

bybTM3: Los Angeles County Measure R

Background

Initiative Description

On November 4, 2008, as the impacts of the nation's worst recession since the Great Depression were beginning to become clear, voters in Los Angeles County surprised many skeptics when they mustered the extraordinary 67.9% majority required and approved Measure R, a countywide ½-cent sales tax devoted to transportation. Collection of the tax began on July 1, 2009 and will sunset after 30 years at the end of FY 2039. Two permanent local option ½-cent sales taxes devoted to transit improvements were already in effect—Proposition A approved by voters in 1980 and Proposition C approved in 1990.

Measure R is estimated to provide between \$30 and \$40 billion over its lifetime. The administration of the measure is the responsibility of the Los Angeles County Metropolitan Transportation Authority (Metro), the regional transportation planning authority and public transportation operating authority for Los Angeles County. The voter-approved expenditure plan for the measure allocates the funding as follows: 40 percent for specified transit capital projects; 25 percent for transit operations; 20 percent for specified highway capital projects; and 15 percent returned to local jurisdictions for discretionary use.

The expenditure plan that appeared on the ballot itself summarizes the allotment in greater detail. Page one of this plan is shown on the following page; the remaining three pages, which itemize specific projects within each program, are included following this case study. Although completion of each project within the programs is not absolutely assured, as planning work, environmental studies, and additional state and federal funding add uncertainty to what is ultimately accomplished, the levels and distribution of funding across programs are guaranteed. Furthermore, no changes to the projects specified in Measure R can be made for a period of 10 years, and then only by a two-thirds majority of Metro's Board of Directors.

In addition, Measure R included a clause suspending a planned general fare increase for one year and committing not to increase fares for students, seniors, and the disabled for five years.

Measure R Expenditure Plan

Proposed One-Half Cent Sales Tax for Transportation
Outline of Expenditure Categories

ATTACHMENT A

Sunsets in 30-Years: Fiscal Year (FY) 2010 - 2039
(millions)

Subfund	Program	% of Sales Tax (net of administration)	First Year Amount	10-Year Amount	30-Year Amount
Transit Capital	New Rail and/or Bus Rapid Transit Capital Projects - project definition depends on final environmental review process	35%	\$ 241	\$ 2,930	\$ 13,790
Transit Capital	Metrolink Capital Improvement Projects within Los Angeles County (Operations, Maintenance, and Expansion)	3%	\$ 21	\$ 251	\$ 1,182
Transit Capital	Metro Rail Capital - System Improvements, Rail Yards, and Rail Cars	2%	\$ 14	\$ 167	\$ 788
Highway Capital	Carpool Lanes, Highways, Goods Movement, Grade Separations, and Soundwalls	20%	\$ 138	\$ 1,675	\$ 7,880
Operations	Rail Operations (New Transit Project Operations and Maintenance)	5%	\$ 34	\$ 419	\$ 1,970
Operations	Bus Operations (Countywide Bus Service Operations, Maintenance, and Expansion. Suspend a scheduled July 1, 2009 Metro fare increase for one year and freeze all Metro Student, Senior, Disabled, and Medicare fares through June 30, 2013 by instead using Metro's Formula Allocation Procedure share of this subfund.)	20%	\$ 138	\$ 1,675	\$ 7,880
Local Return	Major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeways; pedestrian improvements; streetscapes; signal synchronization; and transit. (Local Return to the Incorporated Cities within Los Angeles County and to Los Angeles County for the Unincorporated Area of the County on a Per Capita Basis.)	15%	\$ 103	\$ 1,256	\$ 5,910
TOTAL PROGRAMS		100%	\$ 689	\$ 8,373	\$ 39,400
1.5% for Administration			\$ 11	\$ 127	\$ 600
GRAND TOTAL			\$ 700	\$ 8,500	\$ 40,000

Source: Metro

L.A. County Transportation – Organization and Service

Los Angeles County is the most populous county in the United States, home to 10.3 million residents as of 2008. The county is comprised of 88 incorporated cities and numerous unincorporated areas. It is the hub of significant economic and cultural activity, including the film and television industry, aerospace technology, fashion and apparel, manufacturing, and tourism. It is also the site of significant international trade through the ports of Los Angeles and Long Beach, the two busiest ports in the country.

Serving the population is an extensive network of freeways (527 miles), arterials, and local roads, as well regional and municipal public transportation systems. The primary provider of public transportation in Los Angeles County is the Los Angeles County Metropolitan Transportation Authority. Metro is the third largest transit agency in the country measured by ridership, providing 476 million unlinked trips in 2008, amounting to over 2 billion passenger miles. Metro operates the following transit services:

- Metro Rail – three light rail and two heavy rail (subway) lines totaling 79.1 miles with 70 stations
- Metro Liner – two bus rapid transit lines totaling 40 miles
- Metro Bus – Metro Local, Metro Rapid, and Metro Express bus primarily providing service along local streets, arterials, and freeways, respectively

Metro partially funds Metrolink, a 512-mile regional commuter rail serving six counties, including Los Angeles, provides funding to 16 local municipal bus operators throughout the county, and provides subsidies to local cities and transit operators for transportation improvements. Metro is also responsible for carpool and vanpool service across the county's 513 lane-miles of HOV lanes (which are also utilized by Metro Express bus service).

[Insert map showing regions of the county and major transportation corridors]

Historical Perspective on Local-Option Sales Tax for Transportation

In the late 1960s, the California State Legislature began granting individual counties specific authorization to impose regional sales taxes to fund transportation projects and services. Counties that elected to do so became known as “self-help” jurisdictions. Specific to Los Angeles and its neighboring counties, the existing Metropolitan Transit Authority was reconstituted as the Southern California Rapid Transit District (RTD) in 1964 to address the growing need for a rapid transit system following the recent demise of streetcars, as well as a means to raise revenue without resorting to unpopular property tax increases. RTD itself was granted the power to levy taxes and twice attempted to impose them to fund plans for proposed comprehensive rail corridor systems. Both attempts, needing a simple majority for approval, were rejected at the ballot—a ½-cent sales tax in 1968 and 1-cent sales tax in 1974. Two further attempts at instituting sales taxes were again rejected in 1976. In the same year, with the passage of Assembly Bill (AB) 1246, the Los Angeles County Transportation Commission (LACTC) was formed, charged with developing and coordinating transportation planning and financing.¹ AB 1246 also contained a provision authorizing a ballot measure to approve up to a 1-cent sales tax for transit purposes, with no sunset date.

Capitalizing on this funding provision, LACTC placed Proposition A on the November 1980 ballot to fund yet another vision for rail transit with a ½-cent sales tax. This time the measure passed with 54 percent of the vote. The Metro Blue Line between downtown Los Angeles and Long Beach and the first segments of the Red Line, which today extends from downtown north to Hollywood, were initially funded under this tax. Proposition A included several provisions that helped to encourage voter support, including a map which illustrated investment in most areas of the county, a local return percentage for cities and unincorporated areas of the county, and a three-year bus fare freeze. These stipulations were very similar in concept to those later used in the 2008 Measure R.

By the late 1980s it had become clear, however, that Proposition A was insufficient to meet the county's transportation needs, and even to complete the projects it was intended to fund. One new option statewide came in 1987, when the state granted all counties the ability to ask their voters to approve up to a 1-cent sales tax, limited to 20 years, for transportation purposes. The authorization also required that a majority of the county's cities with a majority of its population approve an ordinance in support prior to being able to place the measure on the ballot. While LACTC initially sought to place a new sales tax measure on the ballot under this general authority, it was determined that the ability to levy an

¹ LACTC and RTD merged in 1993 creating Metro.

additional ½-cent sales tax still rested under AB 1246 from 1976. With the leadership of Mayor Tom Bradley and County Supervisor Kenny Hahn, who had championed the plans for 1980's Proposition A, a new ½-cent sales tax—Proposition C—was placed on the November 1990 ballot and passed with just over 50 percent of the vote.

Despite the success of Proposition C, now giving Los Angeles County a full 1-cent sales tax devoted to transportation in perpetuity, several events throughout the 1990s served to dampen the implementation of transit planning in the county: the recession of 1990-91; the merger of RTD and LACTC in 1993 and subsequent uncertainty in leadership; a bus driver strike in 1994; the actions of the newly formed Bus Riders Union in 1994 that filed suit against Metro claiming it acted discriminatorily by allocating funds to rail transit at the expense of buses that primarily served minorities, which in turn, led to a 1996 civil rights consent decree directing Metro to divert over \$1 billion to improve bus services; the sink-hole related collapse of an 80-foot section of Red Line tunnel under Hollywood Boulevard in June 1995; and the later Measure A in 1998, which prohibited any Proposition A or C money to be spent on further subway construction.

