



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Administrator

SUBJECT: A RESOLUTION APPROVING EDUCATION OUTREACH BY THE CITY OF COMMERCE ON THE IMPACT OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY MEASURE R-2 TRANSPORTATION PLAN

MEETING DATE: AUGUST 16, 2016

RECOMMENDATION:

Approve the Resolution which authorizes the appropriation of \$20,000 from the FY 2016/2017 Operating Budget to prepare educational materials for outreach to the Commerce Community on the impact of the proposed Los Angeles County Metropolitan Transportation Authority Measure R-2 Transportation Plan scheduled for the November ballot.

BACKGROUND:

The Los Angeles County Metropolitan Transportation Authority ("MTA") on June 23, 2016 approved a Transportation Expenditure Plan for consideration by the Los Angeles County electorate scheduled for the next general election November 8, 2016.

On July 19, 2016, the City Council adopted Resolution No. 16-95 opposing the MTA Measure R Expenditure Plan scheduled for the November, 2016 election.

On August 3, 2016, the Gateway Cities Council of Governments (COG) Board approved a contract with The Lew Edwards Group for a public information program related to the forthcoming Metro Ballot Measure. The member cities of the Gateway COG will be partnering with the COG in order to fund that effort.

The investment of these funds to communicate the local impacts of a proposed tax is critical for our citizens. It is permissible for public agencies to disseminate factual information to constituents and the public about a given policy matter. With this in mind, funds will be used to: 1) assess public attitudes towards MTA's proposed projects, including understanding regional similarities and differences in public viewpoints by

geography and audience; 2) retain experts to develop effective, accessible informational messages about this issue, engage the public, respond to questions, and create informational toolkits or training for Gateway member cities; 3) disseminate information about local impacts in permissible, cost-effective mediums in accordance with the usual methods for dissemination of information to the public, including: press events and conferences; stakeholder and updates; web-based video, social media, and new media. All information provided will be factual, as no campaign advocacy can occur using public funds.

The recommended \$20,000 appropriation will fund educational/information outreach to the City of Commerce voters to present the negative impact of the MTA's plan and its project schedules for the regional transportation facilities serving the Commerce community.

FISCAL IMPACT:

For FY 2016/2017 the City Council allocated \$30,000 in the Community Promotion Account. The initial \$10,000 was used for the purchase of Metro Gold Line promotional materials. An additional \$10,000 will be used to fund the City's share of the upcoming Gateway educational campaign on MTA Plan impacts for Southeast communities. The balance (\$10,000) will be used to fund a local Commerce community informational campaign.

The COG has set a contribution amount of \$5,000 for communities under 25,000 in residential population. A \$10,000 contribution is recommended by staff because three regional projects impacting the Commerce community are identified in the Metro Plan. These are the I-710, the I-5, and the Gold Line Washington Boulevard Light Rail projects.

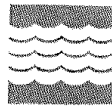
RELATIONSHIP TO 2012 STRATEGIC GOALS:

This recommendation is aligned to the improvement of the City's infrastructure

ATTACHMENTS:

Proposed Resolution
Gateways and South Bay COGs Correspondence
Cost Breakdown
July 19th Council Staff Report
Commerce Resolution 16-95

Recommended by: Jorge J. Rifá, City Administrator
Reviewed by: Vilko Domic, Finance Director
Approved as to form: Eduardo Olivo, City Attorney
Respectfully submitted: Jorge Rifá on behalf of Mayor Ivan Altamirano



SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

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GATEWAY CITIES

16401 Paramount Boulevard
Paramount, CA 90723
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June 21, 2016

Los Angeles Metropolitan Transportation Authority
Board of Directors
One Gateway Plaza
Los Angeles, CA 90012

Dear METRO Board of Directors:

Statement on Metro's Proposed Ballot Measure

After careful review of METRO's draft expenditure plan, our cities are united in supporting METRO in solving the mobility issues facing our region and its 88 communities. However, our communities believe that scheduling the tax measure for the November 2016 election is premature and divides our region. We are requesting that the METRO Board delay the ballot measure in order to resolve some fundamental concerns and unify the region.

