STAFF REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF THE PROPERTY REQUIRED FOR THE EAST SAN FERNANDO VALLEY LIGHT RAIL TRANSIT PROJECT ("PROJECT") PROJECT PARCEL ESFV-012-1

BACKGROUND

The property interests sought to be acquired are required by the Los Angeles County Metropolitan Transportation Authority ("LACMTA") for the construction and operation of the Project. The assessor parcel number, project parcel number, address, record property owner and tenant, purpose of the acquisition, and nature of the property interests sought to be acquired for the Project are summarized as follows:

Summary Table 1

| Assessor's Parcel Number | Project Parcel Number | Parcel Address | Property Owner/Tenant | Purpose of Acquisition | Property Interest(s) Sought |
|--------------------------------|-----------------------------|--------------------------------------|--|---|---|
| 2210-025-007 | ESFV-E- 012-1 | 14646 Raymer St., Van Nuys, CA | Real Property Owner ("Owner"): Franz J. Neuwirth and Gretchen V. Newell, Trustees of The Etzel Trust UTA January 7, 2021 | Construction and operation of the East San Fernando Valley Light Rail Transit Project | Fee Interest; and Improvements Pertaining to Realty |
| 2210-025-007 | ESFV-E- 012-1 | 14654 Raymer St., Van Nuys, CA | | Construction and operation of the East San Fernando Valley Light Rail Transit Project | Improvements Pertaining to Realty |

Property Requirements:

Purpose of Acquisitions: Construction and operation of the East San Fernando Valley Light Rail Transit Project.

Property Interests Sought:

With regard to Project parcel ESFV-E-012-1, LACMTA seeks to acquire a fee interest in the real property, as well as the Improvements Pertaining to Realty (IPR). These interests are required to construct the Maintenance and Storage Facility (MSF) for the Project. The MSF will be constructed on the west side of Van Nuys Boulevard on approximately 21 acres, which is bounded by Keswick Street on the south, Raymer Street on the east and

north, and the Pacoima Wash on the west. In order to connect the main line alignment to the MSF site, the guideway will curve west off of Van Nuys Boulevard along Keswick Street. These acquisitions of a fee interest and of IPR are collectively referred to herein as the Property Interests.

A written offer of Just Compensation to purchase the fee interest was presented to the Owner of record on: February 20, 2024 for ESFV-E-012-1 as required by California Government Code Section 7267.2. Similarly, and in compliance with California Government Code Section 7267.2, a written offer of Just Compensation to purchase the IPR on the parcel was presented to the Owner and Tenant.¹

A. The public interest and necessity require the Project.

The Project is a vital public transit infrastructure investment that will provide improved transit service along the busy Van Nuys Boulevard and San Fernando Road corridors serving the eastern San Fernando Valley. The Project will ultimately provide a 9.2-mile light rail transit system to connect from the Van Nuys LACMTA G Line (Orange Line) Station in the community of Van Nuys to the Sylmar/San Fernando Metrolink Station in the City of San Fernando, providing commuters with significantly more options when navigating Los Angeles County.

The Project will improve mobility in the eastern San Fernando Valley by introducing an improved north-south transit connection between key transit hubs/routes including direct access to Metrolink/Amtrak and G-line stations, enhancing transit accessibility/connectivity for residents to local and regional destinations and activity centers, increasing transit service efficiency, and encouraging a modal shift from driving to achieve reductions in greenhouse gas emissions. It is projected that by the year 2035, there will be 37,759 daily transit trips on the completed Project. The Project will provide new transit service and improved transit connectivity in future years. The Project is consistent with one of LACMTA's overall goals of providing high quality mobility options that enable people to spend less time traveling.

