One Gateway Plaza, Los Angeles, CA 90012,
3rd Floor, Metro Board Room

Agenda - Final

Thursday, October 15, 2026

11:00 AM

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Stephanie Wiggins, Chief Executive Officer

METROPOLITAN TRANSPORTATION AUTHORITY BOARD AGENDA RULES

(ALSO APPLIES TO BOARD COMMITTEES)

PUBLIC INPUT

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board must be submitted electronically using the tablets available in the Board Room lobby. Individuals requesting to speak will be allowed to speak for a total of three (3) minutes per meeting on agenda items in one minute increments per item. For individuals requiring translation service, time allowed will be doubled. The Board shall reserve the right to limit redundant or repetitive comment.

The public may also address the Board on non-agenda items within the subject matter jurisdiction of the Board during the general public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for one (1) minute during this General Public Comment period or at the discretion of the Chair. Speakers will be called according to the order in which their requests are submitted. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

Notwithstanding the foregoing, and in accordance with the Brown Act, this agenda does not provide an opportunity for members of the public to address the Board on any Consent Calendar agenda item that has already been considered by a Committee, composed exclusively of members of the Board, at a public meeting wherein all interested members of the public were afforded the opportunity to address the Committee on the item, before or during the Committee's consideration of the item, and which has not been substantially changed since the Committee heard the item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

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CONDUCT IN THE BOARD ROOM - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

REMOVAL FROM THE BOARD ROOM - The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
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Live Public Comment Instructions:

Live public comment can be given by telephone or in-person.

The Meeting begins at 11:00 AM Pacific Time on October 15, 2026; you may join the call 5 minutes prior to the start of the meeting.

Dial-in: 888-978-8818 and enter
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Public comment will be taken as the Board takes up each item. To give public comment on an item, enter #2 (pound-two) when prompted. Please note that the live video feed lags about 30 seconds behind the actual meeting. There is no lag on the public comment dial-in line.

Instrucciones para comentarios publicos en vivo:

Los comentarios publicos en vivo se pueden dar por telefono o en persona.

La Reunion de la Junta comienza a las 11:00 AM, hora del Pacifico, el 15 de Octubre de 2026. Puedes unirte a la llamada 5 minutos antes del comienso de la junta.

Marque: 888-978-8818 y ingrese el codigo
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Los comentarios del público se tomaran cuando se toma cada tema. Para dar un comentario público sobre una tema ingrese # 2 (Tecla de numero y dos) cuando se le solicite. Tenga en cuenta que la transmisión de video en vivo se retrasa unos 30 segundos con respecto a la reunión real. No hay retraso en la línea de acceso telefónico para comentarios públicos.

Written Public Comment Instruction:

Written public comments must be received by 5PM the day before the meeting.
Please include the Item # in your comment and your position of “FOR,” “AGAINST,” "GENERAL COMMENT," or "ITEM NEEDS MORE CONSIDERATION."
Email: BoardClerk@metro.net
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One Gateway Plaza
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Los Angeles, CA 90012

CALL TO ORDER

ROLL CALL

APPROVE Consent Calendar Items: 24.

Consent Calendar items are approved by one motion unless held by a Director for discussion and/or separate action.

CONSENT CALENDAR

24. SUBJECT: REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES BENCH 2026-0718

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute Modification No. 3 to the Regional Rail Strategic Financial Advisory On-Call Services Bench Contract Nos. PS66571-2000 through PS66571-2005 to exercise the second, one-year option term in the amount of $2 million, increasing the total Not-To-Exceed (NTE) cumulative contract amount from $7.4 million to $9.4 million and extending the period of performance from December 7, 2026, to December 6, 2027.

Attachments: Attachment A - Procurement Summary
Attachment B - Contract Modification Change Order Log
Attachment C - DEOD Summary

NON-CONSENT

7. SUBJECT: MEASURE M 10-YEAR COMPREHENSIVE ASSESSMENT EVALUATION FRAMEWORK, METRICS, AND WEIGHTING 2026-0633

RECOMMENDATION

RECEIVE AND FILE the draft project evaluation framework, inclusive of metrics and weighting, for the Measure M 10-Year Comprehensive Assessment (Attachment A).

Attachments: Attachment A
Presentation

(ALSO ON PLANNING AND PROGRAMMING COMMITTEE)

25. SUBJECT: ANNUAL STATUS REPORT OF 48 BY ’28 PLAN 2026-0235

RECOMMENDATION

CONSIDER:

A. RECEIVE AND FILE the annual status report on implementation of the 48 by ’28 Plan, update on Motion 26.1- Protecting Our Small Businesses, and an update on the 2023 Disparity Study recommendations; and

B. APPROVE an increase of the maximum contract threshold for the Small Business Prime (Set-Aside) Program for eligible non-federally funded procurements from $4.99 million to $10 million, and a corresponding adjustment to the lower contract threshold of the Medium-Sized Business Enterprise (MSZ-I) Program from $5 million to $10.01 million.

Attachments: Attachment A - Motion 26.1
Attachment B - Motion 43
Attachment C - Motion 24
Attachment D - 48 by ’28 Plan Initiatives
Attachment E - List of Events Hosted and Attended by Metro
Attachment F - 2023 Disparity Study Recommendations
Presentation

26. SUBJECT: INNOVATIVE FINANCING STRATEGY AND IMPLEMENTATION ROADMAP PLAN 2026-0459

RECOMMENDATION

RECEIVE AND FILE status report on the Innovative Financing Strategy Plan, including Public-Private Partnerships (P3).

Attachments: Attachment A - Board Motion 26
Attachment B - P3 Workstreams and High-Level Roadmap
Attachment C - Board Motion 19
Presentation

27. SUBJECT: FEDERAL AND STATE REPORT 2026-0693

RECOMMENDATION

RECEIVE AND FILE October 2026 Federal and State Legislative Report.

Attachments: Presentation

28. SUBJECT: MONTHLY UPDATE ON PUBLIC SAFETY 2026-0630

RECOMMENDATION

RECEIVE AND FILE the Public Safety Report.

Attachments: Attachment A - Ancillary Areas Quarterly Update
Attachment B - Station Experience Updates
Attachment C - HOME FY27 Interim & Perm Housing Placements Breakdown

(ALSO ON OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE)

29. SUBJECT: DEPARTMENT OF PUBLIC SAFETY IMPLEMENTATION PLAN UPDATE 2026-0639

RECOMMENDATION

RECEIVE AND FILE the quarterly update on the Department of Public Safety (DPS) Implementation Plan.

Attachments: Presentation

(ALSO ON OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE)

30. SUBJECT: HOMELESS OUTREACH MANAGEMENT & ENGAGEMENT (HOME) QUARTERLY REPORT AND YEAR-TO-DATE 2026-0636

RECOMMENDATION

RECEIVE AND FILE the HOME Quarterly Report.

Attachments: Attachment A - Additional Data
Presentation

SUBJECT: GENERAL PUBLIC COMMENT 2026-0733

RECEIVE General Public Comment

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

COMMENTS FROM THE PUBLIC ON ITEMS OF PUBLIC INTEREST WITHIN COMMITTEE'S SUBJECT MATTER JURISDICTION

Adjournment

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

Metro

Board Report

File #: 2026-0718, **File Type:** Contract **Agenda Number:** 24.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2026

SUBJECT: REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES BENCH

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to execute Modification No. 3 to the Regional Rail Strategic Financial Advisory On-Call Services Bench Contract Nos. PS66571-2000 through PS66571 -2005 to exercise the second, one-year option term in the amount of $2 million, increasing the total Not-To-Exceed (NTE) cumulative contract amount from $7.4 million to $9.4 million and extending the period of performance from December 7, 2026, to December 6, 2027.

ISSUE

The Regional Rail Strategic Financial Advisory On-Call Services (SFAOCS) Bench period of performance expires December 6, 2026, and its remaining capacity is insufficient to meet anticipated needs. Board authority to exercise the second option term is required to continue issuing task orders for financial and strategic advisory services that support regional rail capital projects, competitive grant pursuits, and executive leadership decision-making. Although Countywide Planning & Development (CP&D) manages the bench, multiple departments rely on it for high-priority and mission-critical work.

BACKGROUND

At its October 2020 meeting, the Board approved the award of the SFAOCS Bench contracts for a five-year base term in the funding amount of $6 million, and two, one-year options in the funding amount of $1 million for each option year, for an NTE cumulative total funding amount of $8 million. The Board authorized the CEO to award and execute task orders within the total approved NTE funding limit of $6 million. In May 2025, Modification No. 1 was approved for $400,000, increasing the overall NTE funding limit to $6.4 million. At its July 2025 meeting, the Board approved Modification No. 2 to exercise the first, one-year option term in the amount of $1 million, increasing the NTE funding limit to $7.4 million and extending the period of performance to December 6, 2026.

The SFAOCS Bench supports the funding and delivery of capital projects under the Metro Regional Rail Program. Contracts were awarded under two disciplines:

1. Financial Advisory Support Services

powered by Legistar™

2. Strategic Advisory/Advocacy Services

The Bench provides financial and strategic support for projects not funded under Measure M, such as Link Union Station Phase B and various grade separation and double-track projects. Task orders are funded through existing project budgets previously approved by the Board. The on-call structure allows Metro to secure these services quickly, helping close funding gaps and accelerate project delivery in collaboration with passenger and freight rail stakeholders.

DISCUSSION

Metro has used the SFAOCS Bench for a range of financial and strategic advisory work supporting planning, operations, and executive leadership including:

- High Desert Intercity Rail Corridor Service Development Plan;
- Cost comparison of in-house and contracted services;
- Strategic roadmap to stakeholder engagement;
- Support for Station Activation Models
- Climate and Sustainability efforts
- Strategic advisory services and thought leadership for the CEO; and
- Strategic financial advisory support for Strategic Financial Planning.

The remaining capacity is insufficient to support anticipated financial and strategic advisory needs in the coming fiscal year.
Staff anticipates a need for grant evaluation support as Metro pursues competitive funding opportunities to close capital project funding gaps (Attachment E). SFAOCS consultants also provide financial and strategic advice to inform decision-making on complex funding and delivery strategies, supporting executive leadership in aligning regional rail investments with long-term strategic objectives and navigating a shifting funding landscape. The contracts further support legislative coordination, policy analysis, and interagency engagement in partnership with Metro's Government Relations team, ensuring a consistent and informed approach to external advocacy.
Exercising the option term secures continued access to these specialized advisory services, prevents disruption to active and planned work, and preserves Metro's ability to respond quickly to new funding opportunities and Board directives.

DETERMINATION OF SAFETY IMPACT

Approval of the staff recommendation will not impact the safety of Metro customers or employees.

FINANCIAL IMPACT

Approval of the staff recommendation will have no impact on the FY27 budget. Task orders are funded through existing project budgets previously approved by the Board, and each new task order will have an approved funding source before it is initiated. The Chief Planning Officer will be responsible for budgeting costs in FY27 and FY28.

Impact to Budget
Funding for each task order will vary based on its specific scope of work and the project it supports.

Because the Bench serves projects outside the Measure M Expenditure Plan, funding is drawn from individual project budgets the Board has already approved.

EQUITY PLATFORM

The proposed contract modification will support the continued availability of strategic and financial advisory services to assist in evaluating financial strategies and funding approaches that advance the planning and delivery of transportation investments throughout the region. These services will help inform financial planning and decision-making that supports the effective and sustainable implementation of regional transportation priorities. By supporting the development and delivery of transportation investments, the proposed action contributes to Metro's broader goals of improving mobility, enhancing access to transportation options, and addressing the diverse transportation needs of communities it serves.

For this Regional Rail Strategic Financial Advisory On-call Services bench, the Diversity & Economic Opportunity Department (DEOD) established an overall 17% Small Business Enterprise (SBE) and an overall 3% Disabled Veteran Business Enterprise (DVBE) goal. Each bench participant made individual overall SBE and DVBE commitments on this contract. The bench includes five (5) prime consultants; one (1) SBE certified. Progress towards meeting the overall commitments is measured based on the cumulative participation achieved through all task orders awarded to each prime. To date eight (8) task orders have been awarded to four (4) different prime contractors.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including carbon neutrality by 2045. All Board items are assessed for their potential impact on VMT.
This item is expected to contribute to further VMT reductions. Continued access to financial and strategic advisory services will help secure funding for and advance regional rail capital projects, expanding transit options and encouraging ridership across Los Angeles County.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001 and 2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The staff recommendation is consistent with the following Strategic Plan goals:

- Goal 1.1: Expand the transportation network and increase mobility for all users;
- Goal 4.1: Work with partners to build trust and make decisions that support the goals of the Strategic Plan;
- Goal 5.1: Leverage funding and staff resources to accelerate the achievement of goals and initiatives prioritized in the Strategic Plan; and
- Goal 5.2: Exercise good public policy judgment and sound fiscal stewardship.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommendation. Staff does not recommend this alternative. The SFAOCS Bench expires December 6, 2026. Without the option term, Metro would lose the ability to issue on-call task orders for mission-critical financial and strategic advisory work, and each need would require a separate procurement that could take many months to complete.

NEXT STEPS

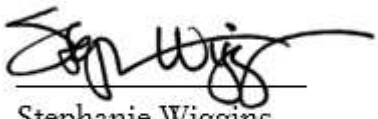
Upon Board approval, staff will execute Modification No. 3 to the SFAOCS Bench Contract Nos. PS66571-2000 through PS66571-2005.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - Contract Modification/Change Order Log
Attachment C - DEOD Summary

Prepared by: Elba Higueros, Deputy Chief of Staff, (213) 922-6820
Carolina Coppolo, Deputy Chief, Vendor/Contract Management Officer, (213) 922-4471

Reviewed by: Nicole Englund, Chief of Staff, (213) 922-7950
Mat Antonelli, Chief Vendor/Contract Management Officer, (213) 893-7114



Stephanie Wiggins
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES / PS66571-2000 - PS66571-2005

1.	**Contract Number**: PS66571-2000 - PS66571-2005			
2.	**Contractors**: Deloitte Transactions and Business Analytics LLP, Ernst & Young Infrastructure Advisors, LLC, InfraStrategies LLC, Sperry Capital, Inc., and WSP USA, Inc.			
3.	**Mod. Work Description** : Exercise second, one-year option.			
4.	**Contract Work Description** Provide financial advisory and strategic advisory/advocacy on-call services.			
5.	**The following data is current as of**: 9/30/26			
6.	**Contract Completion Status**		**Financial Status**	
	Contract Awarded:	10/22/20	**Contract Award Amount:**	Not-to-Exceed (NTE) $6,000,000
	Notice to Proceed (NTP):	N/A	**Total of Modifications Approved:**	$1,400,000
	Original Complete Date:	12/6/25	**Pending Modifications (including this action):**	$2,000,000
	Current Est. Complete Date:	12/6/27	**Current Contract Value (with this action):**	NTE $9,400,000
7.	**Contract Administrator**: Samira Baghdikian		**Telephone Number**: (213) 922-1033	
8.	**Project Manager**: Nicole Englund		**Telephone Numbers**: (213) 922-7950	

A. Procurement Background

This Board Action is to execute Modification No. 3 to the Regional Rail Strategic Financial Advisory On-Call Services Contracts No. PS66571-2000 through PS66571-2005 to exercise the second, one-year option extending the period of performance from December 7, 2026 through December 6, 2027. This Contract Modification will increase the NTE cumulative contract amount by $2,000,000 from $7,400,000 to $9,400,000.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is task order firm fixed unit rate.

On October 22, 2020, the Board approved award of task order-based on-call Contract Nos. PS66571-2000 through PS66571-2005 for Regional Rail Strategic Financial Advisory On-Call Services in the cumulative NTE amount of $6,000,000.

Two modifications have been issued to date.

Refer to Attachment B – Contract Modification/Change Order Log.

B. Cost Analysis

Work will be performed through the issuance of separate task orders. Firm fixed hourly rates were negotiated and established when the contracts were awarded. Proposals submitted for each task order will be subject to cost analysis, technical analysis, fact finding, and negotiations to determine the fairness and reasonableness of price.

ATTACHMENT B

CONTRACT MODIFICATION/CHANGE ORDER LOG

REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES / PS66571-2000 - PS66571-2005

Mod. No.	Description	Status (approved or pending)	Date	Amount
1	Increase cumulative not-to-exceed contract amount.	Approved	5/19/25	$400,000
2	Exercise first, one-year option extending the period of performance (POP) through 12/6/26.	Approved	7/24/25	$1,000,000
3	Exercise second, one-year option extending the POP through 12/6/27.	**Pending**	**Pending**	**$2,000,000**
	Modification Total:			**$3,400,000**
	Original Contract:		**10/22/20**	**$6,000,000**
	Total:			**$9,400,000**

DEOD SUMMARY

REGIONAL RAIL STRATEGIC FINANCIAL ADVISORY ON-CALL SERVICES BENCH/ PS66571-2000 THROUGH PS66571-2005

A. Small Business Participation

For this Regional Rail Strategic Financial Advisory On-call Services bench, the Diversity & Economic Opportunity Department (DEOD) established an overall 17% Small Business Enterprise (SBE) and an overall 3% Disabled Veteran Business Enterprise (DVBE) goal. Each bench participant made individual overall SBE and DVBE commitments on this contract. The bench includes five (5) prime consultants; one (1) SBE certified. Progress towards meeting the overall commitments is measured based on the cumulative participation achieved through all task orders awarded to each prime. To date eight (8) task orders have been awarded to four (4) different prime contractors.

1. Deloitte Transactions and Business Analytics (Deloitte):

Deloitte has been awarded three (3) task orders to date, and the current overall participation is 0% SBE and 0% DVBE, representing shortfalls of both the SBE and DVBE commitment of 17% and 0%, respectively. Deloitte contends that it has not included SBE or DVBE participation to date due to the specific nature in the scope of work of the three (3) task orders, to which Metro's project manager concurs. Deloitte further stated that it intends to include the SBE and/or DVBE partners for future opportunities and will continue working with Metro to address the remaining commitment.

Overall Small Business Commitment	**17% SBE 6% DVBE**	**Overall Small Business Participation**	**0.00% SBE 0.00% DVBE**

	SBE Contractor(s)	% Utilization Commitment	% Participation
1.	SHA Analytics	10.00%	0.00%
2.	Morgner Construction Mgmt.	7.00%	0.00%
	Total	**17.00%**	**0.00%**

	DVBE Contractor(s)	% Utilization Commitment	% Participation
1.	Virtek	3.00%	0.00%
2.	OCMI, Inc	3.00%	0.00%
	Total	**6.00%**	**0.00%**

2. Ernst & Young LLP (EY):

EY has been awarded one (1) task order to date, and the current overall participation is 9.65% SBE and 2.17% DVBE, representing shortfalls of both the SBE and DVBE commitments by 7.49% and 0.87%, respectively. EY listed three (3) SBE and DVBE subcontractors to perform on their task order. EY contends that the shortfall is due to tasks assigned to its SBE subcontractor (BAE) that Metro had determined not to be required, which was concurred by Metro's project manager. EY indicated that its DVBE (Alexander King) was unable to perform its assigned work due to a lack of sufficient resources. EY reported that their ability to assign new scope to the SBE and/or DVBEs to increase the utilization percentage is dependent on Metro's resuming work on the project as work on the task order has been paused for the past 2 years due to the Federal Rail Administration delays.

Overall Small Business Commitment	**17.14% SBE 3.04% DVBE**	**Overall Small Business Participation**	**9.65% SBE 2.17% DVBE**

	SBE Contractor(s)	% Utilization Commitment	% Participation
1.	BAE Urban Economics	13.77%	6.73%
2.	SHA Analytics, LLC	3.37%	2.92%
	Total	**17.14%**	**9.65%**

	DVBE Contractor(s)	% Utilization Commitment	% Participation
1.	Alexander King Advisors, LLC	3.04%	2.17%
	Total	**3.04%**	**2.17%**

3. InfraStrategies, LLC:

InfraStrategies has been awarded one (1) task order to date, and the current overall participation is 0% SBE and 3.82% DVBE, representing a 18.57% shortfall of the SBE commitment and exceeding the DVBE commitment by 0.48%. InfraStrategies listed one (1) DVBE subcontractor to perform on their task order. InfraStrategies contends, and Metro's Project Team concurs, that the single task order they were awarded was specific and required knowledge, a background in operations facilities, maintenance contracts, and knowledge of the collective bargaining agreements that their SBE subcontractor did not have. InfraStrategies also contends that it is committed to engaging its SBE subcontractor as future work becomes available for the services the firm provides.

Overall Small Business Commitment	**18.57% SBE 3.34% DVBE**	**Overall Small Business Participation**	**0.00% SBE 3.82% DVBE**

	SBE Contractor(s)	% Commitment	% Participation
1.	SHA Analytics, LLC	18.57%	0.00%
	Total	**18.57%**	**0.00%**

	DVBE Contractor(s)	% Commitment	% Participation
1.	Wahrenbrock Capital	3.34%	3.82%
	Total	**3.34%**	**3.82%**

4. Sperry Capital, Inc. (Sperry):

Sperry an SBE-certified firm, has not been awarded any task orders to date. Sperry made an overall 32.69% SBE and 3.29% DVBE commitment.

Overall Small Business Commitment	**32.69% SBE 3.29% DVBE**	**Overall Small Business Participation**	**0.00% SBE 0.00% DVBE**

	SBE Contractor(s)	% Commitment	% Participation
1.	Sperry Capital, Inc. (SBE Prime)	31.73%	0.00%
2.	NWC Partners, Inc.	0.96%	0.00%
	Total	**32.69%**	**0.00%**

	DVBE Contractor(s)	% Commitment	% Participation
1.	Ross Infrastructure Development	3.29%	0.00%
	Total	**3.29%**	**0.00%**

5. WSP USA, Inc. (WSP):

WSP has been awarded three (3) task orders to date, and the current overall participation is 22.38% SBE and 2.59% DVBE, exceeding the SBE commitment by 5.38% and representing a 0.62% shortfall of the DVBE commitment. WSP listed five (5) SBE and DVBE subcontractors to perform on their task orders. WSP contends, and Metro's Project Team concurs, that the DVBE shortfall is mainly due to the reduction of scheduled work at the direction of Metro. WSP reported that they have managed small business participation across all three (3) task orders and planned TO3 to deliver SBE and DVBE participation above the contract goal. WSP anticipates meeting or exceeding the SBE and DVBE commitments when TO3 is completed by Q4 2026.

Overall Small Business Commitment	17.00% SBE 3.21% DVBE	Overall Small Business Participation	22.38% SBE 2.59% DVBE

	SBE Contractor(s)	% Commitment	% Participation
1.	Katherine Padilla & Associates	5.50%	0.00%
2.	Lee Andrews Group, Inc.	4.20%	16.21%
3.	Sumire Gant Consulting	1.97%	0.00%
4.	Estolano Advisors	2.15%	0.00%
5.	Capitol GCS	3.18%	0.00%
6.	Akima Consulting, LLC	Added	1.00%
7.	Trifiletti Consulting, Inc.	Added	5.17%
	Total	**17.00%**	**22.38%**

	DVBE Contractor(s)	% Commitment	% Participation
1.	Leland Saylor (Terminated)	0.86%	0.00
2.	OhanaVets, Inc.	2.35%	2.19%
3.	ZMAssociates Environmental Corp.	Added	0.40%
	Total	**3.21%**	**2.59%**

Staff will continue to work with each prime consultant team to ensure they meet or exceed the SBE/DVBE commitments by the completion of the program.

B. Living Wage Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this modification.

D. Project Labor Agreement/Construction Careers Policy (PLA/CCP)

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of $2.5 million.

E. Manufacturing Careers Policy

The Manufacturing Careers Policy (MCP) does not apply to this contract. The MCP is required on Metro's Rolling Stock RFPs, with an Independent Cost Estimate of at least $50 million.

Regional Rail Strategic Financial Advisory On-Call Services Bench

Modification No. 3: Exercise the Second Option Year

Executive Management Committee | October 15, 2026 | 2026-0718

Contract Modification

Exercise the 2nd option year

.

Extend through Dec 6, 2027

Keeps on-call advisors available.

No FY27 budget impact

Task orders are funded by existing project budgets already approved by the Board.

ACTION REQUESTED

Authorize the CEO to execute Modification No. 3

The bench expires Dec. 6 with too little capacity for next year

Oct 2020	May 2025	Jul 2025	Dec 6, 2026	Dec 6, 2027
Board awards the bench	Modification No. 1	First option year exercised	Current period of performance ends	Proposed end with second option

Capacity is running out

Remaining contract capacity doesn’t cover the financial and strategic advisory needs expected over the next year.

Procurement would take months

Without the option, each need would require its own procurement, disrupting active and planned work.

On-call advisors support funding, delivery and leadership decisions

DISCIPLINE 1 Financial Advisory Support

- High Desert Intercity Rail service development plan
- Cost comparison of in-house vs. contracted services
- Station activation models
- Strategic roadmap for stakeholder engagement
- Climate and sustainability efforts
- Strategic advice to the CEO and financial planning

DISCIPLINE 2 Strategic Advisory / Advocacy

Five prime consultants; eight task orders awarded to four of them

PRIME CONSULTANTS

- Deloitte Transactions and Business Analytics LLP
- Ernst & Young Infrastructure Advisors, LLC
- InfraStrategies LLC
- Sperry Capital, Inc. — SBE-certified
- WSP USA, Inc.

17%
Overall SBE goal

3%
Overall DVBE goal

8
Task orders awarded

4
Primes with task orders

Recommendation: Approve Modification No. 3

1 Approve

Board authorizes the CEO to exercise the second one-year option.

2 Execute

Staff executes 2nd option across all six bench contracts.

3 Continue

On-call task orders continue without interruption through Dec 6, 2027.

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

Metro

Board Report

File #: 2026-0633, **File Type:** Plan **Agenda Number:** 7.

PLANNING AND PROGRAMMING COMMITTEE
OCTOBER 14, 2026
EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2026

SUBJECT: MEASURE M 10-YEAR COMPREHENSIVE ASSESSMENT EVALUATION FRAMEWORK, METRICS, AND WEIGHTING

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE the draft project evaluation framework, inclusive of metrics and weighting, for the Measure M 10-Year Comprehensive Assessment (Attachment A).

ISSUE

Section 7(g) of the Measure M Ordinance requires that, beginning in Fiscal Year 2027, Metro conduct a comprehensive assessment of the projects and programs in the Measure M Expenditure Plan that are completed or anticipated to be completed during the next ten-year period. Measure M Guidelines further establish that the assessments are to be coordinated with Metro's Long Range Transportation Plan (LRTP) updates, including LRTP performance metrics, and provide a comprehensive review to assess changes in circumstances affecting the delivery of projects and programs within their schedules as identified in the Measure M Expenditure Plan.

A project evaluation framework, inclusive of metrics and weighting, is an effective tool for preparing a specific evaluation in the Measure M 10-Year Comprehensive Assessment (Assessment), which assesses the performance of Measure M's Expenditure Plan major capital projects and programs.

The purpose of this report is to receive feedback from the Committee on the draft project evaluation framework this month, before submitting for final approval at the December Board meeting.

BACKGROUND

The Measure M Ordinance establishes an ongoing framework for oversight and accountability of all projects and programs funded through Measure M. At five-year intervals, Metro prepares a comprehensive assessment of all implemented projects and programs to evaluate overall program performance and identify opportunities to improve coordination, delivery, and effectiveness, informed by current practices, best practices, and organizational changes.

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The first Measure M Five-Year Comprehensive Assessment and Equity Report was completed in 2023 and evaluated the initial five years of Measure M implementation, from July 2017 through June 2022. The current Assessment will build upon that effort by incorporating both a retrospective evaluation of Measure M program performance and an assessment of Measure M projects and programs completed or anticipated to be completed over the next ten-year period. Upon completion of the Assessment process, a final report will be presented to the Metro Board for consideration. At that time, if the Assessment is approved by a two-thirds vote, the Board may then consider amendments to the Measure M Ordinance and Expenditure Plan within the parameters established by the Ordinance.

At its July 2026 meeting, the Board approved the Assessment objectives and criteria <https://boardagendas.metro.net/board-report/2026-0406/> that describe the entirety of the Measure M 10-Year Comprehensive Assessment, including the retrospective examination of the Measure M program achievements. The project evaluation framework, inclusive of metrics and weighting, provides complementary tools for evaluating Expenditure Plan major projects and programs anticipated to be completed over the next 10-year period.

DISCUSSION

The draft Project Evaluation Framework establishes a consistent approach for evaluating the performance and potential benefits of Measure M-funded projects and programs. The framework is designed to support a transparent, data-driven, and policy-aligned evaluation that considers both project delivery and the broader transportation outcomes that Measure M investments intend to advance. The framework will complement the broader Assessment by providing a structured approach to evaluating future major projects, while the Assessment also considers the historical performance and implementation of the Measure M program as a whole.

The draft framework was developed to be consistent with the original goals in Measure M and best practices established in prior Metro evaluation approaches. In developing the draft framework, staff considered the following Metro frameworks: the Measure M Pre-Evaluation (2015) the 2020 Long Range Transportation Plan, the 2023 Measure M Five-Year Comprehensive Assessment and Equity Report, Board actions related to future Measure M assessments, and the 2025 Recommended Goals, Objectives, and Metrics for Metro Cost Benefit Analysis.

The draft Project Evaluation Framework consists of three primary elements: Performance Metrics, Evaluation Categories, and Evaluation Category Weights.

Draft Performance Metrics

The Measure M 10-Year Assessment takes place within a transportation landscape that has evolved since Measure M's adoption in 2016. Changes in travel behavior (largely influenced by the pandemic), emerging technologies, shifting economic conditions, demographic trends, and evolving policy priorities underscore the need to periodically reassess the Measure M investment plan. In developing the performance metrics list for this evaluation, staff have aimed to be consistent with previous frameworks while recognizing that changing conditions and priorities should be taken into

consideration when evaluating future projects.

