

The LOSSAN Rail Corridor

Advancing the Corridor's Capital Investment Priorities

Presented to the Senate Transportation Subcommittee on
LOSSAN Rail Corridor Resiliency, December 11, 2023

SENATE OFFICE OF RESEARCH



Goal/Workplan

- ▶ Analyze challenges encountered by LOSSAN in securing funding for critical capital investment needs.
 - ▶ Interviewed stakeholders
 - ▶ Passenger rail operators - Metrolink and the LOSSAN Agency (Pacific Surfliner)
 - ▶ Regional planning agencies - SCAG and SANDAG
 - ▶ State transportation officials (CalSTA)
 - ▶ Reviewed documents
 - ▶ State/regional plans
 - ▶ Operator strategic plans and budgets
 - ▶ Historical material (legislation, agency history)

Background/Context

- ▶ Second busiest U.S. rail corridor
- ▶ Complex governance (7 RoW owners, 3 passenger/2 freight operators)
- ▶ Key element of CTP 2050's vision for a comprehensive multimodal system
- ▶ State Rail Plan (2018) envisions network serving regional/interregional travel
 - ▶ Connecting state's most populous communities
 - ▶ Competitive travel times (with auto/air)
 - ▶ Reliable, seamless integration with local systems (pulse scheduling)
- ▶ Regional/local agencies (MPOs, counties) implement plans via project prioritization and funding

Financial Need

- ▶ Total corridor need likely exceeds \$20 B
 - ▶ SCAG region
 - ▶ \$10+ B Southern California Optimized Rail Expansion (SCORE) Program to improve Metrolink system performance (including LOSSAN)
 - ▶ Multi-billion climate/resilience investment (non-SCORE projects)
 - ▶ SANDAG
 - ▶ \$7.2 B I-5/LOSSAN Corridor investments (per 2021 RTP)
 - ▶ North Corridor
 - ▶ \$140+ M (per LOSSAN Agency Strategic Plan)

Funding Constraints

- ▶ State grants - \$3.6 B
 - ▶ Transit-Intercity Rail Capital, State Rail Assistance, Trade Corridor Enhancement, Solutions for Congested Corridors Programs
 - ▶ Future investment limited by finite revenue, geographic equity
- ▶ Local resources
 - ▶ SANDAG - \$730 M local funds/\$1.8 B total (since 2007)
 - ▶ OCTA - \$1.1 B local funds/\$2.3 B total (since 1980)
 - ▶ Includes \$586 M Metrolink operating subsidies (currently approx. \$50 M/year)
 - ▶ Challenges funding interregional projects via sales tax measure
 - ▶ Funds spent within county
 - ▶ Measure-designated projects
 - ▶ Aligned with voter priorities

Historic Federal Opportunity

- ▶ Infrastructure Investment and Jobs Act (IIJA) - \$66 billion (\$44 B grants)
 - ▶ LOSSAN can compete for share of \$20 B (multiple tranches through FY 26)
- ▶ 2026 reauthorization not that far away
- ▶ Positioning LOSSAN for success
 - ▶ Establish a shared corridor vision
 - ▶ Prioritize projects that:
 - ▶ Demonstrate measurable incremental benefits
 - ▶ Support improved corridor-wide performance

Regional Governance

- ▶ SCAG/SANDAG structured/operate differently
 - ▶ SANDAG - consolidated agency
 - ▶ Responsible for highway, transit, and rail systems
 - ▶ Future planning/funding/project development/construction
 - ▶ SCAG - planning agency
 - ▶ Serves a convening role
 - ▶ Provides analysis, technical guidance to impact policy
 - ▶ Individual county agencies prioritize and fund investments

Metrolink

- ▶ Five-county, 538-mile regional rail system
 - ▶ (includes 40 percent of LOSSAN corridor)
- ▶ Regional focus
 - ▶ Strategic plan prioritizes regional ridership growth/financial independence
 - ▶ Emphasis on member service needs
 - ▶ Minimal discussion of interregional partnership/coordination
- ▶ Responsive to member agency needs
 - ▶ Member agency owned infrastructure/assets (Metrolink provides maintenance)
 - ▶ Formula-based operating subsidies (tied to service levels)
 - ▶ Budget requires unanimous approval

LOSSAN Agency

- ▶ 11-member JPA, includes RoW owners, planning agencies (not Metrolink)
- ▶ Assumed operation of Pacific Surfliner service in 2015 (SB 1225)
 - ▶ Small staff (18 positions)
 - ▶ Entirely state-funded
 - ▶ Primary purpose is operations, not capital program management
 - ▶ Technical Advisory Committee (TAC)
 - ▶ Stakeholder communication
 - ▶ Operational coordination
 - ▶ Planning

LOSSAN Agency (cont)

- ▶ Rail Optimization Study (2021)
 - ▶ Model for CIP based on state “pulse scheduling” model
 - ▶ Identifies short-and long-term planning scenarios
 - ▶ Prioritization and sequencing of projects
- ▶ Influenced operations (scheduling) more than infrastructure planning
 - ▶ Member agencies manage assets/CIP implementation
 - ▶ LOSSAN can't direct other agencies
 - ▶ Federal grant solicitation challenges (lack of non-federal match)

Options: Framework for Shared Vision/Accountability

- ▶ Northeast Corridor Cost Allocation Policy (3 pillars)
 - ▶ Cost sharing
 - ▶ Robust reporting structure (transparency, accountability)
 - ▶ Federal partnership (long-term vision)
- ▶ LOSSAN vs. NEC
 - ▶ Infrastructure ownership (public/private)
 - ▶ Operational complexity
 - ▶ Capital resources

Options: Expanded State Role

- ▶ 2020 LOSSAN Corridor Working Group
 - ▶ Reconvened (2023) to facilitate communication/info sharing
 - ▶ Potential foundation for capital planning process
- ▶ State Office of Rail Capital Development
 - ▶ Federally recognized role in intercity rail development
 - ▶ CalSTA currently administers multiple state grant programs
 - ▶ State role in regional/statewide investment prioritization

Options: Local Restructuring

- ▶ Governance questions
 - ▶ Consolidation/alignment of regional/intercity rail capital development
 - ▶ Could the LOSSAN Agency fill this role?
 - ▶ Role of Metrolink (currently not on governing board)
- ▶ Other considerations issues
 - ▶ Transparency/accountability
 - ▶ Staffing (to support capital program)
 - ▶ Funding (local contribution)
 - ▶ Operational independence from member agencies