



Board Report

File #: 2022-0331, **File Type:** Motion / Motion Response

Agenda Number: 35.

CONSTRUCTION COMMITTEE JUNE 16, 2022

SUBJECT: 3% CONTRIBUTION MOTION RESPONSE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE a report on the approach to the 3% local contribution per Board Motion 35 (Attachment A).

ISSUE

This Receive and File report responds to Motion 35 authored by Directors Hahn, Garcetti, Butts, and Dutra titled 3% Contribution, which directed staff to report back on the motion to the Construction Committee in June 2022.

BACKGROUND

The Measure M Ordinance (Ordinance) requires that local jurisdictions pay three percent (3%) of the total project cost of new major rail projects. Under Measure R, the expenditure plan also assumed a 3% contribution from jurisdictions. Metro has implemented several 3% local contribution agreements under Measures R and M prior to adopting the Measure M Guidelines (Guidelines). Before staff proceeds with negotiating and entering into new 3% contribution agreements, the Board, through Motion 35, directed staff to clarify and modify elements of the 3% local contribution approach, prepare a fact sheet (Attachment B) and report back on these items to the Construction Committee.

DISCUSSION

Through Motion 35, the Board requested that Staff revise the Guidelines, confirm several aspects of the calculation, and clarify and provide additional flexibility on sources available to jurisdictions to satisfy the 3% contribution.

Staff will revise the Guidelines in response to direction from Motion 35 and a legal opinion received in November 2021. These revisions will reflect a change in the cost allocation approach, the exclusion from the total project cost the First/Last Mile (FLM) expenses incurred by jurisdictions, and the availability of FLM credit to situations when Metro is withholding local return funds in alignment with the Board direction in Motion 35. Staff has begun making these changes [Directive A] and intends to

request Board approval of the revisions in January 2023 following the mandatory public comment period. Revising the Guidelines will follow a standard approach (e.g. 2021-0291) for revising Board approved guidelines, including internal and legal reviews and Board approval to release draft revisions for a 60-day public comment period. Staff is able to implement the direction from Motion 35 immediately, while the Guidelines revisions will formalize the changes in approach to the 3% contribution.

One of the factors required to calculate the contribution is the project cost basis. The Ordinance requires that Metro use the “total project cost determined at the conclusion of 30% design.” This cost typically includes all project elements that result in a Metro financial liability, including some improvements directed or delivered by jurisdictions. Such improvements that are included in the project scope and cost estimate at 30% design constitute some of the 3% contribution cost basis in accordance with the Guidelines. Of these locally directed elements, the current Board direction [Directive C] seeks to specifically exclude from the 3% contribution cost basis any expenses incurred by a jurisdiction toward FLM improvements. Assuming a preliminary FLM portfolio value of \$500M to \$1B, excluding these costs would result in a \$15M to \$30M funding gap for Metro. As directed, Staff will proceed with a calculation approach with a “total project cost” that does not include jurisdiction provided FLM costs and will seek from the Board additional authority as needed to address any funding gaps. This direction also necessitates a minor revision to the Board adopted FLM Guidelines, which will be brought to the Board when ready.

The Board also seeks clarification on how the 3% contribution will be distributed among jurisdictions along a project alignment [Directive D]. Per the Ordinance, the local contribution will be “based upon the percent of project total centerline track miles to be constructed within that jurisdiction’s borders if one or more stations are to be constructed within the borders of said jurisdiction.” The Guidelines supplemented this distribution method by also requiring Metro to factor in the “station area” (a one-half mile radius around a station) contained within a jurisdiction. Per the legal opinion noted above, Metro will ensure consistency with the Ordinance by excluding station area from the allocation formula and utilizing only centerline track miles, and only for jurisdictions where a station is to be constructed (i.e., construction of station elements such as platforms, parking, passenger circulation). Since only project segments with station construction trigger a 3% contribution, jurisdictions along a corridor that do not include a station (regardless of the presence of track miles) will not be subject to the 3% contribution requirement. In addition, jurisdictions are only subject to a 3% contribution when construction is to take place within their borders for a specific Board approved project segment or phase. Future phases along a larger transit corridor will not trigger a new 3% contribution.

