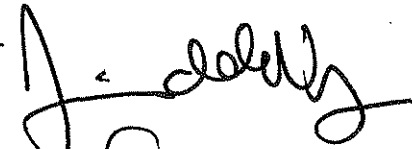
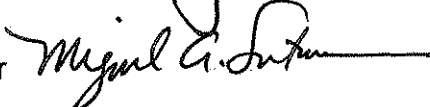


**CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM**

Date: February 11, 2013

To: The Honorable City Council
c/o City Clerk, Room 395, City Hall
Attention: Honorable Bill Rosendahl, Chair, Transportation Committee

From: Jaime de la Vega, General Manager
Department of Transportation 

Miguel A. Santana
City Administrative Officer 

Subject: **DOWNTOWN STREETCAR FUNDING (C.F. 11-0329-S7)**

SUMMARY

This report identifies funding options and recommends a preferred funding strategy for operation of the planned Downtown Los Angeles Streetcar system ("streetcar") if the City Council and Mayor want to make a policy commitment to continue to advance the streetcar.

RECOMMENDATION

If the City Council and Mayor want to continue to advance the streetcar then the policy option detailed below should be approved.

POLICY OPTION

That the Council, subject to the approval of the Mayor:

1. APPROVE programming of an estimated \$228.2 million in city Measure R 15% Local Return funds for a 23 year period, between FY 2017 and FY 2039, to support on-going operations and maintenance of the streetcar.
2. DIRECT LADOT to submit a FTA Small Starts grant application in an amount not to exceed \$75 million to finance half the construction costs of the streetcar.
3. MODIFY existing City Council policy (CF 09-0600-S48, 1.d.), that limits the use of Measure R funds for operations to 10% of annual revenue, to exclude streetcar operations from the restriction.

4. INSTRUCT LADOT and the Department of Public Works, Bureau of Engineering, with the assistance of the City Administrative Officer and the Chief Legislative Analyst to:
 - conduct an independent cost estimate of the streetcar and, if necessary, to issue a Request for Proposals and report back with the results and a request for funding;
 - report back with a recommended project delivery method and project management plan.

PREFACE

LADOT recommends that the City Council consider this report in conjunction with the department's broader programming recommendations for the use of Measure R funds. A separate report entitled "Measure R Local Return Programming" was submitted by the department to the Mayor on November 14, 2012. LADOT's understanding is that the Mayor referred the report to the City Administrative Officer (CAO) and that the Mayor will transmit both the LADOT and CAO reports to the City Council in the near future. A copy of the recommended Measure R Local Return programming in the November 14, 2012 report is attached here for reference (Attachment 1). A modified version of the recommended programming to reflect funding of streetcar operations is also provided as an attachment to this report (Attachment 2).

DISCUSSION

Approval Process

If the City Council and Mayor approve the policy option to commit operating funds for the streetcar and seek a Federal Transit Administration (FTA) Small Starts grant, multiple future approvals will be required to deliver the project.

Construction Cost

The current estimate to construct the streetcar is \$125 million. For reference, a map of the streetcar route is included in this report (Attachment 3). This map includes the approved locally preferred alternative route (i.e. 7th street between Figueroa Street and Hill Street) as well as an option to use 9th Street instead of 7th Street.

Funding Strategy

The funding strategy for streetcar construction assumes 50% funding from the recently approved Community Facilities District (CFD) No. 9 (Downtown Streetcar) and 50% from a FTA Small Starts grant. Specifically, the CFD is expected to generate sufficient

cash flow to support a revenue bond that will provide the up-front capital necessary for construction, procurement of streetcar vehicles and property acquisition for the maintenance facility. If the project has at least 50% non-federal funding it will receive the highest possible FTA rating and maximize the likelihood of funding.

One of the key criterion FTA uses in evaluating Small Starts applications and potentially recommending funding to Congress is whether or not the project applicant can demonstrate that it has sufficient matching funds to pay for part of construction as well as sufficient funds to operate and maintain the service for at least 20 years.

Operating Costs

The current estimated annual operating cost for the streetcar is \$5.385 million (FY 2011 dollars). For purposes of this report, LADOT assumed that the most aggressive schedule possible could be achieved, i.e. service would open in 2016 and operating funds would need to be available starting FY 2017. (A more precise opening date will be identified as the project delivery process continues.)

The FY 2011 operating cost was escalated 4% annually, yielding a \$6.8 million operating cost for FY 2017. Operating costs were escalated 4% annually thereafter.

Passenger revenue is estimated at \$826,835 annually beginning in FY 2017. Passenger revenue is assumed to grow 1% annually thereafter.

Therefore the net operating subsidy required is approximately \$6.0 million in FY 2017, increasing each year as indicated in Attachment 2. The total 30-year net operating subsidy required is estimated to be \$352.4 million (FY 2017-2046).

Funding Application

If the City Council and Mayor want to continue advancing the streetcar, the city needs to submit an application to FTA. In this case, LADOT would be the project sponsor (applicant) on behalf of the city. CFD bonds cannot be sold until the FTA accepts the streetcar into "project development" per federal law. Therefore, the streetcar construction funding strategy depends on submittal of a FTA Small Starts application, which is the precursor to acceptance into project development. A summary of the FTA Small Starts program is included in Attachment 4.

Funding Options

The city has broad discretion in identifying streetcar operating funds and may consider general funds, special funds and fare revenues. The department considered five potential city funding sources for on-going operations for this report: Proposition A, Proposition C, Measure R, Special Parking Revenue Fund (SPRF) and the general

fund. At this time, the department recommends the use of city Measure R local return funds to cover on-going operation costs for the LA Streetcar project.

Recommendation

After analyzing the four potential transportation special funds (Proposition A, Proposition C, SPRF and Measure R), advertising revenue, and the general fund, Measure R is recommended as the on-going funding source for streetcar operation costs. Fare revenue is assumed to be available to pay for part of operations as described below.

Advertising Revenue

LADOT's current transit operations generated \$742,120 in advertising revenue in FY 2012. Metro's actual advertising revenue was \$27.7 million, albeit for a much larger system than either LADOT or the streetcar. It is recommended that the streetcar pursue advertising and sponsorship opportunities to offset operating expenses. However, given the unknown – but probably small – revenue from advertising this source also is not included as a viable funding strategy.

Proposition A

The evaluation of the city's Proposition A local return fund indicates that the fund is facing a projected shortfall and does not have the capacity to assume the on-going \$6.8 million operations cost for the LA Streetcar project. Based on the department's 30-year forecast for Proposition A, the baseline scenario (assumes existing LADOT transit services only) is projected to experience a shortfall of \$25.8 million starting in FY 2022 which increases each year thereafter. Policymakers will need to address the projected shortfalls in the future. The addition of streetcar operations results in a projected shortfall of \$11.3 million beginning in FY 2020, two years earlier than the baseline scenario.