The draft evaluation Performance Metrics, highlighted in Table 1 below, aim to be consistent with five previously approved Metro frameworks and guiding documents. These include:

- **Measure M Pre-Evaluation (2015)**: These metrics, approved in 2015 by the Board, were used to evaluate projects for inclusion in the 2016 Measure M ballot measure
- **Long Range Transportation Plan (LRTP) (2020)**: The 2020 LRTP calculated the existing and future performance of the LA County transportation system across a range of metrics, many of which are applicable for project performance evaluations
- **The Measure M Five-Year Comprehensive Assessment and Equity Report (2023) and Related Board Amendments**: The first five-year assessment focused on past project performance, and quantified system-wide performance for many metrics that are meaningful project evaluation metrics
- **Board Amendments**: amendments adopted by the Board with the approval of the Measure M Five-Year Comprehensive Assessment and Equity Report (2023)
- **Recommended Goals, Objectives, and Metrics for Metro Cost Benefit Analysis (CBA) (2025)**: This Board adopted framework provides a series of metrics that could be used to evaluate the benefits of major capital projects

Table 1 below highlights the proposed Assessment performance metrics and their alignment with previously established frameworks and studies.

Table 1. Proposed Project Evaluation Performance Metrics

Comprehensive Assessment Performance Metric	Measure M Pre-Evaluation (2015)	LRTP (2020)	MM 5yr Report (2023)	Board Amendments (2023)	CBA Goals & Metrics (2025)
Access to Opportunity: All destinations*	x	x	x	x	x
Access to Opportunity: Jobs & Retail*	x	x	x	x	x
Access to Opportunity: Quality of Life (parks, cultural centers, healthcare, schools, senior centers) *	x	x	x		x
Active transportation trips	x				
Average vehicle occupancy	x	x			
Fatal and Severe Injury Collisions	x	x		x	x
Greenhouse Gas Emissions		x		x	x
Gross regional product		x			x
Improved travel time reliability	x	x		x	x
Increased system-wide connectivity			x	x	
Increased person throughput		x		x	x
Investment in Equity Focus Communities	x	x	x	x	
Jobs/job years created	x	x			x
Non-SOV Mode Share	x	x			x
Reduced conflict points	x				x
System redundancy for emergency					x
Transit oriented development potential	x				x
Transit ridership	x	x	x	x	
Travel time improvement	x	x			x
Vehicle Hours of Delay		x		x	x
Vehicle Miles Traveled		x		x	x

*Access to Opportunity, including the precise destination definitions, is currently being defined.

Draft Evaluation Categories

In 2015, Metro established evaluation categories based on the Measure M Ordinance goals. The draft Assessment evaluation categories mirror the framework previously used to evaluate major capital projects in the Measure M Expenditure Plan.

The proposed evaluation categories include:

- Mobility
- Accessibility
- Transportation Safety
- Sustainability and Quality of Life
- Economy

Table 2 illustrates how the goals established in the Measure M ordinance are consistent with these draft evaluation categories.

Table 2. Measure M Goals and Draft Project Evaluation Criteria

Measure M Goal	Mob	Acc	Saf	Sbl/QoL	Ecn
Improve freeway traffic flow; reduce bottlenecks and ease traffic congestion.	x				
Expand the rail and rapid transit system; accelerate rail construction and build new rail lines; enhance local, regional, and express bus service; and improve system connectivity.	x	x			
Repave local streets, repair potholes, synchronize signals; improve neighborhood streets and intersections, and enhance bike and pedestrian connections.	x	x	x	x	
Keep the transit and highway system safe; earthquake-retrofit bridges, enhance freeway and transit system safety, and keep the transportation system in good working condition.			x		
Make public transportation more accessible, convenient, and affordable for seniors, students, and the disabled and provide better mobility options for our aging population.	x	x			
Embrace technology and innovation; incorporate modern technology, new advancements, and emerging innovations into the local transportation system.	x				x
Create jobs, reduce pollution, and generate local economic benefits; increase personal quality time and overall quality of life.				x	x
Provide accountability and transparency; protect and monitor the public's investments through independent audits and oversight.			x		

Draft Evaluation Category Weights

The proposed evaluation category weights are consistent with previous Metro frameworks, including the Measure M Pre-Evaluation(2015) framework and the more recent CBA methodology. Table 3 shows the two previously adopted weighting frameworks, as well as the proposed weighting for the Assessment.

Table 3. Draft Evaluation Categories and Weights

Measure M Pre-Evaluation Goals (2015)	Weight	CBA Goals (2025)	Weight	MM Comp Assessment (Draft)	Weight
Mobility	45.0%	Mobility & Accessibility	40%	**Mobility**	**40%**
Accessibility	17.5%			**Accessibility**	**20%**
Safety	12.5%	Safety/Health	15%	**Transportation Safety**	**12.5%**
Sustainability & Quality of Life	12.5%	Environmental Sustainability	15%	**Sustainability & Quality of Life**	**12.5%**
		Operational Sustainability	15%		
Economy	12.5%	Economic Impact	15%	**Economy**	**15%**
TOTAL	100.0%	TOTAL	100.0%	**TOTAL**	**100.0%**

Table 4 below shows the complete draft evaluation framework, which ties together the performance metrics, evaluation categories, and category weights. The proposed weighting is consistent with the previous frameworks, prioritizing Mobility and Accessibility the most and maintaining the importance of the other categories.

- **Mobility (40%)**: This category evaluates how effectively a project improves the movement of people and goods throughout the transportation system. Metrics such as average vehicle occupancy, travel time reliability, person throughput, travel time improvements, and reductions in vehicle hours of delay measure whether investments increase system efficiency, reduce time spent traveling, and maximize the use of available transportation capacity.

- **Accessibility (20%)**: This category assesses how well the transportation system connects people to destinations, services, and travel options. The included metrics measure access to opportunities, active transportation usage, system connectivity, non-single-occupancy vehicle mode share, and transit ridership to determine whether a project expands mobility choices and improves access for a broad range of users.

- **Transportation Safety (12.5%)**: This category focuses on reducing the risk and consequences of transportation-related incidents for all users. Metrics related to fatal and severe-injury collisions, conflict point reduction, and emergency system redundancy evaluate how projects enhance safety, improve network resilience, and provide reliable transportation access during emergencies.

- **Sustainability and Quality of Life (12.5%)**: This category explores the extent to which projects support environmental goals, equitable outcomes, and livable communities. Metrics such as access to destinations that enhance everyday life, investment in Equity Focus Communities, potential for transit-oriented development, greenhouse gas emissions, and vehicle miles traveled assess how projects contribute to healthier, more sustainable, and more inclusive communities.

- **Economy (15%)**: This category evaluates a project's contribution to regional economic vitality and prosperity. Through metrics that measure impacts on gross regional product and job creation, as well as access to employment and shopping centers, this category assesses how projects support workforce access and economic growth.

Table 4. Proposed Assessment Evaluation Framework

Evaluation Category	Performance Metric
Mobility (40%)	Average vehicle occupancy
	Improved travel time reliability
	Increased person throughput
	Travel time improvement
	Vehicle Hours of Delay
Accessibility (20%)	Access to Opportunity: All destinations
	Active transportation trips
	Increase system-wide connectivity
	Non-SOV Mode Share
	Transit ridership
Transportation Safety (12.5%)	Fatal and Severe Injury Collisions
	Reduced conflict points
	System redundancy for emergency
Sustainability and Quality of Life (12.5%)	Access to Opportunity: Quality of Life (parks, cultural centers, healthcare, schools, senior centers)
	Greenhouse Gas Emissions
	Investment in Equity Focus Communities
	Transit oriented development potential
	Vehicle Miles Traveled
Economy (15%)	Access to Opportunity: Jobs & Retail
	Gross regional product
	Jobs/job years created

Results from the project evaluations, coupled with data gathered in the Assessment and forthcoming stakeholder engagement, will inform staff recommendations, including consideration of any proposed amendments to the Measure M Ordinance and Expenditure Plan.

DETERMINATION OF SAFETY IMPACT

There is no safety impact associated with the information contained in this report. This action would establish the evaluation framework, metrics, and weighting to guide the Measure M 10-Year Comprehensive Assessment.

FINANCIAL IMPACT

Approval of the Measure M 10-Year Comprehensive Assessment evaluation framework, metrics, and weighting does not directly impact the agency's finances.

EQUITY PLATFORM

The proposed evaluation framework, metrics, and weighting for the Measure M 10-Year Comprehensive Assessment will guide a broad analysis of Measure M's impacts through Metro's Equity Platform framework. Metro serves riders throughout the Los Angeles region. The Assessment will consider the impacts of Metro's investments on the people of Los Angeles County by analyzing demographic disparities in ridership, mobility choices, and investments. Work on the Assessment also includes the development of an Access to Opportunity tool that will be used to deepen understanding of how Measure M investments have shaped access to opportunity in Los Angeles County.

Findings from the Assessment will be shared widely with stakeholders across the region to validate and contextualize the quantitative analyses. Through this engagement process, stakeholders will have the opportunity to provide perspectives on how the findings reflect or differ from their experiences with the Metro system. This input will help ground the data in the lived experiences of our riders and strengthen the overall assessment.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through comprehensive planning activities that will benefit and further encourage transit ridership, ridesharing, and active transportation. This aligns with Metro's Board-adopted VMT reduction targets, which build on the success of existing investments.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Assessment supports Strategic Plan Goal #5, which seeks to "Provide responsive, accountable, and trustworthy governance within Metro." The Assessment will provide transparency and accountability in the delivery of the Measure M program and seek to ensure its effective delivery over the next decade.

ALTERNATIVES CONSIDERED

The Board may choose not to proceed with the recommended evaluation framework, metrics, and weighting; however, the proposed evaluation framework maintains continuity with the frameworks used to develop Measure M and is consistent with more recent Board actions to establish a consistent evaluation process.

NEXT STEPS

Upon approval of the evaluation framework, metrics, and weighting, staff will begin the technical work to evaluate the Measure M major capital projects and programs completed or anticipated to be completed in the next ten years.

In spring 2027, staff will present a status update of the Assessment to the Board, including a discussion on implications of potential amendments. Based on the feedback received, staff will revise and release the completed Assessment and potential proposed amendments for public review. The Assessment and proposed amendments will subsequently be presented to the Measure M Independent Taxpayer Oversight Committee (MMITOC) for comment on the Assessment and to make requisite findings on amendments in summer 2027. The final Assessment and recommended amendments will be presented to the Board for consideration in fall 2027. At that time, if the Assessment is approved by a two-thirds vote, the Board may then consider amendments to the Measure M Ordinance and Expenditure Plan within the parameters established by the Ordinance.

ATTACHMENT

Attachment A - Project/Program Evaluation Metrics

Prepared by: Paul Backstrom, Senior Director, Countywide Planning and Development, (213) 922-2183
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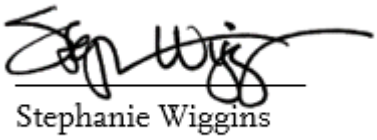

Stephanie Wiggins
Chief Executive Officer

ATTACHMENT A

Project Evaluation Framework		
Category	**Weighting**	**Performance Metric**
Mobility	40%	Average vehicle occupancy
		Improved travel time reliability
		Increased person throughput
		Travel time improvement
		Vehicle Hours of Delay
Accessibility	15%	Access to Opportunity: All destinations
		Active transportation trips
		Increase system-wide connectivity
		Non-SOV Mode Share
		Transit ridership
Transportation Safety	12.5%	Fatal and Severe Injury Collisions
		Reduced conflict points
		System redundancy for emergency
Sustainability and Quality of Life	12.5%	Access to Opportunity: Quality of Life (parks, cultural centers, healthcare, schools, senior centers)
		Greenhouse Gas Emissions
		Investment in Equity Focus Communities
		Transit oriented development potential
		Vehicle Miles Traveled
Economy	15%	Access to Opportunity: Jobs & Retail
		Gross regional product
		Jobs/job years created

Measure M 10-Year Comprehensive Assessment Project Evaluation Framework, Metrics and Weighting

Planning & Programming Committee
Executive Management Committee

File# 2026-0633
October 2026

Metro

Requested Action

RECOMMENDATION

RECEIVE AND FILE the draft project evaluation framework, inclusive of metrics, and weighting, for the Measure M 10-Year Comprehensive Assessment (Attachment A).

Measure M 10-Year Comprehensive Assessment Framework

GOALS

Measure M

NOVEMBER 2016

OBJECTIVES AND CRITERIA

Comprehensive Assessment

JULY 2026

METRICS & WEIGHTING

MM 5-Year

> State of the System and Quality of Life

> Program Delivery

MM 10-Year

> Capital Project Performance and Delivery Assessment

WE ARE HERE

FY23 | FY27 | FY32 | FY37

Project Evaluation Categories and Weighting

Measure M Evaluation Goals (2015)	Weight	CBA* Goals (2025)	Weight	MM Comp Assessment (Draft)	Weight
Mobility	45.0%	Mobility & Accessibility	40%	**Mobility**	**40%**
Accessibility	17.5%			**Accessibility**	**20%**
Safety	12.5%	Safety/Health	15%	**Transportation Safety**	**12.5%**
Sustainability & Quality of Life	12.5%	Environmental Sustainability	15%	**Sustainability & Quality of Life**	**12.5%**
		Operational Sustainability	15%		
Economy	12.5%	Economic Impact	15%	**Economy**	**15%**
TOTAL	100.0%	TOTAL	100.0%	**TOTAL**	**100.0%**

**CBA: Cost-Benefit Analysis*

Draft Project Evaluation Metrics

Consistent with past and current Metro frameworks

Mobility

- Average Vehicle Occupancy
- Travel Time Reliability
- Person Throughput
- Vehicle Hours of Delay
- Travel Time

Transportation Safety

- Fatal & Severe Injury Crashes
- Conflict Points
- System Redundancy

Economy

- A2O Jobs & Retail
- Gross Regional Product
- Jobs/Job Years

Accessibility

- A2O[1] All Destinations
- Active Transportation Trips
- Systemwide Connectivity
- Mode Share
- Transit Ridership

Sustainability & Quality of Life

- A2O Quality of Life
- GHG[2] Emissions
- Investment in EFCs[3]
- TOD[4] Potential
- Vehicle Miles Traveled

1. Access to Opportunity; 2. Greenhouse Gas Emissions; 3. Equity Focus Communities; 4. Transit-Oriented Development.

Draft Complete Evaluation Framework

WEIGHTING	METRICS
40% Mobility	Average Vehicle Occupancy; Travel Time Reliability; Person Throughput; Vehicle Hours of Delay; Travel Time
20% Accessibility	A2O[1] All Destinations; Active Transportation Trips; Mode Share; Systemwide Connectivity; Transit Ridership
12.5% Transportation Safety	Fatal & Severe Injury Crashes; Conflict Points; System Redundancy
12.5% Sustainability & Quality of Life	A2O Quality of Life; GHG[2] Emissions; Investment in EFCs[3]; TOD[4] Potential; Vehicle Miles Traveled
15% Economy	A2O Jobs & Retail; Gross Regional Product; Jobs/Job Years

1. Access to Opportunity; 2. Greenhouse Gas Emissions; 3. Equity Focus Communities; 4. Transit-Oriented Development.

Milestone Schedule and Next Steps

SPRING 2026

BOARD
- Assessment framework

SPRING 2026

MMITOC
- Assessment framework, objectives and criteria

SUMMER 2026

BOARD
- Assessment objectives and criteria

FALL 2026

BOARD
- Project evaluation framework, metrics and weighting
- Final approval December 2026

WE ARE HERE

SPRING 2027

MMITOC & BOARD
- Present draft Assessment and proposed amendments

SUMMER 2027

MMITOC
- Review and comment on Assessment
- Make findings on amendments

FALL 2027

BOARD ACTION
- Consider Assessment for Adoption (2/3rds vote)
- Consider Proposed Amendments for Adoption (2/3rds vote)

STAKEHOLDER ENGAGEMENT

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

Metro

Board Report

File #: 2026-0235, **File Type:** Plan **Agenda Number:** 25.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2026

SUBJECT: ANNUAL STATUS REPORT OF 48 BY ’28 PLAN

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

CONSIDER:

A. RECEIVE AND FILE the annual status report on implementation of the 48 by ’28 Plan, update on Motion 26.1- Protecting Our Small Businesses, and an update on the 2023 Disparity Study recommendations; and

B. APPROVE an increase of the maximum contract threshold for the Small Business Prime (Set-Aside) Program for eligible non-federally funded procurements from $4.99 million to $10 million, and a corresponding adjustment to the lower contract threshold of the Medium-Sized Business Enterprise (MSZ-I) Program from $5 million to $10.01 million.

ISSUE

This report provides the annual status update on implementation of the Board-adopted 48 by ’28 Plan, including progress on completed and ongoing initiatives designed to increase participation by small and disadvantaged businesses in Metro contracting and procurement opportunities. The report also includes updates on actions undertaken in response to Motion 26.1 by Directors Bass, Dupont-Walker, Solis, Padilla, Dutra and Mitchell (Attachment A), and an update on the 2023 Disparity Study recommendations.

Additionally, this report includes a recommendation to increase the Small Business Prime (Set-Aside) Program maximum contract threshold for eligible non-federally funded procurements from $4.99 million to $10 million. The proposed threshold is informed by staff's review of recent Metro procurement activity and the capacity of Metro-certified small businesses, which identified significant contracting activity between $5 million and $10 million demonstrating that certified SBEs are successfully competing for and performing contracts within this range. The proposed increase would expand prime contracting opportunities for certified Small Business Enterprises (SBEs) and Medium Sized Business in support of Metro’s aspirational goal of achieving 48 percent small business participation by 2028.

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BACKGROUND

Metro's Small, Disadvantaged and Disabled Veteran Business Enterprise programs and initiatives are a catalyst for economic opportunity and expand access to contracting opportunities for small and disadvantaged businesses throughout the region. Increasing the percentage of transportation dollars that remain within the region and benefit economically, and socially disadvantaged communities continues to be a priority and aligns with Metro's Board-approved Equity Platform. A series of Board approved motions have continued to reinforce this commitment.

In December 2021, the Board approved Motion 43, authored by Directors Solis, Hahn, Dupont-Walker, Sandoval, and Butts (Attachment B), establishing an aspirational policy objective for Metro to reach 48% participation by small and disadvantaged businesses on contracts and procurements by 2028. Staff returned in May 2022 with the 48 by '28 Plan, that the Board adopted. This plan outlined 8 initiatives to advance which could accelerate the trajectory of small and disadvantaged business participation in line with the objective.

Since adoption of the Plan, the Board has received and approved several initiatives intended to strengthen Metro's small business programs and procurement practices, including the Office of the Inspector General's Survey of Small Business Enterprise Certification Programs and Exploring Opportunity for Reciprocity, Motion 24 by Directors Hahn, Dupont-Walker, Solis, Butts, and Sandoval (Attachment C), and the 2023 Disparity Study, which identified recommendations to further reduce barriers and expand contracting opportunities for small and disadvantaged businesses.

In October 2025, the Board approved Motion 26.1 directing staff to support businesses impacted by federal changes to the Disadvantaged Business Enterprise (DBE) Program and identify opportunities to strengthen Metro's race- and gender-neutral small business programs.

This report provides the annual status update on implementation of the 48 by '28 Plan and includes updates on Motion 26.1 initiatives and the 2023 Disparity Study recommendations.

DISCUSSION

Status update for the initiatives within the 48 by '28 Plan:

Metro continues implementation of the Board-adopted 48 by '28 Plan, which established eight initiatives to increase participation by small and disadvantaged businesses, supporting the aspirational goal of achieving 48 percent small-business participation by 2028.

Since adoption of the Plan in May 2022, six of the eight initiatives have been completed, while the remaining initiatives continue as ongoing annual reporting and engagement efforts focused on Local Return participation, federal advocacy, and regional attainment monitoring. A summary of the completed and ongoing initiatives is provided in Attachment D.

Metro Attainment

During FY25 from July 1, 2024, through June 30, 2025, Metro awarded approximately $785.3 million

in contracts, of which approximately $229.2 million, or 29.18 percent, was awarded to small businesses certified under Metro's Small Business Enterprise (SBE) Program (including SBE, LSBE, LMCSBE), and certified DVBE firms. By comparison, during FY24, Metro awarded approximately $991.2 million in contracts, of which approximately $278.2 million, or 28.07 percent, was awarded to certified small businesses, representing a 1.11 percentage-point increase in small business participation in FY25.

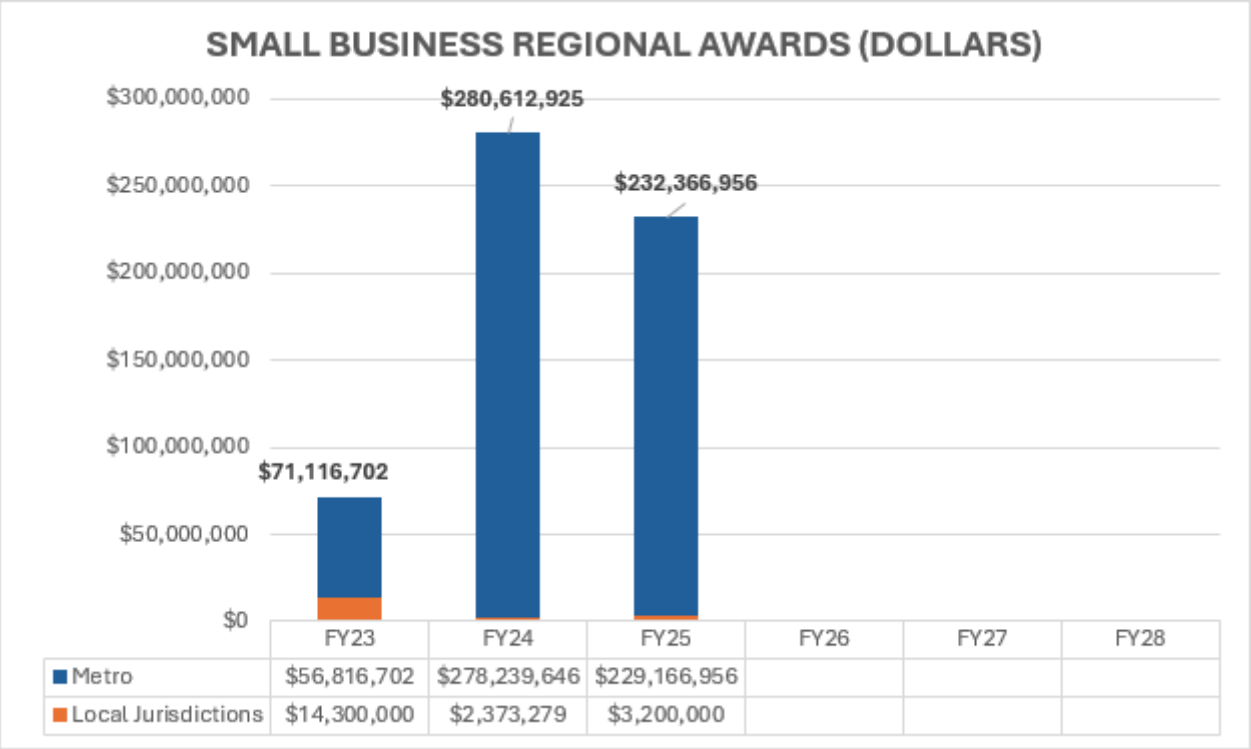
Local Return Jurisdiction Attainment

As part of the ongoing Local Return initiative, Metro continues engaging local jurisdictions and transit operators to encourage inclusion of SBEs in contracting opportunities funded through Local Return and other locally administered transportation investments. During this reporting period, Metro issued its fifth Local Return Survey to better understand jurisdictional practices and challenges associated with SBE participation.

Survey results found that while 88 percent of responding jurisdictions received Local Return funds during FY25, 11 percent reported awarding contracts to SBEs, and more than 82 percent indicated they do not currently track Local Return expenditures awarded to SBEs. Responding jurisdictions reported receiving approximately $133.9 million in Local Return funding in FY25, of which approximately $3.2 million (2.39 percent) was awarded to SBE firms. By comparison, during FY24, local jurisdictions reported awarding $2.3 million (1.98 percent) to SBE firms, representing a 0.41 percentage-point increase in small business participation in FY25.

For illustrative purposes, applying Metro's FY25 SBE participation rate of 29.18 percent to the $133.9 million in Local Return funds reported by responding jurisdictions would equate to approximately $39.1 million in SBE participation. This comparison illustrates the potential opportunity to expand small business participation through increased tracking, outreach, education, and regional collaboration.

Metro and local jurisdiction small business award activity in dollars is summarized in the table below.

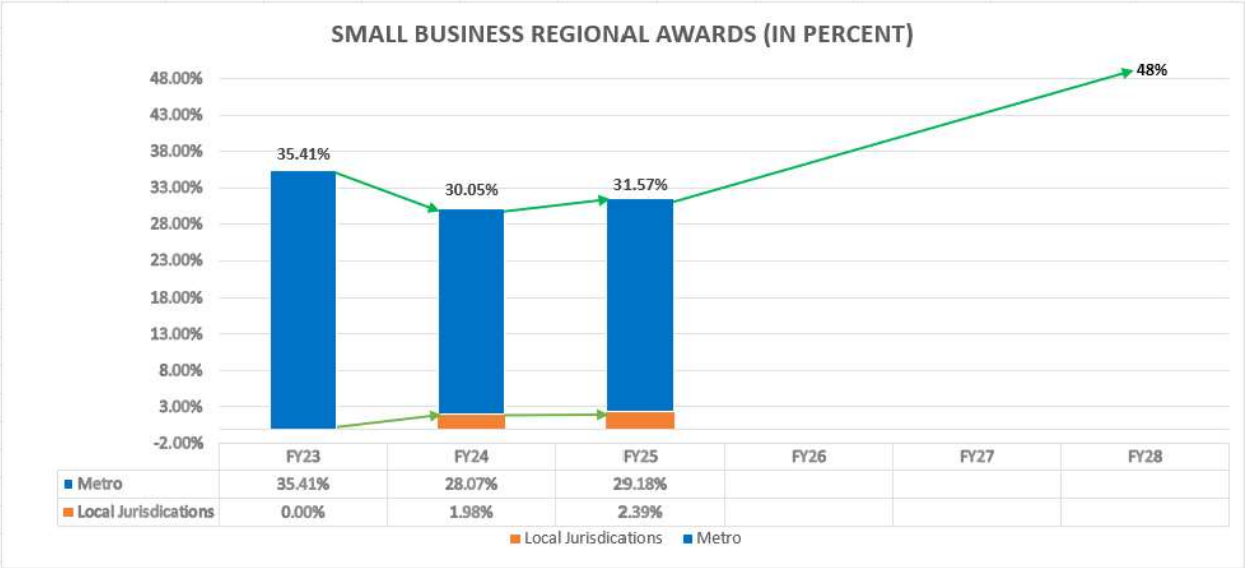


Regional Attainment

Metro continues to monitor regional attainment levels associated with small business participation. FY26 attainment data is still being collected. Therefore, FY25 remains the most recent reporting period for which complete Metro and local jurisdiction data are available to calculate regional attainment.

Based on the most recent complete regional data, SBE participation increased from 30.05 percent in FY24 to 31.57 percent in FY25, as shown in the table below, demonstrating continued progress toward the Board's aspirational goal of achieving 48 percent small business participation by 2028. The increase reflects the collective efforts of Metro, local jurisdictions, transit operators, and industry partners to expand contracting opportunities for small businesses throughout the region.

FY26 regional attainment will be incorporated into the next annual 48 by '28 status report. Metro will continue partnering with these stakeholders to advance the 48 by ’28 initiatives, expand contracting opportunities, and reduce barriers to participation throughout Los Angeles County.



Motion 26.1 - Protecting Our Small Businesses Updates

On October 23, 2025, the Board approved Motion 26.1 directing staff to take actions to support small businesses impacted by changes to the federal Disadvantaged Business Enterprise (DBE) Program resulting from the U.S. Department of Transportation's Interim Final Rule (IFR), while also identifying opportunities to strengthen Metro's race- and gender-neutral small business programs.

In April 2026, staff provided the Board with an update on the impact of the IFR, Metro's response strategy, and actions underway to support affected businesses. This section provides a status update on activities completed since that report back and ongoing efforts to implement Motion 26.1.

A. Reaffirmation of Metro's Commitment to DBEs and Small Business Inclusion

Metro continues to support small businesses during implementation of the IFR through timely communication, educational resources, outreach, and regular updates to industry stakeholders and the Transportation Business Advisory Council (TBAC). Metro's IFR advisories and updates are also posted on the Vendor Portal at <https://business.metro.net>. In addition, DEOD collaborated with Vendor/Contract Management to update federally funded solicitation and contract templates to incorporate IFR-compliant language and requirements.

Metro also continues to reinforce contractual obligations to prime contractors, including but not limited to, prompt payment, release of retainage, and compliance with applicable legal requirements such as the California Subletting and Subcontracting Fair Practices Act. Metro requires its prime contractors to pay their subcontractors for satisfactory performance of their contracts no later than 7 days from receipt of each payment. In FY26, prime contractor payments showed an improvement in payment timeliness. Although the total number of reported subcontractor payments decreased by 4.15%, payments made over the 7-day period decreased by 10.27%, resulting in the percentage of late payments declining from 16.89% to 16.01%-an improvement of 0.88 percentage points.

Lastly, Metro has continued to promote its Small Business Enterprise (SBE), Disabled Veteran Business Enterprise (DVBE), Local Small Business Enterprise (LSBE), and Medium-Size Business Enterprise (MSZ) Programs. These race- and gender-neutral programs remain in effect and unchanged, providing continued pathways for small businesses to participate in Metro contracting opportunities during implementation of the federal DBE requirements.

B. DBE Re/Certification Support Strategy

Metro continues collaborating with the California Unified Certification Program (CUCP) to implement the IFR requirements and establish a consistent statewide approach to the DBE re-evaluation process. Metro and other CUCP agencies developed procedures to guide application of the revised federal standards and coordinate statewide implementation.

