



Board Report

File #: 2023-0175, File Type: Program

Agenda Number: 43.

OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE
APRIL 20, 2023

SUBJECT: METRO EXPRESSLANES NET TOLL REVENUE

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. APPROVING the guidelines and project eligibility for Round 3 of the ExpressLanes Net Toll Revenue Allocations (Attachments A and D);
- B. APPROVING the Metro ExpressLanes Round 3 Net Toll Revenue Grant Applications (Attachments B and C); and
- C. AUTHORIZING the Chief Executive Officer (CEO) to extend all in-progress Round 1 and Round 2 Net Toll Revenue projects' lapsing dates by two years (Attachment E).

ISSUE

State law requires net toll revenues generated from the ExpressLanes program to be reinvested for transportation improvements in the corridor where generated, pursuant to an expenditure plan adopted by the Metro Board. Gross toll revenues generated from the ExpressLanes are first used to cover the direct expenses related to the maintenance, administration, and operation of the lanes per Metro Board policy. Following Board Policy, the remaining revenue is then used to maintain project reserves, to support incremental additional transit service on the ExpressLanes, and for freeway/roadway improvements and system connectivity/ active transportation projects identified through a competitive grant program (Net Toll Revenue Grants).

All projects awarded grants are required to ensure timely use of funds, including beginning to use the funds within one year of executing their funding agreement. This provision is the same process used during the first two grant rounds. Projects from the first two rounds that have begun work and continue to make progress can have their lapsing date extended.

BACKGROUND

The net toll revenue program's primary objective is to increase mobility and person throughput

through the implementation of integrated strategies that enhance transit operations, transportation demand management, transportation systems management, active transportation, and capital investments in the 1-10 and 1-110 corridors. The revenues are collected from users of the ExpressLanes that do not meet the eligibility and occupancy requirements for toll-free travel on the lanes. Revenue generated from these trips is collected and then used to cover costs of operations, including toll collections, toll facility capital costs, service center support, Caltrans maintenance, CHP enforcement, and other routine operating and maintenance requirements. After all, costs are paid, excess or “net” revenue can be re-invested into the corridor where the revenue was generated.

In October 2015 the Board approved the re-investment framework for the 110 and 10 ExpressLanes expenditure plan with the following conditions:

- 1.Reinvestments in the transportation corridors provide a direct benefit to reducing congestion on the Metro ExpressLanes (I-10 and I-110);
- 2.A set aside of funds to be placed into a reserve account ;
- 3.Funding for the continuation of the incremental Transit Service improvements to address social equity considerations;
- 4.A set aside of 20% of the available grant funds to Caltrans for corridor improvements;
- 5.Any remaining funds available for allocation to the Grant Program comprised of three categories: Transit Use (TU), System Connectivity/Active Transportation (SC/AT), and Roadway Improvements (RI);and,
- 6.Grant funds to be reinvested in projects/programs that provide direct mobility benefit to the I-10 and I-110 ExpressLanes within a three mile radius. Projects beyond a three mile radius must demonstrate regional significance.

In August 2016, the Metro Board approved Round 2 of the net toll revenue grant program in the amount of approximately \$54.2 million in net toll revenue funds to projects with a direct mobility benefit to the ExpressLanes Corridors. The 2016 Board adopted guidelines were modified from the initial \$26.7 million round of funding in 2014 to better reflect changing program requirements, including Caltrans set-aside funding, sustainability goals, and improvements related to technology advancement.

The overall program is comprised of two elements: a set-aside component and a competitive grant. The set-aside is comprised of funds provided to continue the operation of transit services and encourage increased transit ridership, as well as a reserve fund and revenue necessary to support Caltrans’ projects in the corridor. The competitive grant provides funding to implement multi-modal mobility options, including freeway/roadway improvements, transit enhancements, and active transportation and system connectivity. Funding allocations for competitive grants are approved by the Board.

As outlined in Attachment A, Round 1 and Round 2 contain a similar mix of transit, system connectivity, and roadway improvements. Some of the prior funding for transit projects include Torrance Transit expansion, electric bus procurement, , LA Galaxy Shuttle Bus, and City of Gardena Transit Service on the I-110. Active transportation awards included projects focused on first mile/last mile, complete streets, healthy communities, station improvements, bicycle facilities, and various pedestrian safety enhancements. Roadway improvements included Great Street projects, vision zero traffic signal improvements, Intelligent Transportation System (ITS) enhancements, and other

freeway and traffic signal improvements along the I-10 and I-110 corridors.

Current staff estimates are that \$124.8 million will be available for allocation across all categories for Round 3, net of the set-asides for transit and Caltrans. Since the Round 2 projects have spent more than 50% (56%) of their grant amounts, staff is seeking approval of the guidelines and applications to begin Round 3 of the net toll revenue allocation.

DISCUSSION

Proposed Reinvestment Guidelines for Round 3:

The Round 3 guidelines will delineate the method by which Metro will disburse the net toll revenues based on six reinvestment principles. Three of the re-investment principles are direct set-asides (Reserve Fund, Transit Operations, and Caltrans set-aside), which are not part of the Grant Program. The set-asides are used to ensure responsible operations for unforeseen events, to support and encourage transit on the corridor, and for Caltrans to provide additional roadway improvements and access to the corridor. The transit funding can be used to directly support transit operating on the corridors. Caltrans can use its allocation for any project or enhancement that benefits mobility within the corridor. Net of the set-asides, the Grant Program allocates surplus revenues among three funding categories: 1) Transit Uses, 2) System Connectivity/Active Transportation, and 3) Roadway Improvements, which are the subject of the Grant Application Package. These three funding categories are recommended as they enhance the Metro ExpressLanes program and promote multi-modal and sustainable transportation strategies in support of Metro's Long Range Transportation Plan.

Consistent with Rounds 1 and 2, a category for Transit Use is recommended because the operation of high frequency transit and feeder service, as well as transit capital improvements, have proven to be effective in creating mode shift and reducing congestion on Metro ExpressLanes. A category for System Connectivity/Active Transportation is recommended to improve system connectivity between transit and the state highway. The category also demonstrates Metro's commitment to advancing sustainable community strategies for Active Transportation. A category for Roadway improvements is recommended to build upon prior investments in signal synchronization and intelligent transportation systems that support travel and increase safety along the corridors.

The proposed guidelines will maintain Core Principles consistent with Rounds 1 and 2:

- Reinvestments in the transportation corridor that provide a direct benefit to reducing congestion on the Metro ExpressLanes corridors (I-10 and I-110);
- A reserve fund set-aside, consistent with the Board approved Toll Policy to ensure the financial sustainability of the Metro ExpressLanes and enable potential system expansion;
- Direct annual allocation to fund the incremental transit service implemented to support the deployment of the Metro ExpressLanes. The incremental services include Metro J (Silver) Line, Foothill Silver Streak and Route 699, Gardena Lines 1X and 2, and Torrance Transit Line 4. These lines pass through Equity Focused Communities (EFCs);
- Allocate net of set-asides on a competitive basis utilizing targets of 40% for other Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Roadway Improvements to benefit the ExpressLanes and support sustainable transportation strategies; and,

- Leverage net toll revenues with other funding sources. Locally sponsored capital projects and operating programs are encouraged. The funding will be mutually determined by Metro and the lead agency, proportionate to the local and regional benefits of the project/program.

Eligible Projects/Programs

To be eligible for funds, the project, program, or enhanced transit service must operate along or within three miles of either the I-10 Corridor (between Alameda Street to the west and the El Monte Transit Center to the east) or I-110 corridor (defined as Adams Boulevard to the north and the Harbor Gateway Transit Center to the south). A project/program beyond the 3-mile radius will also be eligible if it can be determined that it is regionally significant and demonstrates a direct benefit to the I-10 or I-110 corridors. Regional significance is defined as those projects/programs that are multi-jurisdictional and/or are included in, or consistent with, the Metro LRTP, Metro Countywide Sustainability Policy and Implementation Plan, or another relevant sub-regional plan.

Application Evaluation Process

The application evaluation process is as follows:

Step 1 - Staff will distribute the application package to eligible applicants and convene workshops to review the application package and guidelines with workshop attendees.

Step 2 - Once all applications have been received, projects will undergo a preliminary eligibility review.

Step 3 - All eligible projects will be scored by a technical review team comprised of Metro and members of the I-10 and I-110 Corridor Advisory Group (CAG).

Step 4 - Once the projects have been ranked, staff will then review to ensure consistency with funding availability and criteria within the corridor and category.

Step 5 - Recommended projects/programs will be submitted to the Board for consideration and funding approval.

Outreach

Consistent with the Rounds 1 and 2 process, on January 18, 2023, staff convened a CAG meeting which included representatives from both corridors to present guideline changes and seek stakeholder input. The summit was attended by 24 agencies representing public and non-profit interests in transit, highways, active transportation, health, and housing. Participants reviewed the proposed guidelines and applications and were given two weeks to provide comments. The proposed guidelines reflect some of the recommendations received from the CAG.

Upon release of the application, Metro staff will conduct two workshops for potential project sponsors. The workshops will provide a forum for potential project sponsors to ask questions and receive

guidance on filling out the application packet. Metro staff will also attend the appropriate Councils of Governments (COG) meetings in May/June 2023 to further inform eligible applicants regarding the program. Upon receipt of applications, applicants will have the opportunity to present their projects to the CAG for review and scoring. The CAG scores will be averaged with the Metro staff score to get the final score for the projects.

