

# LOS ANGELES LINK US FUNDING PLAN

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CALIFORNIA HIGH-SPEED RAIL AUTHORITY

## Summary

Staff is recommending that the Board approve the expenditure funding plan (Funding Plan) to support the construction of the Link Union Station (Link US) Project Phase A, which is part of the Burbank to Los Angeles and Los Angeles to Anaheim Segments of the high-speed rail system. The Funding Plan is prepared in compliance with the Streets and Highways (S&H) Code, section 2704.08, subdivision (d), required under Proposition 1A for use of bond proceeds for construction.



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PLACE HOLDER FOR VIDEO

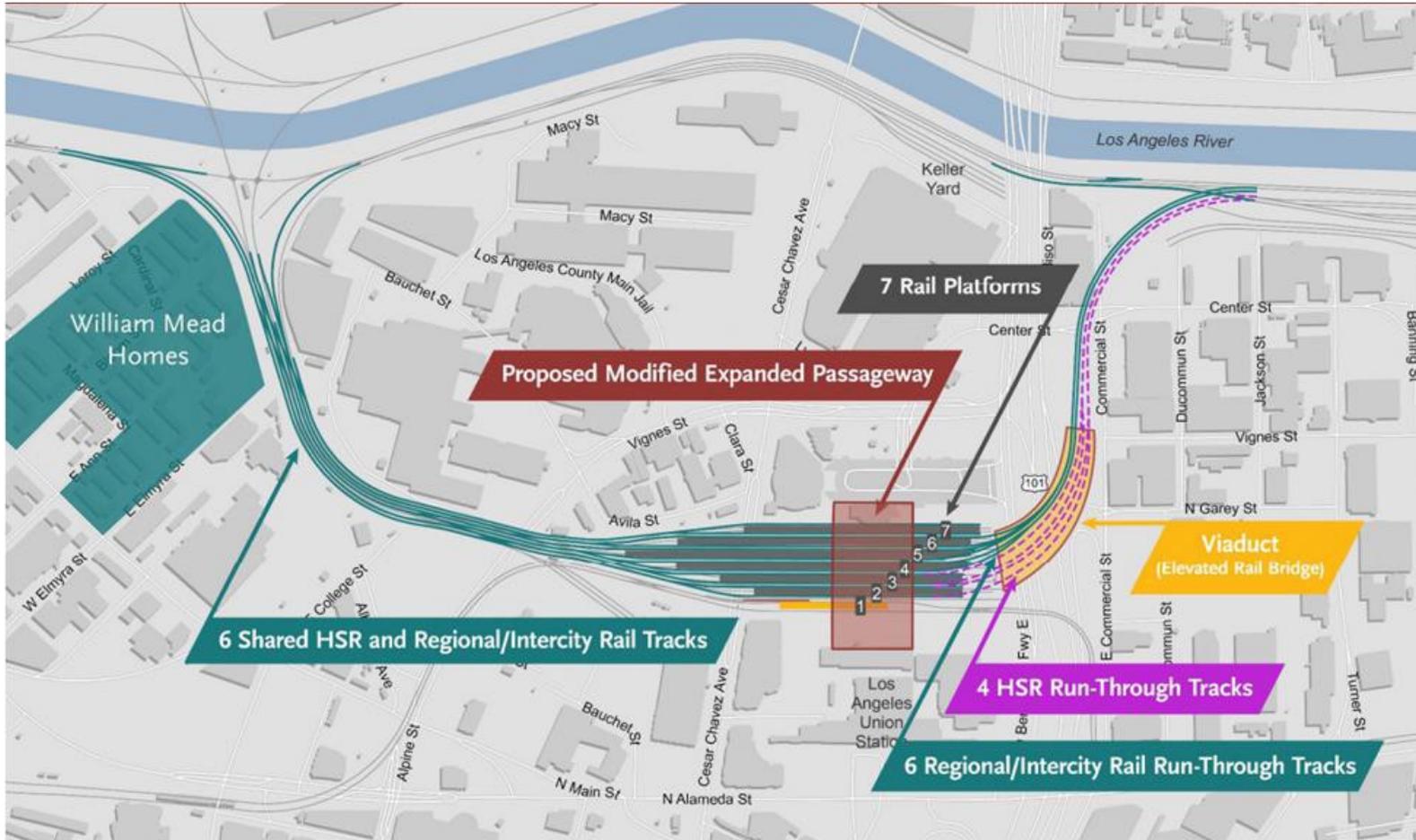


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## Link US Project Components