DBE Reevaluation Process

On March 2, 2026, the statewide reevaluation process began, and Metro and other CUCP certifying agencies issued formal guidance to firms in the CUCP DBE database outlining the reevaluation requirements and documentation necessary to demonstrate Social and Economic Disadvantage (SED) under the new federal standards. CUCP member agencies collectively voted to provide firms certified as DBEs prior to October 3, 2025, with a 45-day submission window, through April 16, 2026, to submit a reevaluation application. Applications were to include a Personal Narrative (PN), an updated Personal Net Worth (PNW) form, and supporting documentation demonstrating social and economic disadvantage. The CUCP further determined that all firms meeting the April 16 submission date would be reviewed and processed first to establish a DBE directory.

Prior to April 16, Metro received 607 reevaluation applications, of which 550 were submitted by firms among Metro's 1,729 previously certified DBEs, representing approximately 32 percent of that population. The remaining applications included firms requiring review or certification through another CUCP jurisdiction, firms requiring a new DBE application, and duplicate submissions. As of July 7, 2026, all 607 applications have been reviewed: 267 were approved, 168 were denied, 57 were deemed ineligible, and 115 were returned for curative measures. As permitted under CFR 49 Part 26, curative measures provide firms an opportunity to address eligibility concerns identified during the certification review. Metro continues processing the 115 pending applications as responses are received.

On July 20, 2026, the CUCP officially notified the U.S. Department of Transportation (USDOT) of the statewide completion of phase one of the reevaluation process and restored the online CUCP DBE directory. The USDOT acknowledged the notice on July 21, 2026. Following the USDOT’s acknowledgement, the CUCP began accepting and processing new and interstate applications beginning on July 21, 2026.

Reevaluation Applications Submitted After April 16

Metro continued accepting reevaluation applications submitted after the April 16 deadline. As of August 13, 2026, Metro has received an additional 356 applications, bringing total reevaluation applications to 969, or 56% of Metro’s 1,729 previously certified DBE firms. The additional

applications are currently under review, and Metro will continue processing new, interstate, and reevaluation applications as quickly as practicable.

As firms navigate the revised DBE requirements, and in line with Motion 26.1, Metro has developed and implemented a support strategy which is inclusive of the following:

1. Providing technical assistance, training, and support:

   Metro hosted 12 DBE Information Sessions from March through August 2026 with in-person, virtual, and hybrid formats, attracting more than 400 registered attendees. Sessions provided guidance on the IFR, Personal Narrative and Personal Net Worth requirements, the reevaluation and new certification processes, and use of the B2G system. Metro also used annual update calls to provide individualized assistance and participated in 12 additional outreach events, including workshops with regional Chambers of Commerce. Collectively, Metro has provided technical assistance and individualized support to more than 1,500 firms.

   Metro also coordinated with regional and state certifying partners, including Caltrans, the City of Los Angeles, and Los Angeles World Airports (LAWA), to expand access to reevaluation information and resources. Metro and Caltrans jointly hosted a DBE information session, while the City of Los Angeles and LAWA promoted Metro's sessions to their respective business communities. A list of events hosted and attended by Metro is included as Attachment E.

   On June 25, 2026, Metro issued a Request for Interest and Qualifications (RFIQ), to establish a panel of qualified consultant service providers that firms may engage directly for technical assistance in navigating the new IFR requirements. The pre-qualified service provider panel is anticipated to launch Fall 2026.

   Effective April 1, 2026, the U.S. Department of Transportation increased the federal business size standard from $31.84 million to $32.82 million. Metro incorporated this change into both the DBE and Metro's SBE Programs, allowing eligible firms additional capacity for growth while maintaining certification eligibility.

2. Coordination with Peer Agencies:

   Metro continues collaborating with regional, state, and national transportation agencies to support consistent implementation of the IFR and the DBE reevaluation process. Since April 2026, Metro has engaged with the City of Los Angeles, LAWA, and Unified Certification Programs in Illinois, Michigan, Oregon, Ohio, Georgia, and Texas to exchange lessons learned, implementation strategies, and federal compliance information. Metro also remains active in national and regional workgroups, including WASHTO and Infrastructure LA, to coordinate implementation efforts and support consistent application of evolving federal requirements.

3. Outreach & Capacity Building:

   Metro continued delivering outreach, education, and capacity-building programs designed to

strengthen small business competitiveness and readiness for Metro contracting opportunities. Activities included Meet the Primes, Lunch & Learn sessions with prime contractors, workshops focused on contract administration, ethics, and audit compliance, and ongoing How to Do Business with Metro workshops.

In March 2026, Metro hosted one of its largest Meet the Primes events to date, bringing together 25 prime contractors and more than 250 participants to facilitate networking and potential business partnerships. Through Metro's Contractor Development and Bonding Assistance Program,15 firms also graduated from a five-week Bidding and Estimating training program designed to strengthen business operations, proposal development, and bonding readiness.

Metro also launched *How to Do Business with Metro - On the Road*, an outreach initiative designed to increase access to Metro contracting information and resources throughout the region. Staff will continue conducting outreach, training, and regional engagement activities that support small business development and increase awareness of Metro contracting opportunities.

Equity in Infrastructure Project (EIP)

Metro continues to participate in the Equity in Infrastructure Project (EIP), a national collaborative of transportation agencies, industry organizations, business advocates, and other stakeholders focused on advancing policies and practices that expand contracting opportunities for small and historically underutilized businesses. Through EIP, Metro collaborates with peer agencies nationwide to exchange best practices, share lessons learned, and identify strategies that support small business growth and capacity development.

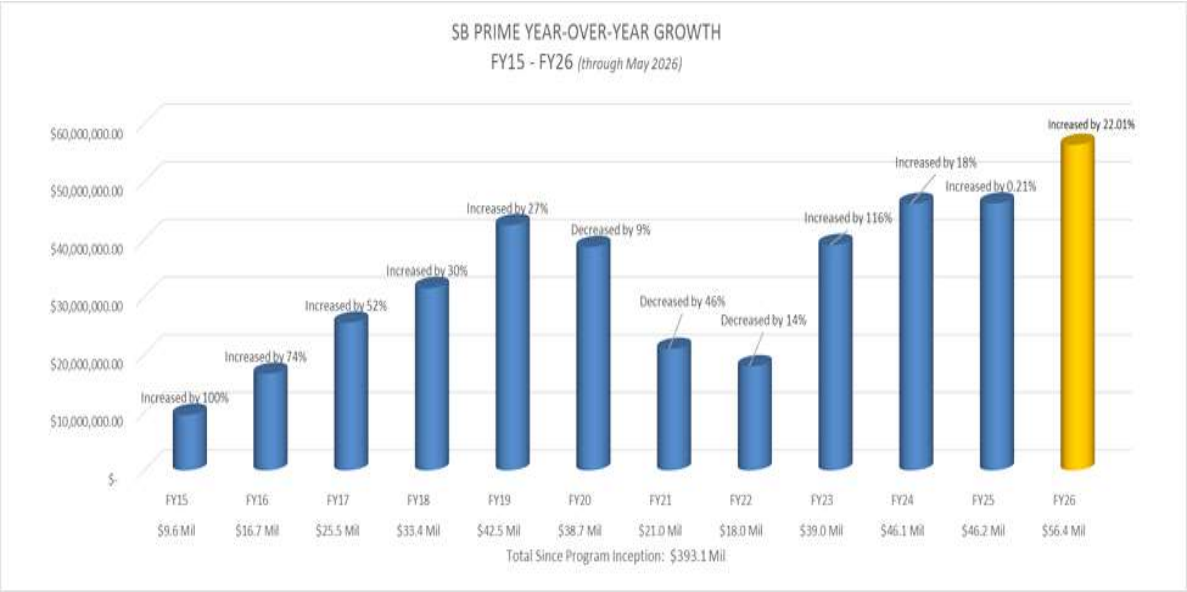
As a result of Metro's leadership and implementation of initiatives such as the Small Business Prime (Set-Aside) Program and Contractor Development and Bonding Assistance Program, Metro was invited to present at the EIP convening in San Francisco on June 4, 2026. During the meeting, Metro staff shared successful strategies and lessons learned that have contributed to increased small business participation and are being recognized as best practices that may be replicated by other agencies nationwide.

C. Expansion Opportunities for Race- and Sex-Neutral Programs (SBE, LSBE, DVBE, MSZ)

Consistent with Motion 26.1, Metro continues evaluating opportunities to strengthen race- and gender-neutral contracting programs and expanding access to contracting opportunities for small businesses. These efforts include enhancements to the Small Business Prime (Set-Aside) Program, continued promotion of Metro's SBE, LSBE, DVBE, and MSZ programs, and pursuit of federal approval to utilize SBE contract goals on federally funded procurements as a race- and gender-neutral strategy to maintain contracting opportunities for small businesses impacted by the Interim Final Rule (IFR). Additional information regarding the federal approval request is provided in Section D.

Since its inception, Metro's Small Business Prime (Set-Aside) Program has become a nationally

recognized best practice for expanding prime contracting opportunities for certified SBEs. Program awards increased from approximately $9.6 million in FY15 to $42.5 million in FY19 before experiencing temporary declines associated with the COVID-19 pandemic. Since FY23, the program has rebounded significantly, reaching more than $56 million in awards through May 2026. Overall, the Small Business Prime (Set-Aside) Program has generated approximately $393.1 million in contracting opportunities for certified small businesses, representing approximately 7.56% of Metro's contracting activity since program inception.



Recommendation

Based on the demonstrated success in the Small Business Prime (Set-Aside) Program, stakeholder feedback, Metro's assessment of industry capacity, and its ongoing commitment to advancing the goals of the 48 by '28 Plan and Motion 26.1, staff recommend increasing the maximum contract threshold for eligible non-federally funded procurements from $4.99 million to $10 million.

To assess the potential impact of this enhancement, staff evaluated Metro's procurement activity and certified small business marketplace. Over the past three years, Metro issued 33 procurements valued between $5 million and $10 million, representing approximately $265.2 million in contracting opportunities, of which 30 were professional services or operations-related procurements that would be immediately eligible for consideration under the proposed threshold increase. Of those 30 procurements, 11 (37 percent) were awarded to certified Small Business Enterprise (SBE) prime contractors, demonstrating that qualified SBEs have successfully competed for and performed on contracts within this range. These firms represent 15 North American Industry Classification System (NAICS) codes for which Metro currently has more than 1,100 certified small businesses, indicating a robust marketplace capable of competing for larger and more complex contracting opportunities.

Increasing the threshold will expand the number of procurements eligible for exclusive SBE

competition, create additional pathways for qualified firms to compete as prime contractors, and support continued business growth and capacity development within Metro's certified small business community. Current and proposed contract thresholds for negotiated procurements are summarized in the table below:

Small Business Prime (Set-Aside) Program - Negotiated Procurements

Procurement Type	Contract Threshold Non-Federally Funded Acquisitions (RFP/RFQ)	
	Current Formal SB Prime (Set-Aside)	New Recommended Formal SB Prime (Set-Aside)
Negotiated awards for supplies, equipment, materials and services, including all professional services, excluding Architecture and Engineering (A&E) Services	$100,000.01 - $4,999,999	$100,000.01 - $10,000,000

Competitive Low Bid

For non-federally funded competitive low bid procurements, Metro also recommends increasing the Small Business Prime (Set-Aside) Program maximum threshold from $4.99 million to $10 million for sealed bid and public works contracts. Any increase will require a legislative change to the Public Utilities Code Section 130232(f)(5)(vi). As such, the current threshold will remain in place as staff works with Government Relations to pursue the necessary legislative changes, as applicable, in the 2027 Legislative calendar. If the required legislative changes are enacted, staff would align the competitive low bid threshold with the proposed $10 million threshold recommended for negotiated procurements.

Medium Sized Business Enterprise Program

Metro's Medium-Sized Business Enterprise (MSZ) Program is designed to provide contracting opportunities for firms that have outgrown eligibility for certification (e.g., SBE) but are not yet positioned to compete for Metro's largest procurements. To maintain a seamless progression between the Small Business Prime (Set-Aside) and MSZ Programs, upon board approval, the lower contract threshold for the MSZ-I Program would be adjusted from $5 million to $10.01 million for eligible non-federally funded procurements to maintain alignment between the two programs. No changes are proposed to the MSZ-II Program threshold.

The proposed MSZ-I threshold change for non-federally funded competitive low bid procurements will also require a legislative change in accordance with Public Utilities Code Section 130232(f)(5)(vi). As such, the current threshold MSZ-I for competitively low bid procurements will remain in place as staff works with Government Relations to pursue the necessary legislative changes, as applicable, in the 2027 Legislative calendar. If the required legislative changes are enacted, staff will align the competitive low bid threshold with the proposed threshold change.

D. Advocacy Efforts

Metro continues coordinating with the Federal Transit Administration (FTA), the California Unified Certification Program (CUCP), regional partners, and federal stakeholders regarding implementation of the Interim Final Rule (IFR) and other evolving federal requirements. Through these efforts, Metro seeks to preserve and expand contracting opportunities for small businesses, strengthen its small business programs, and promote equitable access to economic opportunities throughout Los Angeles County.

Use of SBE Goals on Federal Transit Administration (FTA) - Funded Procurements

As reported in the Motion 26.1 April 2026 report back, Metro requested FTA approval for the use of Small Business Enterprise (SBE) contract goals on federally funded procurements as a race- and gender-neutral approach to maintaining contracting opportunities for small businesses impacted by the IFR. On May 12, 2026, FTA responded that Metro's request was not approved as said changes must be submitted to FTA as part of its DBE program. The DBE Program plan must be submitted to DOT for approval as soon as practicable after the CUCP completes the reevaluation process.

As Metro amends its DBE Program plan to ensure compliance with the IFR and related federal requirements, staff intend to incorporate revised language that would allow SBE goals to be applied to eligible federally funded procurements in the future. Metro will also review its current Federal Fiscal Year 2025 - 2027 (FFY25-27) triennial overall DBE goal following completion of the DBE reevaluation process, as required by the IFR. Updates to Metro's DBE Program and FFY25-27 overall DBE goal must be completed to comply with the IFR before Metro can submit its request to FTA for reinstatement of the DBE Program.

2023 Disparity Study Recommendations

In March 2024, the Board received the results of Metro's 2023 Disparity Study, which identified seven recommendations intended to strengthen equity in Metro's contracting and procurement practices and expand participation opportunities for small and disadvantaged businesses.

Since receiving the study, Metro has completed six of the seven recommendations, including most recently the implementation of the Local Micro Small Business Enterprise (LMCSBE) Program on December 15, 2025. A detailed summary of the completed and ongoing recommendations is provided in Attachment F.

Metro continues to advance the one remaining recommendation related to the Small Business Technical Assistance Program (SBTAP). Staff are refining the delivery model and plans to release a new solicitation that would establish a pre-qualified consultant panel that small businesses may engage with for technical assistance. Under this model, participating small businesses would contract directly with the selected consultants for services, resulting in no direct cost to Metro. This approach is intended to leverage private-sector expertise while expanding access to technical assistance resources in disciplines such as professional services, architectural and engineering (A&E), construction and project management services, and alternative project delivery.

DETERMINATION OF SAFETY IMPACT

There is no safety impact related to this action.

FINANCIAL IMPACT

There is no impact on the budget for the staff recommendation.

EQUITY PLATFORM

Metro's 48 by ’28 Plan advances the agency's Board-approved Equity Platform by increasing opportunities for small, disadvantaged, minority-owned, women-owned, veteran-owned, and other historically underutilized businesses to participate in Metro contracting and procurement activities. By reducing barriers to participation and expanding access to larger prime contracting opportunities through the proposed increase to the Small Business Prime (Set-Aside) Program threshold, and the adjustment to the lower contract threshold for the Medium-Size Business Enterprise Program. Metro helps create pathways for small businesses to build capacity, compete for more complex work, and share in the economic benefits generated by transportation investments.

In FY25, Metro awarded approximately $229.2 million, or 29.18 percent of all contract awards, to firms participating in Metro’s small business programs. During this period, 285 Small Business Enterprises (SBEs) received Metro contracts. Metro currently maintains a certification database of 2,176 SBEs. These results demonstrate continued progress toward Metro's aspirational goal of achieving 48 percent small business participation by 2028.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro’s significant investment in rail and bus transit.* Metro’s Board-adopted VMT reduction targets align with California’s statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it supports small, disadvantaged, minority-owned, and women-owned businesses by providing them with access to contracting opportunities and helping them grow their capacity to participate in Metro's large-scale infrastructure projects and day-to-day operations. In addition, supporting local businesses supports job creation in LA County and may increase the percentage of our workforce that is able to commute using LA Metro’s transit system and reduce car dependence for these workers. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item generally supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

*Based on population estimates from the United States Census and VMT estimates from the highway performance monitoring system data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This report supports strategic plan Goal 5.5, “Expanding opportunities for businesses and external organizations to work with Metro.”

ALTERNATIVES CONSIDERED

The Board may elect not to approve the recommended increase to the Small Business Prime (Set-Aside) Program contract threshold and maintain the current $4.99 million limit. However, maintaining the existing threshold would continue to exclude a significant number of procurements from eligibility under the Set-Aside Program. Staff's review of recent procurement activity identified contracting opportunities between $5 million and $10 million that would be immediately eligible for consideration under the proposed threshold increase. The analysis also demonstrated that certified SBEs have successfully performed contracts within this range and that Metro maintains sufficient industry capacity to support the proposed increase.

NEXT STEPS

Staff will continue implementing the initiatives of the 48 by ’28 Plan, supporting implementation of actions identified in Motion 26.1, and advancing the ongoing recommendations of the 2023 Disparity Study.

Upon Board approval, staff will implement the new Small Business Prime (Set-Aside) Program and MSZ-I contract thresholds and continue evaluating opportunities to expand contracting access and increase participation by certified Small Business Enterprises (SBEs).

Staff will also continue to provide annual updates to the Board on Metro’s efforts to advance the aspirational goal of achieving 48 percent small business participation by 2028.

ATTACHMENTS

Attachment A - Motion 26.1
Attachment B - Motion 43
Attachment C - Motion 24
Attachment D - 48 by ’28 Plan Initiatives
Attachment E - List of Events Hosted and Attended by Metro
Attachment F - 2023 Disparity Study Recommendations

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Board Report

File #: 2025-0932, **File Type:** Motion / Motion Response **Agenda Number:** 26.1

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 16, 2025

Motion by:

DIRECTORS BASS, DUPONT-WALKER, SOLIS, PADILLA, DUTRA AND MITCHELL

Protecting Our Small Businesses Motion

On September 30, 2025, the U.S. Department of Transportation (USDOT) issued an Interim Final Rule (IFR) that immediately changes how Disadvantaged Business Enterprise (DBE) certifications are evaluated. Effective October 3, 2025, the IFR removes race- and sex-based presumptions of disadvantage and requires all certified firms to submit new personal narratives and financial statements to demonstrate social and economic disadvantage on a case-by-case basis. As a result, all existing DBE certifications are undergoing reevaluation, and recipients of federal transportation funding, including Metro, must pause their DBE programs until the re/certification reviews are complete. Metro has already taken steps to inform stakeholders, align internal processes, and coordinate with peer agencies such as Caltrans and BART.

While Metro must comply with this federal directive, the agency remains committed to the principles underlying the DBE program: expanding access, removing barriers, and ensuring that small and disadvantaged businesses continue to thrive. Metro's Small Business Enterprise (SBE) Program was designed to comply with California Proposition 209, which prohibits the use of race- and sex-based preferences in public contracting.

Disadvantaged Business Enterprises (DBEs) are essential partners in delivering Metro's projects and advancing the agency's commitment to equity and economic inclusion, as seen in the planning and construction of projects such as the K Line, Regional Connector, LAX MTC, and many others. In Fiscal Year 2025 alone, Metro paid out $137,784,030 in eligible contracting dollars to certified DBE firms, helping ensure that small and disadvantaged businesses share in the economic benefits of Metro's capital and operational investments. Statewide, 5,997 firms are certified through the California Unified Certification Program (CUCP), and Metro serves as the certifying agency for 1,747, or approximately 29%, of those firms, demonstrating Metro's leadership role in growing and sustaining the DBE community that powers innovation, creates local jobs, and strengthens the regional economy. Furthermore, Metro maintains a robust portfolio of race- and sex-neutral programs, including its Small Business Enterprise (SBE), Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprise (DVBE), and Medium-Size Business Enterprise (MSZ), along with other initiatives designed to strengthen the region's small business community.

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Metro's DBE participation goals have long been based on evidence from disparity studies that demonstrate the ongoing need for preference in the contracting process. The IFR's changes, while federal in scope, intersect with a state framework that already relies on race- and sex-neutral measures grounded in documented disparities.

Metro must remain steadfast in its commitment to creating all lawful opportunities for small and disadvantaged businesses that have historically faced barriers to participation in public contracting. These firms are critical partners in delivering safe, equitable, and community-centered transportation projects across Los Angeles County.

SUBJECT: PROTECTING OUR SMALL BUSINESSES MOTION

RECOMMENDATION

APPROVE Motion by Bass, Dupont-Walker, Solis, Padilla, Dutra, and Mitchell that the Board:

A. Formally reaffirm its commitment to sustaining and expanding opportunities for Disadvantaged Business Enterprises (DBEs), Small Business Enterprises (SBEs), and other historically underrepresented firms, and to ensure Metro continues to advance economic equity;

WE FURTHER MOVE that the Board direct the Chief Executive Officer to:

B. Develop and implement a DBE Re/certification Support Strategy that assists firms through the new federal re/certification process by:

1. Providing technical assistance, training, and support;

2. Coordinating with peer agencies to ensure timely communication and consistent application of new standards; and

3. Maintaining ongoing outreach and capacity-building events to prevent disruption in contracting opportunities.

C. Identify opportunities to expand Metro's Small Business Enterprise (SBE), Local Small Businesses Enterprise (LSBE), Disabled Veteran Business Enterprise (DVBE), Medium-Size Business Enterprise (MSZ), and other race- and sex-neutral programs to continue fostering inclusive participation;

D. Engage in advocacy work with APTA, Caltrans, and other relevant entities to promote a federal framework that preserves access and opportunity for businesses that demonstrate the ongoing effects of discrimination in the local marketplace.

E. Report back to the Board in 60 days on the status of implementation efforts, including key actions taken, challenges encountered, and recommendations for further Board action to support continued progress.

Metro

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Board Report

File #: 2021-0766, **File Type:** Motion / Motion Response **Agenda Number:** 43.

REGULAR BOARD MEETING
DECEMBER 2, 2021

Motion by:

DIRECTORS SOLIS, HAHN, DUPONT-WALKER, SANDOVAL, AND BUTTS

48 by '28: Increasing Small and Disadvantaged Business Participation

The U.S. Department of Transportation (USDOT) requires state and local transportation agencies to establish goals for participation of disadvantaged business enterprises (DBE) on contracts and procurements supported by the USDOT. This DBE participation goal is determined by the state or local agency based on a variety of factors including the availability of qualified DBE's. Metro re-evaluates its DBE participation goal every three years and the current goal covering Federal Fiscal Years 2022 through 2024 is 28 percent. Metro also has a Small Business Enterprise (SBE) program for projects without federal funds, which was first established in 1997 with an initial goal of 15 percent SBE utilization. Today, Metro's overall SBE participation goal is 30 percent, and a participation goal of 3 percent for Disadvantaged Veteran Business Enterprises (DVBE) is also set any time an SBE goal is established for a contract. During any contract solicitation preparation process, Metro staff considers whether or not to establish a DBE, SBE and DVBE participation goal based on various factors such as funding type and availability of subcontracting opportunities. When these participation goals are established, they become a mandatory condition of award and awardees are expected to meet or exceed their participation goals over the duration of the contract. We further understand that firms can meet DBE goals by submitting satisfactory evidence of having conducted Good Faith Efforts. These goals are partly intended to help address the disparities between the number of available small, minority- and women-owned businesses qualified to do certain kinds of work and the actual proportion of Metro contract/procurement dollars that are awarded to them.

Over 90 percent of businesses in Los Angeles County are small businesses with less than 20 employees, and Los Angeles County has more minority- and women-owned businesses than any other county in the nation. Those businesses are truly representative of the County, where over 70 percent of the population is a person of color. More than 15,000 small businesses have reported temporary and/or permanent closure as a result of the pandemic, and communities of color have borne the brunt of COVID-19's economic and public health impacts. In particular, Latinx individuals, who make up over 48 percent of the County, have seen severe impacts since the onset of the pandemic. In January 2021, daily death rates for Latinx communities in Los Angeles County exploded by 1,000 percent from 3.5 per 100,000 Latinx residents to 40 deaths per 100,000 Latinx residents. Small businesses, especially those in communities of color, have struggled to stay afloat and have been closing at higher levels due to drastically decreased revenues.

Metro is currently in the midst of delivering an ambitious program of capital projects called Twenty-Eight by ’28. This initiative mainly addresses planning, design and construction of projects and does not address where those contract dollars are going. With an $8 billion budget, Metro has the capacity to help accelerate recovery in Los Angeles County by directing as many contract and procurement dollars as possible towards small and disadvantaged businesses. To help accomplish this, Metro can establish a new policy objective to reach 48 percent participation by small and disadvantaged businesses on contracts and procurements.

SUBJECT: 48 BY ’28: INCREASING SMALL AND DISADVANTAGED BUSINESS PARTICIPATION

RECOMMENDATION

APPROVE Motion by Directors Solis, Hahn, Dupont-Walker, Sandoval, and Butts that the Board of Directors direct the Chief Executive Officer to establish an aspirational policy objective for Metro to reach 48% participation by small and disadvantaged businesses on contracts and procurements by 2028, and to report back in March 2022 with recommendations to achieve the goal.

Metro

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Board Report

File #: 2023-0462, **File Type:** Motion / Motion Response **Agenda Number:** 24.

REVISED
EXECUTIVE MANAGEMENT COMMITTEE
JULY 20, 2023

Motion by:

DIRECTORS HAHN, DUPONT-WALKER, SOLIS, BUTTS, AND SANDOVAL

48 by ’28 and Reciprocity Motion

More than 90% of businesses in Los Angeles County are small businesses, with fewer than 20 employees. In fact, LA County has approximately 250,000 small businesses that account for 43% of the local workforce.

With the passages of Measure R and Measure M, Metro is now undertaking a historic infrastructure capital program that provides numerous opportunities for businesses across the region to compete for projects that create thousands of jobs. Increasing the percentage of transportation dollars that remain in the region and within economically and socially disadvantaged communities is vital to LA County’s economic recovery and aligned with the Board-approved Equity Platform.

In December 2021, the Board adopted “48 by ’28: Increasing Small and Disadvantaged Business Participation” (2021-0766) by then-Board Chair Solis, Directors Hahn, Dupont-Walker, Sandoval, and Butts, to create Metro’s aspirational target to reach 48% participation by small and disadvantaged businesses on agency-wide contracts and procurements by 2028. That motion led to Metro’s “48 by ’28 Plan” (2022-0101), presented to and approved by the Board in May 2022. This plan laid out eight new initiatives that the agency intended to significantly increase the level of participation by small and disadvantaged businesses in Metro’s contracts.

Further, in September 2022, the Office of the Inspector General (OIG) provided a report (2022-0525) that offered findings regarding reciprocity for small business certifications across 10 California Unified Certification Program member agencies. That report raised concerns about the State Department of General Services (DGS) small business self-certification program, stating it “does not currently meet or exceed Metro’s SBE certification requirements or verification standards.” The report further provided a set of recommendations for next steps that Metro could undertake to advance reciprocity opportunities with other certifying agencies.

The eight initiatives laid out in the May 2022 “48 by ’28 Plan” include:

1. 15-Day Pay Initiative for SBEs as Primes,
2. Increasing SBE certification Personal Net Worth cap and potential certification

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reciprocity with the Los Angeles Unified School District,
3. Coordination with the LA Area Chamber of Commerce's OneLA Collaborative,
4. Advertising Metro events on the City of Los Angeles' Regional Alliance Marketplace for Procurement (RAMP) Portal,
5. Engaging local return and transit operators,
6. Enhancing capacity building and access to capital,
7. Federal program changes, and
8. Increasing regional attainments.

The five recommendations provided for next steps in the September 2022 OIG report include:
1. Review and evaluate the Bay Area Regional Transit (BART) SBE certification process and standards to determine if reciprocity can be developed with them,
2. Work with the City and County of Los Angeles to harmonize their SBE programs and develop SBE certification reciprocity,
3. Consider leading an LA County SBE Certification Summit to discuss program terms, requirements, minimum standards, and reciprocity,
4. Continue to be a lead agency by making Metro's SBE program known to other agencies throughout the State and encourage them to accept Metro's SBE certifications, and,
5. Continue to review and evaluate California DGS small business self-certification program and standards to determine whether Metro can recognize or accept some DGS certifications without compromising Metro's own SBE certification standards.

The "48 by '28 Plan" was approved in May 2022, and the OIG offered its report regarding reciprocity in September 2022. The Board is warranted an update by Metro staff concerning the actions recommended in each of these reports to strengthen Metro's small and disadvantaged business programs while protecting their integrity.

SUBJECT: 48 BY '28 AND RECIPROCITY MOTION

RECOMMENDATION

APPROVE Motion by Directors Hahn, Dupont-Walker, Solis, Butts, and Sandoval that the Board direct the Chief Executive Officer to provide progress updates on the following:

A. Implementing the initiatives laid out in the May 2022 "48 by '28 Plan" to increase small and disadvantaged business participation in Metro contracts;

B. The recommendations included in the September 2022 Office of the Inspector General survey of small business enterprise certification programs; and

C. Developing an annual, fiscal year-end report on the agency's progress toward reaching the 48% target by 2028.

WE FURTHER MOVE that the Board direct the Chief Executive Officer to report back on the above directives in October 2023.

