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Los Angeles Leads Full-Throttle Dash for U.S. Transit Cash

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LOS ANGELES -- Tony Lepre looms 6 feet 2 inches and wears a thick goatee and dark clothing. He's hard to miss amid a crowd waiting for the train at a downtown subway station.

But what really makes Lepre stand out among most Los Angeles County residents is that he doesn't own a car.

Lepre, 48, takes trains several days a week while many here spend hours daily driving congested roads. The Los Angeles native, who cannot afford a vehicle right now, joins those who are watching with anticipation as the region's rail network attempts a high-speed upgrade.

"It's long overdue, any kind of public transportation system that takes us where we want to go," Lepre said recently as he prepared to board the Blue Line train to suburban Long Beach. "This is one of the largest cities in the world and the public transportation system's a joke."

Opened in 1990, Los Angeles County's modern-day rail system remains small. Five lines reach a sliver of this sprawling metropolis where 9.8 million people live. But a major expansion is under way, with hope that Congress might help accelerate the time table.

The Metropolitan Transportation Authority, the agency known as Metro, wants to build 12 projects over the next decade, compressing work that otherwise would occur over 30 years.

Goals include extending existing rail routes to Los Angeles International Airport and adding a line along part of the San Diego (I-405) Freeway. There is also the long-sought dream of building an underground "Subway to the Sea," which would start downtown, travel through heavily congested West Los Angeles and ideally end near the Pacific Ocean in Santa Monica.

In seeking the growth, LA Metro typifies efforts by many cities to offer drivers an alternative to their cars.

"It's happening in a lot of places, and unlikely places from Houston to Dallas to Salt Lake City to Seattle," said Tom Murphy, senior fellow at Urban Land Institute, a nonprofit working to anticipate land-use trends. A train line in Charlotte, N.C., was "so successful they want to do one or two more," Murphy said, while "Houston is looking to do several transit lines."

But the quest for more rail lines could hit a major roadblock.

Cities that want to expedite transit development need federal money. Obtaining funds could be tough as Congress battles over how deeply to cut spending. As well, there could be fights about how to spend the Highway Trust Fund money that comes from the gasoline tax. Some regions want highway repairs over rail.

To buttress their lobbying, those urging rail expansions have amassed a powerful lobbying force.

LA Metro in concert with the city of Los Angeles and the group [Move LA](#) solicited other municipalities that want to build train lines in shorter time frames. Together they formed a proposal called [America Fast Forward](#). So far, 120 mayors, the U.S. Chamber of Commerce and labor group AFL-CIO have backed the plan.

Mayor Antonio Villaraigosa (D) in March lobbied lawmakers on America Fast Forward while he was in Washington, D.C., for a meeting of the U.S. Conference of Mayors.

The rail plan calls for a major increase in funding from the federal Transportation Infrastructure Finance and Innovation Act, which provides loans, loan guarantees and lines of credit. LA Metro also is advancing another funding mechanism that would have the government pay as much as 100 percent of the interest on certain bonds issued by cities.

LA Metro compared its chances for success to when -- in November 2008 -- it asked voters to increase their sales tax by a half-cent to pay for rail, a bid that came on top of two earlier half-cent increases. The proposition passed by 67 percent, clearing the two-thirds margin needed for success.

"The odds were long then and we succeeded," said Raffi Haig Hamparian, government relations director at Los Angeles County Metro. "We expect to face long odds now in a tough fiscal environment in Washington. At the same time we expect to succeed."

Will people walk in LA?

Of LA Metro's five rail lines, four connect suburbs to downtown. The fifth draws a roughly east-west link between towns south of Los Angeles International Airport. A new light rail line is under construction and will draw the first link between downtown and West Los Angeles.

Called the Expo Line, the train will have stops at the University of Southern California and major intersections before phase one of the project ends in Culver City, about 10 miles northeast of the airport. When it is completed in 2014, Expo Line will terminate about four blocks from the Pacific Ocean in Santa Monica.

