What We Hope to Accomplish Today

- Identify public expectations
- Clarify Measure R
- Provide status on implementation
- Provide scenarios for advancement
- Identify gaps in implementation
- Explore various funding mechanisms
- Establish basis for federal funding proposal (FFGA)
Measure R Baseline Study

> Fairbank, Maslin, Maullin & Associates
Measure R Promises

- Local street improvements
- Improved bus service
- Improved quality of life
- Strong oversight
- Improved traffic flow on freeways
- Rail and rapid transit expansion
Measure R Projects and Programs Diagram
Guiding Principles in Moving Forward

- Adherence to Measure R Expenditure Plan
- Ten-year lock on moving funds between transit & highway sub-funds (requires 2/3 vote)
- System approach with geographic equity
- Integrated bus/rail/highway/High Speed Rail
- Phased implementation
- Aggressive FFGA
- 3% Local contribution
Local Street Improvements

Promises
> Street repair/resurfacing
> More synchronized signals and left turn lanes
> Safer streets and bus stops
> Bicycle and pedestrian programs
> No backfilling

Progress
> Local Return guidelines for cities/County in development
> Exploring ability to swap and borrow funds
> Cities/County select transportation projects per Measure R criteria and Local Return guidelines
Improved Bus Service

Promises
> Increased local and municipal operator transit funding
> Local, Rapid, Express and feeder service improvements
> Improved services for Seniors/Disabled
> Clean-fueled buses

Progress
> Fares frozen (1 and 5 years)
> Largest clean-air fleet
> Municipal/eligible operator guidelines in development
> Money to be distributed via FAP
> Adapting to loss of state operating funds
> Reviewing Bus/Rail interface

Metro
Improved Quality of Life

Promises

> More jobs
> Investment in local economy
> Less traffic
> Reduced dependency on foreign oil
> Environmental benefits

Progress

> LAEDC to report on economic impacts
> Exploring fund flexibility
Strong Oversight

Promises
> Ensure funds are spent on what voters approved
> Three-judge oversight
> Multidisciplinary advisory panel
> Annual audits
> Constant reporting
> Transparency

Progress
> Candidate selection for judicial oversight committee in process
Improved Traffic Flow on Freeways

Promises
> Capacity enhancements
> Soundwall construction
> Grade separations
> Highway improvements

Progress
> Soundwall program under construction
> Several studies in progress
> Developing program and schedule
> Forming Measure R Highway Advisory Committee
Highway Projects

- Geographic equity
- Not all sub-regions have rail projects
- $1.4 billion highway funds available first 10 years
- Highway funds will be programmed by the Board
- Where there are no rail projects, we focus on highway
# LRTP Measure R Assumptions:
## 20% Highway Capital Sub-fund Revenue Estimate

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$87.7</td>
<td>$126.3</td>
<td>$132.8</td>
<td>$142.0</td>
<td>$153.2</td>
<td>$162.5</td>
<td>$171.7</td>
<td>$180.1</td>
<td>$188.5</td>
<td>$197.3</td>
<td>$1,542.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Years</th>
<th>20-'29</th>
<th>30-'39</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-'29</td>
<td>$2,501.7</td>
<td>$3,510.8</td>
<td>$7,554.7</td>
</tr>
</tbody>
</table>
## Highway Project Status

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Measure R Funding</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alameda Corridor East Grade Separations Phase II</td>
<td>$ 400 M</td>
<td>At 7/09 Board meeting, we will recommend $42M be programmed to Alameda Corridor East Construction Authority in FY10 for final design, right of way acquisition &amp; utility relocations for San Gabriel Trench project to eliminate 4 grade crossings. Project to begin construction FY11 &amp; end FY14.</td>
</tr>
<tr>
<td>BNSF Grade Separations in Gateway Cities</td>
<td>$ 35 M</td>
<td>Environmental was completed in 2000 for 4 grade separations in City of Santa Fe Springs. Design is 30% complete.</td>
</tr>
</tbody>
</table>
# Highway Project Status

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Measure R Funding</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Countywide Soundwall Construction (Metro regional list and Monterey Park/SR-60)</td>
<td>$ 250 M</td>
<td>6/09, Board approved Life of Project budget for Package 4 using Prop C 25% funds. Construction to start this summer &amp; completed Nov. 2011. Design of Packages 5, 6, 7, 8 &amp; 10 to be complete 3/10. Package 11 to start design this summer, anticipated to be complete summer 2010. Added soundwalls to be programmed based on Board established priority list.</td>
</tr>
</tbody>
</table>
## Highway Project Status

