

South Bay Cities Council of Governments

November 21, 2019

To: SBCCOG Board of Directors

From: Jacki Bacharach, Executive Director
Steve Lantz, Transportation Director

Subject: Evaluation of Applications Submitted for Measure M & R Call for Projects & Sub-Fund Transfer Option

Adherence to Strategic Plan:

Goal A: Environment, Transportation, and Economic Development. Facilitate, implement, and/or educate members and others about environmental, transportation, and economic development programs that benefit the South Bay. Strategy 5 – Actively pursue opportunities for infrastructure funding for member agencies.

BACKGROUND

Measure R Decennial Sub-Fund Transfer

Funding in the Measure R Ordinance is assigned to specific line items on an Appendix A Expenditure Plan. The Expenditure Plan assigns funding specific to each line item from two Measure R sub-funds, one for highway capital projects and programs and the other for transit capital projects and programs. The Measure R South Bay Highway Program (SBHP) is assigned to the Measure R Highway Sub-Fund.

Measure R SBHP funds have always been limited by Metro and SBCCOG policy to highway and arterial projects that reduce vehicle delay and are located within a mile of a state highway or freeway. Because of the Measure R highway sub-fund limitation, South Bay transit capital projects have been deemed ineligible to date.

No sooner than January 2020, a Decennial Highway/Transit Sub-Fund Transfer provision in the Measure R Ordinance provides an opportunity to use SBHP funding for high-priority transit projects in addition to high priority highway projects in the South Bay.

An explicit policy and process in the Measure R ordinance permits, but does not require, a once-a-decade transfer of funds between the Measure R Highway and Measure R Transit Sub-funds no sooner than January 2020. The Metro Board must approve all Measure R Expenditure Plan funding assignment transfers between the Measure R highway and transit sub-funds throughout L. A. County in a single action. It appears that the South Bay is the only sub-region in which a transfer would be sought. A 2/3 affirmative vote of the Metro Board is required to transfer the Measure R funds between the Highway and Transit sub-funds. The Measure R Ordinance is silent on the role of the sub-regional councils of governments in the Sub-Fund transfer process but throughout the Measure R SBHP, the SBCCOG has developed recommendations to Metro on the use of these funds.

Although transferring Measure R SBHP funds from the highway sub-fund to the transit sub-fund would reduce available SBHP highway funding by the amount of the transfer, the passage of Measure M significantly increased and extended the availability of sub-regional highway funding in the South Bay.

SBHP Funding Available For A Decennial Sub-Fund Transfer

Over the next decade, the SBCCOG staff estimates that there is approximately \$560 million in uncommitted Measure R South Bay Highway Program (SBHP) funding. All of the available funding in this program would be restricted for highway capital projects unless a sub-fund transfer is approved as described above. It also should be noted that the cost to complete active SBHP projects is approximately \$127 million. If Metro chose to complete all projects, the net available for new SBHP-funded projects by 2029 would be \$433 million.

In addition, there is approximately \$358 million in three uncommitted Measure M Multi-Year Sub-Regional Programs (MSPs). All of the available funding is currently restricted for highway capital projects. Measure M also includes a decennial highway/transit sub-fund transfer provision beginning no sooner than January 2028.

The Metro Board also has committed \$130 million in Measure M or other funding sources to the South Bay Measure M South Bay Sub-Regional Equity Program (SREP). Metro initially programmed the SREP after 2043, after Measure R expires and Measure M rises from a half-cent to one cent. However, the Metro Board has already approved funding from the SREP for current projects in the San Fernando Valley and San Gabriel Valley. Following this precedent, some or all of the \$130 million allocated to the South Bay could be made available before 2029 at the discretion of the Metro Board. SREP funding can be used for highway or transit capital projects.

In addition to completing current SBHP projects, the SBCCOG Board has discussed the potential to use sub-regional funding sources to provide the 3% local match that Metro requires to be committed once the Green Line Extension from El Segundo to Torrance reaches 30% design. The contribution amount will not be known until the scope of the project is determined following completion of the environmental clearance process, selection of a locally-preferred alternative and completion of 30% final design. However, SBCCOG staff estimates this commitment could range from \$40-60 million.

