



ITEM ID: 2024-135-0

TRANSMITTAL DATE: March 1, 2024

MEETING DATE: March 8, 2024

TO: Audit and Finance Committee

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Grants Quarterly Update - 2nd Quarter, Fiscal Year 2024

Issue

Staff is providing an update of grant acquisition, reprogramming and closeout activity for the period of October 1, 2023 to December 31, 2023.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing our over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. The grant program helps to ensure reliable funding sources for maintaining the railroad in a state of good repair and adding capacity for increased reliability and future growth while reducing reliance on Member Agency contributions.
- **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 grant program also pursues grant opportunities to transition our technologies to lower- or zero-emissions technologies and to provide improved rider experiences to attract new ridership.

Background

The Authority applies for grants from federal, state, regional and local entities to assist in funding its rehabilitation and new capital programs. These programs are comprised of projects that rehabilitate, enhance and expand the Metrolink rail system.

This report focuses exclusively on federal, state and regional-level grant acquisition, reprogramming and closeout activities undertaken by staff for the purposes of supporting the rehabilitation and new capital programs. It discusses grants that the Authority has secured through a formal application process and for which the Authority has a direct reporting relationship to the federal, state or regional-level granting agency.

Discussion

Grant Activity Summary for October 1, 2023 to December 31, 2023

<i>Acquired (1)</i>	<i>Reprogrammed (14)</i>	<i>Closed (1)</i>
\$4.0 million	\$4.1 million	\$5.0 million

With the addition of one state grant of \$5.0 and the closure of \$5.0 million grants during the quarter, the Authority currently manages 33 active federal grants totaling \$550.1 million, 18 active state grants totaling \$1.2 billion and two active regional grants, totaling \$51.7 million, for a total portfolio of \$1.8 billion.

- Federal grants are summarized on Appendix A
- State grants are summarized on Appendix B
- Regional grants are summarized on Appendix C

Grant Activity Discussion

Acquisition

One new state grant of \$4.0 million was acquired during the quarter from the LCTOP program to fund the Student Adventure Pass pilot program which provides free fares to student riders for a limited duration.

Reprogramming

Reprogramming of projects from previously approved Rehabilitation and Capital Program budgets occurs when projects are completed with savings or when deferred or cancelled projects cannot make use of grant funds in a timely manner. Fourteen reprogramming transactions were completed in the quarter comprised of \$2.2 million in federal funds and \$0.6 million in state funds and \$1.3 million in local funds.

Closure

Grants are closed when all projects are completed within the work performance period allowed under the grant. One state grant totaling \$5.0 million was closed which funded track and signal improvements at LA Union Station.

Next Steps

Any new grant acquisitions, reprogramming or closure activities during the next quarter will be reported at the May 2024 meeting.

Prepared by: Tom Schamber, Director, Grants

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Appendix A - Grant Activity Summary - Federal](#)

[Appendix B - Grant Activity Summary - State](#)

[Appendix C - Grant Activity Summary - Regional](#)