



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Mail Stop 99-3-1
Los Angeles, CA 90012-2952

John Fasana
Chair
Board of Directors

September 9, 2016

Honorable Jim Osborne
Chair
South Bay Cities Council of Governments
20285 S. Western Avenue, #100
Torrance, CA 90501

Dear Jim:

Thank you for the opportunity to speak, along with my Board colleagues, at the South Bay Cities Council of Governments (SBCCOG) Board Meeting on August 25th. In response to your letter dated, August 29th, please find below additional clarification regarding the issues raised by the SBCCOG Board.

Per your request, I have conferred with Metro staff and legal counsel regarding specific Measure M-related items of interest to the SBCCOG. The findings are as follows:

- The Metro Board can flexibly interpret the population based formula for Local Return subsequent to the election in a manner that would be different from the previous propositions – A, C and R that allocate their Local Return sub-funds based only on resident population. Per the Ordinance, the Local Return Guidelines are to be developed in coordination with the cities and the County of Los Angeles and adopted by the Metro Board.
- The Independent Taxpayer Oversight Committee has no authority to add, delete, or amend any portion of the Ordinance, including the Expenditure Plan, at any time. All amendments are subject to restrictions and amendments can only be made by a supermajority of the Metro Board. Per the Ordinance, any amendment to accelerate one project shall not reduce funds or delay other projects or programs.
- The 3% Local Contribution Guidelines could allow for in-kind contributions. The Ordinance does not specify the form of contribution. The Metro Board, in adopting guidelines, can specify what is meant by “contribution” including possible in-kind contributions, federal, state, local, or other Measure M funds, such as Subregional Equity funds. Per the Ordinance, an agreement between Metro and the jurisdiction would specify the funding plan for the 3% contribution.

As indicated in my previous correspondence to you dated August 19, 2016, the Subregional Equity Program is a discretionary fund distributed to all subregions, excluding the San Fernando Valley subregion. The SBCCOG will receive \$130 million dollars in Subregional Equity funds, to program in consultation with your constituent cities. The process for this will be defined in Metro Board-adopted Measure M guidelines, should the voters pass the Measure. Further, this letter shall confirm that the Airport Metro Connector Project at