

May 17, 2010

Mr. James Earp, Chair California Transportation Commission 1120 N Street, Room 2221 Sacramento, CA 95814

Dear Chairman Earp:

Re: Staff Recommendation - Presidio Parkway P3

The Los Angeles County Metropolitan Transportation Authority (Metro) Board of Directors is concerned that the funding for this project may have significant impacts on the funding of transportation projects statewide. The allocation of State Highway Account funds as proposed will significantly benefit one region at the expense of all others.

In the event that the California Transportation Commission supports the utilization of a public private partnership for this project, Metro recommends that the funding come from sources within the region in which the project is located. This could be accomplished by allocating State Highway Account Funds from the region, as opposed to an allocation that has impacts statewide.

Metro strongly supports the use of P3 agreements for transportation projects and we expect to be before the commission in the near future with projects in Los Angeles County. The projects to be brought by Los Angeles will come with significant local funding, including Measure R sales tax funds, as well as the proposed use of tolls for the highway projects within our long-range program.

Public-private partnership arrangements can be a useful financing tool for projects in California. We believe that many highway and transit projects in our county can benefit from this tool. Our concern with the Presidio Parkway project is that its funding plan takes significant resources from all regions of the state and will force local agencies to "backfill" the loss of anticipated state funds.

Thank you for your consideration.

Sincerely,

Arthur T. Leahy

Chief Executive Officer

arth? Leaky