Slowly, Metro's credibility began to return, especially under the leadership of a succession of Chief Executive Officers, one of whom created a strong Communications unit that would play a significant role leading up to Measure R, both improving communications between Metro and its customers, while educating community leaders and the public on the need for and potential benefits of improving transit. The unit succeeded in improving the perception of the agency, which in 2002 had a public approval rating in the low 40 percent range. Confidence in the agency began to return as a result of improved communications, a new fleet design, and the perceived successes of rail and bus rapid transit projects which, in turn, generated robust ridership levels. Memories of the trying times in the 1990s began to fade, even in the face of labor strikes in 2000 and 2003.

Financial stability also improved despite uncertain state funding. State budget shortfalls during that time led to the diversion of transportation revenues from the state sales tax on gasoline, as well as from transportation bonding authority to other, non-transportation uses. The growing inability to rely on state revenue sources—even for major highways, which is the “mainstay” of transportation funding in most other states—had served to reinforce the notion among elected officials, citizens, and Metro in California that counties, and not the State, are the building blocks for non-federal transportation funding.

In the years leading up to Measure R, Metro considered various options for long-range plans, with a growing emphasis on transit. Metro conducted periodic opinion polls to gauge public interest and to test various funding options. These polls generally indicated an acceptance rating of around 60 percent for an increase in the county sales tax, a positive result but well short of the two-thirds percentage that had become necessary for passage of local sales tax measures as a result of a State Supreme Court ruling in 1995. Gaining a simple majority of voters to support higher taxes for any reason is difficult enough. While 60 percent acceptance is remarkable in its own right, it was still well short of the two-thirds threshold. On the other hand, since the county had already allocated its full 1-cent authorization for Propositions A and C granted under the state's general authority, failure to attain that demanding level of public support would mean that the prospects for significant transportation improvements in Los Angeles County would come to a standstill.

Initiative Development and Strategy

A Compelling Need and the Plan to Address It

While traffic congestion has long been a significant problem, perhaps even a “way of life” in Los Angeles, the common perception is that in recent years, it has grown significantly worse. These perceptions are not without an objective basis. The Texas Transportation Institute (TTI) has developed metrics of congestion levels and impacts among major urban areas across the United States, and unsurprisingly to many, especially those who experience it first hand, Los Angeles fares the worst. TTI’s Urban Mobility Report has consistently ranked Los Angeles County (together with neighboring Orange County) as the number one region in the country for delay, excess fuel consumed, and total cost of congestion. In 2007, the average peak-period traveler wasted 70 hours in congestion and burned 53 excess gallons of fuel, equating to \$1,480 of lost time and wasted fuel.

During the prosperous economic times of the mid-2000s, there was a relatively sudden and palpable increase in congestion. Journeys that had previously been tolerable, despite significant levels of congestion, had become nearly impossible. And conditions were only expected to worsen. The county’s long range transportation plan (LRTP) forecasted continued strong growth in the region over the next 30 years, further burdening the overtaxed transportation system. The plan, which was updated in 2009, predicts that the county’s 160 million daily vehicle miles traveled (VMT) in 2004 would grow by almost 50 percent due to more and longer trips, as well as a 33 percent increase in population and employment.

Metro’s work in updating its 20-year long range transportation plan was critical to building momentum for Measure R. The LRTP, published in draft from early 2008, had considered a multitude of significant rail, bus, highway, and other improvements and expansions. In examining available revenue to fund both operational and capital needs. However, it was clear that billions of additional dollars would be needed to fund projects and programs identified within the unconstrained portion of the plan. Initial (but grossly insufficient) estimates of \$4 billion in projected project funding was reforecast down to zero between 2007 and 2008 indicating no funding for any new projects or programs in the LRTP. The dire funding situation coupled with the “Imagine Campaign” (discussed in detail in later sections) served as a springboard for creating interest in a transportation funding measure by underscoring the gap between what was planned and what was possible within resources that would be available.

In sum, the recent increase in congestion in L.A. County, in combination with a long range plan that predicted the situation would get even worse unless something were done to implement recommended improvements, contributed to a mix of frustration and hope that would prove to be an asset in setting the stage for a “supermajority” of voters to support an increase their tax burden.

A Perfect Opportunity

Looking ahead in the year prior to the 2008 presidential election, political analysts believed that the likely Democratic presidential nominees, either Hillary Clinton or Barack Obama, would bring new voters to the November election. Political observers in Los Angeles County surmised that these new voters would be more likely to look favorably upon a transportation tax measure—provided one was placed on the ballot with adequate preparation and outreach. In November 2007, Metro commissioned a study to gauge interest and support in a transportation measure. The survey of 1,200 likely voters found that while initial support for a traffic relief and rail expansion measure remained at the 60 percent level,

listening to supportive statements of the benefits of a tax measure pushed approval to 69 percent—above the two-thirds required. The study also demonstrated support for local improvements (like street repair and signal synchronization) as well as specific transportation projects, such as extensions of rail transit lines. With just 11 months to go before Election Day 2008, the challenge would be to build awareness of the possibilities and benefits of improved transportation in Los Angeles County.

A Confluence of Significant Actions

Several parallel and, to an extent, overlapping actions helped build support for bringing Measure R to the ballot:

- Los Angeles Mayor Antonio Villaraigosa's introduced his "vision" for improved transportation infrastructure, including the concept of a "Subway to the Sea";
- Metro launched its "Imagine Campaign" that built upon the agency's long range planning process and enticed the public to envision more rail, less traffic, and better transportation;
- With encouragement from Metro, coalitions of business groups from a variety of sources, including the LA Chamber, the AAA, and others, join with labor and environmental groups to lay the groundwork for Measure R; and
- A succession of public opinion polls led to a growing recognition among key elected leaders that such a measure may be doable, despite prior misgivings and skepticism.

The Coalition Coalesces and Embraces the Initiative

Important steps were taken in 2007 by a former city councilman from Santa Monica, who, while as an elected official and subsequently a private advocate, had been a strong champion of transportation issues and maintained close relationships with those representing the environmental, labor, and transportation communities. With impetus from the growing public concern for congestion and the Mayor's vision for transportation laid out during his election campaign, a decision was made by early 2007 with a colleague in the environmental arena and with support from Metro and the Mayor's Office to build a formal coalition to champion significant transportation improvements, specifically transit. Being from the Westside of Los Angeles County, the thought was that the proposed "Subway to the Sea" extension of the Red Line from North Hollywood to Santa Monica would be a prime project to seriously pursue with the \$4 billion that had been initially identified in Metro's LRTP process, and in turn, this would help "pull other transit projects along" toward implementation as part of an overall plan. A board was formed for the so-called Subway to the Sea Coalition and started raising money for their advocacy efforts.

Informed by fresh research conducted by Metro, the Subway to the Sea Coalition held a meeting in November 2007 with 34 organizations representing the labor, environment, and development communities. The "stunning" turnout indicated an extraordinary level of interest surrounding transportation funding among a group of organizations (business, labor and the environmental community) that had not often found common ground. Following the meeting, the coalition realized that the prime focus of their work "had to be about the money" and decoupled from just the one project. As Metro's polling indicated, the sales tax had the best shot for approval, but the required two-thirds of the voting population posed quite a challenge. Additional coalition partners would have to come on board for this to happen.

Building on the success of November's meeting and the growing support of the coalition, a "Time to Move LA" conference was held in January 2008 attended by 350 key individuals the coalition had assembled over the previous year as a "roster" of influencers—advocates and experts in transportation as well as political leaders. Additionally, Metro courted business, civic and related transportation organizations and brought them to the table as part of a broader and more comprehensive coalition of supporters. In the end, the Subway to the Sea Coalition re-branded itself as a multimodal advocacy group to be known as "Move LA."

Honing in on a Viable Funding Option

Leading into Measure R, several other funding options (parcel taxes, carbon fees, gas taxes, etc.) were considered. These options either did not raise sufficient funding or did not poll well. In anticipation of the need to explore new avenues of funding, Metro looked closely at what it would take to obtain two-thirds voter support for a sales tax. Although the initial polling consistently showed a sales tax option at six to seven percentage points shy of the two-thirds vote necessary to pass, it also indicated that with proper messaging delivered by credible groups and individuals, support could grow to upwards of 69 percent. To gather qualitative data and firsthand insight into voter perspective, a series of focus groups were conducted. These focus groups concentrated on local interests and awareness and helped to fine tune later polling, exploring which issues would need to be the focus of a potential ballot measure associated with an increase in the sales tax. One important aspect was the public's desire for "local" improvements. The city or region of the county in which residents lived and worked greatly affected which specific projects and solutions mattered most to them.