In pushing to expedite its other rail projects, LA Metro is betting that more drivers can be persuaded to take rail. Drivers here are known for loyalty to their cars.

LA Metro sees a good omen in the fact that 67 percent of voters approved the sales tax increase to fund new projects.

"You've got a whole sea change, a paradigm shift with Los Angeles being a car culture," said Roger Moliere, LA Metro's chief of real property management development. Rail has so far failed to "connect the dots," he said, between the area's six or seven downtowns in places like Century City, West Los Angeles and Santa Monica. "It's just now happening," he said.

In terms of converting drivers, Moliere said, "congestion is your friend, for the transit developer, for transit in general." Driving a car in LA, he said, "it takes hours to get where you're going to go."

For now rail ridership remains tiny. Weekday passengers on the lines are less than 300,000, LA Metro data shows. The average weekday total for rail and bus combined is about 1,433,000 compared to the population of 9.8 million. (About 10 percent of that total is people younger than 18 years old, according to the 2010 Census.)

Some residents said they would happily give up their cars if they had options.

"I don't know if it's so much that people love their cars, but there's no public transportation," said Amber Lopez, 21, of Los Angeles as she strolled a pedestrian mall in Santa Monica near where the new light rail eventually will end.

It takes 90 minutes by bus to travel the 16 miles between USC and UCLA, she said, adding "in Los Angeles you can't be on a schedule and take public transportation."

Others said they would stop driving for some trips, but only if the expansions bring rail close to their homes.

"If we had better mass transit, yes, but our mass transit is not good and it's not consistent," said Betsy Waak, 36, of Glendale, a suburb north of downtown. "There's not one near me so it's not convenient and it doesn't go many places."

Waak, who talked about Metro as she ate gelato on the Santa Monica pedestrian mall, said she only takes rail when going to basketball games at Staples Center, where the Los Angeles Lakers play. She would consider taking the new light rail when it is finished, she said, if that means avoiding traffic to the beach.

"Again, it's all about convenience," Waak said. "They say it's going to come down here, but that could be 10 years. It took forever to open [a stop at] Hollywood [Boulevard] and Highland [Avenue]. I remember that."

The new light rail line probably will make only a small impact on vehicle traffic, predicted John Molloy, project manager at Samitaur Constructs, a developer building near new Expo Line rail stops.

About 30,000 people daily will probably use Expo Line, he said, compared with the more than 100,000 that would take Subway to the Sea if it ultimately is built. That underground line would more closely track Wilshire Boulevard, one of the busiest east-west roads.

"I mean this one's important, and it will help a lot," Molloy said. "But it's not like Wilshire."

Congressional allies

Most of the desired LA projects are funded through its sales tax increase, but that money will come over 30 years. The best option, LA Metro argues, is to use the anticipated funds as collateral toward a loan from the federal government.

"We have a steady source of revenue that brings in \$600 to \$700 million a year," and in its later years will generate \$1 billion each year, said Hamparian with LA Metro. The rail authority would "use that as the form of repayment for federal loan," he said.

That structure could also be used by other cities under America Fast Forward.

The plan has won key allies on Capitol Hill. Last month, Senate Environment and Public Works Chairwoman Barbara Boxer (D-Calif.) and ranking member James Inhofe (R-Okla.) and the panel's Transportation and Infrastructure Subcommittee Chairman Max Baucus (D-Mont.) and ranking member David Vitter (R-La.) released their principles for a new transportation authorization bill.

Their agreement proposed boosting Transportation Infrastructure Finance and Innovation Act (TIFIA) authorized funding to \$1 billion from its current level of about \$110 million. It also would increase the maximum federal share on projects to 49 percent from 33 percent ([Greenwire](#), April 23, 2009). That comes in a new section of the bill called America Fast Forward.

