



Board Report

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

Agenda Number:



Crenshaw Project Corporation

One 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.

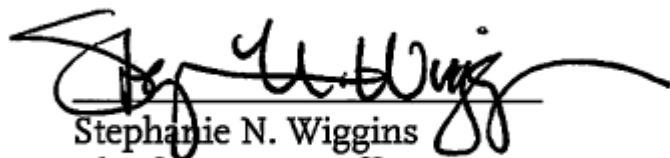
ATTACHMENTS

Attachment A - Authorizing Resolution

Attachment B - State Required Dissolution Certificates

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