First, the new ½ cent tax measure does not honor the will of the voters when they passed Measure R in 2008. Instead of completing projects already approved by the voters and adequately funding repairs of local streets and local transit systems, the measure proposes entirely new projects thereby delaying existing projects.

The tax measure also proposes increasing funding for the \$18.9 Billion Westside Sepulveda Pass Tunnel, which was funded for \$1 Billion in Measure R. The City of Boston struggled with funding the "Big Dig" and Los Angeles will struggle in funding the "Big Tunnel" because of its complexity and lack of definition. If approved, the Big Tunnel will result in over 15% of the entire tax proceeds funding just one project.

Second, the new tax measure unfairly distributes sales taxes generated by our residents and businesses. If the measure passes, our communities will donate their hard earned sales tax dollars to the Big Tunnel for the next four decades.

Most disturbing is that the tax measure will mandate that the region's most disadvantaged communities, not only in the Gateway Cities and the South Bay, fund the construction of the Big Tunnel.

LOCAL GOVERNMENTS IN ACTION

Carson - El Segundo - Gardena - Hawthorne
Hermosa Beach - Inglewood - Lawndale - Lomita
Manhattan Beach - Palos Verdes Estates - Rancho Palos Verdes
Redondo Beach - Rolling Hills - Rolling Hills Estates - Torrance
Los Angeles District #15 - Los Angeles County

Artesia - Avalon - Bell - Bellflower - Bell Gardens -
Cerritos - Commerce - Compton -
Cudahy - Downey - Hawaiian Gardens - Huntington Park
- Industry - La Mirada - Lakewood - Long Beach -
Lynwood - Maywood - Montebello - Norwalk - Paramount
- Pico Rivera - Santa Fe Springs - Signal Hill - South
Gate - Vernon - Whittier - Los Angeles County
Supervisory Districts 1, 2, & 4 - Port of Long Beach

The streets in our region are falling apart. Everyone knows it. Roads are the backbone of our communities. They serve all transportation modes – busses, cars, bicycles and trucks. Our sidewalks serve pedestrians, children walking to school, our seniors and least mobile residents. Instead of helping the cities repair roads, operate local transit, and make safety improvements, METRO proposes diverting billions to construct the Big Tunnel. METRO's response to our request for 20% of the new sales tax revenues to be dedicated to local transit and street needs was to raise the allocation from 16% to 17% initially and defer the 20% until 2040 (presumably after the Big Tunnel is complete). Our needs are now.

If the voters approve the tax measure, who will be watching out for the interests of the voters? METRO staff recently proposed an oversight committee that is different than the judicial panel that has provided oversight in the past. The new composition of the oversight committee includes special "knowledgeable" interests rather than impartial justices, but does not include representation from our subregions or the cities. On top of this unfair and possibly biased committee structure, the oversight committee can recommend to the METRO Board changes to the voter approved list of projects once a decade without voter approval or other input.

We have communicated our fundamental concerns to METRO staff and to the Board on a number of occasions. The latest staff proposal will not increase to the 20% local return funds that we are seeking for local priorities to the cities until 2040. This is simply insufficient, since by that time our roads will be impassible.

We have no other option than to publicly express our grave concerns with the design of the proposed tax measure. We believe that the tax measure is premature and divisive. We urge you to take a step back and work with us. The region needs to be unified and not divided if the measure is to be supported by at least 2/3 of L. A. County voters.

