



Metro

**PLANNING AND PROGRAMMING COMMITTEE
JULY 15, 2009**

**SUBJECT: FEDERAL TRANSPORTATION INVESTMENT GENERATING
ECONOMIC RECOVERY (TIGER) DISCRETIONARY GRANT
FUNDS**

ACTION: SUBMIT TIGER GRANT APPLICATION

RECOMMENDATIONS

A. Authorize the Chief Executive Officer to exercise one of the following options, depending on the option that maximizes funding for the region:

(1) Submit a multi-agency grant application for up to \$300 million in TIGER funds for goods movement improvements through the State of California (Caltrans), as a part of the statewide application process utilizing the candidate projects in Attachment A; or

(2) Submit a multi-agency grant application to the Department of Transportation for up to \$300 million in TIGER funds utilizing the candidate projects in Attachment A.

B. Modify the preliminary list of candidate projects recommended for TIGER funds, in Attachment A, if necessary, to maximize funding for the region.

ISSUE

On February 17, 2009, the President of the United States signed the American Recovery and Reinvestment Act ("ARRA") of 2009 to, among other purposes, preserve and create jobs, and promote economic recovery; invest in the transportation infrastructure to provide long term benefits; and assist those most affected by the current economic downturn. ARRA appropriated \$1.5 billion of discretionary grant funds to be awarded to each eligible applicant, on a competitive basis, by the Department of Transportation ("DOT") for capital investments in surface transportation infrastructure. ARRA specifies that grants funded under the TIGER program may be no less than \$20 million and no greater than \$300 million. Moreover, ARRA prohibits the award of more than 20 percent (or \$300 million) of the funds made available under the TIGER program to projects in any one state.

Projects that are eligible for TIGER grants include, but are not limited to (1) highway or bridge projects; (2) public transportation projects, including investments in projects participating in the New Starts or Small Starts programs; (3) passenger and freight rail transportation projects; and (4) port infrastructure investments that include projects that connect ports to other modes of transportation and improve efficiency of freight movement. Project Sponsors can apply directly to the DOT for TIGER funds or participate in the statewide application process. While the statewide application process would be supported by the Governor and demonstrate strong leadership on the part of Caltrans, it could also mean all decisions regarding final projects submitted for consideration and the distribution of TIGER funds awarded would be deferred to Caltrans. Staff recommends pursuing the statewide application process and the region's fair share of TIGER funding. If the region and the State can not reach agreement on TIGER funds for the region, staff recommends submitting an application in conjunction with the other Southern California counties directly to the DOT for the region.

The Southern California Consensus Working Group (Working Group), which consists of representatives from Metro, Orange County Transportation Authority, Riverside County Transportation Commission, San Bernardino Associated Governments, Southern California Association of Governments, the Ports of Los Angeles and Long Beach, the Alameda Corridor East Construction Authority and the Alameda Corridor Transportation Authority, intends to submit applications to the DOT and/or the State for consideration, as part of the statewide application process.

The deadline for submitting applications directly to the DOT for TIGER Discretionary Grants is September 15, 2009. The deadline for submitting applications through the State for TIGER Discretionary Grants is July 27, 2009.

POLICY IMPLICATIONS

This action is consistent with measures taken by the Board to seek non-Metro fund sources to improve mobility.

ALTERNATIVES

There are two alternatives to be considered. First, the Board could decide to submit a separate application for eligible projects in Los Angeles County only. This option was contemplated by us prior to receiving guidelines for the TIGER grants. We are not recommending it based on discussions with DOT that indicated Southern California's port and freight projects in coordination with a regional application would be more competitive than other projects. Also, discussions with DOT indicate they recognize Southern California's role as the

nation's international global gateway and the limited funding that has been made available for port and/or freight improvements through traditional transportation fund sources over the years.

Second, the Board could decide not to support the Working Group's application for TIGER funds. This option would not be prudent given Southern California's need for alternate transportation funding sources. Also, in addition to requesting projects that achieve long-term benefits for the region, create jobs and stimulate the economy, DOT is requesting projects that employ innovative approaches and demonstrate partnership and collaboration among neighboring and/or regional jurisdictions to achieve long-term benefits. The projects set forth in Attachment A will fulfill this requirement. Further, DOT has indicated specific interest in the port and freight project submittals from Southern California.