Beyond these two commitments, the SBCCOG issued a call for highway and transit projects to be considered in the SBCCOG's FY 2020-21 Metro Budget Request. SBCCOG received 48 applications totaling \$1.3 billion, of which 34 are traditional highway project applications valued at \$972.6 million. There were also 14 transit project applications valued at \$410.2 million that would need a Measure R SBHP transfer from the highway to the transit sub-fund.

RECOMMENDATION

Review the projects submitted for both Measure R and M, the cost to complete current projects and the opportunity to transfer funds this one time only. A thorough conversation should take place as decisions related to these projects will affect the funding availability for the next 10 years.

Further, SBCCOG Staff recommends SBCCOG Board support the City of Inglewood's application requesting Metro to use up to \$130 million in South Bay Sub-Regional Equity Funds for the Centinela Grade Separation project.

Exhibit 1 – Summary of Available R/M South Bay Sub-Regional Revenues vs Applications

Exhibit 2 – FY 2020-21 Metro Budget Request New Project Applications List

c.c.: SBCCOG Infrastructure Working Group –November 13, 2019 Meeting
SBCCOG Transit Operators Working Group - November 19, 2019 Meeting

ADDENDUM

At the Transportation Committee meeting on November 14, the members took the following actions:

1. Approved sending a letter to Metro on Green Line improvements which should be included in the Regional Transportation Improvement Plan. This was a time critical action since Metro is considering this item at a November 20 meeting.
2. Recommended to the Board the following two motions (attached):
 - a. Recommend that Metro use the South Bay Subregional Equity Funding Program in the not to exceed amount of \$130 million in order to ensure the timely construction of the Centinela Grade Separation construction project; and
 - b. Recommend that the Metro Board set for Public Hearing as prescribed in Section 11 the approval of a total transfer of \$560 million from the South Bay COG Measure R Highway Capital Subfund (Line 33 in the Measure R Expenditure Plan) to the Measure R Transit Capital Subfund at the SBCCOG Board meeting January 23, 2020. (For further clauses of the motion, see attached)
 - c. Send a letter to Metro supporting the completion of the Park Place project in El Segundo which the SBCCOG continues to support as an eligible project which meets Measure R requirements.

South Bay Highway Programs Revenues vs Project Requests

Revenues

Measure R Uncommitted Revenues Through 2029: \$560 million

Measure M Uncommitted Revenues in 3 MSPs through 2029 \$358 million

Total Funds Available \$918 million

Possible Commitments

Cost to Complete active SBHP and MSP projects: (\$127 million)

Green Line South 3% Local Match (\$ 50 million)

Total Possible Commitments (\$177 million)

Net M/R Sub-Regional Funds available through 2029 \$741 million

Total Highway and Transit Applications received as of 10/31/19 \$1.3 billion

Exhibit 2: Fy 2020/2029 Measure R Commitments & Fund Transfer Project Applications

