

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: February 28, 2017

TO: The Honorable Members of the City Council

FROM: Richard H. Llewellyn, Jr., Interim City Administrative Officer

Sharon M. Tso, Chief Legislative Analyst 

SUBJECT: **MEASURE M LOCAL RETURN (C.F. 16-0395 & 16-0187)**

**RECOMMENDATIONS**

That the Council:

1. Request the City Attorney, with assistance from the City Administrative Officer (CAO) and the Department of Transportation (LADOT), to prepare and present an ordinance establishing a Measure M Local Return Fund prior to July 1, 2017 when the Measure M sales tax becomes effective;
2. Instruct the CAO, with the assistance of LADOT, to negotiate the terms of Project Agreements with the Los Angeles County Metropolitan Transportation Authority (Metro) for the City to make payments of required three percent (3%) contributions on specified Metro Measure M projects and to report back to the Council and Mayor for approval, and that negotiated Project Agreements include options for the City to:
  - a. Receive credit towards required contributions for any costs related to the regional projects that are absorbed by the City – an “in-kind” credit; and,
  - b. Address amounts due of over \$10 million on a given fiscal year through the issuance of Measure M Local Return revenue bonds, or if applicable, through multiple fiscal year payments to Metro for issuance of Measure M Local Return revenue bonds on behalf of the City.
3. Adopt a policy to designate two-thirds of annual Measure M Local Return revenue (derived from the 0.5% sales tax) toward the repair of failed streets, and instruct the CAO and Chief Legislative Analyst (CLA) to work with the Department of Public Works, Bureaus of Street Services, Contract Administration and Engineering to develop a plan for street repairs, subject to annual approval, based on the following principles:
  - a. Repair as many streets as possible in as short a timeframe as possible;
  - b. Maximize the Citywide Pavement Condition Index; and,
  - c. Distribute the funds for repairs as equally as possible across the City.

4. Adopt a policy to designate the remaining one-third of Measure M Local Return revenue (derived from the 0.5% sales tax) for capital projects, subject to annual approval, and prioritized as follows:
  - a. Critical public safety projects/issues, liability reduction/management, required legal obligations (e.g., City payment of 3% contributions to Metro);
  - b. Transportation projects with economic development benefits and that create/retain local jobs;
  - c. Sustainable transportation programs that reduce overall impacts on the environment; and,
  - d. Leveraging other City funds through grants.

## **SUMMARY**

In 2016, two Council Motions were introduced relative to the use of new transportation funding from a potential transportation sales tax ballot measure. This ballot measure was entitled "Measure M," placed on the November 2016 ballot, and approved by the voters. It will become effective on July 1, 2017.

The Los Angeles County Metropolitan Transportation Authority (Metro) Board of Directors will adopt guidelines regarding Multi-Year Subregional Programs that will be funded by Measure M. It is anticipated that a draft of the guidelines will be released in March 2017 for public comment with expected adoption in June 2017.

According to Metro, the Measure M sales tax is expected to generate \$120 billion over 40 years. In addition to 36 major highway and transit projects, a portion of the Measure M sales tax revenue will be allocated to local jurisdictions based on population (local return). Partial year City local return cash receipts of \$42 million are anticipated for Fiscal Year 2017-18. In 2018-19, the first full year of receipts, approximately \$58.9 million may be available for appropriation. Expenditure of these funds must be done in accordance with eligible uses defined by Measure M. Therefore, the creation of a new City fund is recommended to administer Measure M local return revenue and expenditures.

A Council Motion was introduced on February 12, 2016 by Councilmembers Blumenfield and Koretz (C.F. 16-0187), which directed the Department of Transportation (LADOT) to work with Metro on the development of each subregion's share of Measure M revenue and project lists, as well as an appropriate percentage by region and Council District that would be directly allocated to jurisdictions through the local return program to ensure that the San Fernando Valley and all regions receive their fair share. The Motion further directed the LADOT to report on the distribution of the City's current local return revenue from previous transportation sales tax measures and how these funds have been allocated by region and Council District.

A second Council Motion was introduced on April 6, 2016 by Councilmembers Buscaino, Englander, Wesson and Bonin (C.F. 16-0395), which proposes that the Council approve and adopt a City policy that would dedicate at least two-thirds of Measure M local return revenue towards the reconstruction and rehabilitation of City streets that are in "D" and



"F" condition. The Motion further instructs the Chief Legislative Analyst (CLA) and City Administrative Officer (CAO), in coordination with appropriate departments, to report with an expenditure and work plan for Measure M local return revenue for a capital improvement program for street reconstruction and rehabilitation. The Motion further directs the CAO, in coordination with LADOT, to report on the estimated amount of the City's share of local return revenue that would be generated by the Measure M sales tax.

On May 25, 2016, the Transportation Committee (Committee) considered these two Motions and directed our Offices, in coordination with LADOT and other affected departments, to report on the following seven items:

1. Provide Measure M estimated City local return revenue.
2. Provide estimated City 3% local contribution amounts for Metro Measure M rail construction projects located in the City of Los Angeles.
3. Provide a recommended expenditure plan for Measure M local return revenue to address capital improvements, street reconstruction, and rehabilitation for streets that are in "D" and "F" condition (failed streets).
4. Identify opportunities to leverage Measure M local return monies with state and federal grant dollars, as well as options for the City to bond against future revenues.
5. Provide a priority list of operational and capital needs from the Departments of Public Works and LADOT, and that it consider existing commitments.
6. Assess the feasibility of allocating Measure M local return revenue equally among all of the Council Districts, and other options that would provide for a fair share distribution of this revenue source.
7. Provide a summary of available information relative to the City's expenditure of transportation sales tax funds and the resources necessary to undertake a more detailed analysis as to the specific distribution of transportation projects and programs.

## **DISCUSSION**

Responses to the seven items requested by the Transportation Committee are as follows:

### **1. Provide Measure M estimated City local return revenue.**

**Attachment A** includes a projection, based on information obtained from Metro, of the expected revenue from Measure M. Revenue will be initially derived from a 0.5% sales tax, which will increase to 1.0% in FY 2040 to offset the FY 2039 sunset of the Measure R 0.5% sales tax. The Measure M local return will be 17% of net revenues beginning in FY 2018 and potentially 20% of net revenues beginning in FY 2040. Local return will be allocated to cities based on population. The first year estimate of local return generated for the City is \$56.4 million, but because of the timing between the collection of the revenue and its allocation to and receipt by the City, partial year cash receipts will occur during Fiscal Year 2017-18. Local return is to be used to augment, not supplant, existing local revenues used for transportation purposes.

Metro will need to adopt guidelines for the implementation of the Measure M Local Return Program. It is expected that the guidelines will establish funding requirements, policies and procedures that are reflective of the Ballot Measure (Ordinance). It is anticipated that a draft of the guidelines will be released in March 2017 for public comment with expected adoption in June 2017.

Finally, Measure M local return revenue is required to be kept separate from the General Fund, and the use of it must be consistent with the Measure M Ordinance. With previously approved transportation ballot measures (Proposition A, Proposition C and Measure R), this requirement was addressed through the creation/establishment of special funds within the City Budget for the receipt of, and use of, local return monies. Therefore, it is recommended that the Council and Mayor request the City Attorney to work with the CAO and LADOT to prepare and present an ordinance establishing a Measure M Local Return Fund prior to July 1, 2017 when the Measure M sales tax increase becomes effective.

**2. Provide estimated City 3% local contribution amounts for Metro Measure M rail construction projects located in the City of Los Angeles.**

According to Metro, the estimated total amount necessary to meet the City's obligation for major transit projects is approximately \$490.2 million, in 2015 dollars (**Attachment B**). It is expected that the specific timing and amounts to be paid will be negotiated with Metro and will be impacted by actual project budgets and schedules, and potentially, by the guidelines to be developed by Metro. The following is a summary table of Metro Measure M projects with estimated City 3% local contribution amounts:

Measure M	
Regional Project - Metro Estimated 3% for the City of LA	3 Percent - Est. Amount - \$ Millions
Light Rail Transit Connector Orange/Red Line to Gold Line	\$ 2.1
Westside Purple Line Extension to Westwood/VA Hospital	\$ 48.1
Sepulveda Pass Corridor - Heavy Rail from Westwood to LAX	\$ 83.9
East San Fernando Valley Transit Corridor Light Rail Line	\$ 35.0
Vermont Transit Corridor Heavy Rail	\$ 7.5
Sepulveda Pass Corridor - Heavy Rail	\$ 170.2
West Santa Ana Transit (Gardendale to Downtown)	\$ 35.6
Crenshaw Light Rail Northern Extension to West Hollywood	\$ 62.8
Lincoln Boulevard Light Rail Line	\$ 2.2
Orange Line Conversion to Light Rail	\$ 42.8
Total	\$ 490.2

Please note that according to the Measure M Ordinance:

- The \$490.2 million cost estimate, in 2015 dollars, uses current information that is subject to change as projects are developed. Therefore, the amounts identified in the above table and Attachment B will fluctuate based on the actual cost of projects including actual station locations, which are subject to the environmental process of each project, and the negotiated timing of payments;
- Three percent (3%) of the total project cost of any Major Regional Project shall be paid by each incorporated city within Los Angeles County whose jurisdiction the project crosses. All of these agreements must be in accordance with guidelines adopted by the Metro Board of Directors;
- An agreement approved by both Metro and the governing board of the jurisdiction shall specify the total project cost determined at the conclusion of thirty percent (30%) completion of final design (which shall not be subject to future cost increases), the amount to be paid, and a schedule of payments;
- If the total project cost estimate is reduced after the conclusion of thirty percent (30%) completion of final design, the proportionate cost to the jurisdiction shall be reduced accordingly;
- A jurisdiction may request a betterment for a project but shall incur the full cost of any such betterment; and,
- If no agreement is entered into and approved prior to the award of any contract authorizing the construction of the project within the borders of the jurisdiction, or if at any time the local jurisdiction is in default of any sums due pursuant to the approved agreement, all of the jurisdiction's local return funds may, at Metro's sole discretion, be withheld for not longer than fifteen years and used to pay for the project until the three percent (3%) threshold is met.

An initial comparison between the three percent (3%) local contribution amounts required under the Ordinance and the projected local return revenue (**Attachment C**) indicates that there will be sufficient local return funds to provide these contributions to Metro. However, in order to consistently dedicate two-thirds ( $\frac{2}{3}$ ) of the local return revenue annually to the repair of failed streets and have the remaining one-third ( $\frac{1}{3}$ ) provide for other important transportation needs, City payments for 3% contribution amounts on specified Metro Measure M projects should be planned well in advance of their due dates. It is recommended that the Council and Mayor instruct the CAO, with the assistance of LADOT, to negotiate the terms of Project Agreements with the Los Angeles County Metropolitan Transportation Authority (Metro) for the City to make payments of required three percent (3%) contributions on specified Metro Measure M projects and to report back to the Council and Mayor for approval. Additionally, negotiated Project Agreements should include options for the City to receive credit towards contributions for any costs related to the regional projects that are absorbed by the City (an "in-kind" credit), as well as address amounts due that are over \$10 million on a given fiscal year through the issuance of Measure M Local Return revenue bonds, or if applicable, through multiple fiscal year payments to Metro for issuance of Measure M Local Return revenue bonds on behalf of the City.

