



Board Report

File #: 2022-0828, File Type: Policy

Agenda Number: 10.

**PLANNING AND PROGRAMMING COMMITTEE
FEBRUARY 15, 2023
EXECUTIVE MANAGEMENT COMMITTEE
FEBRUARY 16, 2023**

SUBJECT: MEASURE M 3% LOCAL CONTRIBUTION GUIDELINES REVISIONS

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

ADOPT revised Measure M Guidelines, Section VIII - 3% Local Contribution to Major Transit Projects (Attachment A).

ISSUE

In August 2022, the Board directed Metro staff to release the draft revised Measure M Guidelines, Section VIII - 3% Local Contribution to Major Transit Projects (Guidelines) for a 60-day public comment period (File# 2022-0445). Several comments were received that resulted in minor changes to the Guidelines. Staff is seeking Board approval of the revised Guidelines.

BACKGROUND

The Measure M Ordinance (Ordinance) requires local jurisdictions to pay three percent (3%) of the total cost of new major rail projects. The Measure M Guidelines adopted by the Board in 2017 (File# 2017-0280) guide Metro's implementation of this requirement. Noting a discrepancy, in April 2022, the Board requested that staff revise the Guidelines to be consistent with the Ordinance, modify two aspects of the calculation, and clarify and provide additional flexibility on sources available to jurisdictions to satisfy the 3% contribution (File# 2022-0258). Metro made the draft Guideline revisions available for public comment and now recommends that the Board adopt the final revised Guidelines.

DISCUSSION

Metro released the draft Guideline revisions for public review on August 26, 2022. Some revisions reflect procedural changes from the 2017 Guidelines. These include modifying the contribution allocation approach, excluding First/Last Mile (FLM) expenses incurred by jurisdictions from the total project cost, and providing credit for FLM expenses in situations when Metro is withholding local return funds. Other minor revisions clarified existing procedures for applying the 3% contribution

requirement to phased projects and allowing subregional investments as in-kind contributions. Metro advertised the public comment opportunity via mass email, The Source article, and an announcement at the Metro Technical Advisory Committee. Comments were accepted until October 26, 2022 (with one comment arriving on October 27th that was accepted).

Six comment letters were received, including five from local cities and one from a Council of Governments. The comments and responses have been summarized in Attachment B. Most commenters expressed a general concern that the 3% contribution requirement will have a burdensome long-term financial impact on their city. While the cost to jurisdictions is significant, the rationale for the contribution is that local communities with a rail station receive a direct benefit due to the increased access to high quality transit service that is above and beyond the project's benefit to the County as a whole. The benefit is expected to outweigh the cost. Metro is committed to continuing to work with jurisdictions to find creative and flexible solutions to satisfy the requirement. Metro considered all comments carefully, and several specific issues arose.

Regarding the eligible funding sources available to satisfy the 3% contribution, commenters requested additional discussion about in-kind contributions and subregional investments. Metro recommends creating additional guidance and procedures apart from the Guidelines for evaluating these broad categories of contributions. This will allow Metro and jurisdictions the most flexibility when considering whether a proposed contribution adds value to the Metro project. Metro has drafted a detailed procedure and plans to solicit feedback from jurisdictions following internal approvals. This procedure could be used to evaluate a range of possible in-kind contributions, including several specific projects that cities proposed in their comments. However, conducting such an evaluation within the Guidelines could be misleading since an eligible contribution for one project (e.g., parking) may not provide the same or any value to another project. In addition, Metro guidance in this area may apply to projects outside of Measure M. In-kind contributions must reduce the overall cost of the project, with examples such as exercising franchise agreements for utility relocations and expedited third party processes for completing work within the public right-of-way being effective ways to contribute but also produce both overall schedule and cost savings.

Also on eligible funding sources, one commenter suggested that in-kind contributions be added to FLM investments as an option for cities to receive credit in scenarios where Metro withholds up to 15 years of local return. This approach is allowable under the Ordinance and would yield contributions that directly offset Metro capital project costs. One risk is that it could increase administrative costs, compared with accepting a cash contribution, for Metro staff to oversee the successful performance of in-kind contributions. However, Metro expects those costs to be minimal. And under some scenarios, e.g., where a City prefers not to implement FLM projects, credit for in-kind contributions could positively affect Metro project finances. For these reasons, plus the benefit to jurisdictions gaining additional flexibility to meet their required contributions, Metro recommends allowing this flexibility, as reflected in the final revised Guidelines.