Metro FA Project ID	Lead Agency/ Description	Project Type (Hwy/Transit)	New Funding Requested Through 2029			
			MR SBHP	MM HOIP	MM TSMIP	MM SREP
New Project Requests						
1	Beach Cities Transit Operations and Maintenance Facility	T	\$33,433,950			
2	Beach Cities Transit* CNG Bus Replacement (nine vehicles)	T	\$5,611,895			
3	Beach Cities Transit* Zero Emission Bus Conversion (eight vehicles)	T	\$11,000,000			
4	Carson Circuit Regional Transit Center	T	\$2,745,000			
5	Gardena Transit Solar Charging Fueling System Expansion	T	\$2,000,000			
6	Gardena Transit* Bus Replacement (CNG/EV - 15 vehicles)	T	\$12,375,000			
7	Gardena Transit Service Expansion Bus Purchase (CNG/EV - 30 vehicles)	T	\$24,750,000			
8	Inglewood Transit Centinela Grade Separation	T				\$130,000,000
9	Inglewood Transit Transit Connector Project	T	\$250,000,000			
10	Torrance Transit Expansion Buses (20 CNG/4 EV)	T	\$20,000,000			
11	Torrance Transit Return of the Red Car Urban Circulator Trolley	T	\$4,500,000			
12	Torrance Transit Regional Transit Center Parking Structure	T	\$40,000,000			
13	Torrance Transit MicroTransit Expansion	T	\$240,000			
14	Torrance Transit Construction of Heavy-Duty Electric Vehicle Charging Station	T	\$3,500,000			
	Totals:		\$410,155,845			\$130,000,000
1	Caltrans/Metro I-110 Improvements at PCH off-ramp (EA34810)	H	\$43,000,000			
2	Caltrans/Metro Auxiliary lanes on Route 405 from Artesia Boulevard to El Segundo Boulevard. (EA 35310)	H	\$145,800,000			
3	Caltrans/Metro I-405 from El Segundo Blvd. to Imperial Highway – northbound Aux Lanes and Ramp Widening (EA 36570)	H	\$154,200,000			
4	Caltrans/Metro I-405 Improvements from Main Street to Western Avenue	H	\$200,000,000			
5	Caltrans/Metro I-405 from I-110/Main Street to Wilmington Avenue – Aux Lanes (EA 35940)	H	\$145,800,000			
6	Caltrans/Metro Pacific Coast Highway (PCH) Improvements (EA 32580) (Local Projects)	H	\$8,400,000			
7	Metro/Caltrans I-405 Improvements from Western to Crenshaw	H	\$60,000,000			
8	Metro/Caltrans I-105 Integrated Corridor Management	H	\$23,309,750			
9	Carson ITS-fiber, cameras, hardware, and communication devices	H		\$700,000		
10	Carson Avalon Blvd TSSP	H		\$1,530,000		
11	Carson Sepulveda Blvd. Widening	H	\$7,360,000			
12	El Segundo Park Place Gap Closure (Design/ROW support)	H	\$5,000,000			
13	El Segundo Park Place Gap Closure (ROW/Construction)	H	\$120,000,000			
14	Gardena Redondo Beach Blvd. Operational Improvements	H	\$5,567,000			
15	Hawthorne Crenshaw Blvd Mobility Project	H			\$9,000,000	
16	Hawthorne Rosecrans Ave Mobility Project Phase II	H			\$4,500,000	

17	Hermosa Beach Pacific Coast Highway Mobility and Accessibility Project	H		\$11,400,000		
18	Inglewood Changeable Message Signs and CCTV	H		\$7,000,000		
19	Inglewood Connected Vehicles	H		\$10,000,000		
20	Inglewood Downtown ITS	H		\$11,100,000		
21	Inglewood First/Last Mile	H			\$6,500,000	
22	Inglewood* <i>I-405 Overpass project</i>	H	\$21,000,000			
23	Inglewood Manchester Blvd Improvement Project	H			\$17,000,000	
24	Inglewood Prairie Avenue Improvement Project	H			\$9,000,000	
25	Inglewood TMC Expansion	H		\$4,000,000		
26	LA County DPW Westmont/West Athens Pedestrian Plan Phase II	H			\$1,165,000	
27	Palos Verdes Estates PV Drive West Corridor Expansion	H		\$676,500		
28	Port of Los Angeles SR-47/ Vincent Thomas Bridge / Front Street/Harbor Blvd reconfiguration	H	\$25,170,760			
29	Rancho Palos Verdes Western Avenue Improvements Project	H	\$3,300,000			
30	Redondo Beach Pacific Coast Highway (PCH) Improvements at Palos Verdes Boulevard	H	\$4,700,000			
31	Redondo Beach North Redondo Beach Bikeway (NRBB) Extension – Felton Lane to Inglewood Avenue - Construction	H			\$1,000,000	
32	Redondo Beach North Redondo Beach Bikeway (NRBB) Extension – Inglewood Avenue - Design	H			\$200,000	
33	Redondo Beach Traffic Signal Communications and Network System	H		\$2,000,000		
34	SBCCOG South Bay Fiber Network	H		\$2,500,000		
Totals:				\$972,607,510	\$50,906,500	\$48,365,000