Further Polling to Convince Key Leadership

In addition to Metro's own polling, a series of separately commissioned polls were conducted to confirm and augment Metro's findings. Move LA commissioned a poll (with the support of Santa Monica College) that reflected 67 to 69 percent who were supportive. The influential and respected Supervisor of the Los Angeles' Third District, Zev Yaroslavsky, whose support was seen by Move LA (and other proponents) as critical to the measure, remained non-committal until a second poll, sponsored by Metro, confirmed the Move LA result with about 65 percent in support. Supervisor Yaroslavsky felt that with a result that close to two-thirds, if combined with a good strategy and the right messages, there would be a reasonable chance for success.

Following the Metro poll, the Los Angeles Mayor's Office commissioned yet another poll for further confirmation, this time using a firm from outside of the region to bolster the sense of impartiality. Once again, the results indicated a near two-thirds approval. At this point, the Mayor came out publically in favor of the sales tax measure. There was never any doubt of the Mayor's desire for funding the transportation improvements—particularly rail transit—that he felt were essential to the city. The key questions were whether the public would be supportive, and whether the remaining jurisdictions in L.A. County would see sufficient benefits to gain their support. (Ultimately, the Mayor became the most important fund raiser for the public campaign that fall.)

Raising Public Awareness

The polling had indicated the desires of LA's populous with regard to transportation and the potential level of support if given the proper messaging. During the advocacy and planning process, Metro Communications engaged in a five-prong information campaign.

- The first prong was the public Imagine Campaign that showcased what was possible if Los Angeles County imagined a brighter future with better roads, less traffic, more rail and better public transportation.
- The second prong was the local media. Editorial board meetings were scheduled with major local newspapers to layout both the public desire (based on polling) and the dire financial (funding) situation.
- The third prong targeted Metro’s customers in the hope that they would serve as “ambassadors” for a future initiative.
- The fourth prong focused on Metro employees for many of the same reasons as Metro customers.
- The fifth prong consisted of engaging opinion leaders primarily through individual contacts as well as active participation in numerous speaking engagements. (This proactive communications approach by Metro complemented the external advocacy efforts with many of the same materials, and therefore consistent messaging, used throughout.)

The Path to Leadership’s Approval of the Measure

To advance Measure R’s ultimate success, several important developments played out in the first half of 2008. A failure in any one of these critically important elements would likely have eliminated the eventual viability of Measure R.

- Political support (either active or tacit) would also be necessary among local and regional elected leadership, not only including the City of Los Angeles’ Mayor Villaraigosa whose support was fully anticipated, but also a majority of the all-important five-member County Board of Supervisors, as well as local elected officials from the multitude of municipalities spread across the County. Compounding the political complexity, state legislative authorization would be required to exceed the 1-cent cap on local option sales taxes for transportation. This meant that the political process would extend well beyond the County, to the halls of the legislature in Sacramento.
- Buy-in would be necessary from Metro’s Board to agree to move ahead with the measure.
- A formal ordinance, resolution, and expenditure plan would have to be prepared, intensifying the debate over what would be included and how the money would be allocated.

Achieving State Legislative Authorization

With assistance from Metro, Assemblyman Mike Feuer (D-42nd District) led the effort to pass legislation needed to lift the local sales tax cap. As a starting point, he used a 2003 bill that Metro never acted upon (Senate Bill 314, the so-called Murray Bill named after its author, former Senator Kevin Murray) that granted approval for a ½-cent sales tax for up to 6.5 years to help fund a specified list of projects and programs. Assemblyman Feuer introduced AB 2321 in February, which carried over the projects identified in the Murray Bill and added additional projects as identified in the draft LRTP, together with cost estimate set-asides as minimum amounts available from a proposed new ½-cent sales tax. These stipulations would serve as the core of the sales tax’s expenditure plan, and represented the priorities established by Metro, rather than an earmarked list of projects selected by members of the legislature to garner their vote. In this manner, Assemblyman Feuer sought the acquiescence of the legislature’s members through much “arm wrestling” and successfully found common ground. One interviewee

noted that Assemblyman Feuer successfully resisted the legislature's overtures to "adorn the Christmas tree," holding firm to the initial list in the Murray Bill without "opening it up to negotiation." The bill did not actually pass until early September and was signed by the Governor at the end of that month.

Metro Board Approval

Shortly after the Time to Move LA Conference, and encouraged by its positive outcome, the Chair of Metro's Board led the effort among the Board of Directors to place a measure on the November ballot to increase the sales tax. Board approval was achieved in a two-step process. In the first meeting, the Board authorized staff to bring a sales tax measure (resolution, expenditure plan and ordinance) forward. This action was approved without incident. The second step in the process was not as simple. Metro has state legislative authority to place a sales tax measure on the ballot, as well as the ability to collect the tax, but additional state legislation was necessary to go beyond the 1-cent limit as well as concurrence by the County Board of Supervisors to place such a measure on the ballot.

Metro's Board, draws from among the region's elected leadership, including the Mayor of Los Angeles and his appointees, the five County Supervisors, and city council members or other mayors from smaller cities served by Metro. As Measure R came closer to becoming a reality Metro board support began to fracture. The expenditure plan was what was in play. It provided not only allocations of funding for projects, but allocations of other funds, project timelines and local requirement to support specific projects. Some members on the board as well as local constituencies began to question the equity in the strategic plan. The underlying fear was that one project (the Subway to the Sea) would commit a disproportionate amount of resources at the expense of other projects in the Measure. The negotiations of the expenditure plan during the 30 days between board meetings were challenging.

The Expenditure Plan and Political Support

The state of California requires an expenditure plan to accompany tax initiatives. The plan drew from the recently released draft LRTP, the State required list from the 2003 Murray Bill, and projects that stemmed from polling, such as highway projects and local return for discretionary transportation use. By including rail and bus transit projects which provided a fair geographic balance, as well as highway projects for areas that would not benefit from transit improvements, the mix of modes and projects in the overall plan was intended to elicit broad-based support from across the county.

Efforts were ongoing both with the public and local leaders to promote the plan that would underlie the increased sales tax. Metro leadership, sought buy-in from local constituencies. Many organizations were in favor of the LRTP and proposed revenue increase, but a few felt that a disproportionate amount of funding would end up in certain areas (such as the City of Los Angeles) and not others. This sentiment was typified by the San Gabriel Valley Council of Governments who believed that their share of the sales tax revenue would come at the expense of the Westside Cities, slated to benefit from the "Subway to the Sea" project as well as the Exposition Boulevard light rail extension to the same region. The San Gabriel Valley, which was primarily interested in the Foothill Gold Line light rail extension to serve its residents, and other regions with less of focus on rail transit, such as some in the South Bay and North County, felt that the revenue should be distributed proportionately by population.

One interviewee observed that many voters took a broader view than their elected representatives, looking at system improvements along travel corridors that they regularly traverse, with less concern

about whether they happened to lie within their jurisdiction of residence. The key question to them was whether projects planned in the corridor would improve conditions in the corridors they travel.

Differences over the distribution of funds among jurisdictions as well as the timing of particular projects were the primary reasons that some Board members decided not to support the measure. Nonetheless, a majority vote of the 13-member Board in July approved the sales tax measure for the ballot.

The Metro Board's vote required the endorsement of the County Board of Supervisors—ordinarily a “ministerial” and uncontroversial action—however, the issue of funding distribution continued to be a point of contention. Three of the five supervisors with parts of their districts in the San Gabriel Valley, South Bay, and North County opposed the measure. They voted in early August and failed to approve the measure with two members opposed and one abstention. After it became apparent that the measure could go forward on a separate ballot in November at increased cost to the county and likely voter confusion, one member reversed his vote just a week later, maintaining opposition but asserting that the voters should decide the issue.

Constructing and Packaging Measure R

Along with support come expectations. Measure R was no different. Each new group that came to the table offered support and a request. While the actual construction of Measure R came from SB 314, Metro's LRTP and public polling, the final distribution of what was projected to be \$40 billion, was not without negotiations. Each constituency maintained its own set of criteria for support. Whether it be highway funding, local return, rail expansion, operating dollars or increased oversight, a ½-cent sales tax could only go so far. In the end, percentage allocations were negotiated on top of what was required by AB 2321. The goal of Metro Communications was to take this comprehensive transportation initiative and turn it into something that could be easily communicated and understood by the voting public—a Five Point Plan that carried through to the informational aspects of the public campaign. A complex set of negotiated projects was transformed into five simple points:

- Rail Expansion
- Street Improvements
- Traffic Reduction
- Public Transportation
- Quality of Life

These points became the foundation of Measure R's ordinance, resolution and public communications materials.

The Public Campaign

The formal public campaign for Measure R began in late September, building upon important public messaging by Metro. Metro, as a publicly-funded agency was prohibited from overtly advocating or campaigning for the measure once it became an official ballot measure. The agency was permitted, however, to educate and to provide “information.”

