



**Metro**

Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Te  
metro.net

**13**

**PLANNING AND PROGRAMMING COMMITTEE  
OCTOBER 18, 2006**

**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE  
OCTOBER 19, 2006**

**SUBJECT: STATE TRANSPORTATION INFRASTRUCTURE-RELATED BONDS**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

Receive and file a presentation (Attachment A) on proposed state transportation infrastructure-related bonds that will appear on the November 7, 2006 ballot.

**ISSUE**

California voters will consider the following ballot propositions on November 7, 2006:

- Proposition 1B: The Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006
- Proposition 1C: The Housing and Emergency Shelter Fund of 2006

**DISCUSSION**

By approving Senate Bill 1266 and Senate 1689 on May 16, 2006, the Legislature and the Governor placed two very important transportation initiatives on the November 7, 2006 ballot. Proposition 1B would provide \$19.9 billion for transportation capital improvements statewide, and Proposition 1C would provide \$300 million in additional assistance for transit-oriented developments (TODs) statewide that might aid Metro joint development programs. Attachment A will assist the Board of Directors in explaining the bond propositions to their Los Angeles County constituents and inform the Board of those actions needed, if the propositions pass by majority vote on November 7, 2006.

**NEXT STEPS**

Voters will determine the outcome of Proposition 1B and Proposition 1C on the November 7, 2006 ballot. If Proposition 1B passes, the Board of Directors at its December 2006 meeting must approve a Los Angeles County recommendation that would be developed with Caltrans for the Corridor Mobility Improvement tier of the transportation bond. Corridor Mobility Improvements will need to focus on eligible, competitive state

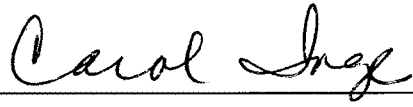
highway projects. If Proposition 1C passes, funding made available will be pursued through the appropriate state application processes.

**ATTACHMENT**

A. Proposition 1B and Proposition 1C: Potential Impact of Proposed State Infrastructure Investments on Transportation Improvements for Los Angeles County

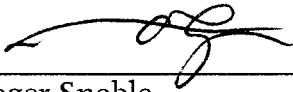
Prepared by:           David Yale, Director of Regional Programming  
                                  Programming and Policy Analysis

                                  Michael Turner, Government Relations Manager  
                                  Government Relations



---

Carol Inge  
Chief Planning Officer



---

Roger Snoble  
Chief Executive Officer

**Los Angeles County Metropolitan Transportation Authority**

**Proposition 1B and Proposition 1C:  
Potential Impact of Proposed State Infrastructure  
Investments on Transportation Improvements for  
Los Angeles County**

**September 2006**



**Metro**

## State Infrastructure Bonds Overview

- Major new State transportation infrastructure investments are embodied in Propositions 1A, 1B, and 1C on the November 7, 2006 Ballot
  - All Propositions require a simple majority vote: 50% + 1
- **Prop. 1A Senate Constitutional Amendment No. 7**
  - Protects gasoline sales taxes for transportation use

## State Infrastructure Bonds Overview

- **Prop. 1B** The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006
  - Provides \$19.9 B in State Bonds for Transportation
- **Prop. 1C** The Housing and Emergency Shelter Trust Fund Act of 2006
  - Provides \$300 M for Transit Oriented Development
  - Provides \$850 M for infill housing, eligible uses include transportation improvements for infill housing

# Proposition 1B Overview

- Statewide \$19.9 B
  - Competitive funding \$11.8 B
  - Formula funding \$ 8.1 B
  - LA County competitive share TBD
  - LA County formula share \$1.9 B
- Competition will be fierce and rules are not yet defined
  - Referees for the competition are:
    - California Transportation Commission (CTC)
    - California Department of Transportation (Caltrans)
    - California Air Resources Board (CARB)
    - State Office of Emergency Services (SOES)
    - Public Utilities Commission (PUC)
  - Competition might yield more than \$3.5 B for LA County
    - Transparent and fair process needed
    - Needs based criteria sought for Corridor Mobility and Ports programs