Separately, several commenters requested additional detail on Metro's timeline and process for implementing the 3% contribution requirement. These elements remain unchanged and are already included in Metro's publicly available Measure M Administrative Procedures. Briefly, Metro conducts outreach with potentially affected jurisdictions prior to producing a project cost estimate based on 30% design. This cost becomes the basis for calculating the 3% contribution, which is then allocated

to jurisdictions based on the track mileage formula in the Ordinance. Metro will notify the jurisdiction, then the Metro Board, of the estimated contribution and will then work with the jurisdiction to execute a 3% contribution agreement prior to issuing a notice to proceed for the construction phase of the project.

Several minor changes resulted from comments as noted in the attached summary table, mainly to clarify phrasing.

Metro staff will continue working closely with cities and the county to implement the 3% contribution requirement and will finalize and publish the revised Guidelines following Board approval.

DETERMINATION OF SAFETY IMPACT

The proposed approval will not have any adverse safety impacts on employees or patrons.

FINANCIAL IMPACT

Approving the recommendations will have no impact on the FY 2022-23 Budget.

EQUITY PLATFORM

The substantive changes resulting from this action include expanding credit for FLM improvements and excluding FLM costs from the “total project cost”. These changes will result in a financial benefit and increased flexibility for jurisdictions with a 3% contribution, including some with Equity Focus Communities. The remainder of the revisions to the Guidelines clarify existing practices and enhance consistency of current policy with the Measure M Ordinance, and therefore have no impact on equity opportunities. The 3% local contribution is one of the financial resources supporting Metro’s major rail transit projects program in the Measure M Expenditure Plan. These projects will benefit communities by adding new high-quality reliable transit services, many of which will increase mobility, connectivity, and access to opportunities for historically underserved and transit-dependent communities. Metro will continue to conduct outreach and provide technical assistance on the 3% contribution requirement to affected jurisdictions, including assisting with identifying viable financing strategies. Staff will also analyze how each project might impact equity and Equity Focused Communities. These analyses will be included in future Board items (e.g. notifying the Board of the 3% contribution amount by jurisdiction based on 30% design) on a project-by-project basis.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

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

ALTERNATIVES CONSIDERED

The Board could elect not to adopt the final revised Guidelines. This is not recommended as the

proposed revisions resulted from Board direction and will ensure consistency between Metro's published guidance and the Measure M Ordinance.

NEXT STEPS

The final revised Guidelines will be posted on the Metro website, and Metro will continue to engage with affected jurisdictions on the 3% contribution requirement.

ATTACHMENTS

Attachment A - Measure M 3% Local Contribution Guidelines Final Revisions

Attachment B - Summary of Public Comments Received

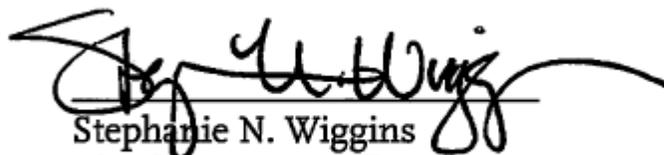
Prepared by: Adam Stephenson, Senior Director, Countywide Planning & Development, (213) 547-4322

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

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

Laurie Lombardi, Senior Executive Officer, Countywide Planning & Development, (213) 418-3251

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



Stephanie N. Wiggins
Chief Executive Officer

REVISED MEASURE M GUIDELINES, SECTION VIII. 3% LOCAL CONTRIBUTION TO MAJOR TRANSIT PROJECTS

The following shall replace Section VIII. in its entirety.

INTRODUCTION

The Measure M Ordinance includes a provision for 3% local contribution to major rail transit capital projects. The rationale for the contribution is that local communities with a rail station receive a direct benefit due to the increased access to high-quality transit service that is above and beyond the project's benefit to the County as a whole. Countywide, the 3% local funding contribution represents ~~approximately~~ more than \$1 billion in funding to support the project delivery identified in the Expenditure Plan. The 3% local funding contribution is a critical element of a full funding plan for these rail transit projects. The Ordinance includes provisions that allow development of a mutual agreement between a jurisdiction and Metro, and a default ~~penalty~~ payment mechanism if such an agreement cannot be reached. The agreements shall be in accordance with these guidelines.