The major components of the Link US Project is identified graphically are shown below:



Source: Link US Project Overview, Funding Plan Milestones and Issues for Resolution; Metro; August 2019

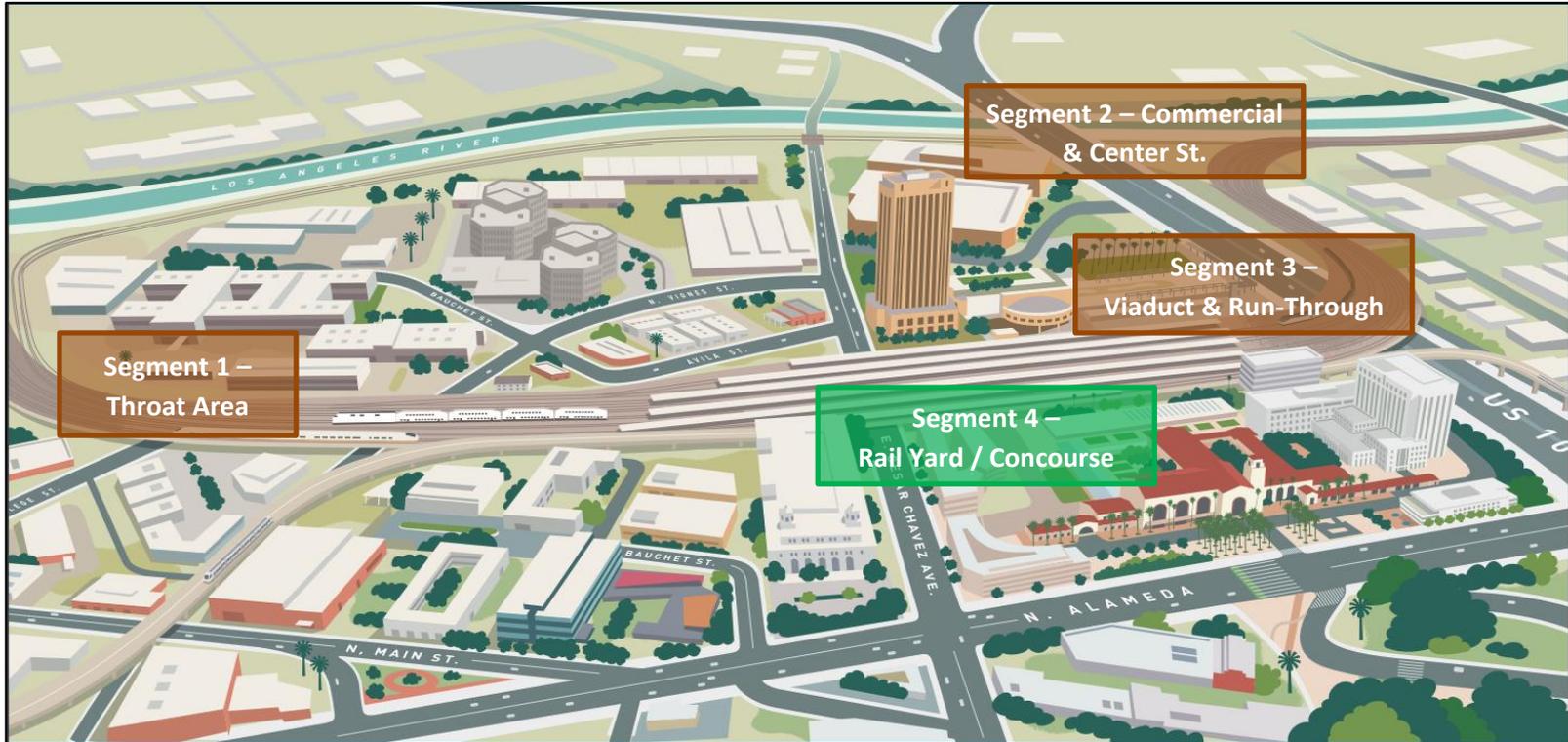


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## Link US Phased Construction