Based on an evaluation of socioeconomic, congestion growth trends, travel conditions, and feedback from the project stakeholder meetings, it is demonstrated that existing and projected levels of traffic congestion in the corridor limit mobility will increase the demand for reliable transit services. In light of these conditions, the Project supports the public interest and necessity through its ability to:

- Improve mobility in the eastern San Fernando Valley by introducing an improved north-south transit connection between key transit hubs/routes;
- Enhance transit accessibility/connectivity for residents within the eastern San Fernando Valley to local and regional destinations;
- Provide more reliable transit service within the eastern San Fernando Valley;

¹ As between Owner and Tenant, LACMTA does not know who claims ownership of the IPR, and for that reason, the offer to purchase the IPR was made to both the Owner and the Tenant.
Page 2 of 15

- Provide additional transit options in an area with a large transit dependent population and high number of transit riders; and
- Encourage modal shift to transit in the eastern San Fernando Valley, thereby improving air quality.

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

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

In September and October of 2017, the Draft Environmental Impact Study/Draft Environmental Impact Report (DEIS/DEIR) was circulated for public review and comment for 60 days. The following six alternatives were evaluated in the DEIS/DEIR:

- No-Build Alternative;
- TSM Alternative;

BRT Alternatives:

- Alternative 1 Curb-Running BRT Alternative;
- Alternative 2 Median-Running BRT Alternative;

Rail Alternatives:

- Alternative 3 Low-Floor Light Rail Transit (LRT)/Tram Alternative;
- Alternative 4 LRT Alternative.

All build alternatives considered within the DEIS/DEIR (Alternatives 1 through 4) would operate at grade over 9.2 miles, either in a dedicated busway or dedicated guideway (6.7 miles) and/or in mixed-flow traffic lanes (2.5 miles), from the Sylmar/San Fernando Metrolink station on the north to the Van Nuys Metro Orange Line station on the south, with the exception of Alternative 4, which included a 2.5-mile segment within Metro-owned railroad right-of-way adjacent to San Fernando Road and Truman Street and a 2.5-mile underground segment beneath portions of the City of Los Angeles communities of Panorama City and Van Nuys.

Metro applied the objectives below in evaluating potential alternatives for the Project:

- Provide new service and/or infrastructure that improves passenger mobility and connectivity to regional activity centers;
- Increase transit service efficiency (speeds and passenger throughput) in the project study area; and
- Make transit service more environmentally beneficial by providing alternatives to auto-centric travel modes and other environmental benefits, such as reduced air pollutants, including reductions in greenhouse gas emissions in the project study area.

These goals draw upon those presented in the Alternatives Analysis Report completed in 2012. For the purposes of the DEIS/DEIR, these goals were updated and refined to reflect public involvement and further analysis of the proposed project, the project area, and the background transportation system. Based on the project objectives and the public comments received during the 60-day comment period for the DEIS/DEIR, a modified version of Alternative 4 (Alternative 4 Modified: At-Grade LRT) was developed on June 28, 2018, and the Metro Board of Directors formally identified Alternative 4 Modified: At-Grade LRT as the Locally Preferred Alternative (LPA). The primary difference between DEIS/DEIR Alternative 4 and the LPA is the elimination of the 2.5-mile subway portion of DEIS/DEIR Alternative 4. Under the LPA, the entire 9.2-mile alignment would be constructed at grade. The subway portion was eliminated because it would be very expensive, have significant construction impacts, and result in little time savings compared with a fully at-grade alignment.

In addition, Metro determined that the LPA best fulfilled the project's purpose and need to:

- Improve north–south mobility;
- Provide more reliable operations and connections between key transit hubs/routes:
- Enhance transit accessibility/connectivity to local and regional destinations;
- Provide additional transit options in a largely transit-dependent area, and
- Encourage mode shift to transit.

Additional factors that were considered by Metro in identifying Alternative 4 Modified as the LPA include: the greater capacity of LRT compared to the BRT alternatives, the LPA could be constructed in less time and at reduced cost compared to the DEIS/DEIR Alternative 4, fewer construction impacts compared to DEIS/DEIR Alternative 4, and strong community support for a rail alternative.

The Project will cause private injury, 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.

