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COMPELLING REASONS AND FUNDING PROFILE FOR THE
METRO RAIL PROJECT

SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT
JANUARY, 1984

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I. THE LOS ANGELES REGION

Currently, Los Angeles is the second largest and the second most densely populated urbanized area in the United States, and is by far the largest urbanized area in the Western World that does not have a rail rapid transit system. Over the past ten years, this area grew by more than 1.5 million persons, and along with Miami, was one of only two major metropolitan areas in the top 20 that increased both its population and population density. Today, the Los Angeles urbanized area has a population greater than 41 states and by the year 2000, the population projections are that Los Angeles will increase by 2 to 3.5 million people. Said another way, in 16 years, Los Angeles' population increase will be equivalent to at least the size of Baltimore and perhaps the entire urbanized area of Houston.

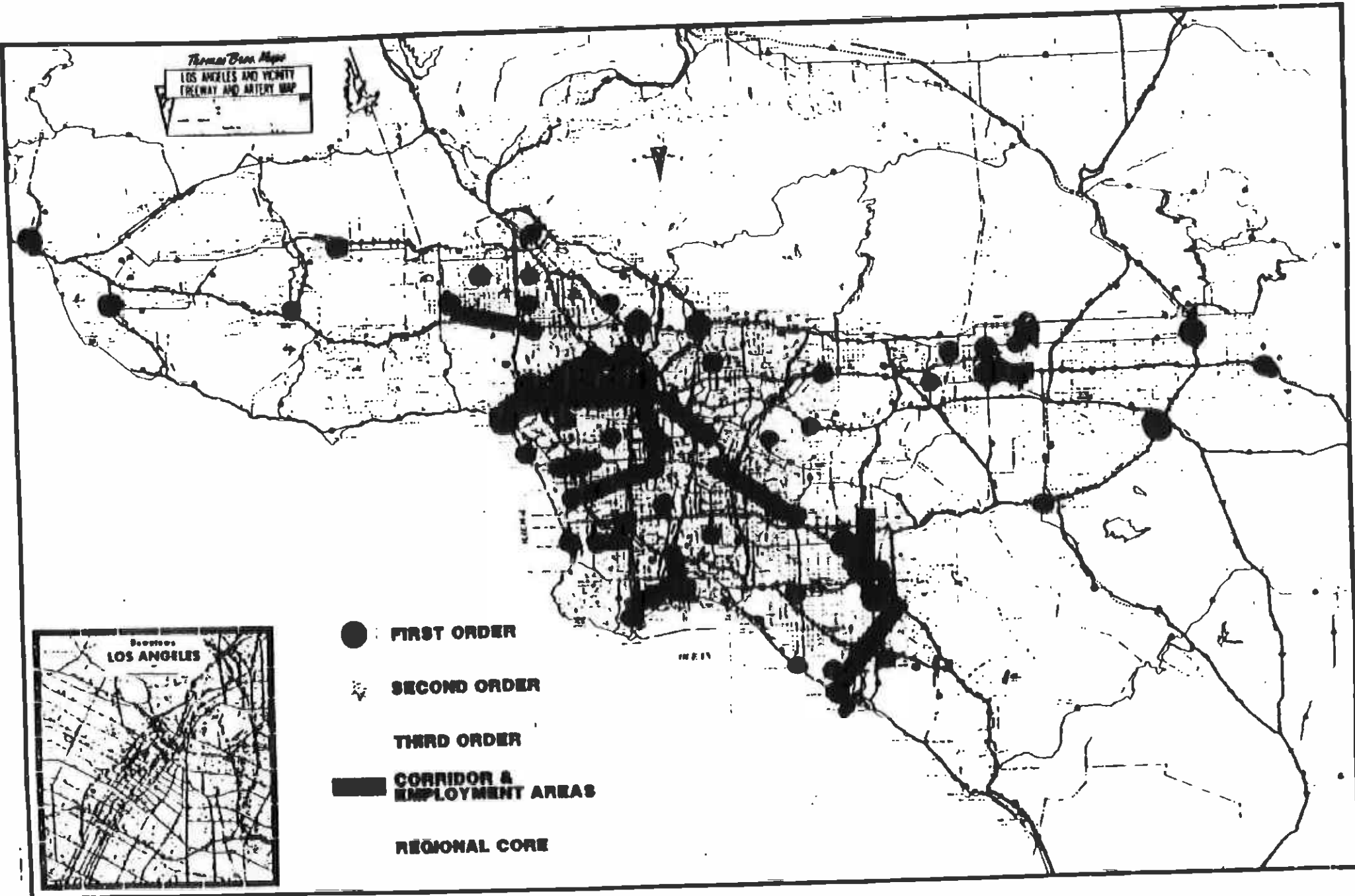
The Southern California Association of Governments (SCAG) serves as the Metropolitan Planning Organization for the Los Angeles Urbanized Area and has been one of the strongest supporters of the Metro Rail Project. Representing the six counties of Los Angeles, Orange, Ventura, San Bernardino, Riverside and Imperial, SCAG publishes population and employment data, including growth forecasts. Some of these forecasts are staggering in their implications for highways and mass transit.

As Figure 1 shows, most of the heavy population and employment centers are located in the Los Angeles regional core, the fastest growing area of Los Angeles County. A 64-square mile triangular area of Los Angeles, bounded by the San Fernando Valley/Hollywood Hills to the north, the Santa Monica Freeway to the south, downtown to the east, and Robertson Boulevard to the west, the regional core will be directly served by the Metro Rail Project. Metro Rail will also serve commuters from surrounding areas through bus and automobile connections.

The regional core contains the highest concentration of residents and employees in the greater Los Angeles area. In fact, nearly half of RTD's 1.6 million weekday boardings are made in the core. Along Wilshire Boulevard alone, buses carry more than 190,000 weekday passengers. That represents a greater patronage than most rail lines operating in this country.

FIGURE 1

POPULATION AND EMPLOYMENT AREAS WITHIN THE SCAG REGION



II. TOTAL DAILY PERSON TRIPS

A person trip is generated every time an individual moves from one point to another along public streets. The number of person trips within Los Angeles County is roughly equivalent to the total number of person trips within the entire state of Florida and is greater than the total daily trips in 41 states.

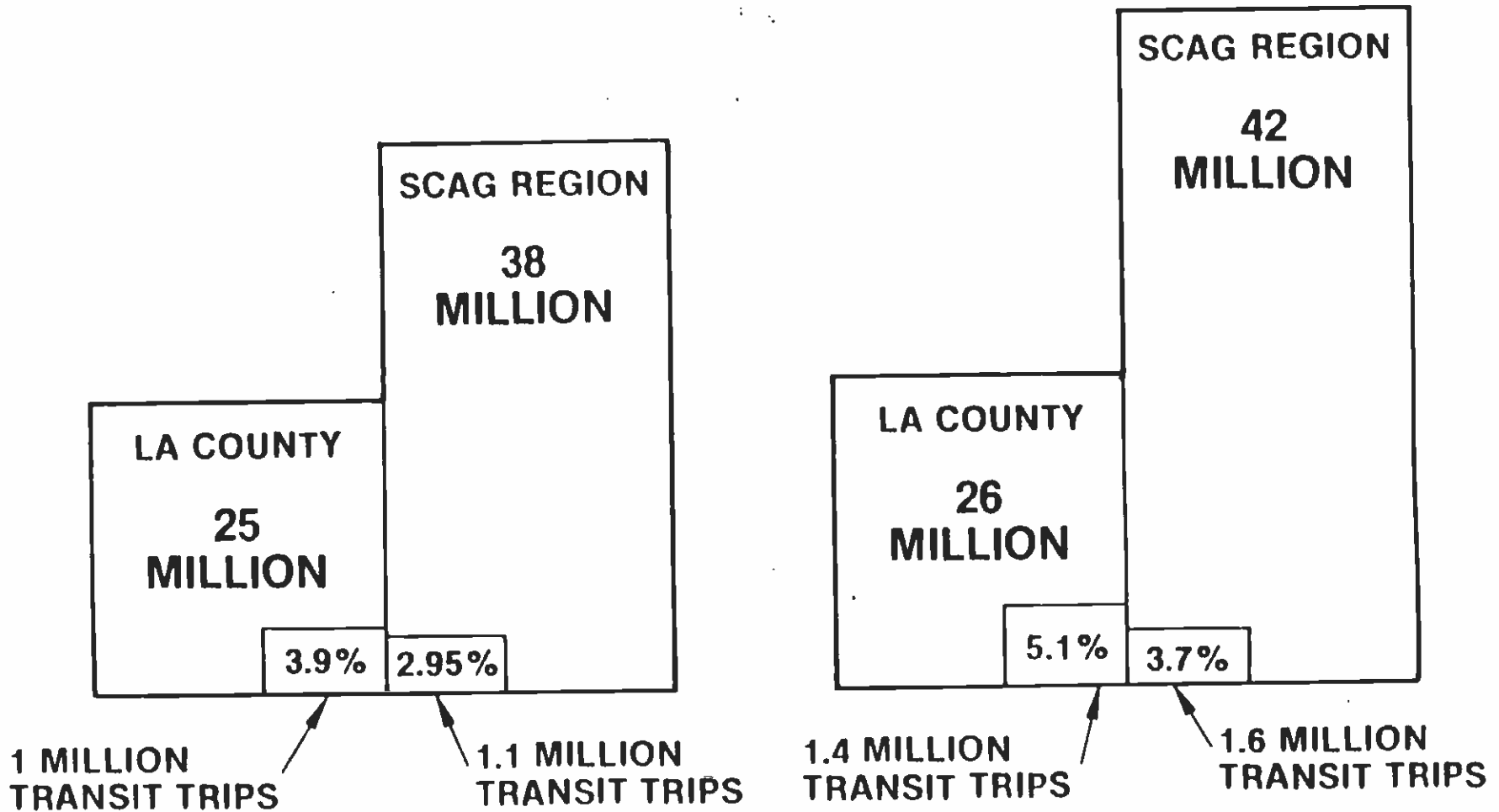
Figure 2 shows the total person trips in Los Angeles County and in the SCAG region in 1980 and the SCAG projections for 1986. As a subset of the total person trips, the linked transit trips for the same geographic area are also shown. In Fiscal Year 1984 the RTD already is carrying more transit passengers than the total projected to be carried in Fiscal Year 1986, and ridership continues to swell.