The department also has determined that reducing or eliminating LADOT DASH service in downtown Los Angeles would not save the city any funding that could be used to fund the streetcar operations. Metro provides operating subsidies through its formula allocation procedure (FAP) that cover 100% of the operating costs of downtown DASH.

The city could consider reducing or eliminating community DASH, Cityride, and/or charter bus services to free up operating revenue. However FTA restricts applicants from reducing current transit service levels on grant funded projects in order to help fund operations on other potential grant funded projects.

Proposition C

The evaluation of the city's Proposition C local return fund indicates that the fund is over-subscribed and is not a recommended source of funding to support the streetcar operations. The existing Proposition C 30-year forecast (without assuming streetcar operating costs) shows a projected deficit of \$12.2 million beginning in FY 2016. This deficit increases each year thereafter. Policymakers will need to address the projected shortfalls in the future.

Proposition C local return funds are used by the city primarily as a source of front funding and local match for transportation grants including projects funded through Metro's Call for Projects process. While the City has never used Proposition C to fund the operations of public transit systems, such uses are eligible for Proposition C funding. However, using Proposition C funds to fund streetcar operations may negatively impact the city's ability to leverage local funds to obtain new grant funding for transportation projects.

Special Parking Revenue Fund (SPRF)

Although the evaluation of the SPRF 30-year forecast indicates the ability of the fund to absorb the streetcar operating costs, the use of SPRF funds to support on-going streetcar operations is not recommended based on the fact that the fund is designed to support parking and related activities. The City Council would need to adopt an ordinance changing the eligible uses of SPRF in order to use these funds for the streetcar operations.

In addition, the city has in recent years transferred the surplus in SPRF to the city's general fund reserve to reduce that fund's projected shortfall. Given this budgetary policy of the city, the department does not recommend the use of the SPRF to fund streetcar operations.

General Fund

The use of city general funds for on-going streetcar operating costs is not recommended given the significant projected shortfalls. The city's general funds are the most flexible source of funds available to the city and can be used for a wide variety of city services.

Measure R

In the aforementioned November 14, 2012 report, LADOT recommends that the City Council and Mayor program city Measure R funds for various purposes through FY 2039, subject to budgetary appropriations. That report showed \$954 million in uncommitted funds, i.e., "Reserve/Future Programming (FY 2019-2039). As the current

streetcar plan requires operating funds starting in FY 2017, LADOT recommends the following actions (Attachment 2):

- Program an estimated \$14.8 million in funds currently recommended for the city's match of 3% of Metro's transit construction costs in FY 2017-19 ("transit program") for streetcar operations.
- Program an estimated \$213.4 million in reserve funds from FY 2019-39 for streetcar operations.
- Program an estimated \$124.2 million in reserve funds to fund streetcar operations from FY 2040-46.
- Program an estimated \$14.8 million in reserve funds to maintain a total of \$321.4 million in funding for the "transit program".

As a result, the "Reserve/Future" Programming (FY 2019-2039) uncommitted funds would be reduced from \$954 million to \$601.6 million, with the first uncommitted funds available in FY 2021 instead of FY 2019.

The attached Measure R forecast (Attachment 2), which includes Streetcar operation costs, shows that the fund has capacity to support the on-going streetcar operations for 23 years, which exceeds the FTA minimum commitments (10 or 20 year horizon) and coincides with Measure R's schedule sunset in 2039.

If the City Council and Mayor want to demonstrate a 30-year commitment, it is recommended that an additional \$124.2 million in uncommitted Measure R funds be set aside through FY 2039 to fund operations in FY 2040-2046. As an alternative, the city could program other sources of funds in FY 2040-46.

In addition, the City Council has restricted Measure R from being used for on-going operating costs (CF 09-0600-S48):

- 1.d. A City policy that Measure R funds will be used primarily for capital projects and that on-going, non-capital programs will be **limited to ten percent of the current year revenue**; [Emphasis added]

This policy would need to be changed if Measure R funding is approved for on-going streetcar operating costs.

A summary of the four city transportation special funds reviewed as part of this report is included in Attachment 5.

Future Policy Discussion

The City Council and Mayor will need to decide what level of risk is acceptable related to the design, construction, operations, and maintenance of the streetcar.

The streetcar originally was envisioned as financially self-sufficient and independent from the city. In fact, the city's involvement generally would have been limited to plan review (LADOT & BOE) and coordination of traffic operations (LADOT). Design, construction, operations, and maintenance were envisioned to be under LASI with no city financial contribution.

The current strategy involves substantially more risk for the city, especially in the area of cost overruns and life cycle performance. It is now assumed that: LADOT will operate and maintain the service (track, propulsion, yard, vehicles, etc.) and that the city will subsidize 100% of operations and maintenance costs not supported by fare revenue. Any design, construction, or operating deficiency will be the responsibility of the city. These issues will be addressed during the "next steps" (see below).

Next Steps

Conduct an Independent Cost Estimate

The city needs to independently verify that the projected \$125 million total cost for construction is realistic from a cost estimating perspective, including cost escalation. This is especially important because if the city is awarded a FTA Small Starts grant, the city also must guarantee that the project will be completed and operated.

In short, the city would bear any cost overrun risk, including but not limited to under-budgeting the project in the first place. The current cost estimate was completed in January 2012 as part of the federally required "Alternatives Analysis" (planning study) prepared by Metro. LADOT, the Bureau of Engineering (BOE), and the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA) will oversee the independent cost estimate.

Retain Project Management Team

To successfully manage and oversee design and construction, regardless of the project delivery method, the city would need a project manager and assistant project manager, both with extensive rail construction experience.

Select Project Delivery Method

LADOT will continue to coordinate with BOE, CAO, and CLA to determine the most advantageous method to deliver the design, construction, operations, and maintenance of the streetcar. Potential methods being considered include design-build (DB), design-build-operate-maintain (DBOM), and construction management-general contractor (CM-GC).

Develop Project Management Plan

LADOT will continue to coordinate with key project stakeholders, including the CAO, CLA, Office of the Mayor, BOE, and the non-profit Los Angeles Streetcar Inc. (LASI) to develop a project management plan (PMP). The PMP is the guiding document for the governance, management and administration of the LA Streetcar project.

Develop a Financial Management Plan (FMP)

The FMP will be the guiding document that will detail all sources of funding for capital, operations, and maintenance of the streetcar for a period of 30 years. The detailed FMP will be finalized after the completion of independent cost estimate.

Complete EIR/EA

The on-going environmental impact report (EIR) / environmental assessment (EA) is expected to be completed in the spring of 2014 by Metro. The final report will be forwarded to the City Council at that time for approval.

BACKGROUND

This report was prepared by LADOT, in coordination with the CAO and CLA, in response to a motion (Huizar-Krekorian) requesting the department "to report relative to funding mechanisms and options for a 30-year operational plan for the Downtown L.A. Streetcar system" (CF 11-0329-S7, January 15, 2013).

