

**MEMORANDUM OF UNDERSTANDING**  
**BY AND AMONG**  
**CALIFORNIA HIGH-SPEED RAIL AUTHORITY,**  
**CALIFORNIA STATE TRANSPORTATION AGENCY, AND**  
**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**  
**FOR PROPOSITION 1A FUNDING COMMITMENT**  
**TO THE LINK UNION STATION PROJECT**

This Memorandum of Understanding (“MOU”) for the Link Union Station (“Link US”) Project dated as of September 13, 2019 (the “Effective Date”) is an agreement by and among the California High-Speed Rail Authority (“CHSRA”), the California State Transportation Agency (“CalSTA”), and the Los Angeles County Metropolitan Transportation Authority (“Metro”). The purpose of this MOU is: (i) to establish the parties’ commitment to work cooperatively and collaboratively to allow CHSRA to secure approval and release of \$423,335,000 of Proposition 1A funds for the Link US Project, appropriated by the California Legislature pursuant to Chapter 152 of the Budget Act of 2012 (Senate Bill No. 1029) which includes requirements for a subdivision (d) Funding Plan and a Project Management and Funding Agreement, (ii) to describe the commitment of Metro to work with CHSRA and other stakeholder agencies to fully fund the Link US Project, including pursuit of a variety of funding and financing options from federal, state, local and private sources, and (iii) to describe certain core principles essential to construction of the Link US Project and future operation thereof, to enable use of such facilities by CHSRA, Metro, state-supported intercity and certain other passenger and freight rail providers.

**RECITALS:**

**Whereas**, CalSTA is the state agency responsible for developing and coordinating the policies and programs of the State of California’s transportation entities (including CHSRA and state-supported intercity services) to achieve the state’s mobility, safety, and air quality objectives from its transportation system;

**Whereas**, CHSRA is the state entity responsible for the planning, design, construction and operation of a high-speed train system serving California’s major metropolitan areas through the development of safe, clean, and reliable rail technology; and

**Whereas**, Metro plans, programs, and implements commuter rail projects in Los Angeles County, and is the lead agency for the Link US Project that will modernize Union Station in downtown Los Angeles into a world class transit and mobility hub for multiple operators; and

**Whereas**, Proposition 1A, the Safe, Reliable, High-Speed Passenger Train Bond Act for the 21st Century, was approved by California voters in 2008 and authorized the use of state general obligation bonds to initiate the construction of a high-speed train system that connects San Francisco with Los Angeles Union Station and Anaheim; and

**Whereas**, the year 2012 Southern California MOU (the “2012 MOU”) was approved by the CHSRA Board of Directors in April 2012, and signed by CHSRA and by several partner agencies, including Metro. The

2012 MOU established an intent for CHSRA and its partner agencies to invest in local rail systems on designated CHSRA corridors for eventual CHSRA operation on the high-speed rail system, and included a prioritized list of candidate early investment projects in Southern California; and

**Whereas**, Senate Bill No. 1029 (“SB 1029”), which was passed by the California State Legislature and signed by the Governor in July 2012, appropriated Proposition 1A funding for early improvement projects in the Phase 1 blended system, including \$500 million in funding for projects in Southern California consistent with the 2012 MOU; and

**Whereas**, the Link US Project is the highest priority project listed in the 2012 MOU, as agreed upon by CHSRA, Metro, and their partner agencies, due to its tremendous mobility and connectivity benefits for Southern California; and

**Whereas**, the Link US Project will allow CHSRA to operate its intercity passenger service efficiently through Union Station and Southern California generally, making the Link US Project implementation critical for CHSRA to operate effectively in the Southern California region; and

**Whereas**, Los Angeles was selected to host the Olympic Games in 2028, and improvements to Union Station, including those included in the Link US Project, will help provide the ability to move travelers to and from Olympic venues spread throughout the region; and

**Whereas**, CHSRA is providing \$18,726,102 in funding to Metro through Agreement HSR15-170 for a share of project development costs for the Link US Project, including planning, preliminary engineering, and environmental clearance work that will integrate high-speed rail service at Union Station; and

**Whereas**, CHSRA has allocated \$76,665,000 in funding to be used for the grade separation project referred to as the Rosecrans/Marquardt grade separation; and

**Whereas**, the CHSRA 2018 Business Plan states an intent to direct the remaining 2012 MOU funding to the Link US Project, as the highest priority early investment project in the region; and

**Whereas**, CHSRA, CalSTA, Metro, and the Southern California Regional Rail Authority (“SCRRA”) have established, or intend to establish through execution of an MOU, a Link US Executive Steering Committee to jointly coordinate and facilitate delivery of the Link US Project; and

**Whereas**, CHSRA, Metro, CalSTA, and SCRRA intend to enter into an MOU for the Link US Project, which will set forth the roles and responsibilities of the Link US Executive Steering Committee and state an intent to fully fund and deliver the Link US Project, based on a mutually agreed upon strategy and pursuit of a variety of funding and financing options from federal, state, local and private sources.

**Now, therefore**, in consideration of the foregoing, the parties mutually understand and agree to the following:

- 1) The Link US Project is described in Exhibit A attached hereto. As described in such Exhibit, construction of the Project will occur in two phases. CHSRA will commit to secure approval and release of \$423,335,000 in Proposition 1A early investment funding for the Link US Project, contingent upon Metro making the commitments and meeting the requirements of a mutually acceptable Project Management and Funding Agreement (“PMFA”). This amount reflects the \$500

million in Proposition 1A funding appropriated to early investment projects in Southern California by SB 1029, minus \$76,665,000 in funding that has previously been allocated to the Rosecrans/Marquardt grade separation project.