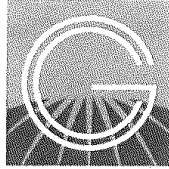
Sincerely,



Richard R. Powers
Executive Director
Gateway Cities Council of Governments



Jacki Bacharach
Executive Director
South Bay Cities Council of Governments



GATEWAY CITIES

COUNCIL OF GOVERNMENTS

May 18, 2016

Arcadia

Avondale

Bell

Bellflower

Bell Gardens

Cerritos

Commerce

Compton

Cudahy

Downey

Hawaiian Gardens

Huntington Park

Industry

La Habra Heights

La Mirada

Lakewood

Long Beach

Lynwood

Maywood

Montebello

Norwalk

Paramount

Pico Rivera

Santa Fe Springs

Signal Hill

South Gate

Vernon

Whittier

County of Los Angeles

Port of Long Beach

The Honorable Mark Ridley-Thomas, Chairman
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012

Gateway Cities Council of Governments comments on the Potential Ballot Measure Draft Expenditure Plan

The Gateway Cities Council of Governments (GCCOG) Board of Directors is submitting this letter as a response to the MTA request for comments on the draft expenditure plan and funding allocation structure of the Potential Ballot Measure (PBM). The GCCOG understands and is appreciative of the work that has been done by MTA CEO Phillip Washington and staff to address many of the issues outlined within this letter. This letter formally transmits the GCCOG's views and issues with the expenditure plan before the MTA board finalizes the draft expenditure plan and ultimately decides whether to adopt the final structure and components this June.

The Gateway Cities subregion is comprised of 27 cities that contain 21% of Los Angeles County's population. The subregion is characterized by diversity; containing the second largest city in the County as well as the smallest; the second largest port in the nation as well as several cities with land uses devoted to industry. Because of the changing US economy and the exodus of American manufacturing, the subregion meets the economically distressed area criteria as outlined by the U.S. Department of Commerce Economic Development Administration, and persistently leads the County in the highest unemployment rates. Despite this reality, Gateway Cities is characterized by incredibly diverse and vibrant communities with a young, energetic demographic focused on the future.

In recognition of the economic issues evident the subregion, the Gateway Cities commissioned a Comprehensive Economic Strategy (CEDS) that among other areas identified transportation infrastructure strengths, weaknesses and opportunities. Not surprising many of the economic opportunities and potential areas of job growth are related to the proximity to the San Pedro Bay (SPB) Ports

of Long Beach/Los Angeles. Logistics is one of the main growth areas for the local, regional and national economies. The SPB Ports generate 177,000 jobs in the Los Angeles/Long Beach area, 954,000 jobs in the five-county Southern California region and 2.8 million jobs throughout the U.S. Therefore, the transportation infrastructure that supports the logistics sector is matter of national importance given the role the SPB Ports play in all levels of the economy;

The Gateway Cities Council of Governments has participated in the development process for the Potential Ballot Measure (PBM) since 2012. In addition to nominating a slate of projects and programs the GCCOG wishes to pursue in the PBM, the GCCOG has formulated policy recommendations relating to both major capital and operations related funding targets.

The GCCOG has always supported the principle that the promises made under Measure R should be the first priority for any funding received under the PBM. The major transit capital delivery dates are an issue under the PBM and will be discussed later in this letter.

Local Return

The GCCOG has advocated that 25% of all tax revenues be returned to the cities in the form of local return. This increase is justified as cities have traditionally relied upon sales tax subventions and revenue for the improvement and maintenance of local streets. The cities of Los Angeles County are dealing with a continuous decline in State Gas Tax revenues. This is a structural and permanent revenue loss, as vehicles become more efficient and hybrid/electric vehicles become more prevalent. The same decline in revenue is occurring at the federal level. These dramatic losses in revenues are already adversely impacting our ability to reduce congestion, improve access and safety of our local streets and highways.

The 16% local return fails to recognize that a city's ~~surface~~ streets are the foundation of all the other elements of the transportation system. Bicyclists use streets; buses use them; delivery service vehicles use them as well as police and fire departments. Transit users, whether walking or biking to their transit line, utilize streets to access the bus or rail system. City streets will always be the foundational element of transportation in urban areas. The GCCOG is not alone in this issue. The South Bay Cities Council of Governments has also identified the 16% local return allocation as inadequate to meet the needs of LA County cities. One percent of the increase can be found by decreasing the 1.5% Administrative allocation to .5% as there is an economy of scale in managing an additional tax.

