



Board Report

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Agenda Number: 4.

Crenshaw Project Corporation



One Gateway Plaza
Los Angeles, CA 90012

CRENSHAW PROJECT CORPORATION BOARD MEETING
DECEMBER 3, 2020

**SUBJECT: TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT (TIFIA)
LOAN ADMINISTRATION ACTIVITIES**

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on Crenshaw Project Corporation (CPC) Transportation Infrastructure and Innovation Act (TIFIA) Loan administration activities during the calendar year 2020.

ISSUE

The Crenshaw Project Corporation was formed in 2012 to act as the TIFIA Loan conduit borrower and the Transportation Investment Generating Economic Recovery (TIGER) II TIFIA Payment grant sub-recipient for the Crenshaw/LAX Transit Corridor Project (Crenshaw/LAX).

This report provides an update to the Board about CPC administrative actions taken pursuant to the loan agreement since the last update at the CPC Meeting held December 5, 2019. As of August 25, 2016, the CPC had drawn all of the \$545.9 million TIFIA Loan available to the Crenshaw/LAX Project. As of August 27, 2020, the TIFIA loan was paid off, in full.

BACKGROUND

The Crenshaw Project Corporation (CPC) reports to the Board annually the loan administrative activities that have taken place during the current calendar year.

DISCUSSION

Subsequent to the CPC Meeting held December 5, 2019 staff has completed the following actions in 2020 to administer the TIFIA Loan:

- Obtained annual credit rating;
- Paid the annual TIFIA Lender Loan Servicing Fee;
- Submitted to TIFIA:
 - Reports and presentations material sent to rating agencies for rating on any indebtedness secured by Proposition A, Proposition C, and Measure R sales taxes and General Revenues;
 - Preliminary Official Statements and Official Statements filed for all LACMTA bond issuances;
 - Unaudited Quarterly Financial Statements of LACMTA and CPC;
 - Audited Annual Financial Statements of CPC;
 - LACMTA Consolidated Annual Financial Report for the period ended June 30, 2019;
 - Monthly Construction Progress Reports;
 - Monthly FTA Project Management Oversight Reports;
 - Quarterly List of Approved Contract Modifications for Design-Build Contractor in addition to uploading all approved contract modifications to a Metro FTP site that TIFIA staff has access to;
 - Budget Change Notification.
- May 28, 2020, the Board adopted a resolution authorizing the prepayment of the TIFIA Loan and termination of the TIFIA Loan Agreement and related documents;
- Successfully refinanced the TIFIA Loan to reduce interest costs. As of August 27, 2020, the TIFIA loan was paid off, in full;
- Submitted a request to amend Revenue Service Date to reflect a recent schedule change. The request was accepted in concept, but then deemed unnecessary when the TIFIA Loan was refinanced.

FINANCIAL IMPACT

Actual expenditures in FY20 for CPC TIFIA Loan activities totaled \$22,240.00 to pay for the United States Department of Transportation annual fee, Trustee Fees, and accounting fees. These activities are included in the FY21 proposed CPC Budget at an estimated cost of \$28,680.00.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports the following Metro Strategic Plan Goal(s):

Goal #5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

NEXT STEPS

Staff will continue to take all actions required of the borrower under the Crenshaw/LAX Project TIFIA Loan Agreement and to provide annual updates to the CPC Board. Additionally, staff will return to the Board in the event any action is required for CPC.

ATTACHMENTS

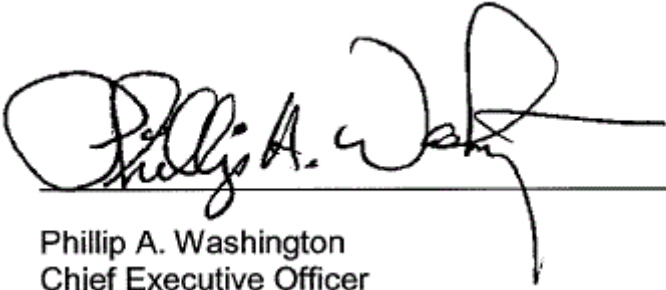
Attachment A - Crenshaw/LAX Project Funding Table

Prepared by:

Emma Nogales, Manager, Transportation Planning (213) 418-3454
Cosette Stark, DEO, Countywide Planning & Development, (213) 922-2822
Matthew Wingert, Senior Financial Analyst, Treasury, (213) 922-2553
Rodney Johnson, Senior Director, Finance, Treasury, (213) 922-3417
Donna Mills, Treasurer (213) 922-4047

Reviewed by:

Nalini Ahuja, Chief Financial Officer (213) 922-3088



Phillip A. Washington
Chief Executive Officer



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Los Angeles, CA 90012

CRENSHAW/LAX PROJECT FUNDING TABLE

Project Cost \$	\$2,148,000,000
Cost Type	LOP

Revenue

Funding Source	Type	Amount	Status
Federal Funds			
	CMAQ	\$137,100,000	Committed*
	TIGER II	\$13,903,535	Approved
	Section 5309 Earmark	\$8,563,010	Approved
	RSTP	\$28,213,840	Approved
	Federal - Sec 5339 AA Prog	\$1,200,000	Approved
	STP	\$74,902,371	Approved
Federal Funds Subtotal		\$263,882,756	
State Funds			
	STIP PPM	\$178,569	Approved
	AB3090 Reimbursement	\$34,400,000	Approved
	STIP	\$2,200,000	Approved
	Prop 1B SLPP	\$49,529,000	Approved
	Prop 1B PTMISEA	\$128,949,506	Approved
State Funds Subtotal		\$215,257,075	
Local Funds			
	Proposition A 35%	\$4,850,580	Committed
	Proposition C 25%	\$392,757,836	Committed
	General Fund	\$54,300,000	Committed
	City Contributions	\$101,707,000	Committed
	Measure R TIFIA Loan	\$545,900,000	Approved
	Measure R 35%	\$512,444,753	Committed
	Measure M	\$55,200,000	Committed
	Misc. Revenue	\$1,700,000	Committed
Local Funds Subtotal		\$1,668,860,169	
Total Sources		\$2,148,000,000	

*\$33.1M pending FTA application submittal