

ATTACHMENT B

STAFF REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF PARCEL NO. W-3603 (THE “PROPERTY”) FOR THE PURPLE LINE (WESTSIDE) SUBWAY EXTENSION TRANSIT PROJECT SECTION 2

BACKGROUND

The Property is required for the construction and operation of the Purple Line (Westside) Extension Project Section 2 ("Project"). The address, record owner, physical description, and nature of the property interest sought to be acquired for the Project are summarized as follows:

Assessor's Parcel Number	Parcel Address	Property Owner	Purpose of Acquisition	Property Interest(s) Sought	LACMTA Parcel #
4319-001-007	1940 Century Park East, Los Angeles, CA	Gillis Family Partnership	Construction Staging.	Fee Simple	W-3603

Written offers for the Property comprising Parcel W-3603 were presented to the Owner on March 7, 2016 for acquisition of a fee simple interest of the entire property or a 104 month temporary construction easement. The Owner elected to sell the fee simple interest in the Property and waived any right to take challenge or claim associated with the Property being acquired in fee. However, the Owner did not accept the offer of just compensation and negotiations have not resulted in a settlement agreement at this time.

Written offers were subsequently made to the Owner and the Tenants on March 7th and 16th, 2016 for the acquisition of the Improvements Pertaining to Realty as identified in Exhibit “C” attached to the Resolution of Necessity.

A. The public interest and necessity require the Project.

The need for the Project is based on population and employment growth, the high number of major activity centers served by the Project, high existing transit usage, and severe traffic congestion. The Project area bisects 12 large population and employment centers, all of which are served by extremely congested road networks that will deteriorate further with the projected increase in population and jobs. This anticipated growth will further affect transit travel speeds and reliability, even with a dedicated lane

for express bus service on Wilshire Boulevard. The public interest and necessity require the Project for the following specific reasons:

1. The population and employment densities in the Project area are among the highest in the metropolitan region. Approximately five percent of the Los Angeles County population and 10 percent of the jobs are concentrated in the Project area.
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 1-405 San Diego and the 1-10 Santa Monica Freeways and surrounding major thoroughfares. In addition, it will reduce the parking demands in the Westside area by providing an alternative means of transportation, competitive in rush-hour travel times with the automobile.
4. The Project will be a major link in the existing county-wide rail transit system, and will thereby provide alternative means of transportation during fuel crises and increased future traffic congestion.
5. The Project will improve transportation equity by meeting the need for improved transit service of the significant transit-dependent population within the Project area.
6. The Project will help meet Regional Transit Objectives through the Southern California Association of Governments' (SCAG's) Performance Indicators of mobility, accessibility, reliability, and safety.

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.

An Alternatives Analysis (AA) Study was initiated in 2007 to identify all reasonable, fixed-guideway, alternative alignments and transit technologies within the proposed Project Area. The fixed-guideway alternative alignments studied and analyzed during the AA process were heavy rail transit (HRT), light rail transit (LRT), bus rapid transit (BRT), and monorail (MR). Due to its capacity to meet the anticipated ridership demand and limit the number of transfers, HRT was identified as the preferred technology for further study.

In January 2009, the Metro Board approved the AA Study and authorized preparation of a Draft Environmental Impact Statement/Draft Environmental Impact Report (DEIS/DEIR). A total of seven alternatives, including five heavy rail subway (HRT) Build Alternatives, a No Build Alternative, and a relatively low-cost Transportation System Management (TSM) Alternative, were presented in the DEIS/DEIR. The DEIS/DEIR was circulated and reviewed by interested and concerned parties, including private citizens,

community groups, the business community, elected officials and public agencies. Public hearings were held to solicit citizen and agency comments.

In October 2010, the Board approved the DEIS/DEIR and the Wilshire Boulevard to Santa Monica HRT option was selected as the Locally Preferred Alternative (LPA) for further analysis in the FEIS/FEIR. The FEIS/FEIR was released in March 2012 for public review. On April 26, 2012, the Board certified the FEIS/FEIR, and in May 24, 2012, it approved the route and station locations for the Project. A Record of Decision was received from the Federal Transit Administration in August of 2012.

The approved LPA will extend HRT (as subway) approximately nine (9) miles from the existing Metro Purple Line terminus at the Wilshire/ Western Station to a new western terminus at the West Los Angeles Veterans Affairs Hospital (Westwood/ VA Hospital Station). The LPA will include seven new stations spaced in approximately one-mile intervals, as follows:

- Wilshire/La Brea
- Wilshire/Fairfax
- Wilshire/La Cienega
- Wilshire/Rodeo
- Century City
- Westwood/UCLA
- Westwood/VA Hospital

The Project will cause private injury, including the displacement or relocation of certain owners and users of private property. However, other alternative locations for the Project do not 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.

Due to its bulk, the FEIS/FEIR is not physically included in the Board's agenda packet for this public hearing. However, the FEIS/FEIR documents should be considered in connection with this matter. It is recommended that, based upon the foregoing, the Board find and determine that 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 consists of a fee acquisition of the entire Parcel W-3603, which contains a 50,889 square foot building on a 30,016 square foot lot as described in Exhibit A attached to the Resolution of Necessity, and as depicted on the Plat Map attached Exhibit B to the Resolution of Necessity. The Improvements pertaining to Realty as Exhibit C to the Resolution of Necessity are also included in the acquisition of the entire parcel. The Property is required for Construction staging in connection with the Century

City Constellation Station and related tunnels. The Property was chosen based upon the approved FEIS/FEIR 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 appraisals to determine the fair market value of the Property, which included consideration of any immovable fixtures and equipment;
2. Reviewed and approved the appraisals, 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 a preliminary 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;
5. Provided the Owner with a written statement of, and summary of the basis for, the amount established as just compensation with respect to the foregoing offer.

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.

E. The environmental review is consistent with the California Environmental Quality Act.

The required environmental review of the Project was completed and certified by the Board of Directors. The FEIS/FEIR was released in March 2012 for public review. On April 26, 2012, the Board certified the FEIS/FEIR, and in May 24, 2012, it approved the route and station locations for the Project. A Record of Decision was received from the Federal Transit Administration in August of 2012. The FEIS/FEIR documents were consistent with the California Environmental Quality Act Guidelines.

CONCLUSION

Staff recommends that the Board approve the Resolution of Necessity.

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