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 Interests are necessary for the Project.

The Property Interests are specifically needed for the southern segment of the Project ("Southern Segment"). The Southern Segment of the Project consists of a 6.7-mile atgrade alignment light rail transit system, which will include 11 new transit stations, 10 Traction Power Substations, and a new Maintenance and Storage Facility. The purpose

of the Project is to improve connections and access to crucial destinations while connecting transit users to the growing network in the San Fernando Valley.

The Southern Segment of the Project will operate in the center of Van Nuys Boulevard from the LACMTA G Line (Orange) Van Nuys Station to Van Nuys Boulevard and San Fernando Road. Once constructed, the Project's light rail system will travel in a semi-exclusive right-of-way in the median of Van Nuys Boulevard, separated by a barrier except at signalized intersections. There will be 33 light rail vehicles. The light rail system will be powered by an electrified overhead contact system, a network of overhead wires that distributes electricity to the light rail vehicles.

The MSF will house general administration, operation, and support services. The facility will be used to store the light rail transit vehicles when they are not in operation and to perform inspections, body and heavy repairs, and cleaning and washing of LACMTA's growing light rail vehicle fleet. Meanwhile, the TPSS sites will provide the electricity to power the light rail vehicles.

The Property Interests are required for construction and operation of the Project. Specifically, Parcel ESFV-E-012-1 is one of several parcels required to construct the MSF.

The MSF will be constructed on the west side of Van Nuys Boulevard on approximately 21 acres, which is bounded by Keswick Street on the south, Raymer Street on the east and north, and the Pacoima Wash on the west. In order to connect the main line alignment to the MSF site, spur tracks will extend from the guideway and will curve west off of Van Nuys Boulevard north of Keswick Street and continue in a westward direction crossing Raymer Street and into the MSF site.

A portion of the MSF will be located on Parcel ESFV-E-012-1. Therefore, the Property Interests are necessary for the construction and operation of the Project.

Staff recommends that the Board find that the acquisition of the Property Interests are 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 of the interest being acquired, 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 to purchase be made to the owner(s) 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 Interests being acquired. In addition, the agency is required to provide the

Owner with a written description 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 Interests:

- Obtained an two independent appraisals, one of the real property and one of the IPR, to determine the fair market value of the Property Interests, including consideration of the existing use of the parcel, the highest and best use of the parcel, and, if applicable, impact to the remainder;
- 2. Reviewed and approved the appraisals, and established the amount it believes to be just compensation for the acquisition of the Property Interests;
- Determined the owner of the Property Interests by examining the county assessor's record and a preliminary title report, and determined the tenant of the parcel;
- 4. Made written offers to the Owner and Tenant for the full amount of just compensation for the acquisition of the Property Interests, which was not less than the approved appraised value of the Property Interests (offer for fee acquisition was made to Owner; offer for IPR was made jointly to Owner and Tenant);
- 5. Provided the Owner and Tenant with a written statement of, and summary of the basis for, the amount established as just compensation with respect to the foregoing offer; and
- 6. Provided an informational pamphlet concerning eminent domain in California to the Owner as required by the Eminent Domain Law.

It is recommended that 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 each of the Owners and tenants.

E. LACMTA has fulfilled the necessary statutory prerequisites.

LACMTA is authorized to acquire property by eminent domain for the purposes contemplated by the Project under Public Utilities Code §§ 30503, 30600, 130051.13, and 130220.5; Code of Civil Procedure §§ 1230.010-1273.050; and Article I, § 19 of the California Constitution.

F. LACMTA has complied with the California Environmental Quality Act.

The environmental impacts of the Project were evaluated in the Final Environmental Impact Statement/Final Environmental Impact Report (FEIS/FEIR), which was certified by Page 8 of 36 the Board on December 8, 2020. The Board found that in accordance with the California Environmental Quality Act (CEQA) Guidelines, Section 15162, no

supplemental Environmental Impact Report is required for the Project, and the FEIS/FEIR documents are consistent with CEQA. Through the Preliminary Engineering (PE) phase of the Project, design refinements to the southern segment were identified. Environmental analysis and findings of the proposed design refinements were documented in an Addendum to the Final Environmental Impact Report, in compliance with California Environmental Quality Act and approved by the Board in October 2023.

