



Board Report

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MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE JUNE 3, 2026

SUBJECT: MEASURE M 10-YEAR COMPREHENSIVE ASSESSMENT

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE an update on the development of the Measure M 10-Year Comprehensive Assessment framework.

ISSUE

The Measure M Ordinance requires that Metro prepare a comprehensive assessment at 10-year intervals. As we approach the 10-year anniversary of Measure M, staff have begun preparing the required comprehensive assessment (Assessment). The Assessment will encompass a five-year look back and 10-year look forward to evaluate progress in delivering the voter-approved program while positioning the agency and its partners for the next decade of investment.

The final Assessment will be presented to the MMITOC for review and to enable the MMITOC to make findings and/or provide recommendations for improving the program. The Assessment and the results of the MMITOC review will then be presented to the Metro Board for consideration and approval. Additionally, every ten years, the Board may adopt amendments to the Measure M Ordinance and Expenditure Plan within the prescribed parameters of the ordinance.

BACKGROUND

The Measure M Ordinance, approved by 71.5% of voters in November 2016, incorporates a continuous monitoring approach for the oversight of the projects and programs in the Expenditure Plan. Central to this approach is the MMITOC, which provides ongoing program oversight in accordance with the ordinance requirements.

The first Measure M Five-Year Comprehensive Assessment and Equity Report was prepared in 2023, covering the initial five years of Measure M (FY 2018-22), which found that Measure M had generated 95% of its forecasted revenue. The first Assessment also documented disruptions caused by COVID-19 and Metro's efforts to navigate those challenges which occurred in that period. It was presented to MMITOC in October 2023, and subsequently to the Metro Board along with the MMITOC's findings and recommendations for improving the program.

Metro has begun preparing the 10-Year Comprehensive Assessment. Metro staff provided a status update on the Assessment process to Metro Board members at the April 2026 Metro Planning and Programming Committee Meeting. Similarly, this status report provides an overview of the Assessment process, content, schedule, financial capacity, and Assessment objectives and criteria.

DISCUSSION

Assessment

The Assessment will build on the foundation of the 2023 Measure M Five-Year Comprehensive Assessment and Equity Report to analyze efficiency and effectiveness in delivering Measure M projects and programs. It will examine the progress in delivery of the Measure M Expenditure Plan and identify opportunities for process improvements and best practices to improve coordination.

Five themes were used to organize key assessment areas:

- **Stewardship**: How Metro manages the resources it oversees;
- **Mobility**: How Metro is progressing in its planned expansion and in providing transit services equitably;
- **Experience**: How Metro customers feel about safety, comfort, reliability, and convenience;
- **Community**: How Metro supports livability in neighborhoods; and
- **Regional**: How Metro's service sustainably connects to trends in the area, including job access, economic activity, housing supply and regional mobility services.

Within each of these key areas, specific criteria were established in the form of questions to be answered through data analysis. This structure allows breadth and depth of analysis for Metro to assess progress and identify challenges and opportunities for the future.

Expenditure Plan Major Projects and MSPs will be evaluated within a financial framework that compares projected 2016 Measure M revenues and expenditures with current estimates to assess the performance of the Measure M sales tax and of Metro in developing and delivering the projects and programs identified in the Expenditure Plan.

Project and program-level analysis of Expenditure Plan Major Projects and MSPs will be assessed for alignment with Measure M goals and the ability of projects and programs to deliver the benefits committed to in the Measure M Ordinance. The evaluation will also emphasize fiscal stewardship by comparing individual project costs to revenues and accounting for long-term operations and maintenance cost implications. The analysis will incorporate traditional mode-specific performance indicators (i.e., transit, highway, and active transportation modes) while also assessing broader outcomes, including expected economic benefits, equitable access, reduced reliance on operations-eligible funds, and capacity to leverage state and federal dollars. Consideration will also be given to Board priorities and policies, such as Pillar Projects.

Staff is coordinating across Metro departments to identify potential capital and operations needs over the next ten years. Any additional projects that may be recommended through this interdepartmental process will be evaluated using the same framework for Board consideration.

Assessment Objectives and Criteria

To guide the comprehensive evaluation of performance, staff plans to use the objectives and criteria developed for the 2023 Measure M 5-Year Comprehensive Assessment and Equity Report with minor modifications. These objectives and criteria are based on best practices, aligned with the requirements of the Measure M ordinance, and were previously subject to MMITOC consultation and Board approval. Modifications or additions to the objectives and criteria have been made solely to incorporate the recommendations from the 2023 Measure M 5-Year Comprehensive Assessment and Equity report and input previously received from MMITOC. Additional criteria have also been added to support the expanded analysis of Expenditure Plan projects and programs required of this Assessment.