Changes in the Application

Equity

In alignment with Metro's focus on equity and equitable benefits to marginalized communities, updates were made to the Net Toll Grant applications. In the updated application, points are given to projects that provide a targeted benefit to Equity Focused Communities (EFC) while providing improvements to mobility. Project points are specifically called out in the Mobility and Equity benefits section, but the entire application will be looked at with an equity focused lens. An equitable project plan will consider the circumstances impacting a community's mobility and connectivity needs. The project eligibility area is 61% EFC on the I-110 corridor and 32% on the I-10 corridor.

Updated Application Format

To keep up with the modernization of workforce practices, the application will now be available and accepted in an electronic-only format. This update was requested by CAG members to help streamline the application process for project sponsors.

Funding Target Goals for Round 3

If the recommended guidelines are approved by the Metro Board as outlined above, the ROUND 3 expenditure plan will provide the following:

Draft Reinvestment Categories	Estimated Net Toll Revenues	Allocation Target Estima Corridor)	
<i>Net Set-Aside</i>	<i>\$52,250,000</i>		
Set-Aside (Caltrans)*	\$14,510,000		
Set-Aside (Reserve Fund)	\$6,000,000		
Set-Aside (Direct Allocation - Transit Ops)	\$31,740,000		
Grants Targets	\$72,550,000	I-110	I-10**
<i>Allocation Target (40%- Transit Uses)***</i>	<i>\$29,020,000</i>	<i>\$17,855,416</i>	<i>\$11,976,190</i>
<i>Allocation Target (40%- System Connectivity)***</i>	<i>\$29,020,000</i>	<i>\$17,855,416</i>	<i>\$11,976,190</i>
<i>Allocation Target (20%- Roadway Improvements)***</i>	<i>\$14,510,000</i>	<i>\$8,927,708**</i>	<i>\$5,988,095**</i>
TOTAL NET TOLL REVENUE	\$124,800,000		
GRANT FUNDS ALLOCATED			

*The Caltrans allocation is based on 20% of Net Set-Asides for all other Target amounts and is contingent on a master operations and maintenance agreement signed by August 1, 2023. Re-allocation will be established by the Board if no agreement is reached.

**An additional \$1,082,560 was applied to the I-110 net set-aside from a de-obligated project in Round 1. An additional \$920,475 was applied to the I-10 net set-aside from an unused allocation approved in Round 2.

***Baseline targets of 40% for Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Roadway Improvements are identified as goals; however, the actual allocation of the funding will be based on the merits of the proposed projects and programs.

This expenditure plan addresses transit obligations, Caltrans set-aside (20% of the identified competitive total amount), and reserve funds, and looks ahead to funding agreements and work commencing in FY24, FY25, and FY26.

Net Toll Grant Extensions

In July 2014, the Metro Board approved 20 projects totaling \$19,854,458 as part of the Round 1 Net Toll Revenue Grant Program. Of the 20 projects from Round 1, fourteen (14) have been completed, one (1) is being de-obligated per the project sponsors request, and five (5) are in progress and have expended partial funds.

In August 2016, the Metro Board approved 21 projects totaling \$27.9 million for funding as part of Round 2. Of those projects, nine (9) have been completed, nine are, and twelve (12) are in progress and have expended partial funds.

The Board policy calls for consideration of de-obligation of funding from project sponsors who have not met lapsing deadlines or have not used the entire grant amount to complete the project. This is not recommended, as the COVID-19 pandemic has impacted working environments and has brought financial hardship for many project sponsors resulting in additional delays in project implementation. Prior to the COVID-19 pandemic, many project sponsors expressed concern about staff turnover, labor shortages, and material availability. These issues were exacerbated as a result of the pandemic and have contributed to the majority of the delays. Consequently, staff is recommending a two-year extension from the current month and year of lapsing for the seventeen (17) projects in Attachment D. Staff continues to work directly with the sponsors and have established additional procedures to ensure that progress is made and the projects will be completed.

Transit Service

Continued funding of the direct allocation is recommended to subsidize the incremental operating costs of the transit service deployed to support the Metro ExpressLanes. The transit agencies that receive this direct allocation are Foothill Transit, Torrance Transit, Gardena Municipal Bus Lines, and Metro's J (Silver) Line service. These transit enhancements are a benefit for commuters and other riders by providing more travel choices and reducing congestion on the ExpressLanes.

During the height of the COVID-19 pandemic, transit service levels for the lines serviced by direct allocation were reduced in FY21 by as much as 29% from FY20. The reductions were made as a result of the decline in bus ridership. As transit providers continue to deal with COVID-19 pandemic uncertainties, the ridership projections remain speculative for the coming fiscal year. The proposed revenue miles for FY23 are up to 7% higher than FY20 levels for the transit service providers. Staff proposes allocating up to \$7,935,000 annually to address transit services provided by agencies in FY22 and FY23 to subsidize transit service dependent on the level of services provided. Prior year funding for transit has been encumbered and is available to support the agreed upon level of service.

FINANCIAL IMPACT

All recommended actions will be funded with toll revenues generated from the I-10 and I-110 ExpressLanes. No other funds will be required from LACMTA. Funding of \$7,935,000 for incremental transit service is included in the FY22 and FY23 budget requests in project 405549 cost center 2220 (ExpressLanes). The cost center manager and Deputy Chief Operations Officer, Shared Mobility will be responsible for budgeting project and transit service expenditures in future years.

Impact to Budget

There is no impact to the bus and rail operating and capital expenditures. Net Toll Revenues generated from the Metro ExpressLanes' operation comprise the entirety of the funds recommended in this action.

EQUITY PLATFORM

The Net Toll Grant applications will award up to 10 points to projects that demonstrate a significant benefit to EFCs. The projects will be scored on their ability to show how the project will impact EFCs by use of demographic data where available. Project sponsors will collect the necessary data to evaluate the EFC impact and are required to provide before and after data upon completion of the project. Engagement and readiness points are also part of the original criteria and not included in the application updates.

Metro ExpressLanes believes the non-profit community plays a vital role in helping Los Angeles County become more sustainable. The experience, programs, networks, and commitment of the region's non-profit agencies provide a foundation for increased public engagement, positive behavior change, and community commitment; therefore, we are recommending wherever possible for eligible applicants to partner with a non-profit organization to deliver projects. The system connectivity/active transportation application provides up to 10 points for partnering with a non-profit agency. The transit use/roadway improvements application provides up to 5 points for the partnership.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Metro ExpressLanes Net Toll Revenue aligns with Strategic Goals 1: Provide high-quality mobility options that enable people to spend less time traveling and 4: Transform LA County through regional collaboration and national leadership. ExpressLanes provide drivers and transit riders with the option of a more reliable trip while enhancing the overall operational efficiency of the freeway network and enabling collaboration among partners to implement mobility improvements.

ALTERNATIVES CONSIDERED

The Board may choose not to approve or defer approval of any of the requested actions. Staff does not recommend this option as the recommendations further the Board's objective of assuring that funds are optimally utilized and reinvested in mobility options within the region.

NEXT STEPS

Upon adoption of the guidelines, staff will proceed as follows:

- Request Board approval and release grant application package: April 2023
- Meeting with COGs: May/June 2023
- Applicant workshops and meeting with CAGs: May/June 2023
- Application due date: August 2023 reflecting previous Board direction to provide 3 months for application preparation
- Evaluate applications/outreach: August 2023
- Seek Board Approval for recommended grants: October 2023

With Board approval, staff will formally notify and execute agreements with project sponsors and transit operators impacted by the time extension and transit allocation.

ATTACHMENTS

Attachment A - Metro ExpressLanes Round 3 Net Toll Revenue Allocation Guidelines

Attachment B - Project Application - Transit Uses and Roadway Improvements

Attachment C - Project Application - System Connectivity/Active Transportation

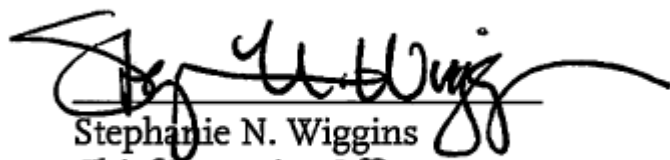
Attachment D - Project Eligibility Guidelines

Attachment E - Net Toll Revenue Grant Program Time Extension Project List

Attachment F - ExpressLanes Equity Focus Communities Map

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Chief Executive Officer

Metro ExpressLanes Round 3 Net Toll Revenue Reinvestment Guidelines

The generation of net toll revenues from the **Metro ExpressLanes program** offers a unique opportunity to advance the Long Range Transit Plan (LRTP) and Los Angeles County Metropolitan Transportation Authority's (LACMTA) goals for a more sustainable countywide transportation system.

The objective of the Program is to increase mobility and person throughput through a series of integrated strategies (transit operations, transportation demand management, transportation systems management, active transportation, and capital investments) in the I-10 and I-110 corridors. These combined strategies have consistently shown to result in more reliable and stable outcomes and greater magnitude of positive change than a single strategy scenario. An expenditure plan that retains this focus on integrated strategies and multi-modalism would advance Metro's LRTP and sustainability goals as outlined in Metro's Countywide Sustainability Planning Policy (CSPP).