# Prop 1B Bond Revenue Goals by Category

Category	LA Goal \$'s M	Who Decides? What's eligible?
<input checked="" type="checkbox"/> Corridor Mobility Improvement	\$ 1,541	Metro nominates State Hwy. Projects to CTC
Ports, Security and AQ Imp.	1,500	Freight nominations from __* to CTC & CARB
<input checked="" type="checkbox"/> Transit Modernization - STA	1,040	Formula to Metro/Munis for capital projects
Streets and Roads - county, cities	500	Formula to Cities and County for streets & rds.
<input checked="" type="checkbox"/> Regional Improvement Program	340	Metro nominates whole program to CTC
Interregional Imp. Program	TBD	Caltrans nominates roads and rail to CTC
Transit System Safety, Security	250	Allocation by __* to disaster response needs
State-Local Partnership	200	CTC selects projects that leverage local funds
Highway-Railroad Crossing Safety	75	Caltrans/CTC/PUC select grade crossing projs.
Highway Safety - SHOPP	75	Caltrans selects State Highway maintenance
Highway Safety	70	Caltrans selects local signal synchron. projects
Local Bridge Seismic Retrofit	50	Caltrans provides matching funds for retrofits
Intercity Rail	50	Caltrans selects Amtrak & Metrolink projects
Total (\$ in millions)	\$ 5,691	* = TBD



Metro to be very involved in determining projects.



# Corridor Mobility Improvement Program

- “North/South Split” (40/60) applies to the \$4.5 B Corridor Mobility Improvement Program
  - 60% (\$2.7 B) to be programmed in 13 Southern California counties:

Imperial	San Bernardino
Inyo	San Diego
Kern	San Luis Obispo
Los Angeles	Santa Barbara
Mono	Tulare
Orange	Ventura
Riverside	

# Corridor Mobility Improvement Program Schedule

TASK	DATE
CTC develops initial program guidelines with Regional Transportation Planning Agencies (including Metro) & Caltrans	July 2006-November 2006
Metro/Caltrans District 7 Develop Joint Staff Recommendation (including performance data)	August - November 2006
Vote on Propositions	November 7, 2006
CTC adopts guidelines for Corridor Mobility Improvement Program	December 1, 2006
Board Action on Metro/Caltrans District 7 Recommendation	December 7, 2006
Metro/Caltrans District 7 Joint Nominations due to CTC (including performance data)	January 15, 2007
CTC adopts initial program	By March 1, 2007