PROGRAM METHODOLOGY

The Ordinance calculates the local contribution based ~~on~~ upon the percent of project total centerline track miles to be constructed within a local jurisdiction's borders if one or more new stations are to be constructed within that jurisdiction ~~with a new station in those jurisdictions~~. These guidelines reflect the nexus between mobility benefits provided to a jurisdiction based on the ~~location and proximity~~ presence of a new station within the jurisdiction. The local contribution will be calculated by ~~dividing~~ distributing 3% of the ~~project's total~~ project cost, estimated ~~after~~ at the conclusion of thirty percent (30%) of final design, ~~by the number of new rail stations constructed to jurisdictions based on centerline track miles per the line.~~ Ordinance. For projects along a larger transit corridor with more than one operable segment, each operable segment will have its own "total project cost" for purposes of this section, determination of the local jurisdiction borders will be a new station located within one-half mile of the jurisdiction. Building on the Metro Board adopted First/Last Mile policy in 2016, which defines the "walk-shed" around each station as a half-mile radius, calculating the 3% local contribution requirement will be proportionately shared by all local agencies based upon the local agency's land area for each segment. Jurisdictions will incur a 3% local contribution obligation only for operable segments that include station construction within a one-half mile radius of a new station, their borders. Other arrangements agreed upon by every local jurisdiction in a project corridor with a local

contribution obligation are also acceptable, provided that the total of all jurisdictions' contributions equals 3% of the estimated total project cost. A list of jurisdictions that may be affected, subject to changes determined by the environmental process, is included as Appendix A.

An agreement approved by both Metro and the governing body of the jurisdiction shall specify the total project cost as determined at the conclusion of thirty percent (30%) of final design, the amount to be paid by the local jurisdiction, and a schedule of payments. Once approved, the amount to be paid by the local jurisdiction shall not be subject to future cost increases.

Eligible Fund Contributions

Eligible fund sources to satisfy 3% local contribution include any funds controlled by the local agency or local agencies (e.g., General Fund, State Gas Tax Subventions, Prop. A, Prop. C and Measure R and Measure M Local Return Funds, Measure M Subregional Program Funds), or any funds awarded from non-Metro competitive grant process funding. Measure M Subregional Program Fund contributions must be accompanied by documented agreement from all jurisdictions that would otherwise be eligible for those sub-regional funds. In-kind contributions eligible to satisfy 3% local contribution include, but are not limited to, project specific right-of-way and, waiver of permitting fees, local agency staff time (incurred and forecast) if, and other subregional investments that support a Metro transit corridor if those costs are specifically included in the project cost and contribution amount by the conclusion of thirty percent (30%) of final design. In-kind contributions consistent with this section will not be considered "betterments" for the purposes of these Guidelines and are eligible to satisfy local contribution obligations in lieu of Metro withholding up to 15 years of Measure M Local Return.

Betterments

Betterments are defined consistent with existing policy adopted by the Metro Board on Supplemental Modifications to Transit Projects (October 2013). A "betterment" is defined "as an upgrade of an existing city or utility's facility or the property of a Third Party, be it a public or private entity, that will upgrade the service capacity, capability, appearance, efficiency or function of such a facility or property of a third party." Once the 30% design project scope and cost have been determined as the basis of the 3% contribution calculation, subsequent betterments cannot be included in that calculation, nor counted toward a jurisdiction's eligible contribution. However, they may be included in the project scope if carried at the jurisdiction's expense.

Active Transportation Capital Improvement Contributions and First/Last Mile Investments

These guidelines reflect provisions adopted by the Board that allow ~~for~~ and incentivize local jurisdictions, through an agreement with Metro, to meet all or a portion of their 3% local contribution obligation through active transportation capital improvements and first/last mile (FLM) investments that are included in the project scope and cost estimate at the conclusion of thirty percent (30%) of final design. All local ~~first/last~~ FLM improvements must be consistent with station area plans that will be developed and adopted by Metro in coordination with the affected jurisdiction(s). The criteria for local ~~first/last~~ mile FLM investments for ~~first/last~~ mile FLM contributions are ~~being developed~~ described in full in the First/Last Mile Guidelines adopted by Metro the Metro Board of Directors on May 27, 2021 (File #2020-0365), specifically to carry out integration of ~~first/last~~ mile FLM within transit capital projects. ~~First/Last mile FLM~~ improvements consistent with this section and included in project scope at conclusion of 30% of final design will not be considered “betterments” for the purposes of these Guidelines, and are eligible ~~for~~ to satisfy local contribution obligations in lieu of Metro withholding up to 15 years of Measure M Local Return.