48 by '28 Plan Initiative Status Update

Initiative	Status Update	Status
1. 15-Day Pay Initiative	The 15-Day Pay Initiative remains available to eligible SBE and DBE prime contractors and continues to support improved cash flow and reduced financing burdens for participating firms.	Complete
2. Enhance SBE Certification Program	Metro implemented enhancements to its SBE certification program, including increased Personal Net Worth thresholds and reciprocity efforts.	Complete
3. Coordinate Efforts with the Los Angeles Area Chamber of Commerce OneLA Collaborative	Metro continues to partner with the OneLA Collaborative and the Get in the Game LA Supplier Resource Hub to increase awareness of Metro contracting opportunities, certification resources, and business development programs.	Complete
4. Expand Outreach Through the City of Los Angeles RAMP Portal	Metro continues utilizing the Regional Alliance Marketplace for Procurement (RAMP) platform to advertise outreach events and contracting opportunities and increase visibility among small businesses.	Complete
5. Engage Local Return and Transit Operators	Metro issued its fifth Local Return Survey in March 2026 to assess SBE participation, tracking capabilities, and technical assistance needs among local jurisdictions and transit operators. Metro will continue outreach, education, and regional collaboration efforts.	Report Annually
6. Enhance Capacity Building and Access to Capital	Metro continues supporting business growth through programs such as the Contractor Development and Bonding Assistance Program and other capacity-building initiatives intended to strengthen business competitiveness and readiness.	Complete
7. Encourage Support for Federal Program Changes	Metro continues engaging federal stakeholders, CUCP agencies, and industry partners regarding implementation of the Interim Final Rule (IFR), DBE Program modifications, and future federal transportation legislation.	Report Annually
8. Increase Small Business Program Regional Attainments	During FY25, regional SBE participation increased from 30.05% to 31.57%. Metro continues monitoring progress toward the Board's aspirational goal of achieving 48% small business participation by 2028.	Report Annually

LIST OF EVENTS HOSTED AND ATTENDED BY METRO

Date	Event
March 10, 2026	How to Do Business with Metro
March 12, 2026	Metro's Meet the Primes
March 17, 2026	DBE Information Session
March 18, 2026	MetroConnect Meet & Greet: Small Business Networking Event
March 19, 2026	HTDB on the Road: Valley Economic Alliance Community Center Westfield Topanga
March 24, 2026	DBE Information Session
April 3, 2026	Sky's the Limit Outreach Event (Hispanic Regional Chamber of Commerce)
April 9, 2026	DBE Information Session
April 14, 2026	How to Do Business with Metro
April 17, 2026	GLAAACC – Greater Los Angeles African American Chamber of Commerce
April 21, 2026	DBE Information Session
May 5, 2026	DBE Information Session
May 14, 2026	DBE Information Session
May 28, 2026	United Contractors' Public Works Summit: Small Business Participation in Public Works Construction
June 5, 2026	Sky's the Limit Outreach Event (Hispanic Regional Chamber of Commerce)
June 9, 2026	How to Do Business with Metro
June 16, 2026	DBE Information Session
June 30, 2026	DBE Information Session
June 30, 2026	Glass Panel Protection Solutions Outreach Event
July 1, 2026	DBE Information Session (Talent Hub)
July 7, 2026	DBE Information Session
July 21, 2026	DBE Information Session
August 4, 2026	DBE Information Session
August 25, 2026	Certification Workshop

2023 Disparity Study Recommendation Status Update

Recommendation	Status Update	Status
Recommendation 1 – Bench Contracts	Staff continue working with Metro departments and Cabinet Liaisons to evaluate rotational and small business-focused bench contracting models where operationally appropriate.	Complete
Recommendation 2 – Small Business Technical Assistance Program (SBTAP)	Metro is reimagining the delivery model for SBTAP to issue a RFIQ to establish a panel of qualified consultants capable of providing business development and technical assistance services directly to small businesses. Targeted for release in mid-summer 2026.	Ongoing
Recommendation 3 – Micro Small Business Program	Metro launched the Local Micro Small Business Enterprise (LMCSBE) Program on December 15, 2025, as a three-year pilot initiative designed to expand contracting opportunities for the region's smallest businesses.	Complete
Recommendation 4 – New Business Partnerships	Metro continues conducting outreach and engagement activities designed to foster relationships between prime contractors and small businesses and increase awareness of Metro contracting opportunities.	Complete
Recommendation 5 – Unbundling Contracts	Staff continue collaborating with Cabinet Liaisons during procurement planning to identify opportunities to divide large procurements into smaller scopes of work where feasible and operationally appropriate.	Complete
Recommendation 6 – Inflation Adjustments	Metro implemented escalation provisions utilizing the Bureau of Labor Statistics Employment Cost Index in certain multi-year professional services contracts to address inflationary impacts.	Complete
Recommendation 7 – Prequalification Requirements	Effective January 1, 2025, Metro increased the prequalification threshold from $100,000 to $500,000 to reduce administrative burdens and streamline procurement requirements for small businesses.	Complete

Annual Status Report of 48 by ‘28 Plan

Metro

Executive Management Committee
October 15, 2026

Recommendation

A. RECEIVE AND FILE the annual status report on implementation of the 48 by ’28 Plan, update on Motion 26.1- Protecting Our Small Businesses, and an update on the 2023 Disparity Study recommendations; and

B. APPROVE an increase of the maximum contract threshold for the Small Business Prime (Set-Aside) Program for eligible non-federally funded procurements from $4.99 million to $10 million, and a corresponding adjustment to the lower contract threshold of the Medium-Sized Business Enterprise (MSZ-I) Program from $5 million to $10.01 million.

Metro

Issue

The report covers key updates and proposals, including:

— **Plan & Motion Updates:** Progress on the 48 by '28 Plan, actions responding to Board Motion 26.1, and updates on the 2023 Disparity Study recommendations.

— **Threshold Recommendation:** A proposal to increase the Small Business Prime (Set-Aside) Program maximum contract threshold for eligible non-federally funded procurements from $4.99 million to $10 million.

Metro

Background

Metro's small business programs support economic opportunity, equitable access to contracting opportunities, and local business growth throughout Los Angeles County.

— In December 2021, the Board approved Motion 43, establishing an aspirational goal of 48% small business participation across Metro's capital program.

— In May 2022, the Board adopted the 48 by '28 Plan, establishing eight initiatives to increase small and disadvantaged business participation by the 2028 Olympic and Paralympic Games.

— Subsequent Board actions, including Motion 24, the OIG Reciprocity Study, and the 2023 Disparity Study, expanded Metro's efforts to reduce barriers and strengthen small business participation.

— In October 2025, the Board approved Motion 26.1 – Protecting Our Small Businesses, directing staff to support firms impacted by federal DBE Program changes and strengthen Metro's race- and gender-neutral small business programs.

Metro

Discussion

48 by '28 Plan Updates:

— 6 of 8 Initiatives completed

— Two initiatives continue through annual reporting and regional engagement.

2023 Disparity Study Updates:

— 6 of 7 Recommendations completed

— Small Business Technical Assistant Program (SBTAP) delivery model continues to be refined.

Metro

48 by ’28 Plan – Regional Attainment

Regional small business participation continued to increase in FY25.

FY24

30.05%

FY25

31.57%

+1.52 percentage points

year-over-year increase

Progress toward the Board’s aspirational goal

FY25 remains the most recent period with complete Metro and local jurisdiction data available to calculate regional attainment.

Motion 26.1 – Protecting Our Small Businesses

Federal DBE Program changes required rapid implementation while Metro continued supporting small businesses.

12	1,500+	12
DBE INFORMATIONAL SESSIONS	FIRMS RECEIVED TECHNICAL ASSISTANCE / INDIVIDUAL SUPPORT	ADDITIONAL OUTREACH EVENTS

- Updated federally funded solicitation and contract templates for IFR compliance.
- Continued prompt-payment communication and enforcement.
- Expanded race- and gender-neutral strategies while federal DBE requirements evolve.
- Coordinated statewide reevaluation implementation through the CUCP.

Takeaway: Metro adjusted to the federal transition while maintaining direct support to affected firms.

Statewide DBE Reevaluation – Metro Implementation

Metro supported the statewide reevaluation process while continuing to process applications and curative responses.

607	550	969
REEVALUATIONS RECEIVED BY APRIL 16	FROM METRO'S 1,729 PREVIOUSLY CERTIFIED DBE FIRMS	TOTAL APPLICATIONS RECEIVED BY AUGUST 13

Key milestones

- CUCP launched the statewide reevaluation process on March 2, 2026.
- Phase One completed statewide; CUCP DBE directory restored July 20, 2026.
- USDOT acknowledged completion July 21; new and interstate applications resumed.
- Metro continues reviewing post-April 16 submissions and responses to curative measures.

550 applications represent approximately 32% of Metro's 1,729 previously certified DBE firms.

Small Business Prime Program – Proposed Expansion

The proposed $10 million threshold expands access where certified SBEs have demonstrated capacity to compete.

33	$265.2M	30
PROCUREMENTS BETWEEN $5M–$10M REVIEWED OVER 3 YEARS	TOTAL VALUE OF THOSE PROCUREMENTS	PROCUREMENTS ELIGIBLE FOR CONSIDERATION

11 of 30 | 37%

were awarded to certified SBE prime contractors through open competition

15 NAICS codes | 1,100+

certified small businesses represented across the relevant marketplace

Proposed action

Increase the Set-Aside maximum from $4.99M to $10M and align the MSZ-I lower threshold at $10.01M.

Next Steps

Upon Board approval

– Implement the new Small Business Prime (Set-Aside) and MSZ-I contract threshold changes.

– Continue Motion 26.1 implementation, DBE reevaluation support, and race- and gender-neutral strategies.

– Continue advancing the remaining SBTAP recommendation.

– Return with the next annual 48 by ’28 report, with the FY26 Metro, local jurisdiction, and regional attainment results.

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

Metro

Board Report

File #: 2026-0459, **File Type:** Informational Report **Agenda Number:** 26.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2026

SUBJECT: INNOVATIVE FINANCING STRATEGY AND IMPLEMENTATION ROADMAP PLAN

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on the Innovative Financing Strategy Plan, including Public-Private Partnerships (P3).

ISSUE

At its March 2026 meeting, the Board approved Motion 26 by Directors Dutra, Sandoval, Najarian, Horvath, Yaroslavsky, and Dupont-Walker (Attachment A), which directed the Chief Executive Officer to return to the Board with a comprehensive P3 and Innovative Financing Strategy and Implementation Roadmap Plan. This report provides an update on the early work that is underway, outlining foundational activities planned that will shape the approach to innovative financing over the next several years.

BACKGROUND

According to the U.S. Department of Transportation (USDOT), innovative financing encompasses techniques and mechanisms that go beyond conventional grant-based or pay-as-you-go funding, allowing transportation agencies to leverage resources, borrow funds, or generate new revenue streams to support infrastructure projects. Common mechanisms include, but are not limited to, P3 and value capture. The benefits of innovative financing include:

- Leverages existing funding to maximize impact;
- Accelerates project delivery, reducing delays and inflation-related cost increases; and
- Supports sustainable and equitable transportation

Metro's exploration of P3 as an opportunity for major infrastructure projects is not new, but prior attempts have not been successful; the upcoming effort will build on lessons learned from those experiences. Metro performed P3 assessments in the mid-2010s that considered a comparison between traditional Design-Build models vs. full Design Build Finance (DBF) and Design Build Finance Operate Maintain (DBFOM) delivery models. In 2017, those initial P3 assessments, along with Unsolicited Proposals received, led to the decision to further explore advancement of full DBF/DBFOM P3 structures for two projects, the West Santa Ana Branch (later Southeast Gateway

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Line) and the Sepulveda Transit Corridor (STC).

In 2019, for STC, the Board authorized the solicitation of Pre-Development Agreement (PDA) contracts, with up to two private sector partners chosen by utilizing a competitive, objective selection criteria process. Benefits of the PDA process were identified as optimization of project performance, risk, constructability, affordability, and delivery schedule through early design solutions, innovation, and private sector rigor and resources. In 2021, for STC, early private sector engagement via the two PDA contracts was advanced in conjunction with the environmental process.

Also in 2019, Metro began to advance other types of collaborative contracting methods, including delivery models such as Progressive Design Build (PDB) and Construction Manager/General Contractor (CM/GC) for major infrastructure projects. Initial projects exploring these approaches included Link Union Station (LINK US), G Line Bus Rapid Transit Improvements, East San Fernando Valley (ESFV) Light Rail Transit, and I-105 ExpressLanes. These delivery methods also include the opportunity to benefit from private sector collaboration and innovation.

In 2024, further assessment of a DBFOM P3 model for the Southeast Gateway Project was concluded, resulting in the DBFOM P3 model being dropped from further consideration. This assessment recognized how changes in market conditions, along with significant project specific risks and challenges, including interface and third-party risks, diminished the potential benefits that could come from a P3 delivery structure, particularly in comparison to new collaborative contracting options.

In 2026, a Locally Preferred Alternative (LPA) for STC was selected, leading to work with a single PDA team to advance design refinements that align with the LPA, as well as the commercial and financial efforts to deliver the LPA.

At the March 2026 Board Budget Workshop, Metro staff presented a range of P3 workstreams as a potential means to address projected capital and operating funding gaps, manage delivery risk, and enhance long-term financial sustainability. Subsequently, Motion 26 was introduced in March 2026, affirming the Board's interest in exploring P3 strategies that could drive value to the agency.

DISCUSSION

All transit agencies in the United States are facing the growing challenge of funding their major capital projects when traditional revenue streams are being outpaced by growing cost pressures. Metro's initiatives within Program Management, Program Control, and Countywide Planning and Development have helped address some of the impact of project cost drivers, however, they cannot overcome all project challenges, particularly ones outside of Metro's control. As a result, Metro is continuing to explore innovative financing structures, inclusive of P3 models, in ways that could help to offset some of the current funding needs.

Succinctly, a P3 is a long-term contractual arrangement between a public agency and a private entity to deliver and/or operate a public asset. A well-structured P3 can improve risk allocation, incentivize innovation, and enhance cost and schedule certainty. However, a P3 is not a source of free money; it is a financing mechanism that requires repayment with interest, does not transfer ownership of public

assets, and does not suit all projects.

In line with the Board Motion and based on the lessons learned from Metro's prior assessments of P3 delivery opportunities, Metro has initiated the P3 Innovative Financing Strategy and Implementation Roadmap Plan (Plan). Attachment B provides a high-level timeline for key activities and decision points, which was introduced at the March Budget Workshop. This Plan is structured around three major P3 workstreams and is supported by engagement of a P3 Tiger Team to ensure alignment across the agency as staff explore potential benefits, challenges, and risks of the different P3 approaches. The P3 workstreams include:

1. **DBFOM** analysis of STC, including upcoming work in developing a Preliminary Business Case for P3 implementation, leveraging the PDA team deliverables including updated cost estimates, construction methodologies, project delivery approach, and a financial model and financing plan. A DBF or DBFOM is a long-term P3 arrangement that includes private sector financing, final design, construction and for the latter, operations and maintenance.
2. **Metro P3 Assessment** explores opportunities to leverage P3 components which could add value on upcoming projects via an assessment of planned transit line extension projects, including Southeast Gateway Line - Slauson to Union Station, Eastside Transit Corridor Phase 2 to Whittier, K Line Extension to Torrance, and K Line Northern Extension.
3. **Opportunistic** initiatives align with agency needs but are not tied to major transit line expansion projects. This workstream includes consideration of P3 delivery for the Center for Transportation Technology Excellence (CTTE) in the Antelope Valley and an assessment of how P3 models might support enhancement of existing Metro stations and adjacent property while generating long-term revenue.

The formation of the P3 Tiger Team, composed of senior Metro staff from across the agency, ensures future P3 decisions are informed by their input early and protects against decisions being made in isolation, with perspectives on opportunities and risks shared before any critical decisions are made. By regularly sharing analysis and encouraging open dialogue, the P3 Tiger Team organically builds consensus in a transparent and traceable way, ensuring success is shared across the agency. Figure 1 visually represents the P3 Tiger Team and the P3 workstreams.

Figure 1 - P3 Tiger Team and P3 Workstreams

Motion 26 Status

In line with the attached roadmap, P3 activities are currently focused on engagement with the private sector and evaluation of where P3 models can provide value for each of the workstreams. Staff is introducing Metro's P3 workstreams to the market and conducting market soundings to develop a refreshed understanding of industry appetite, delivery model viability, and risk allocation trends, leading towards an understanding of where innovation and value creation opportunities exist.

This renewed engagement on delivery models across candidate projects and strategic initiatives will inform future identification of ways to package/phase projects (e.g., bundling, segmenting) to improve market competitiveness and future success. Additionally, this engagement will increase understanding of how risk allocation boundaries have evolved, sharing perceptions of risks, constraints, and value levers affecting delivery approaches, and elaborating on contractor and investor constraints related to the P3 workstreams.

Finally, this market engagement is seeking to encourage the sharing of innovations that can leverage P3 structures to minimize whole-life costs and/or accelerate delivery and potentially integrate joint development (JD)/transit-oriented development (TOD) opportunities into transit infrastructure procurement models. This component of the engagement is looking to explore innovative value creation solutions, including long-term leases, development rights (air rights/adjacent parcels), and revenue-sharing.

Informed by this engagement, staff will begin qualitative assessments, commercial development evaluations, and identification of policy tradeoff considerations that may arise.. A forum with organized labor is also being planned. Future updates will transition from information related to these initial engagements and qualitative assessments to more robust quantitative evaluation and advancement of corresponding procurement(s) in line with project-specific updates. This may include

review and revisions to Metro's standard project delivery practices, potential development of Implementation Agreements (IA), and continued procurement for select components from some of the workstreams.

Industry Engagement

As part of the initial engagement with the private sector, staff attended the 2026 P3C Conference and Expo in Dallas, Texas in March, which enhanced renewed engagement and encouraged broader interest in the market of P3 delivery opportunities at Metro. This annual event connects public and private leaders to collaborate on alternative project delivery methods for U.S. infrastructure. At the conference, Metro provided a focused *Metro P3 Overview Session* to industry attendees, discussing the pipeline of capital projects, and outlining its P3 workstreams approach. This was followed by multiple breakout sessions with various P3 consultants, investors, infrastructure builders, and financial advisors, as quasi-market soundings. Additionally, Metro's previous Chair Dutra participated in a main stage panel discussion entitled *From Projects to Programs: Building a Sustainable P3 Pipeline*, and a panel session was jointly held with participants from Metro's PDA partners titled *Reimagining Regional Connectivity: The Sepulveda Transit Corridor*.

Engagement with the industry continued in July with staff attending the American Road and Transportation Builders Association (ARTBA) P3 Conference in Washington, D.C. This annual event facilitates connections between project owners, private executives, contractors, and public officials to discuss infrastructure finance, project delivery, and policy. Metro staff participated in the *Closing Town Hall Session* with other transportation agencies to further inform the industry on Metro's P3 workstreams, including continuing work with the Sepulveda Transit Corridor PDA team on the LPA. Continued engagement with the private sector includes market soundings, with future updates to the Board reporting on key outcomes from this continued and ongoing engagement process.

P3 Workstreams

As previously outlined, and fundamental to the Plan, is the identification of P3 opportunities within Metro's capital program. The following section provides greater detail on each of these P3 workstreams as well as corresponding key activities.

DBFOM (Sepulveda Transit Corridor)

As work by the PDA team progresses, including advancing the engineering of the selected mode, configuration, and alignment, Metro will continue assessment of a DBFOM P3 approach for the STC project. This will be informed by updated financial information, including costs, funding, financing and risk, from the PDA. Figure 3 visually represents key activities for this P3 workstream and the planned timeline under the existing approach. Staff are actively evaluating opportunities to streamline and accelerate this process while maintaining critical data and analysis-informed decision points.

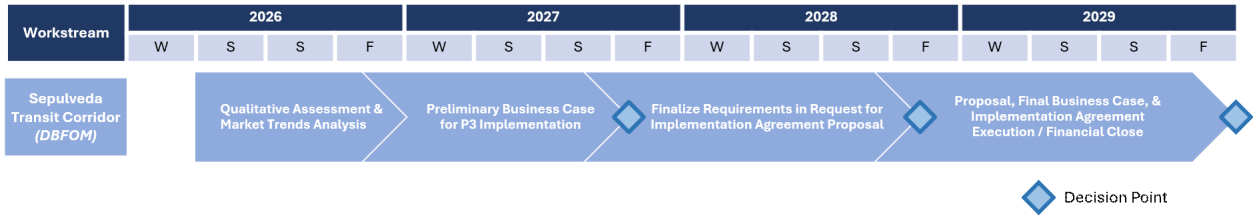


Figure 2: DBFOM Workstream

Qualitative Assessment & Market Trends Analysis

With support from Metro's P3 Financial Advisor, work this year will include developing a transit market and alternative delivery trends summary outlining best practices, commercial and financial terms, and implementation approaches, highlighting any material differences between STC's approach and current market conditions. Additional early work will also include qualitative risk identification and screening of non-negotiable risks to support streamlined delivery method selection or elimination of certain methods from further consideration and identify opportunities and risks to be quantified during future Value for Money (VfM) analysis.

Preliminary Business Case, Request for Implementation Agreement Proposal, and Implementation Agreement Execution / Financial Close

Subsequent implementation activities include several major decision points. Metro staff will develop a Preliminary Business Case comparing the PDA-proposed DBFOM P3 approach against a Public Sector Comparator (PSC) delivery scenario through quantitative VfM. This analysis will determine which delivery model is likely to generate greater value per dollar of public investment. Additional analysis will include a project funding and affordability evaluation and qualitative assessment, analyzing further aspects that drive project viability and success.

If the P3 approach provides clear value to Metro, staff will work to finalize requirements in the Request for IA (RFIA) Proposal, defining the P3 transaction, including, but not limited to, concession term, design and O&M standards, hiring/employment requirements, and payment mechanisms. Once RFIA requirements are sufficiently advanced, staff will request Board authorization to issue the RFIA to the PDA team resulting in a firm fixed-price proposal, or other pricing model leading to cost certainty, for Project Implementation. Staff will then prepare a Final Business Case and return to the Board prior to executing an Implementation Agreement, culminating in Commercial Close (establishing contractual rights) and Financial Close (all conditions precedent are met and the P3 partners' obligations formally take effect).

Metro P3 Assessment

Through this workstream, staff are expanding the vision of P3 opportunities beyond just DBF/DBFOM models to infuse other forms of innovative private sector financing and test the potential benefits that could be realized. The Metro P3 Assessment workstream analyzes a P3 delivery strategy for all or portions of upcoming line-extension projects. To directly align this effort with upcoming project opportunities and needs, while also informing benefits that could apply elsewhere, Metro is evaluating P3 potential on four upcoming projects:

- Eastside Transit Corridor Phase 2 to Whittier
- K Line Extension to Torrance
- Southeast Gateway Line - Slauson to Union Station
- K Line Northern Extension

Figure 3 visually represents this P3 workstream and a general timeline associated with key activities, which are subject to change.

Figure 3: Metro P3 Assessment Workstream

Phase One

With the assistance of Metro's P3 Financial Advisor, early Metro P3 Assessment activities include engagement with private sector vertical and horizontal contractors, JD/TOD/real estate developers, and equity investors. In parallel, a benchmarking of recent domestic and international P3 transit projects is being conducted. These activities will culminate in tailored recommendations for P3 delivery models suitable for these project needs that would align with Metro's objectives and priorities.

Phase Two

Metro may then elect to advance tasks which would include project-specific quantitative assessment of one, or more, of the upcoming projects to inform future Business Case(s). Additional work to advance the procurement strategy and pre-procurement support is also possible, which would later result in the development of a project-specific Business Case leading to possible P3 procurement(s).

Key insights resulting from this P3 workstream would include confirmation of industry interest and conditions for successful P3 delivery, best practices and lessons learned from comparable P3 transit projects, and identification of innovative funding and financing strategies, such as station rights, TOD, and land value capture.

Opportunistic

This workstream recognizes that a P3 contracting structure could also be leveraged for some of Metro's objectives by supporting projects which are not tied to future transit expansion**.** Two opportunities are currently considered under this workstream, and are visually represented in Figure 4, including a general timeline associated with key activities, which are subject to change:

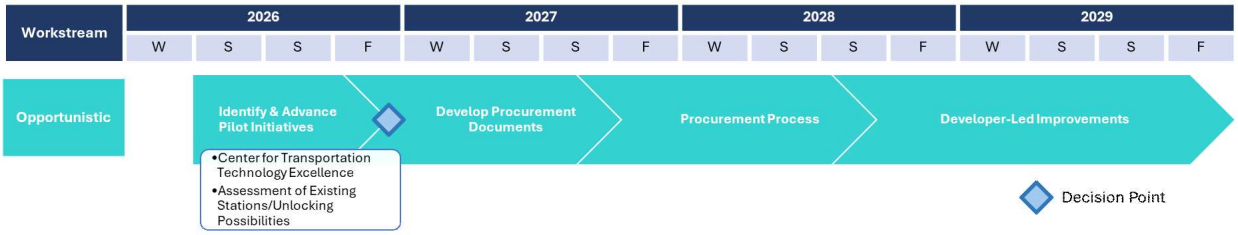


Figure 4: Opportunistic Workstream

Current actions related to each of these opportunities are described below. As these initial stages progress, staff will confirm if they warrant further consideration of P3 delivery strategies.

Center for Transportation Technology Excellence

The CTTE is a proposed manufacturing facility of up to 1,500,000 square feet in the Antelope Valley for bus and/or rail. The CTTE aims to shorten Metro's vehicle procurement timelines, strengthen the national transit vehicle supply chain, accelerate zero-emission technology adoption, and generate significant regional economic benefits, estimated at $11.5 billion in economic impact and more than 114,000 jobs.

In 2018, the Los Angeles County Board of Supervisors directed the County CEO to partner with Metro to identify incentives for establishing a rolling stock manufacturing facility in the County and to develop a workforce plan emphasizing local hiring, training, internships, and apprenticeships. Since then, Metro, Los Angeles County, and the City of Palmdale have advanced a shared vision for the CTTE, formalized through a 2024 Memorandum of Understanding (MOU) outlining roles, governance development, financial planning (including incentives and grant strategies), entitlement support, and stakeholder engagement. Also in 2024, Director Barger allocated $500,000 in discretionary funding to support the project.

A Metro RFI will be issued to gauge market interest and when doing so, Metro will test industry interest and ideas to explore potential benefit for advancement of a P3 model on this project. As a P3 opportunity, the CTTE can offer long-term development opportunities on a large, publicly controlled site, colocation with specialized testing infrastructure and alignment with federal priorities such as Buy America and the CHIPS and Science Act. Clear risk allocation, phased development, and incentives tied to innovation and workforce development could potentially further strengthen CTTE as a P3 value proposition. Later this year, Metro will review responses to the RFI, potentially leading to the development of P3 procurement documents for future Board consideration.

Reimagining Existing Stations

Since 1990, Metro's rail and BRT network has expanded to 144 stations across the County with 115 of those being rail stations. Potential new revenues would be explored by pursuing an analysis of existing stations and adjacent property for overbuild, air-rights, and other revenue-generation opportunities. As a first step, and in response to the Unlocking Possibilities Motion 19 introduced by Directors Yaroslavsky, Bass, Dutra, Sandoval, and Solis (Attachment C) in March 2026, staff are assessing potential pilot opportunities for a Metro Station Commercial District Strategy across the Metro system, to position stations as active commercial hubs with retail, services, and potentially

mixed-use development integrated above, within, and adjacent to stations to support long-term non-fare revenue generation. Once this strategy is advanced further, and if locations are identified that could benefit by leveraging a P3 approach, this effort would be supported by the P3 Tiger Team . By the first quarter of 2027, the roadmap anticipates the potential identification of a pilot station to advance leveraging a P3 structure.

EQUITY PLATFORM

While the Plan is primarily focused on evaluating delivery models and financing structures, its implementation has possible implications for how benefits and burdens are distributed across the County. As Metro advances the Plan, staff will leverage prior project-specific equity assessments for individual transit projects and whether P3 structures can support more cost-effective and timely delivery of transit projects that expand access to opportunity, reduce travel times, and improve regional connectivity for historically underserved communities.

Additionally, as the Plan progresses into implementation, specific considerations for P3 models will be required to ensure new pathways are created for workforce development, small business participation, and local hiring. As P3 models are explored, Metro will consider opportunities to embed inclusive hiring standards, targeted worker programs, and small business participation goals into future P3 agreements. This includes assessing how long-term operations and maintenance responsibilities under a DBFOM structure could support stable, high-quality jobs consistent with Metro’s labor commitments.

This Plan supports Metro’s broader equity goals by strengthening the agency’s ability to deliver its capital program. More cost-effective and timely project delivery enables Metro to expand mobility options, reduce travel burdens, and support economic opportunity in communities that have historically experienced underinvestment. As the Plan advances, staff will continue to ensure that P3 strategies contribute to a more accessible, inclusive, and equitable transportation system for Los Angeles County.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro’s significant investment in rail and bus transit.* Metro’s Board-adopted VMT reduction targets align with California’s statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as the development and implementation of this Plan allows Metro to consider project delivery approaches that can provide more cost and schedule conscious delivery of the capital program, including transit investments leading to VMT reductions. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The development of this Plan supports the following strategic plan goals primarily by assessing optimal planning and delivery options for multiple transit capital projects to help achieve on time and on budget performance:

Strategic Plan Goal #1 - Provide high-quality mobility options that enable people to spend less time traveling.

Strategic Plan Goal #5 - Provide responsive, accountable, and trustworthy governance within the Metro organization.

NEXT STEPS

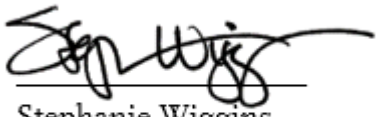
Staff will provide updates on the Plan and the activities and preliminary findings from each P3 Workstream bi-annually.

ATTACHMENTS

Attachment A - Board Motion 26
Attachment B - P3 Workstreams and High-Level Roadmap
Attachment C - Board Motion 19

Prepared by: Julio Perucho, Deputy Executive Officer, Capital Program Initiatives, (213) 922-4387

Reviewed by: Sharon Gookin, Deputy Chief Executive Officer, (213) 418-3101



Stephanie Wiggins
Chief Executive Officer

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

Metro

Board Report

File #: 2026-0232, **File Type:** Motion / Motion Response **Agenda Number:** 26.

