

South Bay Cities Council of Governments

April 13, 2015

TO: SBCCOG Steering Committee

FROM: Jacki Bacharach, SBCCOG Executive Director

SUBJECT: South Bay Cities Mobility Matrix Final Project List

BACKGROUND

L. A. Metro has prepared a Countywide Mobility Matrix as an initial step in preparing an update of the Metro Long Range Transportation Plan and as a resource for defining a potential new transportation sales tax measure. The South Bay Mobility Matrix project list was accepted by the SBCCOG Board of Directors at its March 26, 2015 meeting. The Board also approved a letter to Metro that expressed the concerns with the current Metro process.

In parallel with the Mobility Matrix development process, Metro staff has been instructed by the Metro Board to develop a sales tax measure to be taken to the voters. State Senate Bill 767 has been introduced to allow a ½-cent L. A. County transportation sales tax measure to be placed on the November 2016 ballot. S. 767 requires the Metro Board to adopt an expenditure plan before the measure is placed on the ballot.

On February 25, 2015, Metro sent a letter to all of the subregions requesting their project priorities for consideration as part of a potential ballot measure. Metro intends to use the Mobility Matrix and the sub-regional priorities along with input from all other stakeholders and other polling research and analysis to support the structure and sizing of ballot measure and to identify individual transit and highway capital projects. Metro has asked each sub-region to establish a “Tier 1” list of projects and programs taken from the Mobility Matrix to be funded from a new sales tax.

Metro has discussed with the COG Executive Directors throughout L. A. County an initial revenue allocation approach that would commit 50% of the revenue generated for transit operations, facility repairs and local return programs. The share of the half of the revenue that would include funding for local return is a concern to the SBCCOG since this funding was reduced from 25% in Proposition A (1980), to 20% in Proposition C (1990), then to 15% in Measure R (2008). Cities use these funds for a variety of transit and street maintenance purposes and are advocating that a new sales tax measure return the share to 25%.

Metro also is seeking sub-regional input on the allocation of the other half of the projected revenues. Their initial assumption is that subregions would want to use the funding for transportation capital improvements. If revenues were collected for 40 years, and if these revenues were allocated based on a formula using population and employment, the South Bay would receive approximately \$1.5 billion for sub-regional transportation improvement programs.

This is at approximately the same annual allocation level as is currently being allocated to the South Bay Highway Program in Measure R (\$905 million over 30 years).

Proposition A and C do not have sunset clauses but Measure R expires in 2039. Without extending Measure R, revenues collected in a new sales tax measure after 2039 would likely be needed to continue / backfill the commitments made in Measure R. Hence, Metro staff is considering including provisions in the November 2016 ballot measure that would extend Measure R past its current 2039 expiration. Toward that end, Metro staff also is asking the sub-regions to propose a “Tier 2” list of projects and programs that could be funded by such an extension of Measure R which could go out to the year 2060 and beyond.

Metro staff has begun polling potential voters. In addition, the Metro Board approved a Financial Stability motion at its February 26, 2015 meeting that calls for staff to prepare a report on current commitments in Proposition A, Proposition C, and Measure R to be considered at the June 2015 Metro Board meeting (see attachment). Although polling results have not been released and the results of the Financial Sustainability Memo have yet to be considered by the Metro Board, Metro staff is asking for the COGs to submit their “Tier 1” and “Tier 2” lists by the end of June. The imminent deadline is necessary to meet the Metro Board’s schedule for a draft expenditure plan related to a potential November 2016 ballot measure.

The SBCCOG Board approved a letter responding to the request at its March 26, 2015 meeting that calls for a different approach to development of the potential ballot measure. Staff does not recommend that the SBCCOG submit “Tier 1” or “Tier 2” lists until the Financial Stability report is received and the results of the initial polling can be reviewed.

RECOMMENDATION

The SBCCOG Steering Committee recommends that the SBCCOG Board of Directors send a letter to the Metro Board requesting that the deadline for submitting “Tier 1” and Tier 2” lists be deferred until after the results of the initial polling and the Financial Stability report have been reviewed by the Metro Board and the COGs.

Prepared by Steve Lantz, Transportation Director