FIGURE 2

TOTAL DAILY PERSON TRIPS

FY 1980

PROJECTED FY 1986



NOTE: TRANSIT TRIPS ARE LINKED TRIPS

III. RTD BUS LINES

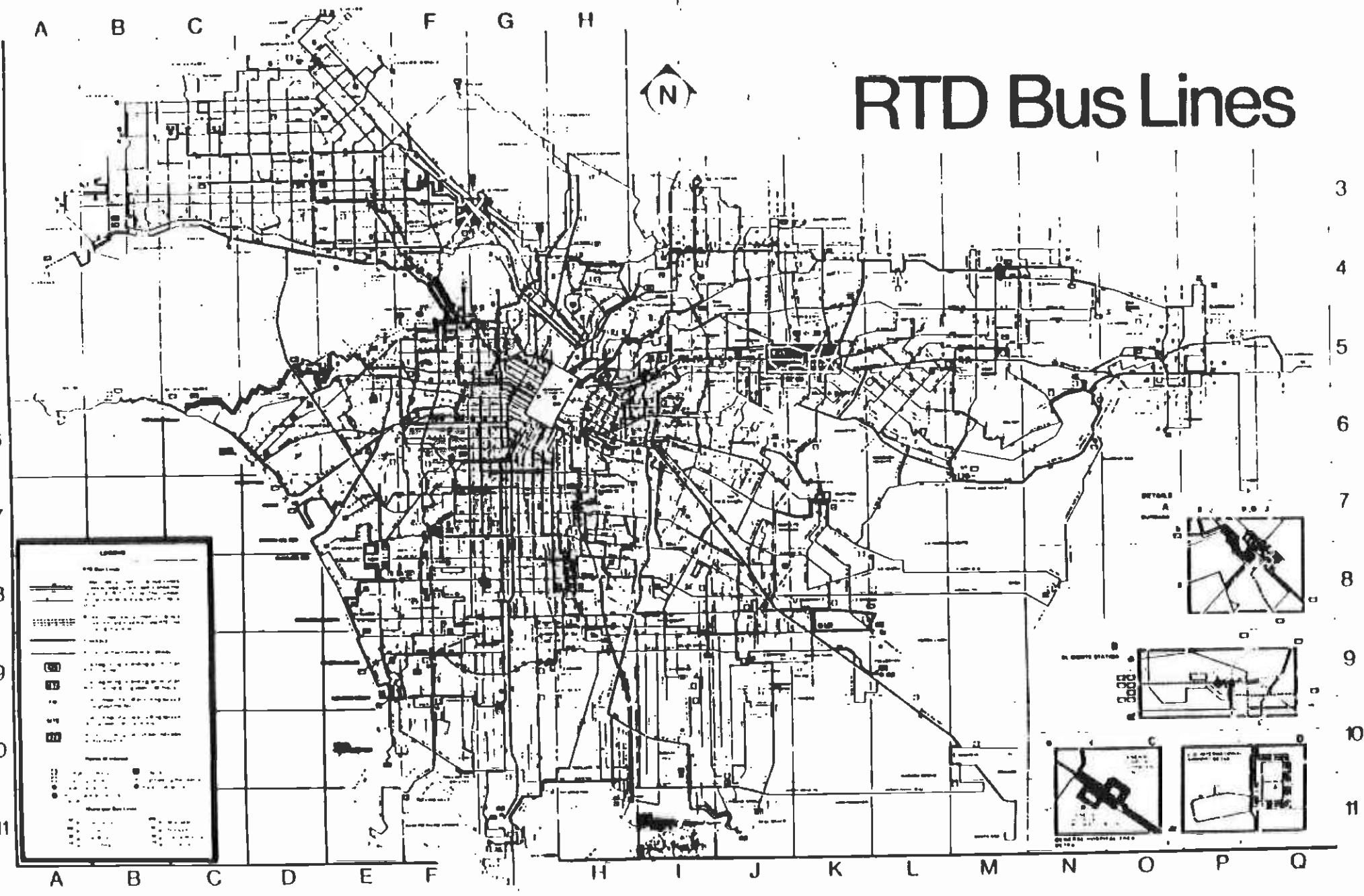
As Figure 3 shows, the RTD currently provides service over more than 200 individual bus routes within a 2,200 square mile area. RTD buses carry 1.6 million passengers per day, an increase of almost 500,000 riders per day in the past year. This increase alone totals more than twice the number of passengers that Houston carries on its bus system and 100,000 more riders than Atlanta carries on its combined bus/rail system.

This data makes the RTD the third largest transit system in the country and, with more than 2600 active buses, clearly the largest all-bus system in North America. The more than 415 million annual boardings recorded last fiscal year exceeded the previous year's total by more than 60 million boardings.

Many lines currently operate at 140% of capacity, and the lines along Wilshire Boulevard carry more than 190,000 daily boardings. This ridership level exceeds that of most individual rail lines in the United States and is equal to the ridership of the entire 71-mile BART system.

FIGURE 3

RTD Bus Lines



3
4
5
6
7
8
9
10
11

IV. CENTRAL BUSINESS DISTRICT TRANSIT TRAVEL

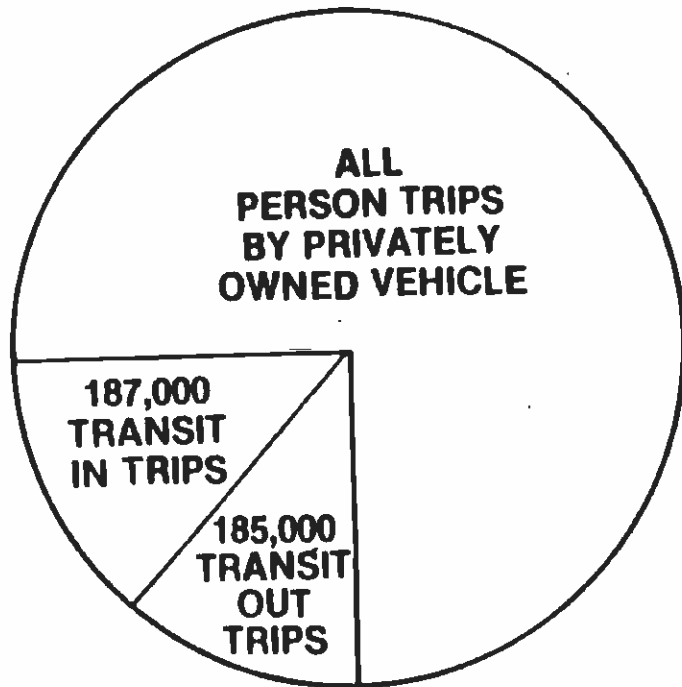
During the peak hours from six to eight A.M., more than 45% of all trips into the Los Angeles central business district (CBD) are by public transit vehicles as is shown by Figure 4. To maintain this mode split in the face of the tremendous commercial and residential growth already planned in the downtown area would require the addition of hundreds of buses every peak hour to already congested downtown streets.

What concerns transportation planners as both a problem and a potential opportunity is the impact of the high-rise construction boom in the CBD, where an additional 15-20 million square feet of office space is scheduled for completion by 1990. Firms utilizing this space are expected to provide employment for an additional 120,000 persons who will enter and leave the downtown area each day. The resulting increase of cars on surface streets threatens to paralyze traffic flow through the gridlock of autos at intersections during rush hours, when cars are at a standstill in all directions. Los Angeles is already beginning to experience this phenomenon -- additional buses would simply make a bad problem worse.

FIGURE 4

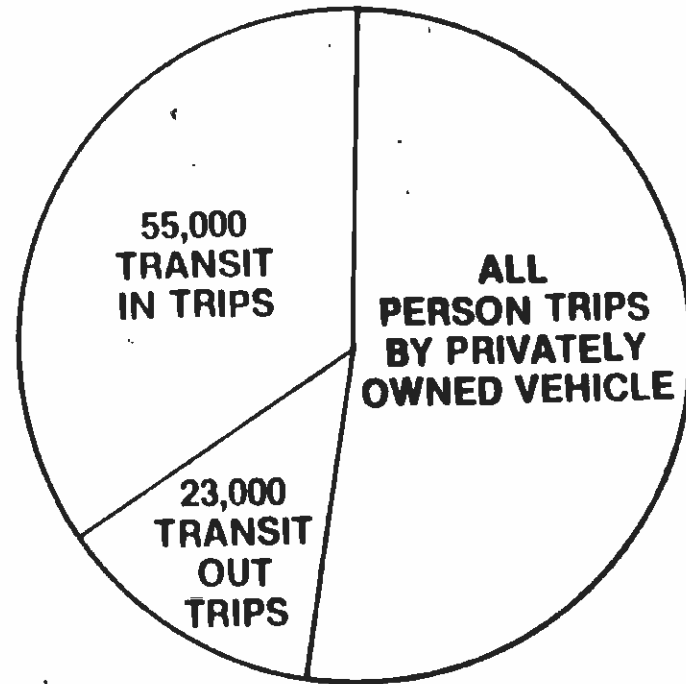
CENTRAL BUSINESS DISTRICT TRANSIT* TRAVEL

