

**Board Report**

File #: 2022-0729, **File Type:** Resolution**Agenda Number:**

Crenshaw Project CorporationOne Gateway Plaza
Los Angeles, CA 90012**CRENSHAW PROJECT CORPORATION BOARD MEETING
DECEMBER 1, 2022****SUBJECT: CRENSHAW PROJECT CORPORATION****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

ADOPT a Resolution (Attachment A) that authorizes the election to wind up and dissolve the Crenshaw Project Corporation (the "CPC" or "Corporation").

ISSUE

Dissolution of the CPC is necessary at this time as the corporation is no longer needed to provide financial assistance to the Los Angeles County Metropolitan Transportation Authority (the "LACMTA" or "Metro").

BACKGROUND

The CPC was formed in March 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 Project). The TIFIA loan was secured by Measure R sales tax revenues allocated to the Crenshaw/ LAX Project. USDOT disbursed the maximum total of \$545.9 million in TIFIA loan funds, and all loan disbursements were advanced to Metro to reimburse the agency for eligible Crenshaw/LAX Project expenses. In August 2020, the TIFIA loan was terminated and paid off, in full, by refinancing the debt with Measure R Junior Subordinate Sales Tax Revenue Refunding Bonds, Series 2020-A. The latest Annual Financial Report states that the net position of the CPC as of June 30, 2021, was zero, and there have been no further activities since the full repayment of the TIFIA Loan in August 2020.

DISCUSSION

The attached resolution authorizes the CPC Board to take the appropriate measures and actions to

wind up and dissolve this Corporation. The steps in the process to wind up and dissolve the Corporation involve having the officers of the Corporation complete the following: i) ratify the filing of the State Form FTB 3555A Request for Tax Clearance and ii) the filing of the Dissolution Waiver of Notice Letter with the California Secretary of State. A majority of the CPC Board (seven directors) will also need to i) execute the Certificate of Dissolution and ii), if necessary, the Certificate of Election to Wind Up and Dissolve (see Attachment B), to be filed with the California Secretary of State and with the office of the California Attorney General.

DETERMINATION OF SAFETY IMPACT

Approval of this item will not impact the safety of Metro's patrons or employees.

FINANCIAL IMPACT

There is no cost associated with the dissolution of the Corporation.

EQUITY PLATFORM

No specific benefits or adverse equity impacts to marginalized communities are anticipated as a result of this action.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports the following Metro Strategic Plan Goal(s):
Goal #5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

ALTERNATIVES CONSIDERED

The Board could choose not to wind up and dissolve the CPC. However, the CPC was formed to be the conduit borrower of the Crenshaw/LAX Corridor TIFIA Loan. The loan is paid in full, and CPC can serve no other purpose. This alternative is not recommended.

NEXT STEPS

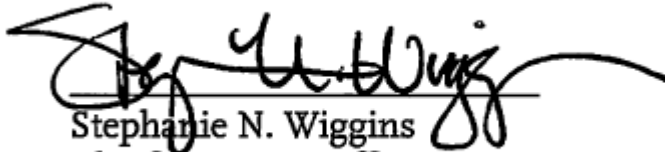
File all documents with the California Secretary of State and with the office of the California Attorney General to dissolve the CPC.

ATTACHMENTS

Attachment A - Authorizing Resolution
Attachment B - State Required Dissolution Certificates

Prepared by: Rodney Johnson, Deputy Executive Officer, Treasury
(213) 922-3417
Biljana Seki, Assistant Treasurer, Treasury (213) 922-2554
Michael Kim, Debt Manager, Treasury (213) 922-4026

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



Stephanie N. Wiggins
Chief Executive Officer

RESOLUTION NUMBER ____**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CRENSHAW PROJECT CORPORATION
ELECTING TO WIND UP AND DISSOLVE THE CORPORATION**

WHEREAS, the Crenshaw Project Corporation (the “Corporation”) was formed on March 23, 2012, to participate in the financing of public purpose projects for the Los Angeles County Metropolitan Transportation Authority (the “LACMTA”);

WHEREAS, the Corporation has heretofore entered into a TIFIA Loan Agreement, dated as of September 28, 2012 (as amended, the “TIFIA Loan Agreement”), with the U.S. Department of Transportation acting by and through the Federal Highway Administrator (the “TIFIA Lender”), for the Crenshaw/LAX Transit Corridor Project;

WHEREAS, the TIFIA Lender has heretofore disbursed to the Corporation the entire amount available to be borrowed under the TIFIA Loan Agreement, being the sum of \$545,900,000 (the “TIFIA Loan”); and