The Link US project will be constructed in two phases, as shown below:



Phase A		Phase B	
Segment 1 – Throat Area		Segment 2 – Commercial & Center St.	
1.	Rail Signal, Communications and Track Work	1.	Property acquisition
2.	Utility Relocation	2.	Utility relocation
		3.	Commercial & Center St. Improvements
Segment 3 – Viaduct & Run-Through		Segment 4 – Rail Yard / Concourse	
1.	Viaduct Structure over US 101 (full width)	1.	Raising the rail yard, including new platforms and tracks as well as new stairs escalators and elevators
2.	Two run-through tracks from Union Station Platform 4 to mainline tracks	2.	New passenger concourse, including a new open plaza (West Plaza)
3.	Signal and communication	3.	Adding remaining run-through tracks (up to eight) and up to two new lead tracks in Segment 1

Source: Link US Project Overview, Funding Plan Milestones and Issues for Resolution; Metro; August 2019



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## Budget and Fiscal Impact

The cost estimate for the Link US Project (Phase A) is \$950.4 million in year of expenditure dollars (YOES). In addition to the Proposition 1A bond proceeds of \$423.3 million, other funding sources are included below:

Source	Amount (\$ millions)
Proposition 1A bond proceeds	\$423.3
CHSRA Planning funds	\$18.7
Transit and Intercity Rail Capital Program (TIRCP)	\$398.4
LA Metro Measure M funds	\$13.3
LA Metro Measure R funds	\$51.7
SCRRA – non-Metro funds	\$40.0
CalSTA and Caltrans	\$5.0
<b>Total</b>	<b>\$950.4</b>



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## Prior Board Action

- In April 2012, the Authority adopted the 2012 Business Plan which established the Authority's plans to utilize a Blended System in the urban "bookends" of the statewide high-speed rail system, including in Southern California.
- In April 2012, the Board adopted a Resolution supporting the 2012 Southern California MOU to create a program of early investment projects in Southern California that would provide near-term passenger rail improvements while also providing necessary components of the high-speed rail system. LinkUS was the highest-priority project on the Southern California early investments list.
- In February 2016, the Authority Board directed staff to negotiate and execute a contract with the LA Metro to share project development costs for the integration of high-speed rail at LAUS.
- In May 2019, the Authority Board adopted the Program Baseline of \$15.6 billion. The Program Baseline included \$423.3 million available for the Link US project. This request is consistent with that approval.



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## Supporting Reports and Analyses

- **Funding Plan:** Pursuant to the requirements of Proposition 1A, the Authority has prepared a funding plan that describes: (1) the usable segment; (2) sources of funding; (3) ridership and operating revenue; (4) construction cost; and (5), terms and conditions.
- **Independent Financial Advisor Report:** Pursuant to the requirements of Proposition 1A, the Authority contracted with the Financial Advisor Project Finance Advisory Limited (PFAL) to provide independent consultant services. The report describes: (1) the constructability or the usable segment; (2) suitability for high-speed rail; (3) use by passenger service providers; (4) operating subsidy; (5) risk assessment and mitigation strategies.



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## Recommendations

Staff recommends the Board approve the Funding Plan through adoption of the attached resolution which would specifically do the following:

- The Authority designates the BLA Corridor, and the BLA Corridor combined with the LAA Corridor, each as a Usable Segment as defined in S&H Code section 2704.01(g);
- The Authority approves the Link US Project (Incremental Capital Investment #2) Funding Plan and the associated independent consultant report that evaluated that Plan pursuant to S&H Code section 2704.08(d);
- The Chief Executive Officer (CEO) is hereby authorized to finalize the Funding Plan and submit it, and the independent consultant report (unchanged from what the consultant submitted), to the Director of Finance and the Chairperson of the Joint Legislative Budget Committee; and
- The CEO is authorized to begin to negotiate with Metro a Project Management and Funding Agreement (per Senate Bill 1029), and any other needed agreements, and to return to the Authority Board for authorization to enter into such agreements.



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# Questions?