**TOTAL TRIPS
6 A.M. TO 10 P.M.**



24% OF ALL TRIPS

**TOTAL PEAK-HOUR TRIPS
6 A.M. TO 8 A.M.**



45% OF ALL TRIPS

***OVER 95% OF TRANSIT TRIPS BY RTD**

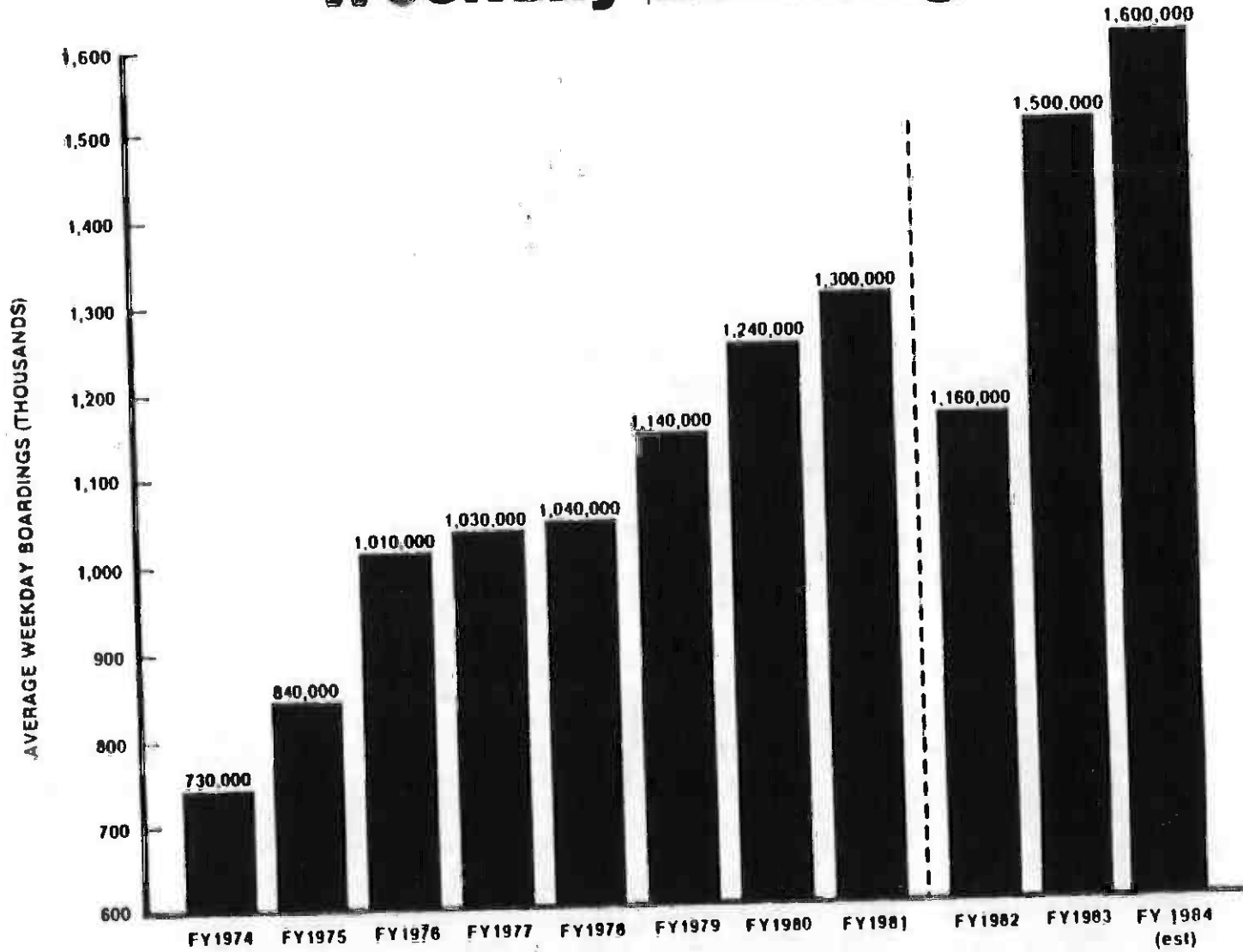
V. RTD AVERAGE WEEKDAY BOARDINGS

Ridership on RTD buses has more than doubled over the past decade. As can be seen in Figure 5, the weekday boardings initially increased from 730,000 in FY 1974 to more than 1,300,000 in FY 1981. At that time, the District was forced to drastically reduce service and increase fares due to anticipated Federal funding reductions and a lawsuit preventing the collection of Proposition A, the local sales tax, which had been passed by the voters in November, 1980.

The fare increase and service reductions resulted in a temporary drop to 1.1 million boardings. However, the approval of Proposition A by the California Supreme Court provided a great boost to transit ridership in the Los Angeles area. District planners anticipated ridership to rebound to between 1.3 and 1.4 million boardings. In fact, passenger boardings exceeded 1.5 million per day by June, 1983. By November the ridership had increased to more than 1.6 million passengers each day.

FIGURE 5

RTD Average Weekday Boardings



VI. PUBLIC SUPPORT OF MAJOR RAIL TRANSIT CORRIDORS

Figure 6 shows the priority transit corridors approved by more than 54 percent of the voters of Los Angeles County in November, 1980. The 140-160 mile rapid transit system which evolves from this vote will utilize both light and heavy rail lines as well as a strong and efficient bus system. Due to the scale of the transportation challenges facing this region, Los Angeles must develop several corridors simultaneously:

For instance, the Metro Rail Project is the first modern rail rapid transit project in Los Angeles to move beyond the "study" phase. Ground breaking is scheduled for June, 1984 for this high capacity starter line component of the eventual 140-160 mile system.

The Los Angeles/Long Beach light rail line, already in preliminary engineering, will serve the corridor from "L.A. Civic Center" to Long Beach. Construction is scheduled to begin on this project in 1985 with completion targeted for 1987-1988.

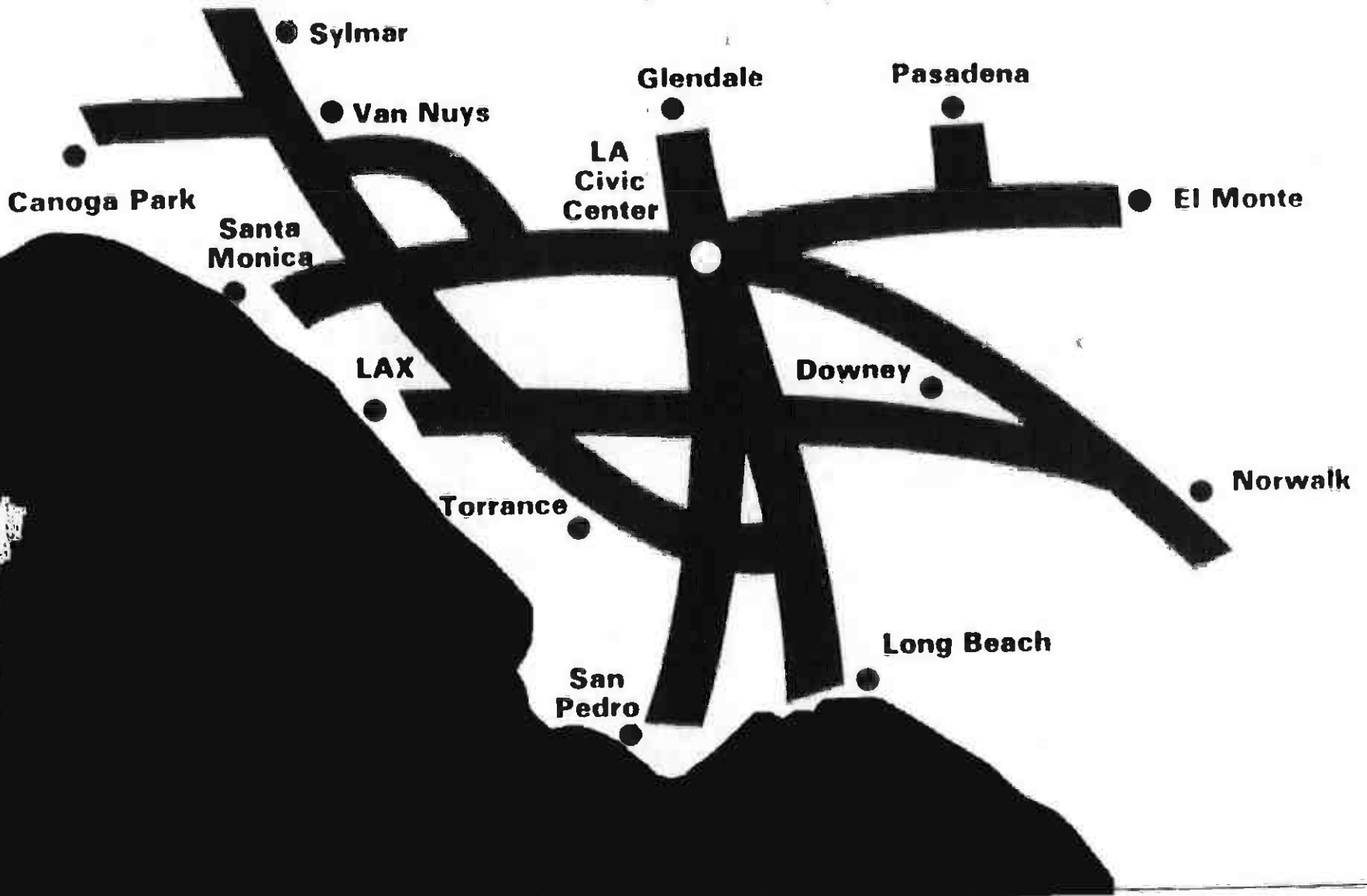
The California Department of Transportation has approved a transitway within the Harbor Freeway corridor from "LA Civic Center" to San Pedro. This project will provide exclusive lanes for high occupancy vehicles (HOV) and buses.