**3. Provide a recommended expenditure plan to use Measure M local return funds for capital improvements, street reconstruction, and rehabilitation for streets that are in "D" and "F" condition (failed streets).**

The City's current metric for measuring the condition of the street systems is the use of the Pavement Condition Index (PCI), which employs a unit of measure from 0 to 100. The City has used this measurement to determine the impact of the annual Pavement Preservation Program, which primarily focuses on streets rated A, B and C. The Bureau of Street Services State of the Streets Report for 2015 reports a system-wide PCI of 62. Since streets are used by vehicles of all types including transit users, bicyclists, and motorists, it is appropriate for the City to allocate a significant portion of any local return revenue to restoring streets that are currently in "D" and "F" condition (failed streets).

In February 2014, the Save Our Streets LA Proposal (SOSLA) submitted by Councilmembers Buscaino and Englander established a goal of repairing all failed streets within the City at an estimated cost of \$3.86 billion while providing an additional \$640 million for sidewalk repairs. The SOSLA proposal was based upon a proposed new revenue stream of over \$240 million per year. Although two-thirds of Measure M local return is much less annually, the SOSLA proposal can still provide a roadmap for an on-going program that addresses failed streets.

The Harris and Associates (Harris) report prepared in 2014 for SOSLA suggested that a prioritization system be developed that grouped streets into projects by geography and took into account a variety of weighted criteria such as:

- Pavement Condition Index rating
- Street type
- Traffic
- Street or drainage complaints
- Readiness for construction
- Clearance of conflicts with utilities and other programs
- Public Transit Use
- Bike Routes
- Proximity to police and fire stations, hospitals and schools

It is recommended that:

- The Council adopt the proposed Motion from Councilmembers Buscaino, Englander, Wesson, and Bonin (C.F. 16-0395) to dedicate two-thirds of Measure M local return revenue (derived from the 0.5% sales tax) toward the repair of failed streets; and,
- Instruct the CAO and the CLA to work with the Department of Public Works, Bureaus of Street Services, Contract Administration and Engineering to develop a plan for street repairs utilizing two-thirds of Measure M local return revenue, subject to annual Council approval, based on the following principles:
  - Repair as many streets as possible in as short a timeframe as possible;
  - Maximize the Pavement Condition Index; and,
  - Distribute the funds for repairs as equally as possible across the City.



**4. Identify opportunities to leverage local return monies with state and federal grant dollars, as well as options for the City to bond against future revenues.**

The LADOT and the Department of Public Works, Bureaus of Street Services and Engineering identified the following state and federal grant opportunities that the City typically uses to leverage local dollars:

- Highway Safety Improvement Program (HSIP) - 0-10% local match
- Surface Transportation Program (STP) - provides STP-L funds on a formula basis (12 percent match).
  - Other STP funds are generally programmed through other grant programs, like the Metro Call for projects.
- Metro Call For Projects - 20-35% local match (bonus points for overmatch)
- Active Transportation Program (ATP) - 0% local match (bonus points for overmatch)
  - Both state and federal safe routes to school programs have been consolidated into the ATP program, so these should not be included in future opportunities.
- Metro Express Lanes Toll Reinvestment - 0% local match
- Cap and Trade - Affordable Housing and Sustainable Communities, a portion eligible for ATP like activities
- Caltrans Planning Grants - 20% local match
- Office of Traffic Safety - 0% local match (pedestrian and bicycle safety programs)
- Federal TIGER - at least 11.53% local match
- Highway Bridge Program
- Various Federal Transit Authority grants
- Community Development Block Grants
- Systemic Safety Analysis Report Program (funds safety studies to position the City to be more competitive in future HSIP Calls)
- Sustainable Transportation Planning Grants (Environmental Justice Grants and Community Based Transportation Planning Grants)
- Federal and state one-time authorization or appropriation earmarks (e.g. ARRA, emergency relief after the declaration of an emergency by the governor or president, etc.) are occasionally made available

Additionally, the City could bond against future local return revenue in order to increase short term available funding and in turn enable the City to maximize the repair of failed streets within the shortest timeframe possible. If there is a desire to pursue this option, the CAO should be directed to report back regarding the process.

**5. Provide a priority list of operational and capital needs from the Department of Public Works and LADOT, and that it consider existing commitments.**

In addition to the significant need for street repairs, the City has a number of other significant transportation related needs, which include, but are not limited to:

- Great Streets Program
- Vision Zero Program
- Safe Routes to School Program
- Sidewalk Repair Program
- Enhanced Watershed Management Program
- Traffic Signal Construction Program
- Bicycle and Car Share Programs
- Transit Program
- Seismic Bridge Program
- Transportation Grant Program
- ATSAC Program

The funding needs in these programs are both capital and operational. However, at this time, the majority of the funding needs in these programs are capital in nature. In recognition of this, it is recommended that the Council and Mayor adopt a policy of prioritizing the use of Measure M local return funds for one-time capital costs. The intent of this would be to keep permanent, on-going operational costs from restricting the ability of the City to provide funding for critical transportation infrastructure needs.

The prioritization of these programs was discussed with department representatives. The wide variety of transportation needs made it difficult to prioritize one program over others. The consensus was that, instead of prioritizing individual City programs against each other, the Council and Mayor should establish broader level priorities.

It is recommended that the Council and Mayor prioritize, subject to annual approval, the use of the remaining one-third of annual Measure M local return revenue for other transportation needs as follows:

1. Critical public safety projects/issues, liability reduction/management, required legal obligations (e.g., City payment of 3% contributions to Metro);
2. Transportation projects with economic development benefits and that create/retain local jobs;
3. Sustainable transportation programs that reduce overall impacts on the environment; and,
4. Leveraging other City funds through grants.

**6. Assess the feasibility of allocating Measure M local return funds equally among all of the Council districts, and other options that would provide for a fair share distribution of this source of funds.**

The desire of the Council to equally distribute Measure M local return funding throughout the City is a worthwhile goal, but simply dividing Measure M local return funds by 15 may not result in an equitable distribution of funds. Street lane miles, usage, categories, and other factors by Council district should be considered in developing an equitable distribution of funding. If the Motion (C.F. 16-0395) to designate two-thirds of Measure M local return revenue for the repair of failed streets is approved, it is reasonable to request that the Department of Public Works and our Offices develop a repair program that maximizes the PCI in the shortest timeframe possible and allocates the repairs equitably across the City. This is the current approach of the Department of Public Works with the Pavement Preservation Program. Based upon Council District maps provided by the Bureau of Street Services (**Attachment D**), which identify failed streets as "Measure M LA Eligible Streets," failed streets exist across each Council District, and the repair of those streets could be mapped periodically to assess the distribution of repair work. The remaining one-third of the Measure M local return funds could be budgeted based on the criteria recommended under Item 5.

**7. Provide a summary of available information relative to the City's expenditure of transportation sales tax funds and the resources necessary to undertake a more detailed analysis as to the specific distribution of transportation projects and programs.**

The 2016-17 Budget includes approximately \$176.5 million in local return revenue from the following transportation sales taxes:

- Proposition A
- Proposition C
- Measure R
- Local Transportation Fund

Since some of these sales taxes have been in effect for decades, it would be a significant undertaking to provide the expenditure of these local return funds since their inception. Additionally, the expenditure of these sources of funds by region or Council district is not available. These sources of funds are monitored for eligibility of use on transportation projects and services as a whole rather than their contribution to specific transportation projects and services. Therefore, limiting the requested analysis to a few years and to the distribution of specific transportation projects and programs, regardless of their source of funds, would allow City staff to provide an estimate of the time and resources needed to accomplish the task.

## **FISCAL IMPACT STATEMENT**

The Measure M sales tax will become effective on July 1, 2017, with partial year City local return cash receipts of \$42 million anticipated for Fiscal Year 2017-18. In 2018-19, the first full year of receipts, approximately \$58.9 million may be available for appropriation. Adoption of the recommendations in this report would provide annual funding of approximately \$39.3 million for failed street repair and \$19.6 million for other transportation needs.

*MAS/SMT:DHH/MSR:06170051*



Attachment A

Measure M Revenue Estimates  
(\$ in millions)

# MEASURE M REVENUE ESTIMATES

## Local Return Share Calculation

\$ in Millions

Fiscal Year	Gross Revenue	Admin. Cost	Net Revenue	Local Return				City Share of Local Return	
				Base	Supplement	Increase	Total	Amount	Growth
				D	E**	F***	G	H****	
	A*	B (B * 1.5%)	C (A - B)	(C * 16.0%)	(C * 1.0%)	(C * 3.0%)	(D + E + F)	(G * 39.0%)	
FY18	\$ 864.1	\$ 13.0	\$ 851.1	\$ 136.2	\$ 8.5	N/A	\$ 144.7	\$ 56.4	N/A
FY19	902.2	13.5	888.7	142.2	8.9	N/A	151.1	58.9	4.4%
FY20	939.4	14.1	925.3	148.1	9.3	N/A	157.3	61.3	4.1%
FY21	976.6	14.6	962.0	153.9	9.6	N/A	163.5	63.8	4.0%
FY22	1,014.6	15.2	999.4	159.9	10.0	N/A	169.9	66.3	3.9%
FY23	1,051.0	15.8	1,035.2	165.6	10.4	N/A	176.0	68.6	3.6%
FY24	1,094.1	16.4	1,077.7	172.4	10.8	N/A	183.2	71.5	4.1%
FY25	1,131.4	17.0	1,114.4	178.3	11.1	N/A	189.4	73.9	3.4%
FY26	1,171.6	17.6	1,154.1	184.6	11.5	N/A	196.2	76.5	3.6%
FY27	1,223.0	18.3	1,204.7	192.8	12.0	N/A	204.8	79.9	4.4%
FY28	1,272.5	19.1	1,253.4	200.5	12.5	N/A	213.1	83.1	4.0%
FY29	1,321.9	19.8	1,302.1	208.3	13.0	N/A	221.4	86.3	3.9%
FY30	1,369.0	20.5	1,348.4	215.8	13.5	N/A	229.2	89.4	3.6%
FY31	1,437.4	21.6	1,415.9	226.5	14.2	N/A	240.7	93.9	5.0%
FY32	1,511.4	22.7	1,488.7	238.2	14.9	N/A	253.1	98.7	5.1%
FY33	1,565.4	23.5	1,541.9	246.7	15.4	N/A	262.1	102.2	3.6%
FY34	1,620.2	24.3	1,595.9	255.3	16.0	N/A	271.3	105.8	3.5%
FY35	1,675.2	25.1	1,650.0	264.0	16.5	N/A	280.5	109.4	3.4%
FY36	1,732.7	26.0	1,706.7	273.1	17.1	N/A	290.1	113.2	3.4%
FY37	1,791.3	26.9	1,764.4	282.3	17.6	N/A	299.9	117.0	3.4%
FY38	1,849.8	27.7	1,822.1	291.5	18.2	N/A	309.8	120.8	3.3%
FY39	1,907.7	28.6	1,879.0	300.6	18.8	N/A	319.4	124.6	3.1%
FY40*	3,929.8	58.9	3,870.8	619.3	38.7	116.1	774.2	301.9	142.4%
FY41	4,047.7	60.7	3,987.0	637.9	39.9	119.6	797.4	311.0	3.0%
FY42	4,169.1	62.5	4,106.6	657.1	41.1	123.2	821.3	320.3	3.0%
FY43	4,294.2	64.4	4,229.8	676.8	42.3	126.9	846.0	329.9	3.0%
FY44	4,423.0	66.3	4,356.7	697.1	43.6	130.7	871.3	339.8	3.0%
FY45	4,555.7	68.3	4,487.4	718.0	44.9	134.6	897.5	350.0	3.0%
FY46	4,692.4	70.4	4,622.0	739.5	46.2	138.7	924.4	360.5	3.0%
FY47	4,833.1	72.5	4,760.6	761.7	47.6	142.8	952.1	371.3	3.0%
FY48	4,978.1	74.7	4,903.5	784.6	49.0	147.1	980.7	382.5	3.0%
FY49	5,127.5	76.9	5,050.6	808.1	50.5	151.5	1,010.1	393.9	3.0%
FY50	5,281.3	79.2	5,202.1	832.3	52.0	156.1	1,040.4	405.8	3.0%
FY51	5,439.7	81.6	5,358.1	857.3	53.6	160.7	1,071.6	417.9	3.0%
FY52	5,602.9	84.0	5,518.9	883.0	55.2	165.6	1,103.8	430.5	3.0%
FY53	5,771.0	86.6	5,684.4	909.5	56.8	170.5	1,136.9	443.4	3.0%
FY54	5,944.1	89.2	5,855.0	936.8	58.5	175.6	1,171.0	456.7	3.0%
FY55	6,122.5	91.8	6,030.6	964.9	60.3	180.9	1,206.1	470.4	3.0%
FY56	6,306.1	94.6	6,211.6	993.8	62.1	186.3	1,242.3	484.5	3.0%
FY57	6,495.3	97.4	6,397.9	1,023.7	64.0	191.9	1,279.6	499.0	3.0%
Totals	\$ 121,436.0	\$ 1,821.5	\$ 119,614.5	\$ 19,138.3	\$ 1,196.1	\$ 2,719.0	\$ 23,053.5	\$ 8,990.8	

