

Eco-Rapid Transit, formerly known as the Orangeline Development Authority, is a joint powers authority (JPA) created to pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient. The system is designed to enhance and increase transportation options for riders of this region utilizing safe, advanced transit technology to expand economic growth that maximizes ridership in Southern California. The Authority is composed of the following public agencies:

- City of Artesia
- City of Bell
- City of Bell Gardens
- City of Cudahy
- City of Downey
- City of Glendale
- City of Huntington Park
- City of Maywood
- City of Paramount
- City of South Gate
- Burbank-Glendale-Pasadena Airport Authority

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- Internal Auditor
- Jose R. Gonzalez
Mayor
City of Cudahy

- Executive Director
- Michael R. Kodama

- General Counsel
- Teresa L. Highsmith

- Ex-Officio
- William Rawlings
City Manager Representative

AGENDA REPORT

TO: Members of Eco-Rapid Transit Board of Directors

FROM: Michael Kodama, Executive Director

DATE: May 13, 2020

SUBJECT: **UPDATE AND/OR ACTION REGARDING ALLOCATION OF \$600 MILLION IN TAX-EXEMPT BONDS FOR CONSTRUCTION OF VIRGIN TRAIN’S HIGH-SPEED RAIL PROJECT CONNECTING VICTOR VALLEY REGION TO LAS VEGAS**

Public comments on items on the agenda will be taken at the time the item is called and are limited to 3 minutes per speaker

ISSUE

Eco-Rapid Transit staff have been following activities related to the proposed Virgin High Speed Rail Train Project that would connect Victor Valley to Las Vegas. On April 14, 2020, an allocation of \$600 million in tax-exempt bonds was approved for the construction of Virgin Train’s privately funded High-Speed Rail project.

BACKGROUND

California State Treasurer Fiona Ma issued a press release regarding economic development, jobs, housing and clean transportation.

ECONOMIC DEVELOPMENT, JOBS, HOUSING, CLEAN TRANSPORTATION

On April 14, 2020 meeting, an allocation of \$600 million in tax-exempt bonds was approved for the construction of Virgin Train’s privately funded High-Speed Rail project connecting the Victor Valley Region to Las Vegas. The rail line offers an alternative to the I-15. It is estimated that it will be an 85-minute train ride that will be twice as fast as driving.

According to an Economic Development Plan (prepared by Varshney & Associates) submitted by Virgin Trains USA to CDLAC, the project will:

Create Economic Impact for California

- Create 10,000 jobs during construction.
- Fill 500 “post rail-line construction” jobs.
- Create 100 high-skilled maintenance facility jobs with an average annual salary of \$70,000.
- Boost \$2.13 billion to the overall state economy.
- Generate \$275 million in federal, state and local taxes.



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Fulfill California's Green Initiatives

- Remove 3 million cars a year and over 100,000 metric tons of carbon emissions annually.
- Use Zero Emission, fully electric train sets with top speeds of 200 MPH.

Transform the Victor Valley Region

- Build a new state-of-the-art train station AND vehicle maintenance facility on 80 acres in the Victor Valley Region.
- Acquire 225 acres for housing and retail/commercial development near the station in Victor Valley Region.
- Create 1,250 new housing units on 400 acres.

RECOMMENDATION

It is recommended that the Board:

1. Discuss information presented and offer action items; and/or
2. Receive and file the item