Finally, the Board requested clarification on sources available to jurisdictions to satisfy the 3% contribution and directed Staff to provide additional incentives for jurisdictions to implement FLM improvements. In general, Metro will consider any contributions that add value to the transit project, including those that reduce risk. Note that, per the Guidelines, in-kind contributions, including subregional investments, may count toward a project’s total 3% contribution if those “costs are specifically included in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design” [Directive E]. (As noted above, FLM improvements are not required to be included in the cost estimate at 30% design.) To further incentivize FLM improvements, Motion 35 directs Metro, for jurisdictions subject to 15-year local return withholding, to credit qualifying FLM investments toward the jurisdiction’s withheld funds [Directive B]. This direction authorizes Metro to

allow and enter into an agreement with a jurisdiction to establish the 15-years' worth of local return as the jurisdiction's total liability for the 3% contribution and then identify creditable FLM projects in accordance with the FLM Guidelines. Financially, if all eligible jurisdictions opt for the 15-year local return option, the resulting funding gap would be at least \$30M. The FLM credit provision in this motion further reduces Metro's ability to close this funding gap to the extent jurisdictions opt to utilize it.

Metro is able to implement the direction per this Motion immediately without further Board action at this time. To formalize the changes in the approach to the 3% local contribution Staff will return to the Board for approval to release draft revised Guidelines and subsequent approval of final Guidelines. In addition, future Board action may be required to address funding gaps identified above.

For each of the directives below (in capital lettered bullets) Metro plans to take steps (in lowercase bullets) to address the motion.

- A. Revise the Measure M Guidelines 3% Contribution calculation to be consistent with the Measure M Ordinance;
 - a. Staff is currently revising the Measure M Guidelines and will present the proposed changes for Board consideration when available.
- B. In cases where Metro withholds 15 years of Measure M Local Return, clarify that Metro will allow withheld funds to satisfy the 3% contribution via an agreement with the jurisdiction, that jurisdictions may spend withheld funds on First-Last Mile investments, and that those expenses shall be eligible to credit toward a jurisdiction's 15-year total Measure M Local Return obligation in accordance with established Metro procedures, such as the First-Last Mile Guidelines and Measure M Guidelines;
 - a. While Metro will seek a full 3% contribution from each applicable jurisdiction, where a jurisdiction is unable to meet that obligation Metro will seek an agreement establishing the 15-year Measure M withholding and any creditable FLM expenses by the jurisdiction, noting that terms of the FLM Guidelines apply.
- C. Confirm that the cost of First-Last Mile improvements delivered by local jurisdictions shall not be included in the "total project cost" from which Metro calculates the 3% Contribution;
 - a. The "total project cost" basis for the 3% contribution will exclude the costs of FLM improvements that jurisdictions implement in accordance with Measure M, FLM, and other applicable Board approved guidelines. Staff will prepare a revision to the FLM Guidelines to reflect this direction.
- D. Consistent with precedent from the Purple Line Extension, confirm that jurisdictions along segments of a larger transit corridor will incur a 3% Contribution obligation only for project segments that include station construction within their jurisdiction; and,
 - a. Metro confirms that per the Ordinance only jurisdictions whose borders contain a station (i.e. construction of station elements such as platforms, parking, passenger circulation) will be required to make a local contribution to the project. Jurisdictions are only subject to a 3% contribution when construction is to take place within their borders for a specific Board approved project segment or phase.
- E. Reaffirm that in-kind contributions and subregional investments that support a Metro transit corridor may count toward a project's total 3% Contribution under existing provisions of the Measure M Guidelines.

- a. Metro reaffirms that we will consider any contributions that add value to the transit project, including in-kind subregional investments, where, per the Measure M Guidelines, those “costs are specifically included in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design.”

