

**Board Report**

File #: 2016-0781, **File Type:** Informational Report**Agenda Number:** 2.One Gateway Plaza
Los Angeles, CA 90012**CPC BOARD MEETING
DECEMBER 1, 2016****SUBJECT: CRENSHAW PROJECT CORPORATION ANNUAL FINANCIAL REPORT****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE the Crenshaw Project Corporation (CPC) **Annual Financial Report for the fiscal year (FY) ended June 30, 2016** (Attachment A).

ISSUE

The CPC was formed on March 23, 2012 to act as the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan conduit borrower for the Crenshaw/LAX Transit Corridor Project (Crenshaw/LAX Project). The CPC bylaws require that an annual financial report be prepared for review by the CPC Directors no later than 120 days after the close of the CPC's fiscal year (June 30), or such later date permissible by Public Benefit Corporation Law. Attachment A presents this required financial report.

DISCUSSION

In September 2012, the CPC secured a \$545,900,000 TIFIA loan from the United States Department of Transportation (USDOT). The TIFIA loan is secured by Measure R sales tax revenues allocated to the Crenshaw/LAX Project. As of June 30, 2016, USDOT has disbursed a total of \$480,064,610 in TIFIA loan funds. All loan disbursements are then advanced to Metro for the purpose of reimbursing the agency for eligible Crenshaw/LAX Project expenses. In addition, the CPC paid \$48,666 in expenses that consisted of loan fees and other charges. The CPC was reimbursed for these expenditures by Metro. The Annual Financial Report states that the net position of the CPC as of June 30, 2016 was \$0. Total assets of \$487,700,000 represent advances to Metro and the total liabilities represent the note payable to USDOT. Attachment A contains the CPC Audited Financial Statements for FY16.

FINANCIAL IMPACT

The administrative costs associated with preparing the CPC annual financial report was funded in Metro's adopted FY17 budget in various cost centers.

NEXT STEPS

Staff will continue to provide CPC financial reports to the Board on an annual basis as required by the bylaws.

ATTACHMENTS

Attachment A: Crenshaw Project Corporation Financial Statements for the Fiscal Year Ended June 30, 2016

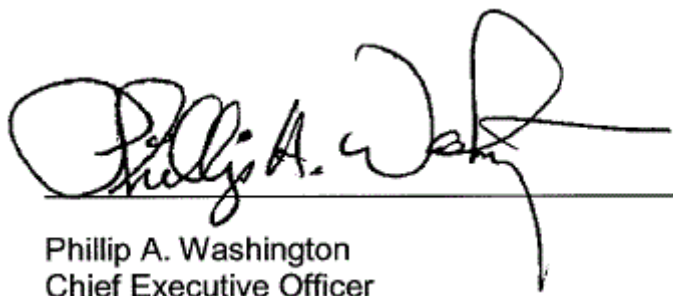
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