



Board Report

File #: 2025-0176, **File Type:** Oral Report / Presentation

Agenda Number: 3.

**MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE
MEASURE R INDEPENDENT TAXPAYERS OVERSIGHT COMMITTEE
INDEPENDENT CITIZEN’S ADVISORY AND OVERSIGHT COMMITTEE
MARCH 5, 2025**

SUBJECT: COST-BENEFIT ANALYSIS FOR METRO CAPITAL PROJECTS

RECOMMENDATION

RECEIVE oral report on cost-benefit analysis for Metro capital projects.

ISSUE

The Independent Taxpayer Oversight Committees provide accountability and transparency to the public through independent monitoring of Metro’s taxpayer-funded projects and programs. This report provides an update on a related action taken by the Metro Board on February 27, 2025 via approval of a Motion by Directors Dutra, Najarian, Barger and Butts.

The attached motion directs staff to develop and incorporate a standardized cost-benefit analysis framework that may be used to support funding decisions for infrastructure investments, including competitive grant programs and Metro’s strategic financial planning activities. Such a framework and analysis is expected to inform data-driven and transparent decision-making. Staff will provide an update on the analysis framework as part of the Annual Program Evaluation brought to the Board in 2025.

At future Oversight Committee meetings, Staff will also provide related progress on this effort.

ATTACHMENTS

Attachment A - February 2025 Board Motion

Prepared by: Allison Yoh, Executive Officer, Countywide Planning & Development, (213) 922-4812

Reviewed by: Ray Sosa, Chief Planning and Development Officer, (213) 547-4274



Board Report

File #: 2025-0149, File Type: Motion / Motion Response

Agenda Number: 14.

REVISED
REGULAR BOARD MEETING
FEBRUARY 27, 2025

Motion by:

DIRECTORS DUTRA, NAJARIAN, BARGER, BUTTS AND SOLIS

COST-BENEFIT ANALYSIS FOR METRO CAPITAL PROJECTS

The U.S. Department of Transportation (USDOT) defines a cost-benefit analysis as a systematic process for identifying, quantifying, and comparing expected benefits of a potential infrastructure project. A cost-benefit analysis provides estimates of the anticipated benefits that are expected to accrue from a project over a specified period and compares them to the anticipated costs of the project.

While a cost-benefit analysis is just one of many tools that can be used to support funding decisions for infrastructure investments, it can be a meaningful method to evaluate and compare potential transportation investments for their contribution to the economic vitality of Los Angeles County and the United States.

Internationally, agencies such as Transport for London also utilize cost-benefit analysis to assess project viability and optimize funding opportunities. Incorporating a standardized cost-benefit analysis will help ensure that the projects Metro advances are positioned competitively for future funding opportunities and policy support.

SUBJECT: COST-BENEFIT ANALYSIS FOR METRO CAPITAL PROJECTS MOTION

RECOMMENDATION

APPROVE Motion by Directors Dutra, Najarian, Barger, Butts and Solis to direct the CEO to ~~incorporate~~ develop a standardized cost-benefit analysis framework, using USDOT analysis or a comparable methodology, for all Metro capital projects to help inform ~~the agency's~~ a more data-driven and transparent decision-making process ~~for projects Metro advances~~. This cost-benefit analysis framework should also include national economic impact data and a comparison to the cost-benefit analysis methodology currently used by Metro and required by State and Federal for significant grant opportunities. An update on this analysis framework shall be presented as part of the Annual Program Evaluation brought to the Board in 2025.

HORVATH AMENDMENT: Direct the CEO to incorporate the project evaluation criteria approved by the Board in October 2023 and being applied to Metro's Short Range Transportation Plan Update, into the framework of a standardized cost-benefit analysis.