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Measure R Funding</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Desert Corridor (environmental)</td>
<td>$33 M</td>
<td>In FY09 budget, Board approved $500,000 for High Desert Corridor Joint Powers Authority (JPA). JPA expected to initiate Public Private Partnership (PPP) Feasibility Study this Fall, pending adoption of SBX2 4 guidelines by CTC. JPA will initiate environmental work following completion of PPP Feasibility Study, expected to be complete Fall 2010.</td>
</tr>
</tbody>
</table>
### Highway Project Status

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Measure R Funding</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arroyo Verdugo Operational Improvements</td>
<td>$ 170 M</td>
<td>Using Subregional LRTP priorities &amp; Caltrans identified operational projects, a draft proposed project list was presented to COG 6/09. COG reviewing list.</td>
</tr>
<tr>
<td>Las Virgenes/Malibu Operational Improvements</td>
<td>$ 175 M</td>
<td>Using Subregional LRTP priorities, Caltrans identified operational projects &amp; US-101 Major Investment Study recommendations, a draft proposed project list was presented to COG 6/09. A follow-up meeting was held 6/16/09. COG reviewing list.</td>
</tr>
</tbody>
</table>
# Highway Project Status

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Measure R Funding</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Bay I-405, I-110, I-105, SR-91 Ramp &amp; Interchange Improvements</td>
<td>$ 906 M</td>
<td>Using Subregional LRTP priorities, COG I-405 Corridor Study &amp; Caltrans identified operational projects, a draft proposed project list was presented to COG 5/09. Added project information provided to COG in June. COG reviewing list.</td>
</tr>
<tr>
<td>I-5 North Capacity Enhancements from SR 14 to Kern County Line (Truck Lanes)</td>
<td>$ 410 M</td>
<td>Project Study Report (PSR) completed for the SR-14 to SR-126 segment. Caltrans &amp; I-5 Gateway Coalition completed EIR for 1st phase from SR-14 to Pico Canyon. This Phase ready for design.</td>
</tr>
</tbody>
</table>
## Highway Project Status

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Measure R Funding</th>
<th>Project Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-605 Corridor Interchanges</td>
<td>$ 590 M</td>
<td>Three interchanges at I-605/I-10, I-605/I-5, &amp; I-605/SR-91 identified. PSR completed on I-605/I-10 interchange 9/08.</td>
</tr>
<tr>
<td>I-710 North Gap Closure (tunnel)</td>
<td>$ 780 M</td>
<td>Caltrans conducting Tunnel/Geo Technical Study.</td>
</tr>
<tr>
<td>I-710 South and/or Early Action Projects</td>
<td>$ 590 M</td>
<td>PSRs completed for 5 projects identified as Early Action Projects. These projects ready for environmental clearance. We &amp; our funding partners conducting environmental clearance on I-710 South. Effort to be completed 8/11.</td>
</tr>
<tr>
<td>SR-138 Capacity Enhancement</td>
<td>$ 200 M</td>
<td>Caltrans completed PSRs on 7 remaining segments identified in LRTP. These segments ready for environmental clearance.</td>
</tr>
</tbody>
</table>
Highway Program Summary

- Measure R earmarked 20% for Highway Projects/Programs
- Over 30 years estimated to provide $7.88 billion
  (prior to economic recession)
- Total estimated cost projects/programs $22 billion
- Aggressively pursue other funding to fill gap
Rail and Rapid Transit Expansion

Promises
> Rail expansion
> Rapid transit expansion

Progress
> Broke ground on Canoga Orange Line
> Multiple studies in progress
> Board approved funding for Metrolink Positive Train Control Project
If transit projects were accelerated...

Projects Completed by 2020
Projects Completed by 2030
Projects Completed by 2040*

* Metrolink Improvements ongoing through life of plan
If transit projects were accelerated...

- **Eastside Access**: 2010 to 2013
- **Orange Line Ext (Canoga Corridor)**: 2009 to 2013
- **Exposition LRT Phase 2**: 2010 to 2015
- **Gold Line Foothill Ext**: 2010 to 2017
- **Green Line LAX**: 2014 to 2017
- **Crenshaw Corridor**: 2010 to 2018
- **Regional Connector**: 2013 to 2018
- **Gold Line Eastside 2**: 2014 to 2018
- **SFV East N-S Rapidway**: 2013 to 2018
- **West Santa Ana Branch**: 2015 to 2027
- **Green Line South Bay Ext**: 2028 to 2035
- **Westside Subway Extension**: 2013 to 2036
  - Segment 1 to Fairfax: 2013 to 2019
  - Segment 2 to Century City: 2020 to 2026
  - Segment 3 to Westwood: 2030 to 2036
- **SFV I-405 Corridor Connection**: 2030 to 2039
- **Metrolink Capital Improvements**: 2010 to 2039
If three projects were accelerated...

Funding Gap Analysis for Accelerating Regional Connector, Green Line to LAX and Gold Line Eastside Extension

Assumed New Starts & Ops Deficit Work-Out: $2.25 B

Total funding gap - pre FY20: $3.53 Billion

Gap - post FY19: $250 M
If one project were accelerated...

