



Board Report

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Crenshaw Project Corporation



One Gateway Plaza
Los Angeles, CA 90012

**CRENSHAW PROJECT CORPORATION BOARD MEETING
DECEMBER 6, 2018**

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

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE report on Crenshaw Project Corporation (CPC) Transportation Infrastructure Finance Innovation Act (TIFIA) Loan administration activities during calendar year 2018.

ISSUE

The CPC was formed on March 23, 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 Annual Meeting held November 30, 2017. As of August 25, 2016, the CPC had drawn all of the \$545.9 million TIFIA Loan available for the Crenshaw/LAX Project.

BACKGROUND

The CPC reports to the Board annually on the loan administrative activities that have taken place during the current calendar year.

DISCUSSION

Subsequent to the last CPC annual meeting held November 30, 2017, staff has completed the following actions in 2018 to administer the TIFIA Loan:

- Obtained annual credit rating;
- Paid the annual TIFIA Lender Loan Servicing Fee;
- Submitted to TIFIA:
 - Reports and presentation materials 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, 2017
 - Monthly Construction Progress Reports;
 - Monthly FTA Project Management Oversight Reports;
 - Quarterly List of Approved Contract Modifications for Design-Build Contract in addition to uploading all approved contract modifications to the Metro File Transfer Protocol (FTP) website that TIFIA staff has access to;
 - Sixth Annual Financial Plan for the Crenshaw/LAX Transit Corridor Project; and
- Hosted representatives from the Build America Bureau, responsible for the oversight of the Crenshaw/LAX Project TIFIA Loan during the required annual site visit. The site visit included a tour of the project as well as an update provided by senior project management staff. Additional presentations included an overview of the Los Angeles County Metropolitan Transportation Authority's (Metro) programs by Grants Management and Oversight, the status of the projects' key legal actions by Metro's legal counsel and an update on Metro's financial status, Measure R revenue trends and Metro's cash flow management practices by the Treasury Department. (May 2018).

DETERMINATION OF SAFETY IMPACT

There is no safety impact related to this action.

FINANCIAL IMPACT

Actual expenditures in FY18 for CPC TIFIA Loan activities totaled \$23,397 to pay for the United States Department of Transportation annual fee, Trustee Fees, and accounting fees. These activities are included in the FY19 proposed CPC Budget at an estimated cost of \$36,406.

NEXT STEPS

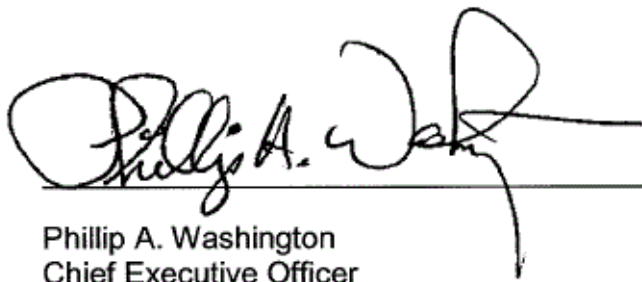
Staff will continue to take all actions required of the borrower under the Crenshaw/LAX Project TIFIA Loan and to provide annual updates to the CPC Board. Additionally, staff will return to the Board in the event there are any amendments required to the Crenshaw/LAX Project TIFIA Loan.

ATTACHMENTS

Attachment A - Funding Table for Crenshaw/LAX Transit Corridor Project

Prepared by: Emma Nogales, Manager, Transportation Planning, (213) 922-3066
Cosette Stark, DEO, Countywide Planning & Development, (213) 922-2822
Laurie Lombardi, SEO, Countywide Planning & Development, (213) 418-3251
Danny Ray Jasper, Jr., Debt Manager, Treasury, (213) 922-4026
Donna Mills, Treasurer, Treasury, (213) 922-4047

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



Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

CRENSHAW/LAX PROJECT FUNDING TABLE

Project Cost \$	\$2,058,000,000
Cost Type	LOP

Revenue

Funding Source	Type	Amount	Status
Federal Funds			
	CMAQ	\$54,000,000	Approved
	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	\$71,683,130	Approved
Fed Subtotal		\$177,563,515	
State Funds			
	STIP PPM	\$178,569	Approved
	AB3090 Reimbursement	\$34,400,000	Planned
	STIP	\$2,200,000	Approved
	Prop 1B SLPP	\$49,529,000	Approved
	Prop 1B PTMISEA	\$128,949,506	Approved
State Subtotal		\$215,257,075	
Local Funds			
	Proposition A 35%	\$4,850,151	Committed
	Proposition C 25%	\$429,142,069	Committed
	General Fund	\$54,300,000	Committed
	City Contributions	\$101,707,000	Committed
	Measure R TIFIA Loan	\$545,900,000	Approved
	Measure R 35%	\$529,280,190	Committed
Local Subtotal		\$1,665,179,410	
Total Sources		\$2,058,000,000	