The guideline principles are summarized as follows:

1. Reinvestments in the transportation corridor provide a direct benefit to reducing congestion on the Metro ExpressLanes (I-10 and I-110);
2. Establish a reserve fund consistent with the Board Approved Toll Policy to ensure financial sustainability of the Metro ExpressLanes;
3. Direct allocation of revenue to support the incremental transit service implemented to support the deployment of the Metro ExpressLanes. The incremental services include Metro Silver Line, Foothill Silver Streak, Foothill Route 699, Gardena Line 1X, Gardena Line 2, and Torrance Transit Line 4;
4. Direct allocation of revenue to Caltrans for Intelligent Transportation Systems (ITS), deck rehabilitation, on/off ramp and mainline improvements that benefit the ExpressLanes Corridors. Caltrans will be precluded from seeking additional funding from the competitive grant. 50% of Caltrans's funding will be tied to the agency's ability to meet agreed-upon timelines.
5. Net of set-asides identified in #2, #3, and 4 above, establish allocation targets of 40% for Transit Uses, 40% for Active Transportation, and 20% for Roadway Improvements to support sustainable transportation strategies; and
6. Leverage net toll revenues with other funding sources. Locally sponsored capital projects and operating programs are encouraged. The funding will be mutually determined by Metro and the lead agency, proportionate to the local and regional benefits of the project or program.

Note: Guidelines would be amended by the Board to address changed circumstances such as the ability to bond against the toll revenues or any subsequent policy changes adopted by the Board.

Sustainability

The LRTP and the CSPP identify principles and priorities to be advanced through a broad range of activities across all modes. The principles/priorities include:

- **Connect People and Places**
 - Access – Better integrating land-use and transportation planning to reduce trip lengths and increase travel choices
 - Prosperity – Reduce transportation costs for residents and provide the mobility necessary to increase economic competitiveness
 - Green Modes – Promote clean mobility options to reduce criteria pollutants, greenhouse gas emissions, and dependence on foreign oil
- **Create Community Value**
 - Community Development – Design and build transportation facilities that promote infill development, build community identity, and support social and economic activity
 - Urban Greening – Enhance and restore natural systems to mitigate the impacts of transportation projects on communities and wildlife, and ecosystems
- **Conserve Resources**
 - Context Sensitivity – Build upon the unique strengths of Los Angeles County's communities through strategies that match local and regional context and support investment in existing communities
 - System Productivity – Increase the efficiency and ensure the long-term viability of the multimodal transportation system
 - Environmental Stewardship – Plan and support transportation improvements that minimize material and resource use through conservation, re-use, re-cycling, and re-purposing

Eligible Uses

The LRTP and CSPP identify a number of key concepts which will help outline eligible uses to reduce congestion on the I-10 and I-110 corridors:

- **Green Modes**

Green modes include active transportation, rideshare, and transit. Given that all three of these modes operate along the I-10 and I-110 corridors, this key concept would make expanded use of the above modes consistent with the Plan. Such projects include the addition of bicycle and pedestrian facilities, expanded park-n-ride facilities, expanded service span and/or increased levels of service.
- **Bundling Strategies for Greatest Impact**

The Metro ExpressLanes, as designed, seeks to increase mobility and person throughput through a series of integrated strategies (transportation demand management, transportation systems management, and multimodal capital investments) in specific corridors. This “bundling of strategies” as referred to in the CSPP has been consistently shown to result in more reliable outcomes and greater magnitude of positive change than a single strategy scenario. An expenditure plan that retains this focus on integrated strategies and multimodalism would exemplify guidance from the CSPP. Projects that demonstrate the ability to further link or expand the use of existing facilities such as complete streets improvements and first mile/last mile improvements are recommended.

- Network Optimization

One of the primary objectives of the ExpressLanes project is to better utilize existing capacity within a corridor by using dynamic pricing. This approach of network optimization through the use of data represents the future of transportation policy and planning. To that end, the Policy also identified the concept of network optimization as a key component of sustainability. Projects falling under this concept include complete streets, signal prioritization, real-time ride share matching, and other smart technology improvements.

- Act Regionally and Locally

The I-10 and I-110 are two of the busiest corridors in Los Angeles County. Given the regional significance of these corridors, improvements to these facilities as well as additional services utilizing these corridors should emphasize the varying needs of the corridors as well as needs of adjacent communities. Projects which can improve the connection of the local communities to the regional network will be essential to improving the quality of life in those neighborhoods as well as maximizing the potential of the corridors. Projects falling under this concept include first mile/last mile improvements, expanded park-n-ride facilities, expanded service span and/or increased levels of service, and urban greening initiatives which reduce pollution and improve the quality of life for residents.

Based on the key concepts, three project categories are recommended for the allocation of net toll revenues (excluding set-asides):

1. Transit Uses (40% of funds)

- Increased levels of service and/or increased service span
- Fare subsidy programs
- Purchase of new bus and commuter rail vehicles
- Station enhancements and capacity improvements, including intelligent transportation system improvements
- Metro transit corridor projects serving ExpressLanes corridors

2. System Connectivity/Active Transportation (40% of Funds)

- First mile/last mile connections to transit facilities, focusing on multimodal elements recommended as part of the First/Last Mile Strategic Plan

including investments that might support 3rd party mobility solutions (car-share, bike-share)

- Complete streets projects which emphasize multi-modalism
- Bicycle infrastructure including bicycle lanes and secured bicycle parking facilities
- Pedestrian enhancements including on/off-ramp safety improvements, street crossings, and ADA-compliance improvements
- Infrastructure and programs to support the use of electric vehicles.
- Bus station improvements including enhanced bus shelters, real-time arrival information, and other related improvements
- El Monte Bus Maintenance facility
- Rideshare/Vanpool programs
- Park-n-Ride facility improvements including restrooms, lighting, and security.
- Landscaping suited to the Southern California ecology. For example, vegetation that does not contribute to smog and requires little or no irrigation. Additionally, landscaping with a high carbon sequestration factor and/ or provides habitat to environmentally sensitive species is favorable.

3. Highway Improvements (20% of funds)

- Intelligent transportation system improvements to manage demand
- Signal Synchronization programs
- On/off ramp improvements which reduce the incidents of bicycle and pedestrian collisions with vehicles
- Graffiti removal and landscaping suited to the Southern California ecology. For example, vegetation that does not contribute to smog and requires little or no irrigation. Additionally, landscaping with a high carbon sequestration factor and/ or provides habitat to environmentally sensitive species is favorable
- Subject to Metro Board approval, extension of the ExpressLanes corridors

NOTE: Baseline targets of 40% for Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Highway Improvements are identified as goals, however the actual allocation of the funding will be based on the merits of the proposed projects and programs.

Project Evaluation Criteria

Implementation of Regional and Local Sustainability Plans and Policies

- The extent to which the project, program, or enhanced transit service supports the recommendations and goals for each transportation mode as stated in the LACMTA's adopted Long Range Transportation Plan and SCAG's Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS)
- Extent to which the project, program, or enhanced transit service conforms to local plans to support the implementation of sustainable projects, including transit-oriented development and bicycle and pedestrian master plans

Matching Funds/Leveraging Funds

- Extent to which project, program, or enhanced transit service uses ExpressLanes funds to leverage additional local, state, and/or federal funds

Innovative Transportation Technology

- Extent to which the project, program, or enhanced transit service facilitates the adoption of zero and near-zero emission vehicles
- The degree to which the project, program, or enhanced transit service supports improved transportation systems management strategies

Sustainable Transportation

- Extent to which the project, program, or enhanced transit service increases mobility options to support car-free and/or one-car living
- Extent to which project, program, or enhanced transit service enhances transit coverage, frequency, and reliability within the corridor
- The project, program, or enhanced transit service's connectivity with and ability to complement nearby transit projects
- The degree to which the project, program, or enhanced transit service provides access to regional trip generators, regional activity centers, fixed guideway, and Metrolink, and improves access between jurisdictional or community plan area boundaries
- Extent to which project, program, or enhanced transit service gives priority to transit and active transportation modes
- Extent to which the project, program, or enhanced transit service increases the mode share of transit services operating within the corridor
- The degree to which the project, program, or enhanced transit service provides additional resources for transportation demand management strategies to reduce solo driving
- The degree to which the project, program, or enhanced transit service promote the Metro ExpressLanes.

Cost Effectiveness

- The project, program, or enhanced transit service's cost effectiveness in relationship to the total project cost
- The applicant's demonstrated commitment to covering life-cycle operational and maintenance expenses

Recommended Standard Project Requirements

- Project, program, or enhanced transit service must operate along or within three miles of either the I-110 Corridor (defined as Adams Boulevard to the north and the Harbor Gateway Transit Center to the south) or the I-10 Corridor (between the Alameda Street on the West and the El Monte Transit Center to the east) or provide regionally significant improvements for the 110 or 10 Corridor.