The Historic Streetcar in Downtown Los Angeles is a fixed-rail streetcar system that will link with existing regional transit using Broadway, 11th, Figueroa, 7th & Hill Streets and will serve the Civic Center, Broadway and the Historic Core, the Fashion District, South Park, L.A. Live and the Convention Center, the Financial District, and restaurant row through the Jewelry District, and onto Grand Avenue.

The proposed route for the LA Streetcar service (Attachment 3) will promote transit connectivity among the Metro Red Line, Purple Line, Blue Line, Expo Line, future Regional Connector, and dozens of local and regional bus lines to provide urban circulator service to many of the area's most popular tourist destinations.

Service is planned to operate with six cars and two spares, seven days a week, and as many as 18 hours a day. The service is projected to attract more than 8,000 riders per day. A key goal of the project is to reintroduce streetcar service to downtown Los Angeles and connect downtown neighborhoods and activity centers while tying together the regional transit network and aiding revitalization efforts in the urban core.

The City Council, at its meeting on July 9, 2010, authorized the Community Redevelopment Agency (CRA) to enter into an agreement with Metro to prepare the federally required National Environmental Protection Act (NEPA) and California Environmental Quality Act (CEQA) documentation for the streetcar (CF 10-0937). As part of this agreement, Metro is also tasked with preparing the planned FTA Small Starts grant application for the streetcar.

The City Council and Mayor approved Ordinance No. 182192 (CF 11-0329-S6) that approved the special CFD election, to levy a special tax for the purposes of issuing up to \$85 million in bonds to partially fund construction of the streetcar. Of the \$85 million approved, approximately \$62.5 million is estimated to be available for construction. The elections were certified by City Council on December 12, 2012 with 72.89% of the ballots cast supporting the formation of the CFD.

COORDINATION

LADOT and the CAO coordinated with the CLA, Mayor's Office, Council District 14, LASI and Metro in the preparation of this report.

FINANCIAL IMPACT

Approval of this report makes long-term commitments of Measure R local return funds for streetcar operations. A total of up to \$352.4 million over 30 years (FY 2017-46) would be pledged for this purpose. As such, the project has no impact on the city's general fund.

Actual budgeting of Measure R funds would occur annually by the City Council and Mayor. If budgeted per the recommended programming, these funds would not be available for other purposes. The city retains the flexibility to substitute a portion or all of Measure R funds allocated to the streetcar project with another local fund at the time the funds need to be budgeted and allocated.

ATTACHMENTS

Attachment 1 – Measure R 15% Local Return Schedule (11/14/12)

Attachment 2 – Measure R 15% Local Return Schedule (Streetcar Operations)

Attachment 3 – Streetcar Route Map

Attachment 4 – FTA Small Starts Summary

Attachment 5 – City Special Transportation Fund Summary

ATTACHMENT 1

MEASURE R 15% LOCAL RETURN SCHEDULE

LADOT REPORT – NOVEMBER 14, 2012

Measure R 15% Local Return Schedule
Long-Term Programming

Year (Measure R 30-Year Horizon)	1	2	3	4	5	6	7	8	9	10
Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019

SUMMARY

Modal Programming	A	15.4%	321.37
Transit		5.0%	103.57
Bicycle		5.2%	109.40
Pedestrian		21.9%	456.68
Highway		45.7%	954.00
Reserve/Future Programming		6.8%	141.11
Other		0.0%	0.59
Ending Balance (FY 2039)			2,086.71

Street Resurfacing Detail	3.6%	75.97
Cash	12.4%	259.49
1-Time Bond Revenue		335.46
Subtotal Available Funds		115.51
Bond Interest Payments	5.5%	
Highway (Other)	B 0.3%	5.72

A - Excludes reimbursement of costs / passthrough
B - Excludes ATSAC front funding

Total Measure R Project Matching Funds	318.4	-	14.8	4.0	9.0	14.0	14.0	14.0	14.6	17.5
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BACKGROUND												
MTA Countywide Measure R Revenue	0	36,081.92	557.5	591.3	634.5	671.9	711.3	754.1	799.2	844.2	889.3	935.5
MTA Administrative Fee		541.23	5.3	5.9	6.5	10.1	10.7	11.3	12.0	12.7	13.3	14.0
Net Countywide Measure R Revenue		35,540.69	543.2	587.4	628.0	661.9	700.6	742.8	787.2	831.5	876.0	921.5
Measure R Local Return		5,331.10	81.5	87.4	93.7	99.3	105.1	111.4	118.1	124.7	131.4	138.2
Estimated City of LA Share (Receipts)		2,089.79	31.5	34.2	36.7	38.9	41.2	43.7	46.3	48.9	51.5	54.2
Memo: Growth Rate			7.21%	7.31%	7.41%	7.51%	7.61%	7.71%	7.81%	7.91%	8.01%	8.11%

REVENUE												
Prior Year Carry Over			23.76	40.93	2.80	0.96	0.09	0.20	0.16	0.46	0.49	
Measure R 15% Receipts	1	2,077.73	25.69	34.09	35.00	35.00	41.20	43.68	46.29	48.89	51.51	54.18
Interest	2	8.98	0.09	0.60	0.30	0.20	0.30	0.30	0.30	0.30	0.30	0.30
MTA Measure R Transit Staffing	3											
ATSAC Front Funding Reimbursement	4	27.35										
Subtotal Available		2,114.06	25.78	58.45	76.23	65.35	42.46	44.07	46.79	49.35	52.27	54.97
Less ATSAC Front Funding			25.78	58.45	76.23	38.00	42.46	44.07	46.79	49.35	52.27	54.97

