

AMENDMENTS TO MOTION BY

Mayor James T. Butts, City of Inglewood, Mayor Patrick J. Furey, City of Torrance, and Mayor Drew Boyles, City of El Segundo

November 2114, 2019

Los Angeles County voters approved in 2008 Measure R, a 30-year half-cent sales-tax formally known as: The Traffic Relief and Rail Expansion Program. Measure R aims to ease traffic congestion within the region and provide alternative modes of transportation for Los Angeles County residents and visitors. This includes the South Bay Subregion where major transportation investments and programs are required.

The South Bay Cities Council of Governments (“COG”), a joint powers authority, representing the local jurisdictions in this subregion, serves a co-program manager with Metro to help guide and oversee the South Bay Measure R program. The COG has examined the growing needs to fund a broad array of transit-related Capital Projects throughout the South Bay subregion to implement transit mobility improvements, including transit-related infrastructure, and is reconsidering the previous emphasis on Highway Capital Projects.

Measure R recognizes that over the thirty (30) year legislative lifespan of the Ordinance, the likelihood that highway and transit priorities within the individual Subregions may change, especially during the second and third decades of the Ordinance.

To address the emerging and unforeseen priorities, the Measure R voter approved Ordinance includes a provision that allows the transfer of Subregional net revenues to transfer from the Highway Capital Fund Category in Measure R to the Transit Capital Fund Category (See Attachment A “Ordinance #08-01 Traffic Relief and Rail Expansion Ordinance” Section 11a and 11b”).

Now, on January 1, 2020, this provision would allow the Metro Board to transfer Net Revenues from the Highway Capital Fund to Transit Capital Fund with a two-thirds majority vote of the Board. 2

This week, the Metro Chief Executive Officer briefed the Planning and Programming, and Executive Management Committees, requesting to develop a process by which the Metro Board will consider such a transfer to address transit needs countywide. Metro staff reconfirmed that Measure R identifies allowable uses for the transfer including Capital Project Contingency to pay interest on debt, and noted that that there is insufficient future sales tax revenue to pay the transit interest, including planned future transit debt, and stated that a future \$500 million transfer is estimated to be needed from highway to transit. While staff will develop a transparent vetting process and ultimately make a future recommendation for the transfer, staff also noted that it will work with the South Bay subregion on the reprogramming of funds to another project or projects of regional benefit.

Today, it is appropriate for the South Bay COG to consider this transfer given the passage and implementation of Senate Bill 743, which shifts emphasis away from vehicle level of service (LOS)

and now focuses on trip reduction and reductions in vehicle miles of travel (VMT). To address climate change, the South Bay COG should work to align its program with State's goals to reduce greenhouse gas (GHG) emissions and improve public health through more active transportation and transit. Additionally, because the transfer can occur only once and is now anticipated to occur in 2020, the time is now for the South Bay COG to authorize its desire for such a transfer to address critical transit needs in the subregion.

WE MOVE THAT the South Bay Cities Council of Governments ("COG") adopt and direct the use and adhere to the following framework to justify the transfer of Measure R Highway Funds to Transit Funds, as allowed in Section 11 of the Measure R Ordinance, as follows:

1. At the COG November 21, 2019 Board Meeting adopt this Motion to formally request that the Metro Board ~~set for Public Hearing as prescribed in Section 11 the approval of incorporate into the Measure R Amendment Process~~ -a total transfer of \$560M from the South Bay COG Measure R Highway Capital Subfund (Line 33 in the Measure R Expenditure Plan) to ~~the-a new~~ Measure R Transit Capital Subfund as part of its Measure R Amendment and transfer process in for January, 2020, -and request staff to include the reprogramming of such funds in all staff reports and recommendations associated with this transfer process.
2. In collaboration with the Metro Chief Planning Officer, finalize a list of transit projects from South Bay project sponsors through a robust and transparent vetting process to be completed by January in 2020. The selection of the projects should advance transportation sustainability goals (e.g. transit, transit-related infrastructure and clean bus technology) and the reduction of greenhouse gases and VMT.
3. ~~In preparation for the January 23, 2020 Public Hearing,~~ issue a report to the Metro Chief Executive Officer that includes the following:
 - a. A proposed list of South Bay Transit Capital Projects and Project Sponsors that the Metro Board would consider approving by a majority vote as part of the South Bay COG's normally scheduled Budget Request process.
 - i. The COG should consider waiving Measure R local match requirements to be consistent Measure M requirements for transit- related projects.
 - ii. Should transit funds not be utilized, such funds would automatically revert back to the Measure R Highway Fund at any time.
 - b. Consider Measure R Highway Operational Improvement Funds and any other transit-related Metro capital funding as a match to funding transferred from the Measure R Highway Sub-Fund to the Transit Sub-Fund by the 2/3 vote of the Metro Board.
4. Provide ~~a-monthly~~ report ~~backs~~ to the COG's Steering Committee regarding the countywide transfer process and provide a report back once the Metro Board approved all items, including the total transfer of \$560M from the South Bay COG Measure R Highway Capital Subfund (Line 33 in the Measure R Expenditure Plan) to the Measure R Transit Capital Subfund. -above at the January 23, 2020.

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ATTACHMENT A:

Ordinance # 08-01 - SECTION 11. "AMENDMENTS"

a. Metro may amend this Ordinance, including Attachment A, with the 9 exception of Section 11, for any purpose, including as necessary to account for the results of any environmental review required under the California Environmental Quality Act of the individual specific projects listed in Attachment A. Any such amendments shall be approved by a vote of not less than two-thirds (2/3) of the Metro Board of Directors. Metro shall hold a public meeting on proposed amendments prior to adoption. Metro shall provide notice to the Los Angeles County Board of Supervisors, the city council of each city in Los Angeles County, and the public of the public meeting and proposed amendments, and provide them with a copy of the proposed amendments, at least 30 days prior to the public meeting. Amendments shall become effective forty-five days after adoption.

b. Notwithstanding Section 11(a) of this Ordinance, Metro shall not adopt any amendment to this Ordinance, including Attachment A, that reduces total Net Revenues allocated to the sum of the Transit Capital Subfund and the Highway Capital Subfund. Not more than once in any ten (10) year period commencing after the year 2019, Metro may adopt an amendment transferring Net Revenues between the Transit Capital Subfund and the Highway Capital Subfund. c. Notwithstanding Section 11(a) of this Ordinance, Metro shall not adopt any amendment to this Ordinance, including Attachment A, that reduces Net Revenues allocated to the Operations Subfund or the Local Return Subfund. d. Metro may amend Section 11 of this Ordinance if such amendments are approved by a vote of not less than two-thirds (2/3) of the Metro Board of Directors and are approved by a simple majority vote of the electors voting on a measure to approve the amendment. Metro shall hold a public meeting on proposed amendments prior to adoption by the Board. Metro shall provide notice to the Los Angeles County Board of Supervisors, the city council of each city in Los Angeles County, and the public of the public meeting and proposed amendments, and provide them with a copy of the proposed amendments, at least 30 days prior to the 2 public meeting. Amendments shall become effective forty-five days after adoption by 3 the electors.