- 2) In connection with the delivery of the Link US Project, and as further consideration for the funding to be provided by CHSRA as described herein, Metro agrees to coordinate with CHSRA in good faith to establish agreements that enable CHSRA to operate on the existing rail corridor owned by Metro and used by Metrolink, state-supported intercity trains, Amtrak long distance trains, and Union Pacific. This corridor shall be operated for use by all parties. All such arrangements will be separately negotiated on reasonable and equitable terms, and the parties will use their best efforts to reach agreement, each party taking into account not only its own interests and obligations but also the interests and obligations of the other parties. The teams have worked and will work collaboratively to fully develop and concur on the technical requirements required for full build out of Union Station to accommodate all users.
- 3) Metro acknowledges that the Link US Project is a foundational element of future operations by Metro, CHSRA, state-supported intercity and other passenger and freight rail providers in the Southern California area, and reiterates its commitment to work collaboratively with CHSRA to facilitate the implementation of the Link US Project as expeditiously as practicable.
- 4) Metro agrees to execute a PMFA on mutually-acceptable terms for the Link US Project with CHSRA. The PMFA will require Metro to provide progress reports to CHSRA on a quarterly basis to ensure that all Proposition 1A bond-funded activities are within the scope and cost outlined in the PFMA, and will include other provisions related to the rights and responsibilities of Metro and CHSRA.
- 5) Metro agrees to participate in meetings and conference calls with CHSRA to discuss questions and comments on the Funding Plan, the PMFA, and other related items. These meetings/calls may include other participating agencies as well, as discussed and agreed to with CHSRA.
- 6) Metro agrees to coordinate with an Independent Consultant that will conduct an independent review of the Link US Funding Plan with respect to financial feasibility and suitability for high-speed rail operations, as a necessary step prior to Funding Plan approval by the CHSRA Board of Directors.
- 7) Metro understands that the California Department of Finance (“DOF”) will review the Funding Plan and the PMFA submitted by CHSRA, and that DOF approval of both the Funding Plan and the PMFA is required before CHSRA can access Proposition 1A funds.
- 8) As a condition of receiving the Proposition 1A funds for the Link US Project from CHSRA, Metro agrees to the following requirements related to project delivery:
  - a. Negotiate agreements with CHSRA and other stakeholder agencies to govern joint access to, and use and operation of, the completed Link US Project facilities (including both phases as funded). Such agreements will address issues including (but not limited to) construction windows, rail system scheduling, dispatching, passenger boarding, shared platforms and platform height, maintenance, storage arrangements, and maintenance facilities. CHSRA and Metro recognize that they must enter into such agreements on reasonable and equitable terms and on a timely basis to facilitate each such party’s reasonable implementation schedule reflecting consideration of their respective investments in the Link US Project and other Southern

California rail improvement projects, legal requirements, and the interests of their respective customers. In this regard, CHSRA and Metro pledge to use their best efforts to reach agreement, each such party taking into account not only its own interests and obligations but also the interests and obligations of the other party. In the event that issues cannot be resolved at a project leadership level, they will be elevated within the management structure of each agency for resolution in an efficient and diligent manner. Thereafter, if any issues remain unresolved, either CHSRA or Metro may invoke a non-binding mediation process before a mutually-agreed upon individual who possesses expertise in the planning, construction, and operation of rail service in shared rail corridors. CHSRA and Metro agree to request the Secretary of the California State Transportation Agency to nominate one or more proposed mediators for consideration by such parties, whose selection will be subject to mutual agreement of such parties.

- b. Adhere to the terms and conditions in the PMFA for the Link US Project.
  - c. Continue to coordinate regularly with CHSRA regarding Link US Project activities, particularly on items related to the integration of high-speed rail elements into the Project. Metro agrees that CHSRA will be informed of and invited to all meetings regarding the Link US Project that include any project funding parties, contractors, or other parties involved in the funding, planning, or implementation of the Link US Project, and CHSRA will be a member of any Change Control Board or similar group overseeing and approving revisions of the Link US Project plans. The executives of the funding parties (including CHSRA) will meet on at least a quarterly basis to discuss the Link US Project and the progress thereof.
  - d. Work cooperatively with CHSRA and other stakeholder agencies, including CalSTA and SCRRA, to fully fund, finance, and implement the Link US Project in a manner that protects the requirements and interests of each agency including accommodation of future high-speed rail service.
- 9) CHSRA and Metro will coordinate regularly and establish a productive working relationship to achieve the requirements of this MOU.
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IN WITNESS WHEREOF, this Memorandum of Understanding has been executed by the following organizations, as of the day and year indicated next to each signature, with the final signature date constituting the Effective Date.

Original Signed By

September 10, 2019

\_\_\_\_\_  
Brian P. Kelly, Chief Executive Officer  
California High-Speed Rail Authority

\_\_\_\_\_  
Date

Original Signed By

September 13, 2019

\_\_\_\_\_  
David Kim, Secretary  
California State Transportation Agency

\_\_\_\_\_  
Date

Original Signed By

September 12, 2019

\_\_\_\_\_  
Phillip A. Washington, Chief Executive Officer  
Los Angeles County Metropolitan Transportation Authority

\_\_\_\_\_  
Date

Exhibit A

Link US Project Description

Please refer to the Project Description in Section 2 of the Link Union Station -  
Administrative Draft EIR dated April 2019