Measure R 15% Local Return Schedule
Long-Term Programming

Year (Measure R 30-Year Horizon)	1	2	3	4	5	6	7	8	9	10
Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Note	w/o FF									
Percent	Total									
EXPENDITURES										
Line item funded in adopted budget, but not spent; rolled over into reserve										
Long-Term Capital Program										
Transit Program										
Prior Year Commitments (Reserve)			9.50							
Measure R Project Matching Funds										
Orange Line Canoga (FY 2012)										
Exposition Phase 2 (FY 2015)			5.30	3.00	3.00	3.00	3.00	3.00	3.53	5.00
Crenshaw-LAX (FY 2018)				1.00	5.00	5.00	5.00	5.00	5.00	5.00
Van Nuys Busway (FY 2018)					1.00	1.00	1.00	1.00	1.10	
Regional Connector (FY 2019)						2.50	2.50	2.50	2.50	5.00
Westside Extension (FY 2019, 2026, 2036)						2.50	2.50	2.50	2.50	2.50
Green Line-LAX (FY 2028)										
I-405 Corridor (FY 2039)										
Measure R Project Delivery Staffing										
City Appropriations (Administration)										
Scope Additions (City Policy)										
Sepulveda Grade Separation			3.00							
Bicycle Program										
Prior Year Commitments (Reserve)			2.67							
Bicycle Plan Implementation	0.00365		1.75	1.75	2.06	2.18	2.31	2.44	2.58	2.71
Pedestrian Program										
Prior Year Commitments (Reserve)			5.20							
Pedestrian Capital Projects			1.75	1.75	2.06	2.18	2.31	2.44	2.58	2.71
Sidewalk Access Ramps			3.30							
Highway Program										
Prior Year Commitments (Reserve)			5.72							
ATSAC Front Funding			27.35							
Street Resurfacing (cash)				20.62	20.00	13.00	10.00	7.00	4.00	
Street Resurfacing (debt service)					5.00	10.00	15.00	20.00	25.00	25.00
Median Island Maintenance (BSS)										
Other				1.35						
Prior Year Commitments (Reserve)			3.03							
Reimbursement of General Fund Costs		2.27	3.12	4.46	4.25	2.50	3.00	3.00	3.00	3.00
Transportation Grant Fund 655		11.69								
City Staff Direct Costs										
BSS		1.97								
LADOT		0.05								
Planning				13.12						
General Services				1.29						
BOE				0.73						
Treasury				0.63						
Capital Improvement Expenditure Program		0.00142		0.25						
Bridge Program				11.93						
Annual Sign Replacement Program				2.00						
Regional Transit Consultant Studies										
Transportation Contingency				0.50						
Subtotal	2.02	17.52	73.43	64.39	42.37	43.87	46.63	48.89	51.78	50.92
Less ATSAC Front Funding										
Reserve/Future Programming (FY 2019-2039)			46.08	64.39	42.37	43.87	46.63	48.89	51.78	50.92
Ending Balance (Unallocated)	23.76	40.93	2.80	0.96	0.09	0.20	0.16	0.46	0.49	0.06
										4.00

Measure R 15% Local Return Schedule
Long-Term Programming

Year (Measure R 30-Year Horizon)	Note	Percent	w/o FF	Total	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	20
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SUMMARY

Modal Programming	A	15.4%	321.37
Transit			
Bicycle		5.0%	103.57
Pedestrian		5.2%	109.40
Highway		21.9%	456.68
Reserve/Future Programming		45.7%	954.00
Other		6.8%	141.11
Ending Balance (FY 2039)		0.0%	0.59
Total			2,086.71

Street Resurfacing Detail			
Cash		3.6%	75.97
1-Time Bond Revenue		12.4%	259.49
Subtotal Available Funds			335.46
Bond Interest Payments		5.5%	115.51
Highway (Other)	B	0.3%	5.72

A - Excludes reimbursement of costs / passthrough
B - Excludes ATSAC front funding

Total Measure R Project Matching Funds	318.4	11.2	7.5	7.5	10.0	13.0	7.0	7.0	7.0	7.0	9.4	7.5
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BACKGROUND

MTA Countywide Measure R Revenue	0	36,081.92	983.1	1,032.9	1,077.2	1,123.2	1,169.2	1,218.4	1,267.4	1,315.5	1,365.4	1,414.1
MTA Administrative Fee		541.23	14.7	15.5	16.2	16.8	17.5	18.3	19.0	19.7	20.5	21.2
Net Countywide Measure R Revenue		35,540.69	968.4	1,017.4	1,061.0	1,106.3	1,151.6	1,200.1	1,248.4	1,295.7	1,344.9	1,392.9
Measure R Local Return		5,331.10	145.3	152.6	166.0	172.7	180.0	187.3	194.4	201.7	208.9	
Estimated City of LA Share (Receipts)		2,089.79	56.9	59.8	62.4	65.1	67.7	70.6	73.4	76.2	79.1	81.9
Memo: Growth Rate			5.09%	5.06%	4.29%	4.27%	4.09%	4.21%	4.02%	3.79%	3.80%	3.56%

REVENUE

Prior Year Carry Over		0.06	0.39	1.03	0.98	0.83	1.10	0.91	0.27	0.14	0.22	
Measure R 15% Receipts	1	2,077.73	56.94	59.82	62.39	65.05	67.72	70.57	73.41	76.19	79.08	81.90
Interest	2	8.98	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
MTA Measure R Transit Staffing	3											
ATSAC Front Funding Reimbursement	4	27.95										
Subtotal Available		2,114.06	57.30	60.52	63.72	66.34	68.85	71.96	74.61	76.76	79.52	82.42
Less ATSAC Front Funding												
			57.30	60.52	63.72	66.34	68.85	71.96	74.61	76.76	79.52	82.42

Measure R 15% Local Return Schedule
Long-Term Programming

Year (Measure R 30-Year Horizon) Fiscal Year	Note	w/o FF Percent	Total	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
EXPENDITURES													
Long-Term Capital Program													
Transit Program													
Prior Year Commitments (Reserve)		0.5%	9.50										
Measure R Project Matching Funds	5												
Orange Line Canoga (FY 2012)		0.0%											
Exposition Phase 2 (FY 2015)		1.4%	28.83										
Crenshaw-LAX (FY 2018)		1.7%	34.71	3.71									
Van Nuys Busway (FY 2018)		0.2%	5.10										
Regional Connector (FY 2019)		2.0%	40.98	5.00	5.00	5.00	5.98						
Westside Extension (FY 2019, 2026, 2036)		5.5%	115.31	2.50	2.50	5.00	5.00	5.00	5.00	5.00	7.50	7.50	7.50
Green Line-LAX (FY 2028)		0.5%	9.90					2.00	2.00	2.00	1.90		
I-405 Corridor (FY 2039)		3.5%	74.04										
Measure R Project Delivery Staffing													
City Appropriations (Administration)		0.0%	-										
Scope Additions (City Policy)		0.0%	-										
Sepulveda Grade Separation		0.1%	3.00										
Bicycle Program													
Prior Year Commitments (Reserve)		0.1%	2.67										
Bicycle Plan Implementation	6	4.8%	100.90	2.85	2.99	3.12	3.25	3.39	3.53	3.67	3.81	3.95	4.10
Pedestrian Program													
Prior Year Commitments (Reserve)		0.2%	5.20										
Pedestrian Capital Projects	7	4.8%	100.90	2.85	2.99	3.12	3.25	3.39	3.53	3.67	3.81	3.95	4.10
Sidewalk Access Ramps	8	0.2%	3.30										
Highway Program													
Prior Year Commitments (Reserve)		0.3%	5.72										
ATSAC Front Funding	4	NA	27.35										
Street Resurfacing (cash)	12	3.6%	74.62										
Street Resurfacing (debt service)		18.0%	375.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	20.00
Median Island Maintenance (BSS)		0.1%	1.35										
Other													
Prior Year Commitments (Reserve)			3.03										
Reimbursement of General Fund Costs	9	4.2%	88.61	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Transportation Grant Fund 655			11.69										
City Staff Direct Costs													
BSS		0.9%	18.30										
LADOT		0.1%	1.68										
Planning		0.0%	0.73										
General Services		0.0%	0.63										
BOE		0.0%	0.25										
Treasury		0.0%	0.00										
Capital Improvement Expenditure Program		0.6%	11.93										
Bridge Program	11	0.1%	2.00										
Annual Sign Replacement Program	11	0.0%	0.50										
Regional Transit Consultant Studies	11	0.0%	0.25										
Transportation Contingency	11	0.1%	1.50										
Subtotal		53.5%	1,159.47	44.90	41.48	41.74	44.51	47.75	42.06	42.34	42.62	45.31	38.69
Less ATSAC Front Funding				44.90	41.48	41.74	44.51	47.75	42.06	42.34	42.62	45.31	38.69
Reserve/Future Programming (FY 2019-2039)		45.7%	954.00	12.00	18.00	21.00	21.00	20.00	29.00	32.00	34.00	34.00	43.00
Ending Balance (Unallocated)				0.39	1.03	0.98	0.83	1.10	0.91	0.27	0.14	0.22	0.73