CONCLUSION

Staff recommends that the Board approve the Resolution of Necessity.

ATTACHMENTS

- 1 Legal Description (Exhibit A-1)
- 2 Plat Map (Exhibit B-1)
- 3 Improvements Pertaining to Realty (Exhibit C-1)Page 7 of 15

LEGAL DESCRIPTIONS EXHIBIT A-1

EXHIBIT A-1 PARCEL ESFV-E-012-1

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Los Angeles, City of Los Angeles and described as follows:

Parcel A:

The Easterly 95.00 feet measured at right angles from the East line of Lot 6 of Tract No. 1532, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 22, Pages 130and 131 of Maps, in the Office of the County Recorder of said County.

Except therefrom the South 501.00 feet thereof.

Parcel B:

The West 30.65 feet of the East 125.65 feet measured at right angles from the last line of Lot 6 of Tract No. 1532, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 22, Pages 130 and 131 of Maps, in the Office of the County Recorder of said County.

Except therefrom the South 501.00 feet thereof.

Parcel C:

The Easterly 215.00 feet measured at right angles from the East line of Lot 6 of Tract No. 1532, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 22, Pages130 and 131 of Maps, in the Office of the County Recorder of said County.

Except therefrom the easterly 125.65 feet thereof measured at right angles from the East line of said Lot.

Also except the South 501.00 feet thereof.

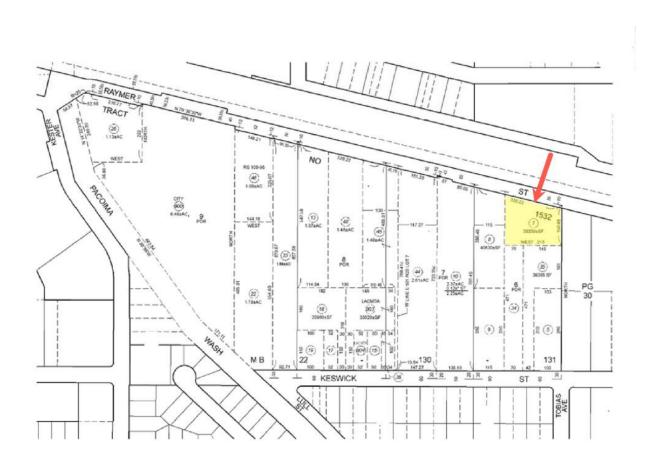
APN: 2210-025-007 (End of Legal Description)

Page 9 of 15

PLAT MAP

EXHIBIT B-1

EXHIBIT B-1 PARCEL ESFV-E-012-1



IMPROVEMENTS PERTAINING TO REALTY EXHIBIT C-1

EXHIBIT C-1 PARCEL ESFV-E-012-1

IMPROVEMENTS PERTAINING TO THE REALTY EFFECTIVE DATE OF VALUE - APRIL 28, 2023

| Item No. | Qty. | Description |
|-------------|--------|--|
| 1 | 1 | Truck scale, in-ground, with 10' x 70' platform, 100,000 lb. capacity, with: 1 |
| 2 | 1 | Truck scale, above-ground, with 11' x 40' platform, 40,000 lb. capacity, with: 1 |
| 3 | 30,000 | Square feet of concrete and asphalt paving, in yard |
| 4 | 6,690 | Square feet of steel fencing cover, 8' to 10' high, on existing fences and gates, consisting of: 218 Linear feet along front 184 Linear feet along right hand side 72 Linear feet along back 135 Linear feet along left hand side 60 Linear feet of extended height, along left hand side |
| 5 | 1 | Concrete block containment structure, 13' x 32' x 40" high, consisting of: 300 Square feet of concrete block wall, 8" thick, reinforced 416 Square feet of concrete base slab 126 Square feet of wood decking on frame, 12' x 10' 6" 1 Steel stairs, 42" x 58" x 48", with hand railing |

