN APRIL 1ST, to receive approval and funding by July of the next fiscal year.

B. Duration of Incentives Projects

Each approved project will be funded for no less than one year and may be funded for a period of up to three years. Multi-year projects will be formally evaluated annually by the Commission and continued funding will be based upon the continued achievement of project objectives.

VIII. REPORTING AND AUDITING REQUIREMENTS

Quarterly reports will be required, as described in Section VI. Included operators must reference applications in their annual short-range transit plans and updates.

IX. UNCOMMITTED FUNDS

Jurisdictions shall be encouraged to use their local return funds, before applying for Prop. C Rail and Bus Security monies. In order to be eligible for Prop. C Rail and Bus Security monies, local jurisdiction must demonstrate that at least 50% of committed Proposition A and C local return funds are programmed for eligible projects in the current fiscal year.

X. DOCUMENTATION OF COORDINATION AND CONSOLIDATION

Proposed projects are required to document coordination, where appropriate, with the existing transit services and with participating local government, as evidenced by executed agreements, joint resolutions, approved implementation plans, or other documentation.

**MEMORANDUM OF UNDERSTANDING  
FOR PROPOSITION C 5% TRANSIT SECURITY FUNDS**

This Memorandum of Understanding ("MOU") is entered into as of July 1, 2022, by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and \_\_\_\_\_ ("GRANTEE").

RECITALS:

- A. On November 6, 1990, the voters of the County of Los Angeles approved by majority vote Proposition C, an ordinance establishing a one-half percent sales tax for public transit purposes; and
- B. The Proposition C ordinance states that 5% of the Proposition C Funds are to be used to improve and expand rail and bus security (the "Prop C 5% Security Funds"); and
- C. California Public Utilities Code Section 99285 (j) (SB-1755 Calderon) directs a formula allocation of Prop C 5% Security Funds based on transit ridership to all Eligible/Included Operators; and
- D. LACMTA, as the agency responsible for administering the tax, has designated this formula allocation of Prop C 5% Security Funds as the funding source for the Transit Security Funds ("TSF") described and programmed by this MOU; and
- E. At this time, the other Eligible/Included Operators can elect to pay and receive services from the various local LEAs or provide for their transit security needs. Therefore, the Eligible/Included Operators can elect to direct their TSF in one of the following ways: (1) allocate 100% of their share of TSF to the LACMTA for the relevant law enforcement transit security services as specified in the Service LOA, as defined in Recital H below; (2) allocate a portion of their share of TSF to the LACMTA for law enforcement transit security services as specified in the Service LOA and retain the remaining portion of the TSF to provide for their own transit security as specified in the Security Plan, as defined in Section 4.2 below; or (3) receive 100 % of their share of the TSF to provide for their own transit security as specified in the Security Plan; and
- F. Commencing with FY 2023, to the extent that a LEA will provide transit security service to any Eligible/Included Operator, such service will not begin and no payments will be made until the Eligible/Included Operator, the law enforcement agency and the LACMTA enter into a letter of agreement (the "Service LOA"). The Service LOA shall specify the level of service to be provided to those Eligible/Included Operators electing to allocate either 100% or a portion of their TSF to the LACMTA for relevant transit security services provider; and
- G. GRANTEE is an Eligible/Included Operator and desires to allocate its share of TSF as provided in this MOU; and

H. LACMTA and GRANTEE desire to enter into this MOU to allocate GRANTEE's share of TSF and to agree to the terms and conditions of the TSF.

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, LACMTA and GRANTEE hereby agree as follows:

**ARTICLE 1 – TERM**

- 1.1. This MOU will be in effect from July 1, 2022, through June 30, 2027, unless terminated earlier as provided herein.
- 1.2. The LACMTA reserves the right to terminate this MOU and withhold TSF if it is determined that the GRANTEE has not used best efforts to adhere to all the terms and conditions contained herein.
- 1.3. This MOU is subject to the “Calderon Bill” to the extent applicable.

**ARTICLE 2- ALLOCATION OF TSF FUNDS AND INVOICE PROCEDURE**

- 2.1. Each fiscal year, to the extent TSF is available, LACMTA staff, in coordination with the Eligible/Included Operators, will develop the Annual Proposition C 5% Transit Security Funding Allocation (the "Annual Security Allocation") which will describe (1) Grantee's share of the TSF pursuant to California Public Utilities Code Section 99285 (j); and (2) the distribution of Grantee's share of the TSF. Grantee shall have the opportunity to review and comment on the Annual Security Allocation prior to LACMTA staff submitting the Annual Security Allocation to the LACMTA Board for approval.
- 2.2. For each fiscal year covered by this MOU, GRANTEE hereby directs LACMTA to allocate Grantee's share of TSF pursuant to the Annual Security Allocation approved annually by the LACMTA Board. Attached as Exhibit A is the Annual Security Allocation for FY 2023. Future allocations will be determined by the LACMTA Board. If LACMTA staff, in coordination with the Eligible/Included Operators, develops a mid-year reallocation of the Annual Security Allocation, which is approved by the LACMTA board, Grantee hereby directs LACMTA to make such mid-year adjustments to its Annual Security Allocation as approved by the LACMTA Board if applicable.
- 2.3. To the extent GRANTEE directs that the LACMTA retain any TSF to pay for relevant law enforcement transit security services for GRANTEE, GRANTEE hereby authorizes LACMTA to take such funds and apply such funds to LACMTA's contract with the appropriate LEA. GRANTEE and LACMTA understand that LACMTA will not be authorized to take Grantee's TSF and apply such funds to LACMTA's contracts with appropriate LEA and Grantee shall not receive any transit security services from the appropriate LEA until such time the parties enter into a Service LOA specifying the level of service to be provided to GRANTEE. GRANTEE will not need to submit an invoice for any amounts retained by LACMTA to pay appropriate LEA.

- 2.4. To the extent GRANTEE directs that it receives any TSF, each fiscal year, GRANTEE shall send LACMTA one invoice for such appropriate amount consistent with the amount shown on the applicable Annual Security Allocation. LACMTA shall not be obligated to forward any TSF to GRANTEE until it receives an invoice and the Security Plan, unless otherwise agreed to by the parties. LACMTA shall make payments to GRANTEE on a quarterly basis, unless otherwise agreed to by the parties.

### ARTICLE 3 - USE OF FUNDS

- 3.1. GRANTEE shall use any TSF provided herein to provide transit security as provided in its Security Plan.
- 3.2. LACMTA shall use any TSF received hereunder to pay relevant LEA to provide transit security services to GRANTEE as specified in the Service LOA.
- 3.3. GRANTEE understands if it decides to allocate either 100% or a portion of its TSF to the LACMTA for relevant LEA transit security services, it will need to enter into a Service LOA.
- 3.4. To the extent Grantee receives any TSF, GRANTEE shall not use the TSF to supplement or pay for general police or other security services not related to transit.
- 3.5. To the extent Grantee receives any TSF, GRANTEE shall use TSF for operating or capital security assistance and shall not use TSF to substitute for any other funds, service, or project not specified in this MOU or the Service LOA.

### ARTICLE 4 - AUDIT AND REPORTING REQUIRMENTS

- 4.1. LACMTA or its designee shall have the right to conduct a financial and compliance audit(s) of the program. To the extent Grantee receives the TSF, GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with conditions defined by this MOU. GRANTEE shall maintain financial records for three (3) years after the end of the fiscal year within which the TSF was dispersed. LACMTA may audit as provided herein up to three years after the end of the fiscal year within which the TSF was dispersed.
- 4.2. Pursuant to California Public Utilities Code Section 99285 (j), GRANTEE shall file a cost-effective security program to provide transit security (the "Security Plan") with the LACMTA prior to receiving all or a portion of TSF.
- 4.3. For those Eligible/Included Municipal Operators who directly receive their TSF, the Security Plan shall be submitted annually with the annual invoice. For those Eligible/Included Municipal Operators who direct all TSF to the LACMTA for the relevant LEA, the Security Plan stating such may be filed once with the LACMTA for the duration of the MOU unless there are any changes to the Security Plan in which event,

the Eligible/Included Municipal Operator shall once again be required to submit its Security Plan annually with the annual invoice.

**ARTICLE 5 - MISCELLANEOUS**

- 5.1. This MOU along with the Annual Security Allocation, the Service LOA, if any, and the Security Plan, if any, constitute the entire agreement between the parties with respect to the subject matter described herein. No amendments or modifications to this MOU shall be binding upon either party unless such amendment or modification is in writing and duly executed by both parties. This MOU shall not be amended or modified by any acts or conduct of the parties.
- 5.2. GRANTEE agrees to comply with all applicable local, state and federal laws and regulations in the provision of public transit services.
- 5.3. GRANTEE is not a contractor, agent or employee of the LACMTA. GRANTEE shall not represent itself as a contractor, agent or employee of the LACMTA and shall have no power to bind the LACMTA in contract or otherwise.
- 5.4. To the extent GRANTEE receives the TSF, GRANTEE understands and agrees that in programming the TSF, LACMTA is acting pursuant to its statutory authority and LACMTA shall have no liability in connection with the use of such TSF. GRANTEE agrees to indemnify LACMTA for all liability arising out of GRANTEE'S performance in the provision of public transit security services paid for by TSF.
- 5.5. GRANTEE understands and agrees that in programming the Prop C 5% Security Funds and entering into this MOU, LACMTA is acting pursuant to its statutory authority and shall have no liability in connection with the use of Prop C 5% Security Funds for public transit purposes. GRANTEE shall fully indemnify, defend and hold the LACMTA, it directors, officers, employee and agents harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, legal fees and any claims for damages of any nature whatsoever arising out of (i) breach of GRANTEE's obligations under this MOU; (ii) misuse of the Prop C 5% Security Funds by GRANTEE or its officers, agents, employees, contractors or subcontractors; (iii) any act or omission of the GRANTEE or its officers, agents, employees, contractors or subcontractors in the performance and/or provision of the services provided under this MOU.



IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be duly executed as of the dates below with all the formalities required by law.

GRANTEE

LOS ANGELES COUNTY  
METROPOLITAN TRANSPORTATION  
AUTHORITY

By: \_\_\_\_\_

By: \_\_\_\_\_  
Stephanie N. Wiggins  
Chief Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

APPROVED AS TO FORM:

By: \_\_\_\_\_

DAWYN R. HARRISON  
Acting County Counsel

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

**LACMTA  
Transit Security Funding Allocation  
Fiscal Year 2023**

<b>Operators</b>	<b>Funding Allocation</b>
Arcadia	\$3,858
Claremont	\$1,541
Commerce	\$24,796
Culver City	\$366,724
Foothill Transit	\$1,321,336
Gardena	\$259,483
La Mirada	\$2,503
Long Beach	\$3,057,135
Montebello	\$425,185
Norwalk	\$151,822
Redondo Beach	\$35,996
Santa Monica	\$1,088,936
Torrance	\$405,759
Antelope Valley	\$198,045
LADOT	\$1,854,633
Santa Clarita	\$319,501
<b>TOTAL</b>	<b>\$9,517,253</b>

# GUIDELINES

## Proposition A and Proposition C LOCAL RETURN



Metro

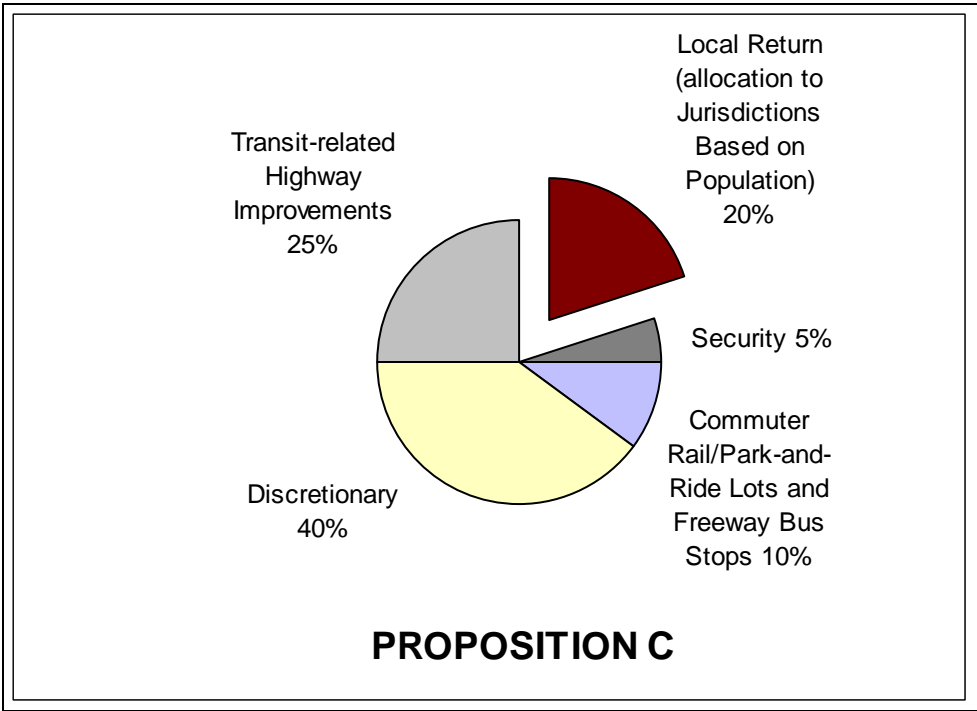
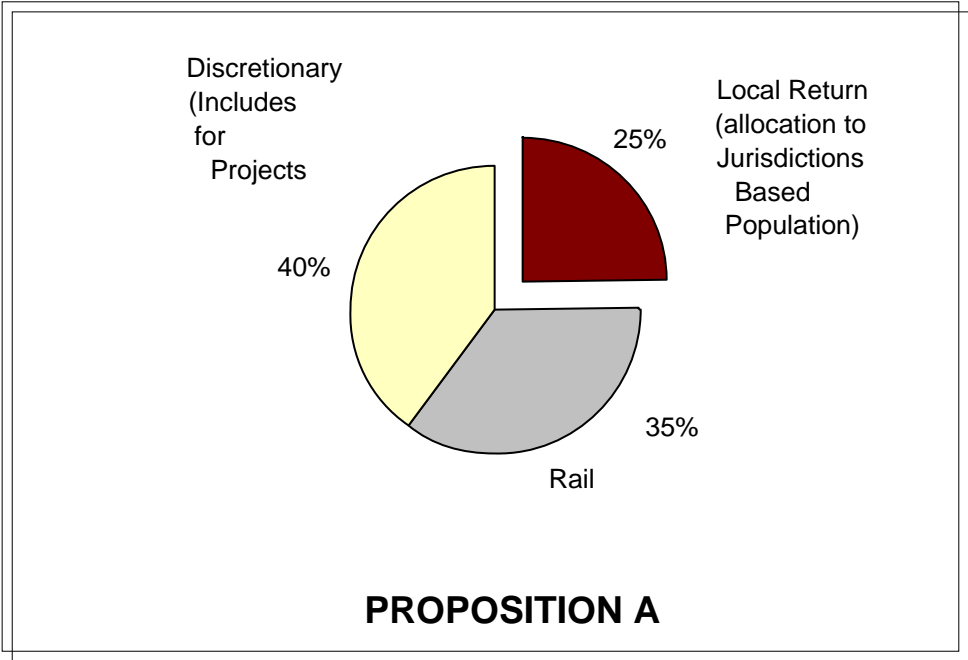
**Metro Board Approved**  
**FY 2006-07**



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**PROPOSITION A AND PROPOSITION C  
DISTRIBUTION**



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**I. PROGRAM SUMMARY**

**A. INTRODUCTION**

The Proposition A and Proposition C Programs are funded by two 1/2 cent sales tax measures approved by Los Angeles County voters to finance a Transit Development Program. The Proposition A tax measure was approved in 1980 and the Proposition C tax measure was approved in 1990. Collection of the taxes began on July 1, 1982, and April 1, 1991, respectively.

Twenty-five percent of the Proposition A tax and twenty percent of the Proposition C tax is designated for the Local Return (LR) Program funds to be used by cities and the County (Jurisdictions) in developing and/or improving public transit, paratransit, and the related transportation infrastructure.

LR funds are allocated and distributed monthly to Jurisdictions on a "per capita" basis by the Los Angeles County Metropolitan Transportation Authority (Metro).

**1. PROPOSITION A LOCAL RETURN FUNDS**

The Proposition A Ordinance requires that LR funds be used exclusively to benefit public transit. Expenditures related to fixed route and paratransit services, Transportation Demand Management, Transportation Systems Management and fare subsidy programs that exclusively benefit transit are all eligible uses of Proposition A LR funds. Proposition A LR funds may also be traded to other Jurisdictions in exchange for general or other funds.

**2. PROPOSITION C LOCAL RETURN FUNDS**

The Proposition C Ordinance directs that the LR funds also be used to benefit public transit, as described above, but provides an expanded list of eligible project expenditures including, Congestion Management Programs, bikeways and bike lanes, street improvements supporting public transit service, and Pavement Management System projects. Proposition C funds cannot be traded.

The tables in Appendix I, page 36, summarize the Proposition A and Proposition C LR Programs and the respective eligible project expenditures.

**B. GENERAL PROVISIONS CONCERNING PROPOSITION A AND PROPOSITION C LOCAL RETURN EXPENDITURES**

Jurisdictions are required to use LR funds for developing and/or improving public transit service. As a general rule, an expenditure that is eligible for funding under one or more existing state or federal transit funding programs would also be an eligible LR fund expenditure provided that the project does not duplicate an existing regional or municipal transit service, project or program.

Allocation of LR funds to and expenditure by Jurisdictions shall be subject to the following conditions:

1. **TIMELY USE OF FUNDS**

Metro will enforce regulations to insure the timely use of LR funds. Under the Proposition A and Proposition C Ordinances, Jurisdictions have three years to expend LR funds. Funds must be expended within three years of the last day of the fiscal year in which funds were originally allocated. Therefore, by method of calculation, each Jurisdiction has the Fiscal Year of allocation plus three years to expend Proposition A and/or Proposition C funds. For example, a Jurisdiction receiving funds during FY 2005-06 must expend those funds, and any interest or other income earned from Proposition A and/or Proposition C projects, by June 30, 2009.

