

**Your**

**TRANSPORTATION**

**Committee**

**reports as follows:**

TRANSPORTATION COMMITTEE REPORT relative to funding mechanisms and options for a 30-year operational plan for the Downtown L.A. Streetcar system.

Recommendation for Council action, as initiated by Motion (Huizar – Krekorian):

INSTRUCT the Department of Transportation (DOT), in coordination with the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA), to report relative to funding mechanisms, including alternative sources of funding such as grants, and options for a 30-year operational plan for the Downtown L.A. Streetcar system.

Fiscal Impact Statement: None submitted by DOT. Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

On November 9, 2012, Council considered Motion (Huizar – Krekorian) relative to funding mechanisms and options for a 30-year operational plan for the Downtown L.A. Streetcar system. Motion states that the streetcar is planned as a modern, fixed-rail streetcar system to link with regional transit using Broadway, 11th, Figueroa, and 7th and Hill Streets to 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 Downtown L.A. Streetcar will connect with the Metro Red, Purple, Blue, and Expo Lines, the future Regional Connector, and dozens of local and regional bus lines to provide urban circulator service to dozens of the area's most popular destinations.

Motion goes on to state that Council approved the formation of a Community Facilities District (CFD), to allow registered voters in the streetcar area to vote on a special property tax which will raise \$62.5 million of the project's \$125 million construction budget. Ballots for a not-to-exceed \$86 million bond will be mailed to registered voters in the Streetcar CFD area Nov. 13, 2012. The remainder of construction funding will be sought through the federal Small Starts process. During the formation of the CFD, Council decided to develop a 30-year operational plan for the streetcar, to provide parity between an operations guarantee and the 30-year length of the CFD tax. In order to achieve this operational plan, Motion movers believe that funding mechanisms and options for operation of the streetcar system must be identified. Motion instructs DOT to report on this matter. Council referred Motion to the Transportation Committee for consideration.

At its meeting held December 12, 2012, the Transportation Committee discussed this matter with DOT staff. At that time, DOT staff reported that voters approved the CFD bond measure. It was stated that additional funding will be sought from the Federal government. Annual operational costs are expected to be approximately \$6 million. Committee members instructed DOT to explore sources of funding other than Proposition R, such as grants, to help finance and

operate the proposed streetcar. Committee recommended that Council approve Motion, as amended to include the additional instruction for DOT.

Respectfully submitted,

TRANSPORTATION COMMITTEE

**- NOT OFFICIAL UNTIL COUNCIL ACTS -**

<u>MEMBER</u>	<u>VOTE</u>
ROSENDAHL:	YES
KORETZ:	YES
PARKS:	YES
LABONGE:	YES
HUIZAR:	YES

JAW  
CDs 9, 14  
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