



Board Report

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Crenshaw Project Corporation



One Gateway Plaza
Los Angeles, CA 90012

**CRENSHAW PROJECT CORPORATION BOARD MEETING
DECEMBER 03, 2020**

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, 2020** (Attachment A).

ISSUE

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.

BACKGROUND

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).

DISCUSSION

In September 2012, the CPC secured a \$545.9 million 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, 2020, USDOT has disbursed the maximum total of \$545.9 million in TIFIA loan funds. All loan disbursements were advanced to Metro for the purpose of

reimbursing the agency for eligible Crenshaw/LAX Project expenses. In addition, during FY20 the CPC paid \$22 thousand 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, 2020 was \$0. Total assets of \$608,186 represent advances to Metro and the total liabilities represent the note payable to USDOT. Attachment A contains the CPC Audited Financial Statements for fiscal year ended June 30, 2020.

FINANCIAL IMPACT

The administrative costs associated with preparing the CPC annual financial report was funded in Metro's adopted FY21 budget in various cost centers.

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 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, 2020

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Phillip A. Washington
Chief Executive Officer