\* Measure M Sales Tax increases from 0.5% to 1.0% in FY40 to offset the FY39 sunset of the 0.5% Measure R Sales Tax.

\*\* A 1% point supplement to Local Return to be funded by the set aside for Administration Cost (Column B).

\*\*\* Local Return to increase by 3% points in FY40 and beyond to be funded by available Highway/Transit Capital Subfunds.

\*\*\*\* The City Share of Local Return will be based on the City's population as a percentage of the County's population.

Attachment B

Metro Estimated Total Project Costs  
And  
City Three Percent (3%) Contribution Amounts  
(in 2015 dollars)

3% Local Contribution on Major Transit Projects Analysis - Potential Agency Implications by Project

	Project	December 31, 2015 Population	Sum of All Cities Miles	Sum of Percent of Project Within Jurisdiction	3% of Project Miles Within Jurisdiction	Estimated Total Project Cost (2015 \$)	3% of Cost Within Jurisdiction (2105 \$)	Value of One Year Local Return (17.0%)	15 Years of Local Return (17.0%)	Difference Between 15- Years of 17.0% and Local Transit 3%
1	Crenshaw Light Rail Northern Ext. to W. Hollywood (LRT)		5.72			\$ 2,240,000,000	67,200,000			
2	City of Los Angeles	4,030,904	5.34	93.38%	2.80%		62,751,506	56,677,198	850,157,976	787,406,471
3	West Hollywood	35,923	0.38	6.62%	0.20%		4,448,494	505,101	7,576,520	3,128,026
4	East San Fernando Valley Transit Corridor (LRT)		8.94			\$ 1,331,000,000	39,930,000			
5	City of Los Angeles	4,030,904	7.83	87.60%	2.63%		34,980,549	56,677,198	850,157,976	815,177,427
6	San Fernando	24,533	1.11	12.40%	0.37%		4,949,451	344,950	5,174,255	224,804
7	Gold Line Foothill Extension to Claremont Phase 2B (LRT)		11.09			\$ 1,097,000,000	32,910,000			
8	Claremont	36,218	0.92	8.27%	0.25%		2,721,538	509,249	7,638,739	4,917,200
9	Glendora	52,362	4.50	40.56%	1.22%		13,346,807	736,245	11,043,670	(2,303,137)
10	La Verne	33,200	2.25	20.28%	0.61%		6,674,490	466,814	7,002,212	327,722
11	Pomona	155,604	1.36	12.30%	0.37%		4,047,113	2,187,896	32,818,440	28,771,327
12	San Dimas	34,144	2.06	18.60%	0.56%		6,120,052	480,087	7,201,311	1,081,259
13	Green Line to Norwalk Metrolink Station (LRT)		2.82			\$ 770,000,000	23,100,000			
14	Norwalk	105,292	2.69	95.41%	2.86%		22,038,877	1,480,476	22,207,136	168,259
15	Santa Fe Springs	18,459	0.13	4.59%	0.14%		1,061,123	259,546	3,893,188	2,832,065
16	Lincoln Blvd LRT		8.88			\$ 102,000,000	3,060,000			
17	City of Los Angeles	4,030,904	6.46	72.84%	2.19%		2,228,904	56,677,198	850,157,976	847,929,072
18	Inglewood	116,648	0.38	4.25%	0.13%		No Station	No Station	No Station	No Station
19	Los Angeles County	1,051,989	0.40	4.52%	0.14%		138,208	14,791,667	221,875,004	221,736,796
20	Santa Monica	93,640	1.63	18.40%	0.55%		562,893	1,316,641	19,749,613	19,186,720
21	Metro Gold Line Eastside Phase II (SR-60)		6.66			\$ 3,000,000,000	90,000,000			
22	Los Angeles County	1,051,989	2.17	32.57%	0.98%		29,314,458	14,791,667	221,875,004	192,560,546
23	Montebello	63,924	1.46	21.86%	0.66%		19,672,857	898,814	13,482,211	(6,190,646)
24	Monterey Park	61,346	2.13	32.01%	0.96%		28,807,524	862,566	12,938,485	(15,869,039)
25	Rosemead	55,231	0.26	3.89%	0.12%		No Station	No Station	No Station	No Station
26	South El Monte	20,814	0.64	9.68%	0.29%		8,708,514	292,659	4,389,881	(4,318,633)
27	Metro Gold Line Eastside Phase II (Washington Blvd)		9.29			\$ 3,000,000,000	90,000,000			
28	Commerce	13,127	0.82	8.84%	0.27%		No Station	No Station	No Station	No Station
29	Los Angeles County	1,051,989	1.90	20.42%	0.61%		18,373,819	14,791,667	221,875,004	203,501,185
30	Montebello	63,924	3.11	33.46%	1.00%		30,114,507	898,814	13,482,211	(16,632,296)
31	Monterey Park	61,346	0.50	5.36%	0.16%		4,823,598	862,566	12,938,485	8,114,887
32	Pico Rivera	64,272	2.00	21.55%	0.65%		19,398,176	903,707	13,555,608	(5,842,569)
33	Santa Fe Springs	18,459	0.65	6.99%	0.21%		6,295,480	259,546	3,893,188	(2,402,292)
34	Whittier	88,341	0.31	3.38%	0.10%		3,041,005	1,242,133	18,632,001	15,590,995
35	Orange Line Conversion to Light Rail (LRT)		14.56			\$ 1,429,000,000	42,870,000			
36	City of Los Angeles	4,030,904	14.56	100.00%	3.00%		42,870,000	56,677,198	850,157,976	807,287,976
37	Sepulveda Pass Corridor - Westwood to LAX (HRT)		8.57			\$ 3,865,000,000	115,950,000			
38	City of Los Angeles	4,030,904	6.20	72.40%	2.17%		83,948,092	56,677,198	850,157,976	766,209,884
39	Culver City	40,448	2.37	27.60%	0.83%		32,001,908	568,726	8,530,888	(23,471,020)



	Project	December 31, 2015 Population	Sum of All Cities Miles	Sum of Percent of Project Within Jurisdiction	3% of Project Miles Within Jurisdiction	Estimated Total Project Cost (2015 \$)	3% of Cost Within Jurisdiction (2105 \$)	Value of One Year Local Return (17.0%)	15 Years of Local Return (17.0%)	Difference Between 15- Years of 17.0% and Local Transit 3%
40	<b>Sepulveda Pass Transit Corridor (HRT)</b>		8.36			\$ 5,674,000,000	170,220,000			
41	City of Los Angeles	4,030,904	8.36	100.00%	3.00%		170,220,000	56,677,198	850,157,976	679,937,976
42	<b>South Bay Green Line Ext. to Torrance/Crenshaw Blvd</b>		4.74			\$ 891,000,000	26,730,000			
43	Lawndale	33,496	1.15	24.36%	0.73%		6,510,662	470,976	7,064,641	553,980
44	Redondo Beach	69,494	1.40	29.47%	0.88%		7,876,795	977,132	14,656,980	6,780,184
45	Torrance	147,175	2.19	46.17%	1.39%		12,342,543	2,069,379	31,040,680	18,698,137
46	<b>Transit Connector Orange/Red Line to Gold Line (LRT)</b>		15.63			\$ 267,000,000	8,010,000			
47	Burbank	105,110	3.89	24.86%	0.75%		1,990,905	1,477,917	22,168,750	20,177,845
48	City of Los Angeles	4,030,904	4.13	26.38%	0.79%		2,113,343	56,677,198	850,157,976	848,044,634
49	Glendale	201,668	5.44	34.78%	1.04%		2,785,608	2,835,587	42,533,799	39,748,191
50	Pasadena	141,023	2.19	13.98%	0.42%		1,120,145	1,982,877	29,743,161	28,623,017
51	<b>Vermont Transit Corridor (HRT)</b>		9.53			\$ 286,000,000	8,580,000			
52	City of Los Angeles	4,030,904	8.28	86.85%	2.61%		7,451,695	56,677,198	850,157,976	842,706,281
53	Los Angeles County	1,051,989	1.25	13.15%	0.39%		1,128,305	14,791,667	221,875,004	220,746,699
54	<b>West Santa Ana Transit (Gardendale to Downtown)</b>		12.19			\$ 2,965,000,000	88,950,000			
55	Bell	36,716	0.38	3.14%	0.09%		2,794,637	516,251	7,743,772	4,949,135
56	City of Los Angeles	4,030,904	4.88	40.01%	1.20%		35,588,376	56,677,198	850,157,976	814,569,601
57	Cudahy	24,602	0.72	5.87%	0.18%		No Station	No Station	No Station	No Station
58	Downey	114,181	0.41	3.33%	0.10%		2,965,652	1,605,461	24,081,915	21,116,263
59	Huntington Park	59,718	2.69	22.07%	0.66%		19,627,478	839,675	12,595,124	(7,032,354)
60	Los Angeles County	1,051,989	0.35	2.85%	0.09%		2,539,208	14,791,667	221,875,004	219,335,795
61	South Gate	99,578	2.52	20.66%	0.62%		18,378,228	1,400,133	21,001,996	2,623,768
62	Vernon	210	0.25	2.06%	0.06%		1,833,408	2,953	44,291	(1,789,117)
63	<b>West Santa Ana Transit Corridor (Pioneer to Gardendale)</b>		6.78			\$ 1,035,000,000	31,050,000			
64	Artesia	16,883	0.63	9.24%	0.28%		2,869,322	237,386	3,560,794	691,472
65	Bellflower	76,363	2.40	35.32%	1.06%		10,966,310	1,073,715	16,105,721	5,139,411
66	Cerritos	49,412	1.20	17.71%	0.53%		5,498,990	694,766	10,421,485	4,922,495
67	Paramount	56,400	1.93	28.47%	0.85%		8,839,289	793,022	11,895,324	3,056,035
68	South Gate	99,578	0.63	9.26%	0.28%		2,876,089	1,400,133	21,001,996	18,125,907
69	<b>Westside Purple Line Ext. to Westwood/VA Hospital (Sec. 3)</b>		2.44			\$ 1,980,390,000	59,411,700			
70	City of Los Angeles	4,030,904	1.97	80.88%	2.43%		48,052,047	56,677,198	850,157,976	802,105,929
71	Los Angeles County	1,051,989	0.47	19.12%	0.57%		11,359,653	14,791,667	221,875,004	210,515,351
72	<b>Grand Total</b>		136.21	100.00%		\$ 29,932,390,000	881,168,629			(85,851,103)