2. **AUDIT OF PROPOSITION A AND PROPOSITION C FUNDS**

Jurisdictions shall annually account, through a fiscal and compliance audit, to Metro on the use of LR funds. The Audit Section, (Section V, page 33), details Project Expenditure Criteria, Allowable Costs, Audit Deliverables, and Administrative Accounting Procedures.

3. **INELIGIBLE USE OF FUNDS**

If LR funds have been expended prior to Metro approval and/or used for ineligible purposes, Jurisdictions will be required to reimburse their Proposition A or C LR account, including interest and/or earned income, as indicated in the Audit Section (page 33).

Stand alone projects, such as, lighting, landscaping, traffic signals, storm drains, or Transportation Planning projects unrelated to an eligible project, are not eligible.

4. **STANDARD ASSURANCES**

If a new Jurisdiction is formed within Los Angeles County, Metro will require that a Standard Assurances and Understanding agreement be submitted prior to participation in the LR Program. A sample Standard Assurance and Understanding Agreement form is included as Appendix II (see page 37).

C. **PROPOSITION A AND PROPOSITION C FORMS AND SUBMITTAL REQUIREMENTS**

To maintain eligibility and meet LR Program compliance requirements, Jurisdictions shall submit a Project Description (Form A) as required, an Annual Project Update (Form B) and Annual Expenditure Report (Form C). Form submittal information is detailed in the Administrative Process section, page 21. Sample forms along with instructions for their completion are included as Appendix VIII (page 49). An electronic version is available on the website @www.Metro.net (under Projects/Programs; Local Return Program).

Project Description Form (Form A)

Jurisdictions shall submit for approval a Project Description Form prior to the expenditure of funds for: 1) a new project; 2) a new route; 3) a 25 percent change (increase or decrease) in route or revenue vehicle miles for an established LR funded transit service; 4) a 0.75 miles or greater service change that duplicates/overlays an existing transit service; or 5) a 25 percent or greater change in an approved LR project budget or scope on all operating or capital LR projects.

Annual Project Update (Form B)

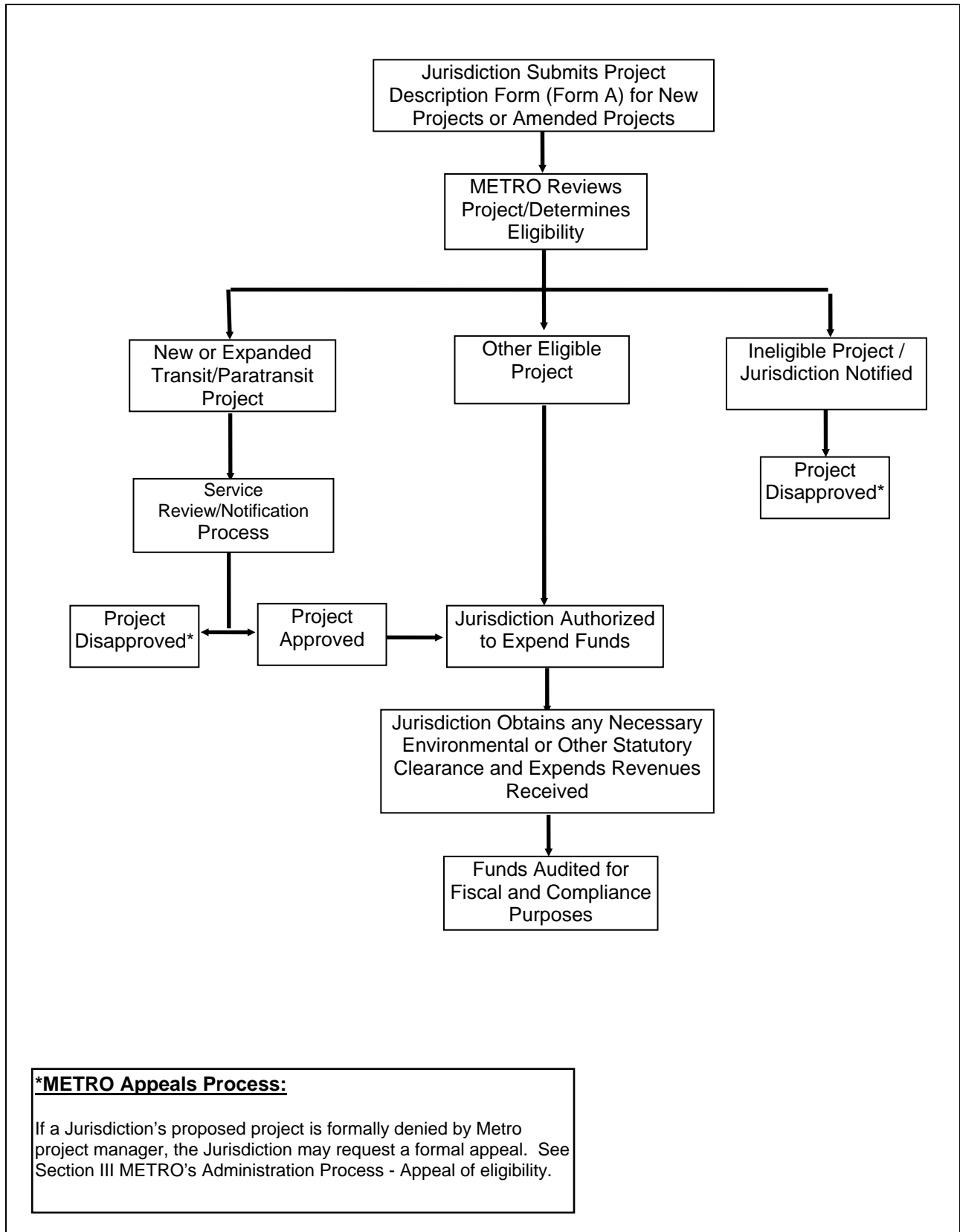
Jurisdictions shall submit on or before August 1 of each fiscal year an Annual Project Update to provide current information on all approved on-going and carryover LR projects. Metro will review and accept or return the report for changes. Cities shall report the anticipated expenditure cash flow amounts for the covered fiscal year.

Annual Expenditure Report (Form C)

On or before October 15th of each fiscal year, the Jurisdictions shall submit an Annual Expenditure Report to provide an update on previous year LR fund receipts and expenditures.

The following provides a summary of form use and due dates:

<u>FORM</u>	<u>DETERMINATION</u>	<u>DUE DATE</u>
Project Description Form - Form A	New and amended projects	Any time during the year
Annual Project Update - Form B	All on-going and/or capital (carryover) projects	August 1 <sup>st</sup> of each year
Annual Expenditure Report - Form C	Report expenditures	October 15 <sup>th</sup> of each year



**\*METRO Appeals Process:**  
 If a Jurisdiction's proposed project is formally denied by Metro project manager, the Jurisdiction may request a formal appeal. See Section III METRO's Administration Process - Appeal of eligibility.



## **II. PROJECT ELIGIBILITY**

The Proposition A and Proposition C Ordinances specify that LR funds are to be used for “public transit purposes” as defined by the following: “A proposed expenditure of funds shall be deemed to be for public transit purposes to the extent that it can reasonably be expected to sustain or improve the quality and safety of and/or access to public transit services by the general public or those requiring special public transit assistance”.

For simplification and user ease, project categories that share common eligibility requirements and/or project code designations are defined and listed as either Proposition A and Proposition C Eligible, Proposition A Exclusive, or Proposition C Exclusive. Local Return can be used as a match to grant programs such as the Metro Call for Projects, the Safe Routes to School, and the Hazard Elimination and Safety programs, so long as the projects are LR eligible. Note: The following project eligibility criteria provide for general guidance only and are not the sole determinant for project approval. The authority to determine the eligibility of an expenditure rests solely with Metro. Jurisdictions may appeal projects deemed ineligible as described in Section III, Metro’s Administrative Process, page 23.

### **A. ELIGIBLE USES OF PROPOSITION A AND PROPOSITION C**

#### **1. PUBLIC TRANSIT SERVICES - OPERATING (Codes 110,120, 130 & 140)**

New or expanded Transit or Paratransit services are subject to review under the Service Coordination Process (SCP) as detailed in Section III, page 24. The process will, in part, determine the proposed service’s compatibility with the existing regional bus transit system provided by Metro and services provided by the municipal transit operators. Metro may request that modification be made to proposed services that duplicate or compete with existing services. Proposed services must also meet the criteria outlined under Non-exclusive School Service and Specialized Transit discussed on the following page. Note that Emergency Medical Transportation is not an eligible use of LR funds.

**Examples of Fixed Route, Paratransit, and Recreational Transit Service projects follow:**

#### **1.1 FIXED ROUTE SERVICE (Project Code 110)**

- New fixed route or Flexible Destination bus service
- Extension or augmentation of an existing bus route(s)
- Contracting with a transit operator or private provider for commuter bus service
- Contracting with a transit in an adjacent county to provide transit within Los Angeles County
- Operating subsidy to existing municipal or regional bus operator
- Service enhancements related to Bus/rail Interface
- ADA improvements to fixed route operations
- Shuttle service between activity centers

## 1.2 PARATRANSIT SERVICE (Project Codes 120 & 130)

- Expansion/ coordination of existing paratransit service
- Subsidized, shared-ride taxi service for disadvantaged residents
- Taxi coupon programs used to provide intermittent or temporary capacity to support paratransit systems for senior and disabled patrons
- New paratransit service
- General public paratransit service
- ADA-related improvements to paratransit operations

### Non-Exclusive School Service

Fixed-route bus services or Demand-responsive services available to the general public, which also provide school trips, are eligible for LR funding. Exclusive school bus services are not eligible. **Projects must meet the following conditions:**

- The bus Vehicles utilized cannot be marked "School Bus" or feature graphics that in any way indicate they are not available to the general public. Yellow paint schemes should not be for the specific purpose of meeting the vehicle code definition of a school bus
- The bus Head Sign is to display its route designation by street intersection, geographic area, or other landmark/destination description and cannot denote "School Trip" or "Special." In cases where the service includes an alternate rush-hour trip to provide service by a school location, the dashboard sign is to indicate the line termination without indicating the school name
- Timetables for such services will be made available to the general public, shall provide the given schedule and route but must not be labeled "school service"
- Drivers must be instructed that such service is available to the general public and board and alight all passengers as required at designated stops
- The same fare payment options must be made available to all users
- The overall transportation service provided in the Jurisdiction must not be for school service hours only

### Specialized Public Transit

Metro will approve special-user group service or social service transit where it can be incorporated into the existing local transit or paratransit program. Jurisdictions must demonstrate that existing services cannot be modified to meet the identified user need. Projects must meet the following conditions:

- The special user group identified does not discriminate on the basis of race, religion, sex, disability or ethnicity
- Service shall be available to all members of the general public having that specialized need and not be restricted to a specific group or program
- Service shall be advertised to the general public
- Metro may require, as a condition of approval, inter-jurisdictional project coordination and consolidation
- LR funds may only be used for the transportation component of the special user group program, i.e., direct, clearly identifiable and auditable

transportation costs, excluding salaries for specialized escorts or other program aides

- The designated vehicle(s) used must be made available for coordination with other paratransit programs if space permits

### **1.3 RECREATIONAL TRANSIT SERVICE (Project Code 140)**

Jurisdictions shall submit a listing of Recreational Transit Services no later than October 15 after the fiscal year. Recreational Transit Service projects must meet the following conditions:

- Travel within the area of Los Angeles, Orange and Ventura Counties, and portions of Kern, Riverside and San Bernardino Counties (see map Appendix VII, page 48) are eligible expenditures. Trip segments to areas shown on the proportionately eligible areas of the map must be funded through other sources. Trips to locations not within either the eligible or proportionately eligible area are not eligible.
- Trips may be limited to certain general age groups (e.g., children under 18, senior citizens, persons with disabilities), however, trips must be made available to all individuals within that designated group.
- Special events or destinations (e.g., city parks, concerts, special events) may be served, however, all members of the general public including individuals with disabilities must be allowed to use, the service.
- LR funds may not be used to pay the salaries of recreation leaders or escorts involved in recreational transit projects.
- All recreational transit trips must be advertised to the public, such as through newspapers, flyers, posters, and/or websites.

### **2. BUS STOP IMPROVEMENTS AND MAINTENANCE (Codes 150, 160 & 170)**

Examples of eligible Bus Stop Improvement and Maintenance projects include installation/replacement and/or maintenance of:

- Concrete landings - in street for buses and at sidewalk for passengers
- Bus turn-outs
- Benches
- Shelters
- Trash receptacles
- Curb cuts
- Concrete or electrical work directly associated with the above items

Amenities shall be integral to the bus stop. Improvements must be located within 25 feet of the bus stop signpost, or have one edge or end within that area. At high volume stops, where more than one bus typically uses the stop at a time, improvements must be placed at the immediate locations where buses normally stop.

Curb cuts may be located on or adjacent to street segments (blocks) with bus stops.

**Conditions:**

Jurisdictions shall coordinate bus stop improvements (excluding curb cuts) with effected Transit Operators. A letter of coordination must be submitted with the Project Description Form. Jurisdictions that propose replacing privately owned benches or shelters must notify the Operator before requesting City Council project approval. The Operator shall have seven (7) days to respond to the notification before the Jurisdiction takes further action.

**3. PUBLIC TRANSIT - CAPITAL (Project Codes 180, 190 & 200)**

Public Transit Capital projects will be approved only for the percentage of vehicle or equipment use, as determined by Metro staff, exclusive to public transit service.

A list of sample Public Transit Capital projects follows:

- a. Vehicles/parts purchases and repairs
  - Transit vehicles for passenger service
  - Mechanical parts and supplies for buses or vans
  - Non-revenue support vehicles, such as supervisor’s cars, service trucks
  - ADA-related improvements to vehicles
  - Retrofits or additions to buses or vans, such as lifts, fare boxes, or radios
  - Security equipment, for example, cameras on buses
- b. Equipment
  - New or modified transit maintenance facilities
  - Maintenance equipment for new or existing transit or paratransit operations
  - Office equipment and furnishings for new and existing transit and paratransit operations

NOTE: Jurisdictions shall reimburse their LR Account, in the amount of the current appraised value or purchase price from resale, for Public Transit Capital projects no longer used for public transit purposes.

**4. TRANSPORTATION SYSTEMS MANAGEMENT (TSM) (Project Code 210)**

TSM projects are relatively low-cost, non-capacity-enhancing traffic control measures that serve to improve vehicular (bus and car) flow and/or increase safety within an existing right-of-way. Proposals must include an element demonstrating the project’s benefit to public transit. **A list of sample TSM projects follows:**

- Reserved bus lanes (no physical separation) on surface arterials
- Contra-flow bus lanes (reversible lanes during peak travel periods)
- Ramp meter by-pass (regulated access with bus/carpool unrestricted entry)
- Traffic signal priority for buses (to allow approaching transit vehicles to extend green phase or change traffic signal from red to green)
- Preferential turning lanes for buses
- Other traffic signal improvements that facilitate bus movement

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by

the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose “Los Angeles Countywide ITS Policy and Procedures Document” or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

**5. TRANSIT SECURITY (Project Codes 220 & 230)**

Transit Security projects may include Transit Safety, Security Operations and Safety Education Programs, provided that they demonstrate a direct benefit to public transit service and do not supplant general law enforcement programs.

**A list of sample Transit Security Programs follows:**

- Local police deployment for direct and specific transit security
- Private security (state licensed) deployment for transit security
- Contracted police services for direct and specific transit security
- Capital improvements for transit security
- Innovative and/or advanced technology transit security
- Community-based policing activities in direct support of transit security
- Security awareness, graffiti prevention, Safety education and/or crime prevention programs
- Transit security at commuter rail stations and park and ride facilities

**NOTE:** Jurisdictions are encouraged to participate in existing local and regional transit security efforts, which should be coordinated through Metro.

**6. FARE SUBSIDY (Project Codes 240 & 250)**

Fare Subsidy programs provide residents within Jurisdictions a discount fare incentive for using public transit. The method, amount of subsidy and user group(s) shall be determined by Jurisdictions. **A list of sample Fare Subsidy Programs follows:**

**A list of sample Fare Subsidy Programs follows:**

- User-side subsidies (buy down of passes, tickets, or coupons) for the general public or segments of the general public (i.e., elderly, individuals with disabilities, or low-income residents)
- Subsidy of bus/rail passes, tickets or tokens for transit riders-

**7. TRANSPORTATION PLANNING (Project Code 270)**

Planning, coordination, engineering and design costs incurred toward the implementation of eligible LR projects are eligible when the following conditions are met:

- The projects being planned (designed, coordinated, etc.) are LR eligible.
- Coordination includes: local jurisdictions’ start up costs or dues for Councils of Governments (COG’s) and Transportation Management Associations (TMA’s); advocacy; and funding for Joint Powers Authorities (JPA’s) by local jurisdictions or (COG’s).
- If some of a COG’s, TMA’s or JPA’s projects or activities are LR eligible and some are not, partial payment of dues must be made, in proportion to the organization’s budget for LR eligible projects.

- Proposition A must be used to plan for Proposition A eligible projects.  
Proposition C must be used to plan for Proposition C eligible projects.

**8. TRANSIT MARKETING (Project Code 280)**

**Transit Marketing projects may include:**

- Transit user guides, maps, brochures
- Transit information Kiosks
- Transit information/pass sales centers
- New rider subsidy programs

**9. PARK-AND-RIDE LOTS (Project Code 290)**

Park-and-Ride Lot projects must be coordinated with Metro and appropriate affected transit operator(s). Additional justification including, for example, surveys or studies that provide a basis for determining the project's level of public transit use and related funding, may be requested prior to project evaluation.

**Park-n-Ride Lot projects shall:**

- be located adjacent to (no greater than 0.25 mile away from) a fixed route service bus stop, HOV lanes and/or rail stations.
- be located on unimproved land unless a specific Metro waiver is granted.
- have received environmental clearance by the Jurisdiction prior to Metro approval for construction funds
- require a letter from the affected transit operator(s) to the Jurisdiction and Metro, as reasonable assurance, that park-and-ride lot users will be assured of continued access to services.
- be used primarily by transit/rideshare patrons during commute hours.
- have appropriate exclusive-use signage posted and enforced.
- be open for general parking during non-transit use time, e.g., evenings and weekends, provided that transit user demands are not adversely impacted. All revenues, (for example, parking, advertising or related revenue) generated during the non-transit use time must be returned to the Jurisdictions' LR Account in the same proportion as the original LR investment in the facility. In the event that the facility ceases operation, the Jurisdiction shall be required to repay its LR Account as determined by the audit, see page 33.

