

**Item #X**  
**File # 2024-0407**

# **Measure M Multi-year Subregional Program**

## **San Gabriel Valley Subregion**

### **Direct Loan – Advance of Funding**

**Finance, Budget and Audit Committee**  
**July 18, 2024**



# Direct Loan – Advance of Funding

## Direct Loan – Advance of Funding Summary

### Purpose of Direct Loan:

1. To provide partial funding for the Alameda Corridor-East (ACE) Project and I-605/Valley Boulevard Interchange Improvements (I-605/Valley) Project
2. To ensure that \$190.5 million of key state grant funding is not relinquished for both the ACE Project and I-605/Valley Project

### Mode and Structure:

- Metro will provide an advance of future, anticipated, available, partial funding from the Measure M Multiyear Subregional Programs (MSP) for the Projects in FY25 through FY29
- The loan will be repaid with interest from pledged MSP funds from FY29 until the loan is repaid (estimated FY48)

# Direct Loan – Advance of Funding

## Summary of Estimated Terms

<b>Direct Loan – Advance of MSP Funding</b>	
Not to Exceed Disbursement Amount	\$160.95 million
Interest Rate	Variable based on established borrowing index
Disbursement Period	FY2025-FY2029
Beginning of the Repayment Period	FY2029
Current Estimate of Repayment Completion	FY2048

# Direct Loan – Advance of Funding

## Recommendation:

### CONSIDER:

- A. AUTHORIZING AND DELEGATING authority to the Chief Executive Officer (CEO) or their designee to negotiate and execute all necessary agreements and amendments to enter into a direct loan for a not to exceed disbursement amount of \$160,950,000 to be repaid with interest between the Los Angeles County Metropolitan Transportation Authority (Metro) and the San Gabriel Valley Council of Governments (SGVCOG) to fund the Alameda Corridor-East (ACE) Project and the I-605/Valley Boulevard Interchange Improvements (I-605/Valley) Project (the Projects). This direct loan advances partial funding on future anticipated, available funding from the Measure M Multiyear Subregional Programs (MSP) for the Projects. This direct loan will replace the \$61.1 million direct loan approved at the August 2022 meeting;
- B. AUTHORIZING the CEO to amend the FY25 Budget by \$31,310,000 to accommodate the cashflow requirements of FY25 for the estimated first-year annual not-to-exceed advance of the direct-loan.

## Next Steps:

- Upon Board approval, staff will finalize negotiations and execute the loan agreement.