EQUITY PLATFORM

The 3% local contribution is one of the financial resources supporting Metro’s major rail transit projects program in the Measure M Expenditure Plan. These projects will benefit communities through the addition of new high-quality reliable transit service, many of which will increase mobility, connectivity, and access to opportunities for the historically underserved and transit-dependent communities. Metro will continue to conduct outreach and provide technical assistance on the 3% contribution requirement to affected jurisdictions as we proceed with project planning. Staff will also conduct further analysis on how each project might impact equity and Equity Focused Communities. These analyses will be included in future Board items (e.g. notifying the Board of the 3% contribution amount by jurisdiction based on 30% design) on a project-by-project basis.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project supports the following strategic plan goals identified in Vision 2028: Goal 1: Provide high-quality mobility options that enable people to spend less time traveling, Goal 3: Enhance communities and lives through mobility and access to opportunity and Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

NEXT STEPS

Staff will continue making progress on the direction included in the subject motion and will return to the Board for consideration of revisions to the Measure M Guidelines.

ATTACHMENTS

Attachment A - Board Motion 35

Attachment B - 3% Local Contribution Fact Sheet

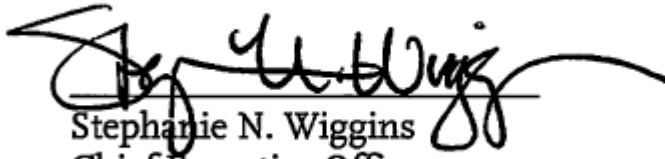
Prepared by: Adam Stephenson, Senior Director, Countywide Planning & Development, (213) 922-2991

Fanny Pan, DEO, Countywide Planning & Development, (213) 418-3433

Shawn Atlow, Executive Officer, Countywide Planning & Development, (213) 418-3327

Laurie Lombardi, SEO, Countywide Planning & Development, (213) 418-3251

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Stephanie N. Wiggins
Chief Executive Officer



Metro

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2022-0258, **File Type:** Motion / Motion Response

Agenda Number: 35.

CONSTRUCTION COMMITTEE APRIL 21, 2022

Motion by:

DIRECTORS HAHN, GARCETTI, BUTTS, AND DUTRA

3% Contribution Motion

The Measure M ordinance requires local jurisdictions to pay three percent (3%) of the total project cost of a major Measure M rail project. According to Section 7.f of the Measure M ordinance, each jurisdiction's obligation is calculated "based upon the percent of project total centerline track miles to be constructed within that jurisdiction's borders if one or more stations are to be constructed within the borders of said jurisdiction." This requirement is generally referred to as the "3% Contribution."

Clarifications are necessary to ensure that local jurisdictions fully understand their 3% Contribution calculation and that Metro fully incentivizes local jurisdictions to make First-Last Mile improvements that will benefit Metro projects and increase transit ridership, consistent with Board policy.

First, the Measure M Guidelines (Board File 2017-0280) differ from the Measure M ordinance on how Metro calculates the 3% Contribution. While the Measure M ordinance applies the 3% Contribution only to local jurisdictions where a new station is to be constructed, the Measure M Guidelines extend this obligation to all local jurisdictions within a half-mile of a new station. To ensure clarity, Metro should revise the Measure M Guidelines to be consistent with the Measure M ordinance.

Additionally, not all jurisdictions are presently incentivized to make First-Last Mile investments. Existing Metro Board policy (Board Files 2016-0451 and 2020-0365) seeks to incentivize local jurisdictions to make First-Last Mile investments by allowing the value of those investments to count toward all of a jurisdiction's 3% Contribution obligation. However, as detailed below, this incentive is currently not available to all jurisdictions.

In cases where a jurisdiction's 3% Contribution exceeds 15 years of their Measure M Local Return, per the Measure M ordinance Metro may withhold their Measure M Local Return for up to 15 years. To preserve these jurisdictions' incentive to deliver First-Last Mile investments, Metro should allow withheld funds to satisfy the 3% contribution via an agreement with the jurisdiction such that the value of First-Last Mile investments delivered by that jurisdiction count against their up-to 15-year Measure M Local Return withholding, so long as those investments are consistent with established Metro procedures (such as the First-Last Mile Guidelines). This will ensure First-Last Mile incentives are fully available to all jurisdictions.