**10. TRANSIT FACILITIES/TRANSPORTATION ENHANCEMENTS (TE) (Project Codes 300 & 310)**

**Examples of Transit Facility projects include:**

- Bus-only transit malls or stations
- Transit/paratransit accessible Transfer Centers that feature, for example, shelters, telephones, information displays/centers, and other related amenities)
- Eligible as match to TE grants.
- Eligible projects may include building rehabilitation and restoration for transit-related purposes.
- Project itself must be LR eligible.



**Conditions:**

Jurisdictions shall submit a project budget and scope of work that specifies the proposed facility's public transit and, if applicable, joint development. Additional documentation may be required to determine project eligibility and level of funding.

If the facility ceases to be used for public transit purposes, LR funds used toward land purchase for a facility must be returned at the original purchase price or present appraised value, whichever is greater, to the Jurisdiction's LR Account. Repayment of facility expenditures shall be based on the schedule outlined on page 31.

Prior to land and/or facility purchases, Jurisdictions shall provide the following:

- Documentation of the financial resources for facility implementation, operation and maintenance
- Assurance(s) from the affected transit carrier(s) to provide facility service
- Land appraisal
- Assurance that the Jurisdiction will proceed with the project per the implementation schedule outlined in the application
- Environmental clearance in conformance with, wherever applicable, all local, state and federal requirements. Jurisdictions preparing an Environmental Impact Report (EIR) must coordinate with Metro Regional Transportation Planning and Development Department.

**11. METRO RAIL CAPITAL (Project Codes 320)**

Metro Rail Capital projects may include, for example, Metro Red, Blue, Green, or Gold Line or Mid-City Exposition Light Rail Transit station or line improvements, local match toward Metro Rail Capital projects, Metro Art or related Metro Rail enhancements.

**12. RIGHT-OF-WAY IMPROVEMENTS (Project Code 350)**

Right-of-Way Improvements or land purchases must be coordinated through Metro to ensure consistency with adopted regional corridors, priorities or preferred alignments. Right-of-Way Improvement project proposals must also demonstrate direct, quantifiable, environmental and/or economic benefit to given LR-eligible projects.

**13. COMMUTER RAIL (Project Codes 360 & 370)**

Rail (commuter system and station enhancement) projects must be consistent with Metro's existing and planned program of rail projects. Eligible project may include match to TE grants for building rehabilitation and restoration for transit-related purposes. Project itself must be LR eligible. **Examples of Rail projects include:**

- Signal upgrades at rail crossings
- Signage and marketing materials to promote increased commuter rail ridership
- Landscaping, lighting, fencing and environmental enhancements at or along commuter rail facilities

- System safety
- Safety education programs
- Commuter rail station operating, maintenance, insurance, or other station-related costs
- Commuter rail station capital costs

**14. CAPITAL RESERVE (Project Code 380)**

A Capital Reserve project provides Jurisdictions the opportunity to accumulate LR funds (over and above the year of allocation and three year expenditure requirement see page 30, Timely Use of Funds) to finance a large project. Projects are limited to construction of bus facilities, bus purchases, transit centers, park-and-ride lots, construction of major street improvements or rail projects along Metro's planned and adopted rail corridors.

A Capital Reserve project constitutes a long-term financial and planning commitment. For specific information on the Capital Reserve approval process, see Section III, Metro's Administration Process, page 26.

**15. DIRECT ADMINISTRATION (Project Code 480)**

Direct Administration is defined as those fully burdened costs which are directly associated with administering Local Return program or projects, and includes salaries and benefits, office supplies and equipment, and other overhead costs.

**Direct Administration project conditions:**

- All costs shall be associated with developing, maintaining, monitoring, coordinating, reporting and budgeting specific LR project(s)
- Expenditures must be reasonable and appropriate to the activities undertaken by the locality
- The administrative expenditures for any year shall not exceed 20 percent of the total LR annual expenditures, based on year-end expenditures, and will be subject to an audit finding if the figure exceeds 20%;
- The annual expenditure figure will be reduced by fund trades to other cities and/or funds set aside for reserves; conversely, the annual expenditure figure will be increased by expenditure of reserves or LR funds received in fund exchanges;
- Jurisdictions are required to report all administrative charges to Direct Administration in order to verify compliance of 20% administration cap.

**16. OTHER (Project Code 500)**

Projects that do not fit under any of the project codes, but are for public transit purposes, may be included in the "other" category. Note that "public transit purposes" are defined as follows: "A proposed expenditure of funds shall be deemed to be for public transit purposes to the extent that it can reasonably be expected to sustain or improve the quality and safety of and/or access to public transit services by the general public or those requiring special public transit assistance".

**B. EXCLUSIVE USES OF PROPOSITION A FUNDS**

**Projects listed below are eligible for Proposition A LR funding only.** Jurisdictions must certify that all project conditions will be met and include all supporting documents with submittal of the Form A. Stand alone amenities such as traffic signals, landscaping and storm drains are ineligible. Note: The following project eligibility criteria provide general guidance only and are not the sole determinant for project approval. The authority to determine the eligibility of an expenditure rests solely with Metro. Jurisdictions may appeal projects deemed ineligible as described in Section III, page 23.

**1. SIGNAL SYNCHRONIZATION (Project Code 400)**

**Signal Synchronization projects must meet the following eligibility conditions:**

- Bus priority must be included as an element of the project
- The project arterial must be used by a minimum of ten transit buses, counted bi-directionally, per hour, or five buses hourly in each direction
- Projects may be implemented only on major arterials
- Documentation of coordination with affected public transit operators is required for approval (e.g., correspondence between the Jurisdiction and the transit operator with written concurrence between the transit operator and Metro)
- Local return funds shall not be used to alter system/signal timing that was implemented under a traffic forum project/grant unless coordinated with all affected jurisdictions in the corridor.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose “Los Angeles Countywide ITS Policy and Procedures Document” or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

**2. FUND EXCHANGE (Project Code 405)**

**Proposition A funds may be given, loaned, or exchanged by Jurisdictions provided that the following conditions are met:**

- Participants are responsible for insuring that the traded funds will be utilized for public transit purposes
- The exchange of funds should not result in a net loss of revenues available for public transit in Los Angeles County (i.e., trade of Proposition A funds for farebox or other transit revenues)
- Traded Proposition A LR funds retain their original date of allocation and lapse date. Jurisdictions submitting Fund Exchange projects shall note the year of allocation on their Form A so that the fund lapse policy may be monitored.

In addition, Jurisdictions shall provide the following detail in submitting Fund Exchange projects for approval:

- Source of funds to be exchanged
- Fund amounts to be exchanged
- Period of exchange
- Assurance that the end use of Proposition A LR funds will be for eligible transit uses
- Provision for circumstances should source of funds (one or both) become unavailable during the exchange period.
- Certification by participating Jurisdictions (e.g. City Council action)

**A sample Fund Exchange Agreement is included in Appendix V page 43.**

**NOTE:** Jurisdictions participating as the “seller” in a Proposition A Fund Exchange projects will, for two years from the date of transaction, be subject to disqualification or reduced project application scores in the Transportation Improvement Program (TIP) Call for Projects.

**3. TRANSPORTATION DEMAND MANAGEMENT (Project Code 410)**

Transportation Demand Management (TDM) projects are defined as strategies/actions intended to influence the manner in which people commute, resulting in a decrease in the number of vehicle trips made and vehicle miles traveled during peak travel periods.

TDM projects funded by Proposition A require a public transit element and will be evaluated on their projected impact on reduction of single-occupancy vehicle trips, corresponding vehicle miles traveled, and potential to increase transit use.

**A list of sample TDM projects follows:**

- Formation and operation of vanpool and/or vanpool incentive programs, including ride matching programs (must be made available to all employers and/or residents within the Jurisdiction boundaries)
- Community-based shuttles for employees as long as such services complement existing transit service
- Parking Management incentive programs, such as, parking cash outs or parking pricing strategies
- Employer or citizen ride-matching programs and subsidies
- Formation or ongoing operation of a Transportation Management Association to administer and market local TDM programs (provided that the 20 administrative cost stipulated for Proposition A and Proposition C is not exceeded)
- Transit and TDM-related activities required by the Congestion Management Program (CMP) including: preparation of TDM ordinances; administration and implementation of transit or TDM-related projects pursuant to CMP deficiency plans; and monitoring of transit standards by transit operators
- Funding Transportation Management Organization's (TMO) insurance costs or individual employer's vanpool programs under the umbrella vehicle insurance policy of the Jurisdiction

- Providing matching funds for LR eligible Safe Routes to School projects.

Jurisdictions are encouraged to adopt monitoring and evaluation performance standards for funding TDM projects. Jurisdictions are encouraged to utilize regionally adopted standards, and demonstrate, for example, how AQMD trip reduction targets are addressed through the TDM measure.

In conformity with regional, state and federal air quality objectives, Metro encourages use of alternative-fuel vehicles (e.g. LNG, CNG, Methanol) for any TDM-related shuttle, vanpool or paratransit vehicles.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose “Los Angeles Countywide ITS Policy and Procedures Document” or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

### C. **EXCLUSIVE USES OF PROPOSITION C FUNDS**

**Projects listed below are eligible for Proposition C LR funding only.** Jurisdictions must certify that all project conditions will be met and include all supporting documents with submittal of the Form A. Jurisdictions are encouraged to use LR funds for improved public transit services and for multi-jurisdictional cooperation of arterial traffic signal control operations. Agency costs for operating a centralized traffic signal system, including those costs linked to a local agency’s participation in the countywide Information Exchange Network (IEN), are now eligible for reimbursement. Stand alone amenities such as landscaping and storm drains are ineligible. Note: The following project eligibility criteria provide for general guidance only and are not the sole determinant for project approval. The authority to determine the eligibility of an expenditure rests solely with Metro. Jurisdictions may appeal projects deemed ineligible as described in Section III, page 23.

#### 1. **SIGNAL SYNCHRONIZATION & TRAFFIC MANAGEMENT (Project Code 400)**

##### **Synchronized Signalization projects must meet the following conditions:**

- Projects shall be implemented only on major arterials.
- Operation costs associated with centralized traffic signal control systems, including updating traffic signal coordination timing and costs associated with multi-jurisdictional or inter-community systems, (such as the IEN or ATSAC/ATCS) or with transit signal priority systems, are eligible. Costs may include: lease lines for communication; software licenses and maintenance; hardware maintenance, maintenance and repair of hardware, vehicle detection devices and interconnect lines; warranties; and upgrades and enhancements for software or hardware. Cities shall coordinate the signal timing or systems with other affected jurisdictions.

- The major arterial targeted for implementation must have full-sized transit buses operating on regularly scheduled fixed routes.
- Documentation of coordination with affected public transit operators is required for approval (e.g., correspondence between the Jurisdiction and the transit operator with written concurrence from the transit operator to Metro)
- Local return funds shall not be used to alter system/signal timing that was implemented under a traffic forum project/grant unless coordinated with all affected jurisdictions in the corridor.

**Installation or modification of traffic signals which are not part of a larger transit project are not eligible, except as detailed in this section.** Maintenance and replacement of traffic signals are not eligible.

Traffic signal projects will be reviewed and considered on a case by case basis to evaluate the transit benefit of the project. The following information may be requested and evaluated, depending on the type of traffic signal project:

- Number of transit boardings at the affected transit stop or station
- Transit patrons as a proportion of pedestrian volume
- Transit vehicles as a proportion of vehicle flow
- Letter from affected transit operator requesting and justifying traffic signal installation or modification
- Proximity of proposed signal to transit stop or station
- The affected transit stop(s) must be served by transit with 15 minute or greater frequency to be eligible.
- Proximity to adjacent controlled intersection

Based on the review, all or a proportion of the project costs may be eligible for Local Return funds.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose “Los Angeles Countywide ITS Policy and Procedures Document” or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

## **2. TRANSPORTATION DEMAND MANAGEMENT (Project Code 410)**

Transportation Demand Management (TDM) projects are defined as strategies/actions intended to influence the manner in which people commute, resulting in a decrease in the number of vehicle trips made and vehicle miles traveled during peak travel periods.

TDM projects funded by Proposition C will be evaluated on their proposed impact on reduction of single-occupancy vehicle trips and corresponding vehicle miles traveled.



**A list of sample TDM projects follows:**

- Formation and operation of vanpool and/or vanpool incentive programs, including ride matching programs (must be made available to all employers and/or residents within the Jurisdiction boundaries)
- Community-based shuttles for employees as long as such services complement existing transit service
- Parking Management incentive programs, such as, parking cash outs or parking pricing strategies
- Employer or citizen ride-matching programs and subsidies
- Formation or ongoing operation of a Transportation Management Association to administer and market local TDM programs (provided that the 20% administrative cost stipulated for Proposition A and Proposition C is not exceeded)
- Transit and TDM-related activities required by the Congestion Management Program (CMP) including: preparation of TDM ordinances; administration and implementation of transit or TDM-related projects pursuant to CMP deficiency plans; and monitoring of transit standards by transit operators
- Funding Transportation Management Organization's (TMO) insurance costs or individual employer's vanpool programs under the umbrella vehicle insurance policy of the Jurisdiction
- Providing matching funds for LR eligible Safe Routes to School projects.

Jurisdictions are encouraged to adopt monitoring and evaluation performance standards for funding TDM projects. Jurisdictions are encouraged to utilize regionally adopted standards, and demonstrate, for example, how AQMD trip reduction targets are addressed through the TDM measure.

In conformity with regional, state and federal air quality objectives, Metro encourages use of alternative-fuel vehicles (e.g. LNG, CNG, Methanol) for any TDM-related shuttle, vanpool or paratransit vehicles.

If a Local Return funded project is or has an Intelligent Transportation System (ITS) component, it must be consistent with the Regional ITS Architecture. ITS projects must comply with the Countywide ITS Policy and Procedures adopted by the Metro Board including the submittal of a completed, signed self-certification form. Please go to <http://RIITS.net/RegITSDocs.html> and choose "Los Angeles Countywide ITS Policy and Procedures Document" or see Appendix VI (page 45) for information on Countywide ITS Policy and Procedures, and the self-certification form.

**3. CONGESTION MANAGEMENT PROGRAM (CMP) (Project Code 420)**

**The following provides a list of sample CMP projects:**

- Land use analysis as required by CMP
- Computer modeling as required to support CMP land use analysis
- Administration, monitoring and implementation of transit- or TDM-related projects as part of deficiency plans
- Monitoring of transit standards by transit operators

**4. BIKEWAYS AND BIKE LANES (Project Code 430)**

**Bikeway projects include bikeway construction and maintenance, signage, information/safety programs, and bicycle parking, and must meet the following conditions:**

- Shall be linked to employment or educational sites
- Shall be used for commuting or utilitarian trips
- Jurisdictions must have submitted a PMS Self Certification (see page 20, and Appendix III on page 39).

**5. STREET IMPROVEMENT AND MAINTENANCE (Codes 440, 450 & 460)**

Proposition C Local Return funds are to be used for the maintenance and improvements to street and highways used as public transit thoroughfares. Street Improvement and Maintenance Projects Capacity enhancements include repair and maintenance projects with a direct benefit to transit. **Projects must meet the following conditions and reporting requirements:**

**A. CONDITIONS:**

**Public Transit Benefit**

Projects must demonstrate a public transit benefit or be performed on streets “heavily used by public transit,” where such streets carry regularly-scheduled, fixed-route public transit service, and where service has operated for a minimum of one (1) year and there are no foreseeable plans to discontinue such service.

If there are no fixed-route systems within a Jurisdiction, or if all the streets supporting fixed-route systems are already in a satisfactory condition as documented by the required Pavement Management System (PMS), a Jurisdiction may use LR funds for street improvements and maintenance and repair on streets within their community on which they can demonstrate that public paratransit trips, that have been in service for a minimum of one year, concentrate.

The method of demonstrating heavy-use by paratransit vehicles is to document trip pick-up and drop-off locations, including street-routing, for a consecutive three month time period. The data will be used in making a determination on which street segments have heavy-use by this form of transit.

**Pavement Management System (PMS)**

If Proposition C LR funds are to be used for street improvement or maintenance, a jurisdiction must have a PMS in place, and use it. (See PMS code 470 for self certification requirements, page 20).

**Maintenance of Effort (MOE) Requirement**

The goal of the Proposition C LR Program is to improve transportation conditions, including the roadways upon which public transit operates. When used to improve roadways, the additional funds provided to local jurisdictions through the Proposition C LR Program are intended to supplement existing local revenues being used for road improvement purposes. Cities and counties shall 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 Proposition C LR funds to be expended for streets and roads.

Metro will accept the State Controller's finding of a Jurisdiction's compliance with the California Streets and Highways Code as sufficient to demonstrate the required Maintenance of Effort during any fiscal year in which Proposition C LR funds are expended for streets and roads.

## **B. REPORTING REQUIREMENTS**

Street maintenance, rehabilitation or reconstruction projects should be submitted individually. Jurisdictions shall submit a Project Description Form listing all new project street segments prior to undertaking each street maintenance or improvement project. Jurisdictions will be advised as to any eligible and ineligible street segments within 30 days of project submittal.

The projects must be reflected on subsequent Annual Project Update (Form B) submittals and Annual Expenditure Reports (Form C) until the project is completed or deleted from the work program. Once deleted, a segment must be re-submitted for approval if a new street maintenance project on the segment is subsequently planned.

### **Eligible Street Improvement and Maintenance Projects**

#### **1. Exclusive Bus Lane Street Widening**

Such projects are for exclusive bus lanes (physically separated) on surface arterials.

#### **2. Capacity Enhancement**

Capacity Enhancement projects are level-of-service and/or capacity improvements capital projects. These projects must include a public transit element that is comprised of transit vehicles on streets that are "heavily used by transit." Examples of these projects include street widening or restriping to add additional lanes.

#### **3. Street Repair and Maintenance**

Eligible Street Repair and Maintenance projects are limited to pavement maintenance, slurry seals, and chip seals, pavement rehabilitation and roadway reconstruction. Required curb, gutter, and catch basin repair (storm drains) on streets "heavily used by transit" that are part of a rehabilitation or reconstruction project are eligible. Betterments are not eligible for LR funding.