The construction of the Century Freeway from Los Angeles International Airport (LAX) to Norwalk will include an exclusive bus/HOV guideway incorporating 10 transit stations. Construction techniques will allow its future conversion to light rail rapid transit.

The Los Angeles County Transportation Commission (LACTC) will soon select additional corridors to develop under the Proposition A rapid transit program. The Commission is currently conducting a comprehensive study of the transit needs in the corridors shown on the map.

FIGURE 6

Major Rail Transit Corridors



RTD

RTD Metro Rail

VII. SCRTD METRO RAIL PROJECT MILESTONES

The Metro Rail Project has undergone more public scrutiny than any other rail rapid transit system built during the past decade. The District actively sought the participation of all Los Angeles residents during preliminary engineering. RTD Directors relied heavily on community input before adopting policies for the 12 important decision points, or Milestones, identified in Figure 7.

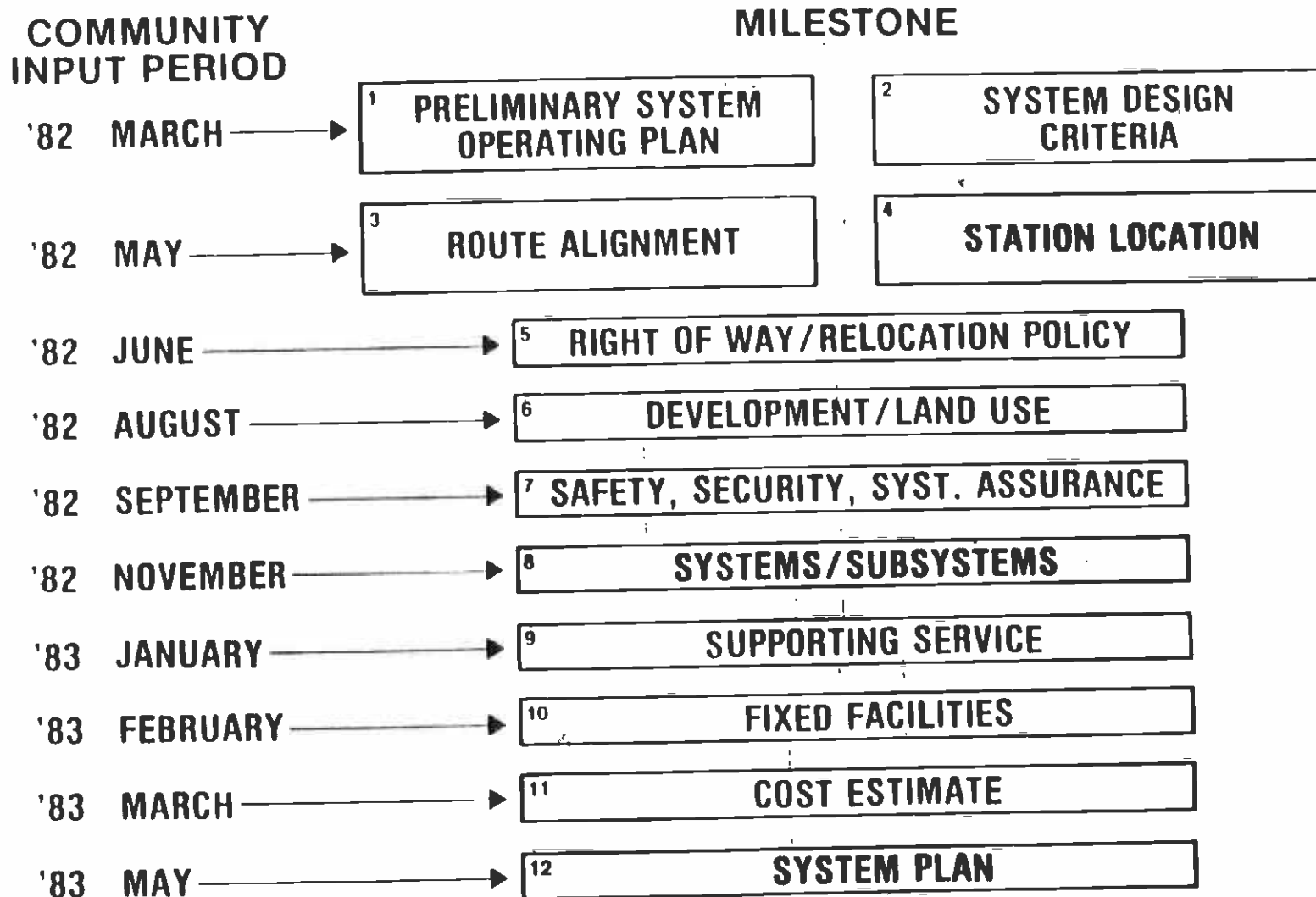
To date, approximately 10,000 interested citizens have aired their views at more than 120 community meetings along the proposed alignment. Citizens in downtown Los Angeles, along Wilshire Boulevard, in the Fairfax district, and in Hollywood and North Hollywood participated in this unprecedented community outreach program. The meetings provided to the public direct access to Metro Rail architects and engineers as well as to RTD decision makers.

The public review process peaked in July, 1983 when more than 1,000 persons attended public hearings on the Metro Rail Draft Environmental Impact Statement/Report.

Over 200 people testified at the eight public hearings and voiced their opinions on the environmental, social, and economic impacts of Metro Rail in Los Angeles County. Of those who testified, 88% were in favor of building the project as quickly as possible; 31 out of 32 elected officials expressed similar support.

FIGURE 7

SCR TD METRO RAIL PROJECT MILESTONES



VIII. ROUTE ALIGNMENT AND STATION LOCATIONS

Metro Rail will run from Union Station through the Los Angeles Central Business District, along Wilshire Boulevard to Fairfax Avenue, then turn north through Hollywood and then under the Santa Monica Mountains to North Hollywood (as shown in Figure 8). It will link the major high-density activity centers between downtown and the San Fernando Valley. The Hollywood Bowl station has been deferred from the initial federal funding application, however, it is included in the Environmental Impact Statement for future construction with local funds.

An estimated 268,000 riders a day will travel on Metro Rail when revenue service along the entire 18.6 mile line begins in 1990. By the year 2000, Metro Rail patronage is expected to reach 364,137 daily riders.

The RTD's Metro Rail ridership figures were developed from a state-of-the-art modelling package approved by UMTA and in conjunction with the Southern California Association of Governments and the California Department of Transportation. The computer models also included input from the U.S. Census Bureau, the Los Angeles County Transportation Commission, the Orange County Transportation Commission, and other area transit operators.

The following is a list of projected average daily ridership at each of the 18 planned Metro Rail stations:

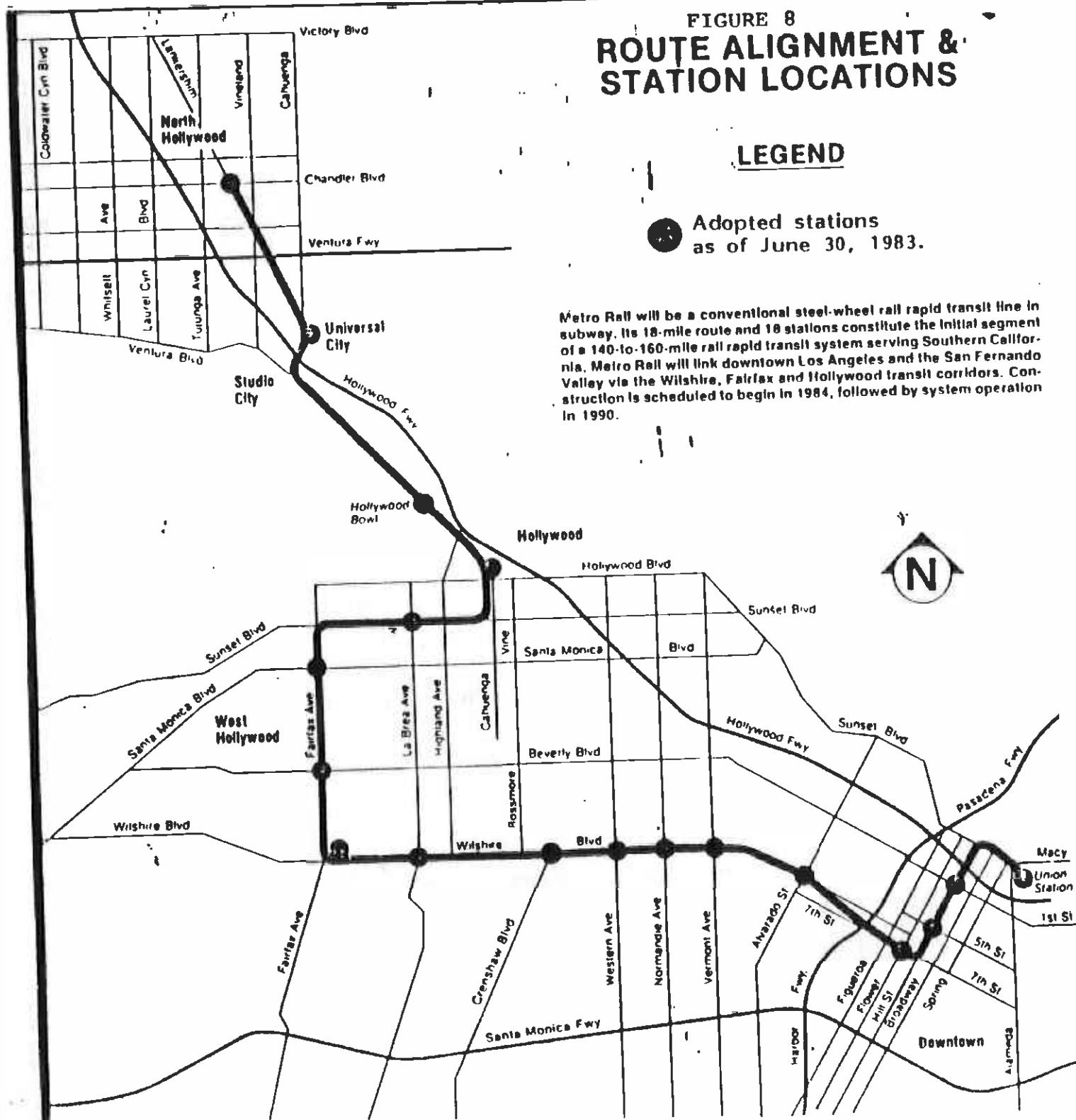
	<u>Year</u> 1990	<u>Year</u> 2000
Union Station	18,766	22,953
Civic Center	13,982	20,352
5th & Hill	33,972	44,356
7th & Flower	27,332	32,254
Alvarado	29,444	41,345
Vermont	27,601	36,610
Normandie	8,951	13,611
Western	17,980	25,109
Crenshaw	10,324	13,169
La Brea	7,653	11,327
Fairfax	14,556	19,762
Beverly	6,676	10,140
Santa Monica	11,666	16,920
Sunset	5,716	8,388
Cahuenga	9,132	14,002
Hollywood Bowl	3,140	4,440
Universal City	11,940	17,463
North Hollywood	9,330	11,936
TOTAL	<u>268,161</u>	<u>364,137</u>