Measure R 15% Local Return Schedule
Long-Term Programming

Fiscal Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Year (Measure R 30-Year Horizon)	21	22	23	24	25	26	27	28	29	30
Note	Percent	w/o FF								
Total										

SUMMARY

Modal Programming	A	15.4%	321.37
Transit			
Bicycle		5.0%	103.57
Pedestrian		5.2%	109.40
Highway		21.9%	456.68
Reserve/Future Programming		45.7%	954.00
Other		6.8%	141.11
Ending Balance (FY 2039)		0.0%	0.59
Total			2,086.71

Street Resurfacing Detail	B	0.3%	5.72
Cash		3.6%	75.97
1-Time Bond Revenue		12.4%	259.49
Subtotal Available Funds			335.46
Bond Interest Payments		5.5%	115.51
Highway (Other)			

A - Excludes reimbursement of costs / passthrough
B - Excludes ATSAC front funding

Total Measure R Project Matching Funds 318.4 7.5 7.5 7.5 7.5 7.5 22.5 25.3 15.0 15.0 14.0

BACKGROUND

MTA Countywide Measure R Revenue	0	36,081.92	1,462.5	1,506.5	1,550.0	1,596.6	1,645.8	1,695.3	1,743.0	1,793.9	1,845.2	1,893.7
MTA Administrative Fee		541.23	21.9	22.6	23.3	23.9	24.7	25.4	26.1	26.9	27.7	28.4
Net Countywide Measure R Revenue		35,540.69	1,440.5	1,483.9	1,526.8	1,572.7	1,621.1	1,669.9	1,716.8	1,767.0	1,817.6	1,865.3
Measure R Local Return		5,331.10	216.1	222.6	229.0	235.9	243.2	250.5	257.5	265.0	272.6	279.8
Estimated City of LA Share (Receipts)		2,089.79	84.7	87.3	89.8	92.5	95.3	98.2	101.0	103.9	106.9	109.7
Memo: Growth Rate			3.42%	3.01%	2.89%	3.01%	3.08%	3.01%	2.81%	2.92%	2.86%	2.63%

REVENUE

Prior Year Carry Over		0.73	0.76	0.09	0.69	0.71	0.30	0.48	0.32	0.13	0.61	
Measure R 15% Receipts	1	2,077.73	84.70	87.26	89.78	92.47	95.32	98.19	100.95	103.90	106.87	109.68
Interest	2	8.98	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
MTA Measure R Transit Staffing	3	-	-	-	-	-	-	-	-	-	-	-
ATSAC Front Funding Reimbursement	4	27.35	-	-	-	-	-	-	-	-	-	-
Subtotal Available		2,114.06	85.73	88.32	90.17	93.46	96.34	98.79	101.73	104.52	107.30	110.60
Less ATSAC Front Funding			85.73	88.32	90.17	93.46	96.34	98.79	101.73	104.52	107.30	110.60

Measure R 15% Local Return Schedule
Long-Term Programming

Year (Measure R 30-Year Horizon)	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Fiscal Year	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039

EXPENDITURES

Long-Term Capital Program	Note	w/o FF Percent	Total	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Transit Program													
Prior Year Commitments (Reserve)		0.5%	9.50										
Measure R Project Matching Funds	5	0.0%	-										
Orange Line Canoga (FY 2012)		1.4%	28.83										
Exposition Phase 2 (FY 2015)		1.7%	34.71										
Crenshaw-LAX (FY 2018)		0.2%	5.10										
Van Nuys Busway (FY 2018)		2.0%	40.98										
Regional Connector (FY 2019)		5.5%	115.31	7.50	7.50	7.50	7.50	7.50	7.50	10.31			
Westside Extension (FY 2019, 2026, 2036)		0.5%	9.90						15.00				
Green Line-LAX (FY 2028)		3.5%	74.04								15.00	15.00	14.04
I-405 Corridor (FY 2039)													
Measure R Project Delivery Staffing		0.0%	-										
City Appropriations (Administration)		0.0%	-										
Scope Additions (City Policy)		0.1%	3.00										
Sepulveda Grade Separation													
Bicycle Program													
Prior Year Commitments (Reserve)		0.1%	2.67										
Bicycle Plan Implementation	6	4.8%	100.90	4.24	4.36	4.49	4.62	4.77	4.91	5.05	5.19	5.34	5.48
Pedestrian Program													
Prior Year Commitments (Reserve)		0.2%	5.20										
Pedestrian Capital Projects	7	4.8%	100.90	4.24	4.36	4.49	4.62	4.77	4.91	5.05	5.19	5.34	5.48
Sidewalk Access Ramps	8	0.2%	3.30										
Highway Program													
Prior Year Commitments (Reserve)		0.3%	5.72										
ATSAC Front Funding	4	NA	27.35										
Street Resurfacing (cash)	12	3.6%	74.62										
Street Resurfacing (debt service)		18.0%	375.00	15.00	10.00	5.00							
Median Island Maintenance (BSS)		0.1%	1.35										
Other													
Prior Year Commitments (Reserve)			3.03										
Reimbursement of General Fund Costs	9	4.2%	88.61	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Transportation Grant Fund 655			11.69										
City Staff Direct Costs													
BSS		0.9%	18.30										
LADOT		0.1%	1.68										
Planning		0.0%	0.73										
General Services		0.0%	0.63										
BOE		0.0%	0.25										
Treasury		0.0%	0.00										
Capital Improvement Expenditure Program		0.6%	11.93										
Bridge Program	11	0.1%	2.00										
Annual Sign Replacement Program	11	0.0%	0.50										
Regional Transit Consultant Studies	11	0.0%	0.25										
Transportation Contingency	11	0.1%	1.50										
Subtotal		53.5%	1,159.47	33.97	29.23	24.48	19.75	20.03	35.32	38.41	28.39	28.69	28.01
Less ATSAC Front Funding													
Reserve/Future Programming (FY 2019-2039)		45.7%	954.00	51.00	59.00	65.00	79.00	76.00	63.00	63.00	76.00	78.00	82.00
Ending Balance (Unallocated)				0.76	0.09	0.69	0.71	0.30	0.48	0.32	0.13	0.61	0.59