Further, to ensure that local jurisdictions are not over-charged for their 3% Contribution, the Board should clarify that a transit corridor's "total project cost" (calculated at 30% design to determine a jurisdiction's 3% Contribution) should refer only to the transit project and related elements delivered by Metro itself. First-Last Mile improvements delivered by local jurisdictions should not be included in the "total project cost" from which Metro calculates a jurisdiction's 3% Contribution.

Finally, the Measure M Guidelines provide that a transit corridor's total 3% Contribution may be met through in-kind contributions or "other arrangements agreed upon by every local jurisdiction in a project corridor." The Board should reaffirm that subregional investments that support a Metro transit corridor should be eligible to count toward a project's total 3% Contribution under this provision.

Following determination of the "total project cost" at 30% design, the manner in which a local jurisdiction shall fulfill its 3% obligation should be generally understood by the time a Metro project reaches construction contract award, pending final agreement between Metro and that jurisdiction.

SUBJECT: 3% CONTRIBUTION MOTION

RECOMMENDATION

APPROVE Motion by Directors Hahn, Garcetti, Butts, and Dutra that the Board direct the CEO to update the Measure M Guidelines and First-Last Mile Guidelines in accordance with the following:

- A. Revise the Measure M Guidelines 3% Contribution calculation to be consistent with the Measure M ordinance;
- B. In cases where Metro withholds 15 years of Measure M Local Return, clarify that Metro will allow withheld funds to satisfy the 3% contribution via an agreement with the jurisdiction, that jurisdictions may spend withheld funds on First-Last Mile investments, and that those expenses shall be eligible to credit toward a jurisdiction's 15-year total Measure M Local Return obligation in accordance with established Metro procedures, such as the First-Last Mile Guidelines and Measure M Guidelines;
- C. Confirm that the cost of First-Last Mile improvements delivered by local jurisdictions shall not be included in the "total project cost" from which Metro calculates the 3% Contribution;
- D. Consistent with precedent from the Purple Line Extension, confirm that jurisdictions along segments of a larger transit corridor will incur a 3% Contribution obligation only for project segments that include station construction within their jurisdiction; and,
- E. Reaffirm that in-kind contributions and subregional investments that support a Metro transit corridor may count toward a project's total 3% Contribution under existing provisions of the Measure M Guidelines.

WE FURTHER MOVE that the Board direct the CEO to report back on all the above to the Construction Committee in June 2022.

Metro 3% Local Contribution

Metro Project Financing

Metro projects require significant financial support, and a key resource for new rail corridors relies on contributions from jurisdictions along the projects. **Per the Measure M Ordinance, 3% of the cost of each new rail project shall be paid by jurisdictions based upon the percent of track miles within a jurisdiction's borders, if a station is to be constructed within that jurisdiction.** This is known as the 3% local contribution.

In the early stages of project development Metro will conduct outreach to jurisdictions that may have a 3% local contribution obligation. Once a project reaches the 30% design level, Metro will calculate the local contribution and initiate negotiations with each applicable jurisdiction toward a 3% local contribution agreement. This agreement will establish the local contribution amount, specific financial and in-kind sources the jurisdiction intends to use, and timeframes necessary to support Metro project development.

