



SOUTH BAY CITIES
COUNCIL OF GOVERNMENTS

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April 28, 2020

Phillip A. Washington
Chief Executive Officer
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012

Dear Mr. Washington:

The South Bay Cities Council of Governments (SBCCOG) Board of Directors reviewed your April 23, 2020 letter seeking use of Measure M South Bay Sub-Regional Equity Funds (local SEP funds) to partially pay for the \$90 million cost overrun on the Crenshaw/LAX line. As you are aware the SBCCOG has previously committed its entire \$130 million in our local SEP funds as a component of a Metro full-funding plan for delivery of the Centinela Grade Separation project on the Crenshaw/LAX line.

SBCCOG supports use of an appropriate proportionate share of the South Bay SEP funds for the Crenshaw/LAX line cost overrun with the following conditions:

1. Based on 37% of the Crenshaw Line being in the South Bay, the SBCCOG's proportionate share of the cost overrun will not exceed \$33.3 million ($\$90 \text{ million} \times .37$);
2. Since the balance of the Crenshaw/LAX line is in the City of Los Angeles, the South Bay SEP funding is contingent on Metro securing the \$56.7 million balance of the \$90 million overrun from the Central Area Subregion and Westside Subregion SEP funds or from City of Los Angeles local funding sources;
3. This contribution share constitutes a one-time contribution on the condition that no further requests for additional South Bay sub-regional funding for the Crenshaw/LAX line will be sought by Metro; and,
4. Consistent with your commitment to Metro Chair and Inglewood Mayor James Butts, the SEP contribution to the Crenshaw/LAX cost overrun is contingent on Metro staff recommending a full-funding strategy and implementation timeline for the regional Centinela Grade Separation project by June 2020 that includes a maximum of \$96.7 million in South Bay SEP funds (the remaining balance of the South Bay SEP funding).

LOCAL GOVERNMENTS IN ACTION

Carson El Segundo Gardena Hawthorne Hermosa Beach Inglewood Lawndale Lomita
Manhattan Beach Palos Verdes Estates Rancho Palos Verdes Redondo Beach Rolling Hills
Rolling Hills Estates Torrance Los Angeles District #15 Los Angeles County

The SBCCOG Board of Directors believes these contingencies are reasonable and appropriate to ensure that construction of the Crenshaw/LAX line is not delayed further and that the Centinela Grade Separation project will be delivered in a timely fashion.

With gratitude,

A handwritten signature in black ink, appearing to read 'Christian Horvath', with a long horizontal flourish extending to the right.

Christian Horvath, SBCCOG Chair
Redondo Beach City Councilman