Local Contribution Limits

The 3% local contribution will only be calculated against the overall project scope and cost determined at the conclusion of thirty percent (30%) of final design, and will not include costs for FLM improvements delivered by entities other than Metro. Local agencies cannot count other transportation investments that are not included in the project scope and cost estimate after the conclusion of thirty percent (30%) of final design. Metro staff will provide written notice to the affected jurisdiction(s) and a report to the Metro Board ~~at~~ after the completion of thirty percent (30%) of final design.

Contributions for calculations assigned to the County of Los Angeles are to be determined by the County.

Opt-Out Option

Metro will withhold up to 15 years of Measure M Local Return Funds ~~for~~ from local agencies that fail to reach a timely agreement with Metro on their 3% contribution prior to the award of any contract authorizing construction of the project within the borders of that jurisdiction. Local return funds from Proposition A, Proposition C, and Measure R are not subject to withholding. In some cases, principally in smaller cities, the default withholding of 15 years of local return from ~~only~~ Measure M Local Return Funds will be less than a ~~formal~~ full 3% contribution. In these cases, Metro may accept either amount as

the 3% contribution, and may execute a corresponding agreement with the jurisdiction. The cities which default on making their full 3% contribution that fulfill the 3% contribution requirement through the Local Return withholding mechanism, including offsets for approved FLM improvements and in-kind contributions, will suffer no further financial impact.

AUDIT REQUIREMENTS

Use of Measure M funds will be subject to audit and oversight, and all other applicable state and local laws.

REPORTING REQUIREMENTS

Metro will provide annual reports to the Measure M Independent Taxpayer Oversight Committee describing how uses of the Measure M Funds are contributing to accomplishing the program objectives.

REVISIONS TO PROGRAM GUIDELINES

These program guidelines may be revised by the Metro Board of Directors.

Summary Table of Public Comments Received

The table below summarizes and responds to the substantive comments submitted during the public comment period (8/26/22 – 10/26/22) for the Measure M 3% Guideline Revisions.

COMMENT	COMMENTER	RESPONSE	EDITS
General			
“Revisions will have a burdensome long-term financial impact on the city” in particular “withholding 15 years of Measure M funds”	Artesia, Huntington Park, South Gate, Gateway Cities Steering Committee	Per the Measure M Ordinance, 3% of the total project cost of any Measure M Expenditure Plan Major Project coded “T” shall be paid by jurisdictions along the corridor. Metro is required to collect this contribution and will continue to work with jurisdictions to ensure transparency and flexibility.	N
We support the proposed revisions to the Measure M Guidelines.	City of Los Angeles	Thank you for your comment.	N
Calculation and Distribution			
“Clarify jurisdictional responsibility for 3% Contributions related to the I-105/B Line Station and future WSAB stations being planned.”	Huntington Park	Per the Ordinance, jurisdictions containing station construction owe a portion of the 3% contribution even where station construction occurs primarily within right-of-way owned by another agency. Working with jurisdictions, Metro will examine each station footprint to establish the presence or absence of construction in a given area.	N

ATTACHMENT B

COMMENT	COMMENTS	RESPONSE	EDITS
<p>The planned B/Green Line station should fall under the jurisdiction of Caltrans and Metro, and should be removed from the 3% local contribution calculations. Local contribution calculations should focus only on the station elements located within the city of South Gate’s local jurisdiction boundaries, not those within Caltrans right-of-way”</p>	<p>Huntington Park</p>	<p>The C Line/I-105 Station is part of the WSAB project definition. Stations included as part of the total project cost estimated as of 30% design will be subject to the 3% contribution requirement. Local contribution requirements for stations constructed as part of future separate projects will depend on the project funding source.</p>	<p>N</p>
<p>“Design plans are being completed for the Future Rio Hondo Confluence Station, along with cost estimates and funding plans by multiple regional and state stakeholders and entities. Responsibility for the 3% local contribution obligation for this future rail station supporting a regional/state project should not be the responsibility of a single local city.”</p>	<p>Huntington Park</p>	<p>The Future Rio Hondo Station is not part of the WSAB Project and will require its own environmental clearance and further design. Local contribution requirements for stations constructed as part of future separate projects will depend on the project funding source.</p>	<p>N</p>
<p>“The City requests that change to the calculation for the 3% local contribution not be considered if it results in increasing the amount of the contribution”</p>	<p>South Gate</p>	<p>Metro determined that we would not be able to legally enforce the 3% calculation and allocation method as described in the 2017 Measure M Guidelines. The contribution for each jurisdiction must be based on track mileage only as described in Ordinance. Jurisdictions along a corridor may use their own distribution method if they choose, so long as the total 3% contribution is met.</p>	<p>N</p>
<p>Provide Appendix A Local Jurisdiction Information for the WSAB Project</p>	<p>Gateway Cities Steering Committee</p>	<p>Metro revised this Appendix and posted it on the Measure M website.</p>	<p>N</p>