WHEREAS, the TIFIA Loan was paid in full and terminated the TIFIA Loan Agreement using proceeds from the sale of Measure R Junior Subordinate Sales Tax Revenue Refunding Bonds issued by the LACMTA on August 27, 2020; WHEREAS, the Corporation is being dissolved because there is no longer a need for the corporation,

The Board of Directors of the CRENSHAW PROJECT CORPORATION, a California nonprofit public benefit corporation, as authorized by Sections 5211(a) and 6710 of the California Corporations Code, by Section 3.1 of the Bylaws of this Corporation, and by Article V of the Articles of Incorporation of this Corporation, hereby resolve as follows:

1. ELECTION TO WIND-UP AND DISSOLVE THE CORPORATION

WHEREAS, the Board of Directors has determined that the Corporation is no longer needed to provide financial assistance to the LACMTA and thus, this Corporation shall be wound up and dissolved.

THEREFORE, IT IS RESOLVED: That the officers and directors of this Corporation are authorized and directed to take appropriate measures to wind up and dissolve this Corporation.

RESOLVED FURTHER: That the officers of this Corporation ratify the filing of the Form FTB 3555A Request for Tax Clearance - Exempt Organizations with the California Secretary of State or equivalent.

RESOLVED FURTHER: That on the commencement of proceedings to wind-up and dissolve the Corporation, the officers of this Corporation are authorized to execute the Certificate of Dissolution, and if necessary, the Certificate of Election to Wind Up and Dissolve and are authorized to cause the filing of such Certificates with the California Secretary of State and with the office of the California Attorney General, pursuant to California Corporations Code, Section 6611.

RESOLVED FURTHER: That on commencement of proceedings to wind-up and dissolve the Corporation, the officers of this Corporation are authorized and directed to prepare

and file such other documents and take any and all such other actions as may be necessary or advisable in connection with the winding up and dissolution of the Corporation.

2. PLAN OF LIQUIDATION AND DISTRIBUTION OF ASSETS

WHEREAS, the Corporation currently holds no cash or other assets, and the Corporation has no known debts and liabilities.

THEREFORE, IT IS RESOLVED: That there are no known debts or liabilities of the Corporation to be provided for or paid.

RESOLVED FURTHER: That after complying with the provisions of Sections 6713, 6715 and 6716 of the California Corporations Code, (*i.e.*, securing from the Attorney General a written waiver of objections to the disposition of assets any corporate assets, if any, remaining on hand shall be distributed, in conformity with the provisions of the Articles of Incorporation of this Corporation, to the LACMTA.

RESOLVED FURTHER, That the officers of this Corporation shall cause the filing of the Dissolution Waiver of Notice Letter to the California Secretary of State.

RESOLVED FURTHER: That as this Corporation has no members and no known creditors or claimants, written notice of the commencement of the proceeding for voluntary winding up shall be given to the California Attorney General pursuant to California Corporations Code, Section 6613(c).

RESOLVED FURTHER: That the Chair and Secretary of this Corporation are authorized, empowered, and directed to execute and deliver in the name of and on behalf of the Corporation such deeds, assignments, or other instruments of transfer as may be deemed necessary or proper and, in general, the officers and directors of this Corporation are authorized, empowered, and directed to do any all acts and things necessary to carry out, perform, implement and consummate the above-described distribution and to wind up the corporate affairs and dissolve this Corporation.

[Remainder of Page Intentionally Left Blank]

3. AUTHORITY OF OFFICERS; OTHER ACTIONS

RESOLVED: That the Chair and the Secretary of this Corporation, or the designee of either such officer, are each authorized and directed, jointly and severally, on behalf of this Corporation and in its name to do such acts, and to execute, file and deliver such other certificates and documents as they may deem necessary or appropriate to accomplish the intentions of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

The above Resolution is adopted by the consent of the Board of Directors of this Corporation, effective as of _____.

ROLL CALL:

Ayes:

Noes:

Abstain:

Absent: APPROVED

, Chair, Crenshaw Project Corporation

, Secretary, Crenshaw Project Corporation



Secretary of State
Business Programs Division
Business Entities

1500 11th Street, Sacramento, CA 95814
P.O. Box 944260, Sacramento, CA 94244-2600

Submission Cover Sheet

For faster service, file online at bizfileOnline.sos.ca.gov.

Instructions:

- Complete and include this form with your paper submission. **This information only will be used to communicate in writing about the submission, if needed.** This form will be treated as correspondence and will not be made part of the filed document.
- Make all **checks or money orders** payable to the Secretary of State.
- In person submissions (excluding Statements of Information): \$15 handling fee; do not include a \$15 handling fee when submitting documents by mail.
- Standard processing time for submissions to this office is approximately 5 business days from receipt. All submissions are reviewed in the date order of receipt with online submissions given priority. For updated processing time information, visit www.sos.ca.gov/business/be/processing-dates.