EXECUTIVE MANAGEMENT COMMITTEE
MARCH 19, 2026

Motion by:

DIRECTORS DUTRA, SANDOVAL, NAJARIAN, HORVATH, YAROSLAVSKY AND DUPONT-WALKER

Public-Private Partnerships (P3) to Support Revenue Generation Motion

At the Board Budget Workshop held in early March, staff presented a range of innovative financing concepts and Public-Private Partnership (P3) approaches as potential tools to address projected capital and operating funding gaps, manage delivery risk, and enhance long-term financial sustainability. The discussion underscored both the potential opportunities and the complexities associated with alternative delivery and financing models, as well as the need for disciplined, project-specific evaluation before advancing any procurement strategy.

Metro continues to steward one of the largest capital programs in the country at a time of escalating construction costs, market volatility, and evolving private financing conditions. While federal, state, and voter-approved local revenues remain foundational, the Board has expressed interest in understanding whether and where innovative financing tools, including P3 models, may responsibly supplement traditional approaches.

P3s are not new sources of revenue and are not appropriate for all projects. However, when structured carefully, they may provide mechanisms to accelerate project delivery, allocate risk strategically, leverage private sector expertise and capital, incentivize lifecycle performance, and integrate joint development, value capture, concessions, community benefits, and other value-creation strategies.

As follow-up to the Workshop and to provide clear policy direction, the Board has the opportunity to seriously consider P3 delivery models for projects that could effectively incorporate innovative private sector financing components, and clarify its interest in P3 strategies.

SUBJECT: PUBLIC-PRIVATE PARTNERSHIPS (P3) TO SUPPORT REVENUE GENERATION MOTION

RECOMMENDATION

APPROVE Motion by Dutra, Sandoval, Najarian, Horvath, Yaroslavsky, and Dupont-Walker that the

Board direct the Chief Executive Officer to return to the Board with a comprehensive P3 and Innovative Financing Strategy and Implementation Roadmap Plan with an initial report in July 2026 that includes a status on:

A. Engaging the private sector to gauge industry interest and conditions needed for successful P3 participation, including market trends analysis to establish a refined conceptual framework for advancing P3 opportunities;

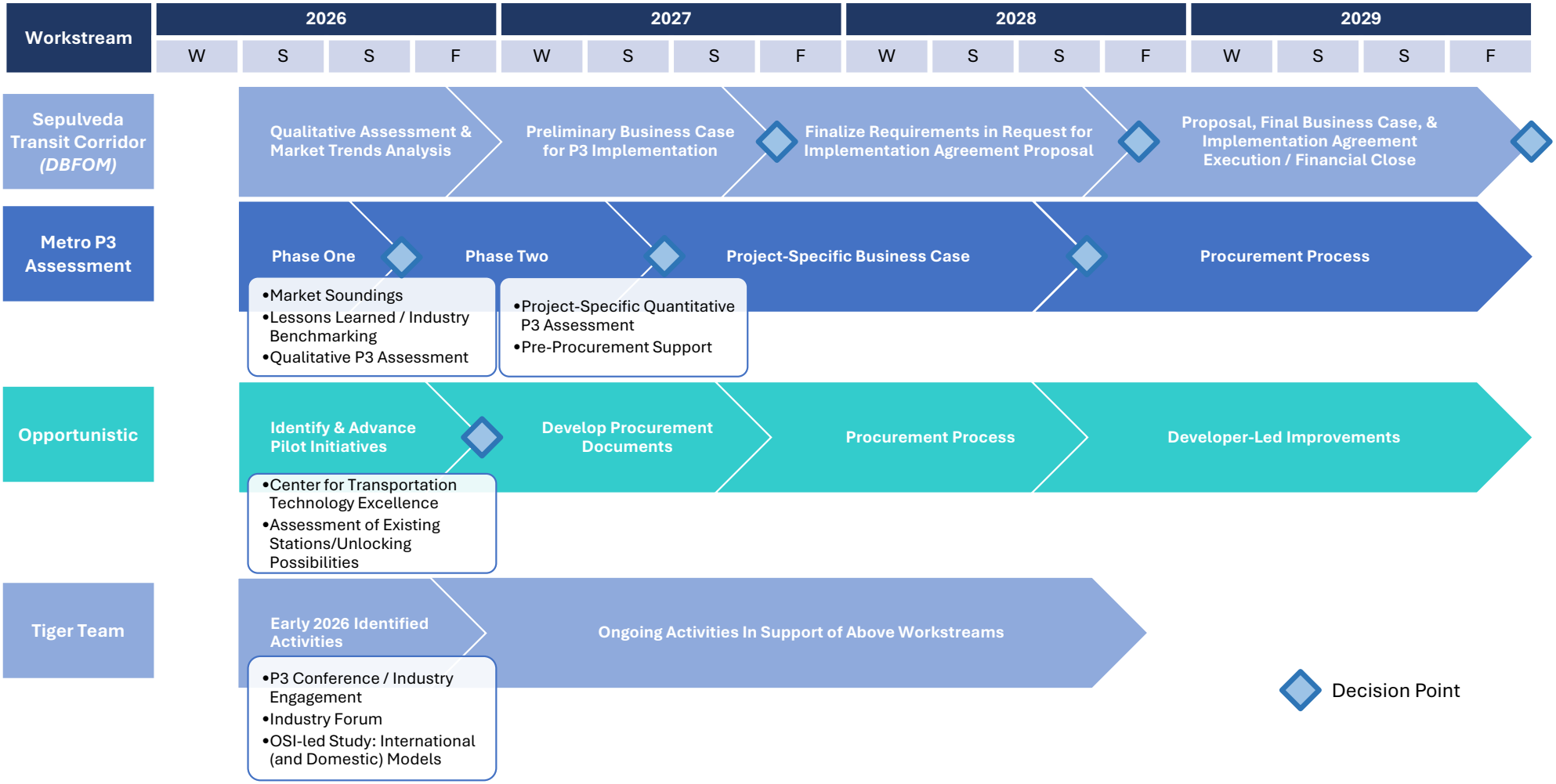
B. Engaging organized labor to understand workforce considerations, concerns, and conditions necessary to support potential P3 delivery models, including dialogue to inform the development of a refined conceptual framework for advancing P3 opportunities;

C. Evaluating P3 as a mechanism for schedule acceleration, financing, risk transfer, and private sector innovation, establishing when P3 delivery models can provide value compared to other delivery methods, informed by current private market capacity and conditions; and

D. Project-specific updates, including outcomes for active workstreams discussed at the Budget Workshop, including the ongoing Sepulveda Transit Corridor financial assessment and other candidate transit capital projects.

WE FURTHER MOVE that the Board direct the CEO to report back to the Board every six months on progress in developing and advancing the P3 Innovative Financing Strategy and Implementation Roadmap Plan.

P3 Workstreams & High-Level Roadmap



Los Angeles County
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Los Angeles, CA

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Board Report

File #: 2026-0233, **File Type:** Motion / Motion Response **Agenda Number:** 19.

FINANCE, BUDGET, AND AUDIT COMMITTEE
MARCH 19, 2026

Motion by:

DIRECTORS YAROSLAVSKY, BASS, DUTRA, SANDAVAL, AND SOLIS

Unlocking Possibilities: Enhancing the Financial and Community Value of Key Metro Stations to Support Long-Term Revenue Generation Motion

Metro faces long-term financial challenges that require the agency to diversify revenue sources beyond fares, sales tax revenue, and government funding. Transit agencies around the world have addressed similar challenges by leveraging stations and surrounding real estate as long-term commercial assets that generate recurring revenue at scale. For instance, rail operators in Tokyo-including JR East, Tokyu Corporation, and Odakyu Railway-integrate retail directly within station concourses through “Ekinaka” (or “inside the station”) retail networks. Hong Kong’s MTR Corporation has successfully implemented a “Rail + Property” model in which rail lines and stations are built alongside housing, office, and retail developments on or above stations, generating long-term revenue. Additional examples can be found in Singapore, Seoul, Paris, and London, where retail kiosks, underground shopping concourses, and station-integrated commercial spaces provide convenient services for riders while generating recurring revenue to support transit operations.

These international transit systems show that large-scale station retail can generate meaningful revenue through high-frequency commuter purchases. In Tokyo, riders routinely spend several dollars per trip on everyday items within stations, such as coffee, prepared food, and convenience goods, illustrating how small daily transactions can scale into substantial revenue streams at high-ridership transit hubs. For example, JR East generates more than $2 billion annually from station retail and related services.

Moreover, international transit systems frequently use retail and commercial activity to increase pedestrian presence within stations, which aligns with Metro’s broader goals of improving rider experience and activating station environments through enhanced services for riders. Activated stations are inherently safer stations for riders.

A comprehensive station commercial activity and services strategy should consider both existing stations across Metro’s network and new stations currently under development.

International transit systems commonly design stations as mixed-use transportation hubs, where retail concourses, grocery stores, cafés, and everyday services are incorporated into station layouts.

Strategic planning for commercial space beginning at the design phase for Metro's future stations would assess financial feasibility and determine a delivery strategy in parallel to assessing utility infrastructure, considering circulation patterns, and identifying ideal tenant spaces.

Metro has already taken steps toward leveraging its real estate assets through the Joint Development Program. The ongoing success of the 10K Homes Commitment in the Joint Development Program sets a baseline and skillset from which Metro can grow. Previous experimentation with retail in certain stations has yielded mixed results, underscoring the importance of developing a strategic, comprehensive, and data-driven approach to station retail moving forward.

SUBJECT: UNLOCKING POSSIBILITIES: ENHANCING THE FINANCIAL AND COMMUNITY VALUE OF KEY METRO STATIONS TO SUPPORT LONG-TERM REVENUE GENERATION MOTION

RECOMMENDATION

APPROVE Motion by Yaroslavsky, Bass, Dutra, Sandoval, and Solis that the Board direct the Chief Executive Officer to report back within 180 days with a strategic framework for implementing a Metro Station Commercial District Strategy across the Metro system, positioning stations as active commercial hubs with retail, services, and mixed-use development integrated above, within, and adjacent to stations to support long-term non-fare revenue generation. The report back should include progress on the following components:

A. System Assessment - an evaluation of opportunities and constraints for station retail across the Metro system, including:

1. Review of international best practices;

2. Review of previous and existing retail activations within Metro facilities and lessons learned from both successful and unsuccessful efforts, including but not limited to operational barriers, location factors, and design challenges;

3. Evaluation of passenger circulation, station design, and other factors affecting retail viability;

4. Identification and prioritization of potential locations suitable for initial pilot implementation;

B. Strategic Framework - a proposed strategy for developing station-centered commercial districts across the Metro system, including:

1. Opportunities for commercial development above, adjacent to, and integrated within stations, including underground concourses, mixed-use development, and connections to surrounding districts;

2. Distinct approaches for new stations currently in development and existing stations within the system;

3. Identification of potential partnership structures with experienced retail operators or commercial management firms experienced in station retail environments;

4. Identification of implementation approaches consistent with Metro funding restrictions, including private investment, public-private partnership, concession agreements, and tenant-funded improvements;

C. Implementation Recommendations and Revenue Potential Assessment - a set of recommendations for implementing station retail opportunities, including:

1. Identification of governance structures to ensure long-term success;

2. Execution strategy for a phased pilot program at a limited number of high-ridership stations to test retail concepts, operational models, and revenue performances; and

3. Estimates of potential revenue generation, including a preliminary assessment of start-up and operational costs and revenue potential based on comparable benchmarks from other transit-oriented rail operations.

Innovative Financing Strategy and Implementation Roadmap Plan

Executive Management Committee

October 15, 2026

Metro

ISSUE

- **RECEIVE AND FILE** status report on the Innovative Financing Strategy Plan, including Public-Private Partnerships (P3) in response to March 2026 Motion 26
- Provides an update on the early work that is underway, including market engagement, outlining foundational activities over the next several years

Metro

BACKGROUND

- Innovative financing mechanisms (P3s and value capture) leverage conventional funding options
- P3s are contractual arrangements between a public agency and private entity to deliver and / or operate a public asset
- P3s are not free money, do not change ownership, and do not suit all projects
- These mechanisms can leverage private sector skills and financing, share risks and rewards, and drive innovation and long-term performance
- Lessons learned from prior P3 analysis informing current approach

Metro

DISCUSSION

Metro Tiger Team

DBF / DBFOM

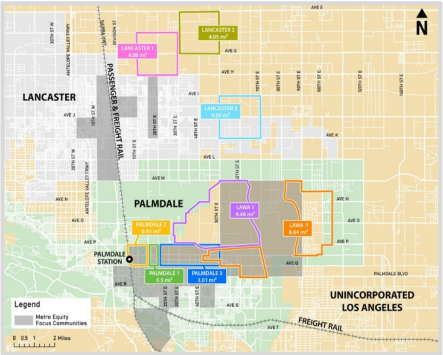
- Sepulveda Transit Corridor
- Potential Future Projects

P3 Assessment

- Four Transit Line Extension Projects
- Capital Program Value Adds

Opportunistic

- Center for Transportation Technology Excellence
- Reimagining Existing Stations / Unlocking Possibilities



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DISCUSSION

Metro P3 Assessment

- Delivery challenges related to growing capital program: ~$33–35B in FY27
- Identification of innovative funding and financing strategies
- Determine if P3 models can improve certainty, risk transfer, innovation, delivery performance
- Understand potential benefits of P3 for full projects, portions / elements of projects, and program-wide

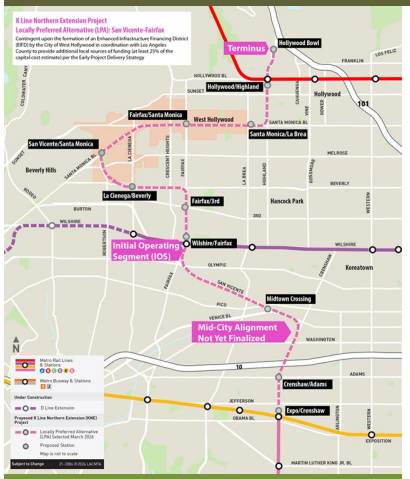
SGL Slauson to Union Station

Feasibility Study

ESP2 to Whittier

Environmental Planning

K Line Northern Extension and Extension to Torrance



Environmental Planning

Preliminary Engineering

DISCUSSION

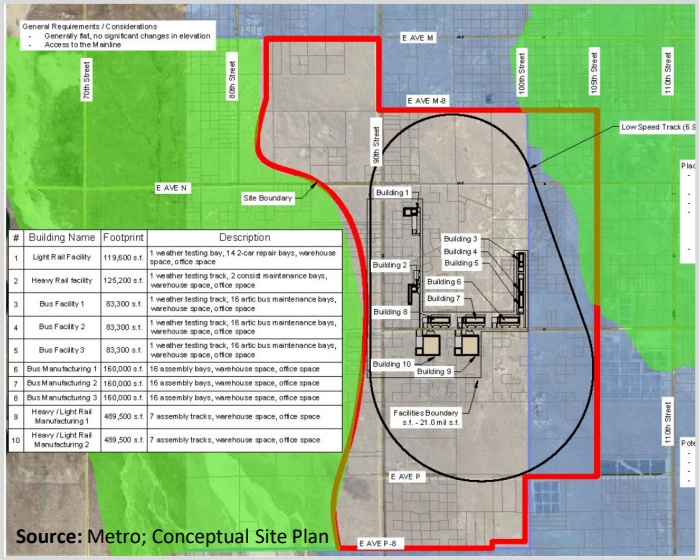
Opportunistic

Center for Transportation Technology Excellence

- A proposed 1.5 million sq. ft. bus and/or passenger rail car hub of manufacturing in Antelope Valley
- Metro RFI will be issued to gauge market interest and opportunity to deliver as a P3

Assessment of Existing Stations / Unlocking Possibilities

- Metro's network has expanded to 107 rail stations
- Assess pilot opportunities to position stations as active commercial hubs / support revenue generation
- A P3 structure could be advanced for a pilot station by early 2027

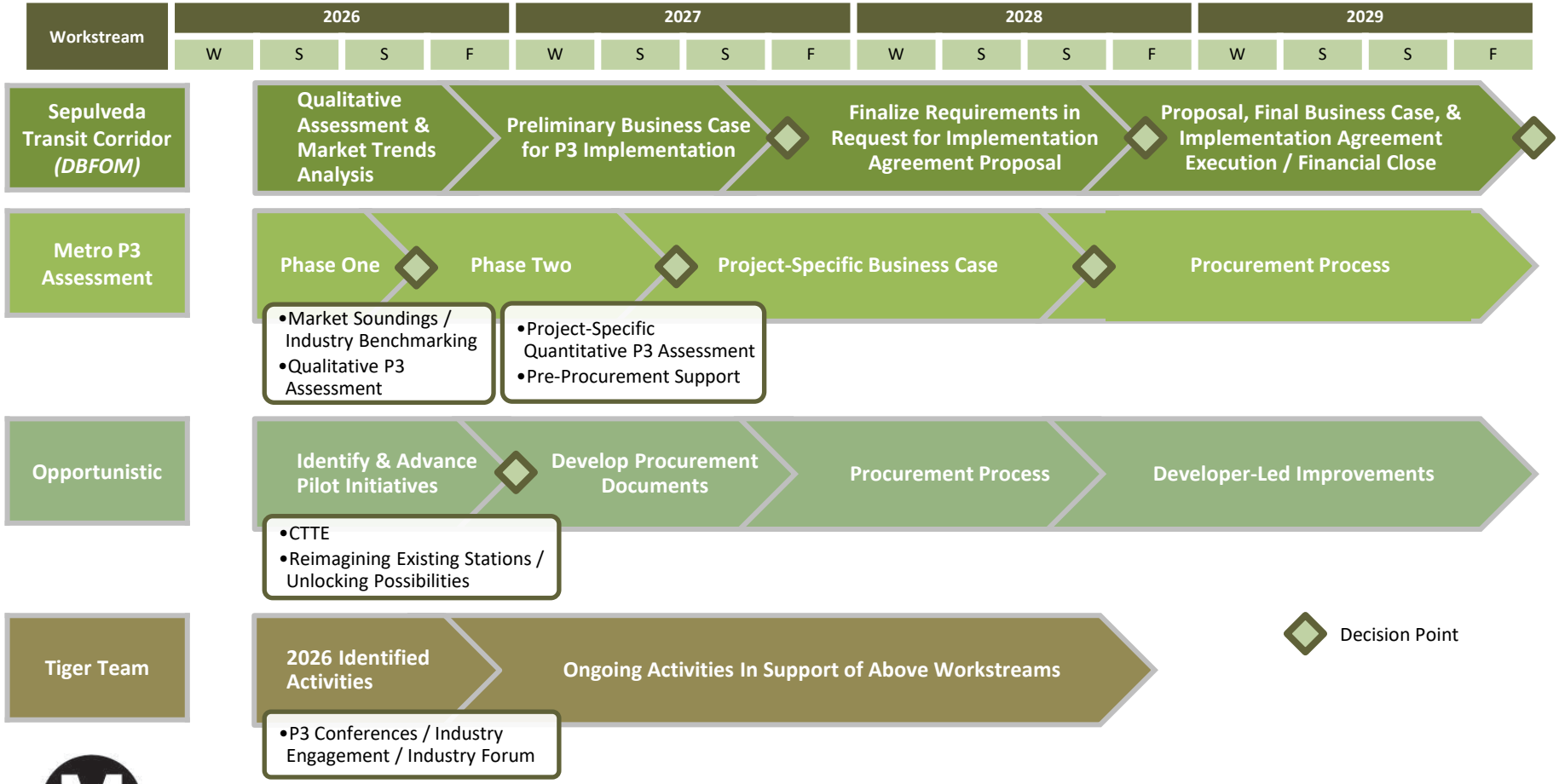


#	Building Name	Footprint	Description
1	Light Rail Facility	119,600 s.f.	1 weather testing bay, 14 2-car repair bays, warehouse space, office space
2	Heavy Rail facility	125,200 s.f.	1 weather testing track, 2 consist maintenance bays, warehouse space, office space
3	Bus Facility 1	83,300 s.f.	1 weather testing track, 16 artic bus maintenance bays, warehouse space, office space
4	Bus Facility 2	83,300 s.f.	1 weather testing track, 16 artic bus maintenance bays, warehouse space, office space
5	Bus Facility 3	83,300 s.f.	1 weather testing track, 16 artic bus maintenance bays, warehouse space, office space
6	Bus Manufacturing 1	160,000 s.f.	16 assembly bays, warehouse space, office space
7	Bus Manufacturing 2	160,000 s.f.	16 assembly bays, warehouse space, office space
8	Bus Manufacturing 3	160,000 s.f.	16 assembly bays, warehouse space, office space
9	Heavy / Light Rail Manufacturing 1	489,500 s.f.	7 assembly tracks, warehouse space, office space
10	Heavy / Light Rail Manufacturing 2	489,500 s.f.	7 assembly tracks, warehouse space, office space

Source: Metro; Conceptual Site Plan

Source: Homes.com; Solair Wilshire @ Wilshire/Western Station

NEXT STEPS



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Board Report

File #: 2026-0693, **File Type:** Informational Report **Agenda Number:** 27.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2026

SUBJECT: FEDERAL AND STATE REPORT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE October 2026 Federal and State Legislative Report.

DISCUSSION

Executive Management Committee
Remarks Prepared by Raffi Haig Hamparian
Government Relations, Executive Officer: Federal Affairs

Chair Bass and members of the Executive Management Committee, I am pleased to provide an update on several key federal matters of interest to the agency. This report was prepared on October 1, 2026, and will be updated, as appropriate, at the Executive Management Committee meeting on October 15, 2026. The status of relevant pending legislation is monitored on the Metro Government Relations Legislative Matrix <https://libraryarchives.metro.net/DB_Attachments/10%20-%20October%202026%20Legislative%20Matrix.pdf>, which is updated monthly.

Surface Transportation Authorization Bill

As was noted in our update provided to the Board last month, the current authorization legislation for our nation's surface transportation programs, the Infrastructure Investment and Jobs Act (IIJA), enacted in 2021, is set to expire on September 30, 2026. H.R. 6500, the continuing resolution (CR) enacted by Congress on September 1, 2026, extended the IIJA's authorities through December 11, 2026, though crucially, it does not extend the advance appropriations included in the IIJA. Consequently, there is expected to be $4.25 billion per year less in federal funds for transit available after September 30, 2026.

While there were determined efforts to adopt a new surface transportation bill in the current 119th Congress, it now appears that the legislation will most likely be considered by the 120th Congress, which will begin on January 3, 2027. As Congress continues to work on a new surface transportation bill, we look forward to keeping the Board informed of our important policy related work in this regard,

including our work to promote our Board-approved USA Build Initiative.

Continuing Resolution

As previously noted, Congress adopted and the President signed into law a continuing resolution to keep the federal government funded through December 11, 2026. At the time of the drafting of this report, it appears that both the House and Senate will endeavor to pass a spending measure in the upcoming lame duck session of Congress that will fund federal departments, including the U.S. Department of Transportation, through the end of Federal Fiscal Year 2027, which is September 30, 2027. However, recent historical experience suggests that Congress may not complete FY27 federal spending bills until early calendar 2027, after the new Congress is seated.

Metropolitan Transit Discussion Group Safety and Security Summit

Our CEO Stephanie Wiggins serves as the Co-Chair of the Metropolitan Transit Discussion Group (MTDG), a convening of the largest public transit agencies in the United States. On September 15, 2026, the MTDG hosted a Safety and Security Summit that highlighted the significant advances being made by transit agencies in enhancing safety and security on their systems. A second theme of the summit highlighted the significance of public transit investment to the local and national economies. The summit included the participation of U.S. Secretary of Transportation Sean Duffy, the Acting Deputy Administrator of the Federal Transit Administration Matt Cahill, and senior Office of Management and Budget officials. Following a series of roundtables with these officials, the MTDG leadership, including our CEO, held a press conference where they outlined specific progress on safety and security issues, as well as how public investment in transit delivers economic value and well-paid, high-skill employment. Metro's CEO highlighted the agency's role in building a new model of transit safety, including hiring a new Chief of Police, who has advanced a people-centered approach on safety and security matters, combining law enforcement with presence and connection to other care-based services and our widely respected ambassador program. Following the press event, the CEO and other MTDG leaders had the opportunity to meet with senior members of Congress on Capitol Hill, including Congressman Rick Larsen (D-WA), the ranking Democrat on the House Committee on Transportation and Infrastructure and U.S. Senator Patty Murray, who is the ranking Democrat on the Senate Committee on Appropriations.

Transit Operator Safety

In full alignment with Metro's Board-approved 2026 Federal Legislative Program, staff continues to prioritize transit operator safety and maintain active communication with the Los Angeles County Congressional Delegation on this issue. The upcoming reauthorization of federal surface transportation programs presents an important opportunity to advance enhanced protections for transit operators nationwide.

Federal Transportation Grants

Last month, we were pleased to report that our agency secured a $149.9 million grant from the Federal Transit Administration for the Vermont Avenue Bus Rapid Transit Project, Metro remains

committed to aggressively pursuing competitive federal grants to advance a wide range of transit projects and programs.

Also, this month, the U.S. Department of Transportation (USDOT) announced it is awarding $25 million from the Nationally Significant Multimodal Freight & Highway Projects (INFRA) program for the State Route 71 Gap Closure Phase 2 Project which is situated in the City of Pomona. The INFRA grant program provides funding for multimodal freight and highway projects of national or regional significance to improve the safety, efficiency, and reliability of freight and people movement in and across rural and urban areas.

The Project, which includes Measure M funding, will transform State Route 71 (SR-71) expressway into a full-access controlled facility and add one high-occupancy vehicle (HOV) lane and one mixed-flow lane in each direction. Once constructed, the Project will complete the last phase of the SR-71 corridor improvements by closing a 2-mile gap in the HOV system, resulting in more than 15 miles of HOV lanes, connecting Los Angeles County to Riverside and San Bernardino Counties. In addition, the Project will improve freight flow by elevating two bridges along the SR-71 to enable container stacking at and from the Ports of Los Angeles and Long Beach. The Project will also enhance the quality of life for the nearby communities by replacing a pedestrian overcrossing, constructing retaining walls and soundwalls, and installing landscaping. The INFRA grant award, provided by the USDOT, will help complete a project that will enhance goods movement throughput, minimize vehicle idling, and eliminate a two-mile bottleneck along the SR-71. The Project supports USDOT objectives of reducing travel times, improving public safety by reducing collisions, and encouraging economic development in a regionally and nationally significant industrial corridor with a growing logistics industry.

Metro thanks U.S. Department of Transportation Secretary Sean Duffy and the USDOT staff for providing this much-needed federal funding for the State Route 71 Gap Closure Phase 2 Project. Our agency also appreciates the support of members of the LA County Congressional Delegation for strongly backing this federal funding request, including Congressman Norma Torres and U.S. Senators Alex Padilla and Adam Schiff.

In alignment with these efforts, staff continue to work closely with the Los Angeles County Congressional Delegation and key regional partners-including the LA/Orange County Building and Construction Trades Council and the Los Angeles Area Chamber of Commerce-to build support for both current and future grant applications.

Executive Management Committee
Remarks Prepared by Madeleine Moore
Government Relations, Deputy Executive Officer: State Affairs

Chair Bass and members of the Executive Management Committee, I am pleased to provide an update on several key state matters of interest to the agency. This report was prepared on October 1, 2026, and will be updated, as appropriate, at the Executive Management Committee meeting on October 15, 2026. The status of relevant pending legislation is monitored on the Metro Government

Relations Legislative Matrix <https://libraryarchives.metro.net/DB_Attachments/10%20-%20October%202026%20Legislative%20Matrix.pdf>, which is updated monthly.

Legislative Update
The legislature concluded the 2025-26 session on August 30 and will return for a planning session in December following the elections, before a formal start in January. The Governor has until the end of September to make signing decisions on bills, including Metro's two pieces of sponsored legislation. Overall, 1,160 bills reached the Governor's desk this year. Of these, the Governor signed 1,040, for a veto rate of 13.5%. Regarding Metro's sponsored bills: SB 1361, authored by Senator Durazo, was signed into law by the Governor on September 30. SB 1361 will limit cities' abilities to take specified actions against transit projects on the basis of opposition to increased density requirements in 2025's SB 79 (Wiener). These actions include requesting that the transit agency reduce service to that stop so that SB 79 does not apply, condition approval of a project on the basis of the impacts of increased height or density required by SB 79, or withhold support of an application for funding of a transit project on the basis of the additional height or density required by SB 79.
AB 1837 by Assemblymember Mark Gonzalez was also signed into law on September 30. This bill would extend the sunset for transit agencies to use front-facing cameras on buses to capture parking violations in bus-only lanes. Transit agencies would be authorized to use this technology until January 1, 2034, extending the current authorization due to expire in January of 2027.
Both of these bills will take effect on January 1, 2027.

New Member Engagement
Half of the Senate and all Assemblymember offices are up for election in 2026. As current Senators and Assemblymembers spend time in their districts during this time before the new session, Metro will remain engaged with these elected officials and their offices on projects and programs in their districts. Once the election is certified, new Los Angeles County delegation members will receive invitations to meet with the agency to discuss transportation in their districts, along with their legislative priorities for the coming session.

EQUITY PLATFORM

Government Relations will continue reviewing legislation introduced in Sacramento and Washington, DC, to address any equity issues in proposed bills and the budget process. Securing levels of federal transportation funding allows our agency to advance projects that improve equitable access and mobility for the ten million individuals who live, work, and travel throughout Los Angeles County. Mindful that Metro staff have concluded that the OMB's proposed revisions as to how federal grants are issued will negatively affect the entire grant cycle, we have and will remain engaged with key stakeholders, including the U.S. Congress, to ensure any change to federal grant regulations do not negatively impact our agency.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality

by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

This item supports Metro's systemwide strategy to reduce VMT through administrative and legislative advocacy activities that will benefit and further encourage transit ridership, ridesharing, and active transportation. Increased state and federal funding received benefits Metro's projects and programs to reduce VMT. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

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Alex Amadeo, Senior Manager, Government Relations, (213) 922-2763

Reviewed by: Nicole Englund, Chief of Staff, (213) 922-7950

Stephanie Wiggins
Chief Executive Officer

Government Relations
Federal and State Affairs Update

Executive Management Committee
October 15, 2026

Metro

Federal Affairs Update

- **Surface Transportation Authorization Bill**
- **Continuing Resolution - Federal Funding for Federal Fiscal Year 2027**
- **Metropolitan Transit Discussion Group Safety and Security Summit**
- **Transit Operator Safety**
- **Federal Transportation Grants**
  - **Vermont Avenue BRT**
  - **State Route - 71**

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State Affairs Update

- **End of Session Recap**
- **Olympic and Paralympic Games Advocacy Update**
- **Recess Activities**

Metro

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Board Report

File #: 2026-0630, **File Type:** Informational Report **Agenda Number:** 28.

