

Measure R Ordinance Preliminary 10-Year Review and Potential Amendments Agenda Item #7

Executive Management Committee
November 21, 2019



Background

- **Measure R sales tax revenue can be transferred between transit and highway capital subfunds with Board approval**
- **Capital Project Contingency is used to pay interest on debt**
- **Measure R Ordinance permits Board to amend Ordinance NO MORE than once every 10 years**

Expenditure Plan vs 2019 Forecast

Measure R Capital Project Contingency Expenditure Plan vs. 2019 Financial Forecast 30-Year Totals (Fiscal Years 2010 to 2039)		
(\$ in millions)	Expenditure Plan	2019 Financial Forecast
Transit Capital Projects	\$ 10,514	\$ 10,514
Transit Capital Project Contingency	\$ 3,276	\$ 694
Total Transit Revenue (35%)	\$ 13,790	\$ 11,208
Highway Capital Projects	\$ 5,304	\$ 5,304
Highway Capital Project Contingency	\$ 2,576	\$ 1,101
Total Highway Revenue (20%)	\$ 7,880	\$ 6,405

Potential Transfers

- **A \$500M transfer from highway to transit may be needed for debt interest**
- **Projects with Measure R funding surplus**
 - **Previously funded projects (prior to Measure R)**
 - **Proposition C funds (replacement credits) to be used instead of Measure R**
 - **Any surplus is eligible for use within subregion; may be needed for final cost of project**

Potential Surplus

Projects with potential Measure R surplus
<ul style="list-style-type: none">• I-5N enhancements from SR-14 to Kern County Line
<ul style="list-style-type: none">• I-405, I-110, I-105, and SR-91 Ramp and Interchange Improvements
Previously funded projects
<ul style="list-style-type: none">• San Fernando Valley N/S Rapidways (Canoga Corridor)
Replacement Credits
<ul style="list-style-type: none">• Interstate 5 Capacity Enhancement from I-605 to Orange County Line, from SR-134 to SR-170, and Carmenita Road Interchange Improvement

Summary

- **Potentially insufficient future sales tax revenue to pay for transit interest**
- **Precise amount of transfer will depend on actual sales tax receipts and debt issuances**
- **Any project surplus is eligible for use by subregion; depends on project completion and ultimate cost**