#### **4. Safety**

Street improvement projects to increase safety are eligible, but must have a direct and clearly demonstrable benefit to both safety and transit. At Metro's discretion, a project may be approved on a down-scoped demonstration basis. The local jurisdiction would be required to conduct a before and after evaluation prior to Metro approval of the full project scope.

5. Americans with Disabilities Act Related Street Improvements

In compliance with the Americans with Disabilities Act (ADA), the provision of curb cuts or passenger boarding/alighting concrete pads at or adjacent to bus stops and other accessible improvements on roadways “heavily used by transit” is an eligible use of Proposition C LR funds. Such modifications must meet ADA and California Title 24 specifications.

7. PAVEMENT MANAGEMENT SYSTEM (PMS) (Project Code 470)

**Sample Pavement Management System projects include:**

- Cost to purchase, upgrade or replace a Pavement Management System.
- The ongoing cost of maintaining a PMS equal to the proportion of a Jurisdiction’s eligible street mileage to total street mileage; or 50% of the PMS maintenance cost, whichever is greater.

**Note:** Jurisdictions are required to certify that they have conducted and maintain Pavement Management Systems when proposing "Street Repair and Maintenance" or “Bikeway” projects (see Appendix III, page 39). The requirement for a PMS is consistent with Streets & Highways Code Section 2108.1.

**PMS must include the following:**

- Inventory of existing pavements including, as a minimum, arterial and collector routes, reviewed and updated triennially;
- Inventory of existing Class I bikeways, reviewed and updated triennially;
- Assessment of pavement condition including, as a minimum, arterial and collector routes, reviewed and updated triennially;
- Identification of all pavement sections needing rehabilitation/replacement; and
- Determination of budget needs for rehabilitation or replacement of deficient sections of pavement for current and following triennial period(s)

Self-certifications (included in Appendix III) executed by the Jurisdiction’s Engineer or designated, registered civil engineer, must be submitted with a Form A for new street maintenance or bikeway projects, or Form B (biannually) for ongoing projects, to satisfy “Street Repair and Maintenance” and “Bikeway” project eligibility criteria.

### **III. METRO'S ADMINISTRATIVE PROCESS**

#### **A. REPORTING REQUIREMENTS FOR JURISDICTIONS**

##### **STANDARD ASSURANCES**

In the event that a new Jurisdiction is formed within Los Angeles County, Metro will require that a Standard Assurances and Understanding agreement be submitted prior to participation in the LR Program. A sample Standard Assurance and Understanding agreement form is included as Appendix II, see page 37.

##### **PROPOSITION A AND PROPOSITION C FORMS**

To maintain legal eligibility and meet LR Program compliance requirements, Jurisdictions shall submit to Metro a Project Description Form as required, an Annual Project Update and Annual Expenditure Report. A Project Description Form, Annual Project Update and Annual Expenditure Report (Forms A, B and C along with instructions) are included in Appendix VIII, starting on page 49.

##### **PROJECT DESCRIPTION FORM (FORM A)**

A new project that meets the eligibility criteria listed in Section II, Project Eligibility, must be submitted to Metro on Project Description Form (Form A) prior to the expenditure of funds. Metro will review the project to determine if it meets the statutory eligibility requirement and notify Jurisdictions of the project's LR funding eligibility. If a Jurisdiction expends Proposition A or Proposition C LR funds for a project prior to Metro approval, the Jurisdiction will be required to reimburse its LR Account. Additionally, approvals cannot be retroactive.

A Project Description Form (Form A) may be submitted any time during the fiscal year. Metro will review and accept or return the report for changes. All projects must be identified with their own unique sequence and project code, e.g. 01-200, and the form must be filled out completely. Once a Jurisdiction decides to proceed on a new or revised project, the Jurisdiction should comply with the following process before expending any funds:

##### **STEP 1 - Form Submittal**

A Project Description Form (Form A) shall be submitted whenever a Jurisdiction proposes a 1) a new project; 2) a new route; 3) a 25 percent or more (increase or decrease) in route or revenue vehicle miles for an established LR funded transit service); 4) a 25 percent or greater change in an approved LR project budget or scope, or 5) a service change that duplicates/overlays an existing transit service equal to or greater than .75 miles.

A change is defined as any modification to route, budget, service area, stops, frequency, fare or clientele for the project as originally approved or subsequently approved by Metro.

**NOTE:** a.) All new transit or paratransit service projects, existing services with a change of 25% or more (increase or decrease), or cancellation of services, are subject to review under the Service Coordination Process (as described on page 24).

- b.) If transit service is canceled, Jurisdictions should notify Metro in writing, secure review by the Service Review Process, and inform the public.

**STEP 2**

Metro staff will review Form A to determine if the project is eligible for LR expenditure.

**STEP 3**

After it is determined that the project is eligible, Metro staff will notify Jurisdictions in writing authorizing the expenditure of the LR funds. This will be done within thirty days of receipt of Form A. However, if additional information/justification for the project is required, it may take longer for the approval.

**STEP 4**

Form A will be used as the basis for a Jurisdiction's annual compliance audit required under the LR Program. Records should be maintained as stated in Audit Section V, page 33.

**ANNUAL PROJECT UPDATE (FORM B)**

Jurisdictions shall submit on or before August 1 of each fiscal year an Annual Project Update (Form B) to provide Metro with an update of *all* approved, on-going and carryover LR projects. Jurisdictions will be informed in writing of approval for project continuance. Metro will review the report and accept or return the report for changes. Staff review will consist of verification that the status of the projects listed corresponds to the originally approved projects. All projects should have their own identifying code, e.g. 01-200.

Projects for service operations whose anticipated start-up date is in the middle of the fiscal year, should be budgeted for services through the end of the fiscal year only. After the first year of service operations, project updates should be submitted annually, by August 1 of the new fiscal year.

**ANNUAL EXPENDITURE REPORT (FORM C)**

On or before October 15 of each fiscal year, Jurisdictions shall submit an Annual Expenditure Report (Form C) to notify Metro of previous year LR fund receipts and expenditures. Metro will review the report and approve or return for changes.

For Jurisdictions with Recreational Transit projects, Jurisdictions are required to annually submit an accounting of Recreational Transit trips, destinations and costs. This information should be submitted along with the Form C, no later than October 15 after the fiscal year.

Jurisdictions are required to call out administration charges to Direct Administration (Project Code 480) in order to verify compliance of 20% cap on administration costs.

The following provides a summary of form use and due dates:

<u>FORM</u>	<u>DETERMINATION</u>	<u>DUE DATE</u>
Project Description Form - Form A	New and amended projects	Any time during the year
Annual Project Update - Form B	All on-going and/or capital (carryover) projects	August 1 <sup>st</sup> of each year
Annual Expenditure Report - Form C	Report expenditures	October 15 <sup>th</sup> of each year



**B. APPEAL OF ELIGIBILITY**

Jurisdictions submitting a project, which has been classified by Metro staff as ineligible, may appeal the determination. An appeal should be submitted in writing to the Chief Planning Officer of Countywide Planning & Development. The project will then be reviewed for eligibility.

Should the project be denied eligibility status by the Chief Planning Officer, a final appeal may be submitted in writing to the Chief Executive Officer. The project will then come before the Metro Board for final determination of eligibility.

The appeal process is administered as a Board Public Hearing by the Board Secretary's office at the regularly scheduled Planning and Programming meetings. The Board has the authority to act on the transcript of the Hearing or to conduct its own hearing. The Metro Board decision is final.

Once the determination is final (either by an administrative determination that is not appealed within the 10-day statute of limitations, or as a result of the appeal process), Metro staff will send a notice of final determination of project eligibility to the Jurisdiction with conditions described or attached.

**C. GOVERNING BODY AUTHORIZATION**

While Metro does not require Jurisdictions to file a governing body authorization when submitting LR Forms (e.g., a city resolution or minute order), it is the responsibility of the Jurisdiction to keep these documents on file for audit purposes.

**D. ENVIRONMENTAL REVIEW RESPONSIBILITY**

Jurisdictions are the lead agencies for the projects with which they propose to implement using LR funds. Therefore, those agencies are responsible for preparing the necessary state and/or federal environmental documentation, and must comply with all applicable provisions of the California Environmental Quality Act, or if federal funds are involved, the National Environmental Policy Act.

**E. PROJECT DESCRIPTION FORMS AND THE PROPOSITION A AND PROPOSITION C 40% DISCRETIONARY PROGRAM**

If a Jurisdiction submits a project description for operating assistance for an included transit operator, the amount of operating assistance applied for will be considered as an operating subsidy in the fiscal year specified in Forms A or B. The full LR operating assistance amount shown in Form A or B will be considered when determining the eligible Proposition A or C Discretionary grant amount in accordance with the Proposition A and Proposition C 40% Discretionary Program Guidelines. Any changes must be approved prior to the close of the specific fiscal year. No changes will be approved after November 1 of the following fiscal year (e.g., changes in FY 2006-2007 projects must be received by Metro prior to November 1, 2007 to allow adequate time for staff review).

In addition, depreciation is not an eligible operating expense for which LR funds can be allocated, committed, encumbered, or claimed.

F. ANNUAL PROJECT UPDATE SUBMITTALS BY RECIPIENTS OF METRO FORMULA FUNDS

Jurisdictions with municipal bus operations receiving Metro formula funds (e.g. TDA Article 4, FTA Section 5307 and State Transit Assistance funds) should submit projects with the regular Transportation Improvement Program (TIP) and TIP-amendment cycle to facilitate processing and coordination. Other Jurisdictions may submit Project Description Forms at any time. LR projects and revenue may be shown in the Los Angeles County TIP for information purposes.

G. OTHER RESPONSIBILITIES OF JURISDICTIONS

It is the responsibility of Jurisdictions to ensure that all applicable federal, state and local requirements are met with regard to public health and safety, affirmative action, fair labor practices, transit accessibility to disabled persons, etc. Metro has no responsibilities in these areas with regard to local transit projects carried out by Jurisdictions receiving Proposition A or C revenues.

H. AMERICANS WITH DISABILITIES ACT MAINTENANCE OF EFFORT (MOE)

Metro will continue to monitor the operations of LR funded paratransit services to ensure that ADA paratransit-eligible riders continue to receive non-discriminatory transportation service on local paratransit systems pursuant to ADA and TDA. If Metro determines that ADA paratransit-eligible individuals are disproportionately being denied service, Metro will work with the LR funded agency to resolve the issue, up to and including a Maintenance of Effort.

Jurisdictions that currently provide paratransit service are required to continue to provide either ADA-eligible individual transportation service, or fund transportation trips that are completely within their jurisdictional boundaries, when requested. This obligation may not exceed 20 percent of the total LR allocation to the jurisdiction. If no requests for service within the jurisdiction are received, there will be no obligation to provide service or funding.

To better determine the accessibility of pathways to and from bus stops in Los Angeles County, all jurisdictions and the County of Los Angeles are requested to submit their projects on the Project Description Form (Form A) indicating what accessible features are being updated. Examples include curb cuts, installation or repair of pedestrian walkways, bus pads, and/or removal of sidewalk barriers (telephone poles, light poles, and other barriers). This form shall be submitted as required under these Guidelines.

I. SERVICE COORDINATION PROCESS

If a Jurisdiction is proposing to use LR funds for a new or expanded paratransit or transit service project, it is required to comply with the following Service Coordination Process:

The Service Coordination Process has four principal steps: Early Consultation by the proposing Jurisdiction with Metro Operations, and Contract Departments as the service is being developed at a local level; Proposition A or Proposition C LR eligibility review; service coordination administrative review; Metro Board Appeal Process to review the administrative determination, if requested. The following instructions should assist Jurisdictions in completing the service coordination review process:

Under the Proposition A and Proposition C Ordinances, transit services provided by Jurisdictions with LR funds should not duplicate existing transit or paratransit services.

The Proposition A and Proposition C LR Guidelines require Jurisdictions to follow the service coordination process under the following conditions: when a new service is proposed or when current service is modified by expanding service by 25 percent (increase or decrease) in route miles, revenue vehicle miles, service areas, stops, frequency or fare; when a proposed new route or change duplicates an existing route for 0.75 miles or more; or if a service is canceled.

1. **Implementing A Proposed New or Modified Transit or Paratransit Service**

When implementing a new or modified transit service or paratransit service project Jurisdictions should comply with the following process:

- a. Prior to Submittal of the Project Description Form -- Metro encourages Jurisdictions to work closely with Programming and Policy Analysis staff and Metro's Operations Unit (Sector General Managers and Deputy Executive Officer of Service Development) when a service project is being developed, in order to avoid or reduce service duplication impacts.
- b. Submitting a Project Description Form -- Similar to other LR projects, Jurisdictions are required to submit a Form A describing the new or modified service.
- c. Letter of Conditional Approval Will Be Sent to Jurisdictions -- After Metro Operations staffs have reviewed Form A, a letter of conditional approval is sent to Jurisdictions, subject to Metro Service Development Team review. This letter is then forwarded with a recommendation to the ***Service Development Team***, to potentially affected Jurisdictions and transit operators, with the Form A and any route maps, service schedules and fare information provided by the proposing Jurisdiction.
- d. Role of Service Development Team – Metro Service Development Team is an executive level committee that is chaired by Metro Chief Executive Officer (CEO). This committee reviews key issues concerning agency transportation and planning projects. The Service Development Team will use the following criteria for evaluating the impacts of new or expanded services funded:
  - Potential for passenger and revenue diversion from the existing transit services, resulting from service duplication, to the proposed new or expanded service
  - Operational considerations such as available street capacity, bus zone curb space, street configuration and traffic congestion
  - Type of service and/or markets served by the new service, compared to existing services in the area
  - Early coordination and project development with existing service providers and Jurisdictions (efforts beyond the minimum 60 days)

Metro will encourage fare coordination and connectivity with other interfacing transit operators.

- e. Letter of Final Approval or Disapproval -- Based on the evaluation criteria, the Service Development Team will either grant approval or deny a Jurisdiction's request. The Committee will notify the Jurisdiction of the outcome.
- f. Board Appeal Process -- If the project is disapproved, the Jurisdiction may file an appeal. See Appeal of Eligibility, page 23.

2. **Seasonal or Emergency Temporary Service**

Seasonal service lasting less than 60 days will be administratively reviewed and considered for approval without Metro Board review, unless an Metro Board action is specifically requested. In the event of an emergency, staff reserves the right to temporarily waive the service coordination requirements. Any projects begun under emergency waiver conditions must undergo the New Service Coordination review process within 60 days after the emergency has ended, in order to continue to be eligible for expenditure of LR funds. Seasonal or emergency services are not considered ongoing projects. Equipment purchased during the emergency waiver period will not be subject to prior approval. Emergency service may continue during the subsequent New Service Review process.

3. **Contracting With Other Service Providers**

Jurisdictions may use their LR funds to contract with other public or private service providers for new or improved transit services, subject to non-duplication/competition requirements.

J. **CAPITAL RESERVE PROCESS - APPROVAL PROCEDURE**

Jurisdictions who wish to establish a Capital Reserve fund with LR revenues should note that establishing a Capital Reserve fund constitutes a long term financial and planning commitment. The approval procedure is as follows:

- a. The Project Description *Form (Form A)*, submitted by the Jurisdiction, must be reviewed by Metro staff and approved by Metro Board;
- b. If the project is approved, the Jurisdiction is required to:
  - Enter into a Capital Reserve Agreement (see sample in Appendix IV, page 40) with Metro to reserve funds
  - Establish a separate account, or a sub-account, for Capital Reserve funds. Any interest accrued on the Capital Reserve Account would remain in said account
  - Include the Capital Reserve amount and the current project status in their Project Annual Update (Form B) and on the Annual Expenditures Report (Form C, including any expenditures or interest accrued.
- c. Conditions of the Capital Reserve Agreement:
  - The annual audit will include a detailed audit of the jurisdiction's capital reserve account.
  - Every three (3) years, Metro must evaluate the Capital Reserve Account as it pertains to the status of the project; and the projected amount of funds available.
  - If the funds are expended for projects other than the originally-approved capital project, the jurisdiction must pay the funds back to Metro.
  - If the capital project is not completed within the time specified under the terms of the Capital Reserve Agreement, its funds will be subject to lapse. However, if the project is delayed, Jurisdictions should request in writing to Metro approval to extend the life of the reserve. Such projects will be reviewed on a case-by-case basis.
  - For rail projects, if it is decided by Metro that the Rail corridor is no longer a high priority, the agreement will be terminated and the Jurisdiction must:
    1. Dissolve the Capital Reserve fund and return the accumulated funds, including any interest earned, to the Jurisdiction's LR fund; and

2. Reprogram the funds, within the next three (3) years from the Agreement termination date (see Appendix IV for Sample Agreement, page 40). While the Jurisdiction is not required to expend all of the funds within these three years, Metro reserves the right to impose a reasonable limit on the period of expenditure for reprogrammed funds.
    - If there is action by Metro to suspend a rail project, the Jurisdiction may continue to hold onto the reserve until such time the project is reinstated as active or terminated.
    - If, at any time a Jurisdiction, independent of any Metro action, desires to reprogram all or part of the funds in the Capital Reserve Account, the Jurisdiction must indicate the proposed use of the accumulated funds to be reprogrammed, and receive Metro approval.
    - If, at any time either party decides to terminate the Capital Reserve Project, a letter shall be submitted giving 30 days notice of the termination.
    - If the Capital Reserve Project is terminated, the Timely Use of Funds period on the lapsing date of the reserved funds will be reviewed and determined by the audit.
- d. Metro approval for reprogramming funds will be based on the following:
- If after exhausting all LR funds, additional funds are necessary to meet critical immediate or pending transit needs
  - If the reprogramming request is approved, the agreement between Metro and the Jurisdiction will be either terminated or amended accordingly
  - If the reprogramming request is disapproved, the Jurisdiction would be required to continue the capital reserve account as stipulated or apply to draw the fund down for another Metro approved capital-related project.

K. FUND EXCHANGE

Only Proposition A funds may be exchanged or traded. Refer to page 13 for conditions.

L. LOANING LR FUNDS BETWEEN JURISDICTIONS (FOR PROPOSITION A ONLY)

In order to meet short-term project needs while preserving longer-term reserves or to avoid loss of funds due to the timely-use provisions, the Jurisdictions may arrange a mutually acceptable temporary transfer or loan from one Jurisdiction to another. These loans are to be made on terms to be negotiated between the involved parties. The participating Jurisdictions are held mutually responsible for ensuring that the end use of Proposition A is for statutorily-allowed purposes. The timely use provision as indicated on page 30 will apply to loaning of such funds. Metro must be notified of the amount, terms and period of such arrangements within thirty days of such arrangements.

