

Bond Case Briefs

Municipal Finance Law Since 1971

Los Angeles Plans P3 to Build New Streetcar Line.

A proposed streetcar line in downtown Los Angeles may cost \$55 million less than originally projected, lowering the price tag to \$270 million, according to the final draft of the URS Corp. report.

Despite the project's lower cost estimate, the city is planning to rely on a P3 to finance at least \$100 million of the project.

Two years ago, voters living in downtown approved a special tax district which could raise up to \$85 million. In addition, city officials hope to receive a \$75 million construction grant from the Federal Transit Administration.

The project faces an uphill battle for federal funding since transit projects costing more than \$250 million must compete for federal dollars against most expensive transit proposals, reported the [Los Angeles Times](#).

The city plans to finish the streetcar line's environmental review documents by spring 2015, and officials hope to receive the \$75 million grant in the summer of 2016, allowing the project to begin by 2019.