EXECUTIVE MANAGEMENT COMMITTEE
OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
OCTOBER 15, 2026

SUBJECT: MONTHLY UPDATE ON PUBLIC SAFETY

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE the Public Safety Report.

ISSUE

Metro is committed to providing outstanding trip experiences for all transportation system users. The agency implemented a multifaceted plan to improve safety outcomes and safety perceptions for riders and employees. The following summarizes current initiatives to accomplish this objective and recent public safety trends. This report summarizes August 2026 activities unless otherwise noted.

BACKGROUND

The Department of Public Safety (DPS) focuses on a human-centered approach, compassion, and a culture of care, recognizing diversity and respecting the wide range of people and communities it serves. DPS seeks a reparative public safety model to address the root causes of crime and disorder that can occur within the system, minimize harm, and promote inclusion. By sharing public safety-related statistics, DPS builds trust in the public safety model, fosters transparency, improves public perception of safety in the system, and encourages community engagement. The Metro Safety Hub <https://www.metro.net/safety-support/by-the-numbers/> and data dashboard, which provide additional data, are accessible online. This hub demonstrates the department's commitment to openness, accountability, and the safety and well-being of employees and the transit community.

DISCUSSION

THE SAFETY ENVIRONMENT IN AUGUST

Overall, most incidents were non-violent (related to trespassing, vandalism, and narcotics) and occurred while security enforced Metro's Code of Conduct. There were no major incidents, with 166 reported violent or property crimes, or approximately 6.25 violent or property crimes per million boardings in August, marking the lowest rate for an August since 2019. Compared to July, violent

crimes per million boardings decreased by 11.7%. Property crimes decreased 27% from 90 in July to 68 in August, or approximately 2.56 crimes per million boardings.

Crime typically spikes during summer months; however, this summer's violent crimes declined significantly from their peak in 2023. This was especially true for aggravated assaults, which fell 37% from 172 in the summer of 2023 to 109 in 2026. These decreases in violent and property crimes can be attributed to multiple coordinated efforts by DPS public safety personnel, including law enforcement's crime-suppression efforts during the previous month and ongoing targeted operations by Metro Transit Security (MTS) on the G Line and a joint train-riding operation with the Los Angeles Police Department (LAPD) and the Los Angeles Sheriff's Department (LASD) on the A Line North. Reported cleanliness issues and Code of Conduct violations at 7th Street/Metro Center Station, Westlake/MacArthur Park Station, and Lynwood Station were reviewed and factored into deployment decisions to address them.

METRO'S THREE-PART SAFETY STRATEGY

1. Engaged and Visible Presence

Visible presence contributes directly to order, predictability, and rider confidence across the system. Law enforcement conducted 8,624 bus boardings in August, as part of visible engagement and deterrence efforts.

Weekly operational meetings identified no abnormal fluctuations in crime on the system, with property crimes declining compared to the previous month. Public safety personnel - uniformed and care-based - continued their regular deployments across the system.

2. Enhancing Access Control & Station Experience

Access control and station improvements improve system integrity and the perception of safety for riders and employees. Consistent security patrols and upgraded alarm systems in ancillary areas continued to deter unauthorized access. These enhanced security measures helped maintain a cleaner, safer, and more secure environment for employees, contractors, and the public (see Attachment A).

After Metro received complaints about loitering, alleged drug activity, and unregulated vending at Wilshire/Vermont and Wilshire/Western in Koreatown, Station Experience, DPS, and LAPD conducted a site visit and identified several near-term opportunities to improve safety and security at both locations. Staff is coordinating with relevant departments and property owners to further evaluate and advance these changes. See Attachment B for more details.

These access control and station experience efforts will continue to ensure riders are there solely for transit purposes.

3. Building Partnerships to Address Societal Impacts

To ensure Metro has the right response to every situation, the agency invests in and implements care-based interventions. In August, Ambassadors and Community Intervention Specialists engaged with approximately 71,600 individuals, helping riders navigate the system more effectively, connect to essential Metro resources such as reduced fare programs, bike lockers, Metro Micro, TAP

assistance, and be informed of service alerts.

Outreach teams engaged 443 individuals experiencing homelessness in August, resulting in 222 interim and 46 permanent housing placements through coordination with regional service providers. For FY27, 1,288 people have been enrolled in the Homeless Management Information System (HMIS), and 558 have been connected to interim or permanent housing, with the goal of 2,400 housing placements for the new fiscal year. See Attachment C for a detailed breakdown by service provider.

Observations and experience have shown that individuals who attempt to shelter on the system will ride trains and/or buses until the end of the line. In an effort to have the most impact, outreach teams are deployed in fixed locations at end-of-line stations to provide support and offer services as needed.

FRONTLINE PROTECTION

Any assault on a Metro employee or contractor is unacceptable and is addressed with investigative priority. There were 14 assaults on Metro employees and contractors in August.

Operator assaults totaled nine in August, up from six in July and five in August 2025. Four of these incidents occurred while the operator was behind the retrofit safety barrier, and one occurred as the operator returned to the driver's seat but had not yet closed the barrier door. The remaining four incidents occurred outside of the safety barrier when the operator was either outside the driver's seat/area or outside the vehicle, including one incident where the operator was shoved into the barrier door while assisting a patron and suffered an injury to his right arm, resulting in medical transport. Assaults on other frontline staff totaled five in August, unchanged from five in July and down from 13 in August 2025.

Metro takes assaults on any employees or contractors very seriously, and staff works with local law enforcement to ensure that they receive justice if an assault occurs and that the individuals committing assaults on employees are held accountable. Between May 16 and August 25, 2026, LASD detectives investigated 15 assaults on MTS officers, contract security, bus operators, and Ambassadors. Five of them were solved, resulting in an arrest. Of the 10 open cases, eight are active investigations, and two have no workable leads. Staff are awaiting updated investigation outcomes from LAPD.

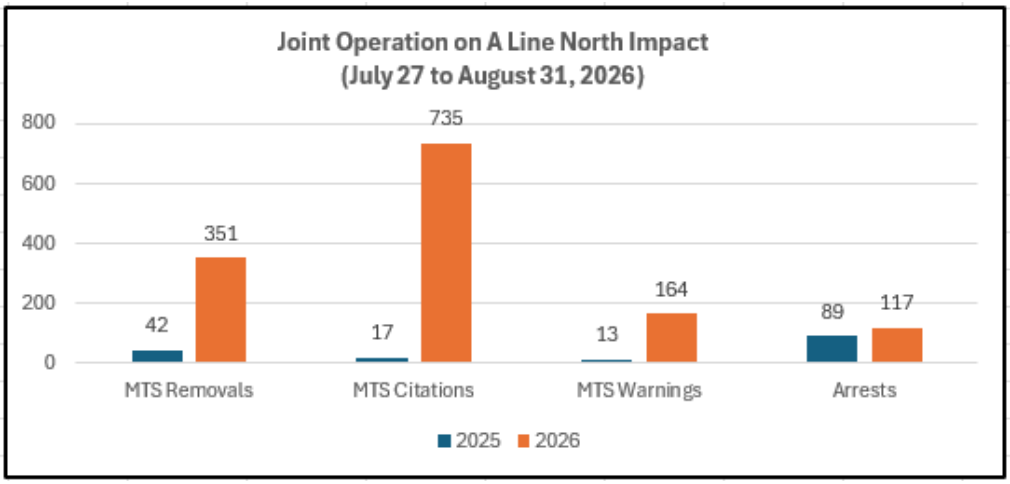
Assaults often escalate into physical altercations when enforcing the Code of Conduct or when requesting that a patron get off a bus or train. MTS Bus Safety Teams patrol the top 10 bus lines with the highest rates of operator assaults, and security personnel are stationed at end-of-line stations when service concludes.

ENFORCEMENT AND ACCOUNTABILITY

Maintaining a visible presence is crucial to enhancing both system safety and perceptions of safety. Enforcement activity during August included 646 arrests, 609 citations, and 7,922 Code of Conduct removals. 42% of removals were for attempted fare evasion, and the remaining removals were for

loitering by the turnstiles, platform, and mezzanine areas of the station.

Law enforcement focuses on deterring and stopping crime, while MTS and contract security officers enforce the Code of Conduct and cite and remove individuals who violate Metro's policies. MTS continues its ongoing targeted fare compliance campaign on the G Line and joint train-riding operation with LAPD and LASD on the A Line North (Union Station to Pomona). As the joint operation continued, removals by MTS train-riding teams on the A Line North increased significantly, averaging seven removals per sweep compared to one removal during the same period last year (July 27-August 31). Similarly, at these targeted stations, citations have increased 4,200% so far, compared to the same period last year, most for no proof of fare, and law enforcement made 117 arrests, mostly for trespassing and narcotics. This demonstrates the impact this joint operation has had in enforcing the Code of Conduct.



MEDICAL EMERGENCIES

Staff trained in first aid have proven critical for medical emergencies on the system. DPS responded to 156 medical emergencies experienced by riders or staff in August. Narcan reversals totaled eight in August, compared to six in July. Ambassadors reported three, CIS and law enforcement reported two each, and contract security reported one. Overdose incidents fluctuate monthly and reflect broader regional public health conditions. Each reversal reflects trained intervention and rapid-response capability.

EMERGENCY PREPAREDNESS AND SYSTEM READINESS

Table-top discussions and regular training exercises enhance Metro's preparedness for any emergency. Throughout August, DPS continued bi-weekly training with LAPD's Bomb K-9 Unit on Metro railcars and participated in a discussion-based tabletop exercise to prepare for a total power failure during a major sporting event.

Additionally, from August 4 to 6, Emergency Management took part in the LA28 Integrated Preparedness Workshop. This workshop brought together federal, state, and local partners to review and improve the draft schedule of essential training and exercise milestones for the 2028 Games,

align calendars with key stakeholders, and discuss available training programs and resources to assist partners in planning and executing their 2028 Games preparedness activities.

EQUITY PLATFORM

The Metro system spans many diverse communities across Los Angeles County. Because Metro serves economically and socially diverse communities and riders, public safety needs across the system are equally varied and require tailored approaches. Metro continues to take a cross-disciplinary approach to sustain and grow ridership, improve customer experience, and, most importantly, ensure Metro's system is safe and equitable across Los Angeles County. The Care-Based Services Division demonstrates the agency's holistic approach to improving public safety by bringing together all of Metro's care-centered programs. Metro Ambassadors provide a highly visible, uniformed presence across the system, focusing on customer support, wayfinding, and helping riders feel safe. Homeless outreach teams complement this work by engaging vulnerable individuals and connecting them to appropriate services. Care-based program workers coordinate closely with sworn officers when needed to ensure situations are handled safely and effectively.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through operational activities that will improve public safety and customer experience on Metro's bus and rail system and further encourage transit ridership. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports Strategic Plan Goals #2.1: Deliver outstanding trip experiences for all users of the transportation system; Metro is committed to improving security and #5.6: Provide responsive, accountable, and trustworthy governance within the Metro organization; Metro will foster and maintain a strong safety culture.

NEXT STEPS

DPS will continue to monitor the performance of its law enforcement partners, private security, and in-house public safety team, as well as the agency's crime statistics. It also considers information from

system operations, surveys, customer complaints, and physical security assessments, amongst other sources, to analyze safety-related issues, adjust deployment strategies, and formulate new interventions.

ATTACHMENTS

Attachment A - Ancillary Areas Quarterly Update
Attachment B - Station Experience Updates
Attachment C - HOME FY27 Interim & Permanent Housing Placements Breakdown

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Chief Executive Officer

Ancillary Areas Motion 30 Response – Quarterly Update

The following is a quarterly update, covering July to September 2026, outlining progress on securing and cleaning ancillary areas as required by Motion 30 by Directors Bass, Horvath, Krekorian, Najarian, Solis, and Hahn. This Motion increased Contract Security at all subway stations and mandated more inspections of ancillary areas. Response efforts shifted to prioritize arresting trespassers over removals. The ancillary areas are now much cleaner, and the updated protocols effectively deter unauthorized access, addressing previous concerns and disruptions to critical infrastructure.

Maintenance

- Custodial Services continued to maintain the cleanliness of all ancillary areas along the **B, D, E, and K lines** by performing a **weekly cleanup and odor neutralization in each corridor**. The custodial team met all ancillary-area routine cleanliness demands despite the increased World Cup support efforts
- The audible alarms still have a longer activation time when trespassers enter the emergency exit doors at the B and D Line stations.
- The maintenance team is currently progressing with the installation of the upgraded Intrusion Detection System (IDS), which includes cameras, strobe lights, and announcement features across the B and D Line ancillary areas.
- Installations have been completed at Westlake/MacArthur Park, Vermont/Sunset, Pershing Square, Vermont/Beverly, and Universal City stations. Work at Union Station is approximately 85% complete.
    - Before these targeted efforts began, special cleanup requests were received daily from at least 12 of the 16 underground stations on the B and D Lines.
    - These requests decreased to once every other week at one of the 16 stations, which was a direct result of the increased frequency of corridor inspections by Contract Security officers, maintaining an increased frequency of station corridor cleaning, and new cleaning products.
    - The number of special cleanup requests has remained low for at least 15 consecutive months.
- As part of these targeted efforts, Metro also updated standard operating procedures for chemical and staff safety and equipment to protect staff from potential exposure to untreated corridors.

Security

- During this reporting period, 80 Contract Security Officers were deployed daily across 24 subway stations serving the B, D, E, and K Lines to support system safety, security, and operational continuity. Following the completion of the Intrusion Detection System (IDS) installation at several B/D Line subway stations, Contract Security personnel have enhanced their response capabilities by responding to ancillary IDS alarms with real-time information and coordination provided by the Metro Security Operation Center.

- Contract Security personnel continue to conduct proactive security inspections of all ancillary areas a minimum of three times daily to identify unauthorized access, safety concerns, and maintenance issues. Officers are directed to take enforcement action, including arrests and removals, when they encounter trespassers within restricted areas.
- In support of system cleanliness and employee safety, Contract Security continues to provide security escorts for Metro custodial staff during ancillary area cleaning operations.
- In addition, Contract Security personnel actively report property damage, vandalism, and scheduled maintenance concerns through the Metro Transit Watch application, ensuring timely repair and clean-up requests are submitted outside regularly scheduled maintenance cycles.

Station Experience Updates

Key Recommendation from Community Intervention Specialists Leads to Major Improvement in Throne Restroom Safety & Accessibility at Westlake/MacArthur Park

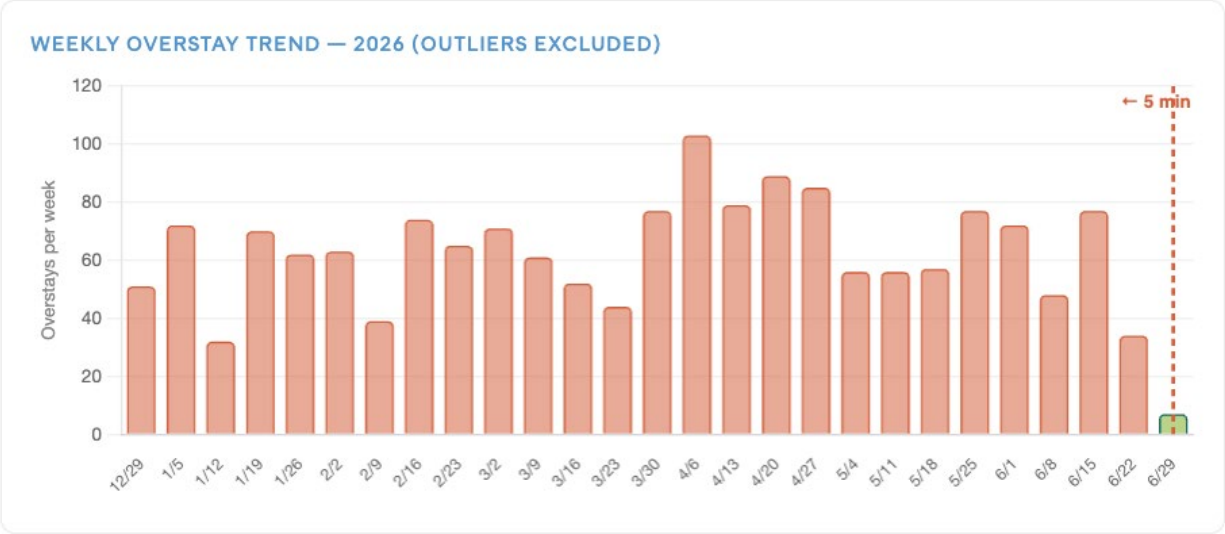
Earlier this summer, staff returned to the Westlake/MacArthur Park (B)(D) Station to evaluate overall station conditions and the new planters installed by the City of LA to replace the former chain-link fencing along the Alvarado Street frontage.

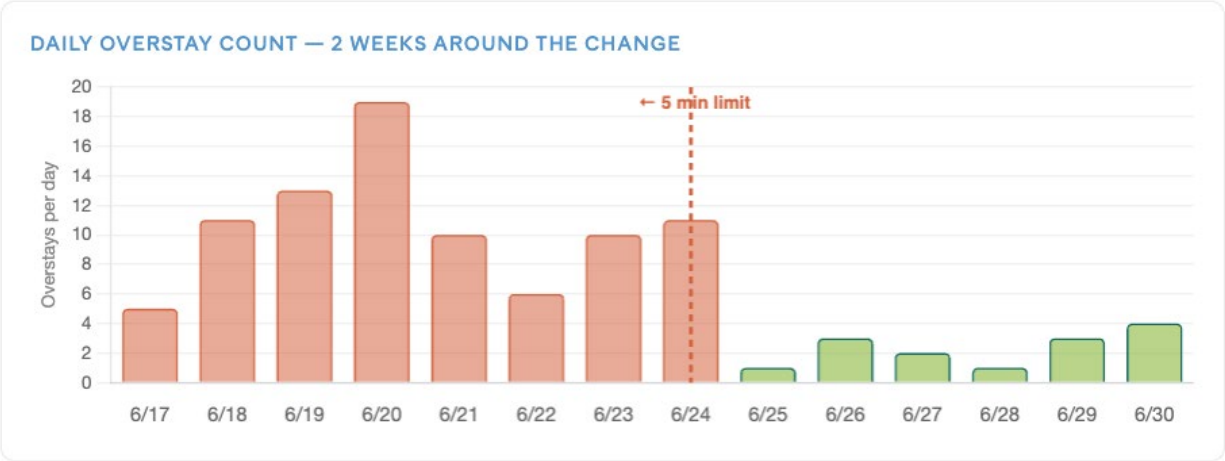
During the visit, Community Intervention Specialists (CIS) assigned to this station shared that while the Throne Restroom has been tremendously helpful to riders at the station, staff have reported instances of unwanted activity, such as drug paraphernalia, particularly during sessions where users overstayed their 10-minute allotted session. These overstays reduce access for legitimate restroom use.

CIS staff have proposed that Throne tighten the allotted session time to reduce and deter overstay activities at this station. SX staff evaluated Throne usage data and found that the average use time across millions of sessions is under three minutes per session. This means the 10-minute session has been providing more than three times the average time needed, based on 1M+ Throne sessions.

Therefore, on June 24, 2026, staff initiated a pilot program at Westlake/MacArthur Park to adjust the allotted session from 10 minutes to five minutes, which still provides nearly double the time users have needed.

Preliminary results have shown a dramatic reduction in overstays, translating to a substantial increase in Throne Restroom availability for Metro riders at this station. Specifically, daily overstays dropped by nearly 70% under the five-minute window compared with the previous 10-minute window. Staff have had no complaints since this time adjustment.





The Station Experience (SX) team will continue evaluating the data to see whether this adjustment could make sense at other stations with either similar challenges or extraordinarily high demand, like Little Tokyo/Arts District Station, which is the busiest Throne Restroom in North America.

Onsite Visits with DPS & LAPD to Address Unwanted Activity at B & D Line Joint Development Station Plazas in Koreatown

In late August, Station Experience joined the Metro Department of Public Safety (DPS) and the Los Angeles Police Department (LAPD) for site visits at the Wilshire/Vermont (B)(D) and Wilshire/Western (D) stations to assess ongoing loitering, reported drug activity, unregulated vending, and access concerns at Metro Joint Development plazas.

At Wilshire/Vermont (B)(D) Station, the 3.3-acre Wilshire Vermont Apartments Joint Development site includes residential and commercial uses, a Metro Customer Center, and a public plaza connecting the development to the station and surrounding bus services. Metro has received complaints regarding loitering, alleged drug activity, and unregulated vending that can affect safety, security, and visibility within the plaza.

During the site visit, SX, DPS, and LAPD observed individuals appearing heavily sedated, as well as vendors occupying portions of the plaza and obstructing sightlines to Metro bus service along Wilshire Boulevard and Vermont Avenue. The site agreement places maintenance and security responsibilities with the developer; however, only one security guard was observed during the visit.

At Wilshire/Western (D) Station, the 0.44-acre Solair Joint Development site has generated similar complaints about loitering, including reports of large groups gathering on the stairs in front of the commercial building and on artwork benches within the plaza, which have been used for drug activity and illegal fires.

Based on the site visits, SX, DPS, and LAPD identified several near-term opportunities to support safety, security, and access at both locations:

- *Install appropriate "No Loitering" signage* to support LAPD enforcement where applicable.
- *Coordinate with Metro Local Government Relations and the City of Los Angeles* to identify environmental design strategies that can improve visibility and discourage prolonged loitering.
- *Engage the joint development property managers* regarding observed security and site-management concerns and their contractual responsibilities.
- *Evaluate access-control opportunities* that could help better define and manage plaza spaces.
- *Identify opportunities to enhance plaza safety and visibility through additional eCam surveillance coverage and improved lighting*, particularly in areas experiencing recurring loitering and illicit activity concerns.

SX will coordinate with DPS, LAPD, Real Estate, the City, and joint development property owners to further evaluate and advance these opportunities. These efforts are intended to improve safety, visibility, and the overall station environment for transit customers, residents, and visitors along the Wilshire corridor.

Enhanced Fare Compliance Signage Expands to Exposition Park Stations in Time for USC Football & Lucas Museum Grand Opening

Earlier this year, riders reported confusion about the new TAP validators at stations without faregates, where riders are still expected to validate their fare before boarding.

As a result, SX launched an enhanced fare compliance signage pilot at the ungated Union Station A Line Station entrance. The pilot includes floor decal signage using the TAP color scheme to visually alert riders to tap their cards at the TAP validators. At the Union Station A Line entrance, staff saw a 15% increase in valid TAP entries after installing this treatment.

In September, the Facilities Maintenance team expanded this successful effort to other key E Line stations that do not have faregates, including Expo Park/USC and Expo/Vermont, where the highly anticipated Lucas Museum of Narrative Art will be

drawing thousands of new visitors to the area, many of whom may ride Metro for the very first time.

Environmental Improvements Installed At La Cienega/Jefferson Parking Structure to Restore Rider Safety & Accessibility

Over the past year, SX received concerns about safety and cleanliness inside the parking structure at La Cienega/Jefferson E Line Station. This parking structure has two underground/basement levels that are inconspicuous and attract unwanted activity. As a result, most people prefer to park on the upper levels, where natural lighting and visibility support situational awareness.

Recent station inspections have revealed evidence of loitering, with broken glass, open alcohol containers, soiled garments, and defecation prevalent throughout the basement level. Additionally, Metro's Vertical Transportation team has confirmed that persistent vandalism to the parking structure elevator equipment has led to repeated elevator outages, creating accessibility issues for commuters who park on different levels but cannot use the elevator to the ground floor.

Other Metro parking structures have faced similar challenges of misuse and persistent loitering, and Metro has since deployed environmental improvements to realign expectations for appropriate parking-structure use. This has included the parking structures at APU/Citrus College Station in Azusa and Willow St Station in Long Beach, where repeated vandalism and loitering became nearly non-existent just days after the improvement was installed. Through a team effort with Facilities Maintenance Projects and General Services, staff deep-cleaned this area with high-pressure washing and then installed an environmental improvement, which was successfully deployed this week.

The SX team will closely monitor conditions at the La Cienega/Jefferson parking structure to see whether the pattern of repeated damage to this Metro station can be broken.

A Line North Walkthrough to Identify Safety, Accessibility & Connectivity Improvements

Last week, SX joined Metro's First/Last Mile Team, Caltrans District 7, City of Los Angeles Recreation and Parks, LA City Council District 1, the 52nd Assembly District, and community and neighborhood stakeholders for a field assessment of the area surrounding Lincoln/Cypress A Line Station and the 110 Freeway pedestrian and bicycle path.

The walkthrough assessed station amenities and connections to the surrounding pedestrian and bicycle network, including lighting, wayfinding, visibility, and access along the path toward Chinatown and the Yale Street Pedestrian footbridge. They also discussed current and future improvements to pedestrian wayfinding and accessibility between Dodger Stadium Gate E and Chinatown A Line Station.

The site visit identified opportunities for SX to improve the customer experience through enhanced lighting, breadcrumb wayfinding, cleanliness, visibility, and connections between Metro stations and nearby pedestrian and bicycle facilities. The observations will help inform future SX work orders, capital improvements, and station evaluations.

FY27 Interim and Permanent Housing Placements						
Metro Multi-Disciplinary Team (MDT)	**Lines Covered**	**Number of Teams Funded by Metro**	**Placed Into Interim Housing**		**Placed Into Permanent Housing**	
			YTD	**Aug-26**	**YTD**	**Aug-26**
Christ Centered Ministries (CCM)	A, E (East), J, B, D, Swing Shift	9	201	85	58	29
Helpline Youth Counseling (HYC)	A South	2	33	24	11	7
HOPICS	C, K	2	33	9	1	0
LA Family Housing (LAFH)	G	2	17	10	0	0
Union Station Homeless Services	A (North)	2	0	0	0	0
PATH	A, B, D, E (West)	7	190	97	22	10
		TOTAL	**466**	**222**	**92**	**46**

**As of Date 9/28/26*

***County HMIS data may include duplicate individuals served by multiple teams.*

Monthly Update on Public Safety

Executive Management Committee Meeting
Operations, Safety, and Customer Experience Committee Meeting

October 15, 2026

Engaged & Visible Presence

August 2026

Incident Free Trips	Passenger Boardings	Crime per 1M Boardings
99.997%	26M	20

July 2026: Total Crimes

606

482 (+25.7%) June 2026

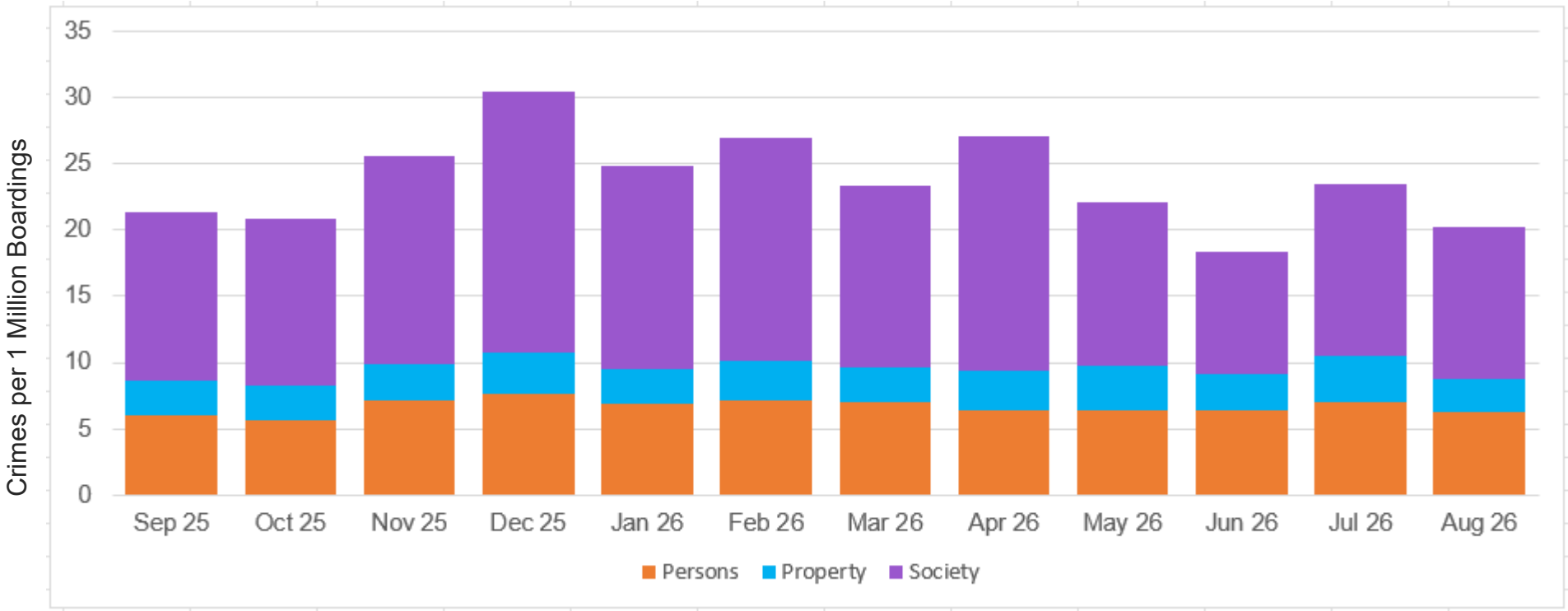
598 (-24%) July 2025

August 2026: Total Crimes

536

606 (-11.6%) July 2026

612 (-12.4%) August 2025



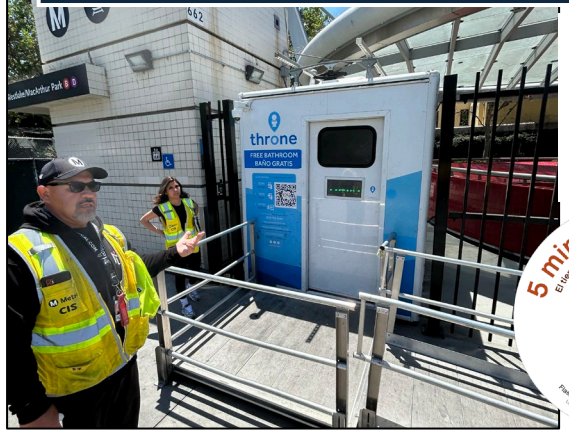
Compared to July, violent crimes per million boardings **decreased by 11.7%.**

August 2026 had the **lowest rate of violent crimes in August since 2019.**

Crime typically spikes during summer months; however, this summer's violent crimes declined significantly from their peak in 2023. This was especially true for aggravated assaults, which fell 37% from the summer of 2023.