- Project, program, or enhanced transit service must provide direct operational benefits to the operation of the ExpressLanes and/or transit service within the corridors.
- Project, program, or enhanced transit must incorporate, to the extent possible, utilize green design techniques that minimize the environmental impact of transportation projects and/or support local urban greening initiatives.
- Eligible applicants include public agencies that provide transportation facilities or services within Los Angeles County. These include cities, transit operators, the County of Los Angeles, and Metro. Transportation-related public joint powers authorities must be sponsored by one of the above public agencies. All applicants must be in compliance with Maintenance of Effort requirements.
- Timely Use of Funds provision: project sponsors must execute their funding agreement within six months of receipt of the agreement from Metro and begin expenditure of funds within one year of executing the agreement to avoid potential lapsing of the funds.
- If applicant is seeking funding for transit operations or highway maintenance, the service/maintenance must either be new service/maintenance meeting a previously unmet need in the corridor or must increase service for existing lines in the corridor.
- Applicants must maintain their existing commitment of local, discretionary funds for street and highway maintenance, rehabilitation, reconstruction, and storm damage repair in order to remain eligible for Net Toll Revenue funds to be expended for streets and roads.
- Monies cannot be used to supplant, replace, or reduce the project sponsor's previously required match in Metro's Call for Projects.
- Applicants shall ensure that all Communication Materials contain the recognition of Metro's contribution to the project, program, or service. Sponsor shall ensure that at a minimum, all Communication Materials include the phrase "This project/program/service was partially funded by Metro ExpressLanes."

ATTACHMENT B

MTA Use Only:

Project #: _____

Category: _____

**Metro ExpressLanes Round 3 Net Toll Revenue Reinvestment Grant Program:
Transit Uses & Roadway Improvements**

Required Documentation:

- **Application Parts A and B**
- **Application Signature Page**
- **Project Location and Map with project limits – 8.5” by 11”**
- **Detailed Cost Estimate**
- **Documentation of Community Support**
- **If partnering with a Non-Profit Agency 501(c)(3) please provide the IRS Determination letter**
- **Include color photos of project site (if applicable)**
- **Data Collection and Methodology**

Submit one (1) USB drive or emailed PDF packet to MTA to the following address:

LACMTA

Attn: Michel’le Davis

One Gateway Plaza

Mail Stop 99-11-1

Los Angeles, CA 90012

DAVISMI@metro.net

I certify that I have reviewed the Project Eligibility Guidelines and that the information submitted in this application is true and correct and in accordance with the Guidelines. If awarded a grant from Metro, I agree that I will adhere to the information and documentation as contained in this grant application.

Name (Print Name):	Title:
Signature: (signature of authorized signatory of applicant)	Date:

Project Category –Select one

(For more information, please see Project Eligibility Guidelines)

Transit Uses: <input type="checkbox"/>	Roadway Improvements: <input type="checkbox"/>
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Project Name:

Lead Agency:	
Address:	
Contact Person/Title:	
Phone:	
Email Address:	

If joint project – include partner agency information below:

Agency:	
Contact Person/Title:	
Phone:	
Email Address:	

If partnering with Non-Profit Agency – include information below:

Non-profit Agency:	
Contact Person/Title:	
Phone:	
Email Address:	

Agency Priority Ranking: <ul style="list-style-type: none">If submitting more than 1 project	
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PART A

1- PROJECT LOCATION / PROJECT LIMITS:

2- PROJECT DESCRIPTION: (Summarize the project in a clear & concise manner)

3- PROJECT FUNDING:

Phase/Deliverable	Funds Requested	Local Match – Cash*	Local Match - In-Kind	Sub Total Cost

Total Project Cost	
--------------------	--

* Specify Source of Local Cash Match _____

4- LOCAL SUPPORT:

The council or governing board of the applicant must authorize this grant application. Please attach a copy of the resolution or meeting minutes documenting that action. Or if the project is part of an approved Plan, please list all local, system, regional, and state plans in which this project is included and attach a copy of the section in each plan that includes this project.

5- BEFORE AND AFTER DATA:

Applicants must collect before and after data for all projects. (i.e., pedestrian and bicycle counts, transit ridership, vehicle throughput, speed, and volumes). Please provide the types of data you will collect and a detailed methodology for your collection and analysis. The cost of this task should be included in the project budget.

PART B

1 MOBILITY AND EQUITY BENEFITS (Up to 25 points)

All projects will be scored based upon the extent the project or program supports the following goals within the 1-10 or 1-110 ExpressLanes corridors:

- Increases mobility options to support car-free and /or one car living
- Enhances transit coverage, frequency, & reliability within the corridor
- Significant benefits identified in Equity Focused Communities (EFC)
- Connects with & complements nearby transit projects
- Provides access to regional trip generators, regional activity centers, fixed guideway & Metrolink services
- Improves access between jurisdictional or community plan area boundaries
- Gives priority to transit & active transportation modes
- Increases the mode share of transit services operating within the corridor
- Provides additional resources for transportation demand management strategies to reduce solo driving
- Maximizes Person Throughput
- Reduces Vehicle Miles Traveled (VMT)

***Up to 10 points given for projects that demonstrate a significant benefit to EFCs**

A. Describe the current situation/problem, the need for the project, and how its implementation would resolve the described situation/problem.

B. Describe how your project or program, meets one or more of the above goals. Clearly define the anticipated outcome and how will you measure the impact?

2 INNOVATIVE TRANSPORTATION TECHNOLOGY, PRACTICES AND STRATEGIES (Up to 15 points) *

One of the primary objectives of the ExpressLanes is to better utilize existing capacity within the I-10 and I-110 corridors by employing an innovative operational approach utilizing electronic toll collection and new transponder technology. This approach of transportation network optimization through the use of technology and operational efficiency strategies represents the future of transportation policy and planning.

To that end, the concept of network optimization is identified as a key component of sustainability. Projects will be scored based upon their ability to employ innovative technologies or system management tools to reduce emissions and/or optimize the capacity of the existing transportation system.

Describe the extent to which the project/program facilitates the adoption of innovative technology, practices, or strategies. For example, green technology, zero and near-zero emission vehicles, connected cars, traffic signal and new bus technology, innovative transportation system management.

*** 5 points will be given to those applicants that partner with a non-profit agency**

3 IMPLEMENTATION OF REGIONAL AND LOCAL SUSTAINABILITY PLANS AND POLICIES (Up to 15 points)

Metro’s Countywide Sustainability Planning Policy and Implementation Plan (CSPPIP) along with SCAG’S Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) identify principles and priorities to be advanced through a broad range of activities across all modes. Applicants will be scored based upon the extent the project/program supports the sustainability policies and programs identified in the CSPPIP, RTP, or SCS.

- A. Describe how the project/program is consistent with the policies included in Metro’s CSPPIP. Reference the page number(s) of the Plan.**

- B. Describe how the project/program is consistent with the goals and policies included in the 2020 RTP/SCS. Reference the page number(s) of the Plan.**

4 LOCAL MATCH (Up to 10 points)

Total Project Cost	\$
Funding Request	\$
Local Match – Cash	\$
Local Match – In-Kind	\$
Local Match – Percentage	

* Please attach an itemized cost estimate for all expenses based on an engineer's estimate or best information available if not a capital project. Be as accurate as possible to avoid future cost overruns.

Projects will be scored based on the amount of Local Match provided:

46% or more	10 points
41 – 45%	9 points
36 – 40%	8 points
31 – 35%	7 points
26 – 30%	6 points
21 – 25%	5 points
16 – 20%	4 points
11 – 15%	3 points
6 – 10%	2 points
1 – 5%	1 point

5 COST EFFECTIVENESS (Up to 10 points)

Cost effectiveness will be based on the grant amount requested, the total project cost and the estimated useful life of the project (calculated in years). The Estimated Useful Life of the Project is defined as the number of years the capital improvements, bus purchase, transit service, program, or study will last before it has to be replaced or changed.

The cost effectiveness total will be calculated as follows:

Example:

Total Cost of Project - \$1,000,000
Grant Amount Requested - \$800,000 = 1.25

1.25 x 10 (est. useful life of project in years) = 12.5 (cost effectiveness score)

A. Provide your calculations below:

B. What is the expected functional life span of the proposed project (in years)? Please explain.

Points will be awarded based on the following cost effectiveness scores:

17+	10 points
13 - 16	8 points
9 - 12	6 points
5 - 8	4 points
1 - 4	2 points

6 SAFETY (Up to 10 points)

Describe the project's ability to remedy potential safety hazards. For example, the number, rate, and consequence of transportation related accidents, serious injuries, and fatalities among operators, drivers, pedestrians and cyclists? Please provide collision data and other safety related data.

7 PROJECT IMPLEMENTATION READINESS (Up to 15 points)

Please provide milestone and actual or estimated completion dates for the various project phases. Include proof of completion of any of the phases below or their equivalents, where applicable.

Capital Projects			
Phase	Start (Month-Year)	End (Month-Year)	Actual (A) or Estimated (E) Schedule
Feasibility Study			
Environmental			
Design - Plans, Specifications & Estimates (PS&E)			
Right of Way (ROW)			
Construction			
Other			
Other			
Other			

	Non-Capital Projects		
Task/Deliverables	Start (Month-Year)	End (Month-Year)	Actual (A) or Estimated (E) Schedule

ATTACHMENT C

MTA Use Only:

Project #: _____

Category: _____

Metro ExpressLanes Round 3 Net Toll Revenue Reinvestment Grant Program: System Connectivity/Active Transportation

Required Documentation:

- Application Parts A and B
- Application Signature Page
- Project Location and Map with project limits – 8.5” by 11”
- Detailed Cost Estimate
- Documentation of Community Support
- If partnering with a Non-Profit Agency 501(c)(3) please provide the IRS Determination letter
- Include color photos of project site (if applicable)
- Data Collection and Methodology

Submit one (1) USB drive or emailed PDF packet to MTA to the following address:

LACMTA

Attn: Michel'le Davis

One Gateway Plaza

Mail Stop 99-11-1

Los Angeles, CA 90012

Davismi@metro.net

I certify that I have reviewed the Project Eligibility Guidelines and that the information submitted in this application is true and correct and in accordance with the Guidelines. If awarded a grant from Metro, I agree that I will adhere to the information and documentation as contained in this grant application.