Metro Communications staff sought to continue an aggressive informational campaign as the election season approached. The staff prepared a comprehensive information campaign highlighted by an impressive 16-page color brochure that was mailed to every county household. The brochure went

through a rigorous legal review process to avoid crossing the legal boundary between advocacy and education, an issue that was raised with respect to a Measure R website Metro launched in early September. While the mailer was (and remains) a source of pride among the staff, which felt that the piece was both effective as well as carefully crafted to avoid crossing the advocacy line, it sparked a backlash at the Board level among some members who felt that the line had been, or was about to be crossed. A staff plan to continue a proactive informational campaign beyond the mailer to include newspaper ads and radio spots was scrapped. This effectively shifted full responsibility for the remaining public relations campaign in support of Measure R during the critically important two months before the vote to a privately financed campaign managed by a team comprised of professionals who had been involved in Mayor Villaraigosa's election. The campaign benefited from the Mayor's fund-raising efforts as well as the strategic involvement of key political figures such as Supervisor Zev Yaroslavsky, who gave the Measure R campaign an extraordinary level of attention on a daily basis.

Ads were concentrated on cable television which, unlike broadcast TV and radio, could be tailored to different areas of L.A. County based upon the latest polling data. Many local elected officials as well as business, labor and environmental leaders championed the measure at countless speaking engagements and media events. In the end, Measure R was passed on November 4, achieving 67.9 percent of the vote, a narrow but extraordinary victory for transportation in Los Angeles County.

Themes, Tools and Messaging

Traffic Congestion

Interviewees identified traffic congestion as the single most important factor that could elicit a two-thirds majority of Los Angeles County voters to raise their own taxes in support of transportation. While other themes were in the campaign mix, and given the narrow margin of victory, were undoubtedly important, it was the perception of notoriously high levels of congestion, unreliable and long journey times, and a feeling that conditions "had hit a breaking point" that resonated the best with voters.

There was widespread agreement that congestion in the County is having a serious negative effect on the quality of life, making commuting and even routine, non-peak trips arduous, and dampening any incentive for businesses to remain in or locate to Los Angeles County. Residents, businesses, and local leaders were eager to seek solutions to the problem—and were, for the most part, willing to pay for them. Several issues had to be addressed before that became a reality. Identifying precisely what those solutions would be, how they would be distributed throughout the county, and what guarantees would ensure the money was spent as promised were critically important issues to address.

Project Specificity and Making It Local

Noted previously, Metro's focus group work and follow-up polling found that project specificity and local improvements resonated strongly with the public. The notion of making Measure R all about local improvements thus permeated the development of the campaign to build public support. The prime question that needed answering in the minds of voters was: "What's in it for me?" In exchange for paying an increased tax, a palpable sense that something would be received in return was deemed absolutely essential. As one interviewee pointed out, today's culture of rejecting tax proposals stems from a "lost correlation between taxes paid and benefits received." Not so with Measure R, however, as project specificity—a something-for-everyone package that emphasized localized improvements—was a

cornerstone to the approach. And, of course, the messaging and campaign tactics behind Measure R reflected this approach.

Funding Protections

Polling indicated public skepticism that an approved tax would actually be spent on what was promised. In California, diversions of state resources from one budgetary need to another have been commonplace, especially, for example, from referenda-approved bond measures where funds promised for one purpose were subsequently diverted for another (particularly funding designated for transportation, as with the multibillion dollar Proposition 1B passed in 2006). These circumstances served to undermine the public's confidence that new tax revenue would be used as pledged.

Building protections into the specified pots of money (transit capital, highway capital, rail operations, bus operations, and local return) thus became very important to winning the public's trust over Measure R's intended uses. Ironically in terms of prior state level diversions of transportation funds, it was particularly important to members of the state legislature that voted on the authorizing legislation for Measure R, whose districts were in Los Angeles County, that safeguards be included to ensure that the tax they authorized would be used exactly as promised for projects in their districts.

The Long Range Transportation Plan and the Imagine Campaign

In support of its LRTP process early in 2008, Metro had launched its Imagine Campaign to promote the various possibilities for improved (although generally unfunded) transportation in Los Angeles over the next 25 years. The campaign was designed to solicit public input for the LRTP by asking county residents to "imagine" what a future with new transportation options and improvements would look like and to "share [their] vision" with Metro. It encouraged citizens to read and comment on the LRTP and attend public meetings.

The Imagine Campaign was not focused on a revenue increase; indeed, it started before Metro's Board began to formally consider adopting the measure for placement on the November ballot. It provided a foundation for communicating the benefits of the Measure R plan and acted as a successful branding tool to engage people in the process. The campaign elevated sensitivity to and awareness of concerns about traffic congestion among the public at large by highlighting region-wide issues, possibilities, and themes. It also established the theme of keeping the projects "local" and provided a sound base from which to develop the ultimate list of projects for Measure R.

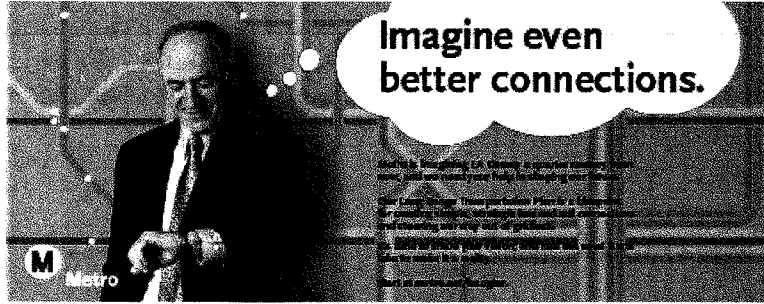
Interviewees noted that the Imagine Campaign was an essential building block in educating and arousing interest among the public and stakeholders in what is often considered a rather mundane and somewhat bureaucratic long range transportation planning process. One interviewee felt that the Imagine Campaign was responsible for moving initial support for the sales tax from 60 percent to 65 percent or more. Overall, Metro received 60 million hits on its website during this time and 14,000 individual downloads of the LRTP, far more than ever before. At the bottom line, it was the specific list of projects which would be the priority for future funding that attracted the most interest.

The Imagine Campaign employed a full spectrum of outdoor and print media, web presence with a website, blogs, and surveys, and face-to-face outreach. Metro Community Relations staff, "Foot soldiers," as they were called, conducted community meetings, tailoring their presentations, crafting messages and emphasizing projects in the LRTP that focused on local concerns. Sample print media

asking residents to “imagine” are illustrated in Figure 1. The campaign materials were disseminated through billboards, king ads (on sides of buses), banners (on buildings), posters, shirt buttons, within e-blasts to a 1,000-plus-member database of stakeholders and employers, and Metro’s Imagine website. Figure 2 shows a feature-by-feature breakdown of Metro’s popular Imagine website.

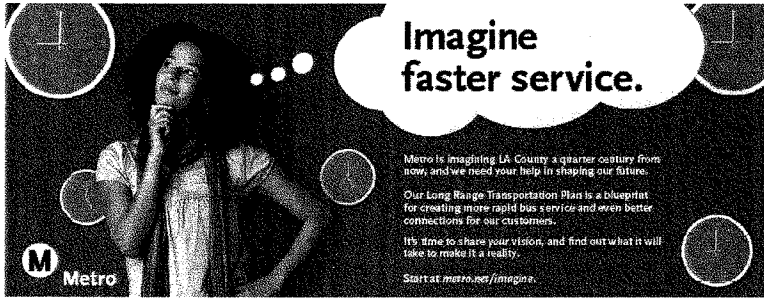
Figure 1: Imagine Campaign Samples





Imagine even better connections.

Metro



Imagine faster service.

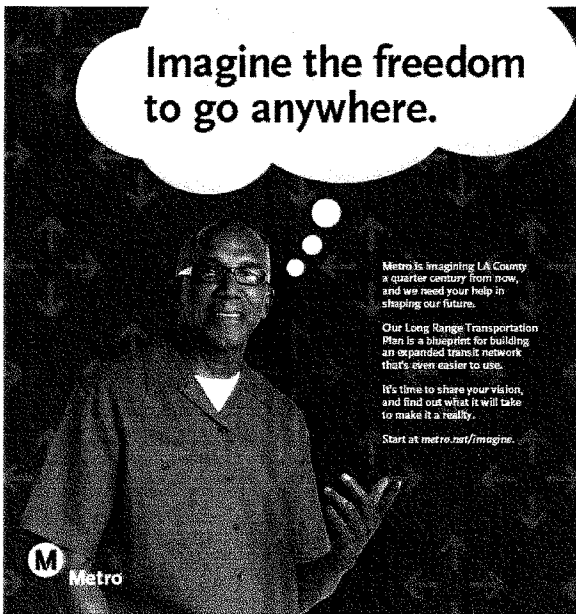
Metro

Metro is imagining LA County a quarter century from now, and we need your help in shaping our future.

