

Metro



Board Report

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Agenda Number: 47.

**REGULAR BOARD MEETING
JULY 25, 2019**

**SUBJECT: SUPPORT OF DESTINATION CRENSHAW PROJECT ON METRO OWNED
PROPERTY ALONG THE CRENSHAW/LAX LINE PROJECT**

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to enter into a Memorandum of Agreement (MOA) with the City/County of Los Angeles for funding and support of the Destination Crenshaw Project;
- B. APPROVING funding request for the construction of Destination Crenshaw's proposed Sankofa Park in an amount not to exceed \$15,000,000 and related staff support time; and
- C. AMENDING the FY20 Adopted Budget in the amount of \$15,000,000.

ISSUE

Metro's Crenshaw/LAX Transit Project (C/LAX) is one of 12 transit projects funded by Measure R, with a projected opening in 2020. A total of \$2.058 billion in funds have been allocated for this project.

While transportation project investments often spur positive economic development and expand access to opportunity, these investments can also have the unintended result of gentrification and displacement that can disrupt the culture and character of a neighborhood. Promoting community preservation and economic mobility of the communities directly affected by Metro's investments is an agency imperative. Consistent with this objective is Destination Crenshaw, a proposed outdoor museum and placemaking initiative ("Museum") that takes form as 10 major project elements - platforms or parks - along the 1.3-mile section of Crenshaw Boulevard, that overlaps an at-grade running segment of the C/LAX project.

Destination Crenshaw has proposed the enhancement of three Metro-owned properties, which were anticipated to receive modest improvements as part of the C/LAX project. In 2015, the Board directed the preparation of a C/LAX Joint Development Strategic Plan which identified these three properties as "exploratory sites" that could potentially be considered for disposition to support a community-

servicing use. The development of these sites as part of the Destination Crenshaw project creates a unique and timely opportunity to drive Metro ridership and actualize the establishment of a transit-oriented community in a manner that enhances mobility and promotes both community preservation and authentic revitalization.

This report includes an assessment of the feasibility of supporting the development of the improvements located on Metro-owned or adjacent sites as well as potential partnership opportunities with Destination Crenshaw through Metro's Joint Development program. Any partnership with Destination Crenshaw would be predicated on Destination Crenshaw being solely responsible for the architecture, design, engineering, construction, and maintenance of the proposed project elements. Destination Crenshaw would also be solely responsible for securing all necessary permits from the City of Los Angeles for construction. Metro would not be responsible for the design, engineering, permitting, or construction of any Destination Crenshaw project element. Metro would retain the right to terminate the partnership if Destination Crenshaw fails to meet required performance deadlines or if the partnership adversely impacts the C/LAX project.

Attachment A shows the location of Metro stations and Metro-owned properties within the 1.3-mile Destination Crenshaw project area.

BACKGROUND

Metro's Crenshaw/LAX Transit Project (C/LAX) is a new 8.5-mile light rail line currently under construction between the existing Metro Expo Line at Crenshaw and Exposition Boulevards in Los Angeles and connects with the Metro Green Line at the Aviation/LAX Station on Aviation Boulevard and Interstate 105 near El Segundo. The new light rail line will serve Crenshaw District communities including Leimert Park, Park Mesa Heights, and Hyde Park, the City of Inglewood, Westchester and the LAX area. The C/LAX project includes eight new stations including a Leimert Park Station and Hyde Park Station on Crenshaw Boulevard. In addition to the alternative transportation option to congested roadways, the Project will provide significant environmental benefits, economic development and employment opportunities throughout Los Angeles County.

As part of the C/LAX project, Metro is redefining the role of the transit agency by expanding mobility options, promoting sustainable urban design, and helping transform communities throughout Los Angeles County. At the forefront of this effort is Metro's vision to create transit-oriented communities (TOCs). Metro fosters TOCs through holistic planning and inclusive community development programs that rely heavily on partnerships with public, private, non-profit and community-based organizations.