** indicates potentially ineligible project*

Requests:	
Total Measure R Transit	\$410,155,845
Total Measure R Hwy	\$972,607,510
Total Measure M Hwy	\$50,906,500
Total Measure M TSMI	\$48,365,000
Total Measure M SREP	\$130,000,000
Total Requests	\$1,612,034,855

MOTION BY Mayor James T. Butts, City of Inglewood

SOUTH BAY CITIES COUNCIL OF GOVERNMENTS TO APPLY SOUTH BAY SUBREGIONAL EQUITY FUNDING PROGRAM TO THE INGLEWOOD CENTINELA GRADE CROSSING

Attachment D

November 14, 2019

In 2015, when the Metro Board adopted the Measure M Ordinance and Expenditure Plan and included \$180M for the North San Fernando Valley Bus Rapid Transit Improvements, it also adopted an ancillary provision to provide equivalent funding to each subregion, other than the San Fernando Valley. “The ***Subregional Equity Program*** will be provided as early as possible to the following subregions in the amounts (in thousands) specified here: AV* \$96,000; W* \$160,000; CC* \$235,000; NC* \$115,000; LVM* \$17,000; GC* \$244,000; SG* \$199,000; and **SB* \$130,000.**” **The Sub regions can spend that money any way they please.”**

In July 2019, the Metro Board approved \$199M for the San Gabriel Valley towards the Foothill Extension Light Rail project.

We, the above named cities, are proposing that the South Bay Cities Council of Governments (COG) Board of Directors vote at the November , 2019 COG Board meeting to use the South Bay allocation of the Metro ***Subregional Equity Program*** to fund the Centinela/Florence Grade Separation Project and request the Metro Board to recognize the COG’s decision, and commit to the funding of this important subregional and regional impacting project.

For years, the City has worked in close collaboration with Metro on the development of the Centinela/Florence Grade Separation Project. Since the approval of the environmental documents for the Crenshaw/LAX Line in 2011, increased traffic levels have occurred and will continue to occur with the anticipated opening of a 72,000 seat (up to nearly 100,000 capacity) NFL Stadium and additional developments at Hollywood Park site that have been approved and are either currently under construction or planned.

The City of Inglewood has increasingly evolved into a major sports and entertainment center in the greater Los Angeles area and helped spur economic revitalization in both the City, South Bay and in the County, as evidenced by the following:

- With a \$100 million dollar investment, the Forum in Inglewood was revitalized and reopened in 2013 and now actively hosts some of the largest entertainment acts in the Country.
- Approximately 238 acres in Hollywood Park are being redeveloped with a number of new uses including 2,500 units of residential, 890,000 square feet of retail, 780,000 square feet of office, a 300-room hotel, 25 acres of new recreational and park amenities, a new 72,000-seat National Football League (NFL) Stadium that will be home to both the NFL Los Angeles Rams and Los Angeles Chargers teams, and a performance arts venue with 6,000 seats. Construction of the stadium began in 2014 and is slated for completion by 2020.
- On February 20, 2018, the City of Inglewood initiated the environmental clearance process for the proposed Inglewood Basketball and Entertainment Center (IBEC), which includes an 18,000 fixed seat arena, an 85,000-square foot team practice and athletic training facility, LA Clippers team office space, sports medicine clinic and approximately 40,000 square feet of retail and other ancillary uses.
- The new LA Philharmonic's music and cultural campus for the Youth Orchestra Los Angeles (YOLA) will be relocated to the Inglewood Civic Center area. Construction on the 25,000 square feet of the YOLA Center is slated to start in the spring 2019. Recent intensification of development in the City is expected to increase traffic volume levels on the City's roadways that provide regional and local access to the Hollywood Park area, including the Centinela/Florence Avenues intersection

Over the past 4 years, the City of Inglewood has continuously collaborated with Metro to identify the most viable opportunities to mitigate significant impacts to traffic at the planned at-grade Centinela/Florence crossing. In January and February 2017, the LACMTA Board provided direction to staff to conduct a grade separation traffic analysis study for the Centinela/Florence Avenues crossing.

