

Value Capture Assessment



Planning & Programming Committee
Item 18, Legistar 2020-0335
August 2020



Metro

Summary

- Value capture: recovery of revenue from Metro's transportation investments
- Metro completes assessment of potential revenue from future rail stations
- A significant amount of tax capacity – \$14 to \$22 billion – that could help fund Metro projects

Approach to Assessment (\$ in billions)

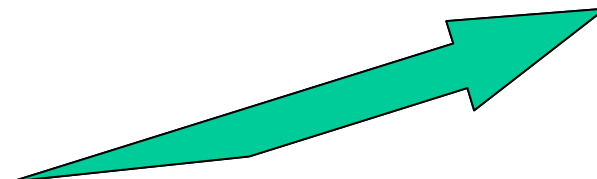
Line	Opening Date (No. Stations)	2020-2030	2030-2040	2040-2050	2050-2060	2060-2070	2070-2080
Crenshaw/LAX	2022 (9)	[Bar spanning 2020-2030, 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
Regional Connector	2024 (4)	[Bar spanning 2020-2030, 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
Purple Line Extension	2024-2026 (5)	[Bar spanning 2020-2030, 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
	2027 (2)	[Bar spanning 2020-2030, 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
Gold Line Extension	2028 (4)	[Bar spanning 2020-2030, 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
	2035 (6)	[Bar spanning 2030-2040, 2040-2050, 2050-2060, 2060-2070, 2070-2080]					
East San Fernando Valley	2027 (14)	[Bar spanning 2020-2030, 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
Green Line to Torrance	2030 (2)	[Bar spanning 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
West Santa Ana Branch	2028 (11)	[Bar spanning 2020-2030, 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
Sepulveda Transit Corridor	2033 (6)	[Bar spanning 2030-2040, 2040-2050, 2050-2060, 2060-2070]					
	2057 (4)	[Bar spanning 2040-2050, 2050-2060, 2060-2070, 2070-2080]					

Assessed Value/
Tax Increment
(today)

\$160.1

Assessed Value/
Tax Increment
(after 45 years)

\$230.1~\$258.9
—
\$46.3~\$56.4



Potential Future Tax Capacity (\$ in billions)

Rail Corridor	Project Status	45 Years of Tax Revenue Present Value	
		Enhanced Infrastructure Financing District	Community Facilities District
Crenshaw/LAX	Construction	\$1.3~\$1.7	\$1.0~\$1.5
Regional Connector	Construction	\$3.9	\$1.6
Purple Line Ext. (Sect 1/2)	Construction	\$4.9~\$6.9	\$3.8~\$6.4
Purple Line Ext. (Sect. 3)	Construction	\$1.1	\$0.9
Gold Line Foothill-Claremont	Construction	\$0.4~\$0.5	\$0.4~\$0.6
Gold Line Eastside Phase 2	Planning	\$0.7~\$0.8	\$0.7~\$0.9
Green Line to Torrance	Planning	\$0.5~\$0.6	\$0.3~\$0.6
East San Fernando Valley	Planning	\$2.0~\$2.6	\$1.6~\$2.5
West Santa Ana Branch	Planning	\$1.9~\$2.3	\$1.6~\$2.3
Sepulveda Valley-Westside	Planning	\$1.1	\$0.8
Sepulveda Westside-LAX	Planning	\$0.4~\$0.5	\$0.8~\$1.2
Total		\$18.1~\$22.1	\$13.6~\$19.2

Next Steps

- Focused and sustained work plan
 - Metro working group
 - Coordinate with TOC studies and planning activities
 - Legislative strategies
 - Outreach to local government
 - Technical assistance
- Measure of success: completed value capture financings