In addition to an increase in the proposed allocation of local return, GCCOG and South Bay COG would like the MTA to work with the County's local jurisdictions on determining a more equitable formula that reflects the needs of the smaller

cities. Propositions A & C and Measure R local return revenue is based solely on population. This leaves some of the smallest cities in Los Angeles County with very large transportation issues and significant sales tax generation at a distinct disadvantage. Cities like Vernon, Commerce, Santa Fe Springs, Industry and Signal Hill face transportation issues that cannot even begin to be addressed with their current population based local return.

We would like to work with the MTA to find a method to equalize local return, aiding cities with big transportation issues and small populations. The South Bay COG offered a possible solution that would consider a return based on 1/3 lane miles, 1/3 population and 1/3 sales tax generated from the local jurisdiction.

Lastly, given the need to fund and maintain local streets, both COGs would like to see an additional ¼ cent tax remain to cover Local Streets/State of Good Repair to the cities beyond the sales tax sunset (either 2057 or 2067). This ¼ cent would be in addition to the ¼ cent currently envisioned to cover debt service.

Regional Rail Allocation

The GCCOG recognizes the importance of regional rail in providing car free access to Gateway Cities' jobs centers in the cities of Norwalk, Santa Fe Springs, Commerce, Montebello and Industry. GCCOG supports the allocated of an additional 1% (for a total of 2%) guaranteed to Metrolink for service improvements and long-term capital projects after 2039 when the current 3% allocation from Measure R expires.

3% Transit Local Contribution

The GCCOG does not support the continued expectation that local jurisdictions hosting a Metro Rail project be required to contribute 3% of the capital cost of the extension based on a proportionate share of route miles. This requirement is potentially devastating to smaller communities and in many cases may obviate the benefit of having a station. The West Santa Ana Branch/Eco-Rapid Transit corridor goes through the heart of Gateway Cities' disadvantaged communities as identified by the Cal EPA EnviroScreen; requiring a contribution would tie-up local return funds for decades.

The GCCOG like the SBCOG supports encouraging local jurisdictions to invest in community infrastructure such as active transportation, enhanced transit safe pedestrian paths and other First/Last Mile connections that will improve access to the stations, enhance safety and aesthetics adjacent to the rail rights of way, and undertake economic development initiatives that will add local ridership once the project is completed. MTA has produced the First/Last Mile Plan as well as the Active Transportation Strategic Plan that will guide these local investments.

"Green" Complete Streets

The GCCOG supports the addition of the concept of "Green Complete Streets" to the 2% active Transportation program. The GCCOG believes that the MTA definition of Complete Streets should be expanded to become more compatible with the approved expansion of Metro's Green Construction Policy that was adopted by the MTA Board in February of this year, this policy includes:

- "1. A requirement that all Metro future construction projects (that are currently not out to bid) implement methods to capture and treat storm water and apply reclaimed water best practices.*
- 2. A requirement that all future design and construction projects (\$5 million and over) use sustainable building materials which includes, but not limited to, the following, where feasible:*
 - a. Storm water & discharge runoff capture and cleaning devices;*
 - b. Permeable pavement and surfaces..."*

We are not suggesting that these requirements be adopted – but that the storm water treatment becomes an eligible expense for complete streets projects to help Los Angeles County cities address these requirements that is inexorably related to street infrastructure.

GCCOG Major Capital Allocation

The GCCOG supports the principles expressed in the Butts/Knabe/DuBois Motion presented at the March 2016 Metro Board Meeting:

"That the 2nd and 3rd decade Measure R transit projects be formally accelerated to qualify for 2018 PBM funding and that Measure R projects be advanced through the environmental and preliminary engineering phases to receive funding on a construction-ready status, as envisioned in the 30-10 Board approved policy, and not be superseded by new PBM projects;

In support of maintaining the priority of the Measure R Projects, the Metro Board adopted performance metrics should not be applied to Measure R projects as expressed in the aforementioned Motion.

"In further keeping with the 2008 Measure R promises that the recently adopted Performance Metrics be applied solely to PBM projects and not retroactively to Measure R 2nd and 3rd decade projects.

