



Board Report

File #: 2021-0621, File Type: Contract

Agenda Number: 8.

PLANNING AND PROGRAMMING COMMITTEE JANUARY 19, 2022

SUBJECT: LOS ANGELES UNION STATION STRATEGIC ADVISOR

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to award and execute a two-year base period Contract No. PS76262000 with Morgner Construction Management for the Los Angeles Union Station Strategic Advisor in the amount not to exceed \$805,464.50 with three, one-year options for as-needed advisory services, in the amounts of \$46,306.75, \$47,696.25, and \$49,126.77 respectively, for a total amount of \$948,594.27, subject to resolution of all properly submitted protest(s) if any.

ISSUE

The Los Angeles Union Station (LAUS) continues to be a central element in Metro's expanding system and remains critical to numerous planned transit projects such as Link Union Station (Link US) and the West Santa Ana Branch Transit Corridor (WSAB). Individually and combined, these projects can shape, influence, and impact Metro's ability to leverage LAUS as a station that is interconnected and holistically designed, as well as the timing and success of future commercial development. The LAUS Strategic Advisor (Strategic Advisor) will support Metro in exploring and defining a series of recommendations that will guide Metro's efforts focused on transforming LAUS into a world-class transportation facility.

BACKGROUND

Metro acquired LAUS in 2011 and shortly thereafter initiated a master planning process. The Union Station Master Plan (Master Plan) was defined by three programmatic goals (improved connectivity, transit optimization, and creating a great destination) that continue to guide the LAUS work program to-date.

The Master Plan included a series of near- and long-term capital improvements including perimeter improvements, a new consolidated passenger concourse, relocation of the Patsaouras Bus Plaza, and a 3.25M square foot commercial development program. Since completion of the Master Plan in 2014, Metro's approach to LAUS redevelopment has been defined by the following actions:

- **2015:** The Metro Board approved accommodating for California High Speed Rail (CAHSR) at the LAUS as part of the Link US Project.

- 2016: Staff updated the Board on revised approach for Union Station redevelopment which included combining the expanded passenger concourse with the Link US project, deferring the relocation of the Patsaouras Bus Plaza as it was no longer a near-or mid-term priority, and advancing a series of perimeter improvements on the east (Chavez Bus Stop Improvements Project) and west side of the station (LAUS Forecourt and Esplanade Improvements Project).
- 2017: Board approved the WSAB Project Definition for Environmental Scoping including four Northern Alignment Options, two of which included LAUS options.
- 2018: Board approved the Los Angeles Union Station Forecourt and Esplanade Improvements Final Environmental Impact Report
- 2018: Staff held a Commercial Development Industry Forum to engage the development community on interest for commercial development at LAUS.
- 2018: Unsolicited Proposal received for privately-led Los Angeles Area Rapid Transit (LA ART).
- 2019: Los Angeles River Path, which will include on-street connections to LAUS, released the Notice of Preparation followed by Scoping Meetings.
- 2019: Metro executed a Memorandum of Understanding with LA ART for Metro to be the Lead Agency under the California Environmental Quality Act (CEQA).
- 2019: Link US (including the bicycle/pedestrian bridge over US-101) Final Environmental Impact Report (FEIR) approved by Metro Board.
- 2020: Construction completed for the Union Station Patsaouras Bus Plaza and the Chavez Bus Stop Improvement Project.

The projects described above are complex, have varying levels of interface with one another, and are in different phases of their respective planning and/or implementation processes. The magnitude of these investments and the potential for improved mobility that they represent are a tremendous opportunity for the future of LAUS. A coordinated and holistic approach centered around the programmatic goals of transit optimization, connectivity, and creating a destination is necessary to avoid a disjointed station that is piecemealed over time.

LAUS is the most transit rich place in Southern California and Metro has the unique opportunity to establish a precedent-setting, best practice for transit station redevelopment. To do this effectively, Metro must coalesce the various active projects through an integrated program that is centered on a coordinated approach and shared vision for LAUS.

DISCUSSION

LAUS Strategic Advisor

The Strategic Advisor contract is structured to include a two-year base contract with three, one-year options for as-needed advisory services to be exercised at Metro's discretion. The base contract includes internal and external stakeholder engagement and the preparation of six technical memos related to the topic areas described below.