The draft objectives and criteria are provided in Attachment A for MMITOC consultation and comment.

Financial Capacity

The following table compares the estimates of total Measure M revenue in the Expenditure Plan to the forecast prepared in October 2024 for the 2025 Metro Short Range Transportation Plan. Forecasted Measure M sales tax revenue is down \$3,400 million (5.3%) during the first 30 years (FY 2018 through FY 2047) and \$13,638 million lower (11.2%) over 40 years.

Comparison of Measure M Sales Tax Forecast June 2016 vs. October 2024 (\$in millions)				
	FY 2018-32 (15 Years)	FY 2033-47 (15 Years)	FY 2048-57 (10 Years)	FY 2018-57 (40 Years)
Expenditure Plan (June 2016)	\$17,265	\$47,070	\$57,300	\$121,390
2025 SRTP (Oct 2024)	\$17,121	\$43,683	\$47,062	\$107,916

The table above illustrates that there may not be capacity to add Expenditure Plan Major Projects. However, Metro staff are currently updating the Measure M sales tax forecast based on an April/May 2026 taxable sales forecast from the UCLA Anderson School of Management, whose forecast has served as the basis for the Measure M sales tax forecast since 2016. The April/May 2026 forecast will be used for the Assessment and outreach to stakeholders regarding potential amendments to the Expenditure Plan. Metro staff also review multiple other forecasts of Los Angeles County sales tax (or proxy statistics), which show different forecasts, some significantly lower than UCLA's, and this may be included in the Assessment and outreach to stakeholders.

Amendments

Amendments that may be considered by the Board (not more than once in any ten-year period commencing in FY 2027), contingent on approval of the Assessment, include the following:

- Adding New Projects/Programs: Metro may add a project or program to the Expenditure Plan as long as it does not delay the start date, opening date, or Measure M funding of other projects and programs. A project or program added using surplus funds must be in the same

- subregion as the unspent Measure M revenues;
- Intermodal Transfers: Metro may transfer net revenue between the transit and highway sub-funds; and
- Subregional Maps: Metro may amend the Measure M subregional maps beginning with the comprehensive assessment in FY 2047.

An amendment to add a new project or program to the Expenditure Plan is permitted so long as it does not delay the start date, opening date or Measure M funding of other projects and programs in the Expenditure Plan. The addition of a new project or program is limited by availability of funding.

An intermodal transfer amendment allows Metro to move funding from a highway project or program to a transit project or program, or vice versa. These funds may be transferred either to:

- Add a new project or program; or
- An existing project or program in the Expenditure Plan.

The Measure M ordinance does not require intermodal transfers of revenue to remain in the subregion of origin.

If an Expenditure Plan project or program is completed but does not spend all the revenue stipulated in the Expenditure Plan, resulting in surplus funds, the Metro Board must determine by a two-thirds (2/3) vote that the project or program is complete. Any surplus funds remaining may be transferred to a new Measure M project or program. However, surplus funds may only be transferred between projects or programs in the subregion of origin, as defined in the Measure M Ordinance. A transfer of surplus Measure M funds may occur between projects or programs and may include transfers within the same transportation mode, highway to highway or transit to transit.

Additional amendments are available for Board consideration and are subject to a two-thirds vote (2/3) but are not dependent on approval of the Assessment or restricted to a once in a ten-year period. The Board may amend the Schedule of Funds Available columns of the Expenditure Plan, which show the Start Date and eligibility for Measure M use on construction, provided that it does not reduce the amount of funds assigned to any other project or program. This type of amendment is elaborated in the Metro Early Project Delivery Strategy Policy. The Board may also amend Section 11 of the Measure M Ordinance entitled Amendments, but this requires both a two-thirds vote (2/3) and approval by a majority of the voters voting on a measure to approve the amendment.

Stakeholder Engagement

Staff will coordinate closely with subregions and stakeholders to inform them of the assessment of Measure M projects and programs, as well as any potential amendments. Stakeholder engagement is intended to ensure that subregional priorities, locally identified mobility needs, and existing planning efforts are accurately represented and accounted for in the Assessment.