Attachment C

Comparison of  
Measure M Local Return Revenue and  
City Three Percent (3%) Contribution Amounts for Metro Projects  
(\$ in millions)

# MEASURE M

Comparison between Local Return Revenue and  
City 3% Contribution Amounts on Metro Projects  
(\$ in Millions)

Fiscal Year	Estimated Local Return Revenue	City 3% Contribution (in 2015 \$)	City 3% Contribution (Escalated)	Local Return Minus Contribution
	A	B	C	D (C - A)
FY18*	\$ 42.0	\$ -	\$ -	\$ 42.0
FY19	58.9	-	-	58.9
FY20	61.3	-	-	61.3
FY21	63.8	-	-	63.8
FY22	66.3	2.1	2.6	63.7
FY23	68.6	-	-	68.6
FY24	71.5	132.0	172.2	(100.7)
FY25	73.9	-	-	73.9
FY26	76.5	-	-	76.5
FY27	79.9	35.0	49.9	30.0
FY28	83.1	7.4	10.9	72.2
FY29	86.3	-	-	86.3
FY30	89.4	-	-	89.4
FY31	93.9	-	-	93.9
FY32	98.7	-	-	98.7
FY33	102.2	170.2	289.8	(187.6)
FY34	105.8	-	-	105.8
FY35	109.4	-	-	109.4
FY36	113.2	-	-	113.2
FY37	117.0	-	-	117.0
FY38	120.8	-	-	120.8
FY39	124.6	-	-	124.6
FY40**	301.9	-	-	301.9
FY41	311.0	35.6	76.8	234.2
FY42	320.3	-	-	320.3
FY43	329.9	-	-	329.9
FY44	339.8	-	-	339.8
FY45	350.0	-	-	350.0
FY46	360.5	-	-	360.5
FY47	371.3	65.0	167.4	203.9
FY48	382.5	-	-	382.5
FY49	393.9	-	-	393.9
FY50	405.8	-	-	405.8
FY51	417.9	-	-	417.9
FY52	430.5	-	-	430.5
FY53	443.4	-	-	443.4
FY54	456.7	-	-	456.7
FY55	470.4	-	-	470.4
FY56	484.5	-	-	484.5
FY57	499.0	42.9	148.5	350.5
Totals	\$ 8,976.4	\$ 490.2	\$ 918.1	\$ 8,058.3

\* The City's sales tax cash receipts lag behind the actual economic quarter upon which they are based. Therefore, partial year City local return cash receipts of \$42 million are anticipated for first year receipts.

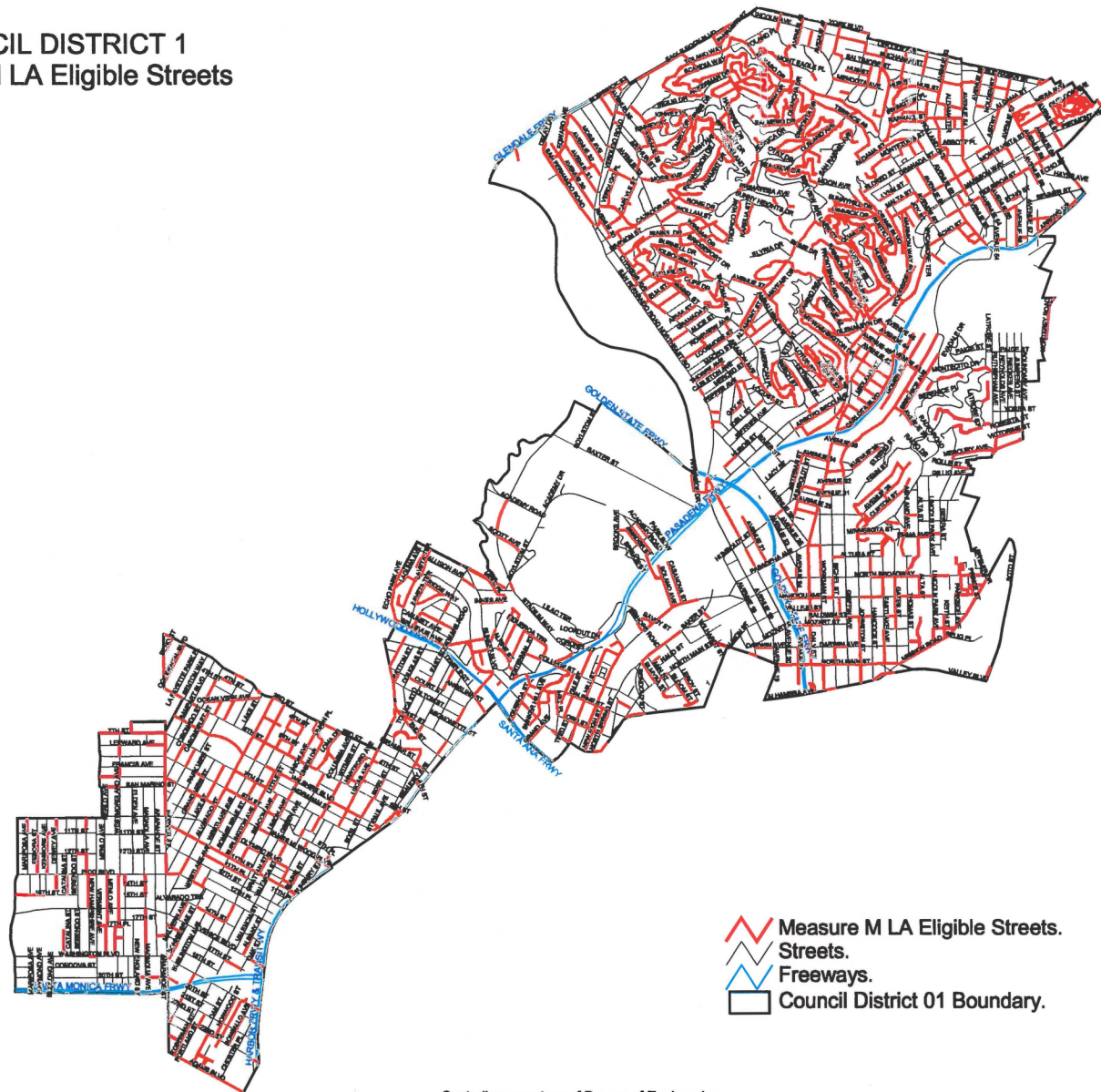
\*\* The Measure M Sales Tax increases from 0.5% to 1.0% in FY40 to offset the FY39 sunset of the 0.5% Measure R Sales Tax.

## Attachment D

### Maps of “D” and “F” Streets by Council District (Measure M LA Eligible Streets)

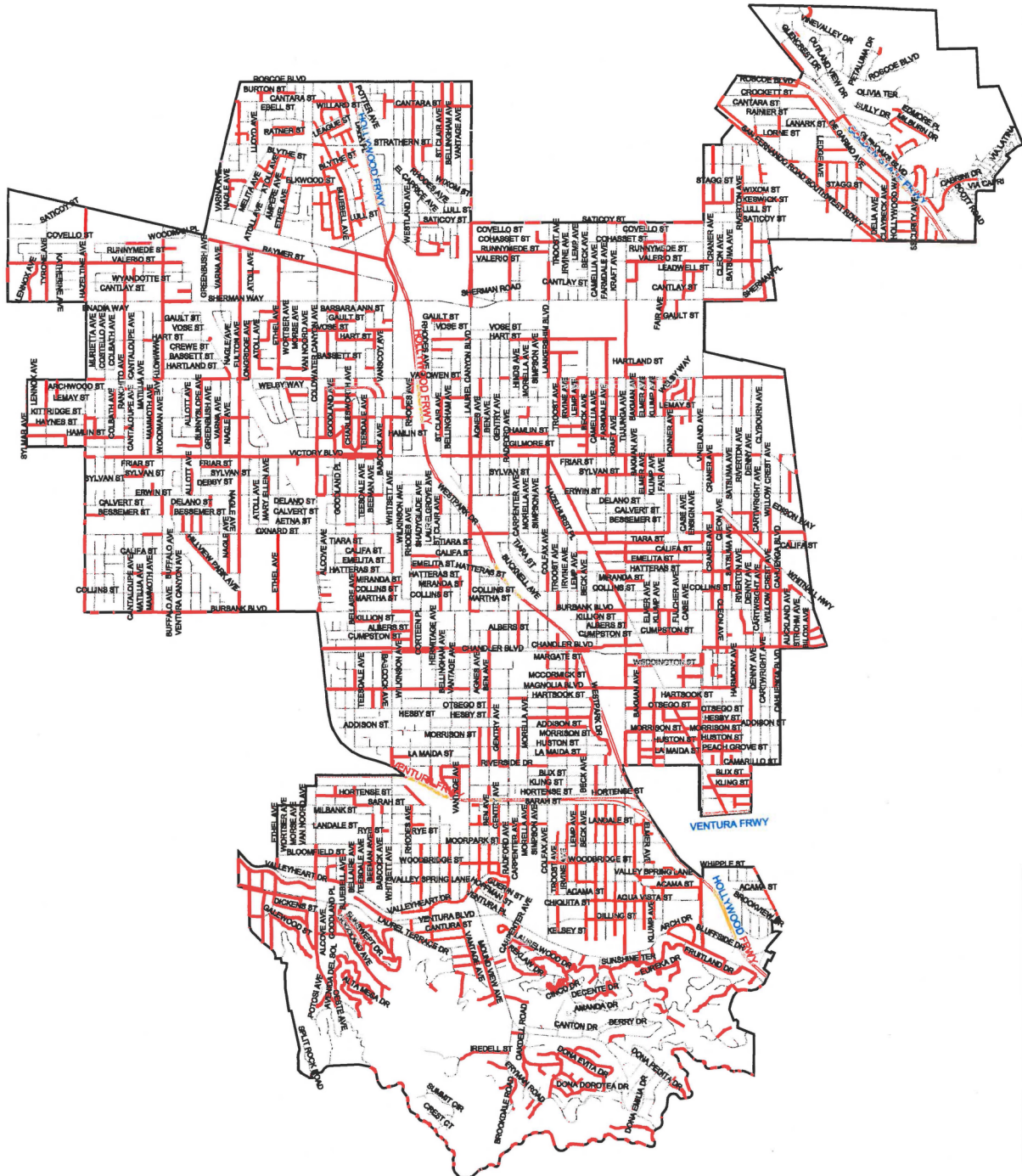


# COUNCIL DISTRICT 1 Measure M LA Eligible Streets



# COUNCIL DISTRICT 2

## Measure M LA Eligible Streets



- Measure M LA Eligible Streets.
- Streets.
- Council District 02 Boundary.



