

STAFF REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF THE PROPERTY REQUIRED FOR THE LINK UNION STATION PROJECT (“PROJECT”)

BACKGROUND

The Property is required by the Los Angeles County Metropolitan Transportation Authority (“LACMTA”) for the construction and operation of the Project (“Project”). The address, record owner, physical description, and nature of the property 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
5173-018-001	703 East Commercial Street (the “Property”), Los Angeles, CA 90012	PBR Realty, LLC, a Delaware limited liability company	Construction and operation of the Link Union Station Project	Fee Simple
5173-003-012	621 East Commercial Street (the “Property”), Los Angeles, CA 90012	PBR Realty, LLC, a Delaware limited liability company	Construction and operation of the Link Union Station Project	Fee Simple

Property Requirements:

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

Purpose of Acquisition: Construction and operation of the Link Union Station Project.

A first written offer was mailed to the Property Owner on December 19, 2019, for acquisition of the Property.

A. The public interest and necessity require the Project.

The need for the Project is generated by the forecasted increase in regional population and employment; implementation of federal, state, and regional transportation plans (RTP) that provide for increased operational capacity for commuter and intercity trains and accommodation of the planned new High-Speed Rail system in Southern California. Localized operational, safety, and accessibility upgrades in and around Los Angeles Union Station (LAUS) will be required to meet existing demand and future growth.

The public interest and necessity require the Project because the Project will:

1. Increase the commuter and intercity rail service capacity of LAUS;
2. Improve service reliability at LAUS through the implementation of a run through tracks configuration and elimination of the current stub end tracks configuration while preserving current levels of freight rail operations;
3. Accommodate the planned new HSR system in Southern California;
4. Increase the passenger/pedestrian capacity and enhance the safety of LAUS through the implementation of a new passenger concourse, meeting the multi modal transportation demands at LAUS.

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 Alternative Analysis (AA) Study was initiated in 2016 to identify all reasonable track alignment alternatives and passenger concourse options that meet the Project purpose and need. In November 2018, the LACMTA Board approved the designation of the California Environmental Quality Act (CEQA) "Proposed Project" in the Draft Environmental Impact Report (DEIR) as Alternative 1 with Design Option B, which provides up to 10 run-through tracks with a loop track, and with shared lead tracks in the throat area. The CEQA Proposed Project includes an above-grade passenger concourse that will also include a new expanded, at-grade passageway.

The DEIR was distributed and made available for a 45-day public comment period from January 17, 2019, through March 4, 2019, pursuant to CEQA Guidelines Section 15105. Based on the substantial number of comments received regarding various aspects of the elevated portion of the above grade passenger concourse, as well as the outcome of recent coordination activities with project funding partners, Metro modified the Proposed Project in the Final EIR with the removal of the above grade passenger concourse, minimizing to the extent feasible the footprint of the run-through track bridge structure as well as the construction access and staging areas.

The Final EIR project was analyzed under all CEQA issue areas to demonstrate that the changes to the project have been adequately analyzed in the Draft EIR and there is no need to recirculate the EIR.

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 FEIR is not physically included in the Board's agenda packet for this public hearing. However, the 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 is necessary for the Project.

The Property is required for construction and operation of the Project. The selected alignment requires the full acquisition of the property to construct the run-through tracks, construction access and relocation of the existing overhead electrical line along the north side of Commercial Street, and construction staging area to be used by LACMTA's construction contractor. The areas of the Property is based on the approved 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 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:

1. Obtained an appraisal to determine the fair market value of the Property, which included consideration of any immovable fixtures and equipment as appropriate;
2. Reviewed and approved the appraisal, and established the amount it believes to be just compensation;
3. Determined the owner(s) of the Property by examining the county assessor's record and the 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; and
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 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 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 was circulated for public review and comment on January 17, 2019, through March 4, 2019. On June 27, 2019, the Board certified the FEIR, the /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 by eminent domain.

CONCLUSION

Staff recommends that the Board approve the Resolution of Necessity.