



# Fiscal Year 2026 Budget Development Update

March 2025 | Finance, Budget and Audit Committee



# Transit Infrastructure Development \$2.1B FY26



## Planning

**\$131.3M**

Countrywide BRT Planning	\$	3.5
Eastside Access		0.2
East San Fernando Valley LRT		0.7
K Line Northern		8.9
North San Fernando Valley BRT		0.6
Sepulveda Corridor		89.9
SGV Feasibility Study		1.4
SGL (Slauson to DTLA)		5.1
Vermont Transit Corridor		21.1

## In Construction

**\$1,971.3M**

A Line (Gold) Foothill Ext. 2A & 2B	\$	148.0
C Line Extension to Torrance		58.1
D Line (Purple) Extension		776.6
E Line Eastside LRT Phase 2		84.9
East San Fernando Valley LRT		266.4
G Line (Orange) BRT		214.3
NoHo to Pasadena BRT Connector		83.9
Rail&Bus Ops Control Center		17.3
SGL (Pioneer to Slauson)		267.7

## Revenue Readiness

**\$30.0M**

Airport Metro Connector	\$	22.9
A Line (Gold) Foothill Ext. 2B		0.8
D Line (Purple) Extension Section 1		6.3



- \$17.6M budget for closeout projects such as K Line (Crenshaw/LAX), Regional Connector, etc.
- \$25.5M Program support and administration including Business Solution Center

- FY26 Budget of \$2.1B reflects a \$196.5M or 10.2% increase from FY25.
- Transit Construction grows by \$168.1M (9.4%), driven by new projects like SGL advancing to the early construction phase and continued work on projects such as ESFV LRT and the Purple Line Extension.
- Planning & Studies increases by \$26.5M (25.3%) to support planning efforts for various transit projects.
- Program support & admin increases by \$1.9M (8.1%), accounting for roughly 1% of overall program.



# Highway Multimodal Program \$628.7M

**FY**  
**26**

**M** Metro



**Bus  
Improvements**

**\$36.7M**

-\$0.2m (-.4%)



**Capacity  
Improvements**

**\$138.5M**

+\$7.1m (5.4%)



**Express /  
HOV  
Improvements**

**\$163.4M**

-\$26.8m (-14.1%)



**General  
Planning**

**\$4.3M**

+\$1.2m (38.8%)



**Local  
Subregional  
Improvements**

**\$278.5M**

-10.3m (-3.6%)



**Traffic Noise  
Reduction &  
Property  
Maintenance**

**\$7.2M**

-\$23.2m (-76.3%)

## Overview:

- FY26 Preliminary Highway Budget is a \$52.2m or 7.7% reduction from FY25 (\$680.9M)
- Decreases attributable to re-alignment with project schedules and project phasing.
- Investments in Bus-Only Lanes and Bus Infrastructure is 200% higher than FY24.
- Slight increase in Capacity Improvement investments as construction accelerates for the I-5N (North County) project, partially offset by a decrease in the SR-91 Atlantic/Cherry project. Other capacity improvement projects remain flat year-over-year.

# Regional Rail \$118.1M

**FY**  
**26**

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## Link Union Station:

- Procure CM/GC contract
- Pre-construction, design activities

**\$42.9M**

+32.4m (308.6%)



## Grade Separation Projects:

- Rosecrans: closeout activities
- Doran St: ramp up construction

**\$31.7M**

+\$17.9m (129.7%)



## Double Tracking Projects:

- Brighton to Roxford: construction ongoing
- Lone Hill to White: funding plan

**\$20.4M**

+\$7m (52.2%)



## High Desert Corridor Rail Service Plan and Other Metro Regional Rail Projects

**\$23.1M**

+\$4m (20.9%)



Metrolink's FY26 Budget is still under development and will be available upon receipt