Note: Metro reserves the right to temporarily reallocate funds. Any temporary reallocation would be subject to full review by the Planning and Programming Committee and approved by Metro Board.

M. GIVING PROPOSITION C LR FUNDS TO ANOTHER JURISDICTION

Since the Proposition C Ordinance does not allow trades or exchanges of these funds, a Jurisdiction can give its Proposition C funds to another Jurisdiction for the implementation of a mutual project. However, the Jurisdiction giving the funds away cannot accept an exchange or gift of any kind in return. Jurisdictions involved in giving funds should obtain Metro approval and keep official agreements on file.

N. REIMBURSEMENT

LR funds may be advanced for other grant funds as long as the project itself is eligible under LR Guidelines. The grant funds must be reimbursed to the LR fund.

**IV. FINANCE SECTION**

A. METRO'S METHOD OF APPORTIONMENT

The Proposition A Ordinance specifies that twenty-five percent (25%) of all Proposition A revenues, while the Proposition C Ordinance specifies that twenty percent (20%) of all Proposition C revenues, are to be allocated to Jurisdictions for local transit on a "per capita" basis. The annual estimate of Proposition A and Proposition C revenues will be derived by Metro staff based on projections by the State Board of Equalization.

After administrative costs of the Proposition A and Proposition C Programs are deducted, apportionments are made to all Jurisdiction within Los Angeles County, currently 88 cities and the County of Los Angeles (for unincorporated areas), on the basis of population. These population shares are based on the projected populations derived from annual estimates made by the California State Department of Finance.

B. METRO'S FUND DISBURSEMENT

The Proposition A and Proposition C funds are disbursed by Metro on a monthly basis. The disbursements to an individual Jurisdiction will equal that Jurisdiction's population-based share of actual net receipts for the month.

C. ACCOUNTING FOR PROPOSITION A AND PROPOSITION C REVENUES AND EXPENDITURES BY JURISDICTIONS

1. ESTABLISHING A SEPARATE ACCOUNT

Jurisdictions which do not use the State Controller's Uniform System of Accounts and Records must establish a separate Proposition A and Proposition C Local Transit Assistance Account and deposit all Proposition A and Proposition C LR revenues, interest earnings received, and other income earned from Proposition A and Proposition C LR in that account.

In accordance with the State Controller's instructions, Jurisdictions which use the Controller's Uniform System do not need to establish a separate Proposition A and Proposition C Local Transit Assistance Account but will list all Proposition A and Proposition C revenues (including interest) and expenditures as special line items in the Uniform System. In any case, all Jurisdictions will be required to account for and identify all Proposition A and Proposition C receipts, interest, and expenditures. This will enable financial and compliance audits to be conducted in an organized and timely fashion. Sufficient unrestricted cash or cash equivalent must be available at all times to meet the needs of general Jurisdiction operations without impairment of the Proposition A and Proposition C Local Transit Assistance Accounts.



2. EXCEPTIONS FOR RECIPIENTS OF TDA ARTICLE 4 FUNDS

A separate account or fund is not mandatory when Proposition A and Proposition C LR funds are accounted for in an enterprise fund and are exclusively used as transit operating subsidies as long as the Jurisdiction/operator is able to maintain accounting records. These records should allow for the preparation of financial statements, which present assets, liabilities, revenues, expenditures (if any) and transfers out. While it is necessary that Proposition A and Proposition C Program recipients be able to demonstrate that they have complied with applicable guidelines in expending Proposition A and Proposition C funds as operating subsidies, it is not necessary that such expenditures be separately identifiable for audit purposes.

3. POOLING OF FUNDS

Metro will allow Jurisdictions to pool Proposition A and Proposition C LR funds in order to obtain maximum return on investments. Such investment earnings must be reported and expended consistent with these guidelines. As in fund exchanges or transfers, Jurisdictions involved in such arrangements should keep adequate records of such transactions in order to allow for subsequent audits.

4. INTEREST AND OTHER EARNED INCOME

Jurisdictions are entitled to retain any and all interest revenues, which they may earn on their Proposition A, and Proposition C revenues. Other income earned from Proposition A and Proposition C projects such as fare revenues, revenue from advertising, etc., may also be retained by Jurisdictions in their LR accounts. Such earnings must be reported and expended consistent with these guidelines. Jurisdictions must maintain accurate records for the amount of interest earned each year. Interest must be allocated to the Local Transit Assistance Account on an annual basis, and reported as part of the annual audit.

5. PROJECT REVENUE

The Jurisdictions need only report project-generated revenues, such as fares, when such revenues are retained and recorded by the Jurisdiction. Revenues should be reported on the accrual basis.

6. INTER-FUND TRANSFERS

On an accrual basis of accounting, Jurisdictions should make note of the following: expenditures for an approved project, which are made from a fund other than the Proposition A or Proposition C LR fund and will be reimbursed by Proposition A and Proposition C LR funds, should be included in the Annual Expenditure Report to Metro in the period such expenditures are made and not in the period in which the disbursing fund is reimbursed for such expenditures.

7. UNEXPENDED PROJECT FUNDS

All unexpended project funds remaining upon completion of an approved project must be re-programmed.

8. ONGOING OPERATING PROJECTS

Continuing administration, transit or paratransit projects, are ongoing projects. Such projects which have unexpended funds at the year end (excluding any outstanding liabilities) may not carry fund balances into the next fiscal year. Ongoing projects must be resubmitted on an annual basis (see Annual Project Update on page 22).

9. CARRYOVER CAPITAL PROJECTS

All other types of projects not cited above which 1) are not completed within the applied fiscal year and 2) have unexpended funds (i.e., fund balance), may be carried into the next fiscal year without resubmitting a project description. However, until completed, such projects must continue to be reported in the Annual Project Update and Annual Expenditure Report (Forms B and C).

10. REIMBURSEMENT

Local Return funds may be used to advance a project which will subsequently be reimbursed by federal, state, or local grant funding, or private funds, if the project itself is eligible under LR Guidelines. **The reimbursement must be returned to the appropriate Proposition A or Proposition C LR fund.**

D. NON-SUBSTITUTION OF FUNDS

1. Proposition A and Proposition C revenues should only be used to maintain and/or improve public transit services. They may not be used to substitute for property tax revenues, which are currently funding existing programs. If the Jurisdiction is unable to segregate property tax from other general fund revenues which cannot be so distinguished, substitution of Proposition A and Proposition C funds for general funds is also prohibited.
2. Jurisdictions which currently receive federal and/or state transit-assistance funds may use Proposition A and Proposition C revenues to replace or supplement any other state, federal, or local transit funds, as long as there is no relation to the property tax (as noted above).
3. Metro Staff reserves the right to bring project proposals involving the substitution of funds before Metro Board.

E. TIMELY USE OF FUNDS

1. PROPOSITION A AND PROPOSITION C FUNDS

Under the Proposition A and Proposition C Ordinances, Jurisdictions have three years to expend LR funds. Funds must be expended within three years of the last day of the fiscal year in which funds were originally allocated. Therefore, by method of calculation, each Jurisdiction has the Fiscal Year of allocation plus three years to expend Proposition A and/or Proposition C funds. For example, a Jurisdiction receiving funds during FY 2004-05 must expend those funds, and any interest or other income earned from Proposition A and Proposition C projects, by June 30, 2008.

Proposition A and Proposition C disbursements, interest income and other income earned from LR projects, such as fare revenues or revenues from advertising which are not expended within the allocated time will be returned to Metro for reallocation to Jurisdictions for discretionary programs of county-wide significance.

2. DETERMINING COMPLIANCE WITH TIMELY USE PROVISION

In applying the timely use provision, Metro will use a "First-In-First-Out" (FIFO) accounting principle, to afford Jurisdictions maximum time to expend funds. For example, City A had a fund balance of \$1,000,000 as of June 30, 2004. In order to avoid lapsing LR funds, City A must expend a total of \$1,000,000 or more from its LR funds during Fiscal Years 2004-05, 2005-06 and 2006-07. This calculation will be done individually for Proposition A and Proposition C funds.

3. EXTENSION OF TIMELY USE PROVISION

Metro will allow Jurisdictions to reserve funds for multi-year capital projects. A specific project must be identified under the Capital Reserve Process. See Capital Reserve Process, page 26.

F. RELATIONSHIP TO TDA ENTRY AND FORMULA DISTRIBUTION

Provision of transit services with LR funds will not qualify Jurisdictions for Transit Development Act (TDA) funding programs. In addition, mileage will not be counted in Metro's subsidy allocation formula for TDA operators.

G. NATIONAL TRANSIT DATABASE (NTD)

Locally funded transit systems are encouraged to report NTD data, either directly to the Federal Transit Administration (FTA), or through Metro's consolidated NTD report. Examples of locally funded transit systems include community based fixed route circulators, community shuttles, Metrolink feeder services and other rail station and neighborhood shuttles (Code 110). Also included are locally funded paratransit, dial-a-ride and demand response services, including taxi voucher and specialized transportation programs (Codes 120, 130).

Benefits of increased NTD reporting include additional Federal Section 5307 capital funds for the LA County region, and improved data collection for regional transportation planning purposes. At this time, NTD reporting is voluntary for locally funded operators. The Proposition A Incentive Guidelines, as adopted by Metro Board, provide a mechanism to reimburse voluntary reporters dollar-for-dollar for additional funds generated to the LA County region, subject to funds availability.

H. REPAYMENT OF FUNDS FOR FIXED ASSETS PURCHASES

If a facility ceases to be used for public transit use as originally stated in the project description, all Proposition A and Proposition C funds expended for the project must be returned to the Proposition A and Proposition C LR accounts.

General guidelines for repayment are as follows:

Land: Repayment of purchase price or appraised value, whichever is greater.

Facilities: 100% repayment of Proposition A and Proposition C LR funds if discontinuation of public transit use occurs between 0-5 years.

75% if discontinuation occurs in more than 5 years but less than 10 years.

50% if discontinuation occurs in more than 10 years but less than 15 years.

25% if discontinuation occurs in more than 15 years.

Repayment must be made no later than five years after the decision is made to cease utilizing the project as a public transit facility. Payback may be made in one lump sum or on an annual equal payment schedule over a five-year period.

Vehicles: Jurisdictions that cease to utilize vehicles for "public transit" purposes before their useful life, will be required to repay the funds into their Proposition A and Proposition C LR accounts in proportion to the useful life remaining. Federal standards for useful life will apply.

Repayment will be made in the same fiscal year as the vehicles ceased to be used for "public transit" purposes.

**V. AUDIT SECTION**

A financial and compliance audit will be conducted annually as part of Metro’s Consolidated Audit Program to verify adherence to the Proposition A and Proposition C guidelines. Audits will be performed in accordance with auditing standards generally accepted in the United States of America and the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that the audit is planned and performed to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The audit shall include examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. The audit shall also include review of internal control procedures, assessing the accounting principles used, as well as evaluation of the overall basic financial presentation.

It is the jurisdictions’ responsibility to maintain proper accounting records and documentation to facilitate the performance of the audit prescribed in these guidelines. Jurisdictions are required to retain Local Return records for at least three years following the year of allocation and be able to provide trial balances, financial statements, worksheets and other documentation required by the auditor. Jurisdictions are advised that they can be held accountable for excess audit costs arising from poor cooperation and inaccurate accounting records that would cause delays in the completion of the required audits.

**A. FINANCIAL AND COMPLIANCE PROVISIONS**

The Proposition A and Proposition C Local Return Audits shall include, but not limited to, verification of adherence to the following financial and compliance provisions of this guidelines:

Audit Area	Penalty for Non-Compliance
Verification that jurisdictions which do not use the State Controller’s Uniform System of Accounts and Records has established a Separate Proposition A and Proposition C Local Transit Assistance Account for local return purposes.	Suspension of disbursements.
Verification of revenues received including allocations, project generated revenues, interest income.	Audit exception.
Verification that funds were expended with Metro’s approval and have not been substituted for property tax.	Jurisdiction will be required to reimburse its Local Return account for the amount expended prior to or without approval.
Verification that the funds are expended within three years from the last day of the fiscal year in which funds were originally allocated or received. (see “E” page 30).	Lapsed funds will be returned to Metro for reallocation to jurisdictions for discretionary programs of countywide significance.

<p>Verification that <u>administrative expenditures</u> (project code 480) did not exceed over 20% of the total annual LR expenditures.</p> <p>Verification that projects with greater than 25% change from the approved project budget has been amended by submitting amended Project Description Form (Form A).</p> <p>Verification that the Annual Project Update (Form B) was submitted on or before August 1<sup>st</sup> following the end of fiscal year.</p> <p>Verification that the Annual Expenditure Report (Form C) was submitted on or before October 15<sup>th</sup> following the end of fiscal year.</p> <p>Where expenditures include Street Maintenance or Improvement projects (project codes 430, 440 or 450), verification that Pavement Management System (PMS) is in place and being used.</p> <p>Where funds expended are reimbursable by other grants or fund sources, verification that the reimbursement is credited to the Local Return account upon receipt of reimbursement.</p> <p>Where Proposition A funds were given, loaned or exchanged by one jurisdiction to another, verification that the receiving jurisdiction has credited its Local Return Accounts with the funds received.</p> <p>Where funds expended were for Intelligent Transportation Systems (ITS) projects or projects with ITS elements, verification that a Self Certification has been completed and submitted to Metro.</p> <p>Verification that jurisdictions have a LR Assurances and Understandings form on file.</p>	<p>Jurisdictions will be required to reimburse their Local Return account for the amount over the 20% cap.</p> <p>Audit exception.</p> <p>Audit exception.</p> <p>Audit Exception.</p> <p>Any Local Returned funds spent must be returned to the Local Return Funds.</p> <p>Audit exception and reimbursement received must be returned to the Local Return Funds.</p> <p>Audit exception and reimbursement of affected funds to the Proposition A LR account.</p> <p>Audit exception.</p> <p>Audit exception.</p>
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<p>Where a capital reserve has been established, verification that a Capital Reserve Agreement is in effect, a separate account for the capital reserve is established, and current status is reported in the Annual Project Update (Form B).</p>	<p>Audit exception.</p>
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**B. AUDIT DELIVERABLES**

The auditor shall submit to the Jurisdictions and to Metro a Comprehensive Annual Report of Proposition A and Proposition C Local Return Funds no later than March 31<sup>st</sup> following the end of fiscal year. The report must contain at the minimum, the following:

- Audited Financial Statements – Balance Sheet, Statement of Revenues and Expenditures and Changes in Fund Balances.
- Compliance Report, Summary of Exceptions, if any, and ensuing recommendations.
- Supplemental Schedules – Capital Reserves, if any; Schedule of Detailed Project Expenditures; and Capital Assets.

**C. SUSPENSION OR REVOCATION**

Jurisdictions are expected to take corrective action in response to the Local Return financial and compliance audit. Notwithstanding the provisions of these guidelines, Metro reserves the right to suspend or revoke allocation to jurisdictions that may be found to be in gross violation of these guidelines, or repeatedly committing violations, or refusing to take corrective measures.

**PROPOSITION A AND PROPOSITION C LOCAL RETURN PROGRAM  
SUMMARY OF PROPOSITION A AND PROPOSITION C USES**

<b>PROJECT TYPE</b>	<b>PROPOSITION A</b>	<b>PROPOSITION C</b>
Streets and Roads Expenditures	<ul style="list-style-type: none"> <li>Allowed exclusively for Bus Lanes and Curb Cuts at corners located or adjacent to Bus Stops</li> </ul>	<ul style="list-style-type: none"> <li>Allowed only on streets that carry regularly scheduled, Fixed-Route Public Transit Services and on streets that carry public Paratransit trips (see conditions outlined in eligibility section of the Guidelines)</li> </ul>
Signal Synchronization	<ul style="list-style-type: none"> <li>Allowed if performed to predominantly benefit Transit.</li> <li>Bus Priority must be included as part of the project.</li> <li>The street must have a minimum of five (5) full-sized transit buses in each direction per hour</li> </ul>	<ul style="list-style-type: none"> <li>Allowed on streets that are heavily-used by Public Transit</li> <li>The street must have full-sized transit buses operating on a regularly scheduled fixed-route (no minimum number of buses)</li> <li>Operating costs such as software and hardware maintenance are allowed</li> </ul>
Bikeways and Bike Lanes	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>	<ul style="list-style-type: none"> <li>Commuter bikeways</li> <li>Shall be linked to employment sites.</li> </ul>
Congestion Management Activities	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>	<p>Most elements allowed, such as:</p> <ul style="list-style-type: none"> <li>Preparation of TDM Ordinances and Deficiency Plans.</li> <li>Land Use Analysis required by CMP</li> <li>Monitoring of Transit Standards by transit operators</li> </ul>
Pavement Management System	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>	<p>Some elements allowed, such as:</p> <ul style="list-style-type: none"> <li>One-time development costs of a Pavement Management System.</li> <li>The ongoing costs of maintaining the Pavement Management System (see Guidelines for conditions)</li> </ul>
Trading or Exchanging of Funds	<ul style="list-style-type: none"> <li>Allowed if the traded funds are used for Public Transit purposes</li> </ul>	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>

**ASSURANCES AND UNDERSTANDINGS REGARDING**  
**RECEIPT AND USE OF PROPOSITION A and PROPOSITION C FUNDS**

The undersigned, in conjunction with the receipt of funds derived from the one-half cent sales tax imposed by Ordinance No. 16 (Proposition A) and the one-half cent sales tax imposed by the Proposition C Ordinance of the Los Angeles County Metropolitan Transportation Authority (Metro), and as required by Metro's Local Return Program Guidelines, hereby provides the following assurances and understandings.