FIGURE 8 ROUTE ALIGNMENT & STATION LOCATIONS

LEGEND

● Adopted stations
as of June 30, 1983.

Metro Rail will be a conventional steel-wheel rail rapid transit line in subway. Its 18-mile route and 18 stations constitute the initial segment of a 140-to-160-mile rail rapid transit system serving Southern California. Metro Rail will link downtown Los Angeles and the San Fernando Valley via the Wilshire, Fairfax and Hollywood transit corridors. Construction is scheduled to begin in 1984, followed by system operation in 1990.



IX. DESCRIPTION OF METRO RAIL PROJECT FUNDING SOURCES

There are a total of seven separate funding sources involved in financing the Metro Rail Project as shown in Figure 9. Each source has a major role to play.

1. UMTA Section 3 (\$2.012 billion)

While the UMTA Act, as amended, allows the federal government to participate in up to 75% of the cost of rapid transit construction, the RTD has drafted a financial program which anticipates only a 62% participation by UMTA through Section 3. Under this plan, the District's Section 3 grant application will request \$2.012 billion from UMTA over a seven-year period.

In FY 1984 it is anticipated that UMTA will issue a Letter of Intent with the concurrence of appropriate Congressional committees for funds through the end of the current authorization period of FY 1986, and will issue a Letter of No Prejudice for the balance of the Project, subject to authorizations of the Congress, and will approve a grant for \$117.2 million from FY 1984 appropriations.

In addition to the proposed UMTA Section 3 share, the District's financial plan anticipates funding from five additional fund sources, including the private sector. The local commitment to this broad-based plan is evidence that the Metro Rail Project now possesses wide political and community consensus and support.

2. State of California (\$400 million)

State participation in the Metro Rail Project will be funded through the State Guideway Program. That program is financed from two primary sources. The Article XIX program is also known as the "Proposition 5" program, in recognition of the 1974 State ballot measure that authorized the use of highway taxes for guideway projects as well as for highways, streets, and roads. That program is financed primarily from the \$.09 per gallon State Highway user's tax on gasoline. In addition, state guideway projects are financed from revenues from one-quarter cent of the state \$.06 sales tax, under a program known as the Transportation Planning and Development Account (TP&D).

The approximately \$400 million commitment to the Metro Rail Project has been made by the California Transportation Commission, exercising its discretionary responsibility for allocation of State transportation funds.

3. Los Angeles County Transportation Commission (LACTC) (\$412 million)

LACTC funding for the Metro Rail Project will be primarily from a half-cent sales tax in Los Angeles County. Approved as a county-wide ballot measure known as Proposition A, the sales tax generated approximately \$210 million in FY 1983 for transportation purposes.

Through June, 1985, 25% of the tax proceeds is returned directly to the cities in the county; RTD and municipal bus operators are subsidized to maintain local bus fares at \$.50; and the balance of the proceeds are reserved for construction of a rail rapid transit system, including Metro Rail. After July, 1985, the 25% return to cities will continue, however, 35% of the remaining tax revenues must be used for rapid transit construction, and the 40% balance will be allocated at the discretion of the LACTC for public transit projects such as fare relief or accelerated rail transit construction.

From this local tax, a clearly identified source of funding is available for rail transit construction. It is expected that beginning in July, 1985, as much as \$180 million could be available annually for rapid transit construction.

4. Local/Private (\$170 million)

This source of revenue is derived from special benefit assessment districts to be implemented by SCRTD by assessment of property owners located near proposed Metro Rail stations. This power was created under State legislation passed October 1, 1983.

The District intends to retain the services of economic and financial planning consultants to assist in assessing the potential economic benefits which would accrue to commercial properties surrounding transit stations. Based upon these projections of increased economic benefits, the District Board would create benefit assessment districts within a one mile radius of downtown stations and within a one-half mile radius around stations along the balance of the alignment. Assessments would be based on parcel size and/or floor area.

Once the assessment districts are in place, the District would issue bonds against the anticipated annual revenues from the assessment districts. This bonding would raise an anticipated 5% of the total cost of construction of the Project.

5. UMTA Section 9 (\$206 million)

By agreement, Section 9 funds received by the Los Angeles/Long Beach Urbanized Area (UZA) are allocated among Los Angeles, Orange, and San Bernardino Counties based upon a formula, comprised of factors of revenue vehicle miles, population and population/population density.

Within Los Angeles County, the Los Angeles County Transportation Commission (LACTC) sub-allocates funding among 14 transit operators based upon formula factors of revenue vehicle miles, total vehicle miles and total ridership. Los Angeles County receives approximately 82% of the UZA Section 9 funds, and within Los Angeles County, the SCRTD receives approximately 85% of the allocation. Seven percent of the construction cost is projected to be provided from this source.

6. City of Los Angeles (\$69 million)

The primary source of funds available to the City of Los Angeles for rapid transit is the local return portion of Proposition A. Twenty-five percent of the revenues generated by the one-half cent sales tax for transit is allocated to the 83 local municipalities and the unincorporated area of Los Angeles County. During the first year, Proposition A became operative, the City of Los Angeles received about \$23 million. This revenue has generated an additional \$3 million in interest earnings. The District's funding plan requires a commitment of approximately one-fourth of the City's Proposition A revenues. This is determined to be a reasonable percentage of the City's total Proposition A revenue base.

7. State and Local Grant Contracts

Following a commitment by UMTA on the Metro Rail Project, the District intends to execute grant contracts with the three non-federal funding agencies: the State of California, the LACTC, and the City of Los Angeles. These grant contracts will be similar in form and content to an UMTA Full-Funding contract, and will reflect a commitment by the State or Local agency to fund Metro Rail through final design and construction. The funding contracts will remain in effect for the duration of the Project, and will contain two major sections. Each will have the same scope of work for the Project, reflecting a definition of the Project and a description of the major budget categories. The second part of the contract will be tailored to each funding body, and will set forth the annual funding commitment, and the terms and conditions unique to that grantor.

By having three uniform funding contracts, each similar to a federal contract, the participating agencies will each have an early understanding of the entire funding arrangements, their individual obligations, and a clear agreement on what deliverables, reports and approvals will be forthcoming during the Project.

FIGURE 9

METRO RAIL
PROPOSED FUNDING SOURCE SCHEDULE

(MILLIONS OF DOLLARS)

11.	SOURCES	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91	TOTAL	PROJECT SHARE %
	SECTION 3											
	o 62% Share	0	117.2	336	336	365	365	365	127.8	0	2,012	
	o 77% Share*	40	0	0	0	0	0	0	0	0	40	
	TOTAL	40	117.2	336	336	365	365	365	127.8	0	2,052	67
	STATE	39.3	30	53	77	72	57	57	19.7	0	400	12
	LACTC	5.4	38	54	55	56	70	70	42.6	21	412	12
	LOCAL/PRIV.	0	0	80	70	20	0	0	0	0	170	5
	SECTION 9	0	40	20	20	25	25	26	30	20	206	7
	CITY OF L.A.	0	7	7	10	10	11	11	10	3	69	2
	ANNUAL TOTALS	84.7	232.2	550	563	540	520	529	230.1	44	3,309	100

* AVERAGE OF \$15 MILLION AT 80% AND \$25 MILLION AT 75%.