BUREAU OF STREET SERVICES  
Nazario Saucedo, Director

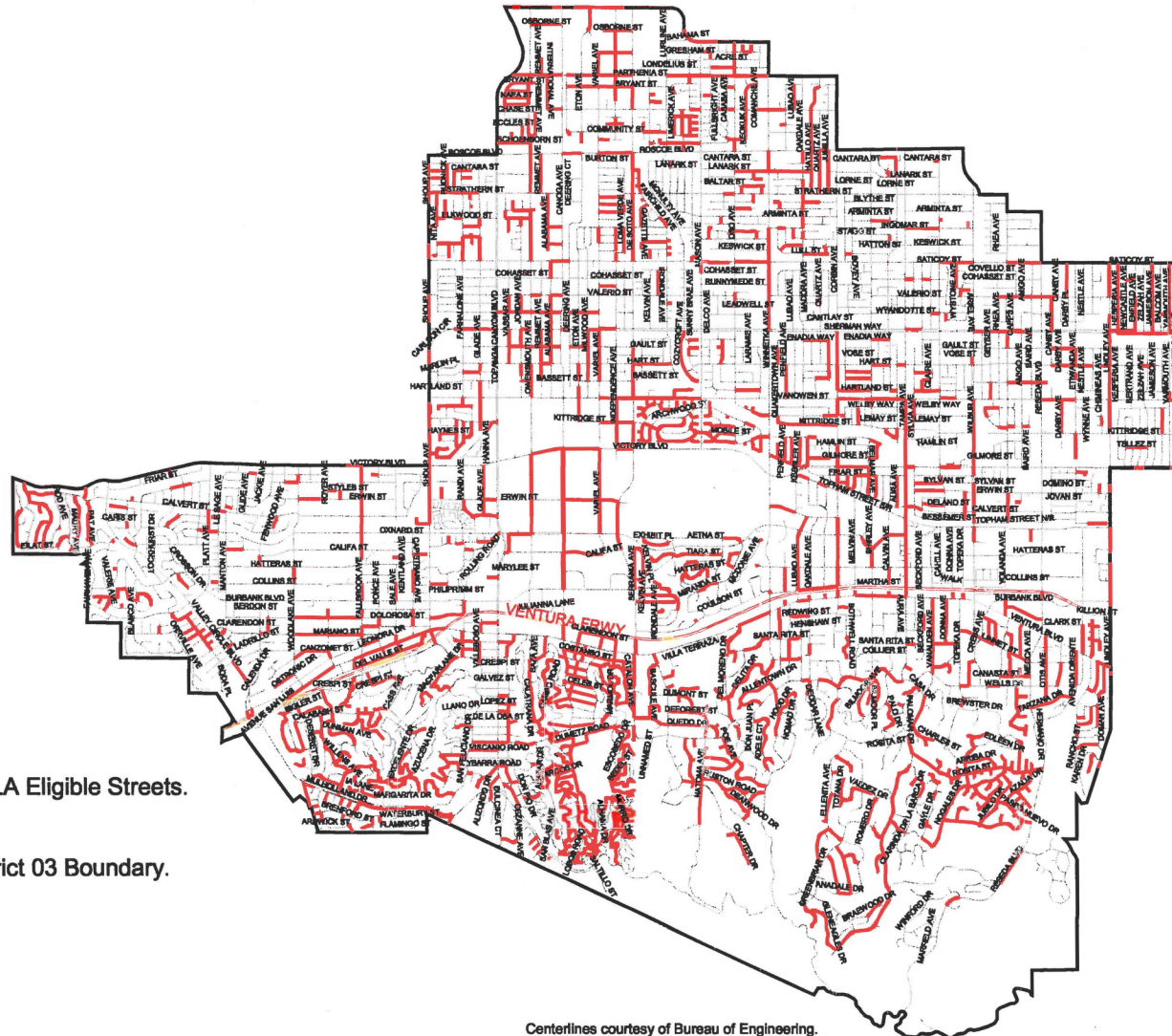
Centerlines Courtesy of Bureau of Engineering.



1-15-2014



# COUNCIL DISTRICT 3 Measure M LA Eligible Streets

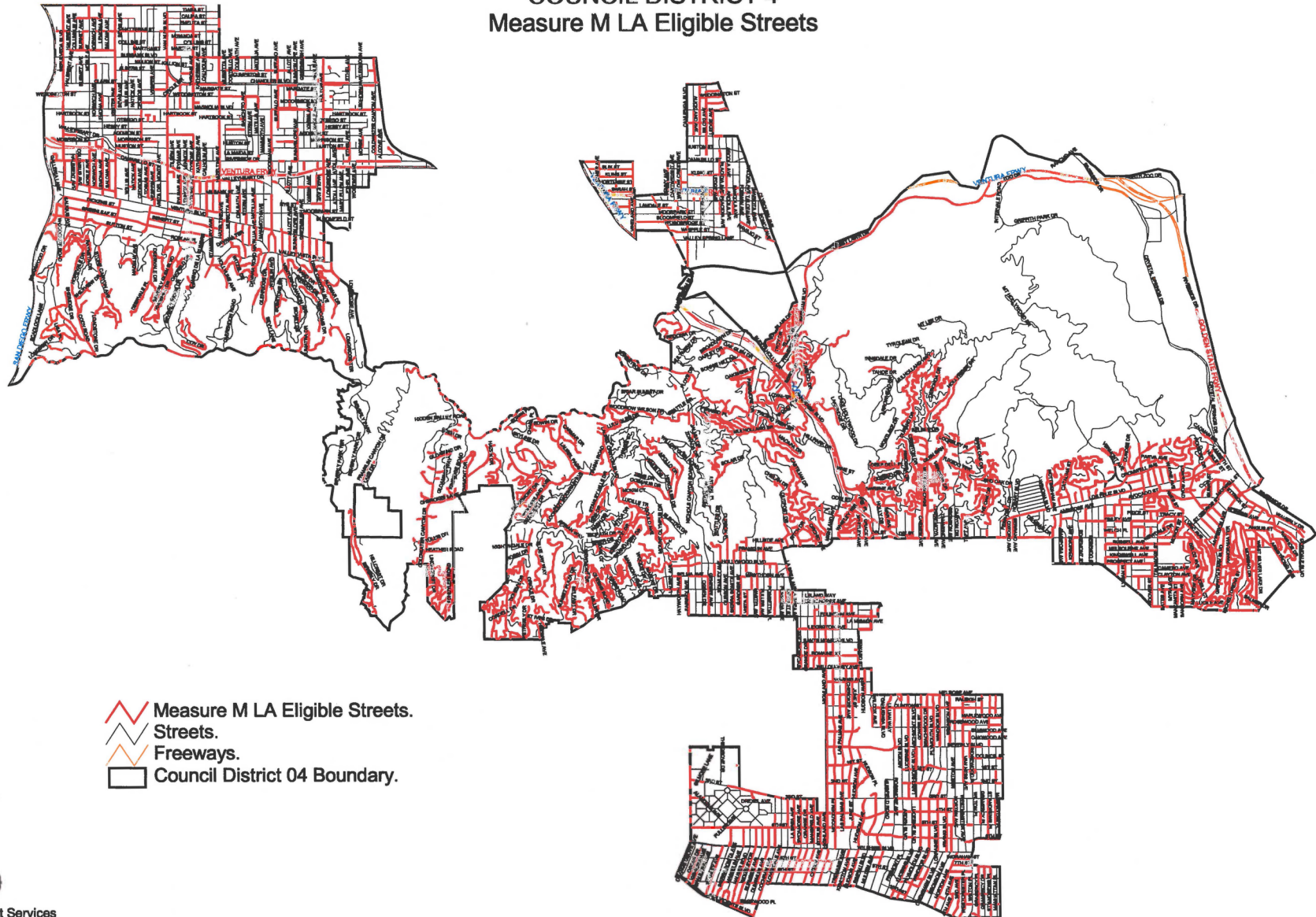






Bureau of Street Services  
Nazario Saucedo, Director



1-15-2014

# COUNCIL DISTRICT 4 Measure M LA Eligible Streets



-  Measure M LA Eligible Streets.
-  Streets.
-  Freeways.
-  Council District 04 Boundary.



Bureau of Street Services  
Nazario Saucedo, Director

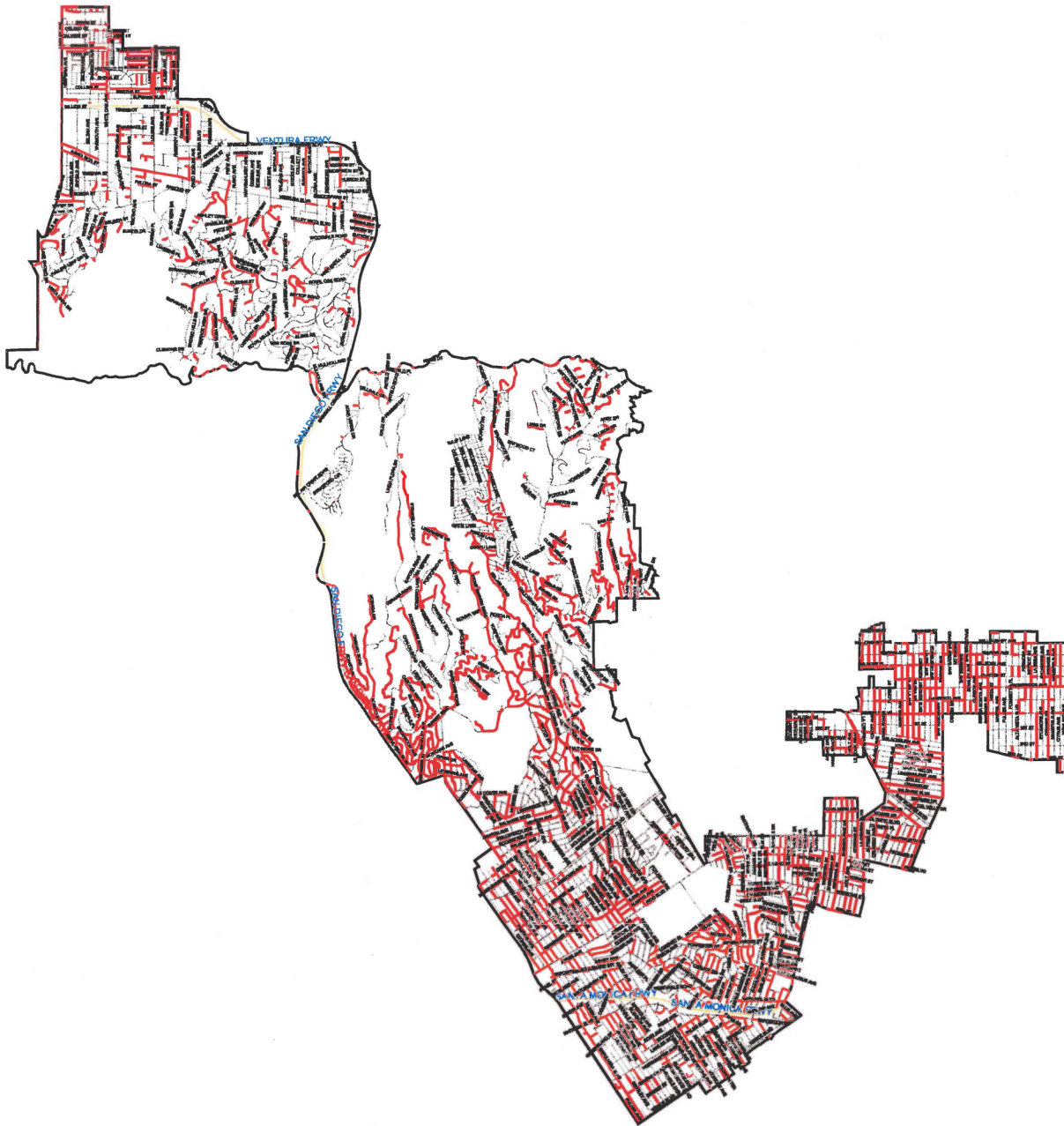
Centerlines courtesy of Bureau of Engineering.






