

Alternative Funding Mechanisms

Borrowing/Financing

1. Jurisdictions may issue debt directly, using the Measure M local return as the source of repayment for the debt. Typically, this structure would require the use of a conduit borrowing entity such as a joint powers authority, because of potential legal restrictions or validation actions required for issuing the debt directly.
2. A jurisdiction may request that the MTA issue the debt on behalf of the Jurisdiction. This structure requires the MTA to be a party to the borrowing, requires findings by the Measure M Oversight Committee and the approval by the MTA Board.
3. Jurisdictions may request to pool their resources and have the MTA issue the debt on behalf of the Jurisdictions (i.e. Community Infrastructure Partnership Program – CIPP). This would allow Los Angeles County cities to participate in a bond pool that would allow a participating city to obtain cash to fund transportation projects exceeding the cities' available annual Local Return revenues. This structure requires the MTA to be a party to the borrowing, requires findings by the Measure M Oversight Committee and the approval by the MTA Board.
4. Borrow directly from MTA. This structure requires MTA Board approval and MTA has full control of execution of any bond sale, or advancing of funds from other sources not yet ready to be spent, at a rate of return and administrative costs, not less than what Metro is able to get from investing funds (timely use of funds).

Measure M Multiyear Subregional Program funds

Measure M provides for Multiyear Subregional program funds. Subregions can fund their smaller cities from this funding source. Each subregion can allocate to their cities an established minimum from their Measure M Multiyear Subregional allocation to be used for capital expenditures only.