Funding Gap Analysis for Regional Connector Acceleration

Assumed New Starts & Ops Deficit Work-Out: $2.25 B

Total funding gap: $1.22 Billion
If transit projects were accelerated...

**Summary**

- We would have up to $3.5 billion funding gap
- We would incur additional debt and operating costs
- We would save on construction escalation costs
- We would require 2/3 vote of the Board to accelerate Measure R funds
## Managing the Funding Gap

- Construction/acceleration savings
- Real estate/PPP
- Service efficiency savings/additional fare revenues
- Prop A & C funds
- PERS, non-state pension fund investment programs
- Debt/bonding on Measure R funds
- Increase debt limits beyond what is already assumed in LRTP
- High Speed Rail funding offsets
- Additional federal funding
Public Private Partnerships

- Potential funding source
- Means to accelerate projects
- Requires leveraging real estate and future revenue streams
- Means of controlling risk
- Certain projects better meet criteria
- Consultant on board
- Initial project recommendations Fall 2009
High Speed Rail

Integration into LRTP

> $2.7 billion starter line (OC/LA)
> 50/50 federal and state funding
> Federal/state/local effort
> Construction funding offsets/economies possible
A Serious Need for an FFGA

A project is needed
- Hundreds of millions of dollars at stake – annually
- Seeking significantly larger agreement than historical average
- Highest performing line: Regional Connector/Westside Subway
- Metro is ideal partner (with Measure R)
- Need to address operating shortfall to qualify
If we strictly followed Measure R...
If we strictly followed Measure R...

<table>
<thead>
<tr>
<th>Project</th>
<th>Construction Start</th>
<th>Construction Finish</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastside Access</td>
<td>2010</td>
<td>2013</td>
</tr>
<tr>
<td>Orange Line Ext (Canoga Corridor)</td>
<td>2009</td>
<td>2013</td>
</tr>
<tr>
<td>Exposition LRT Phase 2</td>
<td>2010</td>
<td>2015</td>
</tr>
<tr>
<td>Gold Line Foothill Ext</td>
<td>2010</td>
<td>2017</td>
</tr>
<tr>
<td>Crenshaw Corridor</td>
<td>2010</td>
<td>2018</td>
</tr>
<tr>
<td>SFV East N-S Rapidway</td>
<td>2013</td>
<td>2018</td>
</tr>
<tr>
<td>Regional Connector</td>
<td>2014</td>
<td>2025</td>
</tr>
<tr>
<td>West Santa Ana Branch</td>
<td>2015</td>
<td>2027</td>
</tr>
<tr>
<td>Green Line to LAX</td>
<td>2010</td>
<td>2028</td>
</tr>
<tr>
<td>Gold Line Eastside 2</td>
<td>2022</td>
<td>2035</td>
</tr>
<tr>
<td>Green Line South Bay Ext</td>
<td>2028</td>
<td>2035</td>
</tr>
<tr>
<td>Westside Subway Extension:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Segment 1 to Fairfax</td>
<td>2013</td>
<td>2036</td>
</tr>
<tr>
<td>Segment 2 to Century City</td>
<td>2020</td>
<td>2026</td>
</tr>
<tr>
<td>Segment 3 to Westwood</td>
<td>2030</td>
<td>2036</td>
</tr>
<tr>
<td>SFV I-405 Corridor Connection</td>
<td>2030</td>
<td>2039</td>
</tr>
<tr>
<td>Metrolink Capital Improvements</td>
<td>2010</td>
<td>2039</td>
</tr>
</tbody>
</table>
If we strictly followed Measure R...

First 10 Years

- Escalated Rail Project Cost: $6.7
- Funding Sources:
  - Local Agency (3%) $0.2
  - Projected Local Funding $1.0
  - Projected Federal Funding $1.4
  - Projected State Funding $1.4
  - Projected Measure R Rail Revenue $2.7

Note: Does not include operating deficit
If we strictly followed Measure R...

**Summary**

> Projects would be delivered in accordance with Measure R Expenditure Plan
> After operating deficit is resolved there would be no funding shortfall
> We would not save in construction escalation costs
> We would not incur additional debt and operating costs
Next Steps

- Complete local return guidelines
- Monitor Measure R receipts for accurate forecasting
- Pursue local contribution (3%)
- Leverage Public/Private Partnership opportunities
- Leverage High Speed Rail program
- Establish oversight
- Prepare recommendation on path forward
- Prepare recommendation on FFGA project
- Work with State on guidelines for SB2X 4 Public Infrastructure Advisory Committee
- Monitor developments at state and federal levels:
  - National Infrastructure Bank
  - Private Activity bonds
  - Build America bond program