



Board Report

File #: 2020-0736, File Type: Project

Agenda Number: 35.

**EXECUTIVE MANAGEMENT COMMITTEE
MARCH 18, 2021**

**SUBJECT: UNIVERSAL CITY/STUDIO CITY STATION ACTIVATION AND MOBILITY HUB
CONCEPT**

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

CONSIDER:

- a. INTRODUCING a station activation and mobility hub concept at Universal City/ Studio City B Line (Red) Station; and
- b. AUTHORIZING staff to develop a strategic plan, including identifying necessary real estate, infrastructure and financing to support the station activation and increased mobility.

ISSUE

Staff is presenting a station activation and mobility hub concept at the Universal City/Studio City Station (Station) to form a long-term vision for the property which will improve the customer experience and enhance the quality of life in the surrounding communities.

BACKGROUND

The Station was opened in 2000 as part of the B Line (Red) Segment 3 Project. Located just a mile south of the confluence of the 134, 101 and 170 freeways, the Station is in a prime real estate location providing the jobs and housing-rich San Fernando Valley with dramatically reduced travel times to Hollywood and downtown.

Metro owns two large parcels at the Station. The first parcel is the Station's main parking facility located on the north side of the 101-freeway with access from both Lankershim Boulevard and Campo de Cahuenga. The second parcel is directly across the street and currently serves as a bus plaza and layover facility with an entrance on Campo de Cahuenga. These two pieces of property provide ample real estate and opportunity to transform the Station.

Three parking facilities service the Station. Metro's main lot has a capacity of 550 parking spaces and serves as the main facility. Two additional park and ride facilities south of the 101-freeway owned by Caltrans (80 spaces) and LA County (202 spaces) also serve the Station totaling just over 800 spaces for the station.

DISCUSSION

Metro B Line (Red) is the backbone of the Metro system, with direct connections to most existing and future rail lines as well as more than a dozen major bus lines. As such, transit demand is anticipated to continue to grow significantly under Measure M with extensions leading to better mobility across Los Angeles County. The Station is well connected to destinations throughout the San Fernando Valley. Three of the County's largest employers-Disney, Warner Bros., and NBCUniversal Studios-as well as a vast number of supportive services are located within two miles of the Station. The Station is situated in an intensive mixed-use area with a variety of multi- and single-family homes, thousands of jobs, hundreds of retailers, as well as major parks and amenities within walking distance.

Current Challenges

Despite the mixed-use, amenity-rich environment, the site presents a number of challenges. Major infrastructure in the area creates barriers that are difficult to navigate without a car (the Station area has the highest reported car use of all 13 B Line (Red) Stations); bike and pedestrian facilities connecting the Station to area destinations are limited (the 2016 Metro Active Transportation Strategic Plan ranked the Station last among the B Line (Red) Stations on almost all walkability categories); and there are no designated bicycle facilities connecting to the Station. Within the site, portions of the surface park and ride lot are more remote, and due to the fragmented layout of the facilities, navigating to find parking can be a challenge. The site presents long stretches of unactivated street frontage, particularly along Bluffside Drive where a wall, landscaping and parked cars limit visibility.. Security in and around the site is further challenged by the relatively limited number of people that use it throughout the day and night who could provide passive surveillance or "eyes on the street." Covid-19 has exacerbated these issues.

Long-Term Goals and Master Planning

With the Station located on a prime location and given B-Line is the backbone of the Metro system, it is necessary to develop a long-term strategic plan activating the station and surrounding property which will enhance overall transit customer experience. Moreover, the location is also a good candidate to be considered for a transit-oriented development project. A development master plan for the Station is recommended. It could include, but not be limited to, affordable housing, first and last mile components, improved transit parking, enhanced bus operation infrastructure, economic motivators (such as retail and offices), active transportation and alternative mobility connectivity infrastructure development. By activating the Station with such a master plan, it will not only enhance Metro customer experience but also improve the quality of life in the community. Increasing foot traffic from both transit ridership and destination visits will assist to address security issues in the long term.