With this, it is important that the agency engage in community-driven efforts to support the existing cultural heritage and economic vitality of the communities that are directly affected by Metro's investments. This has manifested in a variety of Metro's programs and policies, such as Metro's Art Program, Eat Shop Play Program, Business Solutions Center, Business Interruption Fund, and Joint Development Program.

Consistent with this objective, is an effort to celebrate history of the communities along Crenshaw Corridor that the C/LAX traverses. A group of community stakeholders led by Los Angeles City Councilmember Marqueece Harris Dawson have proposed Destination Crenshaw, a proposed

outdoor museum that uses Crenshaw Boulevard as a canvas for public art and streetscape design. Destination Crenshaw proposes to celebrate the historical and contemporary contributions of the Crenshaw community through community gathering spaces, parks, landscape and streetscape improvements, and locally commissioned artwork. Destination Crenshaw overlaps with a 1.3 mile, at-grade segment of C/LAX, potentially providing a powerful cultural experience for both residents and visitors from around the world.

As proposed, Destination Crenshaw would document and preserve the cultural history of South Los Angeles using four themes - Improvisation, Firsts, Dreams and Togetherness - organizes the architecture, exhibition design, art commissions and mobile experience. Exhibition design and storytelling will explore 18 distinct stories. More than 100 2D and 3D art commissions of African American artists will be integrated into the project. Interpretive content will be used to engage youth and empower them with a sense of ownership. Mobile and augmented reality technology will be central to these efforts.

This vision has been developed based on significant community involvement in the design process, including a series of community meetings, interactions with thousands of residents, and the input of a local advisory council and community partners.

Destination Crenshaw has proposed a partnership with Metro to enhance three Metro-owned properties within the Destination Crenshaw project area. The opportunity sites include: a portion of Metro-owned property south of Leimert Park, which Destination Crenshaw has envisioned to become "Sankofa Park"; a Slauson Ave/11th Street property, which Destination Crenshaw envisions as "IAM Park"; and a Slauson Avenue/Victoria Street property envisioned as "Slauson Avenue Park". On June 27, 2019, the Board approved a motion that authorized the CEO to develop a strategy on how best to support implementation of the Destination Crenshaw project in a manner that is compatible with the final stages of construction of C/LAX. Specifically, the strategy would explore the feasibility of supporting the development of the project elements located on Metro-owned or adjacent sites, consistent with the Destination Crenshaw vision.

DISCUSSION

Since 2017, Metro has been working collaboratively with Destination Crenshaw project representatives to incorporate project elements into work already underway on C/LAX. Metro's cooperation with Destination Crenshaw has focused on ensuring synergy and minimizing conflicts with C/LAX in two areas: design and construction, and examination of potential property transfers. To date, Metro has:

- Changed over 170 trees on the alignment to a species consistent with the Destination Crenshaw vision
- Come to an agreement in principle to allow Destination Crenshaw to plant and maintain Metro-funded trees within the Destination Crenshaw project area, which creates efficiencies given Destination Crenshaw's plans to implement and maintain additional landscaping in those areas
- Agreed to replace Metro's median landscaping plan along the C/LAX railroad guideway within the Destination Crenshaw project area to one designed by Destination Crenshaw
- Agreed to allow Destination Crenshaw to place large monument block lettering on top of

Metro's tunnel portal near 48th Street and Crenshaw Boulevard as a gateway piece for the Destination Crenshaw project

The Destination Crenshaw team is currently finalizing architectural and engineering work with the goal of initiating the first phase of construction in Fall 2019. Given the accelerated timeline, Metro is committed to working in close coordination to ensure overall synergy.

Proposed Partnership

Metro is exploring the feasibility of partnering with Destination Crenshaw, including financial support for the construction of project elements on Metro-owned property in the project area. This would help facilitate Destination Crenshaw's vision and support Metro's goal of creating vibrant transit-oriented communities.

Out of 10 proposed project elements, Metro was asked to review three high-priority project elements for partnership and support opportunities. These three high priority project elements include:

- 1) Sankofa Park, a proposed viewing platform and outdoor amphitheater
- 2) IAM Park, a park dedicated to children and play
- 3) Slauson Avenue Park, and a park that brings community together (Slauson Ave Park) in tribute to the late entrepreneur, artist, and community activist, Nipsey Hussle.