ATTACHMENT 2
MEASURE R 15% LOCAL RETURN SCHEDULE
STREETCAR OPERATIONS

LA Streetcar Operations

ATTACHMENT 2

Measure R 15% Local Return Schedule
Long-Term Programming

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Year (Measure R 30-Year Horizon)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
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Fiscal Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
REVENUE																
Subtotal Available	2,194.64	58.45	76.23	65.35	42.46	44.07	46.79	49.35	52.27	54.97	57.30	60.52	63.72	66.34	68.85	71.96
Less ATSAC Front Funding	2,167.29	58.45	76.23	38.00	42.46	44.07	46.79	49.35	52.27	54.97	57.30	60.52	63.72	66.34	68.85	71.96

EXPENDITURES	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
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Long-Term Capital Program																
Transit Program	321.37	-	17.80	4.00	9.00	14.00	14.00	14.00	14.63	17.50	11.21	7.50	7.50	10.00	12.98	7.00
Bicycle Program	103.57	-	4.4	1.8	2.1	2.2	2.3	2.4	2.6	2.7	2.8	3.0	3.1	3.3	3.4	3.5
Pedestrian Program	109.40	-	10.2	1.8	2.1	2.2	2.3	2.4	2.6	2.7	2.8	3.0	3.1	3.3	3.4	3.5
Highway Program	484.03	-	33.07	21.97	25.00	23.00	25.00	27.00	29.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Other	141.11	2.02	17.51	7.90	34.92	4.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Subtotal	1,159.47	2.02	73.43	64.39	42.37	43.87	46.63	48.89	51.78	50.92	44.90	41.48	41.74	44.51	47.75	42.06
Less ATSAC Front Funding	1,132.12	2.02	46.08	64.39	42.37	43.87	46.63	48.89	51.78	50.92	44.90	41.48	41.74	44.51	47.75	42.06

Reserve/Future Programming (FY 2019-2039)																
Ending Balance (Unallocated)	23.76	40.93	2.80	0.96	0.09	0.20	0.16	0.46	0.49	0.06	0.39	1.03	0.98	0.83	1.10	0.91

Adjustments to November 14, 2012 Measure R 15% Local Return Schedule	1	2	3	4	5	6	7	8	9
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Operating Year									
Streetcar Operations	352.37	5.99	6.25	6.53	6.81	7.11	7.42	7.74	8.08
Source: Reserve	337.61	-	-	4.00	6.81	7.11	7.42	7.74	8.08
Remaining Need Excluding Reserve	14.76	5.99	6.25	2.53	-	-	-	-	-
Source: Transit Program	14.76	5.99	6.25	2.53	-	-	-	-	-
Total Sources		5.99	6.25	6.53	6.81	7.11	7.42	7.74	8.08

Reserve/Future Programming After Streetcar	616.39	-	-	-	5.19	10.89	13.58	13.26	11.92	20.57
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Change to Transit Program	Cum Source: Transit Program	Add to Transit Program From Reserve	Adjusted Cum	Net Transit Program Adjustments	Revised Transit Program
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Cum Source: Transit Program	14.76	-	-	-	-									
Add to Transit Program From Reserve	-	12.24	14.76	14.76	9.57									
Adjusted Cum	-	-	-	-	-									
Net Transit Program Adjustments	-	5.99	12.24	14.76	9.57									
Revised Transit Program	-	(5.99)	(6.25)	(2.53)	5.19									
	321.37	-	17.80	4.00	9.00	14.00	14.00	14.97	16.40	17.07	7.50	10.00	12.98	7.00

Final Reserve/Future Programming After Transit	601.63	-	-	-	-	1.32	13.58	13.26	11.92	20.57
Net Change in Reserve	(352.37)	-	-	-	-	(4.00)	(16.68)	(7.42)	(8.08)	(8.43)

ATTACHMENT 2

LA Streetcar Operations

Measure R 15% Local Return Schedule
Long-Term Programming

Year (Measure R 30-Year Horizon)	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
Fiscal Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Note	Percent															
Year	with FF															
Total	Percent															

REVENUE	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Subtotal Available	2,194.64	74.61	76.76	79.52	82.42	85.73	88.32	90.17	93.46	96.34	98.79	101.73	104.52	107.30	110.60	
Less ATSAC Front Funding	2,167.29	74.61	76.76	79.52	82.42	85.73	88.32	90.17	93.46	96.34	98.79	101.73	104.52	107.30	110.60	

EXPENDITURES	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Long-Term Capital Program																
Transit Program	321.37	7.00	7.00	9.40	7.50	7.50	7.50	7.50	7.50	22.50	25.31	15.00	15.00	15.00	14.04	
Bicycle Program	103.57	3.7	3.8	4.0	4.1	4.2	4.4	4.5	4.6	4.8	4.9	5.0	5.2	5.3	5.5	
Pedestrian Program	109.40	3.7	3.8	4.0	4.1	4.2	4.4	4.5	4.6	4.8	4.9	5.0	5.2	5.3	5.5	
Highway Program	484.03	25.00	25.00	25.00	20.00	15.00	10.00	5.00	-	-	-	-	-	-	-	
Other	141.11	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	
Subtotal	1,159.47	42.34	42.62	45.31	38.69	33.97	29.23	24.48	19.75	20.03	35.32	38.41	28.39	28.69	28.01	
Less ATSAC Front Funding	1,132.12	42.34	42.62	45.31	38.69	33.97	29.23	24.48	19.75	20.03	35.32	38.41	28.39	28.69	28.01	
Reserve/Future Programming (FY 2019-2039)	954.00	32.00	34.00	34.00	43.00	51.00	59.00	65.00	73.00	76.00	63.00	63.00	76.00	78.00	82.00	
Ending Balance (Unallocated)		0.27	0.14	0.22	0.73	0.76	0.09	0.89	0.71	0.30	0.48	0.32	0.13	0.61	0.59	

Adjustments to November 14, 2012 Measure R 15% Local Return Schedule

Operating Year	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Streetcar Operations	352.37	8.79	9.17	9.57	9.98	10.40	10.85	11.31	11.79	12.29	12.81	13.35	13.92	14.51	15.12	16.35
Source: Reserve	337.61	8.79	9.17	9.57	9.98	10.40	10.85	11.31	11.79	12.29	12.81	13.35	13.92	14.51	15.12	16.35
Remaining Need Excluding Reserve	14.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Source: Transit Program	14.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sources	8.79	9.17	9.57	9.98	10.40	10.85	11.31	11.79	12.29	12.81	13.35	13.92	14.51	15.12	15.72	16.35

