

ATTACHMENT B

STAFF REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF FEE INTERESTS IN REAL PROPERTY COMMONLY KNOWN AS 5109 LONG BEACH AVENUE WEST, IN THE CITY OF LOS ANGELES (THE "PROPERTY") FOR THE METRO BLUE LINE TRACK IMPROVEMENT PROJECT

BACKGROUND

The Property is required for the construction and operation of the Metro Blue Line Track Improvement Project ("Project"). The address, record owner (as indicated by a title report prepared by Orange Coast Title Company), physical description, and nature of the property interest sought to be acquired for the Project is summarized as follows:

Assessor's Parcel Number	Parcel Address	Owner	Purpose of Acquisition	Property Interest(s) Sought
5106-026-017	5109 Long Beach Avenue West, in the City of Los Angeles	Residential Holdings & Investment, LLC	Installation of signaling devices and related improvements and equipment	Fee Simple Interests in APN 5106-026-017 consisting of 2,731 square feet.

A written offer for the fee simple property interest was presented to the Owner and Tenants on May 20, 2015 and June 30, 2016. To date, the offer has not been accepted, and negotiations have not resulted in a settlement agreement.

A. The public interest and necessity require the Project.

The public interest and necessity require the Project for the following reasons:

1. The population and employment densities in the Blue Line Transit Corridor ("Corridor") are extremely high and very transit dependent. The Corridor (inclusive of the cities of Los Angeles, Compton, Long Beach and Los Angeles County) has a high concentration of low-income, minority, transit-dependent residents. Forecasts show a growing transit-dependent population, with projected increases in Corridor residents that rely on, or will rely on the area's transit system. The Project will provide significant improvements for low-income, elderly and transit-dependent persons living in the Corridor area by improving signalization along the Blue Line.
2. Implementation of the Project will result in a reduction of vehicle miles per day and reduction of auto air pollutants.
3. The Project will relieve congestion on the already over capacity 710 Pasadena

and the I-10 Santa Monica Freeways and surrounding major thoroughfares. In addition, it will reduce the parking demands in the Project area by providing an alternative means of transportation, competitive in rush-hour travel times with the automobile.

4. The Project will increase operation efficiencies, and continue providing alternative means of transportation during fuel crises and increased future traffic congestion.
5. The Project will meet the need for improved transit service of the significant transit-dependent population within the Project area.

It is recommended that based on the above evidence, the Board find and determine that the public interest and necessity require the Project.

B. The Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury.

Metro prepared an Initial Study/Mitigated Negative Declaration (IS/MND) for the MBL Track Improvement Project in compliance with the California Environmental Quality Act (CEQA) Guidelines. On May 14, 2015, the IS/MND was circulated and reviewed by interested and concerned parties, including private citizens, community groups, the business community, elected officials and public agencies.

Changes were subsequently made to the Project and an Addendum to the IS/MND was prepared pursuant to and in compliance with CEQA Guidelines. The Addendum was prepared and distributed to public agencies and the general public by Metro in June 2015 for a 30-day public review period. A Notice of Availability (NOA) for public review was posted at the Los Angeles County Clerk's Office, a public notice was published in the Los Angeles Times on May 16, 2015, and a Notice of Completion (NOC) was filed with the State Clearinghouse of the Governor's Office of Planning and Research. No substantive comments on content of the Addendum or significant environmental issues related to the proposed Project were raised. The CEQA process concluded December 2015 with no comments or challenges.

The Project will cause private injury, including the displacement or relocation of certain owners and users of private property. However, no other alternative locations for the Project provide greater public good with less private injury. Therefore, the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

C. The Property is necessary for the Project.

The Property is required for the installation of signaling devices and related improvements and equipment to refurbish and modernize the Automatic Train Control and Signaling Systems in support of the Project. The Property was chosen based upon the approved IS/MND and Addendum for the Project. Staff recommends that the Board find that the acquisition of the Property is necessary for the Project.

D. Offers were made in compliance with Government Code Section 7267.2.

California Code of Civil Procedure Section 1245.230 requires that a Resolution of Necessity contain a declaration that the governing body has found and determined that either the offer required by Section 7267.2 of the California Government Code has been made to the Owner, or the offer has not been made because the Owner cannot be located with reasonable diligence.

California Government Code Section 7267.2 requires that an offer be made to the Owner and in an amount which the agency believes to be just compensation. The amount must not be less than the agency's approved appraisal of the fair market value of the Property. In addition, the agency is required to provide the Owner with a written statement of, and summary of the basis for, the amount it established as just compensation.

Staff has taken the following actions as required by California law for the acquisition of the Property:

1. Obtained an appraisal to determine the fair market value of the Property;
2. Reviewed and approved the appraisal, and established the amount it believes to be just compensation;
3. Determined the Owner of the Property by examining the county assessor's record and the title report;
4. Made a written offer to the Owner for the full amount of just compensation - which was not less than the approved appraised value; and
5. Provided the Owner with a written statement of the basis for, the amount established as just compensation.

It is recommended that the based on the above Evidence, the Board find and determine that the offer required by Section 7267.2 of the California Government Code has been made to the Owner.

CONCLUSION

Staff recommends that the Board approve the Resolution of Necessity.