As it stands under the PBM, 19 of the 44 listed Projects in the Expenditure Plan are new (44%). Many of these new projects are also accelerated past the Measure R projects. In the first 15 years, 11 of the total Projects are New Projects. The benefit and cost estimates for the new projects are mostly speculative until they undergo specific project development, environmental clearance and analysis. This speculative nature allows a project with little or no definition to utilize attributes for the most favorable mode and model accordingly. It also has allowed funding scenarios to be created that may have very little relation to the ultimate financial plan. The Performance Metrics based modeling has provided a foundation for positioning newer, more speculative projects ahead of Measure R projects resulting in further delays of Measure R projects where realistic cost estimates are known.

Gateway Cities submitted its Measure R priorities for the major capital program. Last fall, GCCOG submitted the following initiatives for inclusion in the PBM:

Major Regional Transit Initiatives –

1. West Santa Ana Branch (Eco-Rapid Transit Project)*
2. Metro Gold Line Eastside Extension Phase II – Washington Blvd. Alignment*
3. Metro Green Line Eastern Extension (Norwalk)

Major Regional Highway Initiatives –

1. I-5 Corridor (I-605 – I-710)
 2. I-5 Corridor/Carmenita Interchange Project (under construction)*
 3. I-710 Corridor Project*
 4. I-605 Hotspots*
 5. SR-60/I-605 Interchange
- * Measure R Initiatives

The GCCOG initially identified active transportation projects without a specific funding allocation but with an instruction that any subregional funds that became available be dedicated to this mode. In February, the GCCOG Board voted to change that recommendation to allocate any available revenue to multi-modal projects from the Gateway Cities Strategic Transportation Plan (STP), which includes active transportation.

The GCCOG has identified the following issues with the sequence of these projects in the Draft Expenditure Plan and is recommending corrective action:

- Construct the West Santa Ana Branch/Eco-Rapid Project in two consecutive phases beginning in 2019-2020 or upon completion of environmental clearance and the attainment of a Record of Decision. This

project has a 2025-27 completion date in the Measure R expenditure plan. It is unacceptable to have this date pushed out to 2047. This project has \$240 million allocated under Measure R with the funding contingent upon revenue remaining from the I-5 corridor project.

- Commence construction on both alignments (Washington Blvd. and SR-60) for the Metro Gold Line Eastside Extension Phase II within the 2029-2035 Measure R timeframe by extending the PBM last beyond 40-years for a 50-year timeframe that would generate the additional required revenue.
- Accelerate the Metro Green Line Norwalk Extension project development through coordination and potential funding with the state (with Orange County Transportation Authority support) and California High Speed Rail Authority to provide airport access. This project was not included in Measure R and is currently scheduled for 2051-2057. There is potential to accelerate this project with assistance from other sources.
- Accelerate the development and implementation of the I-710 Corridor Improvement project. This corridor improvements project is currently undergoing environmental review with a Record of Decision anticipated in mid to late The project provides congestion relief, capacity enhancements, operational, air quality and safety improvements along the I-710 freeway from the Ports of Los Angeles and Long Beach to State Route 60.

Due to the magnitude of this undertaking and the uncertainty of the implementation schedule of the selected option, there is an expectation that the project will ultimately be constructed in discrete stand-alone projects and segments commencing with the Shoemaker Bridge and southern end improvements. Other projects will be constructed as they are developed and funding is identified. MTA should work with the state, and federal governments to obtain funding for this project identified in the draft National Freight Plan as a highway of regional and national significance. Delaying the provision of project development funding until 2026 will place this important project out of the running for discretionary funding under the FAST Act.