Reserve/Future Programming After Streetcar

Reserve/Future Programming After Streetcar	616.39	23.21	24.83	24.43	33.02	40.60	48.15	53.69	61.21	63.71	50.19	49.65	62.08	63.49	66.88	(16.35)
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Change to Transit Program

Cum Source: Transit Program	14.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Add to Transit Program From Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted Cum	14.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Transit Program Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revised Transit Program	321.37	7.00	7.00	9.40	7.50	7.50	7.50	7.50	7.50	22.50	25.31	15.00	15.00	15.00	14.04	

Final Reserve/Future Programming After Transit

Final Reserve/Future Programming After Transit	601.63	23.21	24.83	24.43	33.02	40.60	48.15	53.69	61.21	63.71	50.19	49.65	62.08	63.49	66.88	(16.35)
Net Change in Reserve	(352.37)	(8.79)	(9.17)	(9.57)	(9.98)	(10.40)	(10.85)	(11.31)	(11.79)	(12.29)	(13.35)	(13.92)	(14.51)	(15.12)	(15.72)	(16.35)

LA Streetcar Operations

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ATTACHMENT 2

Measure R 15% Local Return Schedule
Long-Term Programming

Year (Measure R 30-Year Horizon)	33	34	35	36	37
Fiscal Year	2042	2043	2044	2045	2046
	Note	Percent	Total	W/o FF	

REVENUE					
Subtotal Available			2,194.64		
Less ATSAC Front Funding			2,167.29		

EXPENDITURES					
Long-Term Capital Program					
Transit Program			321.37		
Bicycle Program			103.57		
Pedestrian Program			109.40		
Highway Program			484.03		
Other			141.11		
Subtotal		53.5%	1,159.47		
Less ATSAC Front Funding			1,132.12		

Reserve/Future Programming (FY 2019-2039) 44.0% 954.00

Ending Balance (Unallocated)

Adjustments to November 14, 2012 Measure R 15% Local Return Schedule

Operating Year	26	27	28	29	30
Streetcar Operations	17.00	17.68	18.39	19.13	19.89
Source: Reserve	337.61	17.00	17.68	18.39	19.13
Remaining Need Excluding Reserve	14.76				
Source: Transit Program	14.76				
Total Sources	17.00	17.68	18.39	19.13	19.89

Reserve/Future Programming After Streetcar








	616.39	(17.00)	(17.68)	(18.39)	(19.13)	(19.89)
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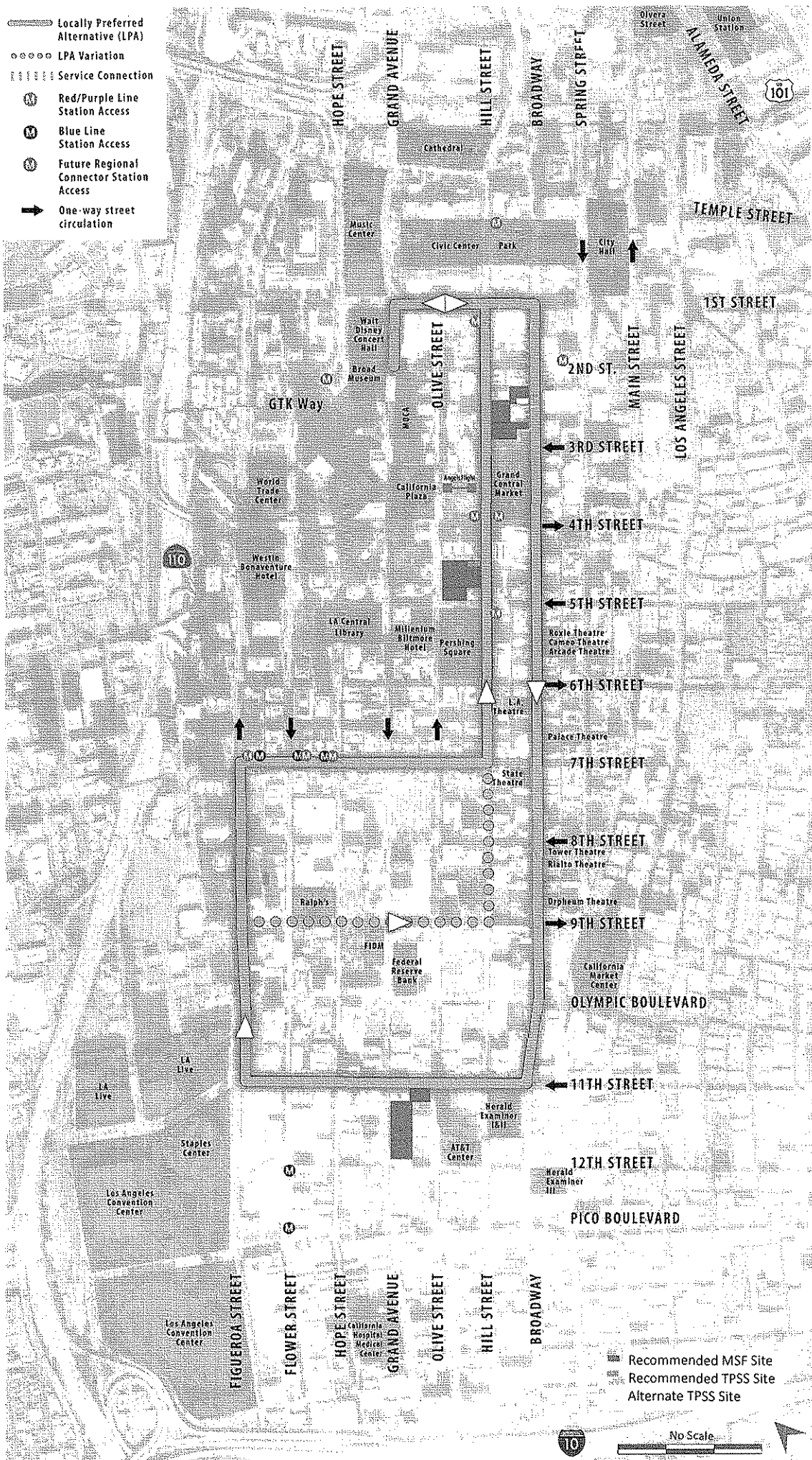
Change to Transit Program




Cum Source: Transit Program					
Add to Transit Program From Reserve	14.76				
Adjusted Cum					
Net Transit Program Adjustments					
Revised Transit Program	321.37				

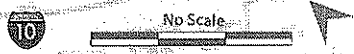
Final Reserve/Future Programming After Transit	27.8%	601.63	(17.00)	(17.68)	(18.39)	(19.13)	(19.89)
Net Change in Reserve		(352.37)	(17.00)	(17.68)	(18.39)	(19.13)	(19.89)

ATTACHMENT 3
STREETCAR MAP

-  Locally Preferred Alternative (LPA)
-  LPA Variation
-  Service Connection
-  Red/Purple Line Station Access
-  Blue Line Station Access
-  Future Regional Connector Station Access
-  One-way street circulation



 Recommended MSF Site
 Recommended TPSS Site
 Alternate TPSS Site



ATTACHMENT 4
FTA SMALL STARTS SUMMARY

Attachment 4

Federal Transit Administration Small Starts Grant Program

The Federal Transit Administration (FTA) Capital Investment Grant Program provides federal capital funds to help transit agencies plan and build new fixed-guideway systems. In 2005, FTA created a new category of lower-cost projects – the Small Starts program. The Small Starts program provides capital funding for projects that are on a fixed-guideway and cost less than \$250 million. Grantees may seek a maximum of \$75 million in grant funds.