A description of each project element is below.

- 1) Sankofa Park (Attachment B):** Located where Crenshaw and Leimert Boulevards split, Sankofa Park is the largest proposed park within the proposed outdoor museum at 49,000 square feet. Located within walking distance of Metro's new Leimert Park Station and conceived as an amphitheater for performances, festivals, and community gatherings. Sankofa Park would include views down the southern portion of Crenshaw Boulevard overlooking a plaza and the C/LAX railroad guideway. Sankofa Park would be home to three large-scale 3D public sculptures as well as an augmented reality activation that highlights themes of community survival, hope and independence. Sankofa Park would bridge Destination Crenshaw with the art and cultural community of Leimert Park and C/LAX's new Leimert Park Station. Destination Crenshaw proposed to begin construction of Sankofa Park in Fall 2019 and have it open to the community in Fall 2020.
- 2) IAM Park (Attachment C):** Located East of Crenshaw on Slauson Avenue and 11th Avenue, IAM Park would be 5,500 square feet. IAM Park derives its name from the featured 3D public sculpture designed as a climbing structure for children. This currently vacant lot would be transformed into a park for families and outdoor play. Destination Crenshaw proposes to begin construction on IAM Park in Fall 2019 and have it open to the community in Fall 2020.
- 3) Slauson Avenue Park (Attachment D):** Located west of Crenshaw Boulevard at the corner of Slauson Avenue and Victoria Street, Slauson Avenue Park would be 5,400 square feet. Now part of the City of Los Angeles' Nipsey Hussle Square, the Slauson Avenue Park has been reconceived by the architects and curators as home to a 2D and 3D tribute to Nipsey Hussle. A mural and public sculpture would be commissioned to reflect exhibition themes on self-determination.

Evaluation of Alternatives

As a whole, Destination Crenshaw's proposal is consistent with Metro's vision for vibrant transit-oriented communities. Each proposed project element would encourage multi-modal transportation, create a sense of place, and enhance the quality of life for residents of Los Angeles County. A set of evaluation criteria was applied to the high-priority partnership opportunities. The evaluation criteria included:

1. Consistency with Metro's vision for Transit Oriented Communities;
2. Proximity and relevance to the Crenshaw/LAX Transit Corridor Project
3. Constructability and readiness
4. Cost effectiveness

Sankofa Park

1. Consistency with Metro's vision for Transit Oriented Communities;

As proposed, Sankofa Park is highly supportive of Metro's vision for Transit-Oriented Communities. The viewing platform, gathering space and pedestrian-friendly enhancements further Metro's goal of transit-supportive projects that help make streets safer for active modes of transportation and encourage more healthy activities such as walking and biking. Furthermore, the proposed park increases opportunities to meaningfully engage diverse stakeholders, especially underserved and vulnerable communities. The project proposes streetscape design elements including trees, a viewing platform, crosswalks and other features that will improve the quality of the street and provide strong connectivity between the community and C/LAX's Leimert Park Station.

2. Proximity and relevance to the Crenshaw/LAX Transit Corridor Project

The proposed Sankofa Park is adjacent to C/LAX alignment and approximately three blocks from the new Leimert Park underground station. The proposed park is located on a parcel of property that Metro is required to improve as part of the C/LAX project. Prior to the start of construction of the C/LAX project, the site contained a large grassy median with a monument sign/lettering that spelled "Leimert". This sign served as a gateway to the Leimert Park community to the north. As part of construction, Metro removed the median and letters and is currently using the site for construction staging. Metro is required to reconstruct the median with new curbs, sidewalks, and landscaping as well as replace the monument sign/lettering. The construction of Sankofa Park would require the removal of the newly constructed improvements.