Staff will maintain ongoing dialogue on potential Measure M amendments throughout the Assessment. This engagement will help validate technical findings, understand implementation considerations, and ensure that recommendations are informed by local planning contexts and

subregional perspectives while maintaining alignment with Measure M regional objectives.

Approvals and Schedule

Both the MMITOC and Board have distinct roles in the review and approval of the Assessment and any proposed amendments. The MMITOC is responsible for reviewing the Assessment and make findings and/or recommendations for improving the program, which are then transmitted to the Board for consideration. In addition, the MMITOC must review any proposed amendments and make a finding as to whether the proposed amendments further the purpose of the Measure M Ordinance.

At least 60 days prior to Board consideration of any proposed amendments, notice must be provided to all 88 cities in Los Angeles County, the Los Angeles County Board of Supervisors, and the public. The Board has final decision-making authority to approve or disapprove both the Assessment and any proposed amendments. This process is sequential and contingent, insofar as the Board must approve the Assessment by a two-thirds (2/3) vote prior to consideration of any amendments, which also require approval by a two-thirds (2/3) vote.

Staff presented the Assessment framework and anticipated schedule to the Metro Planning & Programming Committee at its April 2026 meeting. As indicated in that Committee presentation, the Assessment objectives and criteria are presented to MMITOC for their consultation, consistent with the Measure M Administrative Guidelines.

The following table outlines the anticipated schedule for soliciting feedback from the MMITOC and the Board on the Assessment findings and potential amendments to inform the development of the final recommendations. Feedback received from both the MMITOC and the Board will be incorporated into the final Assessment and proposed amendments.

Schedule for Public Engagement & Consideration

Action	Body	Date
Assessment framework	Board	April 2026
Assessment framework objectives and criteria	MMITOC	June 2026
Assessment objectives and criteria	Board	July 2026
Assessment preparation and stakeholder engagement	All stakeholders	June 2026-June 2027
Draft Assessment and proposed amendments	Board & MMITOC	March 2027
60-day public review	All stakeholders	March-May 2027
Assessment comments and findings on amendments	MMITOC	June 2027
Consideration of Assessment for adoption by two-thirds (2/3) vote	Board	July 2027
Consideration of proposed amendments for adoption by two-thirds (2/3) vote	Board	July 2027

EQUITY PLATFORM

The Assessment will provide a broad analysis of the impacts of Measure M through Metro's Equity Platform framework. Metro serves riders throughout the Los Angeles region, including lower-income, Black, Indigenous, and other People of Color (BIPOC). 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 development of an Access to Opportunity tool that will be utilized to create a deeper understanding of how Measure M investments have shaped access to opportunity in Los Angeles County.

Findings from the Assessment will be shared with community-based organizations to engage stakeholders in identifying how the findings may or may not align with lived experiences on the Metro system. This feedback will be incorporated into the final Assessment document.

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 while seeking to ensure the effective delivery of the Measure M program.

NEXT STEPS

Staff will receive and document MMITOC comments on the objectives and criteria. Staff will return to the Board in July 2026 to share MMITOC feedback and present the objectives and criteria for final consideration and approval.

Development of the Assessment will continue in coordination with Metro departments, community-based organizations, Metro advisory bodies, subregions, and stakeholders. This work will include refining the project and program evaluation framework, coordinating agencywide needs across departments, and extensive data collection to inform the assessment.

In the first quarter of 2027, staff will return to both the MMITOC and Board with a draft of the Assessment and initial recommendations for any potential amendments. The draft Assessment with potential amendments will be released for a 60-day public review and comment period. Feedback received from stakeholders, MMITOC and the Board will be incorporated into the final Assessment and proposed amendments, which will be presented to the MMITOC for review, comment, and requisite findings on any potential amendments, and subsequently brought to the Board for final consideration in July 2027.

ATTACHMENTS

Attachment A - Measure M Comprehensive Assessment Proposed Objectives and Criteria

Prepared by: Paul Backstrom, Senior Director, Countywide Planning and Development, (213) 922-2183
Rena Lum, Deputy Executive Officer, Countywide Planning and Development,

(213) 922-6963

Michael Cano, Executive Officer, Countywide Planning and Development, (213) 418-3010

Craig Hoshijima, Executive Officer, Countywide Planning and Development, (213) 547-4290

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

Avital Barnea, Senior Executive Officer, Countywide Planning and Development, (213) 547-4317

Nicole Ferrara, Deputy Chief Planning Officer, (213) 547-4322

Reviewed by:

Ray Sosa, Chief Planning Officer, (213) 547-4274

ATTACHMENT A

Measure M Comprehensive Assessment Objectives and Criteria

The Measure M 10-Year Comprehensive Assessment (the Assessment) will assess the overall performance of the Measure M program, including major expenditure plan projects and Multi-Year Subregional Programs (MSP) that are either completed or anticipated to be completed during the next ten-year period. The Assessment will be informed by the Measure M Ordinance goals, key assessment objectives, and performance criteria.