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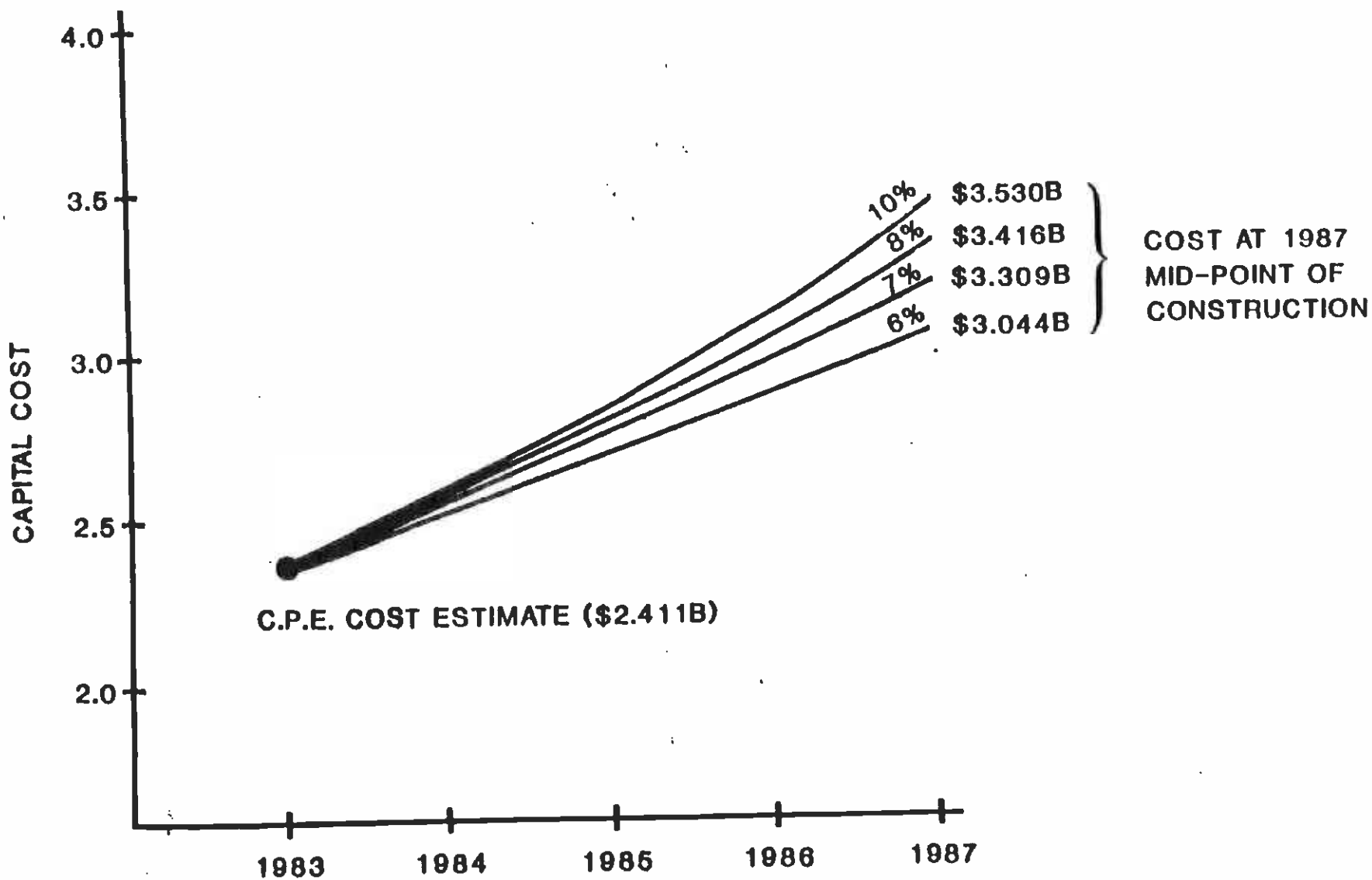
General Manager/Date
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X. METRO RAIL CONTINUING PRELIMINARY ENGINEERING COST ESTIMATE

The cost of the Metro Rail Project in current dollars is \$2.411 billion. However, the Urban Mass Transportation Administration currently requires transit systems to use a seven percent rate of inflation to escalate project costs to the mid-point of construction. With the mid-point of construction in 1987, Metro Rail's escalated cost is \$3.309 billion. Figure 10 displays the impact of various rates of inflation on the final cost of the project.

FIGURE 10

METRO RAIL C.P.E. COST ESTIMATE ESCALATED TO 1987 MID-POINT OF CONSTRUCTION

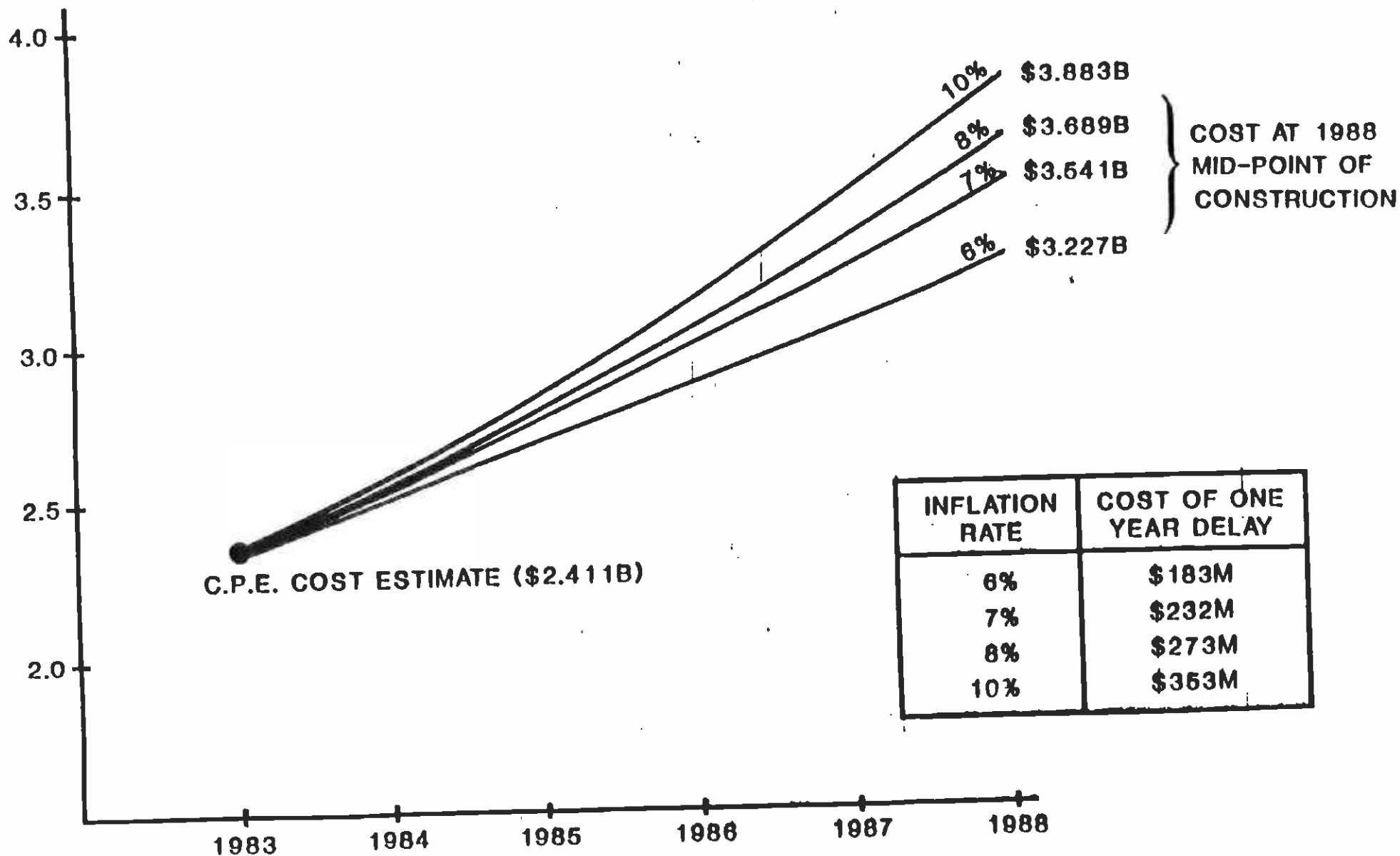


XI. EFFECTS OF DELAY

Figure 11 graphically demonstrates the effect of a one year delay in the construction of the Metro Rail Project. Assuming a rate of inflation of seven percent, this delay would add \$232 million to the cost of the project -- \$635,000 per day.