Contact Information

MMguidelines@metro.net

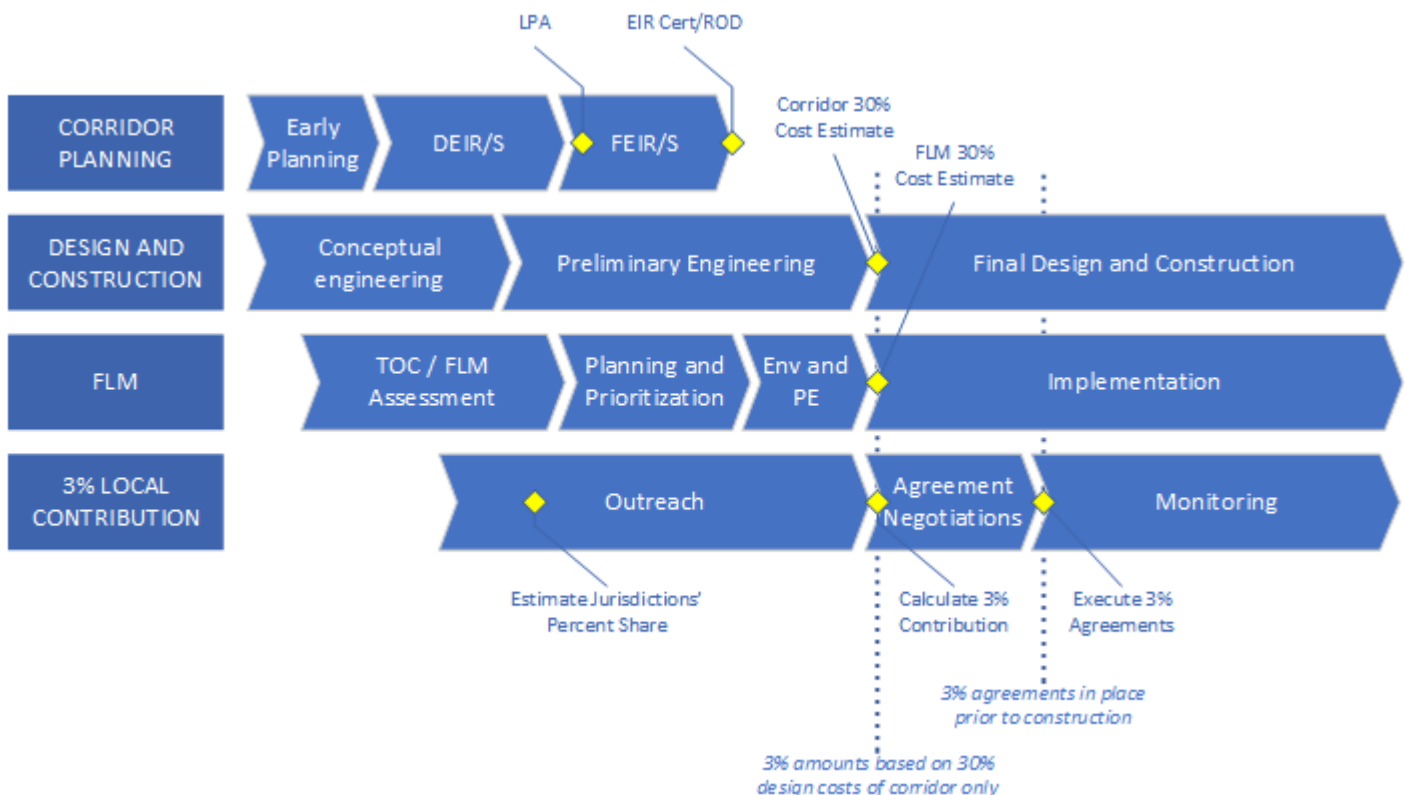
Resources

Available on Metro website:

- Measure M Guidelines
- First-Last Mile Guidelines
- Metro: How We Plan and Build
- Metro: Projects

Technical Assistance: Upon request

Integrating the 3% Local Contribution and Project Development*



*The diagram shows a typical design-build process. Other project delivery methods may realign some activities.

How is it calculated? Metro will first establish the cost basis for the local contribution by estimating the transit project cost based on 30% design. 3% of that cost basis will be the overall local contribution. Metro will then identify project segments that cross through jurisdictions where no station is to be constructed and subtract these from the overall project length. The overall 3% local contribution will then be allocated to jurisdictions where stations are to be constructed based upon the percent of adjusted centerline track miles within the jurisdiction's borders.

If a jurisdiction is unable to satisfy the full 3% contribution, Metro may withhold Measure M local return funds until the obligation is met, or up to 15 years.