A. The undersigned hereby assures Metro:

1. That the Proposition A and Proposition C funds will not be substituted for property tax funds which are currently funding existing public transportation programs;
2. That Proposition A and Proposition C funds will be used for public transit purposes as defined in Metro's Local Return Program Guidelines;
3. That the undersigned will submit to Metro a description of the use of funds:
  - a. For service expansion or new service: at least 60 days before encumbrance of funds;
  - b. For other projects: at least 30 days before encumbrance of funds;
  - c. Annually, by August 1<sup>st</sup> of each year, an update of previously approved projects;
  - d. Annually, by October 15<sup>th</sup> of each year, an update of the prior year's expenditures;
4. Any proposed use of funds will not duplicate or compete with any existing publicly-funded transit or paratransit service;
5. That Proposition A and Proposition C funds will be expended by the date that is three years from the last day of the fiscal year in which funds were originally allocated;
6. Unless otherwise required by Metro, an audit certified by a Certified Public Accountant, will be conducted by Metro within 180 days of the close of the fiscal year;
7. That the description of the intended use of the funds, as submitted to Metro, is an accurate depiction of the project to be implemented;
8. That a 25 percent change in project scope or financing for those projects defined in the Guidelines will be submitted to Metro at least 60 days before that change in scope is implemented;
9. That all projects proposed for Proposition A and Proposition C funding will meet the legal requirements of the Proposition A and Proposition C Ordinances and Metro's Local Return Program Guidelines criteria.

B. The undersigned further understands and agrees:

1. That Metro will require the undersigned to return any Proposition A and Proposition C funds and may impose interest penalties on any expenditure found to be illegal or improper under the terms of the Proposition A and Proposition C Ordinance or the Metro's Local Return Program Guidelines;
2. That the undersigned will, for projects to be funded in part or in whole with Proposition A and/or Proposition C funds, comply with all applicable federal, state, and local laws and regulations, including without limitation: American With Disabilities Act (ADA), CEQA and NEPA, affirmative action, transit accessibility and public health and safety requirements and fair labor practices;
3. That the undersigned will either utilize the State Controller's Uniform System of Accounts and Records to accommodate uses and disbursements of Proposition A and Proposition C funds or will establish a separate Proposition A and Proposition C Local Transit Assistance accounting system which will allow financial and compliance audits of Proposition A and Proposition C funds transactions and expenditures to be conducted;
4. That any Proposition A and Proposition C funds not expended within the year of receipt of funds plus three years thereafter will be returned to Metro upon request therefrom.

**IN WITNESS WHEREOF** the undersigned has executed this "Assurances and Understandings Regarding Receipt and Use of Proposition A and Proposition C Funds" this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by its duly authorized officer:

CITY OF \_\_\_\_\_

BY \_\_\_\_\_

\_\_\_\_\_  
(Title)

DATE \_\_\_\_\_

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY (METRO)  
PAVEMENT MANAGEMENT SYSTEM CERTIFICATION  
PROPOSITION C

The City of \_\_\_\_\_ certifies that it has a Pavement Management System (PMS) in conformance with the criteria stipulated by the Proposition C Local Return Guidelines (identical to the criteria adopted by the Joint City/County/State Cooperation Committee, pursuant to Section 2108.1 of the Streets and Highways Code).

The system was developed by \_\_\_\_\_ and contains, as a minimum, the following elements:

- \* Inventory of arterial and collector routes (including all routes eligible for Proposition C funds), reviewed and updated triennially. The last inventory update was completed \_\_\_\_\_, 20\_\_.
- \* Inventory of existing Class I bikeways, reviewed and updated triennially.
- \* Assessment (evaluation) of pavement condition for all routes in the system, updated triennially. The last review of pavement conditions was completed \_\_\_\_\_, 20\_\_.
- \* Identification of all sections of pavement needing rehabilitation or replacement.
- \* Determination of budget needs for rehabilitation or replacement of deficient sections of pavement for current triennial period, and for following triennial period.

If PMS was developed in-house, briefly describe it on an attached sheet.

FROM:

AGENCY \_\_\_\_\_ DATE \_\_\_\_\_

\_\_\_\_\_  
(Please Print Name)

\_\_\_\_\_  
(Please Print Name)

\_\_\_\_\_  
(Title)

CAPITAL RESERVE AGREEMENT

This Capital Reserve Agreement (this “Agreement”) is entered into as of \_\_\_\_\_, by and between the Los Angeles County Metropolitan Transportation Authority (“Metro”) and the City of \_\_\_\_\_ (the “City”).

RECITALS:

A. The City receives Proposition [A] [C] local return funds (the “Local Return Funds”) from Metro.

B. Pursuant to the Proposition A and Proposition C Local Return Guidelines, which are incorporated herein by reference, the City has three years, beginning the last day of the Fiscal Year in which funds were originally allocated, to expend the Local Return Funds. By method of calculation, each jurisdiction has three years plus the Fiscal Year of allocation to expend the Local Return funds. This is period is identified in the Guidelines as Timely Use of Funds.

C. As of Fiscal Year \_\_\_\_\_, the City desires to commit and accumulate its Local Return Funds beyond the Timely Use of Funds period in order to construct and/or purchase \_\_\_\_\_ as more particularly described in City’s project description attached hereto as Exhibit A (the “Project”).

D. The Metro Board at its \_\_\_\_\_ board meeting approved the City’s establishment of a capital reserve fund for the Project.

NOW, THEREFORE, the parties hereby desire to agree to the following terms and conditions:

AGREEMENT

1. The City acknowledges that establishing a capital reserve fund for the Project constitutes a long term financial and planning commitment.
2. The City shall establish a separate interest bearing account or sub-account to be designated as the Capital Reserve Account. Commencing with Fiscal Year \_\_\_\_\_, the City shall deposit \$\_\_\_\_\_ of its Local Return Funds into the Capital Reserve Account. For future Fiscal Years, the City shall deposit the amount specified in its Project Annual Update submitted to Metro for that fiscal year, provided, however, if the City fails to submit its Project Annual Update, the City shall deposit its Local Return Funds in an amount equal to the amount deposited into the Capital Reserve Account for the immediately preceding fiscal year.



3. All interest accruing on the Capital Reserve Account shall remain in such account.
4. The City shall complete the Project by \_\_\_\_\_.
5. The City shall comply with all terms and conditions for the Capital Reserve Account as provided in the Proposition A and Proposition C Local Return Guidelines, including, without limitation, the following:
  - A. Each fiscal year, submitting the following items:
    - (i) an updated Project Description Form (Form A); and
    - (ii) an Annual Project Update (Form B), including the amount to be reserved and the current project status;
  - B. Every three years commencing with the Commencement Date of this Agreement, Metro will evaluate the Capital Reserve Account, the status of the Project and the projected amount of available funds. Based on this evaluation, Metro may require the City to take certain actions including, without limitation, terminating the Capital Reserve Account.
  - C. If the City uses the Local Return Funds in the Capital Reserve Account for a project different from the Project described above, the City shall return an amount equal to the improperly used funds to the Proposition A or Proposition C Central Account held by Metro. If the City fails to return the amount within 30 days from the date Metro notifies City that it must return the funds, the City hereby authorizes Metro to offset future Local Return allocations to the City in an amount equal to the improperly used funds.
  - D. If the City fails to complete the Project as specified by the date in paragraph 4 above, the Local Return Funds in the Capital Reserve Account may be subject to lapse unless otherwise agreed to in writing by the parties.
  - E. If the Project is a rail project, Metro may decide that the rail corridor is no longer a high priority. Metro can then terminate this Agreement and the City shall:
    - (i) close the Capital Reserve Account and return the outstanding balance of the Capital Reserve Account, including accrued interest (the "Returned Funds"), to the City's local return account; and
    - (ii) reprogram the Returned Funds to be used within three years from the termination date of this Agreement. Any funds remaining after such three-year period shall lapse.
  - F. If the City, independent of Metro action, desires to reprogram all or part of the funds in the Capital Reserve Account, the City must prior to such reprogramming, receive Metro's written approval. The City shall provide Metro with notice of its desire to reprogram the funds in the Capital Reserve Account and indicate the proposed use

of the funds to be reprogrammed and the effect of such reprogramming on the Project. Metro approval may be based on, among other things, whether after exhausting all Local Return funds, additional funds are necessary to meet the City's critical immediate or pending transit needs. If Metro approves reprogramming the funds, this Agreement shall be amended or terminated as appropriate. If Metro does not approve reprogramming the funds, the City must continue the Capital Reserve Account as provided herein or draw the funds down for Metro approved capital related project.

6. This Agreement shall commence on \_\_\_\_\_. This Agreement shall continue until such time as terminated by either party with a 30 day written notice under the conditions set forth in the Proposition A and Proposition C Local Return Guidelines.

IN WITNESS WHEREOF, the parties have executed this Capital Reserve Agreement by their duly authorized representatives as of the date above.

City of \_\_\_\_\_

Los Angeles County Metropolitan  
Transportation Authority

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Approved as to form:

Approved as to form:

\_\_\_\_\_  
Name: \_\_\_\_\_

Raymond G. Fortner, Jr.  
County Counsel

Its: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy

**SAMPLE FUND EXCHANGE AGREEMENT****(PROPOSITION A LOCAL RETURN ONLY)**

This Fund Exchange Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the City of Surf City, California and the City of Mountain Valley, California with respect to the following facts:

- A. The City of Mountain Valley proposes to provide Dial-A-Ride services to its elderly and individuals with disabilities. Approximately 20% of the City population is unable to use the available fixed route service due to frailty or handicap. No door-to-door public transit services are available in the City of Mountain Valley. Adequate Proposition A Local Return funding for such a service is not available given the limited amount of the City of Mountain Valley's Local Return allocation and the needs of other priority transit projects in the City.
- B. City of Surf City, has uncommitted funding authority for its Fiscal Year 2000-01 allocation of Proposition A Local Return funds which could be made available to the City of Mountain Valley to assist in providing the services discussed in Paragraph A of this Agreement.
- C. City of Mountain Valley is willing to exchange its general funds in the amount indicated in Section 1 below in exchange for City of Surf City's uncommitted Proposition A Local Return funds.
- D. City of Surf City is willing to exchange its uncommitted Proposition A Local Return funding in the amount indicated in Section 1 below to City of Mountain Valley, for the purpose identified in Paragraph A above, for City of Mountain Valley's general funds.

Now, therefore, in consideration of the mutual benefits to be derived by the parties and of the premises herein contained, it is mutually agreed as follows:

1. Exchange. City of Surf City shall transfer \$100,000 of its Fiscal Year 20\_\_-20\_\_ Proposition A Local Return Funds to City of Mountain Valley. In return, City of Mountain Valley shall transfer \$50,000 of its General Funds to City of Surf City.
2. Consideration. City of Surf City shall transfer the Proposition A Local Return funds to City of Mountain Valley in twelve equal installments due the first day of each month (or in one lump sum payment). City of Mountain Valley shall transfer its general funds to City of Surf City in twelve equal installments due the first of each month (or in one lump sum payment).

The first installment shall be due and payable upon approval by the Los Angeles County Metropolitan Transportation Authority ("Metro") of City of Mountain Valley's project description Form (Form A) covering the services discussed in Paragraph A above.

3. Term. This Agreement is effective on the date above written and for such time as is necessary for both parties to complete their mutual obligations under this Agreement.

4. Termination. Termination of this Agreement may be made by either party before the date of approval of the project description covering the funds in question by the Metro so long as written notice of intent to terminate is given to the other party at least five (5) days prior to the termination date.

5. Notices. Notices shall be given pursuant to this agreement by personal service on the party to be notified, or by written notice upon such party deposited in the custody of the United States Postal Service addressed as follows:

- a. City Manager  
City of Surf City  
101 Main Street  
Surf City, CA 90000
- b. City Manager  
City of Mountain Valley  
401 Valley Boulevard  
Mountain Valley, CA 90000

6. Assurances

A. City of Mountain Valley shall use the assigned Proposition A Local Return funds only for the purpose of providing the services discussed in Paragraph A of this Agreement and within the time limits specified in Metro's Proposition A Local Return Program Guidelines.

B. Concurrently with the execution of this Agreement City of Mountain Valley shall provide Metro with the Standard Assurances and Understandings Regarding Receipt and Use of Proposition A Funds specified in the Guidelines regarding the use of the assigned Proposition A Local Return funds.

7. This Agreement constitutes the entire understanding between the parties, with respect to the subject matter herein. This Agreement shall not be amended nor any provisions or breach hereof waived, except in writing signed by the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have caused this Fund Exchange Agreement to be executed by their respective officers, duly authorized, on the day and year above written.

CITY OF \_\_\_\_\_

CITY OF \_\_\_\_\_

BY \_\_\_\_\_

BY \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk  
Approved as to Form:

\_\_\_\_\_  
City Clerk  
Approved as to Form:

LOS ANGELES COUNTYWIDE  
INTELLIGENT TRANSPORTATION SYSTEMS (ITS)

POLICIES AND PROCEDURES

**Policy Summary**

Federal regulations (23 CFR Parts 655 and 940 Intelligent Transportation System (ITS) Architecture and Standards; Final Rule) now require ITS projects funded with the Highway Trust Fund to conform to the National ITS Architecture and Standards; be guided by a regional architecture with geographic boundaries defined by stakeholder needs; and use systems engineering analysis on a scale commensurate with the project scope. It is Metro's Policy to abide by the Federal ITS regulations and requirements for those agencies seeking federal funding programmed by Metro for projects subject to this rule. For consistency and to maximize benefits, Los Angeles Countywide ITS Policy and Procedures is also applied to projects with state and local funding sources programmed and administered by the Metro.

**Procedures Summary**

To ensure compliance with the ITS Policy, all ITS project sponsor agencies including Metro internal departments are required to complete the Los Angeles County Regional ITS Architecture Consistency Certification Form (Attachment B) and to self certify that their project's ITS elements in whole or in part are consistent with the Los Angeles County Regional ITS Architecture.

Attached is the RIITS self-certification form. This form must be completed and submitted to Metro for each Local Return funded ITS project or project which includes an ITS element. To learn more about RIITS, please visit [www.riits.net](http://www.riits.net). For a complete copy of the Los Angeles Countywide ITS Policy and Procedures, you may go directly to <http://RIITS.net/RegITSDocs.html> and choose "Los Angeles Countywide ITS Policy and Procedures Document."

**LOS ANGELES COUNTY REGIONAL ITS ARCHITECTURE CONSISTENCY**

**SELF-CERTIFICATION FORM**

This form should be completed and executed for all ITS projects or projects with ITS elements except routine maintenance and operations, traffic signal controller replacement, purchase of bus or rolling stock, expansion or enhancement of an existing operating system. The form should be sent to Metro Countywide Planning and Development (CP&D) for any planned ITS projects or proposed funding involving Local, State or Federal funds programmed or administered through the Metro at the time of submittal of project application.

1. Name of Sponsoring Agency: \_\_\_\_\_

2. Contact Name: \_\_\_\_\_

3. Contact Phone: \_\_\_\_\_

4. Contact Email: \_\_\_\_\_

5. Project Description:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Identify the ITS elements being implemented and the relevant National Architecture User Services(s), see Attachment A.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



7. Outline of the concept of operations for the project:

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8. Identify participating agencies roles and responsibilities:

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By signing and self-certifying this form, the agency commits itself to follow the ITS requirements listed below during project design and implementation. Please be advised that your project may be subject to further review and documentation by FHWA or FTA during project design and implementation phases:

- Perform a lifecycle analysis for the ITS project elements and incorporate these costs into the Operations and Maintenance plan as part of the system engineering process,
- Maintain and operate the system according to the recommendations of the Operations and Maintenance plan upon project completion,
- Use the systems engineering process and document the system engineering steps, and
- Use the Los Angeles County Regional ITS Architecture interface standards if required and conform to the regional configuration management process.

Signature:

\_\_\_\_\_  
Agency Representative

Date \_\_\_\_\_

**Please return the original Project Self Certification Form to Metro Department of CP&D, Attention, Ms. Carol Inge, Deputy Executive Officer, Los Angeles County Metropolitan Transportation Authority, One Gateway Plaza, MS 99-22-1, Los Angeles, CA 90012-2952**

ELIGIBLE RECREATION TRANSIT SERVICE AREA



--- Recreational transit area eligible for full Proposition A & C funding

□ Recreational transit area available for Proposition A & C funding on a proportional share basis

LOCAL RETURN FORMS

**Summary:**

**Project Code:** All projects must have Project Codes (see column on right). This code is critical in Form submittal as it is used in the LR database system.

**Sequence Number:** Sequence Numbers distinguish between the different projects being implemented. Indicate the sequence number of the project that is the order of submittal for the project (i.e., oldest approved to most recent approval).

Form A should be submitted whenever a Jurisdiction is requesting the approval of a new project or if there is a budget or scope change of more than 25 percent in an ongoing transit or paratransit project (as defined in the Proposition A and Proposition C Guidelines).

Form B requires Jurisdictions to give an update of already approved, ongoing and carryover Prop A and Prop C LR projects. Since new projects require additional information, please include all new projects on Form A only. (Note: Jurisdictions are required to call out all administration charges to Direct Administration in order to verify compliance of 20 percent maximum limit).

Form C requires Jurisdictions to report the annual expenditures for both Prop A and Prop C LR for the previous fiscal year. (Note: Jurisdictions are also required to submit an accounting of recreational transit trips, destinations and costs, if applicable).