- The I-5 (I-605-I-710) goals and objective can be best serve by structuring the project into logical segments. The short-term need is to achieve a project definition by completing the environmental review process by 2019. It is anticipated this activity will take 3 years and approximately \$20 million total including the \$4.2 currently reserved through an older earmark. Once the project is defined, MTA and the I-5 JPA will be enabled to seek other funding to move it forward. This will be especially important with the

The Honorable Mark Ridley-Thomas, Chairman
May 18, 2016
Page 7

creation of state and federal freight plans and any funding that may be leveraged. From 2019 to 2021, it is anticipated that design and PSE can be completed, including the right of way acquisitions. This project has very limited ROW impacts in comparison to other typical highway projects, including the existing I-5. The project could be built commencing in 2021 and completed by 2027 using the same strategy as employed with the current I-5 corridor under construction. Please recall that the I-5 (I-605 – OC line) was stagnant until the state of California passed Prop. 1B and the project received an injection of CMIA funds. It is not reasonable to assume that this project with national significance and which is called out on a national freight highway system map will be paid for exclusively from local LA county tax dollars in 2041.

The characterization of the I-5 as a subregional project is incomprehensible; this project is important on local, state, and federal levels. This project continues to be the GCCOG top highway subregional priority as this 1950's freeway is inadequate to handle 21st century traffic and commerce.

The GCCOG Board of Directors recognizes the difficulty of including all of the Countywide priorities and funding requested by the various councils of government, cities, interest groups and other organizations. We also understand that the MTA has a responsibility to fairly and equitably match regional resources with needs and plan a multi-modal transportation system that enhances mobility and improves the quality of life for all of Los Angeles County.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ali Saleh', with a stylized, cursive script.

Ali Saleh, President, Board of Directors
Gateway Cities Council of Governments

cc: GCCOG Board of Directors
MTA Board of Directors

Cost Breakdown

	Population		Dues
City population above 250,000			
Gateway			
Long Beach	494,709	\$	25,000.00
City population above 100,000			
Gateway			
Norwalk	109,817	\$	15,000.00
Downey	113,715	\$	15,000.00
South Gate	101,914	\$	15,000.00
South Bay			
Torrance	149,717	\$	15,000.00
Inglewood	119,053	\$	15,000.00
City population above 75,000			
Gateway			
Bellflower	77,312	\$	12,500.00
Compton	97,769	\$	12,500.00
Lakewood	83,636	\$	12,500.00
Whittier	87,128	\$	12,500.00
South Bay			
Hawthorne	90,145	\$	12,500.00
Carson	98,047	\$	12,500.00
City population above 50,000			
Gateway			
Cerritos	54,946	\$	10,000.00
Huntington Park	64,219	\$	10,000.00
La Mirada	50,015	\$	10,000.00
Montebello	65,781	\$	10,000.00
Paramount	57,989	\$	10,000.00
Pico Rivera	66,967	\$	10,000.00
South Bay			
Gardena	61,927	\$	10,000.00
Redondo Beach	68,105	\$	10,000.00
City population above 25,000			
Gateway			
Bell	38,867	\$	7,500.00
Bell Gardens	47,002	\$	7,500.00
Cudahy	26,029	\$	7,500.00

Cost Breakdown

	Population		Dues
Maywood	30,034	\$	7,500.00
South Bay			
Lawndale	33,641	\$	7,500.00
Manhattan Beach	36,773	\$	7,500.00
Rancho Palos Verdes	42,893	\$	7,500.00
City population under 25,000			
Gateway			
Artesia	17,608	\$	5,000.00
Avalon	3,559	\$	5,000.00
Commerce	13,581	\$	5,000.00
Hawaiian Gardens	15,884	\$	5,000.00
Industry	803	\$	5,000.00
Santa Fe Springs	17,929	\$	5,000.00
Signal Hill	11,465	\$	5,000.00
Vernon	96	\$	5,000.00
South Bay			
El Segundo	17,049	\$	5,000.00
Hermosa Beach	19,599	\$	5,000.00
Lomita	21,015	\$	5,000.00
Palos Verdes Estates	14,085	\$	5,000.00
Rolling Hills	1,974	\$	5,000.00
Rolling Hills Estates	8,157	\$	5,000.00
Total		\$	377,500.00



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: City Administrator

SUBJECT: Resolution Opposing the Los Angeles County Metropolitan Transportation Authority (Metro) Expenditure Plan For the 2016 Proposed Ballot Measure

MEETING DATE: July 19, 2016

RECOMMENDATION:

Approve the resolution opposing the Los Angeles County Metropolitan Transportation Authority Expenditure Plan for the 2016 Proposed Ballot Measure and approve and adopt a Resolution and assign the number next in order.

