



Metro

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## Board Report

File #: 2025-0149, File Type: Motion / Motion Response

Agenda Number: 14.

**REVISED**  
**REGULAR BOARD MEETING**  
**FEBRUARY 27, 2025**

Motion by:

**DIRECTORS DUTRA, NAJARIAN, BARGER, BUTTS AND SOLIS****COST-BENEFIT ANALYSIS FOR METRO CAPITAL PROJECTS**

The U.S. Department of Transportation (USDOT) defines a cost-benefit analysis as a systematic process for identifying, quantifying, and comparing expected benefits of a potential infrastructure project. A cost-benefit analysis provides estimates of the anticipated benefits that are expected to accrue from a project over a specified period and compares them to the anticipated costs of the project.

While a cost-benefit analysis is just one of many tools that can be used to support funding decisions for infrastructure investments, it can be a meaningful method to evaluate and compare potential transportation investments for their contribution to the economic vitality of Los Angeles County and the United States.

Internationally, agencies such as Transport for London also utilize cost-benefit analysis to assess project viability and optimize funding opportunities. Incorporating a standardized cost-benefit analysis will help ensure that the projects Metro advances are positioned competitively for future funding opportunities and policy support.

**SUBJECT: COST-BENEFIT ANALYSIS FOR METRO CAPITAL PROJECTS MOTION****RECOMMENDATION**

APPROVE Motion by Directors Dutra, Najarian, Barger, Butts and Solis to direct the CEO to incorporate develop a standardized cost-benefit analysis framework, using USDOT analysis or a comparable methodology, for all Metro capital projects to help inform ~~the agency's~~ a more data-driven and transparent decision-making process ~~for projects Metro advances~~. This cost-benefit analysis framework should also include national economic impact data and a comparison to the cost-benefit analysis methodology currently used by Metro and required by State and Federal for significant grant opportunities. An update on this analysis framework shall be presented as part of the Annual Program Evaluation brought to the Board in 2025.

**HORVATH AMENDMENT:** Direct the CEO to incorporate the project evaluation criteria approved by the Board in October 2023 and being applied to Metro's Short Range Transportation Plan Update, into the framework of a standardized cost-benefit analysis.