Future Joint Development

The 10.75-acre site represents one of Metro's most significant and marketable joint development opportunities. Current zoning would allow a mix of uses to be constructed on the site, including residential, retail/commercial, and open space. Joint development would enable Metro to pursue its current policy goals for affordable housing, revenue generation, community integration and placemaking. In January 2021, staff presented several potential updates to the Joint Development Policy in order to strengthen Metro's response to the housing crisis. Among the goals of this update is to increase the number and velocity of housing units that are delivered on Metro-owned land. The Universal City sites would present an opportunity to get a head start on these goals on a site that would bring affordable housing to a resource-rich area.

Property for Metro's station and park and ride lot at Universal City was acquired from MCA, Inc. (now NBCUniversal) in 1994. As a part of that deal, NBC also retained a right of first offer (ROFO) providing that if Metro decides to pursue joint development of the property, the development rights must first be offered to NBC. This provision made pursuit of joint development at the site impractical, since it would be unlikely that a developer would invest resources to respond to an RFP knowing that the proposal could be appropriated by NBC under the ROFO. In 2007 Metro entered into an Exclusive Negotiating Agreement (ENA) with Thomas Properties after receiving an unsolicited proposal from NBC for a 200,000 square foot television production facility and two office towers totaling 950,000 square feet at the Station. The developer had nearly secured entitlements for the proposal, however the project was cancelled when the merger of NBC and Comcast eliminated the need for new television production studios. More recently, NBC has expressed a willingness to work with Metro in the interest of advancing joint development of the property.

Any future joint development would require the developer to construct a parking structure to replace existing surface parking serving transit riders. Advanced construction of replacement parking would remove this condition, accelerating development and increasing the marketability and value of the site. Based on comparable transactions in the surrounding area, it is anticipated that the revenues to Metro generated by eventual joint development would fully reimburse upfront costs needed to build the parking structure.

In accordance with Metro's Joint Development Policy and Process, staff would conduct extensive public outreach and complete development guidelines for the site prior to releasing a Joint Development RFP.

Consolidation of Transit Parking

Exploring how to consolidate parking to better serve transit riders at the station as well as the surrounding community is a critical first step in addressing the site challenges. Relocating the current surface parking to a structure over the bus layover property would open up activation opportunities on both parcels, reduce the amount of land dedicated to automobile storage and infrastructure, and provide the flexibility needed to implement longer-term joint development strategies.

The Metro-owned park and ride surface lot at Universal Station has a capacity of 550 parking spaces and averages 90% utilization during peak transit hours. The parking is currently divided into several

areas to the north and west of the Campo de Cahuenga historical site and interpretive museum. Staff proposes to complete a feasibility study to explore the capacity that could be provided in a new parking structure facility based on land availability and physical constraints, as well as revenue-neutral means of financing. Innovative parking management strategies and facility upgrades, such as EV-chargers, gateless transit parking management and a parking guidance system, would maximize utilization and flexibility to implement demand-responsive pricing structures into the future, while enhancing the customer experience and modernizing the current facility amenities.

A parking structure facility could also be constructed to be convertible. This would allow for flexibility for future use to serve other needs such as affordable housing, commercial spaces or other innovative purpose in the future should parking demand decrease.

Mobility Hub and Amenities

In tandem with additional first/last mile improvements, a dedicated mobility hub would not only provide residents within the Station's bike-shed with additional options for accessing the B Line (Red), bus lines and other transit services, but this same resource may also support commuters coming from the B Line (Red) and bus lines more options for reaching employers in the area. The mobility hub would enhance the commuter experience, benefit the surrounding community and support local transportation demand management goals. This new facility type could provide a seamless connection for transit patrons among multiple modes and transit lines, increasing mobility opportunities for residents of the Los Angeles County.

A mobility hub could also provide infrastructure for numerous transportation services such as transportation network companies, ridesharing, and shuttle services. It would further promote and encourage active transportation, micro-mobility vehicles and bike share services. Other amenities, such as small business retail, tourist services and bicycle facilities should be considered as well as community input to activate the Station. Internal amenities such as operator break rooms and security offices can also be considered. Additionally, these amenities will improve security in and around the station addressing some of the security concerns through activation.