"This is the way we are going to increase jobs," Boxer said, "because remember, every billion we spend is roughly 32,000 jobs in construction."

TIFIA leverages federal monies by spurring investments from cities and counties, as well as private dollars, Boxer aides said. TIFIA projects are not limited to rail. They can include highways, freight and port developments.

The current \$110 million funding supports about \$1.1 billion in credit help, the Transportation Department said. The lower number represents the cost of making loans, with TIFIA essentially borrowing money from the Treasury Department.

But even with that larger funding ability, there already is far more demand for TIFIA than there is money. For the current fiscal year, there is \$14 billion in desired projects.

The total transportation proposal from the EPW Committee is pegged to current levels of funding plus inflation. That exceeds what estimated gas tax revenues would cover by a sizeable margin.

"The Highway Trust Fund would need an additional \$75 billion in revenues in order to support a \$339 billion six-year bill," an EPW spokesperson said, requesting not to be identified because of committee policy. "Over two years, the shortfall is about \$12 billion.

In cooperation with the Finance Committee, the EPW Committee is exploring a wide range of options to support and sustain the Highway Trust Fund," the spokesperson added.

The Finance Committee, which Baucus chairs, ultimately will decide on money levels and might not agree with the bump for TIFIA.

Rep. John Mica (R-Fla.), chairman of the House Transportation and Infrastructure Committee, has backed TIFIA expansion but also said he needed more information about how the Senate committee would fund its spending. Mica previously indicated that he might seek a measure limited to current gas tax revenue amounts.

"The TIFIA program has been successful in the past and Chairman Mica and the committee are examining whether the program can be improved upon," said committee spokesman Justin Harclerode. "The chairman and the committee do not support an increase in the gas tax, and we must ensure that funding levels can be supported by available revenues."

Spawning development

Ongoing rail expansion and the hope of more to come have spurred interest in building homes and businesses near stops.

Several commercial developers have expressed interest, LA Metro officials said, although financing remains tight and only a few have proceeded.

Samitaur Constructs, has about 50 projects under development within walking distance of the new line, said owner Frederick Smith.

Smith started his development business in Los Angeles in the 1970s and has been waiting for useable rail to come along. Many of his company's projects were built in anticipation of the new line, he said.

"It's probably going to impact the area more than anything has so far for the last 40 years," Smith said. "To have something like this creates a whole new sense of place."

Samitaur is developing office buildings with the hopes that companies will choose to locate near rail stops. Businesses can attract employees from a wider area, he said, if workers know they won't have to sit in freeway gridlock. Smith plans to own the new structures and rent them out.

Despite the popular belief that Los Angeles residents are wedded to their cars, Smith believes people will shift and take subways and light rail, especially when it stretches to the Pacific Ocean.

"Many people are here because of the ocean," Smith said. "To be able to get to the beach in an efficient way is going to make anything along that line all the more valuable."

It will make other trips more appetizing as well, he said. Right now from his Culver City office it can take an hour to drive about 10 miles northeast to downtown LA, where there are theaters and music halls. The train between the two spots will be about 20 minutes, he said.

"It's going to revitalize the center of LA as well as the artistic center," Smith said.

The city of Los Angeles also owns land that it hopes to have developed, as do Culver City and Santa Monica. That beach city in 2006 bought property near where the Expo Line eventually will end. The lot right now sits vacant, surrounded by a chain link fence covered by green tarps.

Santa Monica also owns land adjacent to another planned Expo Line stop in the city, as well as a site close to where the Subway to the Sea would terminate, if eventually it is financed and built.

The Expo Line stops will serve as major places to install transit-oriented development that includes new housing and a variety of businesses, said Francie Stefan, Santa Monica's strategic and transportation planning division manager.

"The coming of the Expo Line is an incredible opportunity to help with our local sustainability," Stefan said. "It's good for our environment. It's good for our local traffic. ... When you talk to people in the community, when they find out it's going to the beach, they're very excited."

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