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REVISED
FINANCE, BUDGET AND AUDIT COMMITTEE
MAY 14, 2014

**SUBJECT: GUIDELINES ON LACMTA'S PARTICIPATION IN PROPOSED
BENEFIT ASSESSMENT DISTRICTS (BID)**

ACTION: DELEGATION OF AUTHORITY

RECOMMENDATION

Delegate authority to the Chief Executive Officer to determine the Los Angeles County Metropolitan Transportation Authority's ("LACMTA") participation in Benefit Assessment District where the total assessment over the term of the BID does not exceed \$500,000, **and where the action represents a renewal of a BID previously approved by the Board.**

BACKGROUND

The MTA Board adopted Guidelines on LACMTA Participation in Proposed Assessment Districts ("Guidelines") in June 1998 (See Attachment A). The Guidelines require staff to analyze each assessment district and/or improvement based on whether they improve MTA property or facility, benefit MTA employees, benefit Metro's passengers, or reduce costs for the agency. Staff is to provide the Board with an analysis, on a case by case basis, that determines whether MTA property benefits from the proposed services or improvements; and whether the benefit to the property exceeds the cost of the assessment. Based on the guidelines, the Board must determine whether or not to participate in the proposed district.

DISCUSSION

The existing policy specifically requires that staff analyze each new assessment district's services and provide the MTA Board with an analysis, on a case by case basis. Many of the BIDS are at levels that are significantly below the current delegated authority of the Chief Executive Officer of \$500,000. In addition, the analysis of the benefit to LACMTA is routine and warrants the agency's participation. **Staff would prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval.** In any case where the total assessment **for a BID's renewal** exceeds \$500,000 over the term of the BID, the

analysis will be completed and submitted to the Board for approval. **Any participation in a newly proposed BID will be subject to Board approval.** ~~Staff would still prepare the same level of review and analysis of the benefits of participation in the BID and submit to the CEO for review and approval.~~

DETERMINATION OF SAFETY IMPACT

The Board action will not have an impact on safety standards for Metro. However, generally a BID's safety program will increase safety and crime prevention in the area around LACMTA owned properties.

FINANCIAL IMPACT

LACMTA currently participate in 40 ~~40~~ **41** BIDs and street lighting districts. The annual budget as of FY14 is approximately \$517,000.00. Funding to participate in the established BIDs is included in Cost Center 0651, Account No. 50799 (Taxes). Funds are budgeted for each fiscal year. **Funding for the BIDS are allocated from the revenue generated from the General Fund - Right of Way Lease Revenue.**

ALTERNATIVES CONSIDERED

The Board could not approve this recommendation to delegate authority to the Chief Executive Officer and staff would continue to bring **BID renewals** ~~these requests~~ to the Board for approval. The efficiency and the time involved in agendaizing the request on the Board's agenda is often constrained by the timeline established by the BID to obtain MTA's approval. In those cases, MTA would not **be able to sign** the petition circulated to property owners affected by the BID **for renewals.**

ATTACHMENTS

Attachment A Guidelines on MTA Participation in Proposed Assessment District dated June 18, 1998

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ATTACHMENT 1



**GENERAL GUIDELINES
for MTA Participation in Proposed Assessment Districts**

1. MTA Participation in Assessment Districts

Assessment districts can provide a wide variety of services and improvements. However, the MTA must decide individually whether or not specific MTA property benefits from such services and improvements. Such determination shall be dependent upon:

- the use of MTA property, and
- the services or improvements provided by the assessment district.

2. Evaluation Criteria

The following criteria shall be used to evaluate whether or not an assessment district services and/or improvements will benefit MTA is the extent that the services or improvements specifically:

- improve MTA property or facilities,
- benefit MTA employees,
- benefit the MTA riding public, or
- reduce costs for the MTA.

3. Determination of Benefit

Each proposed assessment district containing MTA property will be analyzed on a case-by-case basis; however, general guidelines for determining benefit to MTA properties are as outlined in the following:

TIER 1 - NO BENEFIT

- Subsurface easements
- Aerial easements
- Rights of Way

TIER 2 - MINOR OR NO POTENTIAL BENEFIT

- Vacant Land
- Parking Lots

- **Bus Layovers**

TIER 3 - MINOR OR SOME POTENTIAL BENEFIT

- **Bus Divisions**
- **Bus Terminals**
- **Customer Service Centers**
- **USG Headquarters Building**
- **Maintenance Facilities**
- **Rail Division**
- **Rail Terminus**
- **Stations**

TIER 4 - ACTUAL BENEFIT

- **Joint Development Projects**

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