

Amendment to Item 57

Motion by Directors Molina, Dupont-Walker, Ridley-Thomas and Garcetti

Business Interruption Fund

September 18, 2014

WE, THEREFORE, MOVE that the Board direct the Chief Executive Officer to:

1. Establish a pilot program for a special **Business Interruption Fund** for mom and pop businesses located along the Crenshaw Line, within the Little Tokyo area along the Regional Connector, **and Phase I of the Purple Line Extension** immediately.
2. Define mom and pop businesses as those **meeting the following criteria:**
 - a. Having 25 employees or fewer;
 - b. **A minimal operational history of two years;**
 - c. **Being in good standing with local, state and federal tax requirements; and**
 - d. **Able to produce financial records (i.e. gross receipts, business license information, pay roll taxes and other pertinent financial information) demonstrating the loss of business revenue directly related to the period of construction disruption.**
3. Conduct a baseline survey of all businesses within the project areas.

4. Identify and designate \$10,000,000 of Metro funds annually to be used for the implementation of the Business Interruption Fund. Funds shall be distributed through the project's administration and/or respective Business Solution Center.
5. Each business should be eligible for a maximum of \$50,000 annually, not to exceed 60 percent of their annual business revenue loss.
6. Participation in the program would release MTA and the general contractor from further liability claims for business loss unrelated to specific incidents of damage and would be voluntary.
7. Direct the Chief Executive Officer to work with Los Angeles County and local cities to seek all appropriate legislation that would temporarily reduce or waive taxes and fees imposed on impacted businesses during transit-related construction activities and work with the Los Angeles County Assessor's Office to immediately initiate outreach activities to businesses impacted by transit-related construction activities in order to inform them of the Assessor's Office Proposition 8/Decline-in-Value Review process.
8. Report back to Construction Committee monthly, beginning in October, with an implementation plan and report back to the Board of Directors in September 2015 with an evaluation of the program including utilization levels and recommendations for program modification.