To ensure continuity across Measure M assessments, the proposed objectives and criteria build on those in the 2023 Measure M Five-Year Comprehensive Assessment and Equity Report adopted by the Metro Board of Directors in 2023 (MM5Y Assessment). A clean version of the proposed Assessment objectives and criteria is provided below followed by a red-lined version of revisions from the original 2023 MM5Y Assessment

Proposed 10-Year Comprehensive Assessment Objectives and Criteria

The following proposed assessment objectives and criteria build on the previously approved objectives and criteria from the first MM5Y Assessment. These proposed objectives and criteria include updates based on recommendations from the 2023 MM5Y Assessment, MMITOC recommendations, Board amendments, and additional areas of inquiry for the current Assessment.

Proposed Assessment Objectives

- Assess performance on the efficiency and effectiveness in delivering of Measure M projects and programs
- Identify and evaluate any potential barriers in delivery of the Expenditure Plan
- Identify and evaluate opportunities for process improvements
- Identify and evaluate best practices to be used going forward
- Identify and evaluate any organizational changes needed to improve coordination

Proposed Assessment Criteria

Financial Analysis

- Accounting of revenues and expenditures
- Whether initial funding assumptions have been achieved, and by what ratio, and reasoning behind any differences

- Whether pass-through funding to direct and subrecipients is invested in expected, locally controlled infrastructure, operations, and programs and what is the performance outcome (i.e. mobility improvement, ridership, completed projects) of delivery by the pass-through recipients
- Whether Measure M operating and maintenance (O&M) set-aside investments to serve newly built capital assets and projects have been sufficient

Project Delivery

- Identification of potential risks on project deliveries
- Identification of progress of project and schedule related to original projections
- Outcomes (i.e. mobility, jobs created, ridership, accessibility) of the projects and programs included in progress and/or completed (this will measure outcomes by Metro led Measure M projects/programs as well as where any jurisdiction or subregion is the lead agency for a Measure M project/program)

Planning

- Whether/which projects have and/or will boost system-wide connectivity and ridership
- Whether Measure M is helping to address regional per-capita Vehicle Miles Traveled (VMT) targets

Construction

- Whether the industry maintained sufficient, quality staffing and resources adequate to support project development and implementation of multiple mega-projects within similar time periods

Economic Impact

- Whether Measure M projects and programs have contributed to the economy including but not limited to direct and indirect jobs during and after implementation
- Cost/Benefit measurement of expenditure plan projects/programs

Compliance, Transparency, and Accountability

- Demonstration of Metro, direct-recipient, and subrecipient compliance with the Ordinance, including completion of projects/programs
- Whether reporting to MMITOC has been adequate
- Description of the purpose, functionality, and usefulness of the MMITOC meeting requirements of the Ordinance
- Whether reporting to Metro Board on MM has been adequate through reports including all items required in the Ordinance

- Whether Public Information has been available with expected regularity and detail, such as posting of agendas, public hearings, annual audit reports, dedicated website

Equity

- Whether equity and inclusion objectives have been aligned with other Metro endeavors, such as geographic distribution of services related to EFCs
- Whether Measure M investments have increased Access to Opportunity, especially for marginalized and Equity Focus Communities, and what gaps exist in the Measure M program



MEASURE M COMPREHENSIVE ASSESSMENT

MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

JUNE 3, 2026



Metro

File# 2026-0326

Comprehensive Assessment

PURPOSE

The Assessment serves as a key milestone in the implementation of Measure M:

- Provide accountability and transparency for Measure M expenditures
- Assess Metro performance in delivering the voter-approved program
- Position Metro and its partners for the next decade of investment



PROCESS



Five-year look back and ten-year look forward



Estimate Measure M financial capacity



Assess project and program benefits



Coordinate with key Metro teams



Gather & evaluate stakeholder feedback



Prepare assessment and amendments for Board consideration*



**2/3 Board vote to approve report and amend Expenditure Plan*

Measure M Independent Taxpayer Oversight Committee

Roles and responsibilities in the development of the Comprehensive Assessment:

- > Consult on the development of the objectives and criteria
- > Review/comment on the Comprehensive Assessment
- > Make findings and/or provide recommendations for improving the Measure M program
- > Review any proposed amendments to the Ordinance, including the Expenditure Plan
- > Make a finding as to whether the proposed amendments further the purpose of the Measure M Ordinance

Assessment Framework Overview

Measure M 5/10- Year Comprehensive Assessment

PART 1

MM5Y* Systemwide Assessment (FY23-27)

- > State of the System & Quality of Life
- > Program Delivery



PART 2

MM10Y** Capital Project and Program Assessment (FY18-37)

- > Performance and Delivery Assessment
- > Measure M Amendments



*MM5Y: Measure M Five-Year Comprehensive Assessment

**MM10Y: Measure M Ten-Year Comprehensive Assessment

MM10Y Assessment and Potential Amendments

MM10Y Performance and Delivery Assessment

- Assess projects and programs that are completed or anticipated to be completed within the next decade based on:
 - Measure M goals
 - Mobility benefits
 - Revenues and expenditures
 - Cost benefit analysis
- MMITOC shall review and comment on the assessment
- Board approval requires a 2/3 vote



Potential Measure M Amendments

- Applies to Transit and Highway subfunds in Measure M (capital)
- Focus on next ten years of Measure M (FY 28-37)
- Demonstrated Measure M financial capacity
- MMITOC shall review amendments
 - Must make a finding as to whether the proposed amendments further the purpose of the ordinance
- Board approval requires a 2/3 vote

Potential Amendments

Intermodal Transfers

- Metro may transfer revenue between the transit and highway sub-funds

Amendment Restriction

- Shall not reduce total net revenues allocated to the sum of the subfunds

Adding New Projects / Programs

- Metro may add a project or program to the Expenditure Plan
- Any project or program added using surplus funds must be in the same subregion as the unspent Measure M revenues

Amendment Restriction

- Shall not delay the start date, opening date, or Measure M funding of other projects and programs

Subregional Maps

Metro may change the subregional maps that apply to Measure M

Amendment Restriction

- Shall not adopt an amendment to subregional maps prior to 2047 comprehensive assessment



**All potential amendments are contingent upon Metro Board approval of the Comprehensive Assessment by 2/3 vote*

Financial Capacity to Add Projects/Programs

Determines if financial capacity exists to add projects or MSPs to the Expenditure Plan through an amendment.

- > Financial forecast prepared for the 2025 Short Range Transportation Plan shows that revenues are down from the 2016 Expenditure Plan forecast
- > Metro staff are currently updating the forecast based on April/May 2026 taxable sales forecast, and it will be incorporated into the Assessment
- > The updated forecast will inform stakeholder discussions regarding potential amendments to the Expenditure Plan

