

## **Metro Approves and Accelerates Key Projects and Protects South Bay Sub-Regional Funding**

The Metro Board of Directors, at its June 27, 2013 meeting, approved five key items with provisions that will benefit the South Bay. The South Bay cities and chambers worked with the South Bay Cities Council of Governments and its key Metro Board members to achieve significant changes in the initial Metro staff proposals through a combination of resolutions, letters, media stories, and Board Motions.

The Metro Board acted to:

### **Award the Crenshaw / LAX Transit Corridor Design-Build Contract**

**Use Unobligated funds to cover regional project funding shortfalls** – Rather than cannibalize funding from Sub-Regional Equity projects, including more than \$94 million from the South Bay Highway Program and LAX-Metro Connector projects to help fund a \$160 million budget shortfall on the Crenshaw project, the Board approved using \$381 million in unobligated Proposition C 25% funds and authorized, if necessary, issuing bonds secured by these funds to cover the shortfall for the Crenshaw project and several other current Metro projects around the county with shortfalls .

**Accelerate key Measure R Projects** – The Metro Board approved an Amendment to the Measure R Ordinance and Expenditure Plan to advance “Funds Available Beginning” dates for transit corridor projects to potentially construct the Green Line South extension to South Bay Galleria by 2020 rather than 2035 and to construct the LAX-Metro Connector project by 2020 rather than 2027. The approval of the Amendment is only the first step of a complex plan that requires federal grants and loans before the countywide acceleration of Measure R, Proposition A and Proposition C funding will be committed.

**Allow highway projects to “opt out” of acceleration** – South Bay cities expressed strong concern over their ability to deliver 30 years of highway projects by 2023. The Metro Board action protects the \$1.5 billion commitment to South Bay Ramp and Interchange Improvements made by the Board to the South Bay following voter approval of Measure R in 2008. The original \$906 million Measure R commitment (in 2008 dollars) is projected to escalate to \$1.512 billion over the 30-year-life of Measure R.

**Retain Contingency Funding in the Measure R Highway Program** – The Board also approved retaining the Highway Subfund contingency line item balance. The South Bay Highway Program could claim up to 17% share of the Highway Program Contingency line item, if needed.

**Allow Contingency to be included in Subfund Transfers** – Measure R allows funds to be transferred between the Highway and Transit Subfunds once a decade beginning in 2019. This would allow the South Bay to use its highway funds on transit projects, and vice versa. If a transfer is approved, the proportionate share of Subfund Contingency funding would also be transferred.

**Protect Sub-Regions from future Proposition C 25% funding and borrowing** – The Board approved the following provision that provides protection for the South Bay Highway Program’s Proposition C 25% funding - “Proposition C 25% funding or borrowing (shall) be planned in a manner that does not impact the schedule and scope of work funded in the LRTP in... the South Bay.”