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COUNCIL DISTRICT 5  
Measure M LA Eligible Streets



-  Measure M LA Eligible Streets.
-  Freeways.
-  Council District 05 Boundary.



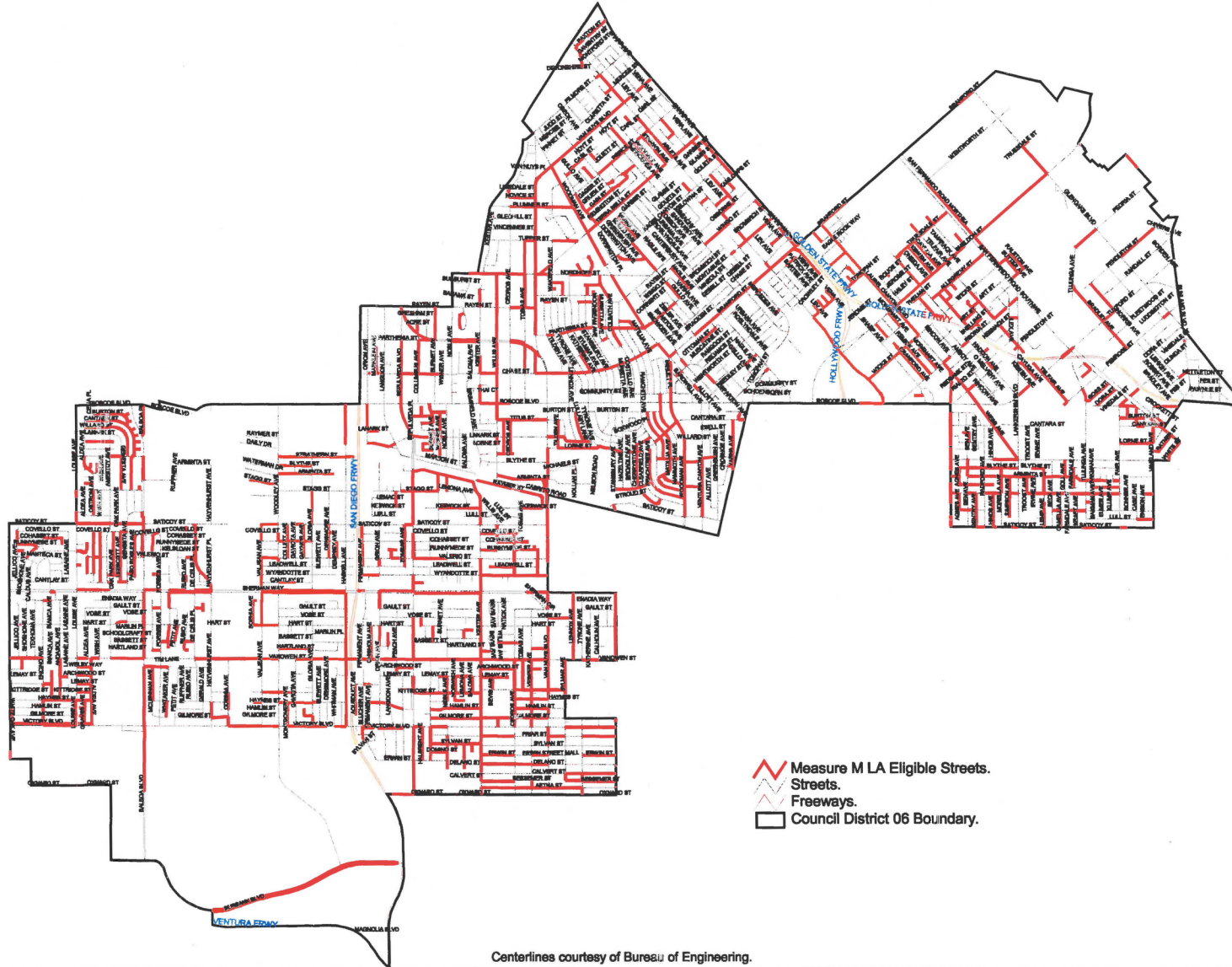
BUREAU OF STREET SERVICES  
Nazario Saucedo, Director

Centerlines Courtesy of Bureau of Engineering.



1-15-2014

# COUNCIL DISTRICT 6 Measure M LA Eligible Streets



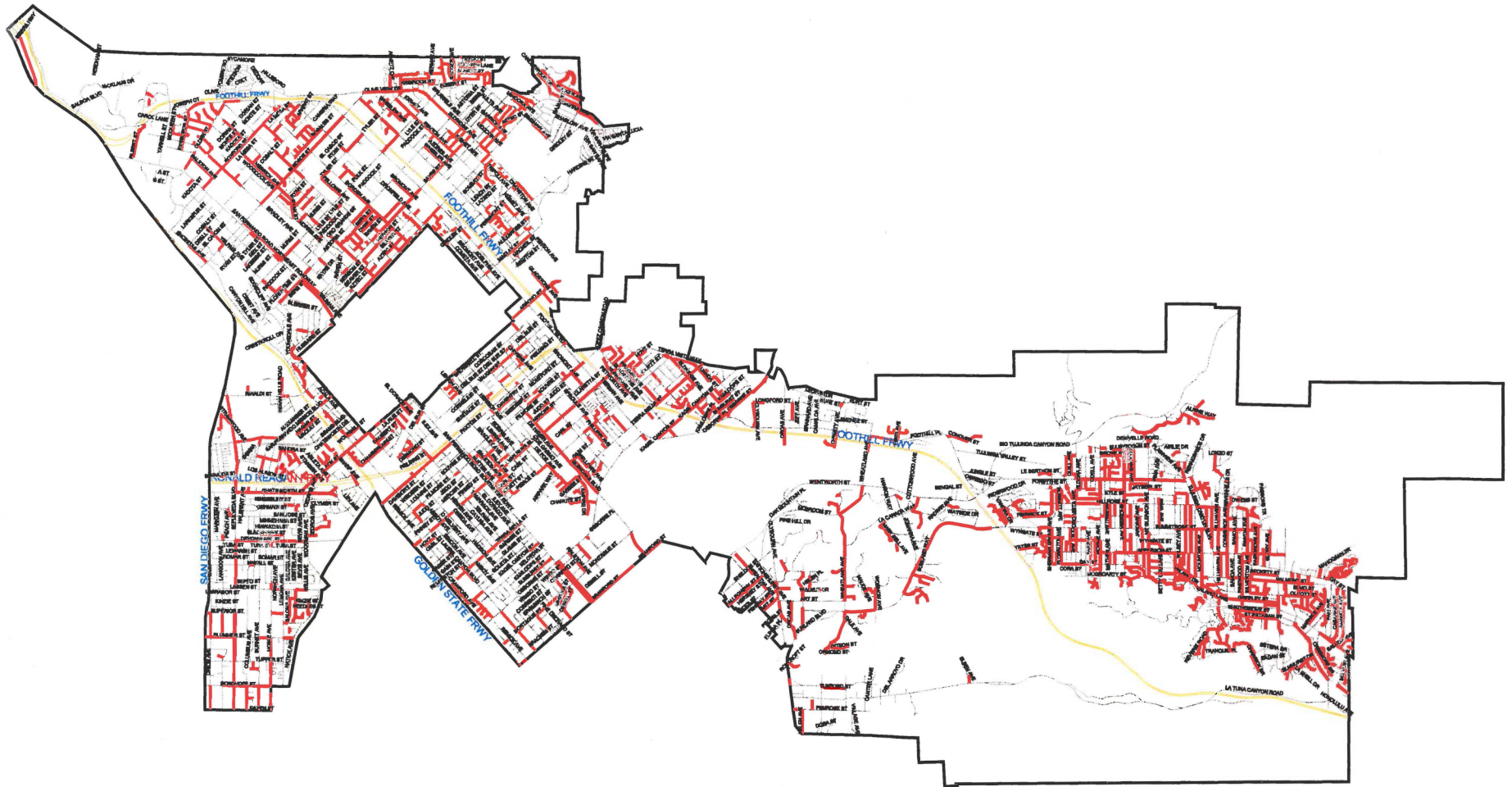
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Centerlines courtesy of Bureau of Engineering.



1-15-2014

# COUNCIL DISTRICT 7 Measure M LA Eligible Streets



- Measure M LA Eligible Streets.
- Streets.
- Freeways.
- Council District 07 Boundary.

Centerlines courtesy of Bureau of Engineering.



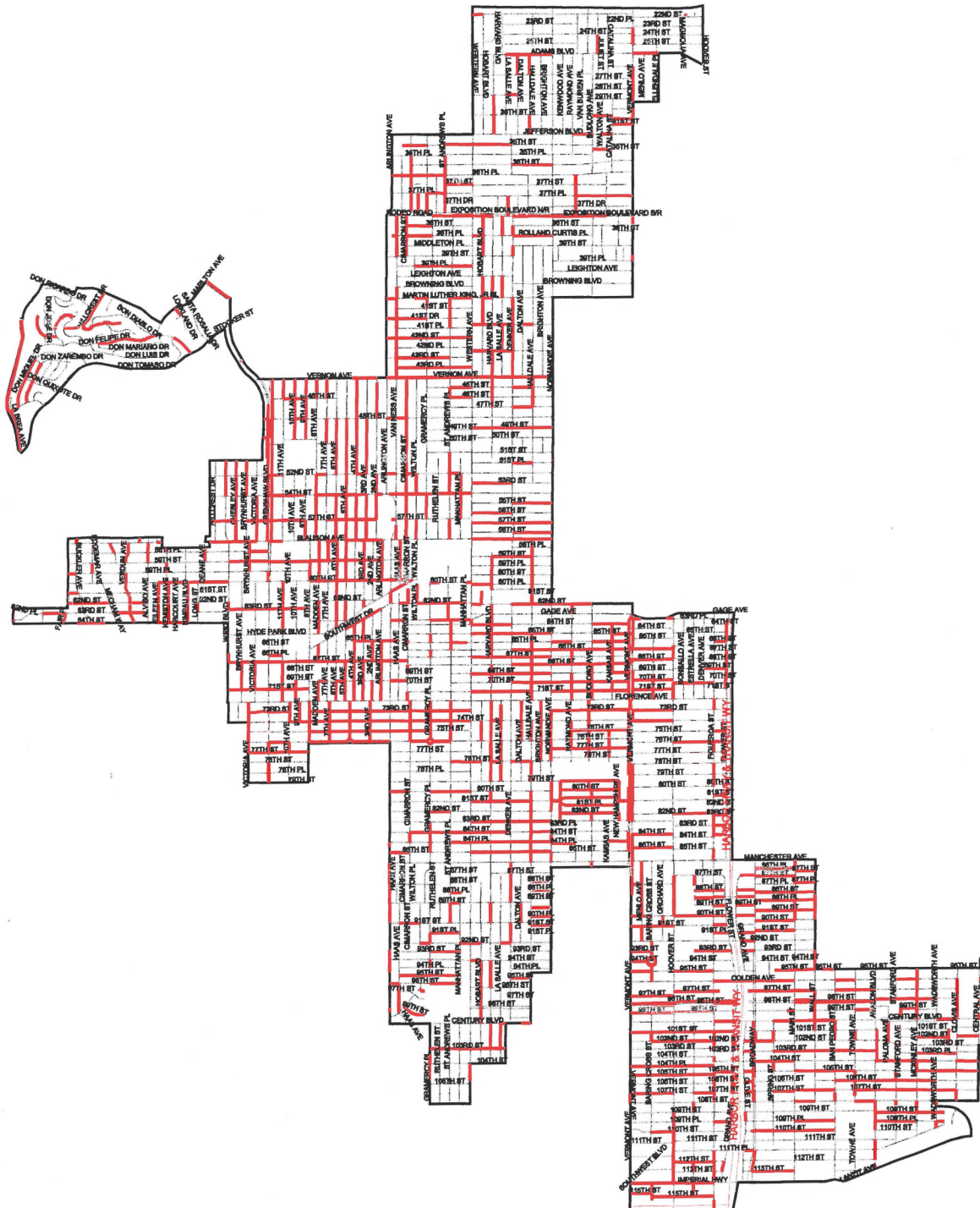
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1-15-2014