**PROJECT CODES**

**PROP A AND PROP C LR JOINT CODES:**

- 110 Fixed Route Service
- 120 Paratransit Service - General Public Dial-a-Ride
- 130 Paratransit Service - Elderly & Disabled (E&D)
- 140 Recreational Transit Service (incl. special event)
- 150 Bus Stop Improvement (BSI) Program
- 160 Bus Stop Improvement - Capital
- 170 Bus Stop Improvement - Maintenance
- 180 Capital - Vehicle & Misc. Equipment (fare box)
- 190 Capital - Vehicle Modification Program
- 200 Capital - Vehicle Purchase Program
- 210 Transportation Systems Management (TSM)
- 220 Transit Security - On-Board & Bus Stop
- 230 Transit Security - Station/Park-and-Ride Lot
- 240 Fare Subsidy (Taxi)
- 250 Fare Subsidy (User-Side Subsidy)
- 270 Transportation Planning  
(Prop A eligible and Prop C eligible)
- 280 Transit Marketing
- 290 Park-and-Ride Lot Program
- 300 Transit Facility Transportation Enhancements
- 310 Transit Centers Program
- 320 Metro Rail Capital
- 350 Right-of-Way Improvements
- 360 Commuter Rail (Operations)
- 370 Commuter Rail (Capital)
- 380 Capital Reserve
- 390 Rail Transit Enhancements
- 480 Direct Administration
- 500 Other (Specify)

**Exclusive Uses of Prop A LR Funds:**

- 400 Signal Synchronization
- 405 Fund Exchange
- 410 Transportation Demand Management


**Exclusive Uses of Prop C LR Funds:**

- 400 Signal Synchronization & Traffic Management
- 410 Transportation Demand Management
- 420 Congestion Management Program (CMP)
- 430 Bikeways & Bike Lanes
- 440 Street Repair and Maintenance (e.g., slurry seal)
- 450 Street Improvement Projects (e.g., widenings)
- 460 Street TSM Projects (e.g., signalization)
- 470 Pavement Management Systems (PMS)

# Form A - Project Description Form

(This form may be submitted any time during the fiscal year)

--Instructions--

 <b>Metro</b>		LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY Proposition A and Proposition C Local Return Program		
<b>Form A</b> <b>PROJECT DESCRIPTION FORM</b> (Required for all new and amended projects)				
Local Jurisdiction		Fiscal Year		
<input type="text"/>		<input type="text"/>		
Contact Person	Telephone No.	Extension	E-Mail Address	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Project Title				
<input type="text"/>				
Project Code:	<input type="text"/>	Category:	<input type="text"/>	
Sequence Number:	<input type="text"/>	Type:	<input type="checkbox"/> Capital <input type="checkbox"/> New <input type="checkbox"/> Operating <input type="checkbox"/> Revised	
		Est Start Date:	<input type="text"/>	
		Est Compl Date:	<input type="text"/>	
Project Description and Justification				
<input type="text"/>				
Project Revenues				
Fund Source(s)	Proposition A Amount	Proposition C Amount	Other Amount	Total
Local Return	<input type="text"/>	<input type="text"/>	<input type="text"/>	-
Fare Revenues	<input type="text"/>	<input type="text"/>	<input type="text"/>	-
Other (Specify)	<input type="text"/>	<input type="text"/>	<input type="text"/>	-
Total Project Revenues	-	-	-	-
Accessibility Features (For Bus Stop Improvement Projects only)				
<input type="checkbox"/> Curb Cut <input type="checkbox"/> Bus Pad <input type="checkbox"/> Installation Sidewalk <input type="checkbox"/> Removal of sidewalk Barrier				
<input type="checkbox"/> For Bikeways and Pedestrian Improvements, Street Repair and Maintenance or Street Improvement projects (project codes 430, 440 or 450), please check to indicate a <b>Pavement Management System (PMS) Self Certification Form</b> (See Appendix III) has been submitted to Metro.				
<input type="checkbox"/> For Intelligent Transportation Systems (ITS) projects, or projects which include an ITS element, please check box to indicate a <b>Self Certification Form</b> (See Appendix VI) has been completed and submitted to Metro.				
<input type="text"/>		<input type="text"/>		
Authorized Signature		Title	Date	

Click [here](#) to access form.

# Form A - Project Description Form

(This form may be submitted any time during the fiscal year)

--Instructions--

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## Summary:

Form A should be submitted whenever a Jurisdiction is requesting the approval of a new project or if there is a budget or scope change of more than 25 percent in an ongoing transit or paratransit project (as defined in the Prop A and Prop C Guidelines).

## Key Terms:

- **Local Jurisdiction:** Indicate your City or Agency.
- **Fiscal Year:** Indicate the fiscal year (July 1 - June 30<sup>th</sup>) for which Prop A or Prop C LR funds will be used.
- **Project Description and Justification:** Provide a brief project description (include any necessary details) to help Metro staff determine project scope and eligibility.
- **Project Revenues:** Under the appropriate fund sources, indicate the revenues expected to fund the project.
- **Accessibility Features:** Check box applicable for Bus Stop Improvement Projects only.
- **Street Maintenance, Improvement or bikeway projects:** Check the box to indicate that a Pavement Management System (PMS) is in place and being used (see Appendix III).
- **Intelligent Transportation Systems projects:** Please check the box if this project is or has an ITS project element to indicate that an ITS self-certification (see Appendix VI) for has been submitted to Metro.
- **Authorized Signature:** Form A may be printed, signed and dated by authorized Local Jurisdiction, and sent to Metro by mail or fax, or e-mailed as described in Step 5.

## **Excel Operations:**

### Step 1 – Confirm computer is set to run macros

Open Microsoft Excel application

From the menu, select:

- Tools
- Macros
- Security
- Set it at Medium
- Press OK

Close Excel application

### Step 2 Open Form A

Visit Metro's Web Site at [www.metro.net](http://www.metro.net)

- Go to Projects/Programs
- Click on Local Return
- Click on Form A to open

Click yes to open the document containing Macros

### Step 3 – Enter Form A Information

Once Form A is opened,

- Select correct agency (click on small arrow to scroll agency names)
- Enter contact name, telephone number, and e-mail address
- Enter project information on Form A

### Step 4 – Save document under MY DOCUMENTS

Once information is entered on Form A, save document in My Documents

- Save Document as Form A City of .....

### Step 5 – Forward Form A to Metro

Open Outlook (or other e-mail browser)

On e-mail include:

- Contact information including name, title, telephone number, and jurisdiction
- Brief description of the e-mail (transmittal)
- Attach Form A to the e-mail message

## Important Changes


---

- All forms require that the entire value of project be entered, no longer will values be stated in \$ thousands.
- DO NOT alter forms. If for any reason there is a difference in Project Code, Sequence Number, or Project Title, contact Metro to resolve any discrepancies.
- Enter value for every project. If project is finalized, enter COMPLETE. DO NOT enter a dollar value.

# Form B – Annual Project Update Form

(This form must be submitted by August 1<sup>st</sup> of each year)

--Instructions--

 <b>Metro</b>		LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY Proposition A and Proposition C Local Return Program						
		<b>Form B</b> <b>ANNUAL PROJECT UPDATE FORM</b> (Must be submitted by August 1st of each year)						
<input type="button" value="Print Preview"/>		Local Jurisdiction			Fiscal Year			
		Contact Person			Telephone No.	E-Mail Address		
Project Code	Sequence Number	Project Title	Project Status <sup>1</sup>	Funding sources				Total Project Budget
				Proposition A Local Return	Proposition C Local Return	Est. Project Revenue	Funding Sources	
								-
								-
								-
								-
								-
								-
								-
								-
								-
*Project Status: OG=On going operating projects; CO=Carryover capital projects.			Total	-	-	-	-	-

Click [here](#) to access form.



# Form B – Annual Project Update Form

(This form must be submitted by August 1<sup>st</sup> of each year)

--Instructions--

---

## Summary:

Form B requires Jurisdictions to give an update of already approved, ongoing and carryover Prop A and Prop C LR projects. Since new projects require additional information, please include all new projects on Form A only. (Note: Jurisdictions are required to call out all administration charges to Direct Administration in order to verify compliance of 20 percent maximum limit).

## Key Terms:

- **Local Jurisdiction:** Indicate your City or Agency.
- **Fiscal Year:** Indicate the fiscal year (July 1 - June 30<sup>th</sup>) for which Prop A or Prop C LR funds will be used.
- **Project Code:** Enter Project Codes (see column on right). This code is critical in Form submittal as it is used in the LR database system.
- **Sequence Number:** Sequence Numbers distinguish between the different projects being implemented. Indicate the sequence number of the project which is the order of submittal for the project (i.e., oldest approved to most recent approval).
- **Project Title:** Provide Project Title as indicated on the Form A or previous Form B submittal.
- **Project Status:** Check box applicable – Completed, On-going or Carryover.
- **Project Revenues:** Under the appropriate fund sources, indicate the itemized revenues expected to fund the project.
- **Authorized Signature:** Form B may be printed, signed and dated by authorized Local Jurisdiction, and sent to Metro by mail or fax, or e-mailed as described in Step 5.

## **Excel Operations:**

### Step 1 – Confirm computer is set to run macros

Open Microsoft Excel application

From the menu, select:

- Tools
- Macros
- Security
- Set it at Medium
- Press OK

Close Excel application

### Step 2 Open Form B

Visit Metro's Web Site at [www.metro.net](http://www.metro.net)

- Go to Projects/Programs
- Click on Local Return
- Click on Form B to open

Click yes to open the document containing Macros

### Step 3 – Enter Form B Information

Once Form B is opened,

- Select correct agency (click on small arrow to scroll agency names)
- Enter contact name, telephone number, and e-mail address
- Enter appropriate values for each project

### Step 4 – Save document under MY DOCUMENTS

Once the values of each project have been entered, save document into My Documents

- Save Document as Form B City of .....

### Step 5 – Forward Form B to Metro

Open Outlook (or other e-mail browser)

On e-mail include:

- Contact information including name, title, telephone number, and Jurisdiction
- Brief description of the e-mail (transmittal)
- Attach Form B to the e-mail message

## Important Changes

---

- All forms require that the entire value of project be entered, no longer will values be stated in \$ thousands.
- DO NOT alter forms. If for any reason there is a difference in Project Code, Sequence Number, or Project Title, contact Metro to resolve any discrepancies.
- DO NOT add or remove project on Form B, please contact Metro regarding any changes.
- Enter value for every project. If project is finalized, enter COMPLETE. DO NOT enter a dollar value.



# Form C – Annual Expenditure Report Form

(This form must be submitted by October 15<sup>th</sup> of each year)

--Instructions--

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## **Summary:**

Form C requires Jurisdictions to report the annual expenditures for both Prop A and Prop C LR for the previous fiscal year. (Note: Jurisdictions are also required to submit an accounting of recreational transit trips, destinations and costs, if applicable).

## **Key Terms:**

- **Local Jurisdiction:** Indicate your City or Agency.
- **Fiscal Year:** Indicate the fiscal year (July 1 - June 30<sup>th</sup>) for which Prop A or Prop C LR funds will be used.
- **Project Title:** Provide Project Title as indicated on the Form A or previous Form B submittal.
- **Project Status:** Check box applicable – Completed, On-going or Carryover.
- **Project Revenues:** Under the appropriate fund sources, indicate the itemized revenues expected to fund the project.
- **Authorized Signature:** Form C may be printed, signed and dated by authorized Local Jurisdiction, and sent to Metro by mail or fax, or e-mailed as described in Step 5.

## **Excel Operations:**

### **Step 1 – Confirm computer is set to run macros**

Open Microsoft Excel application

From the menu, select:

- Tools
- Macros
- Security
- Set it at Medium
- Press OK

Close Excel application

### **Step 2 Open Form C**

Visit Metro's Web Site at [www.metro.net](http://www.metro.net)

- Go to Projects/Programs
- Click on Local Return
- Click on Form C to open

Click yes to open the document containing Macros

### **Step 3 – Enter Form C Information**

Once Form C is opened,

- Select correct agency (click on small arrow to scroll agency names)
- Enter contact name, telephone number, and e-mail address
- Enter appropriate values for each project

### **Step 4 – Save document under MY DOCUMENTS**

Once the values of each project have been entered, save document into My Documents

- Save Document as Form C City of .....

### **Step 5 – Forward Form C to Metro**

Open Outlook (or other e-mail server)

On e-mail include:

- Contact information such as name, title, telephone number, and Jurisdiction
- Brief description of the e-mail (transmittal)
- Attach Form C on the e-mail message

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## **Important Change Important Changes**

- All forms require that the entire value of project be entered, no longer will values be stated in \$ thousands.
- Enter value for every project. If project is finalized, enter COMPLETE. DO NOT enter a dollar value

**GLOSSARY OF TERMS  
USED IN LOCAL RETURN GUIDELINES**

**Americans with Disabilities Act (ADA), 1990**

A civil rights law passed by Congress in 1990 that makes it illegal to discriminate against people with disabilities in employment, services provided by state and local governments, public and private transportation, public accommodations and telecommunications.

**Advanced Traveler Information Systems (ATIS)**

ATIS technologies provide travelers and transportation professionals with the information they need to make decisions, from daily individual travel decisions to larger scale decisions that affect the entire system, such as those concerning incident management.

**Air Quality Management District (AQMD)**

Administrative districts organized in California to control air pollution. Generally, AQMDs and their national parallel encompass multiple jurisdictions and closely follow the definition of Consolidated Metropolitan Statistical Areas and Metropolitan Statistical Areas.

**Adaptive Traffic Control Systems (ATCS)**

ATCS uses sensors to interpret characteristics of traffic approaching a traffic signal, and using mathematical and predictive algorithms, adapts the signal timing accordingly, optimizing its performance.

**Advanced Traffic Management Systems (ATMS)**

ATMS technologies apply surveillance and control strategies to improve traffic flow on highways and arterials.

**Automatic Vehicle Location (AVL)**

The installation of devices on a fleet of vehicles (e.g., buses, trucks, or taxis) to enable the fleet manager to determine the level of congestion in the road network. AVL is also used to enable the fleet to function more efficiently by pinpointing the location of vehicles in real time.

**Bicyclists Rights**

According to CVC21200 Bicyclists have all the rights and responsibilities of vehicle drivers.

**Bikeway Definitions**

*Class I Bikeway* - Off road paved bike path

Exclusive bi-directional path designated for bicycles or as multi-use path shared with pedestrians (if pedestrian path is not adjacent).

*Class II Bikeway* - On-road striped bike lane

*Class III Bikeway* - On-road bike route (signage only)

Streets designated as preferred routes through high demand corridors, used to provide continuity to other bicycle facilities (usually II bikeways), or provide routes to transit or other destinations where the streets are too narrow for bike lanes. Usually bike routes have some added preferential bike treatments that offers advantages over alternative routes.

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**Bus turn-out**

A branch from or widening of a road that permits buses to stop, without obstructing traffic, while laying over or while passengers board and alight. It is designed to allow easy reentry of the bus into the traffic stream.

**California Streets and Highways Code**

This is the legal code regulating the roads and highways of the State of California. The code sets forth the administration and funding of the highway system, the relationship of the state government to the county and local governments in regards to streets and roads, administration of tolls collected by the state, and various acts dealing with streets and highways passed by the state legislature.

**Capital Reserve**

With Metro Board approval and signed Capital Reserve Agreement, funds may be set aside for Capital projects to provide reserve funds for a period of time over the three year timely use provision.

**Carry-over Project**

A project that was not completed and which takes two or more year to finish. The construction of a transit center or a citywide bus shelter installation project may be multi-year projects.

**Congestion Management Program (CMP)**

A state mandated program linked to Proposition 111 (1990) that requires each county to prepare a plan to address traffic congestion on regional streets and freeways. Elements of the CMP include designation of a regional highway system with level of service (LOS) standards, a local trip reduction ordinance, capital improvement program, land use impact analysis, and transit performance standards. If LOS standards are not maintained, deficiency plans must be prepared and implemented.

**Changeable Message Signs (CMS)**

Electronic road and transit station signs used to display information that can be updated, such as warnings of road incidents, hazardous weather conditions, or estimated arrival times of transit vehicles. Used in ATIS and ATMS. Also called Variable Message Signs (VMS).

**Councils of Governments (COG)**

Regional planning bodies that exist throughout the United States. A typical council is defined to serve an area of several counties, and they address issues such as regional planning, water use, pollution control, and transportation. The Council membership is drawn from the county, city, and other government bodies within its area.

**Commuter Rail**

Railroad local and regional passenger train operations between a central city, its suburbs and/or another central city. It may be either locomotive-hauled or self-propelled, and is characterized by multi-trip tickets, specific station-to-station fares, railroad employment practices and usually only one or two stations in the central business district. Also known as "suburban rail."

**Curb Cut**

A small ramp between the sidewalk and curb that facilitates passage by wheelchairs, strollers, etc. between the sidewalk and street intersection.

**Commercial Vehicle Operations (CVO)**

ITS program to apply advanced technologies to commercial vehicle operations, including commercial vehicle electronic clearance; automated roadside safety inspection; electronic purchase of credentials;

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automated mileage and fuel reporting and auditing; safety status monitoring; communication between drivers, dispatchers, and intermodal transportation providers; and immediate notification of incidents and descriptions of hazardous materials involved.

**Demand Responsive**

Non-fixed-route service utilizing vans or buses with passengers boarding and alighting at pre-arranged times at any location within the system's service area. Also called "Dial-a-Ride."

**Dial-a-Ride**

A shared-ride public transportation service for senior citizens age 65 and older, people with disabilities and people who meet American Disabilities Act (ADA) eligibility.

**Direct Administration**

Those fully burdened salaries and overhead, office supplies and equipment directly associated with administering LR operating and capital projects.

**Electronic Payment Systems**

Systems that collect payments using an electronic transponder. Payment types include fees for transit fares, taxis, parking, and tolls. Electronic payment systems can also gather real-time transit information on travel demand for better planning and scheduling of services.

**Farebox revenue**

Money, including fares and transfers, zone and park and ride receipts, paid by transit passengers; also known as "passenger revenue."

**Financial and Compliance Audit**

The review and examination of the jurisdictions' books and records to verify compliance with existing statutes governing the Local Return Funds. Such review and examination include verification of adherence to the generally accepted accounting principles, review of internal control system and evaluation of compliance with the Local Return Guidelines. The Financial and Compliance Audit shall be conducted by an independent auditor and in accordance with the Government Auditing Standards issued by the Comptroller General of the United States.

**Fiscal year**

A twelve-month period to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. This twelve-month period varies from the calendar year. In the California, State Government system, the fiscal year starts July 1 and ends the following June 30. In the Federal system, the fiscal year starts October 1 and ends the following September 30.

**Fixed Route**

Service provided on a repetitive, fixed-schedule basis along a specific route with vehicles stopping to pick up and deliver passengers to specific locations; each fixed-route trip serves the same origins and destinations, unlike demand responsive and taxicabs.

**Flexible Destination**

A type of demand-responsive service which takes on passengers according to a fixed route, and drops passengers off at alternative destinations within a defined service area.



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**Formula Funds**

Funds distributed or apportioned to qualifying recipients using formulas which are based on statistics (such as operating performance or route characteristics) and established by law or by funding agency-adopted policies.

**Fund Exchange**

Funds traded to another Local Jurisdiction or Agency for an agreed amount. Funds returned may be from General, State, Federal funds or other agreed upon method of exchange between the agencies. Eligible under Proposition A only.

**Giving**

Local Jurisdictions can give Prop C funds to another Jurisdiction for a transit related project as long as Metro approves, and no exchange or gift of any kind is received in return.