**Currently In Development**

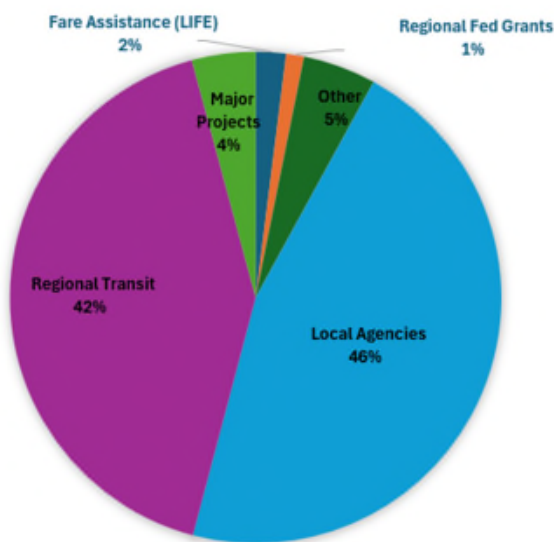
## Overview:

- Double Tracking and Grade Separation projects advance into the Construction Phase
- High Desert Corridor finalizing Service Development Plan and proceeding with preliminary design
- The growth rate of Metrolink's operating subsidy requests are outpacing sales tax revenue growth

# Regional Allocation & Pass Throughs \$1.8B

**FY**  
**26**

**M** Metro



Regional Allocations & Pass Throughs (\$ millions)	FY25 Budget	FY26 Preliminary	\$ Change	% Change
Local Agencies	\$ 921.4	\$ 844.8	\$ (76.6)	-8.3%
Regional Transit	805.6	763.3	(42.3)	-5.3%
Major Projects	211.0	76.6	(134.4)	-63.7%
Other Local Programs	81.0	86.8	5.8	7.1%
Regional Federal Grants	22.9	20.5	(2.4)	-10.3%
Fare Assistance (LIFE)	33.3	35.3	2.0	6.1%
<b>Total</b>	<b>\$ 2,075.1</b>	<b>\$ 1,827.3</b>	<b>\$ (247.8)</b>	<b>-11.9%</b>

Note: Funds allocated to other agencies to implement projects

- **Overall Program:** 11.9% decline forecasted over FY25 adopted Budget
- **Sales Taxes:** Majority (Local Agencies & Regional Transit Programs) linked to sales tax estimates – FY26 **projected** to be lower than FY25 Adopted
- **Major Projects:** Allocations decreased due to completion of certain projects
- **Local Funding:** 88% allocated to Jurisdictions and Transit operators
- **ADA & Fare Assistance:** 13% reserved for Access Services & LIFE
- **Funds Distribution:** Governed by Federal / State laws & Board policies

**Note:** This program is primarily driven by sales tax projections. FY25 actual sales tax receipts are trending below budget. The FY26 budget assumes a 2% increase over FY25 estimated actual receipts but remains lower than the FY25 adopted amounts.

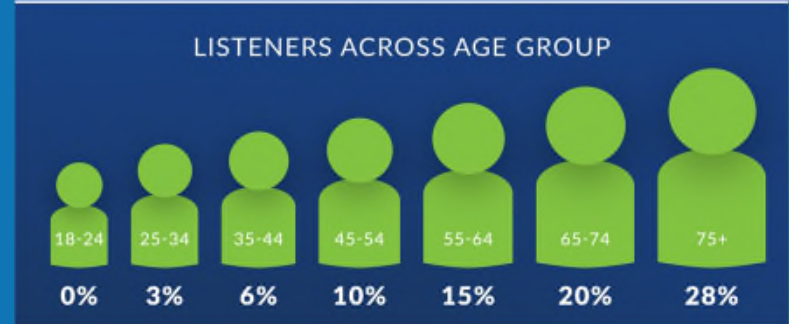
## FY26 My Metro Budget Activity\*



\*FY26 collection period: October 2024 - May 2025

\*Responses to Date (February 28, 2025)

## Telephone Town Hall February 4, 2025



### Public Comments

- Station lighting
- Cleanliness
- Elevator maintenance
- Fare programs
- Small Businesses & Disadvantaged Business Enterprises
- Bikeshare

# Next Steps (April – May)

**FY**  
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- Metro Transit – Operations & Maintenance (O&M) and Capital Improvement Program (CIP)
- Congestion Management
- Planning and Administration

Apr.

## **FY26 Proposed Budget:**

- Public Hearing and Board Adoption

May