Optional Copy and Certification Fees:

- If applicable, include optional certification fees with your submission.
- For applicable certification fee information, refer to the instructions of the specific form you are submitting.

Contact Person: (Please type or print legibly)

First Name: _____ Last Name: _____

Phone (optional): _____

Entity Information: (Please type or print legibly)

Name: _____

Entity Number (if applicable): _____

Address: _____

Comments _____



Secretary of State

ELEC NP

Nonprofit Certificate of Election to Wind Up and Dissolve

(California Nonprofit Corporation ONLY)

There is No Fee for filing a Nonprofit Certificate of Election to Wind Up and Dissolve

Certification Fee (Optional) – \$5.00

This Space For Office Use Only

1. Corporate Name (Enter the exact name of the nonprofit corporation as it is recorded with the California Secretary of State.)

2. 7-Digit Secretary of State Entity Number

3. Election

(Check the applicable statement. Only one box may be checked. If the first box is checked, enter the number of members (do not enter the percentage of members). Note: This Form ELEC NP is not required when the vote to dissolve was made by all of the members, or if the nonprofit corporation has no members, by all of the directors, and that fact is noted on the Nonprofit Certificate of Dissolution (Form DISS NP).)

- Three checkbox options for election methods: majority of members, board of directors with majority of members, or no members.

4. Required Statement (This Statement is required. Do not alter.)

The nonprofit corporation has elected to wind up and dissolve.

5. Read, Verify, Date and Sign Below (Do not use a computer generated signature.)

I declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of my own knowledge and that I am authorized by California law to sign.

Three sets of signature lines with fields for Date, Signature, and Type or Print Name.



Secretary of State

DISS NP

Nonprofit Certificate of Dissolution

(California Nonprofit Corporation ONLY)

There is No Fee for filing a Nonprofit Certificate of Dissolution
Certification Fee (Optional) - \$5.00

Attorney General Letter: All nonprofit public benefit and religious nonprofit corporations are required to get a letter from the California Attorney General's office waiving objections to the nonprofit corporation's distribution of assets, or confirming the nonprofit corporation has no assets. If your corporation is a public benefit or religious corporation, you must attach that letter to this Nonprofit Certificate of Dissolution

This Space For Office Use Only

1. Corporate Name (Enter the exact name of the nonprofit corporation as it is recorded with the California Secretary of State.)

2. 7-Digit Secretary of State Entity Number

3. Election

[] The dissolution was made by a vote of ALL of the members, or if there are no members, by a vote of ALL of the directors of the California nonprofit corporation.

Note: If the above box is not checked, a Nonprofit Certificate of Election to Wind Up and Dissolve (Form ELEC NP) must be filed prior to or together with this Nonprofit Certificate of Dissolution. (California Corporations Code sections 6611, 8611, 9680 and 12631.)

4. Debts and Liabilities (Check the applicable statement. Only one box may be checked. If second box is checked, you must include the required information in an attachment.)

- [x] The known debts and liabilities have been actually paid or paid as far as its assets permitted.
[] The known debts and liabilities have been adequately provided for in full or as far as its assets permitted by their assumption. Included in the attachment to this certificate, incorporated herein by this reference, is a description of the provisions made and the name and address of the person, corporation or government agency that has assumed or guaranteed the payment, or the depository institution with which deposit has been made.
[] The nonprofit corporation never incurred any known debts or liabilities.

5. Required Statements (Do not alter the Required Statements - ALL must be true to file Form DISS NP.)

- a. The nonprofit corporation has been completely wound up and is dissolved.
b. All final returns required under the California Revenue and Taxation Code have been or will be filed with the California Franchise Tax Board.
c. For Mutual Benefit or General Cooperative Corporations ONLY: The known assets have been distributed to the persons entitled thereto or the nonprofit corporation acquired no known assets.

6. Read, Verify, Date and Sign Below (Do not use a computer generated signature.)

The undersigned is the sole director or a majority of the directors now in office. I declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of my own knowledge.

Date Signature Type or Print Name
Date Signature Type or Print Name
Date Signature Type or Print Name

Secretary of State
Nonprofit Certificate of Dissolution
Crenshaw Project Corporation C3454063
Signature Page (cont.)

Date

Signature

Type or Print Name

Date

Signature

Type or Print Name

Date

Signature

Type or Print Name

Date

Signature

Type or Print Name