3. Constructability and readiness

Metro has approved plans for the median island however, Destination Crenshaw will need to secure revised plan approvals from the City of Los Angeles prior to construction. Key issues include the preservation of a large pine tree in the center median, a billboard located on the site, LADOT clearance for a proposed signalized pedestrian crossing and related studies. In addition, the C/LAX contractor currently has rights to this site as a staging area and arrangements would need to be made with them to use an alternate site. These issues need to be resolved and construction funding will need to be secured in a timely manner to avoid negatively impacting the

C/LAX project.

4. Cost effectiveness

Given that Metro is required to build improvements at the Sankofa Park site as part the C/LAX project, partnership on this project element could be cost effective for both Metro and Destination Crenshaw. Metro would de-scope planned improvements from the current contractor and replace those elements with Destination Crenshaw's proposed Sankofa Park. In the absence of a partnership, Metro may be required to make site improvements inconsistent with Sankofa Park, thus requiring Destination Crenshaw to remove them. However, the scope of work for Destination Crenshaw's Sankofa Park exceeds Metro's current commitment for improvements at the site and would require additional funding.

IAM Park

1. Consistency with Metro's vision for Transit Oriented Communities

As proposed, the park is consistent with Metro's goal of increasing access to transit through the creation of a strong sense of place that attracts people to stop, linger, interact, and enjoy the activated public places inherent in transit-supportive communities.

2. Proximity and relevance to the Crenshaw/LAX Transit Corridor Project

The proposed IAM park is located approximately one block east of C/LAX's new Hyde Park Station. Metro acquired this property as part of C/LAX to facilitate the widening of Slauson Avenue required as part the project's environmental clearance. Metro's current plans for the site include the placement of bicycle parking infrastructure as required as part of C/LAX's environmental clearance.

3. Constructability and readiness

As part of C/LAX's environmental clearance, Metro is required to place bicycle parking infrastructure near the new Hyde Park Station. Metro identified the proposed site of IAM Park as the location for these facilities. However, if Destination Crenshaw or the City of Los Angeles can provide an alternative location in the vicinity, the property could be utilized for Destination Crenshaw. In addition to finding an alternative location for the bicycle parking infrastructure, Destination Crenshaw will need to secure approved plans and permits from the City of Los Angeles as well as demonstrate funding on hand prior to the start of construction.

4. Cost effectiveness

Aside from Destination Crenshaw's proposed cost structure, the cost of the proposed project is largely unknown in the absence of an approved design and engineering for the proposed 3D public sculpture. Metro would still be required to provide for bike storage in the area. Given this uncertainty, it is difficult to evaluate the cost effectiveness of this proposed project element at this time.

Slauson Avenue Park

1. Consistency with Metro's vision for Transit Oriented Communities

As proposed, Slauson Avenue Park is consistent with Metro's goal of increasing access to transit through the creation of a strong sense of place attract people to stop, linger, interact, and enjoy the activated public places inherent in transit-supportive communities.

2. Proximity and relevance to the Crenshaw/LAX Transit Corridor Project

The proposed Slauson Avenue Park is located one block west of C/LAX's new Hyde Park Station. Metro acquired this property as part of C/LAX to facilitate the widening of Slauson Avenue required as part the project's environmental clearance. Metro currently has no plans for the site at the conclusion of construction, however, this does not preclude Metro from using the property at a later date.

3. Constructability and readiness

This property is the former site of Hi-Tech Cleaners and has extensive soil contamination with Volatile Organic Compounds (VOC's). Metro has been working with the California Department of Toxic Substances Control (DTSC) on a voluntary remediation plan. Metro is currently sharing information with the City of Los Angeles Brownfields Group to assist in their evaluation of whether to acquire this property for Destination Crenshaw. In the absence of a final environmental remediation plan, is it unlikely that this property would be available for use by Destination Crenshaw in the immediate future.

4. Cost effectiveness

Metro is continuing to work with the California Department of Toxic Substances Control (DTSC) on a voluntary remediation plan for this site. Preliminary estimates for the cost of remediation are approximately \$1.8 million. However, the actual cost cannot be determined until a final remediation plan is approved. Given the uncertainty associated with these costs, it is difficult to evaluate the cost effectiveness of this proposed project element at this time.

