

Wednesday, April 4, 2012 10:00 A.M.

Public Hearing & Meeting Summary

Measure R Independent Taxpayers Oversight Committee of Metro

Metro Board Room, 3rd Fl.
Metro Headquarters Building
One Gateway Plaza, Los Angeles, 90012

Committee Members Present:
Justice Candace Cooper, Chair
Judge Robert W. Parkin, Vice Chair
Judge Richard Kolostian

Public Hearing

1. RECEIVED Chairperson's Introductory Remarks.
2. RECEIVED Statement by the Board Secretary's Office concerning publication of notices and dissemination of public information.
3. RECEIVED Public Comment.
4. HEARING CLOSED

Regular Meeting

5. APPROVED the February 21, 2012 Workshop Meeting Summary.
6. RECEIVED report on FY2010-11 Audit – Measure R Compliance Status.
7. APPROVED amendments to Draft Annual Report on Measure R Audits.
8. RECEIVED report on Federal Loan for Crenshaw/LAX Project.
9. ADOPTED resolution pursuant to Measure R Ordinance finding that the benefits of a TIFIA loan up to \$546 million exceed issuance and interest costs (see Attachment).
10. PUBLIC COMMENT – None.
11. ADJOURNED at 11:20 a.m.



Los Angeles County
Metropolitan Transportation Authority

Metro

RESOLUTION PURSUANT TO MEASURE R ORDINANCE FINDING THAT THE BENEFITS OF A TIFIA LOAN UP TO \$546 MILLION EXCEED ISSUANCE AND INTEREST COSTS

WHEREAS, the Measure R Ordinance provides sales tax revenues for the construction of 12 transit capital projects over the next 30 years; and

WHEREAS, the America Fast Forward Initiative proposed by the Mayor of Los Angeles and adopted by the MTA Board of Directors in April 2010 proposes to complete construction of the 12 transit capital projects in 10 rather than 30 years; and

WHEREAS, implementation of the America Fast Forward Initiative would reduce project costs by approximately \$3.8 billion by minimizing anticipated cost escalation due to inflation; and

WHEREAS, accelerated construction would take advantage of any continuation of the current soft construction market to reduce costs potentially; and

WHEREAS, the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) provides loans for qualified transportation projects of regional and national significance; and

WHEREAS, MTA was awarded a \$546 million TIFIA loan for the Crenshaw/LAX Project; and

WHEREAS, MTA retains the right to use traditional tax-exempt borrowing for the Crenshaw/LAX Project in lieu of the TIFIA loan, if doing so would be more advantageous; and

WHEREAS, the proposed TIFIA loan for the Crenshaw/LAX Project would free up Measure R funds to meet the cash flow necessary to pay for an accelerated construction program for other Measure R transit capital projects; and

WHEREAS, the Measure R transit capital projects are estimated to generate more than 77 million additional annual transit boardings; 568,458 fewer pounds of reactive organic gases, nitrous oxides, carbon monoxide and particulate matter; 207,942,017 fewer vehicle miles traveled annually; and 10,294,159 fewer gallons of gasoline consumed annually; and

WHEREAS, the Los Angeles Economic Development Corporation estimates that the Measure R transit construction program will generate 165,990 annual full-time equivalent jobs.

NOW, THEREFORE, the Proposition R Independent Taxpayers Oversight Committee of Metro finds that the economic, environmental and transit benefits of the \$546 million TIFIA loan, which would free up Measure R funds to accelerate delivery of Measure R transit capital projects, exceed issuance and interest costs.

Adopted this 4th day of April, 2012.

The undersigned, duly qualified and acting as Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the above is a true and correct copy of a resolution approved by the Measure R Independent Taxpayers of the Los Angeles County Metropolitan Transportation Authority Oversight Committee at its regular meeting held on April 04, 2012.


Michele Jackson, Metro Board Secretary

DATED: July 19, 2012