

PLANNING AND PROGRAMMING COMMITTEE

November 14, 2007

**MOTION**

Supervisor Antonovich

Attracting private sector capital and encouraging innovative funding strategies to construct transportation infrastructure projects is becoming a greater necessity for regional transportation agencies like Metro to meet the public's demand for greater investment in transportation infrastructure in a shorter timeframe without adding to the tax burden already placed upon the public.

Metro's Long Range Transportation Plan (LRTP) features three levels of priority for projects: Funded, Constrained and Strategic. The first two levels provide a tangible commitment to a project while the last level does not. One complaint from the private sector is that while it will not put forth funding for a project unless there is a public commitment of support for a project as found in the funded/constrained portion of the LRTP, Metro will not program a project in the LRTP under the funded/constrained portion of the plan without private sector funding identified beforehand.

Creating greater collaboration with the private sector to attract more funding opportunities for vital transportation infrastructure projects in Los Angeles County will require a re-examination of how Metro programs and categorizes projects in the LRTP. With the funding landscape changing in the 21<sup>st</sup> century toward more acceptance of public-private partnerships as well as alternative, innovative and non-traditional funding strategies, it is imperative that Metro ensure that the LRTP is a document flexible enough to encompass this evolution of project funding while removing barriers to providing this funding from the private sector.

**I, THEREFORE, MOVE** that the Metro Board of Directors instructs the CEO to return to the full Board in January 2008 with a report that contains the following:

- (1) An analysis of the effectiveness and deficiencies in the LRTP document and planning process in attracting and incorporating private sector funding and other non-traditional funding opportunities into the prioritization of projects.
- (2) Policy recommendations for the Metro Board to consider on how to update the LRTP document and planning process to better reflect the reality of public-private partnerships, private sector capital, toll lanes, and other innovative 21<sup>st</sup> century financing techniques as viable funding

sources for projects to be placed in a Metro-approved priority list of projects that would have similar commitment level as projects placed in the constrained portion of the LRTP.

- (3) Recommendations for legislation to pursue at the state and federal level to assist Metro in implementing desirable LRTP reforms currently not allowed under state and federal regulations.
- (4) A strategic plan by the CEO presented for Board discussion and approval that would
  - a. identify potential private sector funding collaborators;
  - b. reach out to these potential collaborators for insight and advice regarding current policy and other barriers that prevent public-private partnerships and private sector funding opportunities from occurring;
  - c. collect this information into a report for Board discussion, and;
  - d. present these findings to the Board with recommendations for further policy action.