FIGURE 11

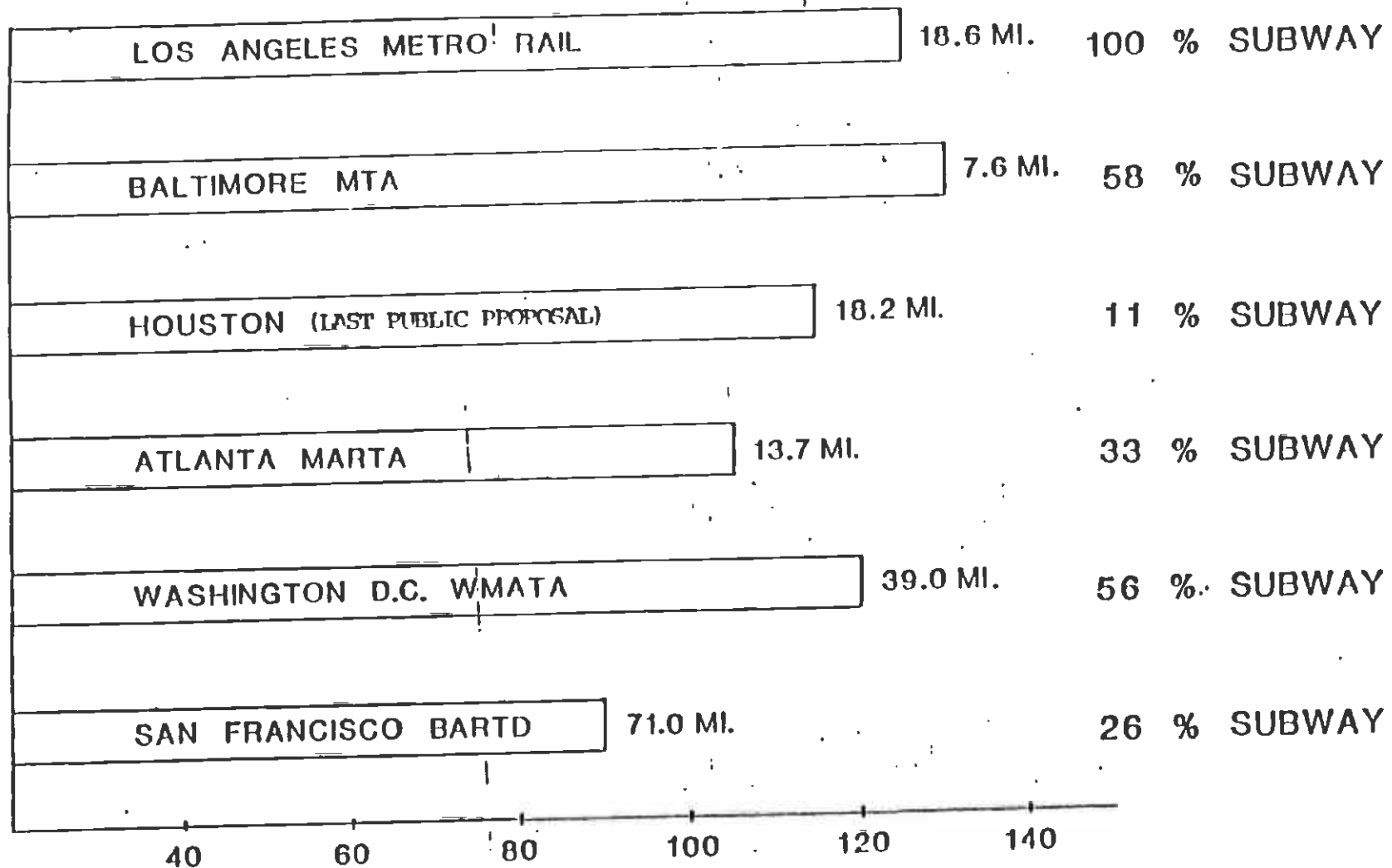
METRO RAIL C.P.E. COST ESTIMATE WITH ONE YEAR DELAY TO 1988 MID-POINT OF CONSTRUCTION



XII. COMPARISON OF CONSTRUCTION COSTS OF METRO RAIL VS. OTHER SYSTEMS

Figure 12 shows that, on a per mile basis, the construction costs of the Metro Rail Project are less than or similar to those incurred or projected to be incurred for heavy rail projects in the United States. More significantly, even though Metro Rail will be in subway along its entire alignment, its cost closely approximates that of systems utilizing extensive at-grade and/or aerial configurations.

FIGURE 12
CAPITAL COST
METRO RAIL VS. OTHER SYSTEMS



COST PER ROUTE MILE.
(MILLIONS \$ 1983)

XIII. COMMERCIAL GROWTH AROUND STATIONS

A total of 63.3 million square feet of commercial floor area presently exists within a quarter-mile of the proposed Metro Rail stations. By the year 2000 an additional 28 to 53.5 million square feet is projected to be developed adjacent to these stations. This increase will bring the total square footage adjacent to Metro Rail stations to 91.3 to 116.8 million square feet by the year 2000.

Since the system will directly benefit the businesses occupying commercial structures adjacent to the station areas, an assessment will be placed on these businesses to help pay for station construction.

Initially, the assessments will be apportioned among the existing commercial space in the station area. However, over time these assessments will be expanded to include newly constructed commercial facilities, ensuring a long-term, stable income stream. At least \$170 million, or 5%, of Metro Rail's total cost will result from these benefit assessments.

FIGURE '13

**EXISTING AND PROJECTED COMMERCIAL FLOOR AREA
ADJACENT TO METRO RAIL STATIONS**

IN MILLIONS OF SQUARE FEET

STATION AREAS	EXISTING	ADDITIONAL BY YEAR 2000	TOTAL IN YEAR 2000
CBD (4 STATIONS)	38.9	15.7 TO 25.0	54.6 TO 63.9
WESTLAKE (1 STATION)	1.4	0.2 TO 1.3	1.6 TO 2.7
WILSHIRE/FAIRFAX (7 STATIONS)	17.5	7.0 TO 16.9	24.5 TO 34.4
HOLLYWOOD (4 STATIONS)	4.0	1.0 TO 4.8	5.0 TO 8.8
UNIVERSAL CITY/ NO. HOLLYWOOD (2 STATIONS)	1.5	4.1 TO 5.5	5.6 TO 7.0
ALL STATION AREAS [■]	63.3	28.0 TO 53.5	91.3 TO 116.8
TOTAL REGIONAL CORE	232.8	38.6 TO 65.3	271.4 TO 298.1

■ APPROXIMATELY A QUARTER-MILE RADIUS CIRCLE

SOURCE: URBAN FIG. 13.5, BOSTON AREA METRO RAIL 1991

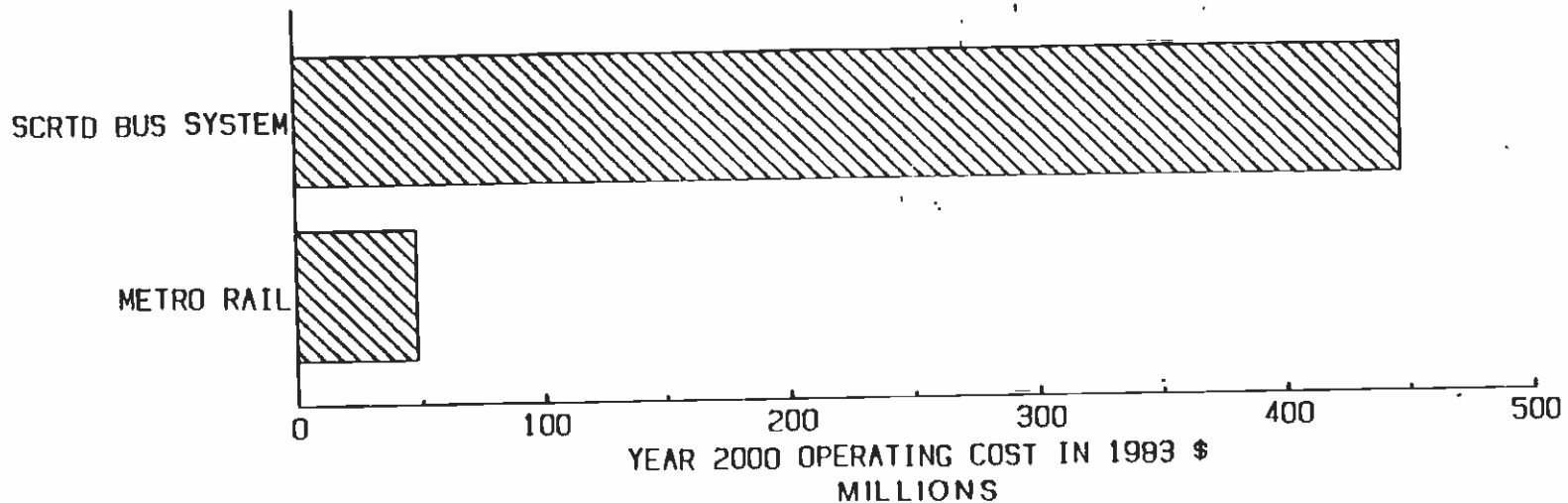
XIV. OPERATING COSTS OF THE SCRTD BUS SYSTEM VS. METRO RAIL

The top chart in Figure 14 shows that in the year 2000 it will cost only one-ninth as much to operate Metro Rail as it will to operate the SCRTD bus system. Using 1983 dollars for comparison, Metro Rail will only require \$48.5 million annually while the bus system will require more than \$447 million. The second chart also highlights the efficiency of rail rapid transit. Again using 1983 dollars for comparison, on a cost-per-passenger basis transporting passengers on Metro Rail will cost less than 50 percent of what it will cost to transport passengers by bus.