**Metro**

# Metro's Draft Corridor Mobility Program

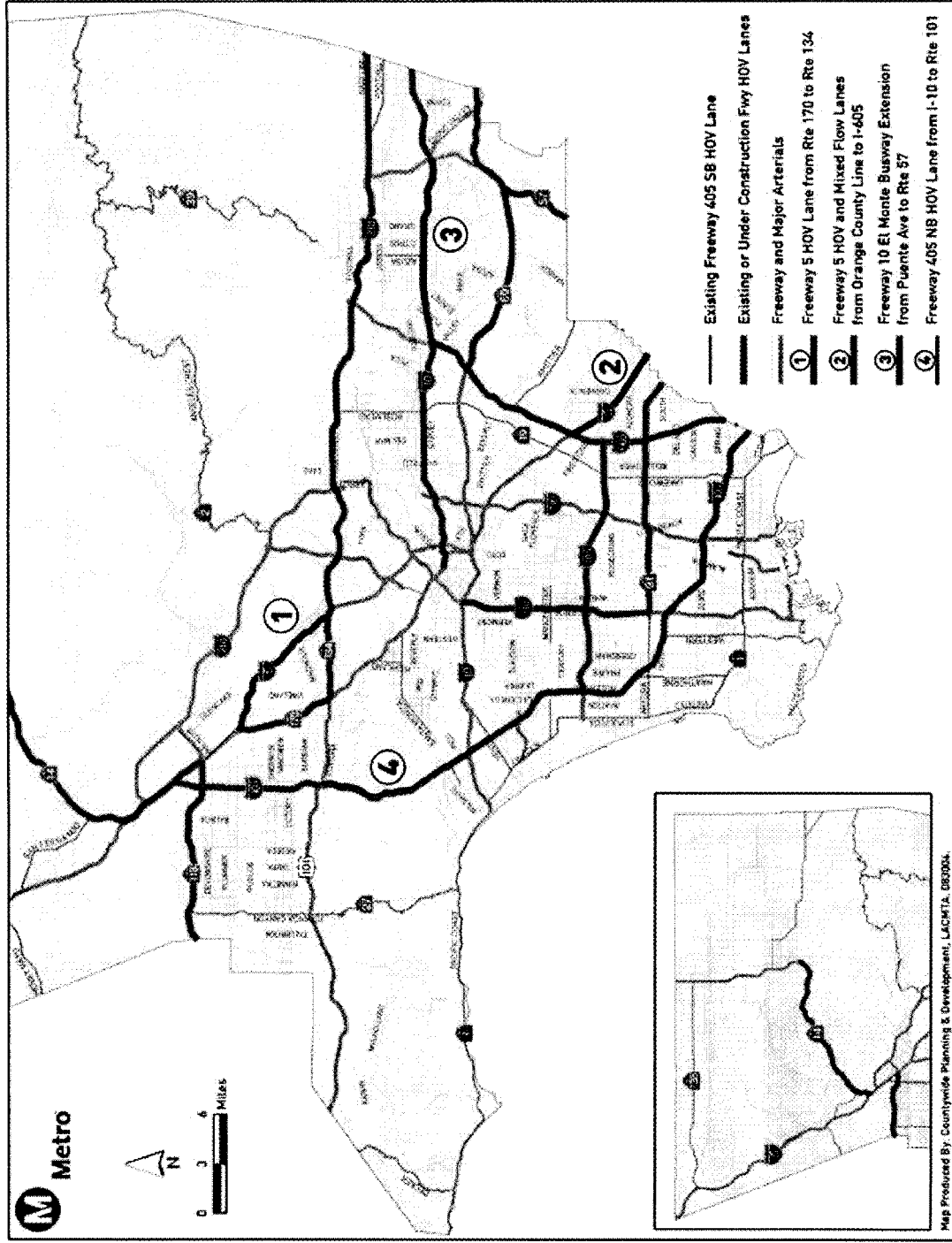
- Metro's existing State Highway priorities should be used for the initial Corridor Mobility Improvement Program:

*(\$'s in Millions)*

Project Description	Estimated Total Project Cost (Escalated)	Funds Programmed to Date	Corridor Mobility Program Proposal
Interstate 5 from Route 134 to Route 170	490	417	73
Interstate 5 from Interstate 605 to Orange Cnty Line	1,413	1,031	382
I-405 Carpool Lane I-10 to US-101 (Northbound)	950	220	730
Interstate 10 Extend El Monte Busway to County Line	365	9	356
<b>Total</b>	<b>3,218</b>	<b>1,677</b>	<b>1,541</b>

- CTC action on Goods Movement Program will be several months after the initial Corridor Mobility Improvement Program

# Metro's Draft Corridor Mobility Program



## **Ports Program Requires 50% Match**

- \$2 B Ports program might yield \$1 B for LA County
- \$1 B program requires \$1 B in matching funds
  - Metro commitment to 17% of match would aid LA County Ports program competitors
    - Metro provided 17% for Alameda Corridor & Alameda Corridor East
    - State Regional Improvement Program funds are Metro's only eligible and available source for this 17% match proposal
- Metro staff reviewing alternative, project specific approaches to Ports program

## Regional Improvement Program

- Existing Regional Improvement Program receives additional \$1.5 B Statewide
  - Weighted population formula favors rural areas
    - 75% population, 25% Centerline Highway Miles
  - Highway, goods movement, and transit projects are eligible (capital only)
- About \$340 M for Los Angeles County
  - Goods movement match proposal would require half
- Programmed through 2008 State Transportation Improvement Program process

# Transit Modernization Formula Program

Public Transportation, Modernization, Improvement and Service Enhancement Account

- Only transit capital projects are eligible
- State Transit Assistance (STA) formulas will be used to distribute \$3.6 B in bond proceeds
  - LA County Formula Allocation Procedure is assumed
  - LA County transit operators would receive approximately \$1.0 B
    - Metro \$900 M
    - Munis \$100 M
- Formula distribution of bond proceeds involves special challenges for the State
  - Banking bond funds incurs unnecessary interest expenses
  - State Controller is responsible, but has no project monitoring capability
  - Working group needed to develop procedures