Our Long Range Transportation Plan is a blueprint for creating more rapid bus service and even better connections for our customers.

It's time to share your vision, and find out what it will take to make it a reality.

Start at metro.net/imagine.



Imagine the freedom to go anywhere.

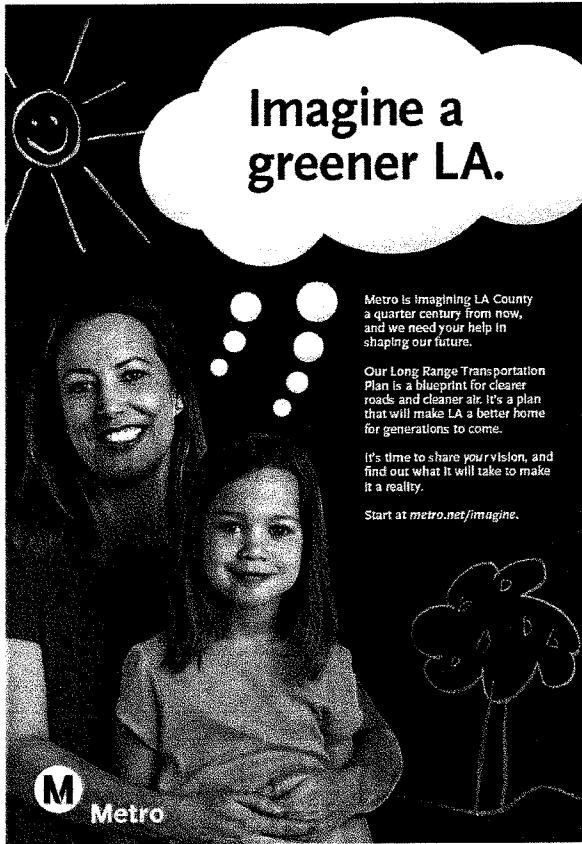
Metro

Metro is imagining LA County a quarter century from now, and we need your help in shaping our future.

Our Long Range Transportation Plan is a blueprint for building an expanded transit network that's even easier to use.

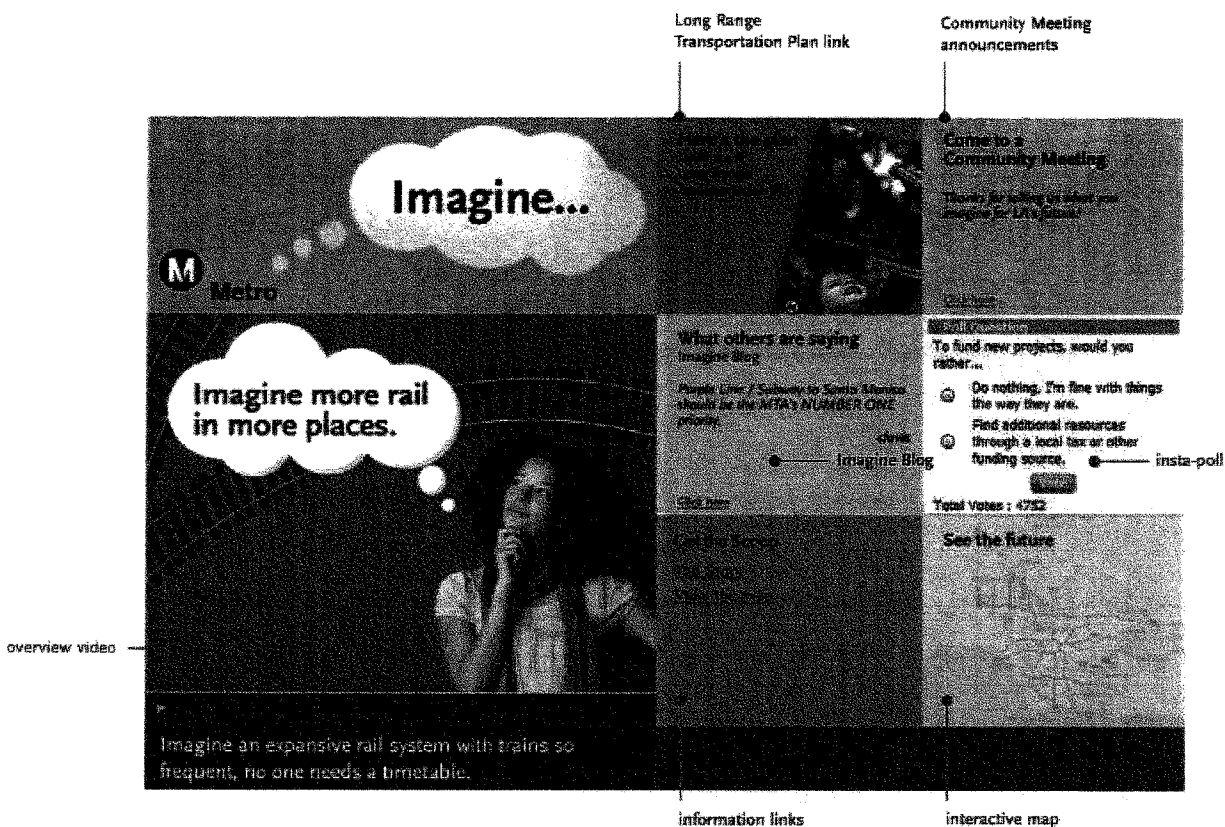
It's time to share your vision, and find out what it will take to make it a reality.

Start at metro.net/imagine.



Source: Metro

Figure 2: Imagine Campaign Website Details



Source: Metro

Timing and Avoiding the Brunt of the Economic Crisis

The sagging economic climate in the fall of 2008 certainly made passing Measure R a somewhat greater challenge, but not to the degree that could have been expected. Several interviewees observed that the near implosion of financial markets led key campaign strategists to the brink of “pulling the plug” on Measure R in September of 2008. Yet, the impact of the economic crisis apparently had not yet been fully understood since polls showed virtually no erosion of support for the proposed measure. Some believe that had the impacts of the recession—particularly the rapid rise in unemployment—been fully appreciated by the first Tuesday in November, 2008, Measure R would not have passed. On the other hand, when a Measure R follow-up survey was conducted seven months following the election, it indicated that overall support had not declined.

Because Measure R passed before voters could gauge the dimensions of the economic decline besetting the country, the issue of job creation was not a central theme of the campaign. Metro did, however, commission the Los Angeles County Economic Development Corporation, to examine the economic impacts of the proposed measure. Their report stated that while the proposal that would become Measure R would cost the average person \$25 per year (\$80 per household) it would create 210,000 jobs and \$30 billion in economic activity over 30 years. The real value of this message was in securing the support from the labor community, without which it is uncertain whether the eventual winning margin of barely 1.2 percent would have been achieved.

Agency Credibility

The public's approval ratings of Metro had increased by over 50 percent from 2002 to 2008. Public confidence in Metro was attributed in large measure to the delivery of major rail and bus rapid transit projects and the strong ridership associated with these projects. It is generally agreed that without Metro credibility the Measure would not have succeeded. Support for Measure R climbed to 77 percent for people with favorable opinions of Metro—and 83 percent for transit users.

No Formal Paid Opposition

Those who opposed Measure R did so primarily because they felt their city or region would not get their "fair share" of the funding based on the distribution set forth in the expenditure plan. Secondly, some felt the timing was not right given the failing economy, and conservative anti-tax associations opposed it as a matter of course. Opposition from the Bus Riders Union, who favored a far greater investment in buses over rail, did not have a significant impact. However, several interviewees speculated that those in opposition to Measure R may have assumed the measure would not pass and saw no reason to formally campaign against it (which would have required time and money and involve some degree of political risk since a clear majority—though possibly not the two-thirds required—supported it). Those opposed may have "misread their constituencies" because at the end of the day Measure R passed in nearly every city and community.

