



ITEM ID: 2025-180-0

TRANSMITTAL DATE: May 2, 2025

MEETING DATE: May 9, 2025

TO: Audit and Finance Committee

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Low Carbon Transit Operations Program (LCTOP) Resolution

Issue

The State of California's Low Carbon Transit Operations Program (LCTOP) requires that the Board adopt a resolution, provide required certifications and assurances, and delegate authority for execution of any actions necessary under this grant. An annual resolution is required to receive LCTOP funds.

Recommendation

It is recommended that the Committee recommend that the Board approve Resolution No. 25-145 Authorization for the Execution of the Resolution, Certifications and Assurances, and Authorized Agent Forms for the Low Carbon Transit Operations Program (LCTOP) for the Metrolink FY26 Student/Youth Discount.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Customers Are Our Business:** We respect and value our customers, putting them at the heart of all we do, and work hard to attract and retain new customers by understanding their needs and finding new and innovative ways to delight them. The 50% Student/Youth Discount makes the option of transit more accessible to students who would otherwise not be able to afford it.
- **Advancing Key Regional Goals:** We will grow the role of regional rail in addressing climate change, air quality, and other pressing issues by advancing toward zero emissions, making rail a compelling alternative to single-occupant automobiles and

advancing equity-focused opportunities for all communities throughout Southern California. The 50% Student/Youth Discount encourages new and continued student ridership focused on serving low-income households and disadvantaged communities, addressing both emissions reduction and equity.

Background

The Low Carbon Transit Operations Program (LCTOP) is part of the California Climate Investments, a statewide initiative that uses Cap-and-Trade dollars to reduce greenhouse gas (GHG) emissions, strengthen the economy, and improve public health and the environment, particularly in Disadvantaged Communities (DACs). LCTOP funds may be used for operational expenditures that increase transit mode share.

Metrolink has been receiving LCTOP funds since fiscal year 2015 for a variety of operations and capital projects including: optical readers, Tier-4 locomotives, ticket vending devices, fare vouchers, low-emissions equipment, service restoration, a low-income fare discount program, and to support the Student Adventure Pass, the current version of which will sunset on June 30, 2025.

For FY 2026, Metrolink was allocated \$4,205,343 in LCTOP funds and intends to utilize the funds to support the Student/Youth discount, offering 50% off travel anywhere on the Metrolink system to secondary, college, and university students with a valid student ID beginning on July 1, 2025. The program aims to further equity on the system as well as develop new lifetime riders.

Discussion

Staff will administer the Student/Youth discount and work with schools to market the program to gain more student riders. The goals of the program align with the Board-adopted Fare Policy Goals and Guiding Principles to:

1. Recover and grow ridership
2. Enable financial sustainability
3. Ensure Equity Use
4. Enhance the customer experience

The program will also support student success and promote sustainability by reducing the environmental impact of transportation. Many public transportation agencies across the nation, including Metrolink member agencies, offer student pass programs.

Use of LCTOP funds will help offset operating costs associated with offering the 50% discounted fares. This project would be launched subject to LCTOP's approval of our proposal.

By approving Resolution 25-145, the Board will:

- Authorize the submittal of the project nomination and allocation request to the State for FY2024-2025 LCTOP funds to start the Student/Youth Discount Program, allowing students 50% off travel throughout the Metrolink service area until the funds are exhausted.

- Agree to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.
- Authorize the CEO to execute all required documents of the LCTOP program.

Budget Impact

There is no budget impact as a result of this report.

Next Steps

Staff will execute all agreements necessary to receive LCTOP funds for the FY26 Student/Youth Discount.

Prepared by: Jennifer Farinas, Manager, Grants

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Attachment A - Board Resolution No. 25-145](#)
[Attachment B - Certifications and Assurances](#)
[Attachment C - Authorized Agent Form](#)
[Presentation - LCTOP Resolution](#)