Name (Print Name):	Title:
Signature: (signature of authorized signatory of applicant)	Date:

Project Name:

--

Lead Agency:	
Address:	
Contact Person/Title:	
Phone:	
Email Address:	

If joint project – include partner agency information below:

Agency:	
Contact Person/Title:	
Phone:	
Email Address:	

If partnering with Non-Profit Agency – include information below:

Non-profit Agency:	
Contact Person/Title:	
Phone:	
Email Address:	

Agency Priority Ranking: <ul style="list-style-type: none">• If submitting more than 1 project	
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PART A

1- PROJECT LOCATION / PROJECT LIMITS:

2- PROJECT DESCRIPTION: (Summarize the project in a clear & concise manner)

3- PROJECT FUNDING:

Phase/Deliverable	Funds Requested	Local Match – Cash*	Local Match - In-Kind	Sub Total Cost

Total Project Cost	
--------------------	--

* Specify Source of Local Cash Match _____

4- COMMUNITY SUPPORT:

The council or governing board of the applicant must authorize this grant application. Please attach a copy of the resolution or meeting minutes documenting that action. Or if the project is part of an approved Plan, please list all local, system, regional, and state plans in which this project is included and attach a copy of the section in each plan that includes this project.

5- BEFORE AND AFTER DATA:

Applicants must collect before and after data for all projects. (i.e., pedestrian and bicycle counts, transit ridership, vehicle throughput, speed, and volumes). Please provide the types of data you will collect and a detailed methodology for your collection and analysis. The cost of this task should be included in the project budget.

PART B

1 MOBILITY AND EQUITY BENEFITS (Up to 20points)

All projects will be scored based upon the extent the project or program supports the following goals within the 1-10 or 1-110 ExpressLanes corridors:

- Increases mobility options to support car-free and /or one car living
- Enhances transit coverage, frequency, & reliability within the corridor
- Connects with & complements nearby transit projects
- Significant benefits identified in Equity Focused Communities (EFC)
- Provides access to regional trip generators, regional activity centers, fixed guideway & Metrolink services
- Improves access between jurisdictional or community plan area boundaries
- Gives priority to transit & active transportation modes
- Increases the mode share of transit services operating within the corridor
- Provides additional resources for transportation demand management strategies to reduce solo driving
- Maximizes Person Throughput
- Reduces Vehicle Miles Traveled (VMT)

***Up to 10 points given for projects that demonstrate a significant benefit to EFCs**

A. Describe the current situation/problem, the need for the project, and how its implementation would resolve the described situation/problem.

B. Describe how your project or program, meets one or more of the above goals. Clearly define the anticipated outcome and how will you measure the impact?

2 INNOVATIVE TRANSPORTATION TECHNOLOGY, PRACTICES AND STRATEGIES (Up to 15 points)

One of the primary objectives of the ExpressLanes is to better utilize existing capacity within the I-10 and I-110 corridors by employing an innovative operational approach utilizing electronic toll collection and new transponder technology. This approach of transportation network optimization through the use of technology and operational efficiency strategies represents the future of transportation policy and planning.

To that end, the concept of network optimization is identified as a key component of sustainability. Projects will be scored based upon their ability to employ innovative technologies or system management tools to reduce emissions and/or optimize the capacity of the existing transportation system.

Describe the extent to which the project/program facilitates the adoption of innovative technology, practices, or strategies. For example, green technology, zero and near-zero emission vehicles, connected cars, traffic signal and new bus technology, innovative transportation system management.

3 IMPLEMENTATION OF REGIONAL AND LOCAL SUSTAINABILITY PLANS AND POLICIES (Up to 10 points)

Metro's Countywide Sustainability Planning Policy and Implementation Plan (CSPPIP) along with SCAG'S Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) identify principles and priorities to be advanced through a broad range of activities across all modes. Applicants will be scored based upon the extent the project/program supports the sustainability policies and programs identified in the CSPPIP, RTP, or SCS.

A. Describe how the project/program is consistent with the policies included in Metro's CSPPIP. Reference the page number(s) of the Plan.

B. Describe how the project/program is consistent with the goals and policies included in the 2020 RTP/SCS. Reference the page number(s) of the Plan.

4 LOCAL MATCH (Up to 10 points)

Total Project Cost	\$
Funding Request	\$
Local Match – Cash	\$
Local Match – In-Kind	\$
Local Match – Percentage	

*** Please attach an itemized cost estimate for all expenses based on an engineer's estimate or best information available if not a capital project. Be as accurate as possible to avoid future cost overruns.**

Projects will be scored based on the amount of Local Match provided:

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11 – 15%	3 points
6 – 10%	2 points
1 – 5%	1 point

5 COST EFFECTIVENESS (Up to 10 points)

Cost effectiveness will be based on the grant amount requested, the total project cost and the estimated useful life of the project (calculated in years). The Estimated Useful Life of the Project is defined as the number of years the capital improvements, bus purchase, transit service, program, or study will last before it has to be replaced or changed.

The cost effectiveness total will be calculated as follows:

Example:

Total Cost of Project - \$1,000,000
Grant Amount Requested - \$800,000 = 1.25

1.25 x 10 (est. useful life of project in years) = 12.5 (cost effectiveness score)

A. Provide your calculations below:

B. What is the expected functional life span of the proposed project (in years)? Please explain.

Points will be awarded based on the following cost effectiveness scores:

17+	10 points
13 - 16	8 points
9 - 12	6 points
5 - 8	4 points
1 - 4	2 points

6 SAFETY (Up to 10 points)

Describe the project's ability to remedy potential safety hazards. For example, the number, rate, and consequence of transportation related accidents, serious injuries, and fatalities among operators, drivers, pedestrians and cyclists? Please provide collision data and other safety related data.

7 PROJECT IMPLEMENTATION READINESS (Up to 15 points)

Please provide milestone and actual or estimated completion dates for the various project phases. Include proof of completion of any of the phases below or their equivalents, where applicable.

Capital Projects			
Phase	Start (Month-Year)	End (Month-Year)	Actual (A) or Estimated (E) Schedule
Feasibility Study			
Environmental			
Design - Plans, Specifications & Estimates (PS&E)			
Right of Way (ROW)			
Construction			
Other			
Other			
Other			

Non-Capital Projects			
Task/Deliverables	Start (Month-Year)	End (Month-Year)	Actual (A) or Estimated (E) Schedule

8 NON-PROFIT AGENCY PARTNERSHIP (Up to 10 points)
--

Metro ExpressLanes believes the non-profit community plays a vital role in helping Los Angeles County become more sustainable. The experience, programs, networks, and commitment Non-profits provide is a basis to maximizing public engagement, positive behavior change, and community commitment.

Partnering with a 501 (c)(3) non-profit entity	Yes	No	10 points
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- Please provide the Non-Profit's Name and IRS determination letter.

**Round 3 - Congestion Reduction
ExpressLanes Net Toll Revenue Re-Investment Grant
Project Eligibility Guidelines**

I. Overview

The generation of net toll revenues from the ExpressLanes offers a unique opportunity to advance the Long Range Transportation Plan (LRTP) and Los Angeles County Metropolitan Transportation Authority's (LACMTA) goals for a more sustainable countywide transportation system.

The objective of the Program is to increase mobility through a series of integrated strategies (transit operations, transportation demand management, transportation systems management, active transportation, and capital investments) in the I-10 and I-110 corridors. These combined strategies have resulted in more reliable and stable outcomes and greater magnitude of positive change than a single strategy scenario. An expenditure plan that retains this focus on integrated strategies and multi-modalism would advance Metro's LRTP and sustainability goals as outlined in Metro's Countywide Sustainability Planning Policy (CSPP).

II. Eligible Applicants

Eligible applicants include public agencies that provide transportation facilities or services within Los Angeles County. These include cities, transit operators, the County of Los Angeles, and the Los Angeles County Metropolitan Transportation Authority. Transportation-related public joint powers authorities and non-profit agencies must partner with a public agency serving as lead to be eligible.

III. Eligible Projects

To be eligible for funds, the project/program must operate along or within three miles of either the I-10 Corridor (between Alameda Street to the west and the El Monte Transit Center to the east) or I-110 Corridor (defined as Adams Boulevard to the north and the Harbor Gateway Transit Center to the south) (see attached map). A project/program beyond the 3 mile radius will also be eligible if it can be determined that it is regionally significant and provides a direct benefit to the

I-10 or I-110 corridors. Regional significance is defined as those projects that are multi-jurisdictional, and/or are included in, or consistent with, the Metro LRTP, the Metro Countywide Sustainability Planning Policy and Implementation Plan, or other relevant sub-regional plan.