FINANCIAL IMPACT

The funding for staff to implement Options 1 and/or 2 is included in the FY10 budget in Cost Center 4360, Project No. 405522.

Impact on Bus and Rail Operating and Capital Budget

The funding for this activity is not eligible for Metro Bus and Rail Operating or Capital Funds.

BACKGROUND

At its February 26, 2009 meeting, the Board established a Los Angeles County funding approval/obligation deadline for all federal transportation capital funds to be made available through ARRA. The Board also adopted funding plans subject to ARRA funds being made available and nominated the Exposition Light Rail Transit (LRT) Phase I project and the Gold Line Foothill LRT Extension project as preliminary projects and directed staff to work on the development of additional projects. Subsequent discussions with DOT revealed Southern California's port and freight projects would be more competitive than transit projects.

Based on the guidelines, TIGER Discretionary Grants may be used for up to 100% of project costs, but priority will be given to projects for which Federal funding is required to complete an overall financing package that includes non-Federal sources of funds. Also, DOT will give priority to projects that are expected to quickly create and preserve jobs and stimulate rapid increases in economic activity, particularly jobs and activity that benefit economically distressed areas. Additionally, priority will be given to projects that can be completed by February 17, 2012. A project is considered complete if all of the

TIGER funds awarded to the project have been obligated and expended and construction of the project is substantially complete.

Due to the need to expedite the grant award process to meet the requirements and purposes of ARRA, DOT will evaluate all applications and announce the projects that have been selected to receive grant funds as soon as possible but no later than February 17, 2010. DOT reserves the right to revoke any award of TIGER funds and to award such funds to another project to the extent that such funds are not expended in a timely manner and/or construction does not begin in accordance with the project schedule. DOT's ability to obligate funds for TIGER grants expire on September 30, 2011.

NEXT STEPS

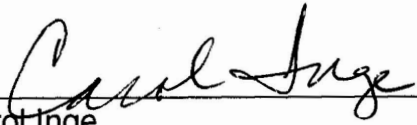
If the Board approves this recommendation, we will continue to work with the Working Group and the State to meet the TIGER application requirements and deadline.

ATTACHMENT

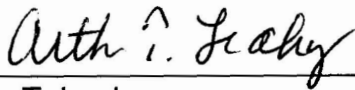
- A. Southern California's Consensus Working Group Preliminary Candidate Project List for TIGER Funds

Prepared by:

Shahrzad Amiri, Deputy Executive Officer, San Gabriel Valley Area Team
Michelle Smith, Project Manager, San Gabriel Valley Area Team



Carol Inge
Chief Planning Officer
Countywide Planning and Development



Arthur T. Leahy
Chief Executive Officer

SOUTHERN CALIFORNIA CONSENSUS WORKING GROUP
Candidate Project List for TIGER Funds

PROJECT SPONSOR	PROJECT NAME
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY	<ul style="list-style-type: none"> • Alameda Corridor East - Baldwin Avenue Grade Separation Project • Alameda Corridor Transportation Authority - SR-47 Expressway Project • Port of Los Angeles - San Pedro Bay Ports Rail System: West Basin Rail Access Improvements • Port of Los Angeles - South Wilmington Grade Separation • Port of Long Beach - Gerald Desmond Bridge Construction
METROLINK	<ul style="list-style-type: none"> • Positive Train Control
ORANGE COUNTY TRANSPORTATION AUTHORITY	<ul style="list-style-type: none"> • Laguna Nigel to San Juan Capistrano Main Track
RIVERSIDE COUNTY TRANSPORTATION COMMISSION	<ul style="list-style-type: none"> • Auto Center Drive/BNSF • Iowa Avenue/BNSF
SAN BERNARDINO ASSOCIATED GOVERNMENTS	<ul style="list-style-type: none"> • Hunts Lane at UPRR Grade Separation • I-10 Cherry Interchange Reconstruction • I-10 Citrus Interchange Reconstruction • I-10 Mixed Flow lane westbound from Ford St to West of Live Oak Canyon Rd • I-10 Ramp widening & Aux Lane at Cherry, Citrus, & Cedar Ave • Monet Vista at UPRR & BNSF Grade Separation
VENTURA COUNTY TRANSPORTATION COMMISSION	<ul style="list-style-type: none"> • Port of Hueneme for Wharf Stabilization & Improvements