



Arroyo Verdugo Communities Joint Powers Authority

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**DATE:** April 6, 2023  
**TO:** Governing Board  
**FROM:** Laura Rubio-Cornejo, Executive Director  
**SUBJECT:** Los Angeles County Metropolitan Transportation Authority Measure M Subregional Equity Program

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**RECOMMENDATION:**

It is recommended that the Governing Board:

1. Approve staff's recommendation to pursue Los Angeles County Metropolitan Transportation Authority (Metro) Measure M Subregional Equity Program funds (SEP) in FY 24 to allow for five years of funding to be allocated; and
2. Approve staff's recommendation to allocate SEP funds applying the same formula and approach as is used for Multiyear Subregional Program (MSP) funds.

**BACKGROUND:**

The Subregional Equity Program (SEP) is listed on row 68 of the Measure M Expenditure Plan. The source of funding for the SEP is not specified in the Expenditure Plan, and the SEP is eligible for funding of Measure M "Systemwide Connectivity Projects" (i.e., projects related to regional facilities). Per the expenditure plan, SEP funding was not identified to be available until FY 2043.

In four prior instances, with each respective subregion's approval, Metro recommended SEP funds be accelerated for use prior to FY 2043. In all four instances, the funds were accelerated to address cost funding shortfalls on construction projects. In June 2021, the Metro Board approved a motion with eliminates SEP from consideration to address funding shortfalls during construction.

At the May 2022 Metro Board meeting, guidelines that identify the process for allocating funds to the subregions comparable to the process for other Multiyear Subregional Program's, and parameters for the acceleration of funds were adopted. The proposed guidelines provide for the future acceleration of SEP funding if recommended by Metro staff and in compliance with existing Board policies. The proposed guidelines will also allow the subregions to exchange the SEP with another MSP that is allocated to the subregion.

The SEP funds can be used on transit and highway capital projects, as defined in the Ordinance. Funds must be used on capital projects.

**AVCJPA Allocation**

In October 2022, Metro distributed to all subregions their respective SEP cashflows from FY2024 through FY 2027. It is anticipated that one more year of SEP cashflow for FY 26 will be made available this coming year. The SEP amount identified for the Arroyo-Verdugo subregion is \$1,964,883 per year, with the total amount for the four years being \$7,859,532. Applying the AVCJPA's MSP allocation

formula, each AVCJPA member would receive the following funding amounts:

AVCJPA Subregional Equity Program (SEP) Allocation							
Agency	Current Population	Per Capita Amount	FY24	FY25	FY26	FY27	Total
Burbank	103,969	20.03%	\$ 393,566	\$ 393,566	\$ 393,566	\$ 393,566	\$ 1,574,264
Glendale	203,834	39.28%	\$ 771,806	\$ 771,806	\$ 771,806	\$ 771,806	\$ 3,087,224
La Canada Flintridge	20,194	3.89%	\$ 76,434	\$ 76,434	\$ 76,434	\$ 76,434	\$ 305,736
Pasadena	145,306	28.00%	\$ 550,167	\$ 550,167	\$ 550,167	\$ 550,167	\$ 2,200,669
South Pasadena	25,668	4.95%	\$ 97,262	\$ 97,262	\$ 97,262	\$ 97,262	\$ 389,047
County of Los Angeles 5th District	19,997	3.85%	\$ 75,648	\$ 75,648	\$ 75,648	\$ 75,648	\$ 302,592
<b>Total</b>	<b>518,968</b>	<b>100.00%</b>	<b>\$ 1,964,883</b>	<b>\$ 1,964,883</b>	<b>\$ 1,964,883</b>	<b>\$ 1,964,883</b>	<b>\$ 7,859,532</b>

**AVCJPA TAC Recommendation**

The AVCJPA Technical Advisory Committee, which is comprised of member city technical staff met on January 12, 2023 to discuss the funding amounts and allocation methods. The TAC unanimously agreed to recommend applying the MSP distribution formula to the SEP funds and to wait until FY 27 cashflow amount is made available in order to pursue allocation of five years of SEP funds.

**FISCAL IMPACT:**

This action will have no fiscal impact.