Conclusion

Based upon the evaluation criteria applied to the three proposed project elements, a partnership that supports the construction of Sankofa Park is most viable. Slauson Avenue Park is currently less viable due to uncertainty regarding the environmental contamination and cleanup associated with the site. IAM Park is not immediately feasible until an alternative location for the bike-related improvements required by the C/LAX environmental clearance is identified. However, Metro has already committed to improvements at the Sankofa Park site as part of the C/LAX project. Construction of Sankofa Park would expand upon these improvements. Furthermore, these improvements are consistent with Metro's vision for transit-oriented communities and provide an important connection to the community and the new Leimert Park Station. However, revised plan

approvals from the City and alternate location for the C/LAX contractor would need to be resolved prior to proceeding with this property.

Considerations

Contingencies and Performance Deadlines

Metro's highest priority is the timely completion of the C/LAX project. Any partnership with Destination Crenshaw should not delay or impede construction of C/LAX. Any partnership should allow Metro to terminate the partnership if it adversely impacts the construction of the C/LAX project and would hold Destination Crenshaw solely responsible for the architecture, design, engineering, and construction of the proposed project elements. Destination Crenshaw would be solely responsible for securing all necessary permits from the City of Los Angeles necessary for construction and construction of the project elements. Metro would not be responsible for permitting of any Destination Crenshaw project elements. Any partnership agreement or Memorandum of Understanding would need to include clear performance deadlines for the delivery approved plans, drawings and permits. If Destination Crenshaw cannot meet these performance deadlines, as determine by Metro staff, Metro would need to have the option of terminating the partnership to ensure that there are no impacts to the completion of the C/LAX project.

Disposition of Real Estate

Destination Crenshaw has requested three parcels of land. The three parcels are

1. Slauson Avenue Park Site - 4,556 sq. ft.
2. IAM Park Site - 4,633 sq. ft.
3. Adjacent to Sankofa Park - 7,305 sq. ft.

The value of all parcels is estimated at \$5 million, which includes remediation costs at the proposed Slauson Avenue Park and the buy-out of the billboard at the proposed Sankofa Park. The parcels are depicted in Attachment A.

Once the property is no longer required for the C/LAX project, it can be declared surplus. Under California Code, Article 8 Section 54222, prior to disposing of the land, Metro must offer it for sale or lease to public entities for the purpose of low- and moderate-income housing, park and recreational purposes or open-space purposes, school facilities construction, enterprise zone purposes and infill opportunity zone. Because of the location and size of the parcels, it is unlikely any use will be practical other than park and recreational purposes. It is proposed that the City or County respond through this process with its interest in the property as a park. Metro will then transfer fee title to the City or County, who can then work with Destination Crenshaw to allow its use as a Museum. Under Section 54222, Metro has the right to request fair market value for the property, however, in the interest of this proposed partnership, Metro could waive that right.

Joint Development Partnership Opportunities

In September 2018, the Metro Board of Directors and County Board of Supervisors authorized

entering into a 14-month Exclusive Negotiation Agreement and Planning Document (ENA) with Watt Companies for joint development of the Metro and County-owned properties near the C/LAX Project's Expo/Crenshaw Station. Although the Expo/Crenshaw joint development sites are outside of Destination Crenshaw's current boundaries, the Los Angeles City Council has approved a motion to extend the Destination Crenshaw project farther north, and Watt Companies welcomes opportunities to support these efforts. Two pedestrian paseos are proposed just north of both the County and Metro sites. These are envisioned as vibrant public spaces ideal for hosting community events similar in spirit to Destination Crenshaw's objectives. Metro Joint Development staff will work with Watt to identify ways in which the project can support Destination Crenshaw. Currently, Watt Companies is refining the project's design in response to Metro, County and community feedback and intends to submit for entitlements later this summer. Staff will return to the Metro and County Boards later this year to request an ENA extension in order to allow sufficient time to fully entitle the project (as required in order to advance to a Joint Development Agreement) and can provide an update on a potential partnership between Watt Companies and Destination Crenshaw at that time.

