

Finding of Benefit Resolution

RESOLUTION PURSUANT TO MEASURE R ORDINANCE FINDING THAT THE BENEFITS OF A TIFIA LOAN UP TO \$307 MILLION EXCEED ISSUANCE AND INTEREST COSTS

WHEREAS, the Measure R Ordinance provides sales tax revenues for the construction of 12 transit capital projects over 30 years; and

WHEREAS, accelerated construction would avoid inflationary cost growth; and

WHEREAS, the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) provides loans for qualified transportation projects of regional and national significance; and

WHEREAS, LACMTA is seeking a \$307 million TIFIA loan for the Westside Purple Line Extension Section 2 Project; and

WHEREAS, LACMTA retains the right to use traditional tax-exempt borrowing for the Westside Purple Line Extension Section 2 Project in lieu of the TIFIA loan, if doing so would be more advantageous; and


WHEREAS, the Measure R transit capital projects are estimated to generate more than 77 million additional annual transit boardings; 568,458 fewer pounds of reactive organic gases, nitrous oxides, carbon monoxide and particulate matter; 207,942,017 less vehicle miles traveled annually; and 10,294,159 fewer gallons of gasoline consumed annually; and

WHEREAS, the Los Angeles Economic Development Corporation estimates that the Measure R transit construction program has generated 49,850 annual full-time and part-time jobs since 2010; and is expected to generate 124,030 annual full-time and part-time jobs during the remaining construction program.

NOW, THEREFORE, the Proposition R Independent Taxpayers Oversight Committee of Metro finds that the economic, environmental and transit benefits of the \$307 million TIFIA loan, which would accelerate project delivery and avoid inflationary cost growth, exceed issuance and interest costs.

Adopted this 19th day of July, 2016

Signed:


Michele Jackson
LACMTA Board Secretary