

**Examples of Prior Local Return Borrowings**

Method 1) Jurisdiction issues its own debt

In December 2012, the City of Lynwood issued certificates of participation secured by its Measure R Local Return through the California Statewide Communities Development Authority. The Board authorized the Local Return Program Manager to write a letter of concurrence for the City of Lynwood to use the funds as the City requested. The Lynwood debt issue required very little direct assistance from Metro staff.

Method 2) Metro issues bonds on the Jurisdiction's behalf

In 1998, Prop C Local Return bonds were issued by the MTA at the request of the City of Los Angeles and were secured by the City's Prop C Local Return. Under an MOU between the MTA and the City, the City was obligated to take all necessary actions for the issuance, sale and administration of the bonds and was also responsible for the costs of issuing the bonds

Method 3) Jurisdiction borrows directly from Metro

In October 2004, the City of Covina borrowed \$3.725 million as a part of Metro's \$176.345 million Prop C Sales Tax Bonds. Covina entered into an Assignment Agreement with Metro and the Trustee that allowed the City's Prop C local return to be used for payment of Covina's share of its debt service.

In December 2012, the Board approved a loan to the City of Inglewood, which will be repaid from Inglewood's Measure R Local Return.