

# **Board Report**

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

Agenda Number: 13

PLANNING AND PROGRAMMING COMMITTEE JANUARY 18, 2017

SUBJECT: MARIACHI PLAZA DEVELOPMENT GUIDELINES

ACTION: APPROVE DEVELOPMENT GUIDELINES FOR MARIACHI PLAZA

### RECOMMENDATION

File #: 2016-0890, File Type: Program

ADOPT the Development Guidelines (Attachment C) for the joint development of the 1.08-acre Metro-owned property at the Mariachi Plaza Gold Line Station.

# <u>ISSUE</u>

In November 2009, the Metro Gold Line Eastside Extension opened and began providing Eastside residents light rail transit service including four stations in Boyle Heights. One of the stations, Mariachi Plaza, located at 1st Street and Boyle Avenue, has various vacant parcels of land that were acquired by Metro to build the station and for construction staging. These properties have potential for transit oriented development and create an opportunity for civic engagement and visioning. Over the course of the past year, the Joint Development staff undertook a robust community outreach and engagement process with the objective of preparing Development Guidelines (Guidelines) for the Mariachi Plaza Development Site (Site, see Attachment A). The end result of this effort is a set of Guidelines which reflect the vision and desires of Boyle Heights residents and stakeholders. If adopted by the Board, the Guidelines will be part of a Request for Proposals (RFP) for joint development of the site to be released in February 2017.

### DISCUSSION

#### Background

In November 2014, the Joint Development staff recommended awarding an Exclusive Negotiating Agreement (ENA) to explore the feasibility of developing a 120,570-square-foot mixed-used commercial project on the Mariachi Plaza joint development parcels (see Attachment A - Parcels A and B) and a privately held adjacent parcel. There was significant opposition to this proposal by the Boyle Heights residents, stakeholders and the greater community at large. In March 2015, staff recommended not moving forward with the ENA and reinitiating the joint development process including extensive community outreach and engagement in order to develop new Guidelines for the Site.

### Site Description

The Site is adjacent to Mariachi Plaza, a historic symbol of art, culture and commerce for the Boyle Heights community. Serving both as a transit gateway and representative of the community's identity, Mariachi Plaza hosts professional musicians, a weekly farmer's market, multiple community organized events and an annual Mariachi festival. A portion of the plaza resembles the famous Plaza Garibaldi located in Mexico City with its kiosk which serves as an emblem of cultural pride and identity for Boyle Heights. Moreover, the Plaza is a major anchor to the commercial corridor on 1st Street and an important gathering space for local residents.

The Site is divided into three parcels (see Attachment A, Site Map). Parcels A and B are appropriate for new development. Parcel C, which is comprised of a portion of the existing plaza, can be utilized for ancillary uses to the development such as kiosks, outdoor furniture and dining areas, public art space, landscaping, as well as open and public spaces. Both Parcels A and B are north of Mariachi Plaza and south of White Memorial Medical Center. Parcel A is directly adjacent to Mariachi Plaza and is an irregular-shaped parcel consisting of numerous lots totaling 27,025 square feet. Parcel B is to the east of Parcel A across Bailey Street and is a single lot of 6000 square feet. Parcel C, immediately adjacent to Parcel A, is 14,150 square feet. A successful development will integrate the Plaza's existing open spaces to create a seamlessly connected development with the three parcels.

# Community Outreach

Metro began the outreach process together with a consultant team made up of Gwynne Pugh Urban Studio (urban design), Perkins and Will (architecture), and DakeLuna (outreach). The outreach consisted of various community workshops and smaller meetings with groups and individuals. There were two 2-hour community workshops on Saturday, February 27, 2016 and Wednesday, March 9, 2016, a mariachi focus group and a culminating community workshop on Wednesday, August 10, 2016. The first workshop was aimed at identifying the community's desires - their wish list - as well as their concerns. Metro presented four topics for discussion to participants in the initial outreach meetings to encourage discussion about the development potential of the site: What are the goals of the community?; What is working within the community?; What is not working within the community?; and What do you want to see in the community? The second workshop communicated the results of the first meeting and outlined a vision built on open dialogue and consensus. At the final workshop, Metro presented a vision for development, a preliminary feasibility assessment, as well as use/density/program combinations for the various properties on the Site.

There were approximately 70 participants at each community workshop, 20 participants in the mariachi focus group, and nearly 80 participants in the culminating workshop. Comments were also taken online and accepted by the team via email and regular mail for those who were not able to make it to the meetings. In the end, Metro staff and the consultant team presented the initial findings and the final Guidelines to the Boyle Heights Design Review Advisory Committee (DRAC) and the Boyle Heights Neighborhood Council (BHNC). Both groups approved moving forward with the Development Guidelines and releasing an RFP.