COMMENT	COMMENTS	RESPONSE	EDITS
Funding Sources			
“allow cities that do not have stations to credit their Metro-approved First/Last Mile improvements towards the three percent local obligation of a city with a station in the same area”	Artesia, Huntington Park	Metro agrees this is allowed under the Measure M Ordinance and Guidelines as written and does not require further revisions to the Guidelines.	N
Request that any unmet 3% contribution “be requested as part of the federal project funding submission”	Artesia,	Metro anticipates needing to demonstrate local financial commitment as a prerequisite to receiving Federal funding support. The 3% local contribution is a key component of that local financing.	N
“we request a more complete discussion of Subregional Investments”	Huntington Park, South Gate	Metro plans to create additional guidance and procedures apart from the Guidelines for evaluating in-kind contributions, including subregional investments. This will allow Metro and jurisdictions the most flexibility when considering whether a proposed contribution adds value to the Metro project.	N
“Add a separate guidelines section discussing In-Kind Contributions to reaffirm that in-kind contributions count towards a jurisdiction’s 3% local contribution. Clarify when guidance on the handling of in-kind contributions will be available for public review and comment.”	Huntington Park, Gateway Cities Steering Committee		N
“Ensure consistency in the inclusion and discussion throughout the guidelines of the eligible 3% local contributions available to local cities/jurisdictions beyond funds controlled by the local agency or agencies: subregional investments, In-kind contributions, and First/Last Mile project credits. Add “FLM” in the introductory language to “Eligible Fund Contributions”	Huntington Park, Gateway Cities Steering Committee	Since FLM improvements are not required to be in the project scope and cost by 30% design, they should not be called out in the introductory language to the in-kind discussion. There is a separate section that specifically addresses FLM investments.	N