As a municipal transit agency, LADOT is eligible to apply for and receive FTA 5307 and 5309 capital grants. In 2001, the City Council adopted a Resolution authorizing the General Manager LADOT to file applications for federal assistance and execute grant and cooperative agreements with the FTA. As the grantee for the City of Los Angeles, LADOT is authorized to file the Small Starts application with the FTA and, if the project is funded, would execute the grant agreement and administer the grant. In addition, LADOT would be responsible for ensuring that procurement and operation of services meet FTA requirements. Every three years, LADOT is reviewed by the FTA to ensure that the LADOT is meeting FTA requirements in twenty-three areas. LADOT is held legally responsible for ensuring that the federal grant requirements are met. Failure to follow FTA requirements can result in returning of the grant funds, and can potentially hinder the city's ability to receive additional grants in the future.

With the enactment of the Moving Ahead for Progress in the 21st Century Act (MAP-21), FTA has recently issued new guidance for the Small Starts program. The new guidance provides a new regulatory framework for FTA's evaluation and rating of projects seeking grant funds. The new evaluation criteria streamline the prior application process. FTA will now evaluate the Small Starts projects according to six project justification criteria: Mobility Improvements, Environmental Benefits, Congestion Relief, Cost-effectiveness, Existing Land Use and Economic Development.

In addition to the six project justification criteria, FTA requires that Small Starts projects be supported by an acceptable degree of local financial commitment, including evidence of stable and dependable financing sources to construct, maintain and operate the LA Streetcar without requiring a reduction in existing LADOT Transit services.

Applicants can choose a 10 or 20-year horizon (forecast). The LA Streetcar financial management plan (FMP), which is being developed, will detail the sources of local funding for the capital, operating and maintenance of the LA Streetcar with a 30-year forecast. The 30 years corresponds to the bond term of the matching funds.

ATTACHMENT 5
CITY SPECIAL TRANSPORTATION FUND SUMMARY

Attachment 5

Selected City Transportation Special Funds

Proposition A

The city's Proposition A local return program is funded by a ½ cent sales tax measure approved by the voters of Los Angeles County in 1980. Proposition A is projected to generate approximately \$629 million for Los Angeles County in FY 2012-13. The majority of these funds are used by the Los Angeles County Transportation Authority (Metro) to fund regional transit-related projects. A portion of these funds (25%) is returned to the 88 cities and the County (unincorporated portions) by Metro on a per capita basis. The city is estimated to receive \$58.6 million in Proposition A local return funds in FY 2012-13.

Proposition A funds must be used for public transit purposes only. The majority of Proposition A funds are used to support the city's public transit program (DASH, Commuter Express, Cityride, and Charter Bus) operated by LADOT. The Departments fixed route transit services Downtown DASH, Community DASH and Commuter Express, serve over 25 million passenger trips each year.

On June 4, 2010, the City Council approved service cancellation and fare increases to Proposition A funded services (CF10-0082). The Proposition A fund showed a structural deficit that threatened cancellation of major services if not addressed in a timely manner. Several low performing DASH and Commuter Express routes were cancelled and fares were increased across all services. These changes resolved the projected near term deficit and should allow the fund to be solvent until FY 2022 (assuming existing services only).

Proposition C

The city's Proposition C funds is funded by a ½ cent sales tax measure approved by Los Angeles County voters in 1990. Proposition C is projected to generate approximately \$629 million for Los Angeles County in FY 2012-13. The majority of these funds are used by Metro to fund regional bus and rail projects. Twenty percent of the Proposition C tax funds go toward the Local Return Program which funds improving public transit, paratransit, and the related transportation infrastructure and are distributed by Metro on a per capita basis. The city is estimated to receive \$48.6 million in Proposition C local return funds in FY 2012-13.

Proposition C provides front funding and matching funding for the Metro Call for Projects. These projects include Bikeways, Pedestrian Improvements, Signal Synchronization, Transportation Enhancements and Regional Surface Transportation

Attachment 5 (page 2 of 3)

Program improvements. In recent years the City has also used Proposition C funds to pursue an aggressive policy of shifting positions that had traditionally been funded by the General Fund. Finally, Proposition C has also begun to fund required maintenance related to the ATSAC System.

SPRF

The Special Parking Revenue Fund (SPRF) includes all monies collected from parking meters and revenue from public off-street parking facilities of the City of Los Angeles. These funds are used for purchasing, leasing, installing, repairing, maintaining, operating, removing parking meter spaces in the City of Los Angeles. SPRF funds are also used for the purchasing, leasing, acquiring, improving, operating and maintaining of off-street parking facilities in the City of Los Angeles; consistent with the purposes of the regulation of traffic and the prevention of congestion of the city streets. Modification of the SPRF Ordinance would be required to allow streetcar operational funding.

Measure R

The city's Measure R Traffic Relief and Rail Expansion Funds are a ½ cent sales tax approved by voters of Los Angeles County in 2009 and is scheduled to sunset in 2039. Measure R is projected to generate approximately \$629 million for Los Angeles County in FY 2012-13. The majority of these funds are used by Metro to expand the County Metro rail system (approved list) and for highway improvements. A portion of these funds (15%) is returned to cities on a per capita basis. The City of Los Angeles is estimated to receive \$36.5 million in FY 2012-13 and \$40 million in FY 2013-14.

As identified in the Measure R report (09-0600-s48), the city is committed to provide a three percent local match for Metro rail and light rail projects operating in the City of Los Angeles. In addition, the City Council has approved a five percent set aside per year for the Bicycle Program and a five percent set aside per year for the Pedestrian Program. Measure R funds are also used to fund:

- staff in various departments, including LADOT, General Services, Planning Department, Public Works Bureaus of Engineering and Street Services.
- The capital improvement expenditure programs which includes guardrail construction, tunnel safety improvements, improvements to various station areas, the bicycle plan/program, the pedestrian plan/program, matching funds for Measure R projects for the America Fast Forward Initiative, a program contingency, and the reimbursement of general fund costs.