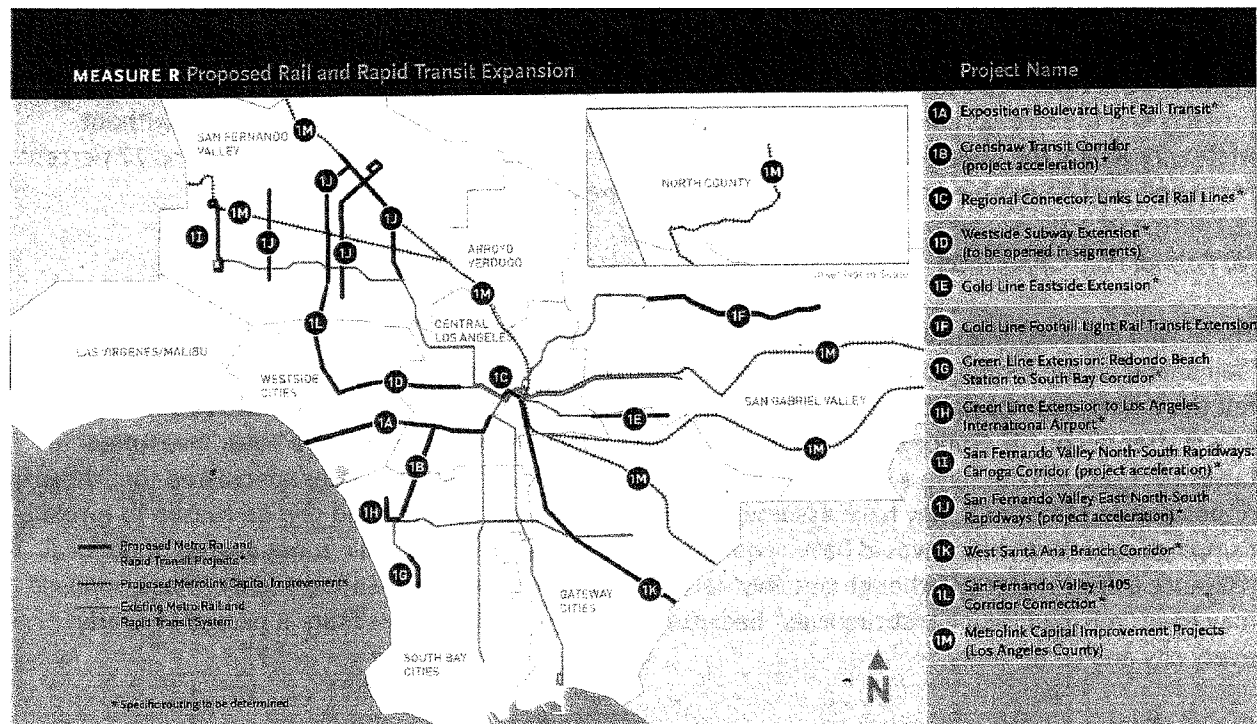
Specific Communication Tools

Several notable tools were employed to develop and communicate the themes and messages surrounding Measure R.

- **Maps/Lists:** The LRTP used maps and lists of proposed projects extensively. The list, in turn, provided the basis for the authorizing legislation and the expenditure plan on the ballot. Maps and lists were also used in the informational materials produced by Metro. One significant example was the 16-page informational mailer sent out countywide at the beginning of the public campaign. The maps and lists clearly illustrated the proposed projects and allowed residents to see which of them would impact them directly. A sample is shown in Figure 3.

Sentiment toward the mailer was mixed. Several interviewees felt the mailer had an especially positive impact, another thought that it did not receive extensive "play" and would have liked to increase its exposure (Metro's plan for the informational campaign surrounding the brochure was curtailed by its Board), and a third felt it was a "waste of money" because no one reads election season mailers.

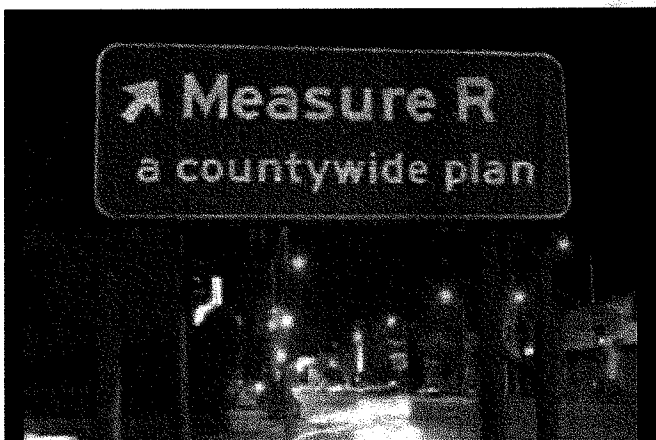
Figure 3: Metro 16-page Brochure Mailer Excerpt

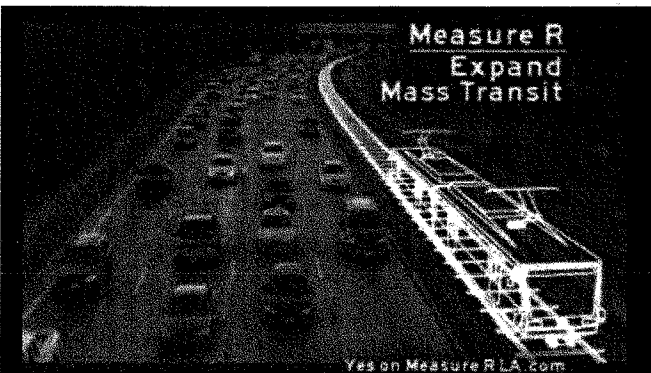


Source: Metro

- **Television:** Multiple interviewees agreed that during the public campaign, television ads had the greatest impact (and used the majority of the \$3 million plus budget). Television ads (see Figure 4) ran mostly on cable channels, not just due to their lower cost, but primarily because they could be better tailored and targeted to individual areas of the county that were thought to require some persuading. Interestingly although most of the \$3 million plus raised for the campaign was spent on TV, some interviewees (who it turns out lived in areas of strong support of Measure R and, therefore, were not a priority for TV ads) could not recall much in the way of TV advertising—underscoring the value of cable advertising and the ability to focus scarce media resources on those areas that are closely contested.
- **Political Endorsements:** Politicians were not used in the ads. It was felt that public cynicism about political figures could result in a net loss in support rather than the intended net gain. Rather, a UCLA professor of earthquake engineering, the chair of the American Lung Association of California, and the president of the Los Angeles section of the American Society of Civil Engineers were used in TV spots, highlighting issue of specific concern—bridge integrity, rail safety, and air quality and the environment.

Figure 4: Screenshots from Yes on Measure R Television Ads





Source: MeasureRLACounty YouTube Channel

- **Polling:** Polling was used extensively and effectively throughout the development and passage of Measure R. Dating back several years before 2008, polling was used by Metro to track public interest in new funding options. These results, in turn, encouraged both the Move LA coalition and Metro to begin aggressively pursuing the option by early 2008. The series of polls that followed the Time to Move LA conference in January (described earlier) ultimately brought on board key leadership figures that energized Metro's Board to move forward, particularly encouraging Supervisor Yaroslavsky and Mayor Villaraigosa to take the lead in the public campaign in the fall. Polling was also used to "micro-fine-tune" the ballot language in the spring and the television commercial messages in the fall, uncovering precisely which words and in what order they should be used. More frequent polling tracked the measure's approval as the vote approached and helped convince campaign leaders to continue pursuing it even with the impending economic collapse.
- **Social Media:** Interviewees noted that the Measure R campaign occurred prior to the mainstreaming of social media. Facebook and Twitter were not employed, although one grassroots-level Facebook page called "Yes on Measure R - Traffic Relief for LA!" was launched in September 2008 and had 370 members. One interviewee expressed the view that even if Measure R were to have been voted in the fall of 2010, the value of social media to get your message out to targeted audiences is insufficient. He noted that followers on Twitter and friends on Facebook are likely to be comprised of self-selected allies, who are less critical in terms of persuasion (though more critical to fundraising) as compared with adversaries or undecided voters who need to be reached and swayed to the cause.

Lessons Learned

Visionary Leadership

The visionary leadership of key individuals—elected and appointed officials as well as key agency staff was hailed as instrumental to Measure R's success. Each of these leaders did what was needed at the right time. Looking back, without each of them lending their prestige and stepping forward to launch the effort, win support for enabling legislation, spearhead Metro Board and County Board of Supervisors approvals, provide strategic and tactical guidance, and raise the necessary funding, Measure R could not have succeeded.

A Strong Coalition

The alliance forged among business, labor and environmental groups made a huge difference. In voters' minds, this broad coalition indicated that the revenue increase "was not a giveaway" to any one group. The inclusiveness of the coalition and linkages built among partners who in other contexts were more accustomed to being adversaries was proved invaluable in preempting what could have become significant opposition.

Agreement on the Problem and Tight Messaging

As one interviewee noted, voters and policymakers had to agree on the problem, otherwise explaining the solution wouldn't matter. In this case, there was widespread agreement on the problem (primarily traffic congestion and unfunded needs) and eventually general agreement on the solution as well—enacting Measure R. Supervisor Yaroslavsky, Mayor Villaraigosa, and Board Member Richard Katz, working closely with their professional campaign staff, oversaw a well run, tight campaign that

successfully raised the necessary funds, targeted voters with well crafted messages, and overcame the onset of an economic crisis.