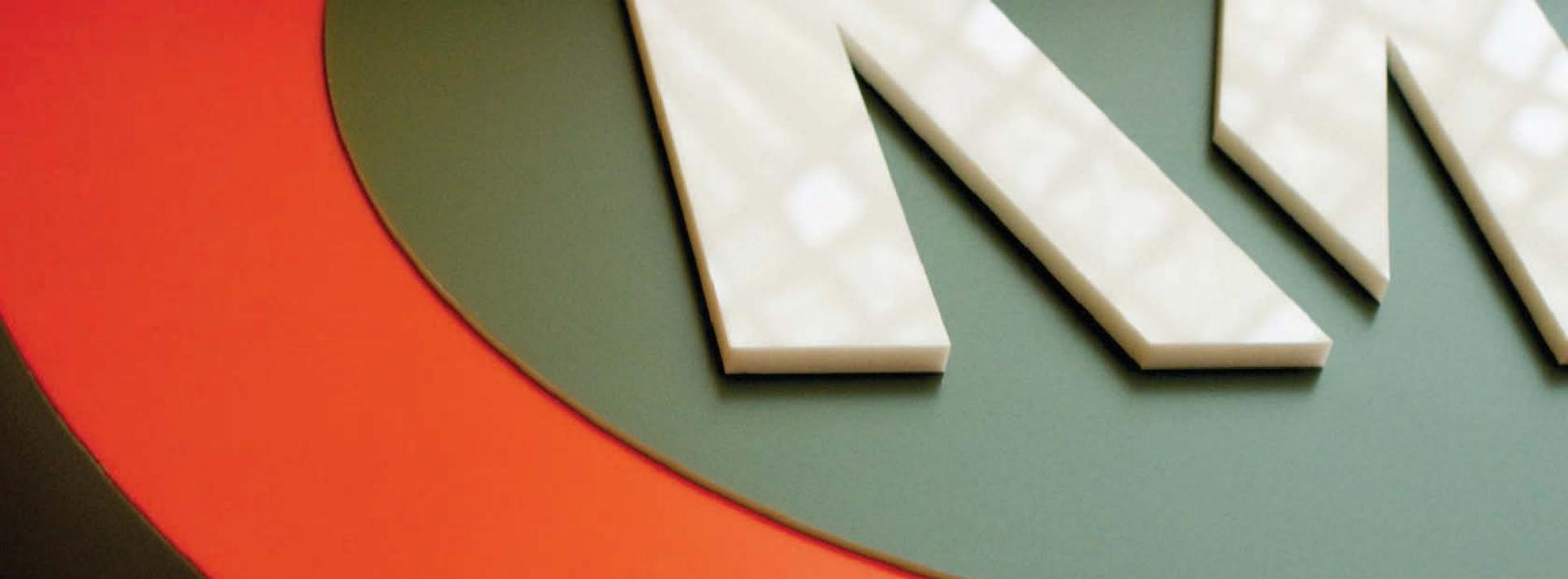
ATTACHMENT B

COMMENT	COMMENTS	RESPONSE	EDITS
<p>“Subregional investments” definition should include any sub-regional investment or capital project that is within 3-miles of the WSAB light rail project that will improve pedestrian, bike, public transit, and/or vehicular access to a WSAB station</p>	<p>South Gate</p>		<p>N</p>
<p>The City of South Gate requests that Metro count several (list provided) “subregional investment” projects toward the city’s local match.</p>	<p>South Gate</p>	<p>Locally led improvements may receive credit if they are included in the project scope and cost by 30% design or are qualifying FLM projects.</p>	<p>N</p>
<p>The City requests consideration for the inclusion of newly constructed transit centers (built by the local jurisdiction) and their amenities to qualify as part of the required three-percent (3%) local contribution for new rail lines and major transit projects</p>	<p>Torrance</p>		<p>N</p>
<p>Under “Local Contribution Limits” Revise: “...will not include costs for First/Last Mile and approved in-kind improvements delivered by ...”</p>	<p>Gateway Cities Steering Committee</p>	<p>In-kind contributions envisioned in this section add value to the core transit project (e.g. ROW, parking) and therefore are necessarily part of the project scope at 30% design.</p>	<p>N</p>
<p>Similar to allowing credit for qualifying FLM investments in a scenario where Metro is withholding MM Local Return, Metro should also allow credit for in-kind contributions.</p>	<p>Gateway Cities Steering Committee</p>	<p>Metro agrees this is allowed under the Measure M Ordinance, and the clarification is reflected in the revised Guidelines.</p>	<p>Y</p>
<p>FLM-specific</p>			
<p>“To encourage the transfer of FLM credits, the guidelines should clarify that cities preparing FLM plans are required to implement their FLM plans”</p>	<p>Huntington Park</p>	<p>Per Metro’s First-Last Mile Guidelines, Metro leads the FLM planning phase but does not require that jurisdictions subsequently implement FLM project. Jurisdictions are responsible for selecting, designing, and implementing FLM projects.</p>	<p>N</p>

COMMENT	COMMENTS	RESPONSE	EDITS
<p>“Strengthen text to incentivize provision by First/Last Mile investments by jurisdictions, and clarify when the FLM criteria will be available for public review and comment” Add “and incentivize” to the sentence that addresses the Metro Board provisions.</p>	<p>Huntington Park, Gateway Cities Steering Committee</p>	<p>Metro agrees, as this is consistent with the language and intent of Motion 35, and has revised the Guidelines to add “and incentivize.” The FLM project prioritization methodology was adopted by the Metro Board (2022-0265) in October 2022. This action follows the Board approval of the FLM Guidelines (2020-0365) in May 2021.</p>	<p>Y</p>
<p>Timeline/Process</p>			
<p>“Provide more information on the 3% contribution negotiation process, including additional discussion of how and when the 3% negotiation process is initiated by Metro with the affected cities.” Define “timely agreement”.</p>	<p>Huntington Park, Gateway Cities Steering Committee</p>	<p>These procedural elements remain unchanged and are included in Metro’s publicly available Measure M Administrative Procedures. A “timely agreement” will generally be one that is executed prior to construction commencing on stations and guideway.</p>	<p>N</p>
<p>“Provide a definition of what is meant by “station.”</p>	<p>Huntington Park, Gateway Cities Steering Committee</p>	<p>Station elements delivered by Metro will vary from station to station. They will be consistent with Metro’s Systemwide Station Design Standards Policy as well as Metro’s Rail Design Criteria, and will generally include construction of platforms, passenger circulation, and parking as appropriate.</p>	<p>N</p>
<p>“Clarify local return withholding requirements, including default withholding and ‘suffering no further impacts.’”</p>	<p>Huntington Park, Gateway Cities Steering Committee</p>	<p>Rephrased this sentence to clearly mean that either the full 3% contribution based on the 30% design cost estimate, or the up-to-15-year local return withholding will satisfy the contribution requirement in the Ordinance. Also clarified the sentence to mean there will be no further <u>financial</u> impacts related to the 3% contribution from the jurisdiction.</p>	<p>Y</p>