What sources are eligible to pay it? Jurisdictions may use any locally controlled funds (except those received from a Metro competitive grant process). They may also receive credit for the value of in-kind contributions to the project (e.g. right-of-way) if those costs are specifically included in the project cost and contribution amount by 30% design. Additionally, jurisdictions may receive credit for qualifying First-Last Mile improvements contained in a Metro Board adopted FLM Plan.

In cases where Metro is withholding local return funds, a jurisdiction may still receive credit for qualifying FLM improvements.

When is the repayment deadline? While the 3% contribution agreement will stipulate specific timeframes on a project-by-project basis, generally a jurisdiction should satisfy all financial obligations by the midpoint project construction. In-kind contributions and FLM improvements must generally be complete by the time the project is open for revenue service.

In cases where Metro is withholding local return funds, Metro will begin withholding approximately the same year as construction is authorized in the applicable jurisdiction.

A large, stylized letter 'M' is positioned in the upper right quadrant of the slide. The 'M' is composed of several white, rectangular blocks with a slightly textured surface, arranged to form the shape. The background behind the 'M' is a dark green circular area, which is itself set against a larger orange circular area that curves across the middle of the slide. The overall design is modern and graphic.

Measure M

3% Local Contribution

Board Staff Briefing in Advance of Construction Committee



Metro

June 9, 2022

Overview

- Building on Meas. R, Meas. M includes a 3% Local Contribution in the Expenditure Plan Financial Model, as well as in Ordinance
- The contribution is based on the total project cost at the completion of 30% of final design, excluding FLM costs.

Los Angeles County Transportation Expenditure Plan

(2015 \$ in thousands)

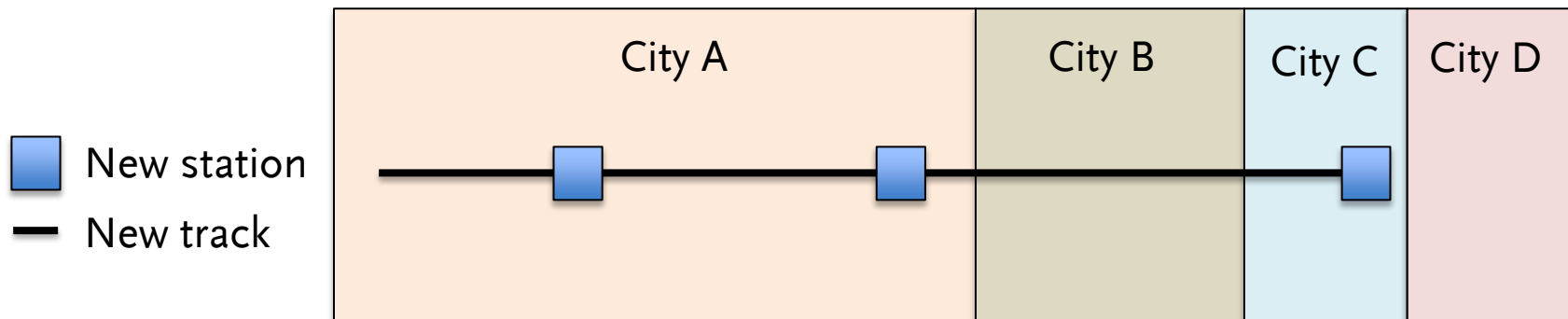
ATTACHMENT A Groundbreaking Sequence (Exceptions Noted)

