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City Council Approves 30-year Operational Plan for Downtown Los Angeles Streetcar

City of Los Angeles affirms commitment to Streetcar by allocating \$294 million to ensure three decade operation and maintenance of the system

LOS ANGELES (March 6, 2013) – The Los Angeles City Council approved a 30-year operational plan today for the proposed Downtown Los Angeles Streetcar. The plan identifies and commits funds, which could total \$294 million from non-general fund resources over three decades, to cover ongoing streetcar operations and maintenance of the proposed Downtown L.A. Streetcar system.

The Downtown L.A. Streetcar is championed by Councilmember José Huizar through his Bringing Back Broadway initiative.

“Today’s Council action shows the City of Los Angeles is firmly committed to bringing a streetcar to Downtown Los Angeles,” said Councilmember Huizar. “The City Council has joined our private sector partners in making a long-term commitment to operate and maintain the streetcar. I’m heading to Washington D.C. next week to advocate for federal funding for the streetcar, and this is the kind of commitment that will help us compete for federal dollars in order to complete our construction funding and launch the streetcar by 2016.”

Councilmember Huizar is one of the City’s biggest proponents of an ever-increasing commitment to “Complete Streets” transportation planning.

“I’m very proud to be leading the Council into a new era of transit focus in our City,” Huizar said. “We are rapidly moving from a City that focuses on how many cars we can move, to one that asks how many people we can move, and what are the best ways to do that. The Downtown Streetcar is a perfect example of this new approach.”

The projected \$125-million Streetcar project will be constructed with no city general fund dollars. In December, 73 percent of voters approved a special tax measure which will locally fund half of the project’s construction cost through a Community Facilities District (special tax) for the streetcar.

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This important local funding will complement \$10 million previously funded by the former Community Redevelopment Agency and \$1 million in Measure R Local Return funding by the City of Los Angeles. The remainder of funding for the approximately \$125 million project will be sought from the federal government through its Small Starts program and/or other public programs.

A bond for up to 30 years will be drawn against the voter-approved tax. It was this timeline that compelled Council to adopt the 30-year operational plan for the project to ensure a matched level of commitment from both public and private sectors and to prevent any risk of operational shortfall during the duration of the bonds. Actual streetcar operations costs are expected to be less than the full amount approved by the City Council since streetcar ad revenue and projected revenues to the City related to economic development associated with building the streetcar are not included in the cost projection for the purposes of allocating funds.

Approved streetcar operations and maintenance funding will come from the City's local portion of the Measure R sales tax meant for cities to use on transit projects of their choice. The bulk of funding generated by Measure R goes directly to major projects listed on the Measure R ballot, including the much-anticipated Subway to the Sea and the Downtown Regional Connector.

"The Streetcar helps make regional rail more effective by providing last mile access to destinations Downtown once riders arrive," said Shiraz Tangri, general counsel for Los Angeles Streetcar Inc. "It will also reduce traffic congestion by minimizing the need for automobile users to park more than once to reach multiple destinations Downtown. A dependable streetcar system will assure the private sector that their investment will bring a steady flow of patrons and tenants to their properties."

The City of Los Angeles is the lead agency for the streetcar project, led by the L.A. Department of Transportation with partnership from non-profit Los Angeles Streetcar Inc., a non-profit formed by property and business owners with the goal of advancing the Downtown streetcar. L.A. Metro (Los Angeles County Metropolitan Transportation Authority) is providing technical assistance with the environmental process and federal grant application.

The Downtown L.A. Streetcar is planned as a modern, fixed-rail approximately four-mile streetcar system to link with regional transit using Broadway, 11th, Figueroa, 7th & 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.

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A potential design alternative, which will be achieved if funding is identified, would run up Grand Avenue to serve the city's prized cultural institutions. The streetcar would run seven-days a week, up to 18-hours a day.

The streetcar project has completed feasibility studies and its Alternatives Analysis study required by the Federal Transit Administration (FTA), which resulted in the locally preferred alternative (route) for the streetcar. The environmental review process is underway with formal scoping meetings held in January 2013. This process will be followed by preliminary and formal engineering, design and procurement of vehicles.

Modern streetcars are curb running and travel at the same speed and in the same lane of traffic as other vehicles. Streetcars are carbon emissions free and fully accessible for people with disabilities, parents with strollers, or cyclists with bikes. Streetcars encourage walking - rather than driving - to destinations. Pedestrian circulation is proven to drive urban revitalization, redevelopment, and economic growth around the world.

AECOM estimates that the Downtown L.A. Streetcar will bring additive value to Downtown in the form of \$1.1 billion in additional development, \$24.5 million in additional annual tourism spending, \$47 million in additional revenues to the City of Los Angeles over 25 years, and more than 9,000 jobs - above and beyond what will happen Downtown without a streetcar.

Fehr & Peers estimates the Downtown L.A. Streetcar will attract more than 6,000 riders per day. This analysis means the Downtown L.A. Streetcar will outpace the opening month per mile ridership of METRO's Orange Line, Gold Line, Green Line and Blue Line, and will double or triple current ridership on four of the five best performing existing LADOT Dash bus lines in Downtown L.A. It would also outperform actual opening month ridership of streetcar systems in Portland, Seattle and Tacoma, as well as those projected for other top cities planning modern streetcar systems.

Pending federal funding for the remainder of the construction budget, the streetcar project could be under construction by the end of 2014 and running through Downtown as early as 2016.

Learn more about the Downtown L.A. Streetcar project at www.streetcar.la.

Learn more about Councilmember Huizar's Bringing Back Broadway initiative at www.BringingBackBroadway.com.

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