BACKGROUND / ANALYSIS:

The Los Angeles County Metropolitan Transportation Authority (Metro) released a draft Expenditure Plan, part of the Los Angeles County Traffic Improvement Plan Ordinance, on March 24, 2016. This initial Expenditure Plan (Plan) listed the I-5 Freeway Expansion Project (north of the I-605 to I-710) for funding and starting construction in the year 2041, over twenty (20) years following the completion of the southern segment.

The I-5 JPA, along with the Gateway Cities Council of Governments (Gateway Cities COG), challenged this Plan, as it provides some funding to southeast Los Angeles County decades after fully funding projects in other sub-regions, most particularly the City of Los Angeles, which receives 50% of the funds within the first 15 years of the Plan. After several discussions with Metro, highlighting the significant importance of the I-5 Freeway Expansion Project, the project was moved up to the year 2036 in their adopted Plan.

Metro's Expenditure Plan is based on modeling done using Metro Board adopted performance metrics that allowed projects with little or no definition to be modeled in an idealized state against projects with known attributes and benefits. In addition, the performance modeling was stacked heavily in favor of commuter transit while penalizing highway projects.

On June 23, 2016, the Metro Board approved the revised Plan and voted 11 to 2 to place a measure on the November ballot that would raise sales taxes in the County by half a percent in exchange for \$120 billion in transportation projects over the next 40 years. Directors Knabe and Dubois, representing the Gateway Cities and South Bay Cities,

opposed the Plan. This ballot measure is similar to the 2008 Measure R version; however it does not have a sunset provision. Therefore, it is a transportation tax that would be placed on a permanent basis Countywide, but will provide little relief to the transportation issues in southeast LA County and other County areas for the next 40 years. Furthermore, there is one big ticket item in the City of Los Angeles, a \$9.8 billion project in 2015 dollars that is not defined and has a high risk of cost increase as the project develops. This new project is the second highest ranked project, having jumped ahead of projects far greater defined.

The I-5 Freeway Improvement Project (I-605 to I-710) was categorized by Metro as a “sub-regional project” regardless of its regional, statewide and national significance. This project runs through the City of Commerce, which is home to some of the most important intermodal facilities for goods movement in the country. In the City of Commerce, the BNSF Hobart facility and the Union Pacific East Los Angeles Intermodal Yard together form the fourth-largest intermodal port in the United States, after the ports of Los Angeles, Long Beach, and New York-New Jersey. Goods that move through these facilities come from all over the world, and are distributed to cities throughout the country. By 2035, the U.S. Department of Transportation projects that demand for rail freight transportation will increase by 88%. However the I-5 freeway does not have the capacity to continue to support this level of trade. Designed to carry 175,000 vehicles a day, this portion of the I-5 freeway, which links Downtown Los Angeles to Orange County and connects to the Ports of Los Angeles and Long Beach, now carries 275,000 vehicles, of which 25,000 are trucks.

Metro’s adopted Expenditure Plan and Ordinance fail to take into account the vital economic role this section of the I-5 freeway plays for the region, the state, and the nation. Additionally, Metro’s refusal to honor the commitment made to the voters in 2008 with Measure R by utilizing subjective performance matrixes and skewed criteria in order to place undefined projects located in the City of Los Angeles ahead of Measure R projects in this region, make it difficult to support.

Another area of significant concern with this ballot measure is that of the 3% local contribution requirement. This requires cities to pay 3% of the cost of major transit projects within their jurisdiction or implement mutually agreed-upon active transportation or first/last mile improvements as whole or part of the 3% contribution. If a city fails to pay the 3% contribution or does not implement acceptable improvements, Metro would be allowed to withhold up to 15 years of local return funds from this new transportation measure, which could heavily impact cities in the Gateway Cities region. The Gateway Cities COG requested that Metro remove this 3% local contribution provision as it places a significant burden on smaller cities; however, the final Plan includes this requirement.