For Reference Only	Project (Final Project to be Defined by the Environmental Process)	Notes	Schedule of Funds Available		Subregion*	2016 - 2067 Local, State, Federal, Other Funding 2015\$	Measure M Funding 2015\$	Most Recent Cost Estimate 2015\$**	Modal Code	
			Ground- breaking Start Date ¹	Expected Opening Date (3 year range)						1 st yr of Range
Expenditure Plan Major Projects										
1	Airport Metro Connect 90th St. Station/Green Line Ext LAX	a,p	FY 2018	CY 2021	sc	\$233,984	\$347,018	\$581,000	T	
2	Westside Purple Line Extension Section 3	b	FY 2018	FY 2024	w	\$988,139	\$904,251	\$1,980,390	T	
3	High Desert Multi-Purpose Corridor (HDMC)	a	FY 2019	FY 2021	nc	\$100,000	\$170,000	\$270,000	H	
4	I-5 N Cap. Enhancements (SR-14 to Lake Hughes Rd)	a	FY 2019	FY 2023	nc	\$544,080	\$240,000	\$784,080	H	
5	Gold Line Foothill Extension to Claremont	c	FY 2019	FY 2025	sg	\$78,000	\$1,019,000	\$1,097,000	T	
6	Orange Line BRT Improvements	n	FY 2019	FY 2025	sf	\$0	\$288,000	\$288,000	T	
7	BRT Connector Orange/Red Line to Gold Line	o	FY 2020	FY 2022	av	\$0	\$240,300	\$240,300	T	
8	BRT Connector Orange/Red Line to Gold Line	o	FY 2020	FY 2022	sf	\$0	\$26,700	\$26,700	T	
9	East SF Valley Transit Corridor Project	d	FY 2021	FY 2027	sf	\$520,500	\$810,500	\$1,331,000	T	
10	West Santa Ana Transit Corridor LRT	b,d	FY 2022	FY 2028	gc	\$500,000	\$535,000	\$1,035,000	T	
11	Crenshaw/LAX Track Enhancement Project	e,p	FY 2022	FY 2028	sc	\$0	\$49,599	\$49,599	T	
12	SR-71 Gap from I-10 to Rio Rancho Rd.	e	FY 2022	FY 2028	sg	\$28,443	\$248,557	\$275,000	H	
13	LA River Waterway & System Bikepath	e	FY 2023	FY 2025	cc	\$0	\$365,000	\$365,000	H	
14	Complete LA River Bikepath	e	FY 2023	FY 2025	sf	\$0	\$60,000	\$60,000	H	
15	Sepulveda Pass Transit Corridor (Ph 1)	b,f	FY 2024	FY 2028	sf	\$0	\$130,000	\$130,000	H	
16	Sepulveda Pass Transit Corridor (Ph 1)	b,f	FY 2024	FY 2028	w	\$0	\$130,000	\$130,000	H	
17	Vermont Transit Corridor	o	FY 2024	FY 2028	cc	\$400,000	\$25,000	\$425,000	T	
18	SR-57/SR-60 Interchange Improvements	d	FY 2025	FY 2031	sg	\$565,000	\$205,000	\$770,000	H	
19	Green Line Extension to Crenshaw Blvd in Torrance	d,g	FY 2028	FY 2030	sb	\$272,000	\$819,000	\$891,000	H	
20	I-710 South Corridor Project (Ph 1)	d,h	FY 2028	FY 2032	gc	\$150,000	\$250,000	\$400,000	H	
21	I-105 Express Lane from I-405 to I-805	p	FY 2027	FY 2029	sc	\$0	\$175,000	\$175,000	H	
22	Sepulveda Pass Transit Corridor (Ph 2)	b	FY 2024	FY 2033	sf	\$1,567,000	\$1,270,000	\$2,837,000	T	
23	Sepulveda Pass Transit Corridor (Ph 2)	b	FY 2024	FY 2033	w	\$1,567,000	\$1,270,000	\$2,837,000	T	
24	Gold Line Eastside Extension (One Alignment)	d	FY 2029	FY 2035	gc	\$957,000	\$543,000	\$1,500,000	T	
25	Gold Line Eastside Extension (One Alignment)	d	FY 2029	FY 2035	sg	\$957,000	\$543,000	\$1,500,000	T	
26	West Santa Ana Transit Corridor LRT	r	FY 2022	FY 2041	cc	\$1,082,500	\$400,000	\$1,482,500	T	
27	West Santa Ana Transit Corridor LRT	r	FY 2022	FY 2041	gc	\$982,500	\$500,000	\$1,482,500	T	
28	I-710 South Corridor Project (Ph 2)	d	FY 2032	FY 2041	gc	\$858,500	\$250,000	\$908,500	H	