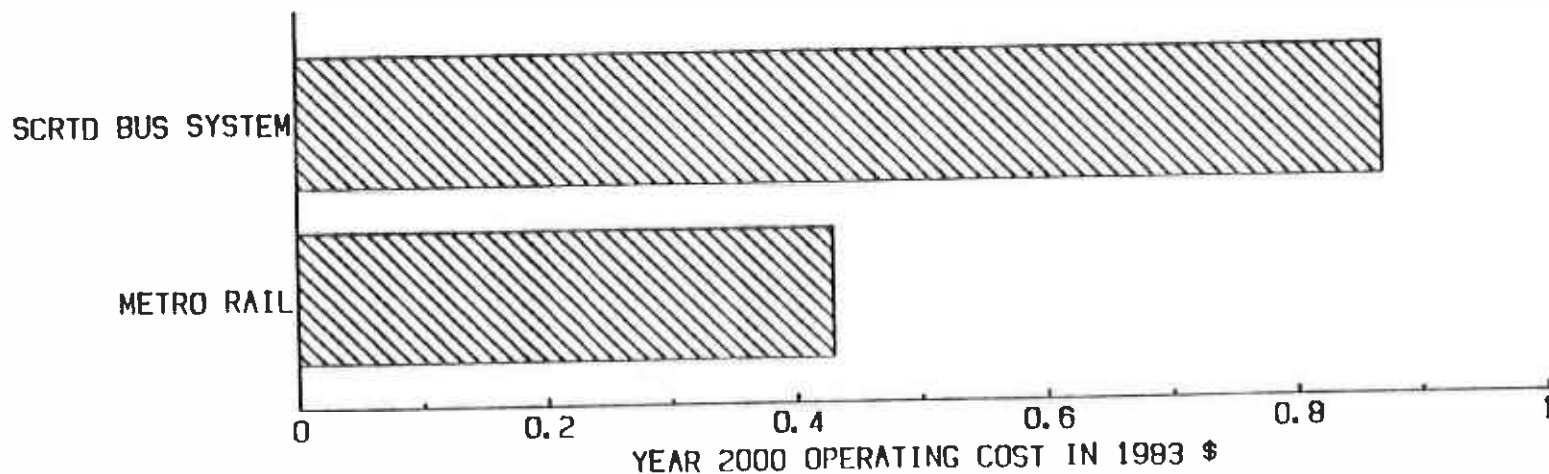
FIGURE 14

OPERATING COST-SCRTD VS. METRO RAIL

ANNUAL OPERATING COST



COST PER PASSENGER



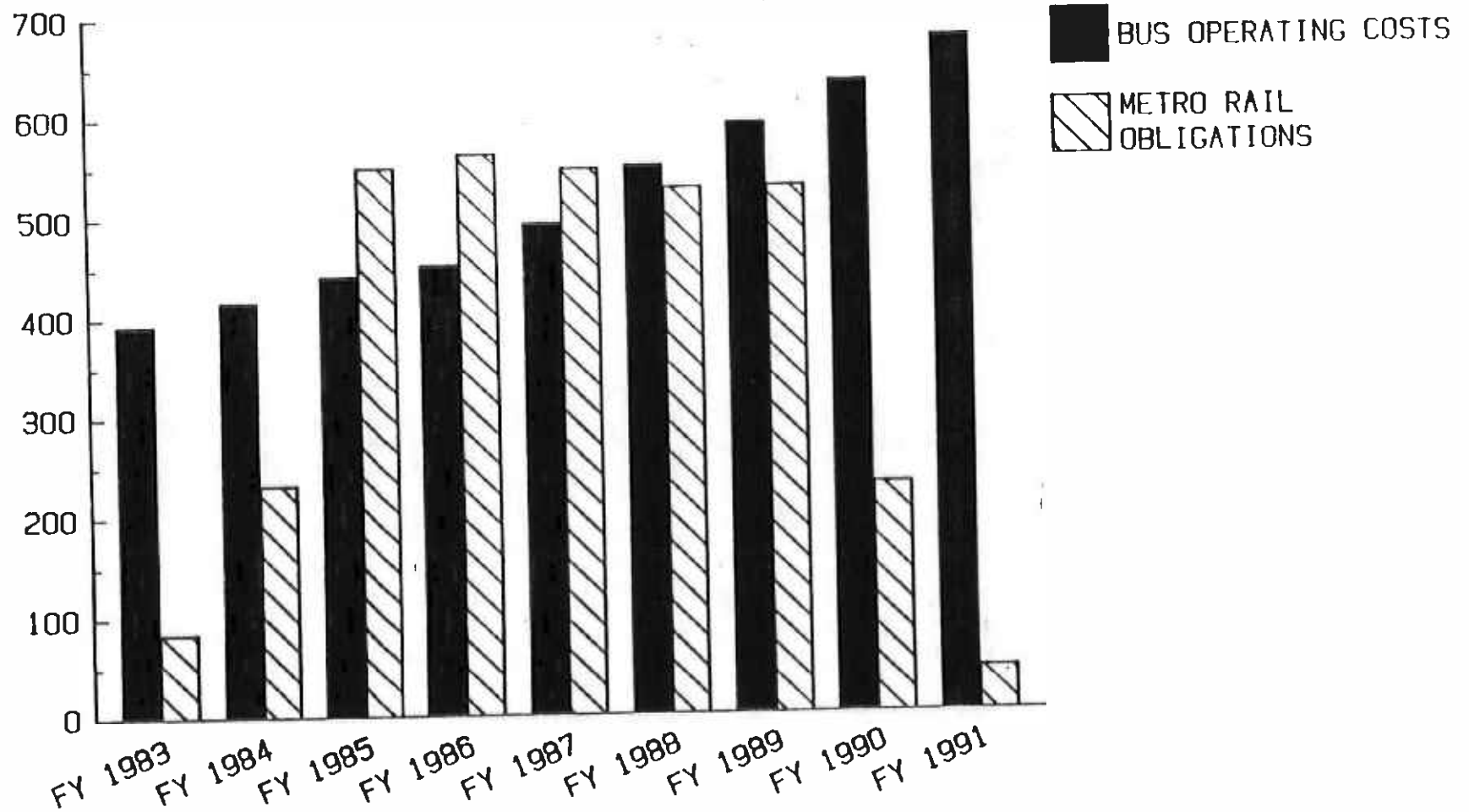
XV. METRO RAIL ANNUAL OBLIGATIONS ESTIMATE COMPARED TO
ESTIMATED ANNUAL BUS OPERATING COSTS

The contractual obligations estimated to be committed during the peak construction years of the Metro Rail Project are not at all out of scale with the annual operating costs of the SCRTD's bus fleet. As Figure 15 depicts, total obligations to complete Metro Rail are estimated at \$3.309 billion. In contrast, the SCRTD's bus operations are estimated to total \$4.647 billion over the same period.

FIGURE 15

METRO RAIL ANNUAL OBLIGATIONS ESTIMATE COMPARED TO ESTIMATED ANNUAL BUS OPERATING COSTS

COSTS/OBLIGATIONS (MILLIONS)



XVI. COMPARISON OF MAJOR TRANSIT SERVICE AREAS

From 1971-1981, the federal government allocated over \$8.0 billion among six regions across the country for construction of new rail rapid transit projects. These areas -- Washington, D.C., Miami, Atlanta, Baltimore, Buffalo, and Portland -- also received more than \$400 million to purchase buses. Although the Los Angeles urbanized area exceeds the combined population and land size of these six cities, Los Angeles received only \$322 million (1/25 of the total) for bus purposes and \$12 million for engineering work on the Metro Rail Project.

Figure 16 shows this historical inequity:

FEDERAL TRANSIT FUNDING COMMITMENTS 1971-1981

REGION	POPULATION	AMOUNT
Washington, D.C.	3.0 million	\$4.9 billion
Miami	1.6 million	0.9 billion
Atlanta	1.1 million	1.1 billion
Baltimore	1.5 million	0.8 billion
Buffalo	1.0 million	0.4 billion
Portland	<u>1.0 million</u>	<u>0.3 billion</u>
TOTALS	9.2 million	\$8.4 billion
Los Angeles	9.5 million	\$0.3 billion

**LOS ANGELES AREA
SIZE & POPULATION COMPARISON OF
SERVICE AREAS & TRANSIT FLEET**

MIAMI

340 SQ. MI. 1,608,357 POP.
21 MI. OF RAIL SYSTEM UNDER
DESIGN &/OR CONSTRUCTION
EST. COST \$951 MILLION
772 BUSES

BUFFALO

266 SQ. MI. 1,002,000 POP.
6.2 MI. OF RAIL SYSTEM UNDER
DESIGN &/OR CONSTRUCTION
EST. COST \$450 MILLION
473 BUSES

BALTIMORE

250 SQ. MI. 1,500,000 POP.
8 MI. OF RAIL SYSTEM UNDER
DESIGN &/OR CONSTRUCTION
EST. COST \$798 MILLION
1,055 BUSES

ATLANTA

800 SQ. MI. 1,072,000 POP.
13.7 MI. OF RAIL SYSTEM IN SERVICE
COST OF RAIL IN SERVICE
\$1.14 BILLION
13.7 MI. OF RAIL SYSTEM UNDER
DESIGN &/OR CONSTRUCTION
COST \$1.8 BILLION
780+ BUSES

WASHINGTON

1400 SQ. MI. 3,054,600 POP.
39.2 MILES OF RAIL SYSTEM IN SERVICE
COST OF RAIL IN SERVICE
\$2.4 BILLION
36 MI. OF RAIL SYSTEM UNDER
DESIGN &/OR CONSTRUCTION
EST. COST \$5.9 BILLION
1767 BUSES

**SCRTD
LOS ANGELES**

2,200 SQ. MI. 8,000,000 POP.
2,450 BUSES



XVII. CONCLUSION

The case for building the Los Angeles Metro Rail Project is indeed very compelling. The Los Angeles urbanized area is the second largest and the second most densely populated urbanized area in the United States and is, by far, the largest in the Western World without a rail rapid transit system. Population projections anticipate an additional 2 to 3.5 million residents by the year 2000 -- the equivalent of adding the entire population of a city the size of Baltimore or Houston in the next 16 years.

The scale of the Los Angeles area, when measured in total person trips, is greater than that of 41 states and equivalent to that of the entire state of Florida. The SCRTD bus system currently carries more than 1.6 million of these person trips and the bus ridership along Wilshire Boulevard, which will be directly served by the Metro Rail, currently exceeds 190,000 -- more than that of most individual rail lines in the United States and equal to the ridership of the entire 71-mile BART system.

The transportation challenges facing the Los Angeles area are magnified in the central business district. During the peak hours from six to eight A.M., more than 45% of all trips into the downtown area are by public transit vehicles. To maintain this mode split in the face of the 15-20 million additional square feet of office space (housing an additional 120,000 employees) planned by 1990, would require the addition of hundreds of buses every peak hour to already congested downtown streets. The resulting gridlock could paralyze traffic flow.

In November, 1980, the citizens of Los Angeles recognized this problem when more than 54 percent voted to tax themselves to build a 140-160 mile rail rapid transit system for which Metro Rail will be the high-capacity starter line. The strength of this local support is further demonstrated by the higher than required local contribution to the cost of the project. Thirty-eight percent of Metro Rail's cost will come from sources other than Section 3 (compared to 25 percent required by the Surface Transportation Assistance Act).

By granting a Letter of Intent/Letter of No Prejudice for the Los Angeles Metro Rail Project, UMTA can begin to correct the historic inequity in Section 3 funding over the past decade. Delaying a decision on this vitally needed project will only increase its costs -- in Metro Rail's case, by more than \$635,000 a day, \$232 million a year.