# COUNCIL DISTRICT 8 Measure M LA Eligible Streets



-  Measure M LA Eligible Streets.
-  Freeways.
-  Council District 08 Boundary.



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Centerlines Courtesy of Bureau of Engineering.



1-15-2014

## COUNCIL DISTRICT 9

### Measure M LA Eligible Streets



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Nazario Saucedo, Director

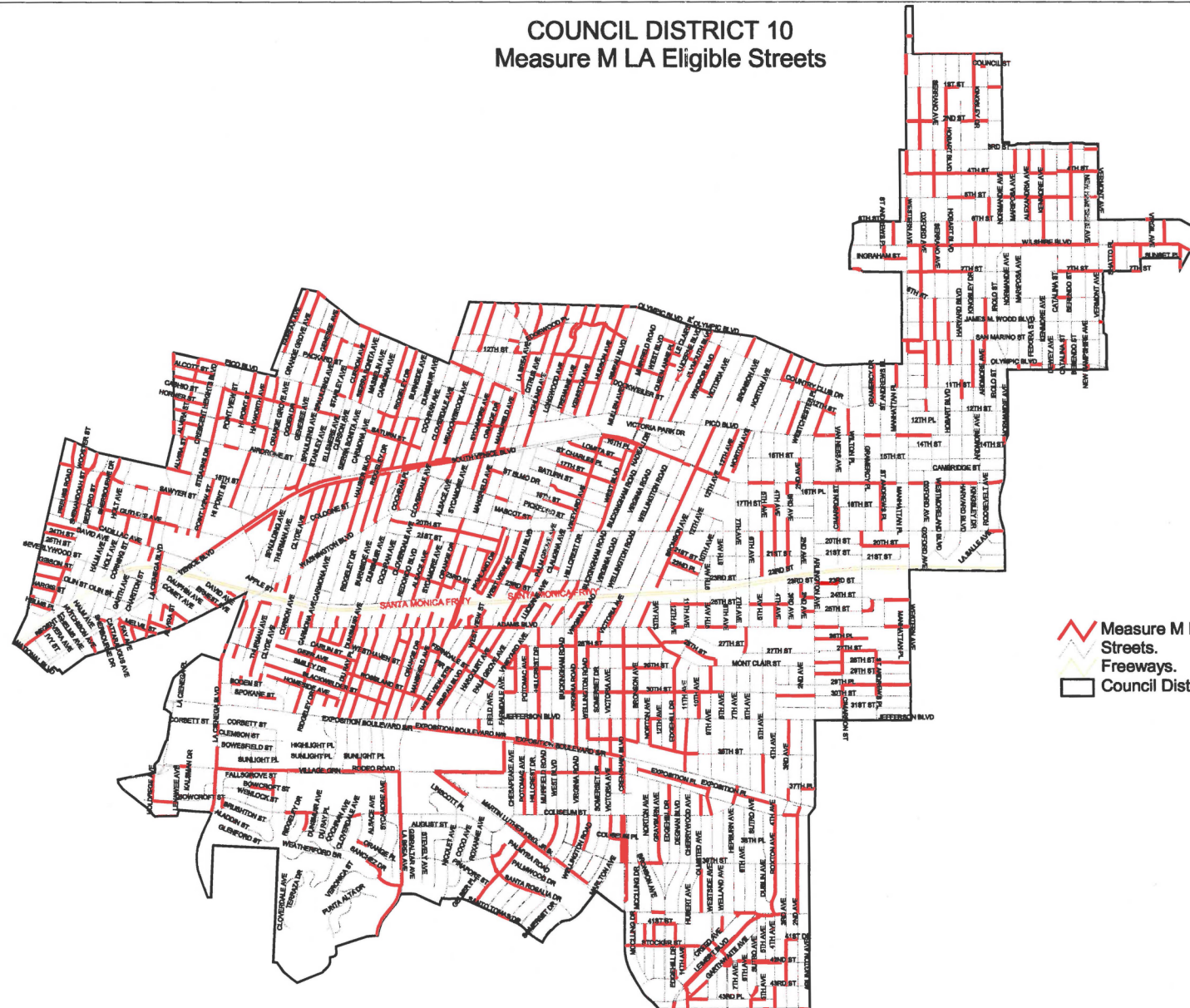
Centerlines Courtesy of Bureau of Engineering.



1-15-2014



# COUNCIL DISTRICT 10 Measure M LA Eligible Streets



- Measure M LA Eligible Streets.
- Streets.
- Freeways.
- Council District 10 Boundary.



Bureau of Street Services  
Nazario Saucedo, Director

Centerlines courtesy of Bureau of Engineering.



1-15-2014

# COUNCIL DISTRICT 11

## Measure M LA Eligible Streets

Legend:

- Measure M LA Eligible Streets
- Streets.
- Freeways.
- Council District 11 Boundary.

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Nazario Saucedo, Director

Centerlines Courtesy of Bureau of Engineering.

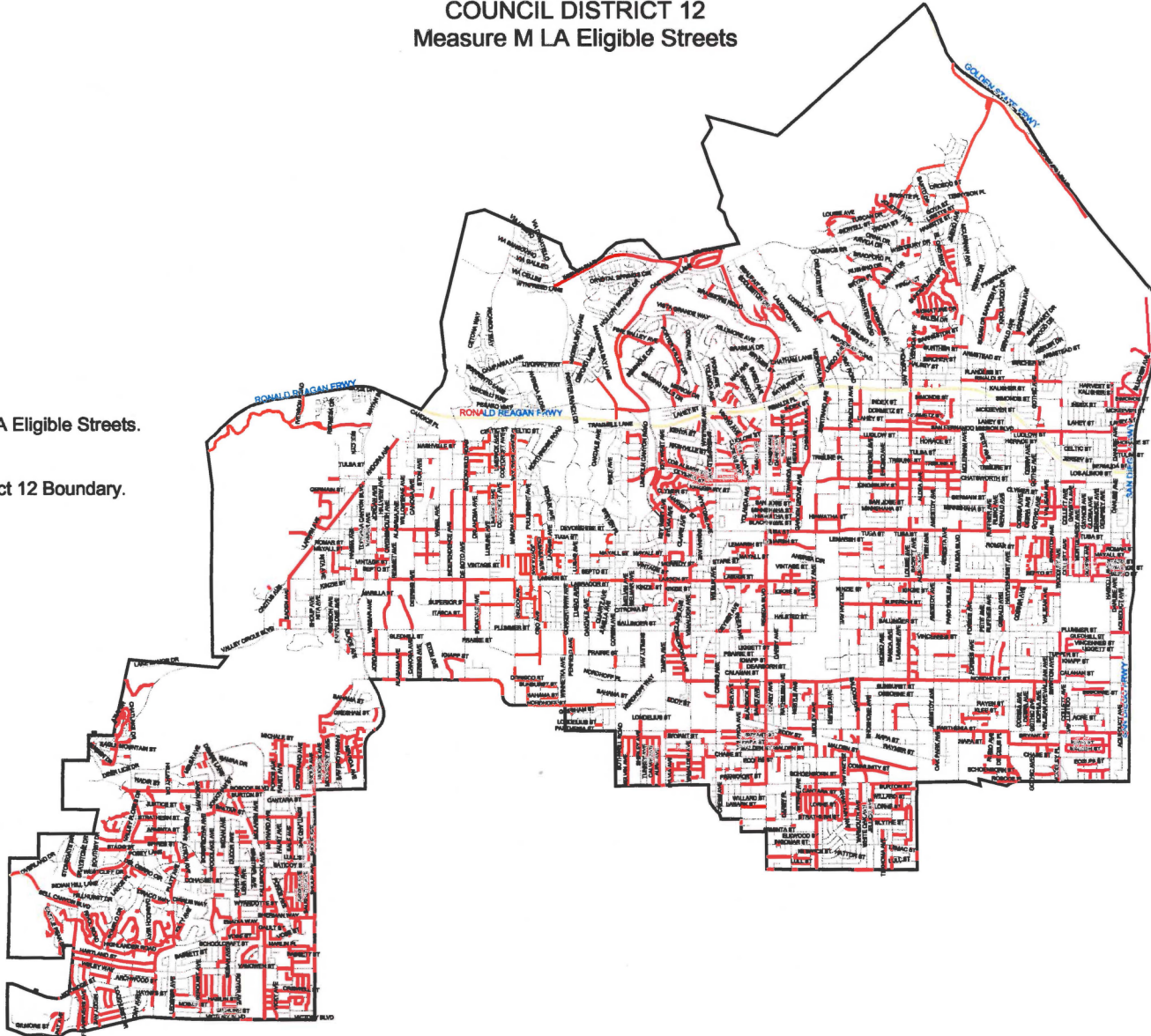
1-15-2014



1-15-2014

# COUNCIL DISTRICT 12 Measure M LA Eligible Streets

- Measure M LA Eligible Streets.
- Streets.
- Freeways.
- Council District 12 Boundary.



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Nazario Saucedo, Director

Centerlines courtesy of Bureau of Engineering.