Access Control & Station Experience

Input from Community Intervention Specialists Leads to Major Improvement in Throne Restroom Safety & Accessibility at Westlake/MacArthur Park

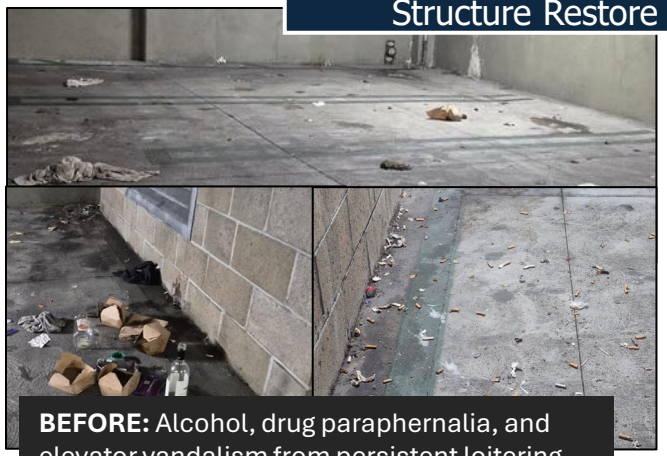


Overstays/day — before
9.5
Jan 1 – Jun 24

Overstays/day — after
3.1
Jun 24 PM – Jun 30

Reduction
67%
in daily overstay count

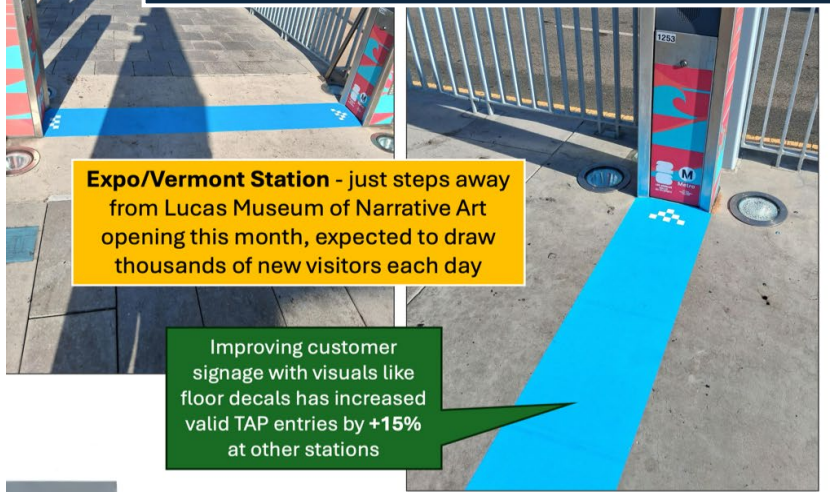
Improvements at La Cienega/Jefferson Parking Structure Restore Rider Safety & Accessibility



BEFORE: Alcohol, drug paraphernalia, and elevator vandalism from persistent loitering

AFTER: Improved conditions after addressing persistent loitering & vandalism

Improved Signage Expands to Expo Park in Time for Key Events

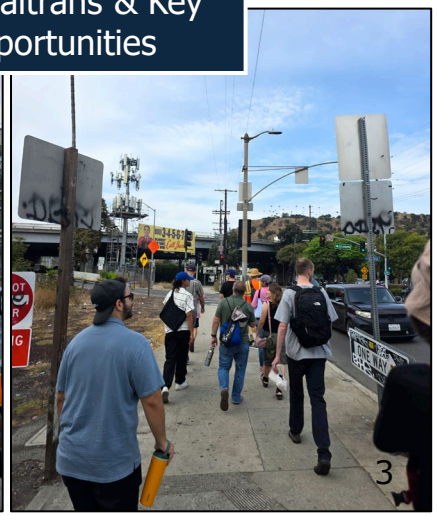


Expo/Vermont Station - just steps away from Lucas Museum of Narrative Art opening this month, expected to draw thousands of new visitors each day

Improving customer signage with visuals like floor decals has increased valid TAP entries by **+15%** at other stations

Expo Park/USC Station - just steps away from the Coliseum, where USC Football kicked off last weekend and hosts Fresno State this week

A Line Northeast LA Visit with Caltrans & Key Stakeholders Brings New Opportunities



Partnerships to Address Societal Impacts

August 2026

Ambassador & Community Intervention Specialist Engagements	HOME Engagements	Interim Housing	Permanent Housing
71,600	443	222	46

For FY27, 1,288 people have been enrolled in HMIS, and 558 have been connected to interim or permanent housing, with the goal of 2,400 housing placements.

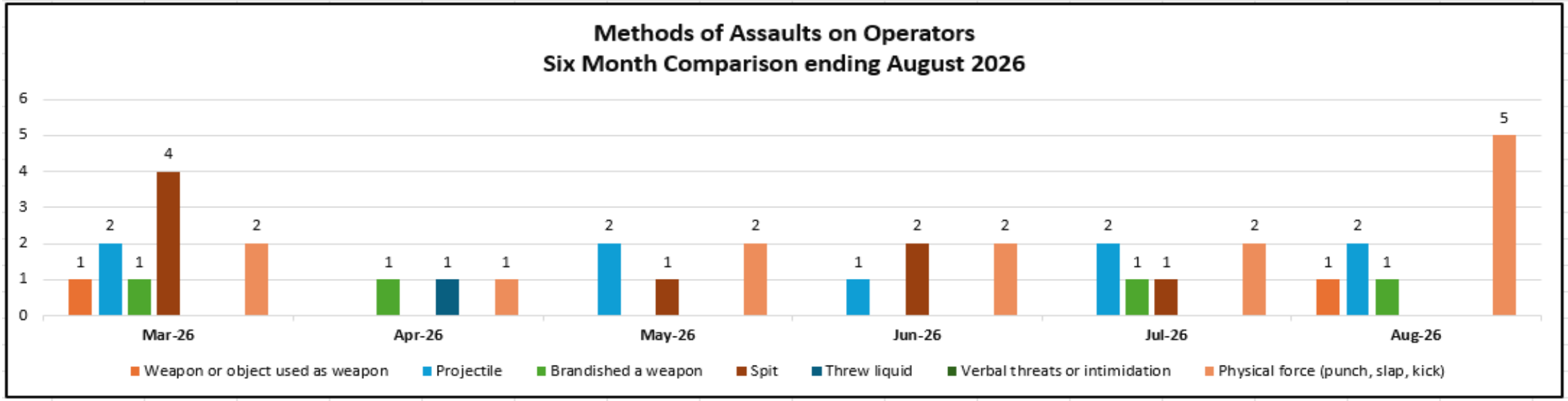
Frontline Protection

August 2026

- In August, there were 14 assaults on Metro frontline personnel, with nine assaults on operators.
- Four of the nine incidents occurred while the operator was behind the operator safety barrier, successfully minimizing any serious injuries.
  - The other five incidents occurred outside the barrier or vehicle, with the operator either being pushed or punched without provocation.
  - One incident required medical transport to a hospital due to being shoved into the barrier door while assisting a patron.
- MTS Bus Safety Teams ride the top ten bus lines with the highest operator assault rates, and contract security is at end-of-line rail stations when service ends.

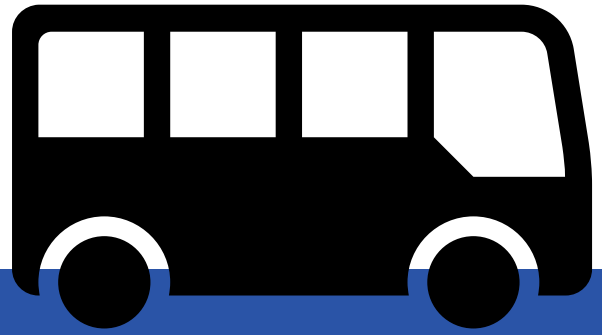
Assaults on Metro Employees & Contractors

Type	Aug-25	Jul-26	Aug-26
Bus Operators	5	6	8
Rail Operators	0	0	1
Transit Security Officers	0	0	0
Contract Security Officers	11	2	1
Ambassadors	0	1	3
Blue Shirts	0	0	0
Community Intervention Specialists	0	0	0
Custodians	2	2	1
Total	**18**	**11**	**14**



Thank You!

Questions?



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

Metro

Board Report

File #: 2026-0639, **File Type:** Informational Report **Agenda Number:** 29.

EXECUTIVE MANAGEMENT COMMITTEE
OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
OCTOBER 15, 2026

SUBJECT: DEPARTMENT OF PUBLIC SAFETY IMPLEMENTATION PLAN UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE the quarterly update on the Department of Public Safety (DPS) Implementation Plan.

ISSUE

In alignment with Metro's mission and comprehensive safety and security framework, staff continue to implement the plan to stand up Metro's DPS. This report serves as a status report to the Board on the implementation progress of the new department.

BACKGROUND

At its June 2024 meeting, the Board adopted the DPS Implementation Plan, formerly named the Transit Community Public Safety Department, and approved the department's phased establishment over five years. The Board directed staff to report quarterly on the implementation progress.

Following the Board's approval of the Implementation Plan, the CEO assembled an interdepartmental task force to support the establishment of the department. The task force was composed of members of Metro's key departments, including Homeless Outreach Management and Engagement, Customer Experience, System Security and Law Enforcement (now named Emergency Management and Security Division), Chief People Office, and the Office of the Chief of Staff. Since the hiring of the Chief of Police and Emergency Management, the task force has been refined and is being led under his leadership. Additionally, the CEO established a Transition Team Advisory group, consisting of multidisciplinary subject-matter experts, to advise staff on key aspects of the plan.

Phase One implementation plan activities for the DPS were completed in FY25, including the recruitment and appointment of the Chief of Police and Emergency Management, the establishment of a transition team, the initial formulation of hiring and recruitment strategies for sworn officers and non-sworn positions, and the development of procurement plans.

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DISCUSSION

Developing and Integrating the Care-Based Services Division

The integration of care-based programs is essential to how Metro will address public safety, working in lockstep with law enforcement to provide a cohesive approach that addresses safety at all levels and creates a culture of inclusive collaboration. DPS's Care-Based Services Division has four programs: Metro Ambassadors, Community Intervention Specialists (CIS), Homeless Outreach Management & Engagement (HOME), and Crisis Response Teams. The first three programs transitioned into DPS in early January, while the fourth program, Crisis Response Teams, is in development and expected to be active this fiscal year. These four programs will contain nearly half of the field-based personnel within the department, the largest being Metro Ambassadors.

Staff continues with several key steps in developing the Crisis Response Program, including:

- Hiring a Senior Director for program oversight - Completed FY26 Q1
- Developing an operational manual and standard operating procedures - Completed FY26 Q4; This work included successful execution of a Memorandum of Understanding with the Los Angeles County Department of Mental Health in early July 2026 for prioritization of response when Metro's Crisis Response Team encounters someone requiring a 5150 evaluation.
- Developing job descriptions - Completed FY26 Q4
- Developing an onboarding program - Completed FY27 Q1; The onboarding program includes Metro mandatory training, outside agency presentations providing information regarding their services, and Crisis Response Program (CRP) shadowing of Metro's Homeless Outreach Management Engagement (HOME) Team. Onboarding will take place over a two-to three-week span for all new team members.
- Identifying and integrating HIPAA-compliant practices - Ongoing; Staff continues to engage with County Counsel to understand the scope of HIPAA and how its guiding principles may intersect with the work of the Crisis Response Program (CRP). Efforts continue on the identification and integration of HIPAA-compliant practices.
- Identifying and developing essential crisis response training - Ongoing; Staff has developed essential crisis response trainings for the Crisis Response Program, including Crisis Prevention and Response in the Field, Culturally Responsive Crisis Care in the Field, Motivational Interviewing, and Harm Reduction. These trainings are incorporated into the onboarding for new CRP staff and will be available for ongoing professional development to strengthen existing DPS staff's understanding of behavioral health. Staff will also leverage Metro's suite of trainings made available by the Chief People Office and Metro's Employee Assistance Program to ensure effective crisis response, engagement, de-escalation, and service connection occur during deployment. Initial training will take place over two to three weeks during onboarding, and individual trainings will be required annually, taking two to eight hours each to complete. Staff will continue to research and identify additional training needs as the program develops.
- Continue recruiting crisis response teams - Ongoing; Collaboration continues with Metro's Chief People Office for recruitment of all Crisis Response Program staff. To date, one Clinical Manager position has been filled with a pending start date, and a second Clinical Manager is

currently in recruitment. The remaining positions (Mental Health Specialists and Peer Support Specialists) will begin recruitment in the second half of the fiscal year, contingent on budget approval.

Biweekly meetings between members from each public safety layer have focused on defining roles and responsibilities, identifying improvements in data collection and utilization, innovations in communication, and deployment strategies across the service area.

Hiring and Recruitment Progress

Hiring of Care-Based Services Personnel
To support the development and operation of the care-based programs, Metro recruited two Deputy Executive Officers (DEOs) - one to oversee the Ambassador and Community Intervention Specialist (CIS) programs, and the other to oversee the Homeless Outreach Management and Engagement teams and Crisis Response Teams. Both positions have been filled - one candidate began in late June, and the other began mid-August. In addition, two Clinical Manager positions for the Crisis Response Teams were posted in June, which will mark the first Crisis Response team program hires since the Senior Director joined in the summer of 2025. Interviews have been conducted, and one of two selections has been made. The Ambassador program has also continued to expand, with 27 new Ambassadors joining the team in August.

Recognizing the potential challenges of recruiting care-based personnel for a transit agency, DPS and CPO staff coordinate regularly on recruitment strategies to reach the right candidates. So far, positions have been posted through a variety of entities beyond the typical ones used by Metro, including educational institutions, national and state organizations that represent social service professionals, and job search engines that specifically focus on social service jobs.

Sworn Personnel Hiring Update
DPS went live with its officer hiring website on May 28. As of September 29, 6,711 applications have been received for new recruits and 300 for lateral officers. Staff is prioritizing filling the 40 authorized positions in FY27, which will also support the development of the department's Field Training Officer program.

The sworn officer hiring process is comprehensive and requires adherence to California statutory requirements and California Peace Officer Standards and Training (POST) regulations. Of the lateral applicants, 56 have advanced to the background stage, one of the most extensive steps in the hiring process, which typically lasts about eight weeks. Staff anticipates hiring the first group of laterals before the end of the calendar year, followed by a four-week Metro orientation and training program, with initial deployment planned for late Spring 2027. Furthermore, staff continues to work with the Chief People Office and Marketing to advertise the position as it anticipates needing approximately an additional 200 applicants to fill its authorized FY27 positions.

In addition to officer hiring, we are actively recruiting Transit Police Sergeants, a key leadership role in the command structure. The job posting went live on August 13, with 79 applications received as of September 29, and candidate interviews are currently underway.

Training

DPS is in the process of designing a four-week orientation program for the onboarding of new public safety personnel, balancing core operational policies, specialized crisis engagement, high-risk safety certifications, and partner agency field integration.

- **Week 1 (Foundations & Safety):** Establishes foundational knowledge through Metro's mission, vision, and values, benefits overviews, equipment issuance, and a DPS orientation. It features an intensive day of Care-Based Services training focused on crisis response, de-escalation, and trauma-informed engagement, followed by an 8-hour Metro Rail Safety certification and administrative facility onboarding. This first week will also cover civil rights, unconscious bias, and equity, presented by Metro's Office of Equity and Race.

- **Week 2 (Operations & Specialized Teams):** Outlines core transit security functions across Metro Transit Security (MTS) and contracted security teams, detailing patrol areas, fare enforcement, roles, and responsibilities. It also covers Emergency Management, Physical Security tools, and the Station Experience Team.

- **Week 3 (Tactics & Skills):** Focuses on critical law enforcement training, beginning with Use of Force legal standards (*Graham v. Connor*). It advances to field tactics-including vehicle, bus, and pedestrian stops, alongside building searches-and concludes with comprehensive firearms manipulation and qualification.

- **Week 4 (Agency Integration & Field Readiness):** Embeds new DPS sworn officers with external partner agencies via shadowing shifts with LAPD Homeless Outreach Proactive Engagement (HOPE) Team (encampment response), LAPD Senior Lead Officers, and LASD North/South teams.

Policy Development

Metro has contracted with Lexipol to develop a comprehensive policy manual for sworn officers, providing the standards necessary for consistent, lawful, and professional operations. A working group, comprised of representatives from key Metro departments and County Counsel, continued to meet and has finalized the majority of the policies that will govern sworn officers. DPS is working to complete the remaining policies currently being vetted by County Counsel. Once complete, the policy manual will be ready to support the deployment of newly hired sworn officers later this year.

Facilities and Zone-Based Deployment

To support the zone-based deployment model, a cross-functional working group comprised of staff from Operations, Real Estate, DPS, and other Metro departments has been meeting regularly to assess existing facilities within each of the seven zones and determine whether they can adequately support sworn officer deployment. Where gaps exist, the group is evaluating options for establishing satellite offices within each zone to reduce officer travel time, improve response times, and increase operational efficiency. Options under consideration include co-locating DPS sworn officers, Transit Security, and care-based personnel in strategically located facilities in each zone across Los Angeles

County. This approach will create a more integrated public safety presence within each zone and improve coordination among the various public safety units. Preliminary options will be submitted for department leadership review in the coming months.

Contracts and Agreements

Staff have developed a comprehensive procurement strategy to ensure Metro can acquire the resources, equipment, technology, and infrastructure necessary to establish and operate the new DPS.

Metro retained DeltaWRX to conduct a comprehensive technology assessment, including an evaluation of existing systems, identification of operational gaps, and recommendations for technologies required to support a fully functioning police department. Staff has been meeting regularly to prioritize technology needs, develop a communications and dispatch strategy, and determine what technology will be needed to deploy the first group of officers. Short-term and long-term technology needs include Computer-Aided Dispatch (CAD), Records Management Systems (RMS), radio communications, 911 call handling, and other critical public safety technologies.

Staff is also working to acquire patrol cars for new officers and anticipate going to the Board later this year for contract award. Furthermore, staff is developing solicitation packages to procure uniforms for care-based staff and expand the network of medical clinics available to move candidates through the recruitment process.

Stakeholder Coordination

A strategic engagement plan for Chief Scott ensures he engages with riders, key internal and external stakeholders, and media, in order to keep the public informed about the new Department and the progress the agency has made towards creating a comprehensive and integrated public safety ecosystem.

Since the last quarterly update, Chief Scott and DPS senior leadership have held more than 50 engagements. This includes providing the latest implementation updates to the Public Safety Advisory Committee; meeting with the Transition Team Advisory Group to discuss sworn officer hiring and recruitment; and sitting on a panel to discuss safety initiatives used during the FIFA World Cup and security plans for LA28. Chief Scott also completed virtual interviews with Lochner Egis Group and LAist to share lessons learned from the conclusion of the FIFA World Cup and the agency's fare policy, respectively.

Chief Scott recognizes that relationships with key stakeholders must either be created, restarted, and/or strengthened in order for the Department to best serve the safety of Metro riders and frontline personnel. The Chief will continue to engage with various stakeholders and provide them with updates on the progress of standing up the department.

Transition Team Advisory Group

The Transition Team Advisory Group met on August 25, 2026, to receive updates and provide input

on key elements of the Department of Public Safety's implementation. The discussion included the status of sworn officer hiring and recruitment and a review of the Body-Worn Camera and Bias-Free Policing policies being developed for the sworn officer policy manual. The Advisory Group also continued its discussion with Dr. Rebecca Hetey on organizational culture, with a focus on establishing a high-trust department grounded in employee wellness, collaboration, accountability, community engagement, and shared ownership of the mission. The group received an update on the development of the Care-Based Services Division, including the Crisis Response Program, staffing, and draft of the Standard Operating Procedures. Finally, Deputy Chief Stiger presented the framework for a 12-month integrated training program, building on the four-week orientation, designed to align training across all five public safety tiers, including sworn officers, and to emphasize de-escalation, procedural justice, collaboration, and coordinated response. The previously mentioned four-week orientation for sworn personnel is separate from this 12-week program. Every lateral or new hire will complete the four-week orientation prior to being deployed on the system. Once deployed, they will be integrated into the 12-month training cycle that all DPS employees deployed on the system are required to complete.

EQUITY PLATFORM

The DPS will implement safeguards, training, and oversight based on agency priorities, promoting equitable treatment of riders per the Board-approved Bias-Free Policing Policy and supporting a transit policing style with engaged visibility. Furthermore, staff is developing a comprehensive policy manual and orientation training program for incoming sworn officers to ensure consistent, lawful, and professional operations across all areas of the DPS. Concurrently, to ensure the new Department is well-balanced to serve different needs, staff continue to develop the Crisis Response Program in the Care-Based Services Division.

As DPS is building out the department, staff continues to regularly brief the Public Safety Advisory Committee on its progress. Staff also maintains regular communication with other Metro advisory bodies, providing updates and answering questions from advisory members.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through operational activities that will improve and further encourage transit ridership through enhancing safety on the Metro system and providing an improved customer experience. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance

Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

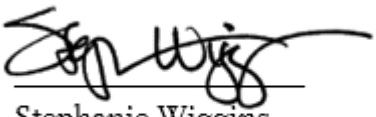
The recommendation supports Strategic Plan Goals #2.1: Deliver outstanding trip experiences for all users of the transportation system; Metro is committed to improving security and #5.6: Provide responsive, accountable, and trustworthy governance within the Metro organization; Metro will foster and maintain a strong safety culture.

NEXT STEPS

Staff will continue to actively engage employees and the public during the implementation of the DPS. Staff will report back to the Board quarterly with progress updates.

Prepared by: Imelda Hernandez, Senior Director, Special Projects, (213) 922-4848

Reviewed by: William Scott, Chief of Police and Emergency Management, (213) 922-5448



Stephanie Wiggins
Chief Executive Officer

Department of Public Safety Implementation Plan Update

Executive Management Committee Meeting
Operations, Safety, and Customer Experience Committee Meeting
October 15, 2026

Metro

Developing and Integrating the Care-Based Services Division

- DPS's Care-Based Services Division houses **Metro's four care-based programs**: HOME, Metro Ambassadors, Crisis Response Teams, and Community Intervention Specialists.
- **Staff have initiated several key steps in developing the crisis response program, including:**
  - Hiring a Senior Director for program oversight – Completed FY26 Q1
  - Developing an operational manual and standard operating procedures – Completed FY26 Q4
  - Developing job descriptions – Completed FY26 Q4
  - Developing an onboarding program – Completed FY27 Q1
  - Identifying and integrating HIPAA-compliant practices – Ongoing
  - Identifying essential crisis response training – Ongoing
  - Continuing recruitment of crisis response teams – Ongoing

Metro

Hiring & Recruitment Progress

Care-Based Services Personnel

- Metro hired two Deputy Executive Officers (DEOs) — one to oversee the Ambassador and Community Intervention Specialist (CIS) programs, and the other to oversee the Homeless Outreach Management and Engagement teams and Crisis Response Teams.
- Two Clinical Manager positions for the Crisis Response Teams were posted in June; interviews have been conducted, and one of two selections has been made.

Sworn Officers

- As of September 29, **6,711** applications were received for new recruits and 300 for lateral officers.
- Staff anticipates hiring the first group of laterals before the end of the calendar year, followed by a four-week Metro orientation and training program, with initial deployment planned for late Spring 2027.
- DPS is also actively recruiting Transit Police Sergeants. The job posting went live on August 13, with 79 applications received as of September 29; candidate interviews are currently underway.

Metro

Training Development & Policies

Training

DPS is in the process of designing a four-week orientation program for the onboarding of new public safety personnel by balancing core operational policies, specialized crisis engagement, high-risk safety certifications, and partner agency field integration.

- Week 1: Foundations & Safety, including Care-Based Services integration and Customer Service
- Week 2: Operations & Specialized Teams
- Week 3: Tactics & Skills
- Week 4: Agency Integration & Field Readiness

Policy Development

- DPS continues to work on drafting policies and conducting internal review.
- Once complete, the policy manual will be ready to support the deployment of newly hired sworn officers later this year.

Metro

Zone Deployment, Contracts, & Agreements

Zones & Deployment

- To support the zone-based deployment model, a cross-functional working group comprised of staff from Operations, Real Estate, DPS, and other Metro departments has been meeting regularly to assess existing facilities within each of the seven zones and determine whether they can adequately support sworn officer deployment.
- Options under consideration include co-locating DPS sworn officers, Transit Security, and care-based personnel in strategically located facilities in each zone across LA County.

Contracts & Agreements

- Staff is working to acquire patrol cars for new officers and anticipates going to the Board next month for contract award.
- Staff is developing solicitation packages to procure uniforms for care-based staff and expand the network of medical clinics available to move candidates through the recruitment process.

Metro

Stakeholder Coordination

- **A strategic engagement plan for Chief Scott** ensures he engages with riders, key internal and external stakeholders, and media and keeps the public informed about the new Department and the progress the agency has made towards creating a comprehensive and integrated public safety ecosystem.

- Engagements included, but not limited to:
  - Public Safety Advisory Committee on July 7
  - Lochner Egis Group interview on August 3
  - LAist interview on August 10
  - Transition Team Advisory Group on August 25
  - World Cup- LA28 Panel on August 26
  - Public Safety Advisory Committee on September 3
  - Metropolitan Transit Discussion Group Safety & Security Summit on September 15

Metro

Next Steps

- Continue to actively engage employees and the public during the implementation of the DPS.
- Continue to expand recruitment and hiring strategy to meet FY27 hiring goals

Metro

Thank You!

Questions?

Metro

File #: 2026-0636, **File Type:** Informational Report **Agenda Number:** 30.

EXECUTIVE MANAGEMENT COMMITTEE
OCTOBER 15, 2026

SUBJECT: HOMELESS OUTREACH MANAGEMENT & ENGAGEMENT (HOME) QUARTERLY REPORT AND YEAR-TO-DATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE the HOME Quarterly Report.

ISSUE

Los Angeles County is experiencing a homelessness crisis, and the spillover results in many unhoused individuals seeking shelter on Metro's rail and busway system. Since 2017, Metro has been funding, with operations eligible fund sources, local social service agencies to deploy multidisciplinary teams who engage and deliver resources and services to unhoused riders. In addition, Metro has partnered with local homeless shelters to provide beds for the outreach teams to utilize. This is a report on the status and outcomes of Metro's homeless engagements for the fourth quarter of the fiscal year, April through June of 2026.

BACKGROUND

Metro continues to fund 24 multidisciplinary teams (MDTs) who perform outreach to people experiencing homelessness (PEH) on Metro's rail and bus systems, and are staffed by the following agencies: People Assisting the Homeless (PATH, Christ Centered Ministries (CCM), HOPICS, LA Family Housing, Union Station Homeless Services, and Helpline Youth Counseling. Metro MDTs focus on engaging individuals and connecting them to housing and other services and are deployed across the entire rail and bus system seven days a week, with 24-hour coverage Monday through Friday. The six community agencies that deploy the 24 MDTs are based in different areas of LA County and are strategically assigned to segments of the Metro system located in their regions.

Since 2018, Metro MDTs have enrolled 31,011 individuals into the Homeless Management and Information System (HMIS), allowing them to gain access to homeless resources and services. The teams have successfully connected 8,546 people to interim housing and 2,069 people to permanent housing.

In addition to MDT outreach, Metro currently funds, using eligible operations fund sources, a total of

45 interim housing beds through LA County DHS. These beds, located in Central Los Angeles and the San Fernando Valley, are reserved for MDTs to directly refer the people they serve. Since September 19, 2025, the City of Pomona has provided five interim housing beds through its contract with the organization Volunteers of America, bringing the current total to 50 beds.

These beds provide occupants with access to a wide range of resources and programming that address a variety of client needs. All beds are required to provide 24-hour access, offering a vital resource to people experiencing homelessness during the late evening and early morning hours of Metro operation. Through key partnerships with external stakeholders, staff plan for the continued expansion of Metro-specific interim housing resources.

DISCUSSION

The following quarterly report provides an overview of the homeless response activities from April 2026 to June 2026.

Operational Capacity and Deployment
Currently, the twenty-four teams funded under the active DHS contract have been deployed; however, some teams are operating with vacant positions. Metro MDT partners continue to actively recruit for these vacancies while maintaining full coverage across the rail and busway system.

Impact
During the fourth quarter of the fiscal year, the MDTs successfully enrolled 1,639 people into HMIS, with each enrollment representing a first-time connection to services and highlighting the program's ability to reach individuals not previously engaged with the system. The HOME department sets an annual housing connection goal for the total number of placements into either interim or permanent housing. Metro's total housing placement goal for FY26 was 2,100, which represents a 17% increase over FY25's goal of 1,800 total placements. During this quarter, the MDTs made 563 connections to interim housing and made 127 connections to permanent housing. This totals 690 housing placements in Quarter 4 of FY26, which is 131% of the Q4 goal of 525 placements. Lastly, MDTs continue to outperform their County counterparts who operate outside of the Metro system. Figure 2 in Attachment A shows updated comparison data.