ALTERNATIVES:

1. Approve the resolution to oppose the Los Angeles County Metropolitan Transportation Authority Expenditure Plan for the 2016 Proposed Ballot Measure;
2. Provide staff with further direction.

FISCAL IMPACT:

This activity may be carried out without additional impact on the current operating budget.

RELATIONSHIP TO STRATEGIC GOALS:

This item before the City Council is applicable to the following Council 2012 Strategic Goals:

- *Grow revenues to ensure all expenses are being met so that we can remain fiscally responsible and continue to provide services to the residents*
- *Improve and maintain infrastructure and beautify our community*
- *Develop a tangible environmental mitigation plan.*

Prepared by: Fernando Mendoza, Deputy City Administrator

Reviewed by: Vilko Domic, Finance Director

Approved as to Form: Eduardo Olivo, City Attorney

Respectfully submitted: Jorge Rifá, City Administrator

RESOLUTION NO. 16-95

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMMERCE,
CALIFORNIA, OPPOSING THE LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY EXPENDITURE PLAN FOR THE 2016
PROPOSED BALLOT MEASURE**

WHEREAS, the Gateway Cities Council of Governments (COG), along with other COGs in the region participated in the development of a countywide process to accumulate a listing of all sub-regional transportation projects. This process resulted in the identification of \$275 billion of transportation projects countywide; and

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (Metro) in response to the identified need developed an expenditure plan to address the project capital and operational needs for the County. This expenditure plan will be Metro's template for mobility for the next 40 years. The tax itself will remove the sunset provision from Measure R and continue in perpetuity or until repealed by the electorate; and

WHEREAS, instead of giving the Measure R project initiatives first priority for new tax revenues, assuring that 2nd and 3rd decade Measure R projects are completed, Metro initiated a modeling process utilizing performance metrics that places well-defined projects with analysis in competition with new projects with assigned attributes. This modeling exercise has resulted in a reordering or resequencing of projects that benefited new projects from the City of Los Angeles and placed projects from the Gateway Cities COG and other regions behind them; and

WHEREAS, the I-5 Freeway Improvement Project (I-605 to I-710) was categorized by Metro as a "sub-regional" project regardless of its regional, statewide, and national significance; and

WHEREAS, this project runs through the City of Commerce, which is home to some of the most important intermodal facilities for goods-movement in the country. Commerce is home to both BNSF Hobart facility and the Union Pacific East Los Angeles Intermodal Yard, which together form the fourth largest intermodal port in the United States; and

WHEREAS, Metro's adopted Expenditure Plan and Ordinance fail to take into account the vital economic role this section of the I-5 freeway plays for the region, the state, and the nation.

WHEREAS, multi-modal projects that would benefit cities in the Gateway Cities are being leapfrogged by higher profile projects in more affluent areas, which are also being given priority access to federal funding. That is simply not geographically equitable, nor is it fair to our residents who will be funding these projects for decades before they truly benefit; and

WHEREAS, Metro's potential ballot measure includes a 3% local contribution requirement mandates cities to pay 3% of the cost of major transit projects within their jurisdiction or implement mutually agreed-upon active transportation or first/last mile improvements as whole or part of the 3% requirement; and

WHEREAS, if a city fails to pay the 3% contribution or does not implement acceptable improvements, Metro would be allowed to withhold up to 15 years of local return funds from this new transportation measure; and

WHEREAS, this 3% local contribution requirement would have a severe negative impact not only Commerce, but the entire Gateway Cities region.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE HEREBY DETERMINES, FINDS, AND RESOLVES AS FOLLOWS:

Section 1. The resolution to oppose the Los Angeles County Metropolitan Transportation Authority Expenditure Plan for the 2016 Proposed Ballot Measure is hereby APPROVED.

Section 2. The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of Commerce and the City Clerk, or her duly appointed assistant, is directed to attest thereto and assign it the next number in order.

PASSED and APPROVED this 19 day of July, 2016.


Ivan Altamirano
Mayor

ATTEST:


Lena Shumway
City Clerk