CAPITAL OVERSIGHT & PROGRAMMING STRATEGIES

METRO OPERATIONS DOWNTOWN HUB

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Operations, Safety, & Customer Experience Committee Meeting
April 17, 2025

RECOMMENDATION

ESTABLISH a Life-of-Project (LOP) budget of $102.0 million for the Metro Transit Operations Downtown Hub, a coordinated relocation and expansion of several existing Metro offices and training locations to one or more new locations in the downtown Los Angeles area.

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ISSUE – DISPLACEMENTS AND INCREASED SPACE NEEDS

Metro's ongoing construction efforts for transit system expansion expects seven major Measure M project openings by 2028, directly resulting in increased space needs due to FTE growth and displacements of staff

- Displacement of staff from Division 10 due to Rail and Bus Operations Control (ROC/BOC) Construction
- Displacement of staff due to Division 20 expansion – required to accommodate HRVs for PLE 1, 2, and 3
- Changes in Program Management space needs due to new projects (Division 20 expansion) and project closeouts (PLE 1)
- Relocate Maintenance of Way (MOW), Engineering, and Operations staff from various leased spaces to a Metro-owned property
    - More financially sustainable than leasing in the long-term: staff at this location serves a permanent need for operations of expanding system

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ISSUE – METRO RAIL TRAINING IS DECENTRALIZED

- Regulatory requirements for initial onboarding and mandatory annual training of all personnel working on Metro Rail
  - Ongoing training impacts: 1,700+ employees representing all 5 labor unions
- Metro Rail training is decentralized, with safety training, wayside worker protection training, and job-specific skills training taking place at multiple locations up to 20mi apart (Div 16, Div 20, Div 21)
  - Negatively impacts effectiveness and productivity
  - High demand on travel time during training
- Creating a Metro Rail Training Center improves efficiency
  - Better coordination between departments → cohesive skills advancement
  - Dedicated equipment for training that simulates real-world conditions of trains, tracks, power systems, overhead catenary systems, and cables

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DISCUSSION – COORDINATED SOLUTION

To coordinate solutions to the staff displacements, increased space needs, and creation of a Metro Rail Training Center, Metro staff proposes co-location of all groups in one or more shared facilities

- Acquisition is more financially sound than leasing – departments in these locations represent a permanent/continuous space need for Transit Ops
  - Leasing requires rental payments in perpetuity
  - Total lease costs would exceed property acquisition in the long-term
- Quicker communication and better coordination between engineering staff, frontline staff, and Metro Rail trainers and trainees
- Improves financial and operational efficiencies
- Targeting Downtown LA region for proximity to USG, ESOC, and the new ROC/BOC at Division 10

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METRO OPERATIONS DOWNTOWN HUB

Measure M Transit Capital projects through 2070

New BOC/ROC at Division 10 to support ESFV and beyond

- Relocate MOW from D10 prior to ROC/BOC groundbreaking
- Relocate Custodial staff due to Division 20 Maintenance Shop Expansion required for PLE 1, 2, 3
- Establish Metro Rail Training Center
- PLE1 IPMO lease expires December 31, 2025
- Additional FTEs due to ongoing TID construction
- Relocation of multiple subdepartments to Metro-owned property

PROPOSED SOLUTION: Co-locate staff in one or more shared facilities in the DTLA area

$102M LOP for acquisition/development of property, relocation costs, facility improvement costs

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<u>PUTTING PEOPLE FIRST</u>: Metro Operations Downtown Hub would co-locate 300 Metro employees and centralize training for over 1,700 Metro Rail trainees