

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2024-0395, File Type: Policy Agenda Number: 36.

REGULAR BOARD MEETING JUNE 27, 2024

SUBJECT: WESTSIDE PURPLE LINE EXTENSION SECTION 3 PROJECT RESOLUTION OF

NECESSITY

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

CONSIDER:

A. HOLDING a public hearing on the proposed Resolution of Necessity; and

B. ADOPTING the Resolution of Necessity authorizing the commencement of an eminent domain action to acquire three permanent easements identified as W-5004, W-5004-1 and W-5004-4 and to acquire a 67-month temporary construction easement identified as W-5004-2 from the property identified as (APN: 4324-001-031) (hereinafter called the "Property Interests") as identified in Attachment A.

(REQUIRES TWO-THIRDS VOTE OF THE FULL BOARD)

ISSUE

Acquisition of the Property Interests is required for the construction and operation of the Westside Purple Line Extension Section 3 Project ("Project"). To date, staff has been unable to reach an agreement with the owner for the Property Interests. After testimony and evidence has been received from all interested parties at the hearing, Los Angeles County Metropolitan Transportation Authority ("LACMTA"), by a vote of two-thirds of the Board, must make a determination as to whether to adopt the proposed Resolution of Necessity (Attachment B) to acquire the Property by eminent domain. Attached is evidence submitted by staff that supports the adoption of the resolution and which sets forth the required findings (Attachment A).

BACKGROUND

The Westside Purple Line Extension Section 3 Project ("Project") requires acquisition of the Property Interests for the construction and operation of the Project. The Larger Parcel is a 49,625 square foot parcel located at the southwest corner of Wilshire and Westwood Boulevards in a portion of the city of Los Angeles known as the community of Westwood. The property has additional frontage on

Ashton Avenue. The Larger Parcel is improved with a 17-story office building plus four levels of parking constructed in 1980. The Larger Parcel contains 244,468 square feet of net rentable area.

DISCUSSION

As a result of the need for the acquisition for construction and operation of a station portal and plaza for the Westwood/UCLA Station, the LACMTA was required to appraise and make an offer to acquire the Property Interests. By letter dated September 9, 2022, a written offer for the Property was issued to the Owner of Record ("Owner"), as required by California Government Code Section 7267.2. The offer was based on the fair market value. The fair market value is defined as "the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available."

Owner has not accepted the offer of Just Compensation made by LACMTA, and the parties have not at this time reached a negotiated settlement on the contemplated acquisition. The Property Interests are necessary for construction of the Project; therefore, staff recommends the acquisition of the Property Interests through eminent domain to maintain the Project schedule.

In accordance with the provisions of the California Eminent Domain law and Sections 30503, 30600,130051.13, 130220.5 and 132610 of the California Public Utilities Code (which authorize the public acquisition of private property by eminent domain), LACMTA has prepared and mailed notice of this hearing to the Owner informing them of their right to appear at this hearing and be heard on the following issues: (1) whether the public interest and necessity require the Project; (2) whether the Project is planned or located in the manner that will be most compatible with the greatest good and the least private injury; (3) whether the Property Interests are necessary for the Project; (4) whether either the offer required by Section 7267.2 of the California Government Code has been made to the Owner, or the offer has not been made because the Owner cannot be located with reasonable diligence; (5) whether environmental review of the Project has complied with the California Environmental Quality Act (CEQA); and (6) whether LACMTA has given the notice(s) and followed the procedures that are a prerequisite to the exercise of the power of eminent domain.

After all of the testimony and evidence has been received from all interested parties at the hearing, LACMTA must make a determination as to whether to adopt the proposed Resolution of Necessity to acquire the Property by eminent domain. To adopt the resolution, LACMTA must, based on the evidence before it, and by vote of two-thirds of its Board, find and determine that the conditions stated in items 1 - 6 above exist.

Attached is the Staff Report prepared by staff and legal counsel setting forth the required findings for acquiring the Property through the use of eminent domain (Attachment A).

There are no displacements of residents or local businesses as a result of the acquisition of the Property.

DETERMINATION OF SAFETY IMPACT

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This Board action will not have an impact on LACMTA's safety standards.

FINANCIAL IMPACT

The funding for the acquisition of the Property Interests is included in the Fiscal Year 2024 (FY24) budget under Project 865523 Westside Purple Line Extension Section 3, in Cost Center 8510 (Construction Project Management), and Account Number 53103 (Acquisition of Land) and Fund 6012. No additional funding for the acquisition is required for this action, LACMTA paid the Property Owner the Just Compensation amount in August of 2023 pursuant to a Construction Rights Agreement dated June 29, 2023.

Impact to Budget

The approved FY24 budget is designated for the Westside Purple Line Extension Section 3 and does not have an impact to operations funding sources. These funds were assumed in the Long-Range Transportation Plan for the Project. This Project is not eligible for Proposition A and C funding due to the proposed tunneling element of the Project. No other funds were considered.

EQUITY PLATFORM

The Property Interest is required for the completion of the Project. The project will provide greater operational safety, decrease travel time, improve air quality, and increase access to the corridor, especially for people with low-incomes who work along, but may not live near the corridor and are reliant on public transportation. This public good will also support the fulfillment of Metro's LA County Traffic Improvement Plan under measure M.

There are no displacements of residents or local businesses resulting from the acquisition of this Property Interests.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Board action is consistent with LACMTA Vision 2028 Goal #1: Provide high quality mobility options that enable people to spend less time traveling. Goal #3: Enhance communities and lives through mobility and access to opportunity. Goal #4: Transform LA County through regional collaboration and national leadership.

<u>ALTERNATIVES CONSIDERED</u>

The Board could choose not to approve the recommendations. This is not recommended as it will hamper the Real Estate division's ability to respond quickly to the project's needs resulting in significant delays and cost increases for the project.

NEXT STEPS

If this action is approved by the Board, the LACMTA's condemnation counsel will be instructed to take

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all steps necessary to commence legal proceedings in a court of competent jurisdiction to acquire the Property Interests by eminent domain and to conclude those proceedings either by settlement or jury trial. Counsel will also be directed to seek and obtain an Order of Prejudgment Possession in accordance with the provisions of the eminent domain law. Staff will continue to negotiate with the property owner with the goal of reaching a voluntary settlement while concurrently continuing the eminent domain process to preserve the project schedule.

<u>ATTACHMENTS</u>

Attachment A - Staff Report

Attachment B - Resolution of Necessity

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