Community Outreach

Staff proposes to initiate a comprehensive outreach program to engage Station stakeholders in a meaningful dialogue about the current Station site and the long-term vision of station activation. Metro will employ a wide range of efforts to share information with local residents, businesses, community organizations, transit riders, and parking patrons to gather feedback through digital surveys, stakeholder briefings and virtual public workshops. Through robust community outreach, Metro staff hope to respond to and address concerns from different perspectives, as well as develop a feasible "wish list" prior to the final design of any project.

Preliminary Project Financial Plan

This potential project is anticipated to be self-funded, with no impact to any planned or adopted capital or operating budget. The future joint development project financial resource will be developed

in accordance with Metro's Joint Development Policy and Process. As for the transit parking consolidation and potential parking structure project, it is likely it can be offset entirely by parking revenue. In addition to transit parking revenue, providing monthly and daily parking for local business and residences will also be considered.

Staff will further develop the comprehensive financial plan as part of next steps and formation of a project.

Equity Platform

Activation of Stations will provide a range of services and amenities for patrons at various income levels. The results of the Rapid Equity Assessment Tool indicate this will positively benefit equity focused communities. Activation will further provide multiple affordable mobility options and convenience amenities that would not otherwise be available to transit patrons, who represent households with lower incomes and rates of car ownership. These amenities can also be integrated with Metro's LIFE program to support disadvantage and transit-dependent constituents. A more thorough Equity Assessment Tool analysis will be utilized as a potential project is developed to further identify opportunities and engage disadvantaged communities in the region.

DETERMINATION OF SAFETY IMPACT

Approving this item will not negatively impact the safety of Metro patrons or employees as the approval of this item would only authorize staff to continue with initiation of a robust community outreach program and develop a comprehensive and feasible financial plan for the project.

FINANCIAL IMPACT

Authorizing development of a station activation plan and identifying real estate and infrastructure needs will not create any financial impact.

Impact to Budget

Staff will utilize available funds in current fiscal year from Parking Management Cost Center 3046, Parking Management Program Project 308001, Task 01.01, to conduct the consolidation of transit parking feasibility study, infrastructure conceptual design of the mobility HUB and other costs to develop the station activation strategic plan. No budget amendment is required or any impact to the adopted budget for this project at this time.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports strategic plan goals # 1 and 2.

- Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The Project adds mobility options for residents in LA County.

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- Goal 2: Deliver outstanding trip experiences for all users of the transportation system. Enhancing transportation options and enhancing patrons experience of transit trips.

ALTERNATIVES CONSIDERED

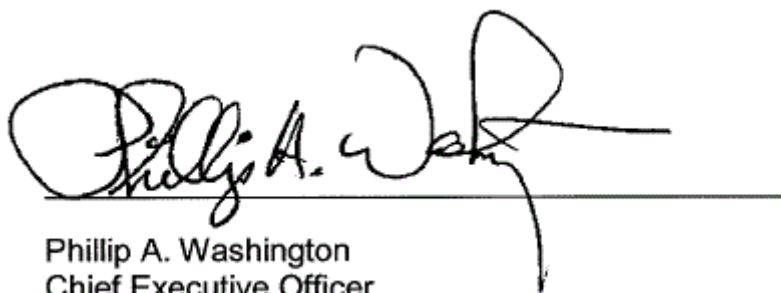
The Metro Board has the option to not approve the recommendation. However, this alternative is not recommended as it is not consistent with Metro's Strategic Plan goals to provide mobility options and spend less time traveling throughout Los Angeles County. If this plan is not authorized to move forward this would negatively impact Metro's future transportation needs and transit riders experience. It will also eliminate the benefits of station activation and mobility hub amenities.

NEXT STEPS

If approved, staff will kick off a robust community outreach program to incorporate input from transit riders and the surrounding community to form a long-term vision for the Station. Staff will complete a feasibility for parking relocation and report back in summer 2021 to provide an update and recommendation on the following steps.

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