Projects and programs are recommended for three categories to promote the LRTP and sustainable transportation strategies as an integral enhancement to the Metro ExpressLanes. A category for Transit Use is recommended because operation of high frequency transit and feeder service as well as transit capital improvements have proven to be effective in creating mode shift and reducing congestion on the Metro ExpressLanes. A category for System Connectivity/Active Transportation primarily serves to improve bicycle and/or pedestrian infrastructure and to improve system connectivity between transit and the state highway. This category also demonstrates Metro's commitment to advance sustainable community strategies since Metro currently does not have a discretionary fund source eligible to fund operational activities associated with Active Transportation projects. A category for roadway improvements is recommended to encourage operational and system improvements to the adjacent roadways rather than focusing on improvements through expansion.

a) Transit Uses - eligible projects include:

- Purchase of new bus or commuter rail vehicles for service enhancement or new service
- Fare subsidy/operating subsidy
- Station enhancements and capacity improvements, including enhanced bus shelters, real-time arrival information, ticket vending machines (TVM) and other related improvements
- Regional Bus Maintenance facility improvements
- Transit corridor projects serving ExpressLanes corridors
- Rideshare/Vanpool programs (* May qualify for System Connectivity/Active Transportation funding if project creates shorter length trips of 3 miles or less.)

b) System Connectivity/Active Transportation – eligible projects include:

- First mile/last mile connections to transit facilities, focusing on multimodal elements recommended as part of the First/Last Mile Strategic Plan including investments that might support 3rd party mobility solutions (car-share, bike-share)
- Complete Streets projects which emphasize multi-modalism and consider the needs of motorists, pedestrians, transit users, bicyclists, commercial and emergency vehicles

- Bicycle infrastructure including bicycle lanes and secured bicycle parking facilities
- Pedestrian enhancements such as street crossings and ADA-compliance improvements
- Operating subsidy for bike parking, bike-share, and car-share
- Infrastructure and programs to support the use of electric vehicles
- Park-n-Ride facility improvements including restrooms, lighting, and security

c) Roadway Improvements

- Intelligent transportation system improvements to manage demand
- On/off ramp improvements connecting to city streets which reduce the incidents of bicycle and pedestrian collisions with vehicles
- Graffiti removal and landscaping suited to the Southern California ecology. For example, vegetation that does not contribute to smog and requires little or no irrigation. Additionally, landscaping with a high carbon sequestration factor and/ or which provides habitat to environmentally sensitive species is favorable
- Subject to Metro Board approval, extension of the ExpressLane corridors

To the extent possible, applicants must utilize green design techniques that minimize the environmental impact of transportation projects and/or support local urban greening initiatives.

If applicant is seeking funding for transit operations or roadway maintenance, the service/maintenance must either be new service/maintenance meeting a previously unmet need in the corridor or must increase service for existing lines in the corridor. Funding cannot be used to supplant existing service.

Applications submitted for planning/feasibility studies or outreach will not be accepted unless these components are part of a larger capital/infrastructure project/program within the corridor.

IV. Project Selection Process

Projects will be evaluated based on the following criteria:

Transit Uses and Roadway Improvements:	
A. Mobility Benefits (up to 25 points)	*Up to 10 points given for projects that demonstrate a significant benefit to EFCs
B. Innovative Transportation Technology, Practices and Strategies (up to 15 points)	*5 points will be given to those applicants that partner with a non-profit agency.
C. Implementation of Regional and Local Sustainability Plans and Policies (up to 15 points)	
D. Local Match (up to 10 points)	
E. Cost Effectiveness (up to 10 points)	
F. Safety (up to 10 points)	
G. Project Implementation Readiness (up to 15 points)	

System Connectivity/Active Transportation:	
A. Mobility Benefits (up to 20 points)	*Up to 10 points given for projects that demonstrate a significant benefit to EFCs
B. Innovative Transportation Technology, Practices and Strategies (up to 15 points)	
C. Implementation of Regional and Local Sustainability Plans and Policies (up to 10 points)	
D. Local Match (up to 10 points)	
E. Cost Effectiveness (up to 10 points)	
F. Safety (up to 10 points)	
G. Project Implementation Readiness (up to 15 points)	
H. Non-profit Partnership (up to 10 points)	

V. Funding Priorities

Baseline targets of 40% of available funds for Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Roadway Improvements are identified as goals; however, the actual allocation of the funding will be based on the merits of the proposed projects and programs received.

VI. Eligible Costs

Eligible costs are development phase activities (including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities) and the costs of construction, reconstruction, rehabilitation, and acquisition of right-of-way, environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements.

VII. Non-Eligible Costs

Costs such as office equipment, furniture, office leases or space cost allocations or similar costs, applicant staff overtime costs, mileage reimbursements, and travel costs.

VIII. Other Conditions

- Applicants must maintain their existing commitment of local, discretionary funds for street and roadway maintenance, rehabilitation, reconstruction, and storm damage repair in order to remain eligible for Net Toll Revenue funds to be expended for streets and roads.
- All applicants must collect before and after data. (i.e., pedestrian and bicycle counts, transit ridership, vehicle throughput, speed, and volumes). The cost of this task may be included in the project budget.
- Grant funds received cannot be used to supplant, replace, or reduce the project sponsor's previously required match for any other grant program including Metro's Call for Projects.
- Applicants shall ensure that all Communication Materials contain the recognition of Metro's contribution to the project, program, or service. Sponsor shall ensure that at a minimum, all Communication Materials include the phrase "This project/program/service was partially funded by Metro ExpressLanes."
- PSR/PDS and PSRE – For projects that include a construction element, an approved Project Study Report/Project development Support (PSR/PDS) or Project Study Report Equivalent (PSRE) **is not required**.
- Project Funding Request Caps – there are no project funding request caps for any of the 3 categories.

- All project funding provided will be local funds. There are no federal or state dollars available through this program.
- All approved projects will adhere to Metro’s Living Wage policy and be required to ensure that any new jobs created will be located within the region. Any projects that result in job creation outside of the Los Angeles County region will not be eligible.
- Quarterly Progress /Expenditure Reports – All applicants that receive funding will be required to submit to Metro a Quarterly Progress/Expenditure Report based on this schedule:

Quarter Ending	Quarterly progress/Expenditure Report Due to Metro
March 31 st	May 31 st
June 30 th	August 31 st
September 30 th	November 30 th
December 31 st	February 28 th

- Audits – All grant program funding is subject to Metro audit. The findings of the audit are final.

IX. Schedule (dates are estimated and may change)

Board Approval of Application Package	April 2023
Distribution of Application Package	April 2023
Applicant Workshop	May 2023
Deadline for Grant Submissions	August 2023
Presentation of Projects to CAGs	August 2023
Recommendation of Projects to Metro Board for Approval	October 2023

X. General Administrative Conditions

a) Duration of Project

Project schedules must demonstrate that the project can be completed within 36 months of award.

Memorandum of Understanding (MOU) – Each awarded applicant must execute a memorandum of Understanding (MOU) with LACMTA which includes the statement of work, financial plan reflecting any local match provided (if applicable), schedule of milestones and deliverables. The schedule and milestones must reflect the **project will be completed within 36 months** from the date of award.

b) Grant Agreement Lapsing Policy

Grantee must demonstrate timely use of the Funds by:

- (i) Executing a grant Agreement within **six (6) months** of receiving formal transmittal of the grant agreement boilerplate;
- (ii) Begin expenditure of funds within one **(1) year** of executing the agreement to avoid potential lapsing of funds;
- (iii) Meeting the Project milestones due dates as stated in the Statement of Work;
- (iv) Timely submittal of the Quarterly Progress/Expenditure Reports; and
- (v) Invoicing of all expenditures incurred within forty two **(42) months** from the date funds are available

If the Grantee fails to meet any of the above conditions, the Project may be considered lapsed and may be submitted to the Board for deobligation.

In the event that the timely use of the Funds is not demonstrated, the Project will be reevaluated as part of the annual Net Toll Re-investment Grant Deobligation process and the Funds may be deobligated and reprogrammed to another project by the Board.

Administrative extensions may be granted under the following conditions:

- (i) Project delay due to an unforeseen and extraordinary circumstance beyond the control of the project sponsor (legal challenge, act of God, etc.). Inadequate staffing shall not be considered a basis for administrative extensions.

- (ii) Project delay due to an action that results in a change in scope or schedule that is mutually agreed upon by Metro and the project sponsor prior to the extension request.
- (iii) Project fails to meet completion milestone; however, public action on the proposed regulatory change(s) has been scheduled and noticed to occur within 60 days of the scheduled completion milestone.

Appeals to any recommended deobligation will be heard by a Metro appeals panel.

