

**STAFF REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF THE  
PROPERTY INTERESTS REQUIRED FOR THE WESTSIDE PURPLE LINE  
EXTENSION SECTION 3 (“PROJECT”)**

**BACKGROUND**

The Property Interests are required for the construction and operation of the Project as portions of the Westwood/UCLA Station, and appurtenances, will be built in the space currently occupied by the Property Interests. The address, record owner, physical description, and nature of the property interest sought to be acquired for the Project are summarized as follows:

<b>Assessor's Parcel Number</b>	<b>Parcel Address</b>	<b>Property Owner/ Tenant</b>	<b>Purpose of Acquisition</b>	<b>Property Interest(s) Sought</b>
4363-023-032	10901 Wilshire Blvd., Los Angeles, CA 90024	JP Morgan Chase Bank, Branch Number: 741147 (Chase)	Construction and operation of the underground tunnel and Westwood/UCLA Station	A portion of the leasehold interests, related leasehold improvements, and improvements pertaining to the realty
4363-023-032	10921 Wilshire Blvd., Los Angeles, CA 90024	Fitness International, LLC (LA Fitness)	Construction and operation of the underground tunnel and Westwood/UCLA Station	A portion of the leasehold interests, related leasehold improvements, and improvements pertaining to the realty
4363-023-032	10901-10921 Wilshire Blvd., Los Angeles, CA 90024	W.W. Westwood, L.P. a Delaware limited partnership (property owner)	Construction and operation of the underground tunnel and Westwood/UCLA Station	Leasehold and Improvements pertaining to realty

**Property Requirements:**

**The following property requirements apply to the affected property listed in the above table:**

**Purpose of Acquisition:** Construction and operation of underground tunnel and Westwood/UCLA Station.

A first written offer was mailed to the Property Owner and JP Morgan Chase Bank on June 01, 2020, for acquisition of the Property Interests described in Exhibit "A-1" and "A-2". A first written offer was mailed to the Property Owner and Fitness International, LLC on July 24, 2020 for acquisition of the Property Interests described in Exhibit "B-1" and "B-2".

**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 LACMTA 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.

In June 2017, the Federal Register published a notice indicating the release of the Draft Supplemental Environmental Impact Statement (SEIS) for a 45-day comment period for the Westside Purple Line Extension Section 2. On November 22, 2017, the Federal Transit Administration (FTA) issued the Final Supplemental Environmental Impact Statement and Section 4(f) Evaluation, and the Supplemental Record of Decision (ROD) supplementing the previously issued ROD on August 9, 2012. The FTA determined that the requirements of the National Environmental Policy Act of 1969 (NEPA) and related federal environmental statutes, regulations, and executive orders have been satisfied for the Westside Subway Extension (now called the Westside Purple Line Extension) Project located in Los Angeles County.

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, 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.

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, and by this reference they are incorporated herein. 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 required for construction and operation of the underground tunnel connecting Century City/Constellation and Westwood/VA Hospital Stations and for construction of portions of the Westwood/UCLA Station. The selected alignment requires subsurface tunneling beneath the Property Interests to connect the Stations, and the area now occupied by the Property Interests will be incorporated into the structure of the Westwood/UCLA Station. The subsurface easements, surface easements and temporary construction easements within and beneath Owner's building and occupying portions of the Tenants' current leasehold areas are required for the Project. The areas and description of the required Property Interests listed below are attached to the Resolution of Necessity. Owner has pledged to deliver these necessary easements to LACMTA; however, Tenants currently occupy areas within these easements as part of their leaseholds, and therefore the Property Interests must be acquired from Tenants, and the Improvements Pertaining to Realty from Owner, in order for the Project to proceed. As identified in Exhibit "A-3", a portion of the JP Morgan Chase Bank lease area will be required for the project. The required lease area includes a portion of the basement area which is used for storage and back of house functions and the entire first floor which serves as the business operation. The first floor includes offices, partitions, teller stations, restrooms, and other improvements as identified in Exhibit "A-2". As identified in Exhibit "B-3", a portion of the Fitness International, LLC lease area will be required for the project. The required area is a portion of the basement area which is improved with a spa, sauna, locker rooms, and other improvements as identified in Exhibit "B-2". The areas of the Property Interests are based on the approved FEIS/FEIR for 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 and Tenants, 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 Tenants 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 Interests:

1. Obtained FF&E appraisal to determine the fair market value in place of the Improvements Pertaining to Realty.
2. Reviewed and approved the FF&E appraisal, and established the recommended amount of compensation;
3. Made a written offer to the Property Owner and Tenants for the full amount of compensation which was not less than the approved appraised value;
4. Provided the Property Owner and Tenants with a written statement of, and summary of the basis for, the amount established as compensation with respect to the foregoing offer.

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 the Owner and Tenants.

**E. LACMTA has fulfilled the necessary statutory prerequisites.**

LACMTA is authorized to acquire property or property interests 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.**

A draft EIR/EIS was circulated for public review and comment. 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 therefore comply with the California Environmental Quality Act. Since that time, none of the circumstances identified in CEQA Guidelines Section 15162 have occurred which would require the preparation of a subsequent EIR. As set forth above, LACMTA has also fulfilled the statutory prerequisites under Code of Civil Procedure § 1240.030 and Government Code § 7267.2.

Accordingly, LACMTA has fulfilled the necessary statutory prerequisites to acquire the Property Interests by eminent domain.

### **CONCLUSION**

Staff recommends that the Board approve the Resolution of Necessity.