- 1. Transit Infrastructure Projects:** Assessment of how the various active transit infrastructure projects can shape future development, financing opportunities, and timing considerations for future commercial development.
- 2. Customer Experience:** Guidance on best practices and emerging technologies related to passenger experience, considerations around the unique requirements of a large multimodal transportation facility, and amenities that support transit riders.
- 3. Timing for Commercial Development:** Guidance on the timing for commercial development given market conditions, timing of major transit projects, and protecting Metro's financial interest.
- 4. Combining Infrastructure and Commercial Development:** Financial and feasibility assessment of combining future commercial development with transit infrastructure delivery.
- 5. Operational Models and Financial Analysis to Meet Development Requirements:** Recommendations related to the financial and organizational requirements needed to manage the station with full development build out, exploring value capture opportunities to fund LAUS improvements, and exploring advertising and corporate sponsorship opportunities.
- 6. Additional Considerations:** Considerations related to messaging and other relevant matters such as approach to people experiencing homelessness and historic resource considerations including, but not limited to, coordination with the 1871 Memorial Steering Committee.

The proposed team is comprised of staff from Morgner and six (6) subcontractors, of which, four (4) are Metro certified SBEs and one is DBE certified.

DETERMINATION OF SAFETY IMPACT

The Strategic Advisor work will result in a series of recommendations that will support Metro's efforts in coordinating the various active transit projects and exploring the timing for future commercial development. Approval of this item will not impact the safety of Metro's customers or employees.

FINANCIAL IMPACT

Impact to Budget

The adopted Fiscal Year (FY) 2022 Budget includes \$400,000 in Cost Center 4530 (Transit Oriented Communities), Project 405557 (Union Station Master Plan). The funding source for this project is General Fund, which is eligible for bus & rail operations and capital project. Since this is a multi-year contract, the cost center manager and Chief Planning Officer will be responsible for budgeting funds in future years.

EQUITY PLATFORM

The LAUS Strategic Advisor solicitation will result in a series of comprehensive and strategic recommendations for Metro to pursue around transit infrastructure, customer experience and future commercial development. The Strategic Advisor work will be informed by stakeholder engagement and equity centered data to ensure that the study embeds equity through the process and within the

final recommendations that come out of this work.

A couple of equity considerations that must be considered as this study progresses include how future commercial development could create/augment gentrification and displacement pressures for surrounding communities that are largely low-income communities of color and the importance of coordinating future construction efforts to minimize negative impacts for adjacent communities that also include small businesses/ legacy businesses. Staff will take the above considerations into account as the study proceeds and will ensure that stakeholder engagement touches on these points and that the input informs the future recommendations.

The benefits of this decision isto establish a coordinated and holistic approach to planning for the future of the station that integrates land use planning, community development, equity and massive transit infrastructure investments (including active transportation). The goal is to benefit transit riders and to ensure that as this transformation occurs, it supports adjacent communities and does not create or exacerbate historic harms or create new gentrification/displacement pressures.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Strategic Advisor effort aligns with the following Strategic Plan Goals:

- **Strategic Plan Goal #1:** Provide high-quality mobility options that enable people to spend less time traveling by planning for an integrated LAUS that puts customer experience and integrated mobility options at the forefront.
- **Strategic Plan Goal #2:** Deliver outstanding trip experiences for all users of the transportation system by creating an accessible environment and great destination at LAUS.
- **Strategic Plan Goal #3:** Enhance communities and lives through mobility and access to opportunity by realizing an integrated transit station and commercial development program that incorporates stakeholder input with the goal of enhancing the communities surrounding LAUS.

ALTERNATIVES CONSIDERED

The Board could choose to not award the Strategic Advisor Contract. Staff does not recommend this approach. As previously noted, several projects are actively moving forward and making decisions that will directly impact the future of the station. The Strategic Advisor will equip staff with the necessary expertise and resources to coordinate and coalesce the various active projects, respond to the topic area inquiries, and chart a course for the future of the station.

NEXT STEPS

Upon Board approval, staff will execute Contract No. PS76262000 with Morgner Construction Management and initiate the work.

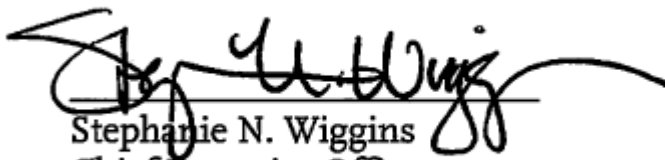
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Elizabeth Carvajal, Senior Director, Transit Oriented Communities, (213) 922-3084
Nick Saponara, EO, Transit Oriented Communities, (213) 922-4313
Holly Rockwell, SEO, Real Estate, Transit Oriented Communities and Transportation
Demand Management, (213) 922-5585

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920
Debra Avila, Deputy Chief Vendor/Contract Management Officer, (213) 418-3051



Stephanie N. Wiggins
Chief Executive Officer