ATTACHMENT B

COMMENT	COMMENTS	RESPONSE	EDITS
<p>“Metro's proposed approach places a timeline that limits the City's ability to meet its 3% local funding contribution which was not contemplated by Measure M. ... This approach precludes the City from pursuing grant funding for transportation and subregional investments ... The City requests that revisions be made until the completion of the WSAB construction to identify, implement, and fund transportation and subregional investments to meet its 3% local contribution and provide ample time to pursue grant funds.”</p>	<p>South Gate</p>	<p>Measure M does allow for the time that jurisdictions might need to arrange finances by basing the total project cost on scope and estimate at 30% design. A jurisdiction may pursue financing, including grant funds, after 30% design to support FLM and in-kind improvements.</p>	<p>N</p>
<p>Clarify: does this written notice trigger initiation of negotiation of 3% local contribution agreements between Metro and affected local jurisdictions?</p>	<p>Gateway Cities Steering Committee</p>	<p>Not necessarily. The written notice provides an estimate of the local contribution and requests that the jurisdiction identify staff to work with Metro on development and execution of a 3% agreement.</p>	<p>N</p>

A large, stylized letter 'M' is the central focus of the top half of the image. The 'M' is composed of several white, rectangular blocks with a slightly textured surface, arranged to form the letter. The background behind the 'M' is a dark green circle. Below this circle is a large, curved orange shape that sweeps across the middle of the page. The bottom of the page is a solid black background.

Measure M 3% Contribution Guideline Revisions

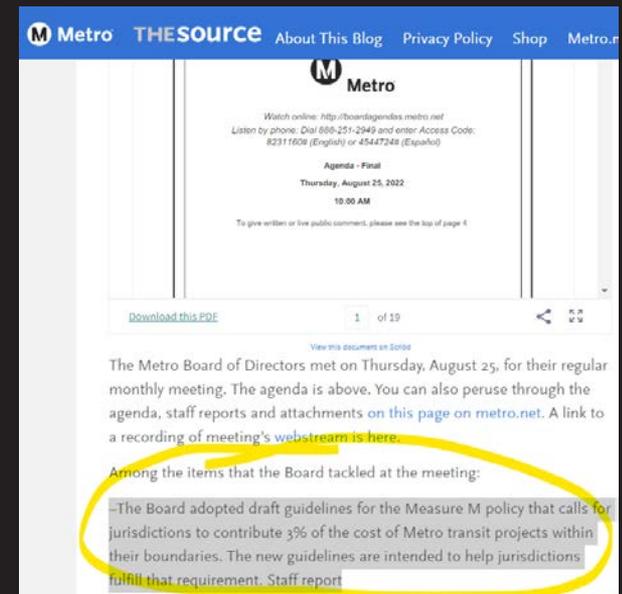
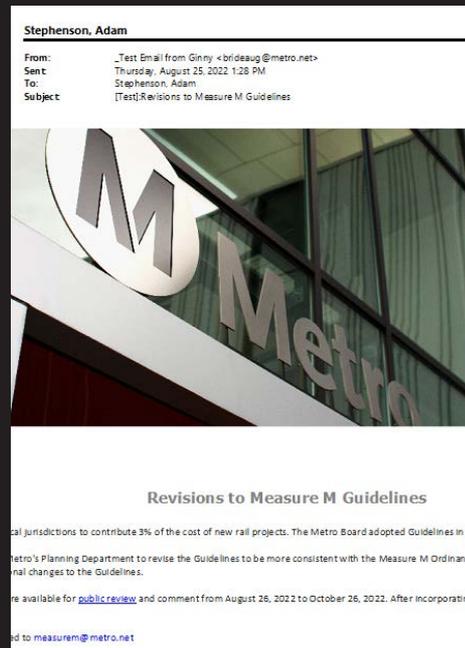
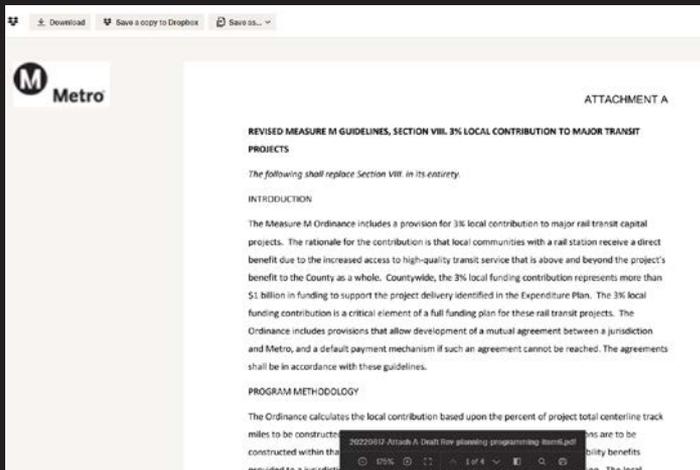
*Planning and Programming Committee
February 15, 2023*