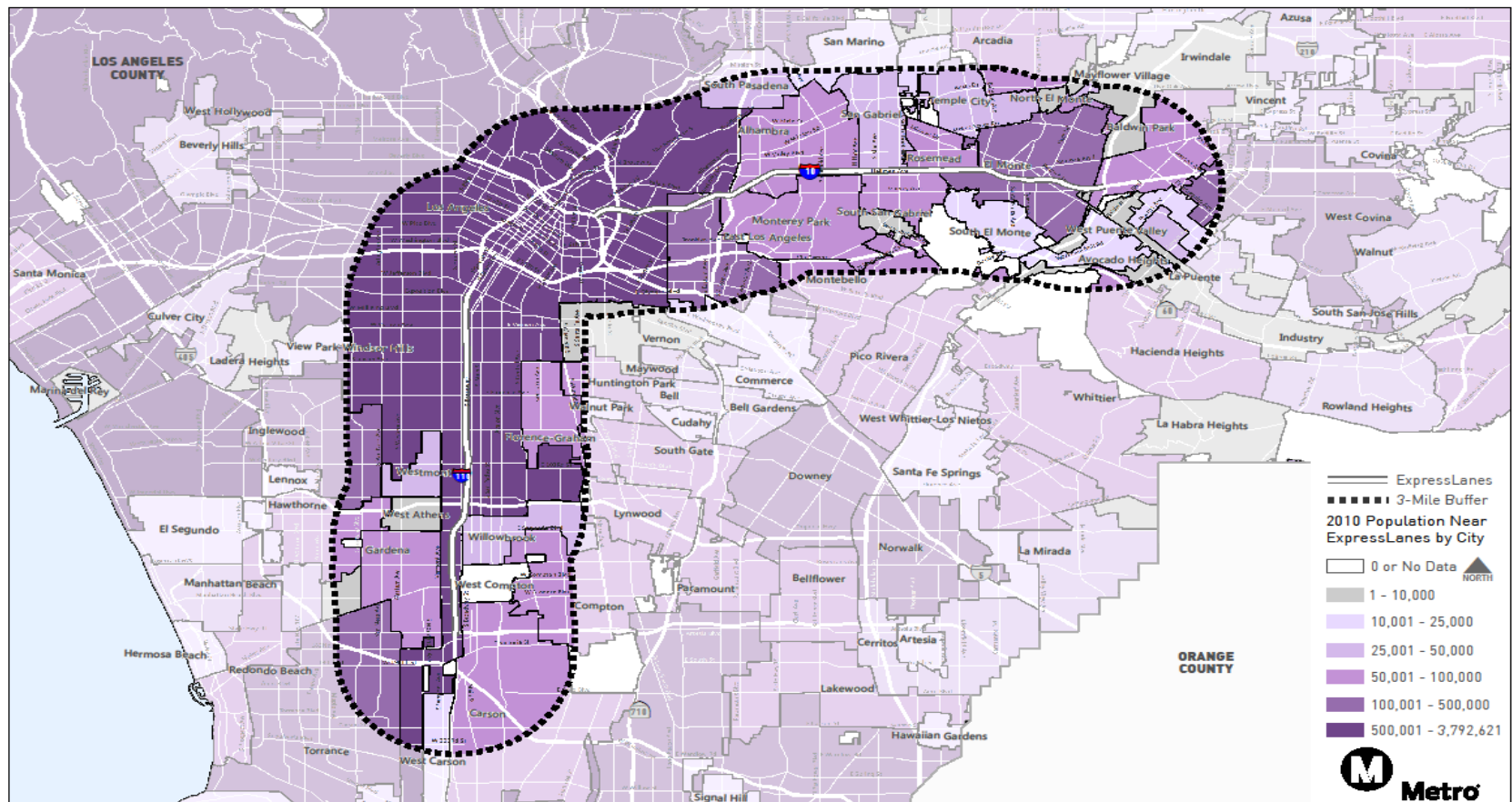
If Grantee does not complete an element of the Project, as described in the Statement of Work, due to all or a portion of the Funds lapsing, the entire Project may be subject to deobligation at Metro's sole discretion.

In the event that all the Funds are reprogrammed, the Project shall automatically terminate.

XI. New Program Requirements:

- Project sponsors must execute their funding agreement within six (6) months of receipt of the agreement from Metro and begin expenditure of funds within one (1) year of executing the agreement to avoid potential lapsing of funds.
- Metro ExpressLanes believes the non-profit community plays a vital role in helping Los Angeles County become more sustainable. The experience, programs, networks, and commitment of the region's non-profit agencies provide a foundation for increased public engagement, positive behavior change, and community commitment; therefore, we are recommending wherever possible for eligible applicants to partner with a non-profit organization to deliver projects/programs. Collaborating with community based organizations (CBOs) in the planning and operations of public agencies increases equitable outcomes, public participation and can foster trust between the community and public agencies. Metro's CBO Strategy Recommendations establishes consistent and equitable processes for Metro to utilize across the agency when directly or indirectly engaging CBOs for professional services. The Strategy can be found at [CBO-Partnering-Strategy.pdf \(dropbox.com\)](#).
- All project applicants must collect before and after data. (i.e., pedestrian and bicycle counts, transit ridership, vehicle throughput, speed, and volumes). The cost of this task may be included in the project budget.

- Applications submitted for planning/feasibility studies or outreach will not be accepted unless these components are part of a larger capital/infrastructure project/program within the corridor.
- All approved projects will adhere to Metro's Living Wage policy and be required to ensure that any new jobs created will be located within the region. Any projects that result in job creation outside of the Los Angeles County region will not be eligible.



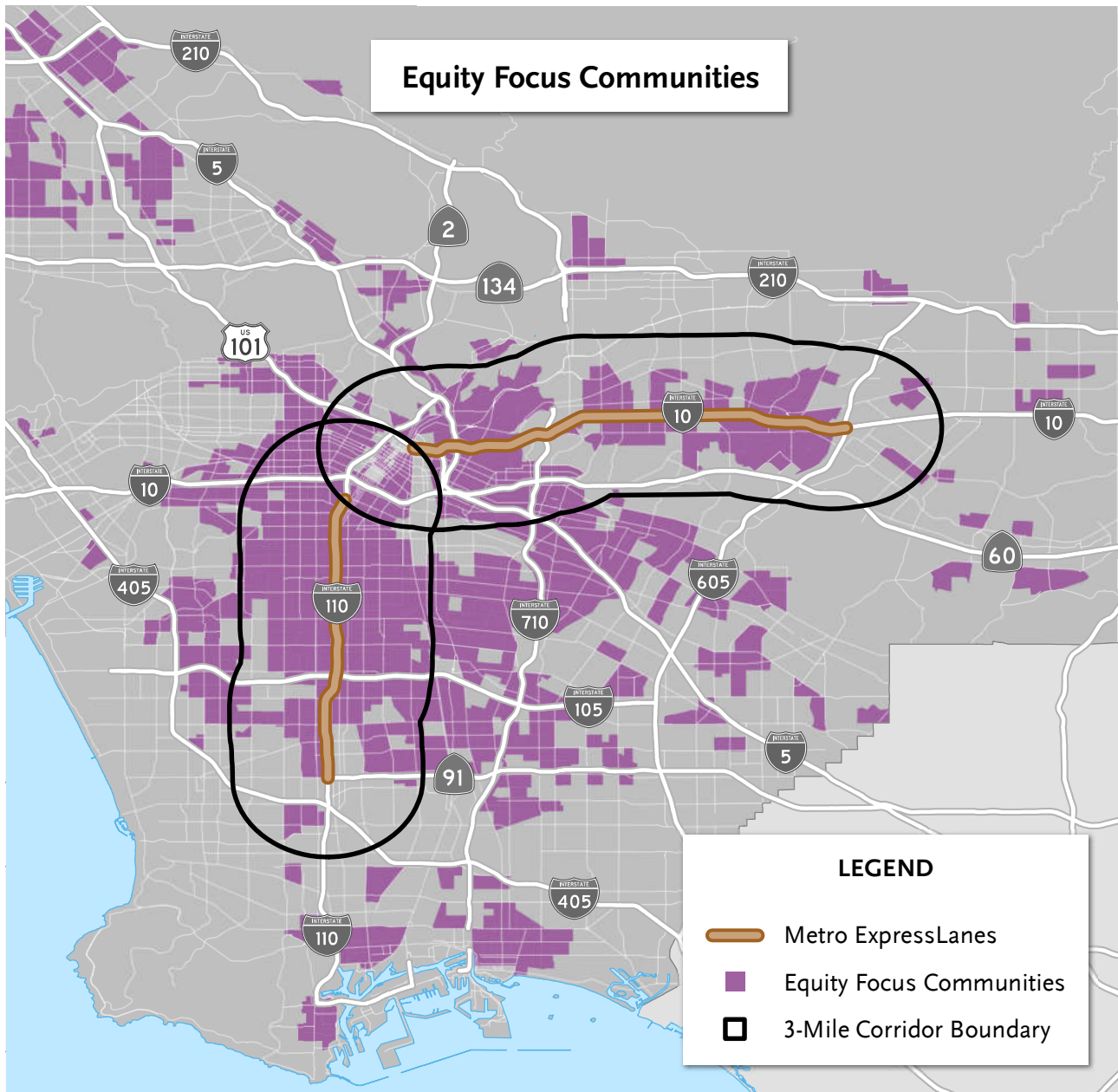
Round 1 – Net Toll Revenue Grant Project List

Attachment E

Project ID	Corridor	Sponsor	Project Name	Funding	Amount Spent	Prior Lapsing Dates	New Proposed Lapsing Date
MX201406	I-110	City of Carson	Dominguez Channel Bike & Pedestrian Path	\$ 1,259,000	\$319,536	June 2019 June 2020 June 2021	6/8/2023
MX201418	I-110	Torrance Transit	Torrance Transit Expansion of Line #1 and Line #4 HOTLane Service	\$ 2,235,991	\$16,690	Oct. 2019 Oct. 2020 Oct. 2021	10/27/2023
MX201402	I-10	Caltrans	Express Lanes Corridors Incident Management Improvements Project	\$ 480,000	\$348,167	Nov 2019 Nov 2020 Nov 2021	11/4/2023
MX201407	I-10	City of El Monte	Santa Anita Avenue Active Transportation for El Monte Station and Downtown El Monte	\$ 633,782	\$408,304	Oct. 2019 Oct. 2020 Oct. 2021	10/5/2023
MX201420	I-10	City of Los Angeles	Cesar Chavez Great Street	\$ 435,000	\$435,000 (pending complete)	July 2019 July 2020 July 2021	7/27/2023