Every Little Bit Mattered

A number of those interviewed remarked at the incredible effort required to pass Measure R. One called it “miraculous”, another “an enormous accomplishment,” and a third described any tax requiring a two-thirds vote as a “hail Mary.” Because of the overwhelming support required to achieve a two-thirds vote, every strategy, every tactic, and every voter reached was significant.

For example, inclusion of the delayed fare increase for one year generally and for five years for seniors, students, and the disabled provided further inducement from the “occasional voter.” Focusing on reducing dependency on foreign oil played on the concern of higher gas prices. Radio stations known to attract older listeners played ads highlighting benefits to seniors. The targeted television campaign focused on other benefits of the plan in addition to congestion reduction, its most pervasive theme. Structural integrity and safety, the environment, and jobs were highlighted to reach others who might not be sold on the basis of congestion reduction alone. One interviewee offered the view that the measure would not have passed if the campaign had focused solely on the issue of congestion. Given the margin of the outcome, that appears to be correct.

When asked what the critical components of the campaign were that led to its success, one interviewee summed it up deftly saying that “in a one point win, everything worked.” Overall, no one action, however minor, could be discounted when the margin of victory was so slim.

Recognizing and Seizing the Opportunity

Not everyone saw the opportunity or agreed it was sufficient to win the day. After all, a presidential primary contest between Hillary Clinton and Barack Obama and its connection to funding transportation in Los Angeles County may seem a stretch. But once it became clear that whoever became the Democrat’s nominee, the 2008 election was likely to draw a significantly larger and a noticeably more transit friendly group of voters to the polls, there was no time to waste in launching an initiative that might not have much of a chance during more “ordinary” times. Recognizing opportunities in unlikely domains and then acting upon them was a key to the success of Measure R.

Measure R Expenditure Plan (Source: Metro)

Proposed One-Half Cent Sales Tax for Transportation
 Outline of Expenditure Categories

Sunsets in 30-Years: Fiscal Year (FY) 2010 - 2039
 (millions)

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Subfund	Program	% of Sales Tax (net of administration)	First Year Amount	10-Year Amount	30-Year Amount
Transit Capital	New Rail and/or Bus Rapid Transit Capital Projects - project definition depends on final environmental review process	35%	\$ 241	\$ 2,930	\$ 13,790
Transit Capital	Metrolink Capital Improvement Projects within Los Angeles County (Operations, Maintenance, and Expansion)	3%	\$ 21	\$ 251	\$ 1,182
Transit Capital	Metro Rail Capital - System Improvements, Rail Yards, and Rail Cars	2%	\$ 14	\$ 167	\$ 788
Highway Capital	Carpool Lanes, Highways, Goods Movement, Grade Separations, and Soundwalls	20%	\$ 138	\$ 1,675	\$ 7,880
Operations	Rail Operations (New Transit Project Operations and Maintenance)	5%	\$ 34	\$ 419	\$ 1,970
Operations	Bus Operations (Countywide Bus Service Operations, Maintenance, and Expansion. Suspend a scheduled July 1, 2009 Metro fare increase for one year and freeze all Metro Student, Senior, Disabled, and Medicare fares through June 30, 2013 by instead using Metro's Formula Allocation Procedure share of this subfund.)	20%	\$ 138	\$ 1,675	\$ 7,880
Local Return	Major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeways; pedestrian improvements; streetscapes; signal synchronization; and transit (Local Return to the Incorporated Cities within Los Angeles County and to Los Angeles County for the Unincorporated Area of the County on a Per Capita Basis.)	15%	\$ 103	\$ 1,256	\$ 5,910
TOTAL PROGRAMS			\$ 689	\$ 8,373	\$ 39,400
1.5% for Administration			\$ 11	\$ 127	\$ 600
GRAND TOTAL			\$ 700	\$ 8,500	\$ 40,000

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Proposed One-Half Cent Sales Tax for Transportation: Expenditure Plan
 30 Years, Fiscal Year (FY) 2010 - 2039
 As Adopted by the Los Angeles County Metropolitan Transportation Authority Board of Directors July 24, 2008
 (\$ in millions)

Subfund Priority - not for reference	Potential Project in Alphabetical Order by Category (project definition depends on final environmental process)	Cost Estimate	New Sales Tax (Assembly Bill 2521)			Other Funds			Funds Available Beginning	Expected Completion
			Minimum	Additional	Total	Federal Funding	State Funding	Local Funding (Rail is 3% except as noted)		
1	Transit Projects: New Rail and/or Bus Rapid Transit Capital Projects. Could include rail improvements or exclusive bus rapid transit improvements in designated corridors.									
2		Escalated \$								
3	Eastside Light Rail Access (Gold Line)	\$ 30	\$ 30	\$ -	\$ 30	\$ -	\$ -	\$ -	FY 2010	FY 2013
4	Exposition Boulevard Light Rail Transit	\$ 1,632 ^a	\$ 925	\$ -	\$ 925	\$ -	\$ 353	\$ 354	FY 2010-12	FY 2013-15
5	Metro and Municipal Regional Clean Fuel Bus Capital Facilities and Rolling Stock (Metro's share to be used for clean fuel buses)	\$ 150	\$ 150	\$ -	\$ 150	\$ -	\$ -	\$ -	FY 2010	FY 2039
6	Regional Connector (links local rail lines)	\$ 1,320	\$ 160	\$ -	\$ 160	\$ 708	\$ 186	\$ 266 ^b	FY 2014-16	FY 2023-25
7		Current 2008 \$								
8	Crenshaw Transit Corridor - project acceleration	\$ 1,470	\$ 235.5	\$ 971.5	\$ 1,207			\$ 263 ^c	FY 2010-12	FY 2016-18
9	Gold Line Eastside Extension	\$ 1,310	\$ -	\$ 1,271	\$ 1,271			\$ 39	FY 2022-24	FY 2033-35
10	Gold Line Foothill Light Rail Transit Extension	\$ 758	\$ 735	\$ -	\$ 735			\$ 23	FY 2010-12	FY 2015-17
11	Green Line Extension to Los Angeles International Airport	\$ 200	\$ -	\$ 200	\$ 200			TBD ^d	FY 2010-12	FY 2015-28 ^d
12	Green Line Extension: Redondo Beach Station to South Bay Corridor	\$ 280	\$ -	\$ 272	\$ 272			\$ 8	FY 2028-30	FY 2033-35
13	San Fernando Valley I-405 Corridor Connection (match to total project cost)	TBD	\$ -	\$ 1,000	\$ 1,000			\$ 31	FY 2030-32	FY 2038-39
14	San Fernando Valley North-South Rapidways (Canooga Corridor) - project acceleration	\$ 188	\$ 32 ^e	\$ 150	\$ 182			\$ 6	FY 2010-12	FY 2014-16
15	San Fernando Valley East North-South Rapidways - project acceleration	\$ 70	\$ 68.5 ^e	\$ -	\$ 68.5			\$ 2	FY 2013-15	FY 2016-18
16	West Santa Ana Branch Corridor (match to total project cost)	TBD	\$ -	\$ 240	\$ 240			\$ 7	FY 2015-17 ^e	FY 2025-27 ^e
17	Westside Subway Extension - to be opened in segments	\$ 4,200 ^f	\$ 900	\$ 3,174	\$ 4,074			\$ 126	FY 2013-15	FY 2034-36
18	Capital Project Contingency (Transit)-Escalation Allowance for lines 8-17 to be based on year of construction	\$ 7,331	\$ 173	\$ 3,103	\$ 3,276	\$ 2,200	\$ 1,015	\$ 840 ^g	FY 2010	FY 2039
19	Total New Rail and/or Bus Rapid Transit Capital Projects	\$ 18,939 ^h	\$ 3,408.5	\$ 10,381.5	\$ 13,790	\$ 2,908	\$ 1,554	\$ 1,965	FY 2010	FY 2039

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Proposed One-Half Cent Sales Tax for Transportation: Expenditure Plan
 30 Years, Fiscal Year (FY) 2010 - 2039
 As Adopted by the Los Angeles County Metropolitan Transportation Authority Board of Directors July 24, 2008

(\$ in millions)