Stakeholder Outreach

Metro staff have been engaged in the development of Destination Crenshaw since 2017. Through each phase of Pre-Construction, Metro worked to address significant community needs and support Destination Crenshaw architects and engineers in their planning.

Consistency with Measure R

This Project will finance new transportation projects and programs consistent with the Measure R Ordinance.

Consistency with Metro's Equity Platform Framework

The foundational pillar of Metro's Equity Platform is "Listen and Learn" and is an acknowledgment of the importance of establishing authentic dialogue and allowing a community's perspective and experience to be heard. At its core, Destination Crenshaw will document, celebrate and bring to life the history and culture of the corridor and of South Los Angeles specifically. In addition, Destination Crenshaw will enhance pedestrian connectivity, and foster job growth on Metro-owned properties serving low-income households.

Community outreach efforts will continue to include innovative and comprehensive approaches that engage historically underserved communities with the intention of producing outcomes that promote and sustain access to opportunities and avoid increasing disparity.

DETERMINATION OF SAFETY IMPACT

It has been determined that support for Destination Crenshaw will have no adverse impact on the safety of Metro's patrons and employees and the users of the referenced transportation facilities.

FINANCIAL IMPACT

Destination Crenshaw estimates the total cost of exhibition design, artist commissions, and construction for project elements on the three Metro-owned properties (Sankofa Park, IAM Park and Slauson Avenue Park) is \$28.2 million.

Staff recommends that Metro provide the land necessary for Sankofa Park, with a preliminarily estimated value of \$1.8 million, \$14.5 million for the cost of construction for Sankofa Park, and \$500,000 for staff time to perform coordination and review, for a total contribution valued at \$16.8 million. With land value waived, the contribution to the project would be \$15.0 million. Limiting funding to this amount allows Metro to meet its obligation for improvements to the Sankofa Park site while providing an important community benefit. Destination Crenshaw would be responsible for funding the exhibition design and artist commissions associated with this site.

Approval of this action will amend the FY20 Adopted Budget, adding \$14.5 million for construction and \$500,000 for related staff time to cover the not-to-exceed amount of \$15 million. Upon approval, staff will enact all necessary administrative procedures to meet this commitment.

Impact to Budget

The source of funds for this action is Proposition C25%. To utilize these funds, Metro would have to execute a Memorandum of Agreement (MOA) with the City of Los Angeles or the County of Los Angeles for an approved use of the funds and the property. These funds are not eligible for Metro bus and rail operating uses.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project proposes transit improvements that support the following goals outlined in Metro's Vision 2028 Strategic Plan:

- Deliver outstanding trip experiences for all users of the transportation system.
- Enhance communities and lives through mobility and access to opportunity.
- Transform LA County through regional collaboration and national leadership.

NEXT STEPS

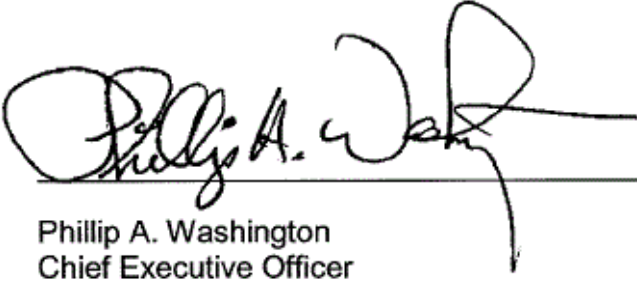
Should the Board choose to approve the recommendation, staff will prepare and execute a Memorandum of Agreement (MOA) with Destination Crenshaw and the City/County of Los Angeles. Among other things, the MOA will identify the funding vehicle and performance standards and deadlines. Staff will continue to work in close coordination with Destination Crenshaw as construction on C/LAX is finalized and Destination Crenshaw begins construction in Fall 2019.

ATTACHMENTS

Attachment A - Metro-Owned Property Map Overview
Attachment B - Sankofa Park Site Plan and Renderings:
Attachment C - IAM Park Site Plan and Renderings
Attachment D - Slauson Avenue Park Site Plan and Renderings
Attachment E - Proposed Budget Summary

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