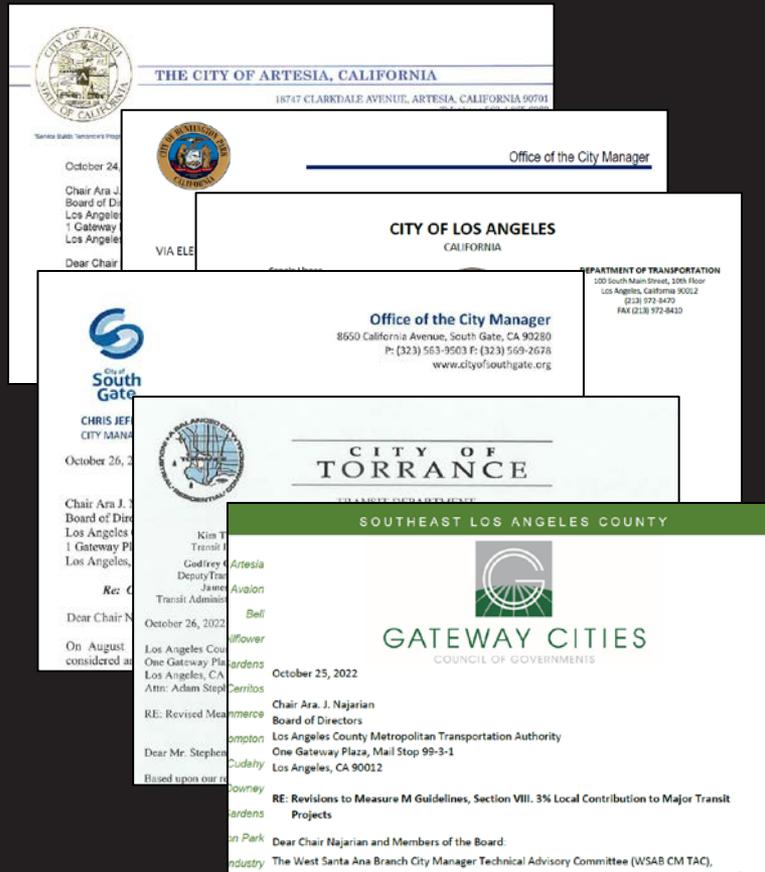
Metro

Draft Measure M 3% Guideline Revisions

- Focused on Motion 35 directives (April 2022)
- Circulated for public review August – October 2022



Comments Received



- Six comment letters received by the deadline
- Main themes: financial burden, listing specific in-kind contributions, process clarity
- Responses in summary table

Final Revisions and Implementation

- Accepted
 - Consistency with Board Motion 35
 - Additional flexibility, e.g. allowing in-kind contributions in local return withholding scenario
 - Clarity
- Not incorporated
 - List/discussion of all eligible in-kind contributions and subregional investments (to avoid constraining contribution options)
- Next steps: workshop, in-kind procedures, continue outreach with jurisdictions



Metro