To complete the grade separation traffic analysis, the City in coordination with Metro staff collected and provided the most up-to-date information on

the progression of development at Hollywood Park, other development projects within Inglewood and surrounding jurisdictions.

The grade separation traffic study analysis indicated that the post-NFL traffic alone would meet the volume threshold for “Grade Separation Normally Required Category,” under the Metro Grade Crossing Policy. More than 1,200 cars per hour per lane are anticipated to cross Centinela/Florence after the approximately 22 NFL games. The analysis found that post-event traffic may be twice as high as the normal background traffic at the Centinela/Florence intersection.

A grade separation of the Crenshaw/LAX LRT crossing at Centinela/Florence intersection will support the goals outlined in the Metro Vision 2028 Strategic Plan by addressing the mobility challenges in the project area including increasing travel demand, travel times, and roadway congestion. Specifically, the Project meets Vision 2028 Goal #4, *Transform LA County through regional collaboration and national leadership*, as this project will be advanced through a close partnership with the City of Inglewood to solve a regional challenge, as the special events at the NFL Stadium and other event venues at in Inglewood are expected to attract attendees on an almost daily basis from throughout the region.

In October 2019, Metro staff began its preliminary engineering and environmental assessment for Centinela/Florence grade-crossing. It is anticipated that preliminary cost estimate will be available in the beginning of 2020. Metro staff is planning to take the findings of the study to its Board in April of 2020.

WE MOVE THAT the South Bay Cities Council of Governments (“COG”) adopt this proposal to apply the South Bay Subregional Equity funding allocation to the Centinela Grade Separation Project and inform the Metro Board of its decision in this matter.

WE FURTHER MOVE THAT the COG Board send a formal Request to the Metro Board requesting the Metro Board to recognize the COG’s decision and commit to funding the Centinela Project and instruct the CEO and Metro staff to finalize negotiations with the South Bay Cities Council of Governments its ***Subregional Equity Program*** allocation in the not to exceed amount of \$130 million in order to ensure the construction of the Centinela Grade Separation construction project; and

In similar fashion to the July 24, 2019 Metro Board Action regarding the Metro Gold Line Extension to Claremont, the sources of funds for the recommended action include but are not limited to eligible discretionary regional Proposition A, Proposition C, Measure R and Measure M sales tax revenues and other regional, state, or federal funds, based on availability, in accordance with the cash flow needs of the project.

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MOTION BY

Mayor James T. Butts, City of Inglewood, Mayor Patrick J. Furey, City of Torrance, and Mayor Drew Boyles, City of El Segundo

November 14, 2019

Los Angeles County voters approved in 2008 Measure R, a 30-year half-cent sales-tax formally known as: The Traffic Relief and Rail Expansion Program. Measure R aims to ease traffic congestion within the region and provide alternative modes of transportation for Los Angeles County residents and visitors. This includes the South Bay Subregion where major transportation investments and programs are required.

The South Bay Cities Council of Governments (“COG”), a joint powers authority, representing the local jurisdictions in this subregion, serves a co-program manager with Metro to help guide and oversee the South Bay Measure R program. The COG has examined the growing needs to fund a broad array of transit-related Capital Projects throughout the South Bay subregion to implement transit mobility improvements, including transit-related infrastructure, and is reconsidering the previous emphasis on Highway Capital Projects.

Measure R recognizes that over the thirty (30) year legislative lifespan of the Ordinance, the likelihood that highway and transit priorities within the individual Subregions may change, especially during the second and third decades of the Ordinance.

To address the emerging and unforeseen priorities, the Measure R voter approved Ordinance includes a provision that allows the transfer of Subregional net revenues to transfer from the Highway Capital Fund Category in Measure R to the Transit Capital Fund Category (See Attachment A “Ordinance #08-01 Traffic Relief and Rail Expansion Ordinance” Section 11a and 11b”).