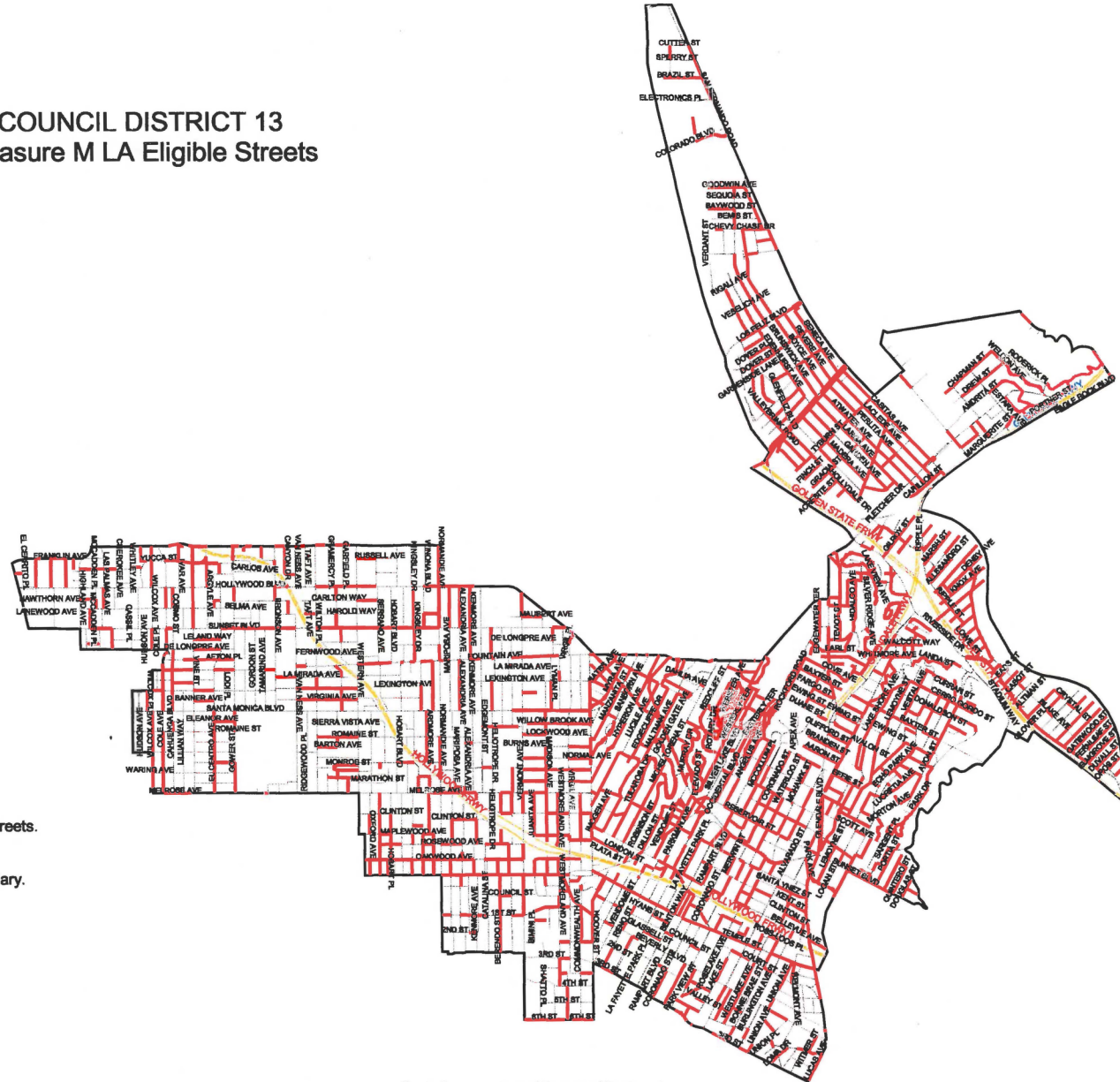


1-15-2014



# COUNCIL DISTRICT 13 Measure M LA Eligible Streets

- Measure M LA Eligible Streets.
- Streets.
- Freeways.
- Council District 13 Boundary.



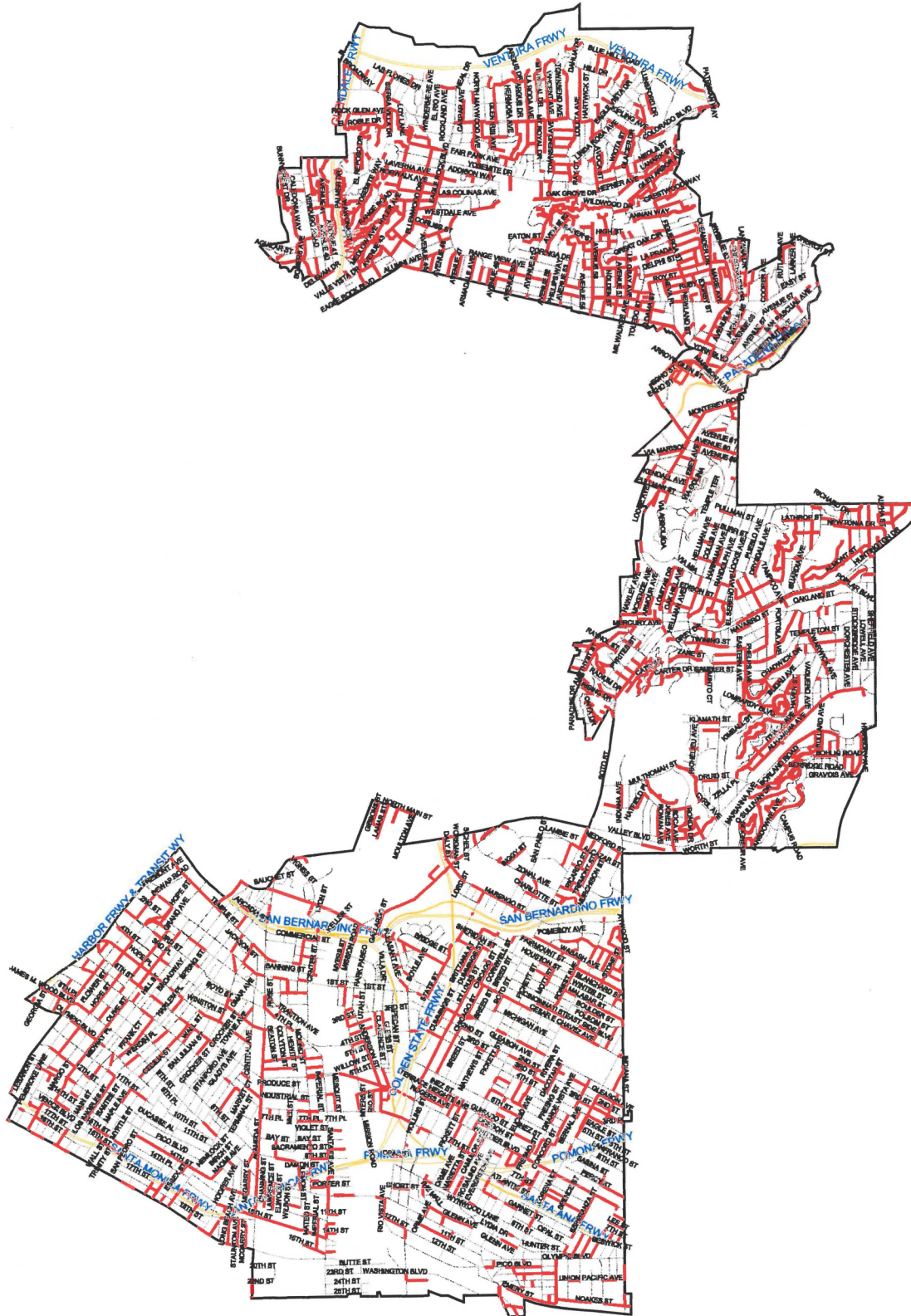
Bureau of Street Services  
Nazario Saucedo, Director

Centerlines courtesy of Bureau of Engineering.



1-15-2014

# COUNCIL DISTRICT 14 Measure M LA Eligible Streets



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Nazario Saucedo, Director

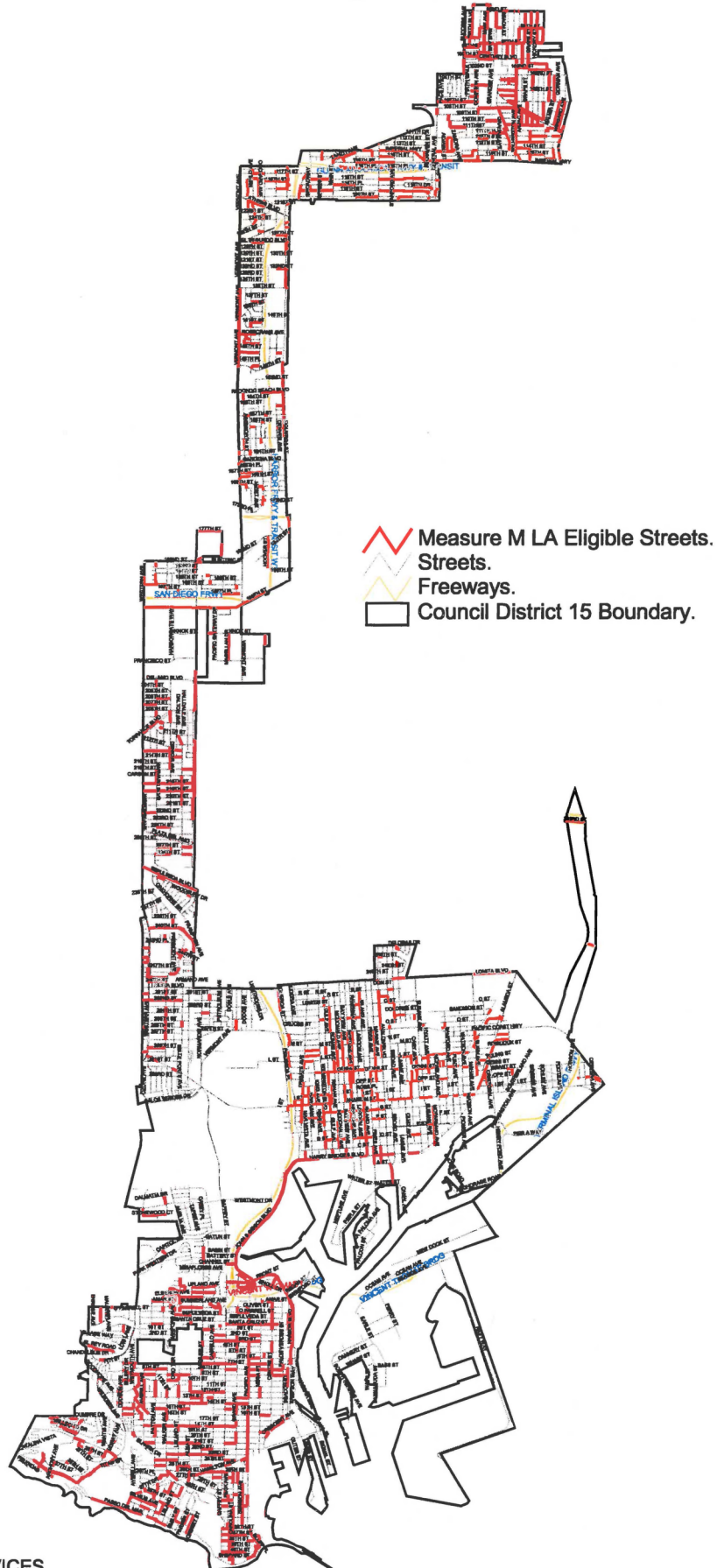
- Measure M LA Eligible Streets.
- Freeways.
- Council District 14 Boundary.

Centerlines Courtesy of Bureau of Engineering.



1-15-2014

# COUNCIL DISTRICT 15 Measure M LA Eligible Streets



BUREAU OF STREET SERVICES  
Nazario Saucedo, Director

Centerlines Courtesy of Bureau of Engineering.



1-15-2014