**Headsign**

A destination sign above the front (and sometimes side) window of a bus or train.

**Information Exchange Network (IEN)**

The Los Angeles County IEN can exchange real-time TCS data from intersections in each of the county's several traffic forums and enables all forums, the county, and partner cities to access the information.

**Intelligent Transportation Systems (ITS)**

This program is an initiative of the United States Department of Transportation to add information technology to surface transportation infrastructure and vehicles. It aims to manage vehicles, roads, and routes to improve efficiency, safety and reduce vehicle wear, transportation times and fuel costs. ITS Architecture relates to the overarching framework that allows individual ITS services and technologies to work together, share information, and yield synergistic benefits.

**Loaning**

Local Jurisdictions may arrange a mutually acceptable temporary transfer or loan from one Jurisdiction to another. Refer to Metro's Administrative Process for additional information.

**Local Jurisdiction**

City or Agency that is the applicant for the project to be funded with Proposition A or Proposition C Local Return (LR).

**Maintenance**

Maintenance refers to minor work to prevent further deterioration, such as, slurry seal, or pothole repair

**Maintenance of Effort**

This requirement provides for the continuation of funding commitments by local jurisdictions on roadways used by public transit while supplementing these improvements with Proposition C Local Return funds. Local Return funds cannot be used to replace any pre-existing roadway funding but only to augment what is currently being utilized by local jurisdictions. In the past, local jurisdictions have had to report to the State Controller those funds spent on streets and roads in order to be in compliance with the California Streets and Highways Code.

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**Metro**

The Metropolitan Transportation Authority. Metro staff manages the administration of the program. Metro refers to the administrative staff.

**Metro Art**

The Metro department responsible for incorporating art enhancements into Metro projects, including rail stations, bus stops, construction sites, streetscapes and other public oriented improvements..

**Metro Board**

The Metropolitan Transportation Authority has an established member list of Board of Directors and Executives as appointed by the Board. The Metro Board makes decisions on funding allocations, Guidelines, Capital Reserves and possible appeals.

**Metro Rail**

Rail service operated by the Los Angeles County Metropolitan Transportation Authority (Metro)

**Metro Long Range Transportation Plans**

In April 2001, the Metro Board adopted the Long Range Transportation Plan. This plan is a 25-year blueprint for transportation planning in Los Angeles County through the year 2025. The Long Range Transportation Plan assesses future population increases projected for the county and what such increases will mean for future mobility needs. The plan recommends what can be done within anticipated revenues, as well as what could be done if additional revenues become available.

**Metro Short Range Transportation Plans**

The 2003 Short Range Transportation Plan focuses on the phasing of transportation improvements through 2009 that will help put together the pieces of our mobility puzzle. The Plan relies on performance-based modeling to identify the best solution for each mobility challenge. In total, \$19.3 billion is needed to fund this Plan's transportation priorities through 2009. These include the costs of operating the current system and funding new transportation solutions.

**National ITS Architecture**

A systems framework to guide the planning and deployment of ITS infrastructure. The national ITS architecture is a blueprint for the coordinated development of ITS technologies in the U.S. The architecture defines the functions that must be performed, the subsystems that provide these functions, and the information that must be exchanged to support the defined **User Services**. The National ITS Architecture was released as a final document in June 1996.

**National Transit Database (NTD)**

A reporting system administered by the Federal Transit Administration (FTA) that uses uniform categories to record mass transportation financial and operating information through a uniform system of accounts on an annual basis.

**Paratransit**

Auxiliary public transportation available to elderly or disabled passengers or patrons in areas, which are underserved by conventional transit. Paratransit is generally operated using smaller vehicles, with flexible schedules and routes.

**Park-and-Ride**

An access mode to transit in which patrons drive private vehicles or ride bicycles to a transit station, bus or rail stop or carpool or vanpool waiting area and park their vehicles in the area provided for the

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purpose. They then ride the transit system or take the carpool/vanpool to their destinations. (TRB) 2 involve the use of a motorized personal vehicle in conjunction with transit. Park-and-ride facilities include a parking lot or portion of a lot near transit stops, allowing transit users to park their personal vehicles for a short period of time and make convenient transfers to the transit system.

**Pavement Condition Index (PCI)**

A value for a pavement segment representing its condition. The Pavement Condition Index (PCI) is a numerical rating of the pavement condition that ranges from 0 to 100, with 0 being the worst possible condition and 100 being the best possible condition.

**Pavement Management System (PMS)**

A systematic process that provides, analyzes, and summarizes pavement information for use in selecting and implementing cost-effective pavement construction, rehabilitation, and maintenance programs and projects. A PMS involves the identification of optimum strategies at various Pavement Condition Index (PCI) levels and maintains pavements at an adequate PCI Threshold (level of serviceability). These include, but are not limited to, systematic procedures for scheduling maintenance and rehabilitation activities based on optimization of benefits and minimization of costs.

**Project Code**

Project Codes distinguish the type of projects being implemented.

**Reconstruction**

Activities that extend the serviceable life by at least 10 years, and involve reworking or removal and replacement of all or part of the engineered layers in the pavement structure. Removal and replacement of all asphalt and concrete layers and often the base and sub-base layers, in combination with remediation of the sub-grade and drainage, and possible geometric changes. Due to its high cost, reconstruction is rarely done solely on the basis of pavement condition. Other circumstances such as obsolete geometrics, capacity improvement needs, and/or alignment changes, are often involved in the decision to reconstruct a pavement.

**Recreational Transit**

City-sponsored trips to recreational or cultural destinations within defined geographic area. Charter buses are frequently used and trips must be advertised to the general public. Service is generally contracted out to a private sector operator.

**Rehabilitation**

Activities that extend the serviceable life by at least 10 years, and add structural capacity to the pavement.

**Reimbursement**

LR funds may be advanced for other grant funds as long as the project itself is eligible under LR Guidelines. The grant funds must be reimbursed to the LR fund.

**Resurfacing**

Activities that extend the serviceable life by at least 10 years and change the surface characteristics of the pavement. Resurfacing generally consists of placing additional asphalt concrete over a structurally sound highway or bridge that needs treatment to extend its useful life.

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**Revenue Vehicle Miles**

The miles a vehicle travels while in revenue service. Vehicle revenue miles exclude travel to and from storage facilities, training operators prior to revenue service, road tests and deadhead travel, as well as school bus and charter services.

**Ride matching programs**

Programs that provide nearest major intersection-matching services to commuters who wish to establish a car- or van-pool.

**Right of Way**

Land; a public or private area that allows for passage of people or goods, including, but not limited to, freeways, streets, bicycle paths, alleys, trails and walkways. A public right-of-way is dedicated or deeded to the public entity for use under the control of a public agency.

**Regional Integration of Intelligent Transportation Systems (RIITS)**

This system supports information exchange between freeway, traffic, transit and emergency service agencies to improve management of the Los Angeles County transportation system.

**Ramp Metering Station (RMS)**

Traffic-responsive regulation of vehicle entry to a freeway, typically via sensor controlled freeway ramp stoplights.

**Sequence Code**

Sequence Codes distinguish between the different projects being implemented.

**Shuttle**

A public or private vehicle that travels back and forth over a particular route, especially a short route or one that provides connections between transportation systems, employment centers, etc.

**State Controller**

The Controller is the state's chief financial officer and is elected by a vote of the people every four years. The duties of the State Controller are prescribed by the Constitution with additional powers and functions set by statute. The primary function of the State Controller is to provide sound fiscal control over both receipt and disbursement of public funds, to report periodically on the financial operations of both state and local governments and to make certain that money due the state is collected in a fair, equitable and effective manner. The office also enforces collection of delinquent gas, truck and insurance taxes.

**Traffic Control Systems (TCS)**

Advanced systems that adjust the amount of "green time" for each street and coordinate operation between each signal to maximize traffic flow and minimize delay. Adjustments are based on real-time changes in demand.

**Traffic/Transportation/Transit Management Center (TMC)**

Traffic/Transportation/Transit Management Center (interchangeable)

**Transfer Center**

A fixed location where passengers interchange from one route or transit vehicle to another.

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**Transit revenues**

Revenues generated from public transportation (bus, rail or other conveyance for public).

**Transportation Demand Management (TDM)**

A program designed to maximize the people-moving capability of the transportation system by increasing the number of people in each vehicle or by influencing the time of, or need to, travel. To accomplish these sorts of changes, TDM programs must rely on incentives or disincentives to make the shifts in behavior attractive. The term TDM encompasses both the alternatives to driving alone and the techniques or supporting strategies that encourage the use of these modes.

**Transportation Improvement Program (TIP)**

A prioritized program of transportation projects to be implemented in appropriate stages over several years (3 to 5 years). The projects are recommended from those in the transportation systems management element and the long-range element of the planning process. This program is required as a condition for a locality to receive federal transit and highway grants.

**Transportation Management Associations (TMAs)**

An urbanized area with a population more than 200,000 (as determined by the most recent decennial census) or other area when TMA-designation is requested by the Governor and the MPO (or affected local officials), and officially designated by the Federal Highway Administration and the Federal Transit Administration. TMA designation applies to the entire metropolitan planning area(s). (23CFR500).

**Transportation Enhancements (TE)**

A funding program of the USDOT Federal Highway Administration that offers communities the opportunity to expand transportation choices. Activities such as safe bicycle and pedestrian facilities, scenic routes, beautification, and other investments increase opportunities for recreation, accessibility, and safety for everyone beyond traditional highway programs.

**Transportation Systems Management (TSM)**

Transportation Systems Management is the cooperative development and implementation of strategies to maximize the safe movement of people and goods by managing an integrated multimodal transportation system. The effective management of the system will enable the traveling public more efficient use of the existing transportation facilities. Elements of TSM include incident management programs, traveler information systems, traffic signal systems upgrades, intermodal freight planning, surveillance control systems, demand management techniques, and commercial vehicle operations.

**Traffic Signal Priority (TSP)**

It gives preferential treatment to one type of system user over other users and allows signal controllers to service competing needs in the order of relative importance.

**User Services**

Services available to travelers on an ITS-equipped transportation system, as set forth by ITS America. The 30 services are arranged in 7 categories, as follows: travel and transportation management, travel demand management, public transportation operations, electronic payment, commercial vehicle operations, emergency management, and advanced vehicle control and safety systems.

**User-side Subsidies**

This refers to funds set aside to offer discounts to public transit users. Such subsidies are approved by local jurisdictions councils or boards and are optional. A city, for example, pays full price for a monthly

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bus or rail pass but will sell it to a transit user (city resident) for a lower (subsidized) rate. Each city defines who is eligible for subsidies based on demand and budgetary constraints.

**Vehicle Miles Traveled (VMT)**

The number of miles traveled within a specific geographic location by vehicles for a period of one year. VMT is calculated either by using two odometer readings or, in the absence of one of the odometer readings, by regression estimate.

**REFERENCES**

American Public Transportation Association

Website: <http://www.apta.com/research/info/online/glossary.cfm>

California Highway Design Manual Chapter 1000

California Streets and Highways Code

Website: <http://ntl.bts.gov/>

Caltrans-California Department of Transportation

Website: <http://www.dot.ca.gov/>

City and County of Honolulu and the Hawaii Department of Transportation

Website: <http://www.oahutrans2k.com/info/glossary>

Department of Energy

Website: <http://www.energy.gov/>

Federal Transportation Authority glossary

Website: [http://www.fta.dot.gov/31\\_ENG\\_Printable.htm](http://www.fta.dot.gov/31_ENG_Printable.htm)

Federal Highway Administration (ITS glossary )

Website: [http://www.fhwa.dot.gov/planning/glossary/glossary\\_listing.cfm](http://www.fhwa.dot.gov/planning/glossary/glossary_listing.cfm)

Kitsap Transit, Bremerton, Washington.

Website: [www.kitsaptransit.org/home/ktjargon.html](http://www.kitsaptransit.org/home/ktjargon.html)

State of North Carolina Department of Transportation

Website: <http://www.ncdot.org/transit/transitnet/Glossary/>

US Department of Transportation glossary

Website: <http://www.dot.ca.gov/hq/MassTrans/trterms.htm>

**Other website sources**

<http://en.wikipedia.org/wiki/infrastructure>

<http://sco.ca.gov>

<http://www.belmont.gov/SubContent.asp?CatId=240000622>

<http://www.dieselnet.com/gl-a.html>

[http://www.pvpc.org/html/tier3/transp/trans\\_study.html](http://www.pvpc.org/html/tier3/transp/trans_study.html)

<http://www.tempe.gov/tim/DialARide.htm>



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## **Borrowing Guidelines for Prop A, Prop C, Measure R and Measure M Local Return Programs**

The following guidelines are provided to establish consistency for Local Return borrowing under Los Angeles County Metropolitan Transportation Authority's ("Metro") four sales taxes, facilitate the review and approval of Local Return Borrowings, and ensure equitable treatment of local jurisdictions. A Jurisdiction borrowing against its Local Return funds must adhere to the Local Return Guidelines for the respective sales tax/taxes committed to secure the borrowing.

### **Structures**

There are three basic methods that a Jurisdiction may use to borrow against its Local Return funds:

- Method 1) Issue its own debt – only Metro local return program/project approval with little financing oversight
- Method 2) Metro issues the bonds on the Jurisdiction's behalf – requires Metro Board approval and staff oversight
- Method 3) Borrow directly from Metro – requires Metro board approval and Metro controls the execution of any bond sale

### **Approval Process and Issuance Procedures**

Method 1) Direct Issuance by the Jurisdiction

- A. The Jurisdiction requests approval for it to borrow via the normal Local Return approval process.
- B. The Local Return Program Manager ("Program Manager") is delegated the authority to approve the borrowing. The Program Manager also has the authority to approve eligible Local Return projects.
- C. The Program Manager notifies the Jurisdiction and the Board in writing within 30 days of the jurisdiction request for approval to borrow that the projects were in compliance with the LR Guidelines and the borrowing has been approved.
- D. The Jurisdiction selects its debt issuance team, including conduit issuer (if applicable), municipal advisor, bond counsel, and underwriters if the debt is sold through negotiated sale or a private placement.
- E. Metro Treasury staff assists the Jurisdiction by reviewing its borrowing documents as to information related to Metro.
- F. The Jurisdiction issues the debt and is solely responsible for the repayment from its Local Return over the life of the bonds and compliance with Federal and State restrictions and requirements related to the issuance of tax-exempt or taxable debt.

## Method 2) Issuance by Metro on Behalf of the Jurisdiction

- A. The Jurisdiction takes the necessary legal actions to authorize the debt issuance, such as through an authorizing resolution by the governing body. The authorization should include the terms and conditions of the sale and the delegation of authority to enter into required agreements.
- B. The Jurisdiction selects its financing team and determines whether to sell through competitive or negotiated sale. For a negotiated bond sale, the Jurisdiction approves selection of bond underwriters.
- C. The Jurisdiction requests approval from Metro to borrow on its behalf via normal Local Return approval process. The Program Manager reviews the projects to be bonded to ensure compliance with the Local Return Guidelines.
- D. Local Programs/Treasury with assistance from the Jurisdiction prepares an item for the Oversight Committee findings as required by Measure R or Measure M.
- E. The Program Manager notifies the Jurisdiction that findings have been made by the Oversight Committee.
- F. The Program Manager and Treasury staff request authorization from the Board to approve the borrowing and enter into the MOU and Master Trust Agreement. Board authorization will include terms and conditions of the bond issue and concurrence with the financing team selected by the Jurisdiction. Any subsequent Local Return bonds will be issued under the master trust and a supplemental trust agreement.
- G. The Jurisdiction and Metro enter into a memorandum of understanding (“MOU”) and a trust agreement with a trustee bank. The MOU will cover the following points:
  - a. Metro will issue the bonds on behalf of the Jurisdiction for the Jurisdiction’s benefit to be used for approved Local Return projects.
  - b. The Jurisdiction and Metro will determine reasonable security features such as debt service coverage ratios and debt service reserve requirement sufficient to obtain ratings of A- from Standard & Poor’s or A3 from Moody’s.
  - c. Negotiate associated fees provided that all fees are reimbursed by the Jurisdiction.
  - d. The Jurisdiction will repay the bonds by pledging its share of the respective Local Return.
  - e. One-twelfth of annual debt service will be withheld from the Jurisdiction’s monthly Local Return allocation and be transferred to the Trustee. The balance will be remitted to the Jurisdiction.
  - f. The Jurisdiction will reimburse Metro for any and all costs incurred in the issuance and administration of these bonds.
  - g. The Jurisdiction will indemnify the Metro against all other possible expenses, liabilities, or required actions resulting from the outstanding bonds that would not otherwise have been incurred by the Metro.
- H. Following the sale of bonds the Jurisdiction is responsible for on-going debt management including arbitrage rebate calculations, annual continuing disclosure requirements and for spending bond proceeds in a timely manner.

Method 3) Direct Loan between Metro and the Jurisdiction

This method is reserved for circumstances where the Jurisdiction is unable to borrow under the first two methods. Should Metro choose to borrow through the capital markets to advance the funds, it would generally be part of a larger Metro bond issue. This method reduces the total amount of borrowing available for Metro's own capital program.

- A. The Jurisdiction requests approval to borrow via the normal Local Return approval process.
- B. The Program Manager notifies the Jurisdiction in writing that the projects submitted for bonding are in compliance with the LR Guidelines.
- C. The Jurisdiction and Metro negotiate the loan terms and develop required documentation.
- D. The Jurisdiction obtains authorization from its governing body for the loan and to enter into the necessary legal documents to secure repayment of the loan.
- E. The Program Manager and Treasury staff request authorization from the Board to approve the loan and to enter into all appropriate legal agreements (i.e., MOU/Assignment Agreement/Promissory Note, other required documents) required to provide for repayment of the loan to Metro.

The MOU/ Promissory Note will cover at a minimum the following:

- A. Project description.
- B. Principal amount, interest rate, term.
- C. The Local Return committed by the Jurisdiction to repay the loan.
- D. Amortization/ repayment schedule. Typically one-twelfth of annual debt service will be withheld from the Jurisdiction's monthly Local Return allocation by Metro. The balance will be remitted to the Jurisdiction.
- E. Jurisdiction to reimburse its allocable share of costs incurred in the issuance and administration of the outstanding debt if the advance is part of a larger Metro bond issue.
- F. Other terms and conditions as appropriate.