Now, on January 1, 2020, this provision would allow the Metro Board to transfer Net Revenues from the Highway Capital Fund to Transit Capital Fund with a two-thirds majority vote of the Board. 2

Today, it is appropriate for the South Bay COG to consider this transfer given the passage and implementation of Senate Bill 743, which shifts emphasis away from vehicle level of service (LOS) and now focuses on trip reduction and reductions in vehicle miles of travel (VMT). To address climate change, the South Bay COG should work to align its program with State’s goals to reduce greenhouse gas (GHG) emissions and improve public health through more active transportation and transit.

WE MOVE THAT the South Bay Cities Council of Governments (“COG”) adopt and direct the use and adhere to the following framework to justify the transfer of Measure R Highway Funds to Transit Funds, as allowed in Section 11 of the Measure R Ordinance, as follows:

1. At the COG November 21, 2019 Board Meeting adopt this Motion to formally request that the Metro Board set for Public Hearing as prescribed in Section 11 the approval of a total transfer of \$560M from the South Bay COG Measure R Highway Capital Subfund (Line 33 in the Measure R Expenditure Plan) to the Measure R Transit Capital Subfund for January 23, 2020.
2. In collaboration with the Metro Chief Planning Officer, finalize a list of transit projects from South Bay project sponsors through a robust and transparent vetting process to be completed by January 2020. The selection of the projects should advance transportation sustainability goals (e.g. transit, transit-related infrastructure and clean bus technology) and the reduction of greenhouse gases and VMT.
3. In preparation for the January 23, 2020 Public Hearing, issue a report to the Metro Chief Executive Officer that includes the following:
 - A. A proposed list of South Bay Transit Capital Projects and Project Sponsors that the Metro Board would consider approving by a majority vote as part of the South Bay COG's normally scheduled Budget Request process.
 1. The COG should consider waiving Measure R local match requirements to be consistent Measure M requirements for transit-related projects.
 2. Should transit funds not be utilized, such funds would automatically revert back to the Measure R Highway Fund at any time.
 - B. Consider Measure R Highway Operational Improvement Funds and any other transit-related Metro capital funding as a match to funding transferred from the Measure R Highway Sub-Fund to the Transit Sub-Fund by the 2/3 vote of the Metro Board.
4. Provide a report back to the COG's Steering Committee once the Metro Board approved all items above at the January 23, 2020.

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ATTACHMENT A:

Ordinance # 08-01 - SECTION 11. "AMENDMENTS"

a. Metro may amend this Ordinance, including Attachment A, with the 9 exception of Section 11, for any purpose, including as necessary to account for the results of any environmental review required under the California Environmental Quality Act of the individual specific projects listed in Attachment A. Any such amendments shall be approved by a vote of not less than two-thirds (2/3) of the Metro Board of Directors. Metro shall hold a public meeting on proposed amendments prior to adoption. Metro shall provide notice to the Los Angeles County Board of Supervisors, the city council of each city in Los Angeles County, and the public of the public meeting and proposed amendments, and provide them with a copy of the proposed amendments, at least 30 days prior to the public meeting. Amendments shall become effective forty-five days after adoption.

b. Notwithstanding Section 11(a) of this Ordinance, Metro shall not adopt any amendment to this Ordinance, including Attachment A, that reduces total Net Revenues allocated to the sum of the Transit Capital Subfund and the Highway Capital Subfund. Not more than once in any ten (10) year period commencing after the year 2019, Metro may adopt an amendment transferring Net Revenues between the Transit Capital Subfund and the Highway Capital Subfund. c. Notwithstanding Section 11(a) of this Ordinance, Metro shall not adopt any amendment to this Ordinance, including Attachment A, that reduces Net Revenues allocated to the Operations Subfund or the Local Return Subfund. d. Metro may amend Section 11 of this Ordinance if such amendments are approved by a vote of not less than two-thirds (2/3) of the Metro Board of Directors and are approved by a simple majority vote of the electors voting on a measure to approve the amendment. Metro shall hold a public meeting on proposed amendments prior to adoption by the Board. Metro shall provide notice to the Los Angeles County Board of Supervisors, the city council of each city in Los Angeles County, and the public of the public meeting and proposed amendments, and provide them with a copy of the proposed amendments, at least 30 days prior to the 2 public meeting. Amendments shall become effective forty-five days after adoption by 3 the electors.