Subfund Priority order for reference	Potential Project in Alphabetical Order by Category (project definition depends on final environmental process)	Cost Estimate	New Sales Tax (Assembly Bill 2321)			Other Funds			Funds Available Beginning	Expected Completion
			Minimum	Additional	Total	Federal Funding	State Funding	Local Funding (Rail is 3% except as noted)		
		Escalated \$								
20	Alameda Corridor East Grade Separations Phase II	\$ 1,123	\$ 200	\$ 200	\$ 400	\$ 200	\$ 336	\$ 187	As funds become available	
21	BNSF Grade Separations in Gateway Cities	\$ 35	\$ -	\$ 35	\$ 35	\$ -	\$ -	\$ -	As funds become available	
22	Countywide Soundwall Construction (Metro regional list and Monterey Park/SR-60)	\$ 250	\$ 250	\$ -	\$ 250	\$ -	\$ -	\$ -	FY 2010	FY 2039
23	High Desert Corridor (environmental)	\$ 33	\$ -	\$ 33	\$ 33	\$ -	\$ -	\$ -	As funds become available	
24	Interstate 5 / St. Route 14 Capacity Enhancement	\$ 161	\$ 90.8	\$ -	\$ 90.8	\$ 15	\$ 41	\$ 14	FY 2010	FY 2013-15
25	Interstate 5 Capacity Enhancement from I-605 to Orange County Line	\$ 1,240	\$ 264.8	\$ -	\$ 264.8	\$ 78	\$ 834	\$ 63	FY 2010	FY 2016-17
26	I-5 Capacity Enhancement from SR-134 to SR-170	\$ 610	\$ 271.5	\$ -	\$ 271.5	\$ 50	\$ 264	\$ 24	FY 2010	FY 2013
27	I-5 Carmentia Road Interchange Improvement	\$ 389	\$ 138	\$ -	\$ 138	\$ 97	\$ 154	\$ -	FY 2010	FY 2015
28		Current 2008 \$								
29	Highway Operational Improvements in Arroyo Verdugo subregion	\$ 170	\$ -	\$ 170	\$ 170	\$ -	\$ -	\$ -		
30	Highway Operational Improvements in Las Virgenes/Malibu subregion	\$ 175	\$ -	\$ 175	\$ 175	\$ -	\$ -	\$ -		
31	Interstate 405, I-110, I-105, and SR-91 Ramp and Interchange Improvements (South Bay)	\$ 906	\$ -	\$ 906	\$ 906	\$ -	\$ -	\$ -		
32	Interstate 5 North Capacity Enhancements from SR-14 to Kern County Line (Truck Lanes)	\$ 2,800	\$ -	\$ 410	\$ 410	\$ -	\$ -	\$ -		
33	Interstate 605 Corridor "Hot Spot" Interchanges	\$ 2,410	\$ -	\$ 590	\$ 590	\$ -	\$ -	\$ -		
34	Interstate 710 North Gap Closure (tunnel)	\$ 3,730	\$ -	\$ 780	\$ 780	\$ -	\$ -	\$ -		
35	Interstate 710 South and/or Early Action Projects	\$ 5,460	\$ -	\$ 590	\$ 590	\$ -	\$ -	\$ -		
36	State Route 138 Capacity Enhancements	\$ 270	\$ -	\$ 200	\$ 200	\$ -	\$ -	\$ -		
37	Capital Project Contingency (Highway)-Escalation Allowance for lines 31-38 to be based on year of construction	\$ 2,575	\$ -	\$ 2,575.9	\$ 2,576	\$ -	\$ -	\$ -		
38										
39										
40	Total Capital Projects Highway: Carpool Lanes, Highways, Goods Movements, Grade Separations, and Soundwalls	\$ 22,337	\$ 1,215.1	\$ 6,664.9	\$ 7,880	TBD	TBD	\$ 288	FY 2010	FY 2039

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Proposed One-Half Cent Sales Tax for Transportation: Expenditure Plan
 30 Years, Fiscal Year (FY) 2010 - 2039
 As Adopted by the Los Angeles County Metropolitan Transportation Authority Board of Directors July 24, 2008
 (\$ in millions)

Subfund	Operating and Capital Programs	Percent of New Sales Tax Net Revenues	New Sales Tax (Assembly Bill 2321)			Other Funds			Funds Available Beginning	Expected Completion
			Minimum	Additional	Total Escalated	Federal Funding	State Funding	Local Funding (Rail is 3% except as noted)		
41	Ops Bus Operations (Countywide Bus Service Operations, Maintenance, and Expansion. Suspend a scheduled July 1, 2009 Metro fare increase for one year and freeze all Metro Student, Senior, Disabled, and Medicare fares through June 30, 2013 by instead using Metro's Formula Allocation Procedure share of this subfund.)	20%	\$ -	\$ 7,880 k	\$ 7,880 k			FY 2010	FY 2039	
42	Ops Rail Operations (New Transit Project Operations and Maintenance)	5%	\$ -	\$ 1,970 k	\$ 1,970 k			FY 2010	FY 2039	
43	Ops Major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeways; pedestrian improvements; streetscapes; signal synchronization; and transit.	15% ^l	\$ 250	\$ 5,660 k	\$ 5,910 k			FY 2010	FY 2039	
44	Tran. Cap. Metro Rail Capital Projects - System Improvements, Rail Yards, and Rail Cars	2%	\$ -	\$ 788 k	\$ 788 k			FY 2010	FY 2039	
45	Tran. Cap. Metrolink Capital Improvement Projects within Los Angeles County (Operations, Maintenance, and Expansion)	3%	\$ 70	\$ 1,112 k	\$ 1,182 k			FY 2010	FY 2039	
46			\$ 41,276 ^m	\$ 17,046 k	\$ 21,670 k	\$ 2,908	\$ 1,554	\$ 2,253	FY 2010	FY 2039
47			\$ 320.0	\$ 17,410	\$ 17,730				FY 2010	FY 2039
48		N/A	\$ 10	\$ 590	\$ 600				FY 2010	FY 2039
49			\$ 4,953.6	\$ 35,046	\$ 40,000	\$ 2,908	\$ 1,554	\$ 2,253	FY 2010	FY 2039

Notes:
 a. The Exposition Blvd Light Rail Transit project includes the following funds: Prop 1B Transit Modernization funds (\$250 M), State Transportation Improvement Program funds (\$103 M), Metro Propositions A and C funds (\$354 M).

b. Systemwide ridership forecasts indicate need for a Regional Connector downtown. This expenditure plan assumes that Metro Long Range Transportation Plan funds freed-up from the Exposition Phase II project by passage of this sales tax will be redirected to the Regional Connector project by the Metro Board.

c. Local funding for the Crenshaw Transit Corridor assumes a 3% local contribution (\$44 M) and a Metro Long Range Transportation Plan contribution (\$219 M).

d. Local funding target and project schedule to be determined due to potential LAX contribution. First segment is included in the Crenshaw project.

e. The San Fernando Valley North-South Rapidway minimum of \$100 M is divided between the East and Canoga segments.

f. Unescalated cost estimate to Westwood.

g. Assumes a 3% local contribution to the Escalation Allowance (\$225 M) and a Metro Long Range Transportation Plan contribution for project scheduling risk (\$615 M).

h. Total new rail and/or bus rapid transit capital projects cost estimate subject to change when cost estimates are developed for the San Fernando Valley I-405 Corridor Connection (line 13) and the West Santa Ana Branch Corridor (line 16).

i. The precise amounts of Federal and local funding for the Alameda Corridor East Grade Separations Phase II project are subject to change.

j. For projects funded from other sources on or before December 31, 2008, the funds freed-up by passage of this sales tax shall remain in the subregion in which the project is located for projects or programs of regional significance (per AB 2321).

k. Amounts are estimates. Actual amounts will be based on percentage of actual sales tax receipts net of administration.

l. Local Return to the incorporated cities within Los Angeles County and to Los Angeles County for the unincorporated area of the County on a per capita basis per annual California Department of Finance population data.

m. The total project cost estimate for the transit and highway capital projects of \$41.2 B includes \$12.9 B in as yet unidentified federal, state, local, and public-private partnership funds for highway projects.

n. The total project cost estimate for the transit and highway capital projects of \$41.2 B includes \$12.9 B in as yet unidentified federal, state, local, and public-private partnership funds for highway projects.

Legend: Ops = Operations; Tran. Cap. = Transit Capital; SR = State Route; | = Interstate

* The West Santa Ana Branch matching funds would be accelerated by utilizing Long Range Transportation Plan resources freed-up by the use of new sales tax funds on the Interstate 5 Capacity Enhancement from I-605 to Orange County Line project (line 27).

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Interviews

Lynda Bybee – Deputy Executive Officer, Regional Communications Programs, LA Metro

Mike Feuer – California House of Representatives

Sam Garrison – Vice President of Public Policy, Los Angeles Area Chamber of Commerce

Richard Katz – LA Metro Board of Directors

Don Knabe – Supervisor, Fourth District, County of Los Angeles

Art Leahy – Chief Executive Officer, LA Metro

Michael Lejeune – Creative Director, LA Metro

Borja Leon – Associate Director Transportation, City of Los Angeles

Matt Raymond – Chief Communication Officer, LA Metro

Jaime de la Vega – Deputy Mayor, Transportation, City of Los Angeles

Zev Yaroslavsky – Supervisor, Third District, County of Los Angeles

Denny Zane – Executive Director, Move LA