EXHIBIT C-1 PARCEL ESFV-E-012-1 (Cont'd)

IMPROVEMENTS PERTAINING TO THE REALTY EFFECTIVE DATE OF VALUE - APRIL 28, 2023

| Item No. | Qty. | Description | |
|-------------|------|---|--|
| 6 | 1 | Lot of yard lighting, with conduit and wiring, consisting of: 2 LED light fixtures on wooden pole, 10" dia. x 30' 1 LED light fixture on steel pole, 1.5" x 1.5" x 10' 1 Light fixture on steel pole, 4" x 4" x 16' 3 LED light fixtures, fence mounted | |
| 7 | 1 | Built-in wall unit, 46" x 82" x 14", laminate, 6-tier | |
| 8 | 1 | Built-in base cabinet, $6' \times 30'' \times 14''$ to $24''$ deep, laminate, 5-door | |
| 9 | 1 | Built-in file cabinet, 22" x 42" x 25", laminate, 3-drawer | |
| 10 | 110 | Square feet of ceramic tile flooring, 12" x 12" | |
| 11 | 1 | Alarm system, Bay Alarm, consisting of: 1 Control panel 1 Code pad 2 Motion sensors 1 Door contact | |
| 12 | 1 | Overhead canopy, 12' x 3', tubular metal frame, canvas top | |
| 13 | 1 | Service counter shelf, 79" x 16", stainless steel | |
| 14 | 1 | Security window, 8' x 4', tubular metal, mesh facias | |
| 15 | 80 | Square feet of accordion security gate, 8' x 10', metal frame, gates and track | |
| 16 | 24 | Surveillance cameras, manufacturer and model no. not available, including wall mounts and cabling to office, consisting of: 13 Exterior 11 Interior | |
| 17 | 59 | Square feet of security window bars, tubular metal | |
| 18 | 1 | Bollard, 3' high, 5" diameter, metal, concrete filled | |

EXHIBIT C-1 PARCEL ESFV-E-012-1(Cont'd)

IMPROVEMENTS PERTAINING TO THE REALTY EFFECTIVE DATE OF VALUE - APRIL 28, 2023

| Item No. | Qty. | Description |
|-------------|------|--|
| 19 | 1 | Sign cabinet, 9' x 4', metal, plastic facia |
| 20 | 4 | Bullhoms, manufacturer and model no. not available |
| 21 | 6 | Spotlights, 10" x 5", LED, wall-mounted |
| 22 | 1 | Security door, 30" \times 80", tubular metal, metal mesh backing, with number lock |
| 23 | 27 | Wall letters, 10" high, "Welcome/ Bienvenidos/ Recycling", painted |
| 24 | 18 | Wall letters, 6" high, "www.scvrecycling.com", painted |
| 25 | 1 | Lot of painted wall logos, 2- bulls, 1- SVC |
| 26 | 110 | Square feet of pallet rack wall facia |
| 27 | 265 | Square feet of ceramic tile flooring, 12" x 12" tiles |
| 28 | 1 | Wall partition, 77" x 76" x 4", wood construction, plywood facia, 3 rear shelves, 4" to 9" deep, with upper plans storage box, 77" x 21" x 25", wood, 36-cubby |
| 29 | 227 | Square feet of ceramic tile flooring, 12" x 12" tiles |
| 30 | 8 | Linear feet of wall shelving, 12" deep, stainless steel |
| 31 | 1 | Wall shelf, 30" x 30" x 16", laminate, 4-cubby |
| 32 | 1 | Hand sink, 25" x 22" x 7" deep, stainless steel, single compartment, single mixing faucet, with rinse wand, including hose connection |