Round 2 – Net Toll Revenue Grant Project List

Project ID	Corridor	Sponsor	Project Name	Funding	Amount Spent	Prior Lapsing Dates	New Proposed Lapsing Date
MX201425	I-110	Long Beach Transit	Los Angeles Galaxy Shuttle Bus Service (Galaxy Express)	\$ 600,000	\$428,812	8/2/2021	8/2/2023
MX201426	I-110	City of Carson	Carson Rapid Bus Priority System	\$ 584,150	\$166,185	9/15/2021	9/15/2023
MX201427	I-110	Torrance Transit	Torrance Transit Line #4 Express Buses and Relief Vehicles	\$ 960,000	NA	9/21/2021	9/21/2023
MX201430	I-110	City of Carson	I-110 Freeway Arterial Improvements	\$ 1,760,000	\$53,449	11/16/2021	11/16/2023
MX201431	I-110	City of Gardena Transit	Garden Transit Innovative ITS Rollout	\$ 1,375,000	\$836,517	10/20/2021	10/20/2023
MX201433	I-110	County of Los Angeles	Vermont Green Line Intersection Improvement Project	\$ 1,626,000	\$654,319	11/9/2021	11/9/2023
MX201434	I-110	City of Los Angeles	I-110 Corridor Revitalization - Grand Avenue/Flower Avenue	\$ 1,231,000	\$387,528	11/25/2021	11/25/2023
MX201436	I-110	City of Carson	Dominguez Channel Bike Path Improvements	\$ 1,299,478	\$229,992	1/6/2022	1/6/2024
MX201440	I-10	County of Los Angeles	Whittier Blvd Transit Priority Project	\$ 516,600	\$305,908	12/19/2021	12/19/2023
MX201442	I-10	City of Los Angeles	Vision Zero I-10 Corridor Area Traffic Signal Improvements	\$ 776,000	\$548,805	9/21/2021	9/21/2023
MX201443	I-10	County of Los Angeles	Eaton Wash Bike Path - Phase 1	\$ 3,100,000	\$1,827,545	9/21/2021	9/21/2023
MX201444	I-10	City of Los Angeles	Sixth Street Viaduct Mission/Myers Roundabout Project	\$ 1,796,000	\$1,769,673	9/22/2021	9/22/2023



METRO EXPRESSLANES

Net Toll Revenue Grants – Round 3

APRIL 20, 2023



Net Toll Revenue Grant Background



State law requires net toll revenues generated from the ExpressLanes program be reinvested for transportation improvements in the corridor where generated.



Increase mobility and person throughput through the implementation of integrated strategies that enhance:

- Transit Operations
- Transportation Demand Management
- Transportation Systems Management
- Active Transportation
- Capital Investments

Net Toll Revenue Grant Background

(Round 1)

- 20 projects (14 completed, 1 de-obligated, 5 in progress)
- \$19.8 million in grants

July 2014

Aug. 2016

(Round 2)

- 21 projects (9 completed, 12 in progress)
- \$27.9 million in grants

Reinvestment Guidelines

Set-aside

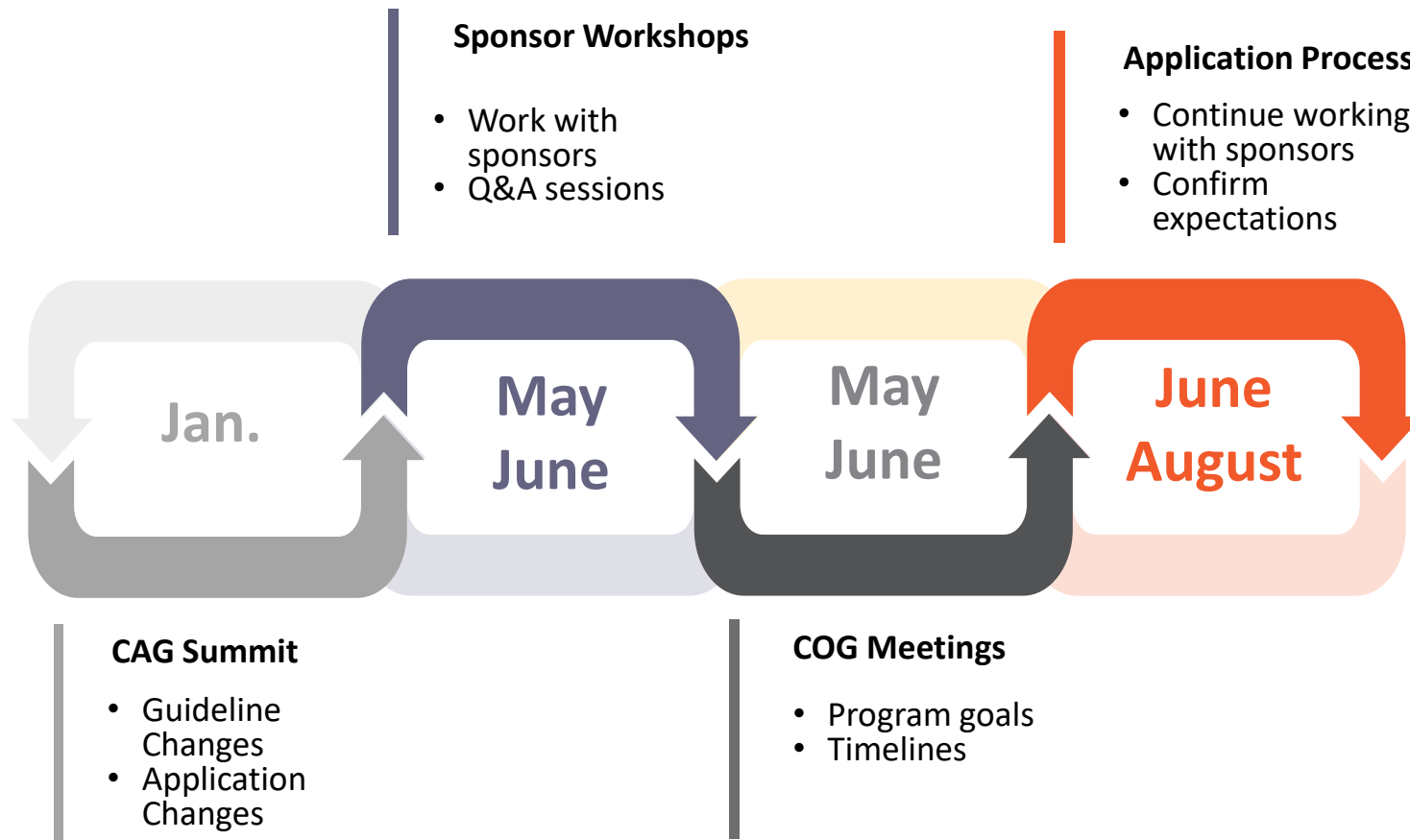
- Caltrans' projects in the corridor
- Transit Operations
 - Foothill Transit
 - Torrance Transit
 - Gardena Municipal Bus Lines
 - Metro's J (Silver) Line
- Reserve Fund

Competitive Grant

- Transit Uses (40%)
- System Connectivity (40%)
- Roadway Allocation (20%)

Equity focus across all targets

Outreach



Net Toll Revenue Grant

Draft Reinvestment Categories	Estimated Net Toll Revenues	Allocation Target Estimate (per Corridor, includes prior round adjustments**)	
Net Set-Aside	\$52,250,000		
Set-Aside (Caltrans)*	\$14,510,000		
Set-Aside (Reserve Fund)	\$6,000,000		
Set-Aside (Direct Allocation - Transit Ops)	\$31,740,000		
Grant Targets	\$72,550,000	I-110	I-10**
Allocation Target (40%- Transit Uses)***	\$29,020,000	\$17,855,416**	\$11,976,190**
Allocation Target (40%- System Connectivity)***	\$29,020,000	\$17,855,416**	\$11,976,190**
Allocation Target (20%- Roadway Improvements)***	\$14,510,000	\$8,927,708**	\$5,988,095**
TOTAL NET TOLL REVENUE GRANT FUNDS ALLOCATED	\$124,800,000		

* Caltrans allocation contingent on a master operations and maintenance agreement signed by August 1, 2023.

**An additional \$1,082,560 was applied to the I-110 net set-aside from a de-obligated project in Round 1. An additional \$920,475 was applied to the I-10 net set-aside approved in Round 2.

***Baseline targets of 40% for Transit Uses, 40% for System Connectivity/Active Transportation, and 20% for Roadway Improvements.

Next Steps

- Request Board approval and release grant application package: April 2023
- Meeting with COGs: May/June 2023
- Applicant Workshop and meeting with CAGs: May/June 2023
- Application Due Date: August 2023
- Evaluate application/outreach: August 2023
- Seek Board Approval for recommended grants: October 2023

Recommendation

- A. APPROVING the guidelines and project eligibility for Round 3 of the ExpressLanes Net Toll Revenue Allocations (Attachments A and D); and
- B. APPROVING the Metro ExpressLanes Round 3 Net Toll Revenue Grant Applications (Attachments B and C).
- C. AUTHORIZING the Chief Executive Officer (CEO) to extend all in-progress Round 1 and Round 2 Net Toll Revenue projects' lapsing dates by two years. (Attachment E).