29	I-5 Corridor Improvements (I-805 to I-710)	i	FY 2036	FY 2042	gc	\$46,000	\$1,059,000	\$1,105,000	H	
30	Crenshaw Northern Extension	i	FY 2041	FY 2047	cc	\$495,000	\$1,185,000	\$1,880,000	T	
31	Crenshaw Northern Extension	i	FY 2041	FY 2047	w	\$0	\$560,000	\$560,000	T	
32	I-405/I-110 Int. HOV Connect Ramps & Intrching Improv	i	FY 2042	FY 2044	sb	\$0	\$250,000	\$250,000	H	
33	I-805/I-10 Interchange	i	FY 2043	FY 2047	sg	\$472,400	\$126,000	\$598,400	H	
34	SR 60/I-605 Interchange HOV Direct Connectors	i	FY 2043	FY 2047	sg	\$380,600	\$130,000	\$490,600	H	
35	Lincoln Blvd BRT	lo	FY 2043	FY 2047	w	\$0	\$102,000	\$102,000	T	
36	I-110 Express Lane Ext South to I-405/I-110 Interchange	lo	FY 2044	FY 2046	sb	\$228,500	\$51,500	\$280,000	H	
37	I-405 South Bay Curve Improvements	lo	FY 2045	FY 2047	sb	\$250,840	\$150,000	\$400,840	H	
38	Green Line Eastern Extension (Norwalk)	p	FY 2048	FY 2052	sc	\$570,000	\$200,000	\$770,000	T	
39	SF Valley Transportation Improvements	m	FY 2048	FY 2050	sf	\$0	\$106,800	\$106,800	T	
40	Sepulveda Pass Westwood to LAX (Ph 3)	p	FY 2048	FY 2057	sc	\$3,800,000	\$65,000	\$3,865,000	T	
41	Orange Line Conversion to Light Rail	p	FY 2051	FY 2057	sf	\$1,087,000	\$362,000	\$1,429,000	T	
42	City of San Fernando Bike Master Plan	p	FY 2052	FY 2054	sf	\$0	\$5,000	\$5,000	H	
43	Historic Downtown Streetcar	p	FY 2053	FY 2057	cc	\$0	\$200,000	\$200,000	T	
44	Gold Line Eastside Ext. Second Alignment	p	FY 2053	FY 2057	sc	\$110,000	\$2,890,000	\$3,000,000	T	
45	High Desert Multi-Purpose Corridor - LA County Segment	p	FY 2063	FY 2067	sc	\$32,982	\$1,845,718	\$1,878,700	H	
46	Expenditure Plan Major Projects Subtotal					\$19,581,027	\$20,989,941	\$40,570,969		

Footnotes on following page.

Calculation

A jurisdiction's 3% contribution is based on the percentage of **track miles** within the jurisdiction's borders, only for jurisdictions that include station construction (i.e. only cities A and C below).



Contribution Sources

Eligible Contributions

- Funds controlled by the local agency (e.g., General Fund, State Gas Tax Subventions, Prop. A, Prop. C and Measure R and M Local Return Funds, Measure M Subregional Program Funds)
- In-kind contributions including project specific right-of-way, waiver of permitting fees, local agency staff time (incurred and forecast), if those costs are specifically included in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design.
- Active transportation first/last mile capital improvements included as “Priority Projects” in the station area plans developed by Metro in coordination with the affected jurisdiction(s).
- Betterments are NOT eligible

The Process

1. Metro conducts outreach with jurisdictions likely to owe a local contribution
2. Metro calculates 3% contribution by jurisdiction based on 30% design cost estimate
3. Metro notifies jurisdictions of 3% contribution
4. Metro Board acknowledges 30% design cost estimate and associated 3% local contribution amounts
5. Metro and jurisdiction negotiate a 3% local contribution agreement