




Re-Imagining LA County

January 24, 2019



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Background

- The Metro Board approved the Twenty-Eight by '28 Initiative in January 2018
 - 28 highway and transit projects totaling \$42.9 billion (YOE)
 - Set goal to complete by 2028 Olympic and Paralympic Games
- 20 projects are already slated for completion by 2028
- \$26.2 billion is needed to accelerate delivery of the other eight projects by 2028
- Motion 4.1 (Solis, Garcetti, Hahn, Butts) in September 2018 directed development of a Twenty-Eight by '28 funding plan

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Background

- In response to Motion 4.1, staff issued the Twenty-Eight by '28 Program Financing/Funding White Paper
- White Paper recommended items that should be treated as baseline assumptions and priorities
- White Paper introduced potential strategies to close the funding/financing gap for delivering program



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Re-Imagining LA County: Mobility, Equity, and the Environment

The initiative's objectives, and proposed strategies to achieve them, go well beyond Twenty-Eight by '28

- Dramatically improve equity through mobility
- Eradicate congestion in LA County
- Reduce the region's carbon footprint and combat climate change



Staff Recommendations

- A. Recommend to approve baseline assumptions and priorities (sacred items) for the financing/funding plan to delivery Twenty-Eight by '28
1. Ensure funding to implement results of NextGen
 2. Preserve annual State of Good Repair allocations
 3. Maintain current debt limits for Propositions A and C
 4. Protect Metro's debt covenants
 5. Ensure funding for ancillary projects of systemwide importance



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8. Recommend to approve commitment to convert to all-electric bus fleet by 2030 as a baseline assumption and priority for funding/financing plan to deliver Twenty-Eight by '28
- C. Recommend to approve pursuit of creation of White House Task Force for the 2028 Olympics
- D. Receive and File Strategies to Pursue "The Re-Imagining of LA County" (formerly Twenty-Eight by '28)



Strategies for Re-Imagining LA County

Strategies for Re-Imagining LA County fall into three categories:

- Standard toolkit
- The big "No's"
- Transformational initiatives



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Standard Toolkit - Recommend pursuing

- Advertising and corporate sponsorships
- Toll revenue from existing and expanded Expresslanes network
- Multi-year Subregional Program and Local Return
- Federal and state funding assumptions
- Public-private partnership opportunities
- Value capture

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The Big “No’s”

Change debt policy - Not recommended

- Increases borrowed money that must be repaid
- Increasing debt encumbers future revenues
- Prohibits on-schedule delivery of other Measure M projects

Increase fares - Not recommended

- Not recommended as a funding mechanism to accelerate project construction
- Currently engaged in study to simplify and right-size fares

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- Strategies to deploy for transformational change
- Congestion pricing (all models)
- Levy fees on shared devices (e.g. scooters)
- Levy fees on transportation network companies (TNCs)

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Transformational Initiatives

Congestion Pricing- Recommend pursuing

- Feasibility study for three pricing concepts (cordon, VMT, and corridor) with intent to pilot
 - Will include extensive outreach and creation of Advisory Council
 - Will include critical transit system and service improvements required as part of any congestion pricing plan
- Produces a new revenue stream
- Pricing can dramatically improve equity, mobility, and air quality

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Levy fee on Shared Devices - Recommend pursuing

- Impose fees on devices profiting from free use of public infrastructure
- Regulates operators to improve access to more options

Levy fee on Transportation Network Companies - Recommend pursuing

- Impose fees on Uber/ Lyft -type services that increase vehicle use, causing more congestion
- Regulates operators to make services available to everyone and provides mechanism for managing demand on streets and highways

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Timeline and Next Steps

- **January 2019**
 - Request Board approval on baseline assumptions and priorities to proceed with a Re-Imagining LA County financing/funding plan
 - Request Board approval to include conversion to all-electric bus fleet by 2030 as a baseline assumption and priority for funding/financing plan
 - Request Board approval to pursue creation of White House Task Force on the 2028 Olympic and Paralympic Summer Games

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Timeline and Next Steps

- **February 2019**
 - Request Board action on the staff recommendations for strategies to pursue the Re-Im agining of LA County

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Final Thoughts – Re-Imagining LA County

These bold actions position the agency to deliver unprecedented regional benefits and outcomes:

- *Dramatically improve equity through mobility*
- Eradicate congestion in LA County
- Reduce the region's carbon footprint and combat climate change
- Increase transit frequency and capacity
- Offer free transit
- Deliver a future LA County that benefits everyone

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