So far, this fiscal year, 77% of non-permanent housing placements were traditional interim housing and recuperative care (45% interim housing & 32% recuperative care). In Q4, 73% of non-permanent housing placements were traditional interim and recuperative care. For permanent placements, Metro MDTs have successfully reunited individuals with family or friends, accounting for 60% of placements. Figures 3 and 4 in Attachment A show the breakdown of interim and permanent placements from July 1, 2025, through June 30, 2026.

Metro participates in an annual point-in-time count concurrently with the countywide effort, deploying roughly 65 volunteers to its rail and busway system. As a result of sustaining outreach efforts annually, Metro's collective point-in-time count results reflect a 57% systemwide reduction in the number of individuals experiencing homelessness over the past three years. Figure 1 in Attachment A shows the quarterly outcomes for the current fiscal year.

Metro engages with riders quarterly through the agency's Pulse Surveys. Addressing homelessness often ranks among the lowest in customer satisfaction, yet it remains a top rider concern. Thanks to ongoing efforts, staff observed consistent improvements in rider satisfaction each quarter. Since 2024, overall satisfaction with Metro's approach to homelessness has increased. Surveys from March 2026 indicate a 10% rise in customer satisfaction related to these efforts.

End of Line (EOL) Outreach

HOME deploys swing-shift outreach teams who collect data on the number of PEH exiting the terminating trains at EOL hotspot stations. Staff observed decreases over the previous quarter among the six EOL hotspot stations, which can be seen in the table below. Figure 5 in Attachment A shows the nightly average number (system nightly average across all EOL hotspot stations is 26) of PEH existing EOL hotspot stations from July 1, 2025, to June 30, 2026.

Q3 Nightly Avg		Q4 Nightly Avg	
N. Hollywood: 17	Union Station: 16	N. Hollywood: 13	Union Station: 14
DT Santa Monica: 34	Atlantic: 19	DT Santa Monica: 32	Atlantic: 14
Pomona: 24	DT Long Beach: 44	Pomona: 21	DT Long Beach: 31

In September of 2025, the A line extension opened and transferred the majority of terminating trains to the Pomona North station. Outreach teams began deploying their EOL teams to Pomona, engaging individuals for services and referring them to the five beds provided by the City of Pomona. Of the six terminating trains on the A line, two continue to terminate at APU/Citrus College station. HOME teams split their deployment between Pomona North station and APU/Citrus College station to ensure both EOL stations were being served. The average number of PEH exiting the trains at APU/Citrus is seven per night. Before the A Line extension, the average at APU/Citrus was 13 per night.

The HOME team has been engaging with EOL cities to establish partnerships to provide resources for people who shelter on Metro. Metro currently has a partnership in Pomona for five beds and has also been coordinating with the City of Long Beach and Supervisorial District 4 since September 2025 to allocate 10 beds for utilization by the Metro outreach teams. Metro's prior contract with the County for 10 beds in Long Beach ended in June 2025, and staff immediately began seeking solutions to ensure resources remain available near the A Line Downtown Long Beach station. For the last two years, Metro MDTs also had access to 25 beds through a partnership with the LA County Chief Executive Office Homeless Initiative (LA CEO-HI) and the Los Angeles Homeless Services Authority (LAHSA). Unfortunately, LAHSA is no longer funding their Welcome Navigation Center, and as of July 1, 2026, Metro MDTs no longer have access to the 25 beds. The Care-Based Services division will continue its goal of increasing access to resources through partnerships with community stakeholders.

Social Work Internships

Staff has established an internship program within the Care-Based Services division by developing relationships with schools of social work from several universities across LA County. Students are matched with the contracted community-based organizations that deploy multidisciplinary homeless outreach teams across Metro's rail and busway system. A licensed clinical social worker provides

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supervision and ensures field practicum standards are met. From August 2025 through May 2026, Metro hosted six social work students from two universities: Azusa Pacific University and California State University, Long Beach. Helpline Youth Counseling, Christ Centered Ministries, and Union Station Homeless Services hosted the students for their field experience, which concluded in April.

Partnership Development & Department Growth
Metro staff have participated in four San Gabriel Valley COG meetings, particularly around the coordination of homeless outreach efforts at Metro stations within the region. Subsequent meetings with COG representatives have continued to advance these discussions, with a focus on strengthening all regional partnerships and exploring dedicated housing and shelter resources, including beds specifically designated for Metro clients. Additionally, Metro staff presented to the City of Beverly Hills prior to the opening of the D Line extension and have continued discussions through ongoing meetings at the leadership and service delivery levels.

Organizationally, key leadership positions have been filled in the Care-Based Services Division of DPS. Two Deputy Executive Officers were hired - one to oversee the Ambassador and Community Intervention Specialist programs, and the other to oversee Metro's homelessness initiatives and programs. These new hires align with the department's organizational chart and support the ongoing services offered to Metro riders and unhoused individuals on the system.

Looking Ahead
Metro MDTs performed very well during FY26, continuing a trend that has shown outcomes continually exceeding expectations year over year. Based on Metro's Point-in-Time count results, the total number of people experiencing homelessness on the rail and busway system declined steadily, from a FY24 range of 1,041-1,092 to 631-684 in FY25. Staff counted again in January 2026, and the results show yet another decline, with a range of 395-517. At the time of this report, the HOME team has received outcome data for the first part of Q1 of FY27, which continues to look promising. People experiencing homelessness continue to receive housing resources and are enrolled in the HMIS system, helping them connect to safer, more permanent housing solutions.

EQUITY PLATFORM

Metro's efforts to address homelessness on the transit system through its homeless outreach program directly benefit unhoused individuals in LA County. Using a multi-layered deployment strategy that combines several departments, Metro strategically engages the most disenfranchised members of the community.

Teams are deployed across the entire rail and busway system, allowing them to outreach to regions with dense populations of people experiencing homelessness. By connecting 10,098 individuals to housing resources since 2018, Metro has improved equitable access to housing for many disenfranchised members of the community. Connecting people with housing resources, mental health services, and other essential interventions positively impacts the overall goal of reducing homelessness across Los Angeles and demonstrates Metro's commitment to providing access to opportunities for disenfranchised populations.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. While this item does not directly encourage taking transit, sharing a ride, or using active transportation, it is a vital part of Metro operations, as it provides support for people who seek shelter on Metro. Because the Metro Board has adopted an agency-wide VMT Reduction Target, and this item supports the overall function of the agency, this item is consistent with the goals of reducing VMT.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports Strategic Plan Goals #3.4: Enhance communities and lives through mobility and access to opportunity; Metro will play a strong leadership role in efforts to address homelessness in LA County and #4.1: Transform LA County through regional collaboration and national leadership; Metro will work with partners to build trust and make decisions that support the goals of the Vision 2028 Plan.

NEXT STEPS

Staff will continue to report quarterly on homeless outreach activity, outcomes, and strategic initiatives that address the presence of people experiencing homelessness on Metro's system. As this division grows within the Department, staff will combine future quarterly HOME reports into one comprehensive quarterly report for the Care-Based Services Division. This consolidated report will provide information and updates on the following public safety programs: Transit Ambassadors, HOME, Community Intervention Specialists, and Crisis Response Teams.

ATTACHMENT

Attachment A - Additional Data

Prepared by: Craig Joyce, Senior Executive Officer, Special Programs, (213) 418-3008
Irene Muro, Deputy Executive Officer, Care Based Services Division, (213) 922-3536

Reviewed by: William Scott, Chief of Police and Emergency Management, (213) 922-5448

Stephanie Wiggins
Chief Executive Officer

Attachment A

Additional Data

Figure 1: Metro MDT Fiscal Year Quarterly Outcomes

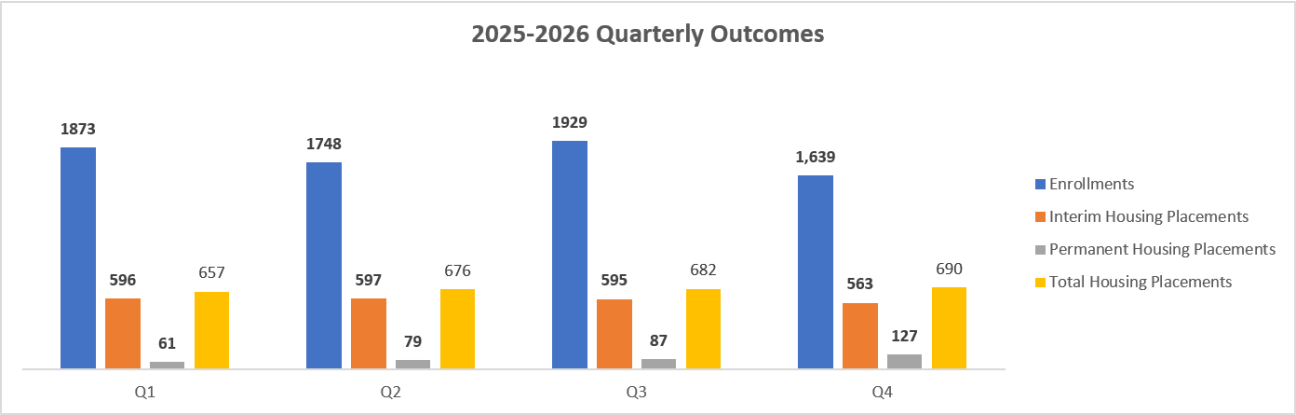


Figure 2: MDT Comparison Outcomes

		METRO MDT	COUNTY MDT	Performance Comparison
2024	INTERIM HOUSING AVG	290	87	233%
	PERMANENT HOUSING AVG	63	22	186%
2025	INTERIM HOUSING AVG	390	107	264%
	PERMANENT HOUSING AVG	62	21	199%
2026	INTERIM HOUSING AVG	392	113	248%
	PERMANENT HOUSING AVG	59	23	154%

Figure 3: Dispersion of Interim Housing Placements

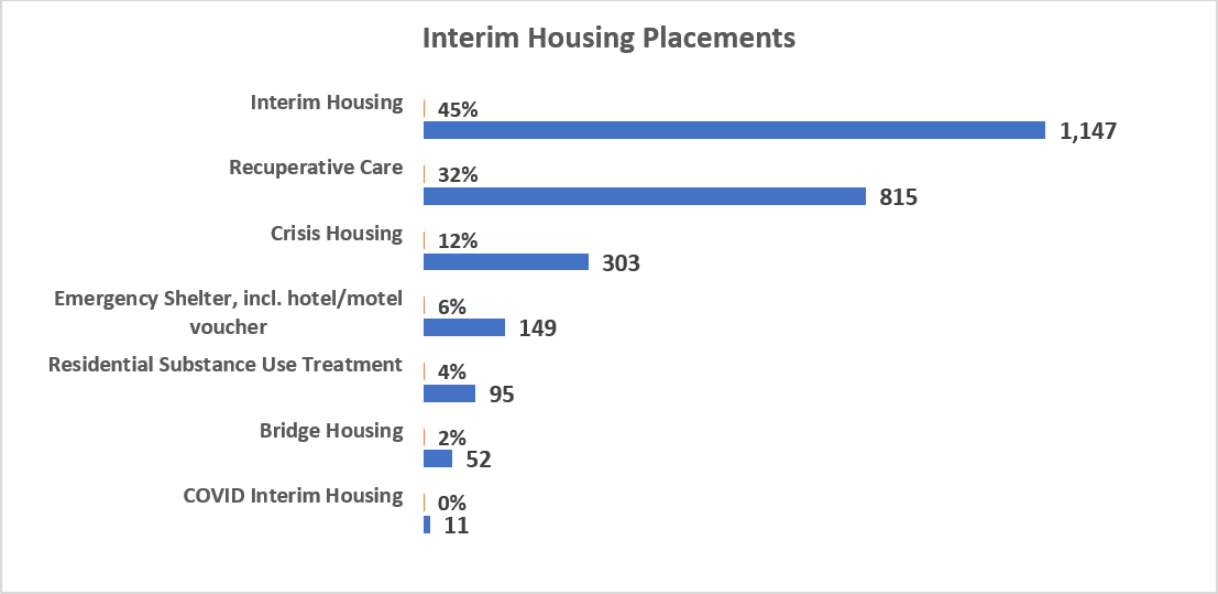


Figure 4: Dispersion of Permanent Housing Placements

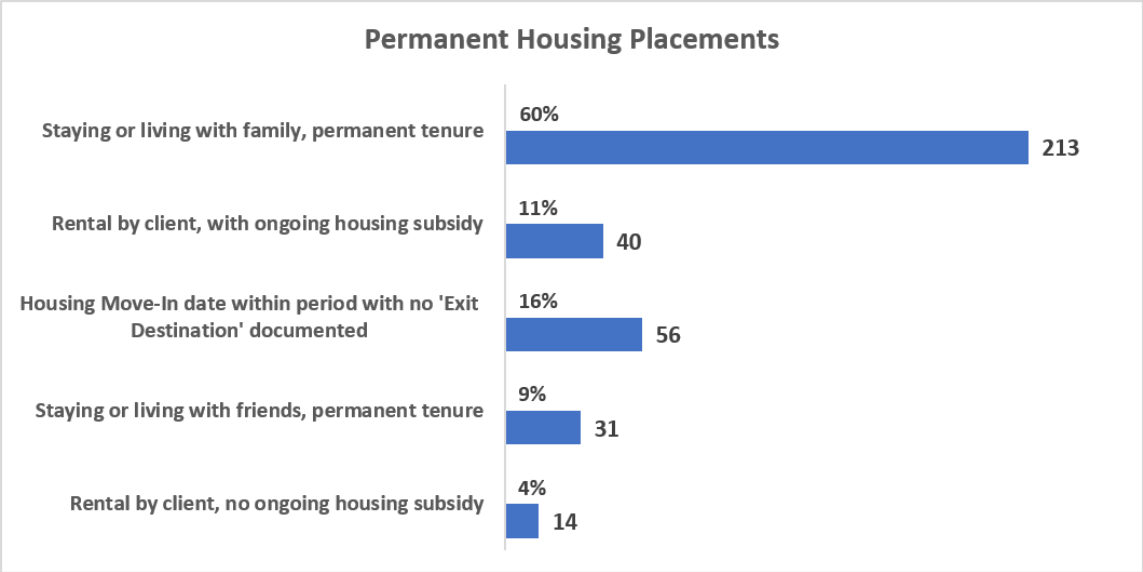


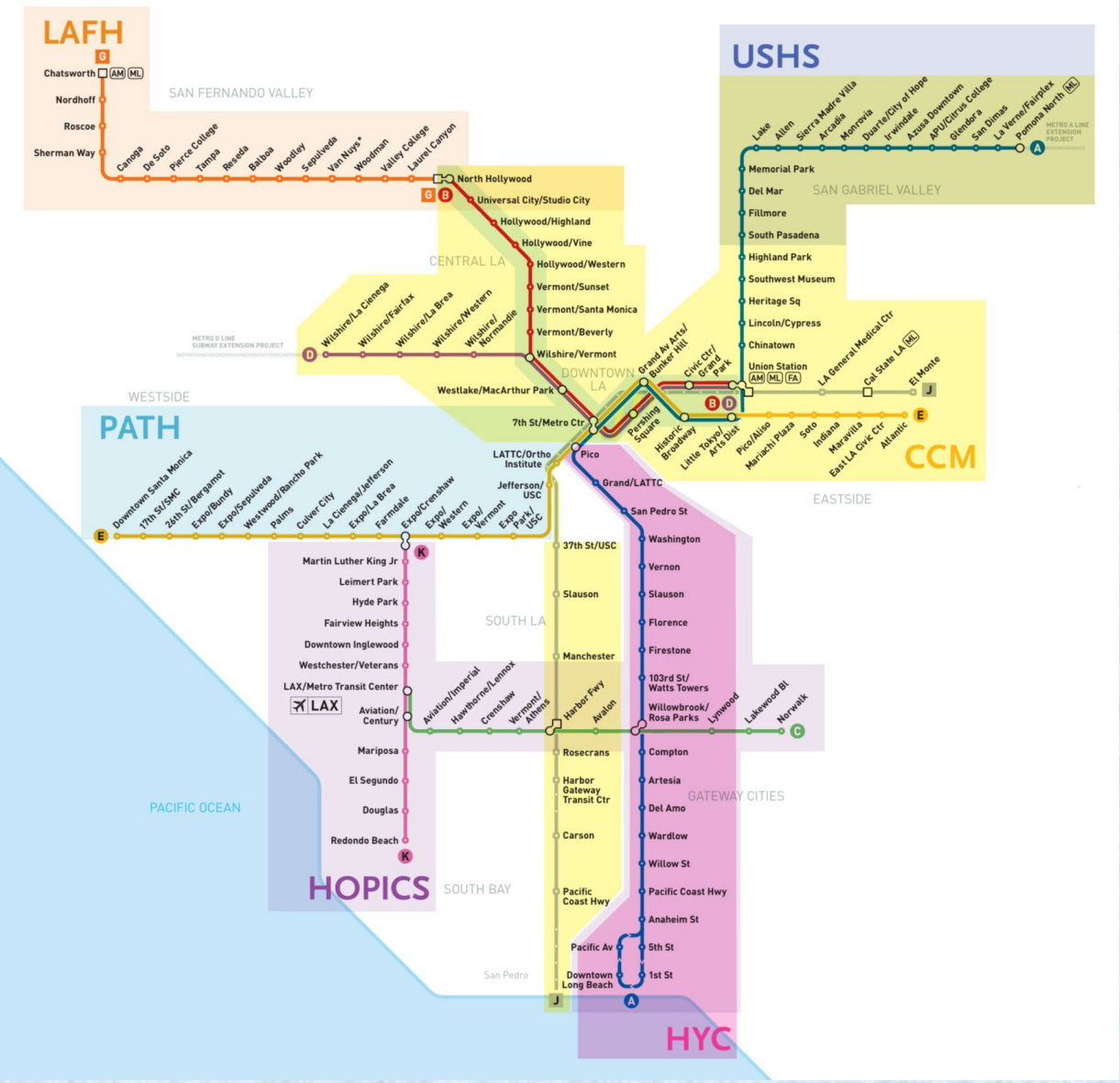
Figure 5: Nightly Average Number of People Exiting Terminating Trains By Month

Metro Homeless Outreach Management & Engagement (HOME)

Quarterly Report
October 2026

HOME Outreach Teams

- Current staffing and deployment
  - 24 total multidisciplinary teams (MDTs)
    - All teams active
  - Deployed across entire rail & busway system seven days/week + 24hr coverage Mon - Fri
- MDTs strategically deployed based on regional knowledge and station data
- 50 Interim beds (all have 24/7 access)



Quarter 4 Performance

Datapoint	Q4 FY25	Q4 FY26
Enrollments	1,656	1,639
Interim Housing Placements	513	563
Permanent Housing Placements	92	127
Total Housing Placements	**605**	**690**

Quarterly Housing Goal	**525**
Quarterly Housing Actual	**690**
Total FY26 Housing Placements	**2,705**
FY26 Annual Housing Goal	**2,100***

Fiscal Year 2026 Housing Goal increased to 2,100 from FY25 goal of 1,800

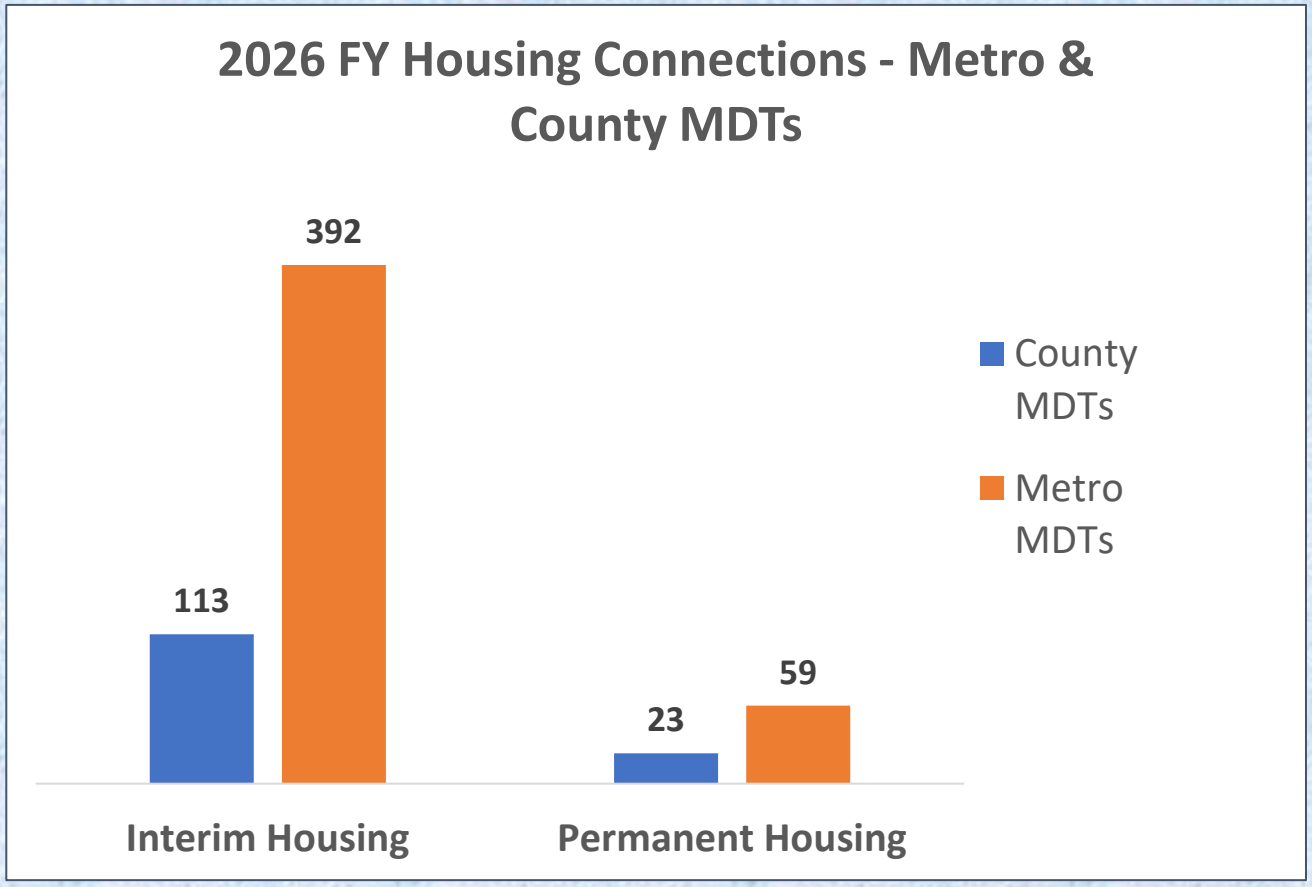
Interim Housing Placement Types:

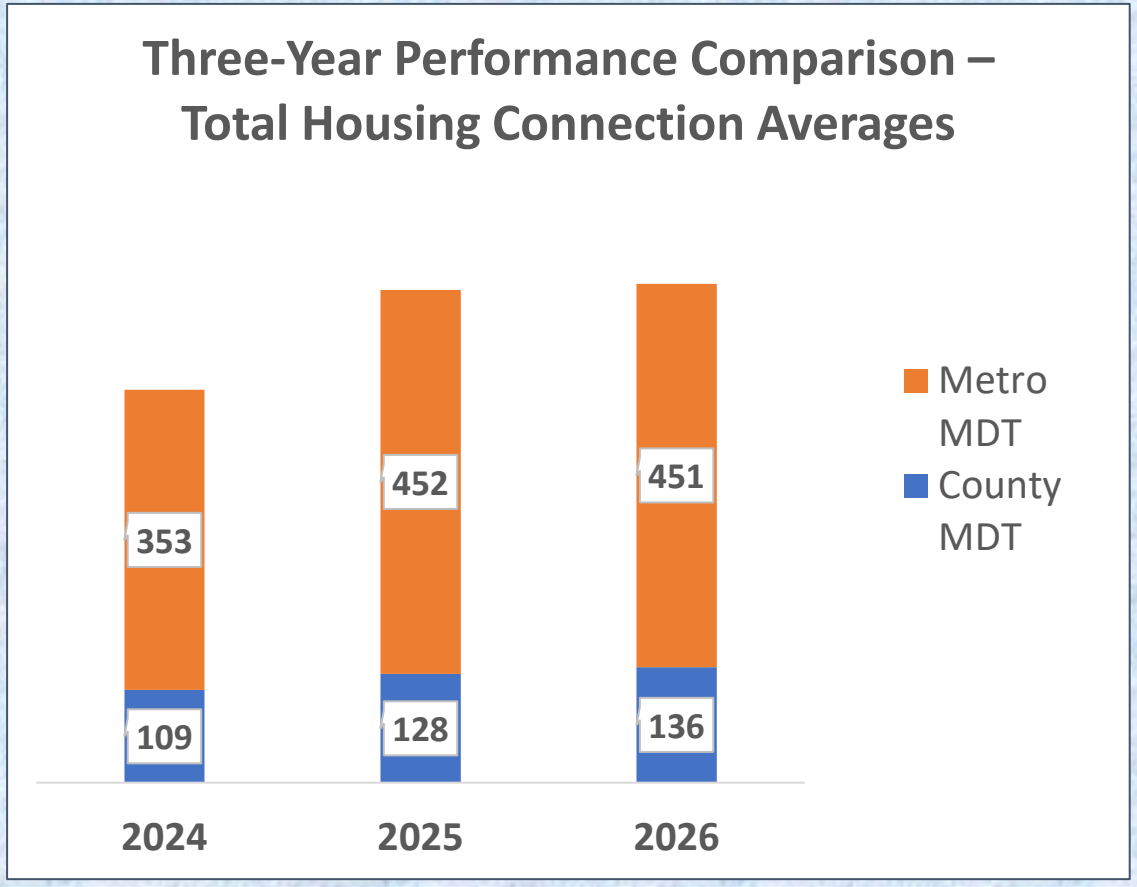
- Interim Housing (45%)
- Recuperative Care (32%)
- Crisis Housing (12%)
- Emergency Shelter incl. hotel/motel voucher (6%)
- Residential Substance Use Treatment (4%)

Permanent Housing Placement Types:

- Family Reunification (60%)
- Rental w/ subsidy (11%)
- Permanent placement, unspecified (16%)
- Living w/ Friends, perm tenure (9%)
- Rental without subsidy (4%)

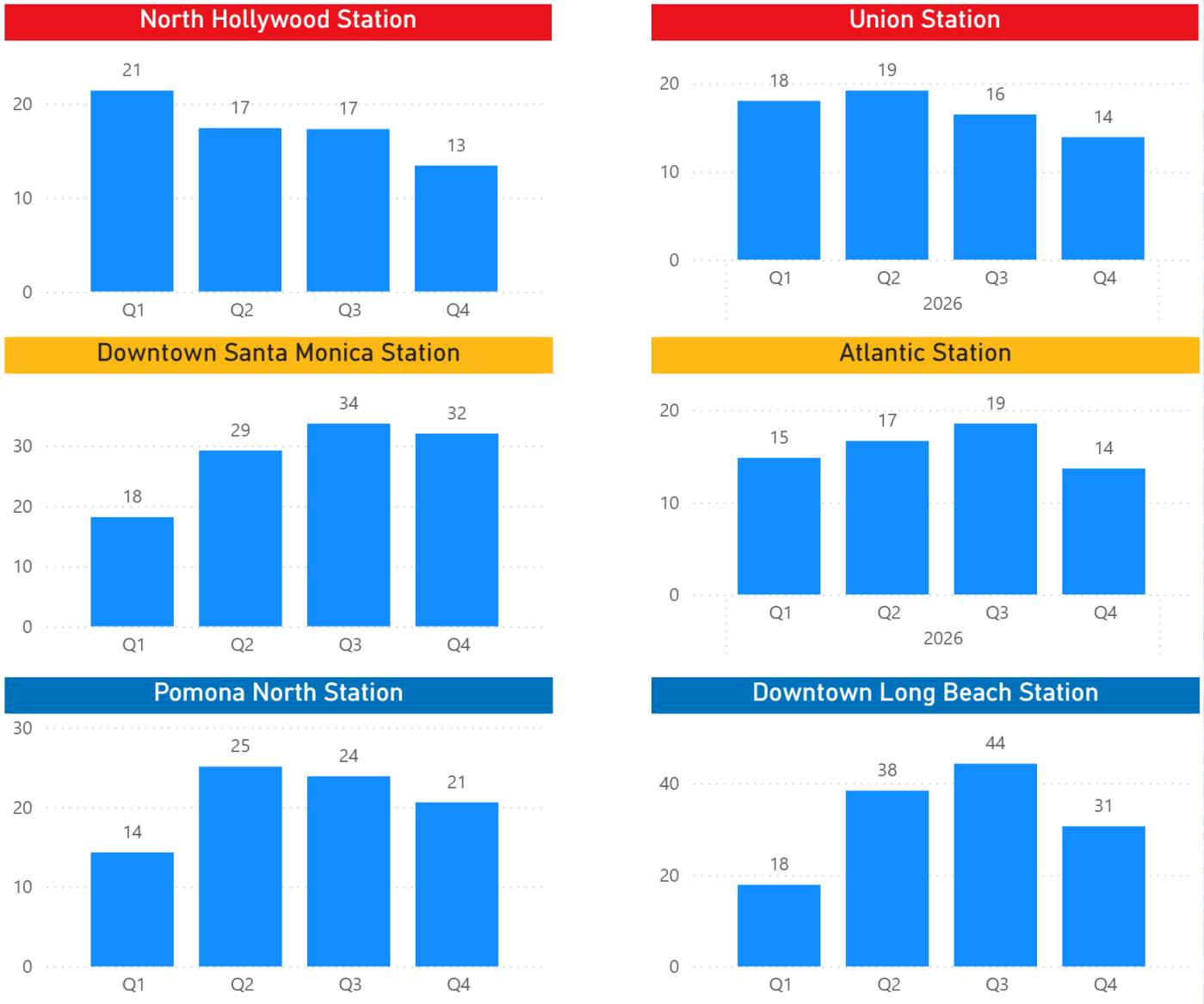
Comparing Housing Connections





FY Collective Averages

FY26 End of Line Activity



Systemwide EOL Averages:

Exiting EOL stations: ***26***

Exiting each EOL train: ***6***

Thank You