# Vision for Development

Through the community engagement process, a number of recurring themes evolved which became the foundation for the vision and the Guidelines themselves. These themes included:

- Strive to keep local businesses in Boyle Heights;
- Support the community's diversity and provide and enhance amenities for local residents and families;
- · Promote equitable housing models suitable for this community;
- Create a dense, urban development at the Project Site;
- Balance density with well-designed open spaces that promote equal access for children and seniors alike;
- Preserve and celebrate the eclectic, artistic character of the neighborhood through the incorporation of public art, opportunities for performances, and a vibrant street life;
- Promote safety and security around the plaza and Metro station;
- Provide adequate parking for local business demand;
- Embrace the rich history of street vendor culture;
- · Promote access to healthy food at affordable prices;
- · Honor the history and historic landmarks; and
- · Create usable and welcoming public open space.

As a result of working in collaboration with the community, the Guidelines outline a plan which incorporates the community's vision. The Guidelines encourage the following types of development: allows mixed-use development with a focus on affordable housing integrating commercial and retail development on the ground floor, creates usable public open space with enhanced landscape and hardscape elements, provides additional public parking, maintains the presence and viability of the mariachis, and preserves the iconic symbolism of the Plaza.

Metro staff has assessed the viability of each of these recommended program elements, giving consideration to community fit and financial feasibility. Through an initial economic analysis, staff has determined that such a project is financially feasible. In terms of zoning regulations, Parcels A and B are zoned RD1.5 (residential) and Parcel C is zoned C2-1 (commercial). In order to have the type of density which will make an affordable housing project with ground floor retail feasible, the zoning would need to reflect a higher density. The Los Angeles City Planning Department is currently updating the Boyle Heights Community Plan. As such, Metro staff has discussed with the city's Planning Department to consider adopting zoning to permit a mixed-use higher density development (Attachment B) as desired by the community.

#### Development Guidelines

The Guidelines for the Site include an outline of specific uses as well as examples of densities and organization of uses. Specifically, the Guidelines recommend the following:

- Affordable Housing a minimum of 40 and up to 60 units of affordable housing, affordable to persons with incomes in the range of 30-60% Area Median Income (AMI) with varying sized units to encourage and accommodate a multi-generational community from children to seniors.
   Priority will be given to projects with the highest level of affordability which limits the range to 30-50 % AMI.
- Community Serving Commercial up to 12,000 square feet of neighborhood commercial uses which would face the plaza.
- Community Uses a community room or 'flex' space which would be used by the residents of the development and local organizations as well, including if possible, a small resource center for the storage of mariachis' instruments and clothing.

File #: 2016-0890, File Type: Program

Agenda Number: 13

• Open Space/Park Uses - inclusion of active/passive green space on either Parcel A or B with an option to enter into a joint use MOU with the City of Los Angeles Department of Recreation and Parks which would include a shared maintenance agreement.

- Parking inclusion of public parking to meet demand of 1st Street commercial corridor.
- Public Art inclusion of an art plan for public art or a cultural facility.

# **DETERMINATION OF SAFETY IMPACT**

Approval of the Development Guidelines will have no direct impact on safety. The eventual implementation of a joint development at the Site will offer opportunities to improve safety for transit riders and the community at large through better pedestrian and bicycle connections.

# FINANCIAL IMPACT

Funding for joint development activities related to the Guidelines and any subsequent development activity, including the RFP process, is included in the FY17 budget in Cost Center 2210 (Joint Development) under Project 401018 (Mariachi Plaza). Since development of the properties is a multi-year process, the project manager will be responsible for budgeting any costs associated with joint development activities that will occur in future years.

# Impact to Budget

The source of funds for joint development activities is local right-of-way lease revenues, which are eligible for bus/rail operating and capital expenses. Adoption of the Guidelines will not impact ongoing bus and rail operating and capital costs, or the Proposition A and C and TDA administration budget.

### **ALTERNATIVES CONSIDERED**

The Board may choose not to adopt the Guidelines. This is not recommended because the Guidelines were developed with considerable stakeholder and community input and were approved by the DRAC and BHNC. Pursuant to the Metro Joint Development Policy, approval of the Guidelines is necessary in order to move forward with the joint development process and release an RFP.

### NEXT STEPS

After approval of the Guidelines, staff will issue an RFP for joint development of the Mariachi Plaza Site. The RFP is expected to be released in February 2017. Staff anticipates bringing recommendations for selection of a developer to the Board late summer 2017.

### **ATTACHMENTS**

Attachment A - Site Map

Attachment B - Letter to Los Angeles City Planning Department

Attachment C - Mariachi Plaza Development Guidelines

Prepared by: Vivian Rescalvo, Senior Director, Countywide Planning & Development, (213)

922-2563

Jenna Hornstock, DEO, Countywide Planning & Development, (213) 922-7437

Cal Hollis, SEO, Countywide Planning & Development, (213) 922-7319

Reviewed by: Therese W. McMillan, Chief Planning Officer, (213) 922-7077

Phillip A. Washington Chief Executive Officer