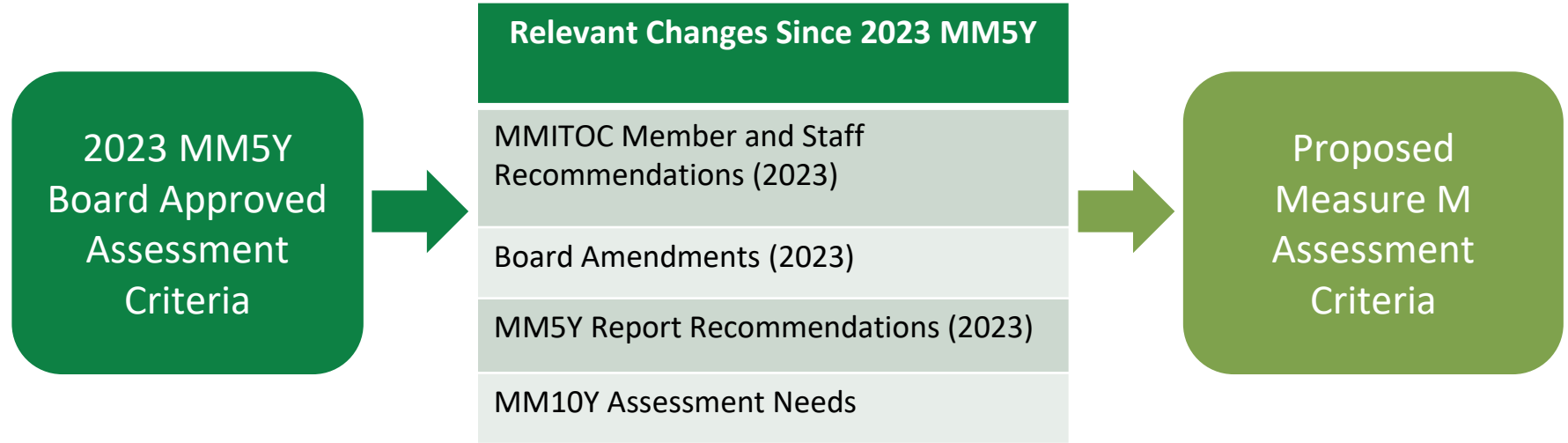
Assessment Objectives

The 2023 Board-Approved Measure M 5-Year Assessment Objectives will guide the Assessments.

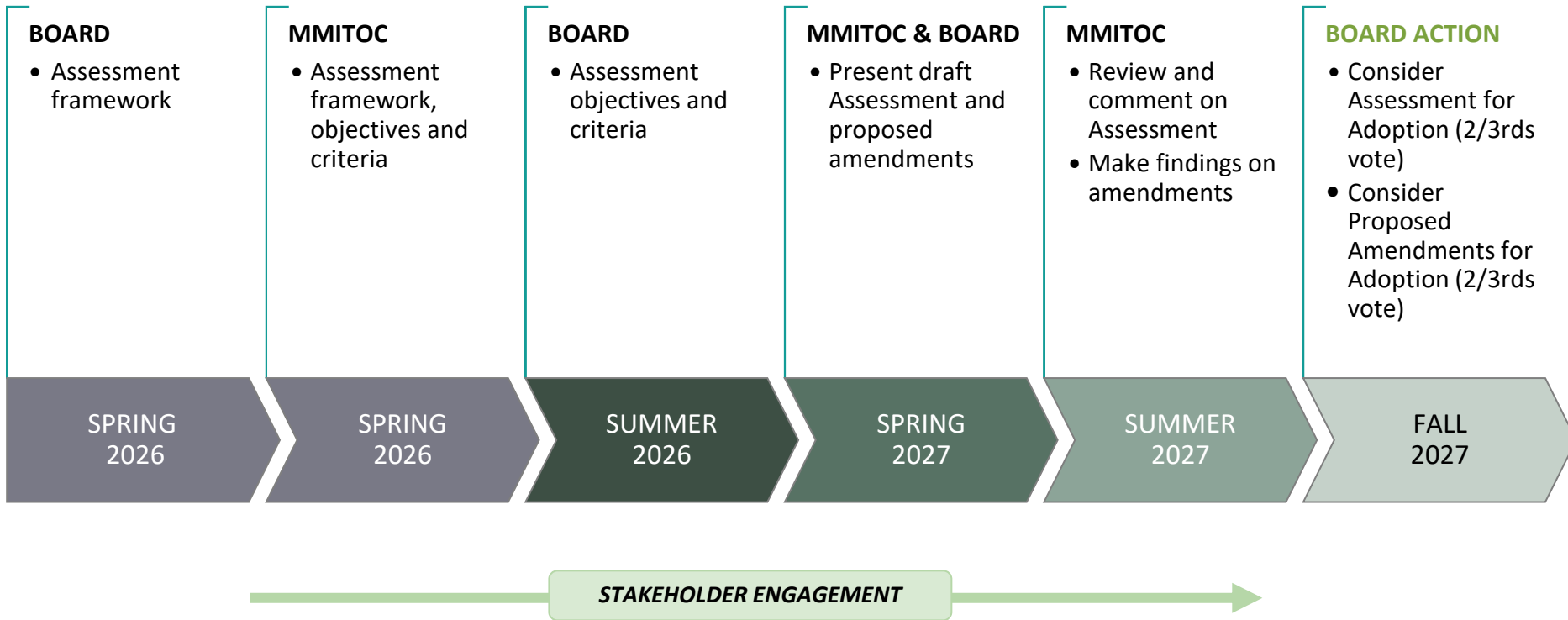
The Assessment Objectives are to:

- > Assess performance on the **efficiency and effectiveness** in delivering Measure M projects and programs
- > Identify and evaluate any **potential barriers** in the delivery of the Expenditure Plan
- > Identify and evaluate opportunities for **process improvements**
- > Identify and evaluate **best practices** to be used going forward
- > Identify and evaluate any **organizational changes** needed to improve coordination

Proposed Assessment Criteria



Milestone Schedule and Next Steps



**MMITOC: Measure M Independent Taxpayer Oversight Committee*