



Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

SUBJECT: EASTSIDE LIGHT RAIL TRANSIT PROJECT
**ACTION: APPROVAL OF JUST COMPENSATION FOR
PARCEL ES-508**

RECOMMENDATION

Approve Just Compensation for the following parcel and authorize the Chief Executive Officer to make an offer to the owner(s) of record to acquire the required property interests for the Eastside Metro Gold Line Project and to pay escrow fees, title insurance fees and relocation benefits pursuant to federal and state regulations:

Parcel No	Owner	Property Interest	Just Compensation
ES-508	City of Los Angeles, Department of Water and Power	Partial Acquisition of Real Property	\$618,255
		Temporary Construction Easement (18 Months)	25,000
Total			\$643,255

RATIONALE

Acquisition of the subject parcel is required for the planned construction and operation of the Eastside Metro Gold Line Project. Acquisition of this parcel complies with MTA's policy to offer just compensation for the real estate needed for its transit projects.

A description of the parcel and an appraisal analysis are discussed in Attachment 1.

FINANCIAL IMPACT

Funds to acquire Parcel ES-508 are included in the approved FY-04 budget under Cost Center 8510, Project 800088, Eastside Metro Gold Line Project.

ALTERNATIVE CONSIDERED

The acquisition of this parcel is required to construct the transit project as designed. A portion of the alignment will be constructed on this parcel and the widening of Alameda Street will require a portion of the right-of-way. If the parcel is not acquired, the design of the transit project would have to be revised and may result in possible construction delays and increased costs.

ATTACHMENTS

Attachment 1 – Summary of Basis for Just Compensation

**Prepared By: Velma C. Marshall
Director of Real Estate**



**Bon Ott
Executive Officer, Administration**



**Roger Snoble
Chief Executive Officer**

**SUMMARY OF BASIS FOR JUST COMPENSATION
(PARCEL ES-508)**

- Address:** 433 Temple Street, Los Angeles
- Property Owner:** City of Los Angeles, Department of Water and Power (“DWP”)
- Site Description:** The larger parcel is an improved parcel of land located on Alameda Street between Temple Street and Ducommon Street in the City of Los Angeles consisting of approximately 691,674 square feet (15.88 acres). The property is improved with several building structures containing approximately 233,200 square feet, a parking garage, ground storage area, paved parking, landscaping, fencing and block wall.
- Required Property:** The Project requires a permanent partial acquisition of 13,739 square feet of real property consisting an 18 foot wide strip of land along the east side of the subject property on Alameda Street with a corner cut at Ducommon and Alameda. The temporary area consists of a 6-foot wide strip of land along the permanent partial land taking and contains an area of 3,822 square feet. The temporary area will be required for a period of 18 months.
- None of the permanent building structures is involved in the partial land acquisition. A movable metal storage shed and a portion of the perimeter block wall will be relocated during construction and replaced at the end of construction.
- Recommend Just Compensation:** \$643,255
- Appraisers:** Joe Villegas, MAI – Villegas Appraisal Company
Russel Babbitz, MAI - Charles R. Wilson & Associates
- Highest & Best Use:** As improved, the appraiser concluded that the property’s continued use as currently developed represents the highest and best use.

Appraisal Summary:

Two appraisals were obtained, however the recommended just compensation is based on the appraisal prepared by Joe Villegas. Mr. Villegas utilized the Sales Comparison Approach for land values to reach his estimate of fair market value for the subject property interests.

Sales Comparison Approach: Under the Sales Comparison approach, the appraiser investigated six land sales. The unadjusted sales price ranged from \$21.55 to \$98.86 per square foot of land. The appraiser made adjustments for various conditions and indicated an adjusted sales price range from \$26.31 to \$74.15 per square foot of land. The appraiser put limited weight on three parcels since the sales involved either the threat of condemnation, bankruptcy, time of sale, or soil contamination issues. The appraiser put more weight on the remaining three properties that had an adjusted sales price of \$43.57, \$45.19 and \$74.15 per square foot of land. The appraiser concluded that the larger property had a land value of \$45.00 per square foot, or \$31,125,330.

Value of Part-taken

The Project requires the permanent acquisition of approximately 13,739 square feet consisting of a 18 foot wide strip of land along the east side of the subject property along Alameda Street. This area is improved with asphalt and concrete paving, landscaping, a block wall, and chain link fencing. The appraiser determined that the fair market value of part taken is \$618,255 (13,739 SF X \$45). The appraiser concluded that the land value of the remainder parcel was the same as the value in the before condition and determined there was no damage to the remainder property as a result of the taking.

Value of Temporary Construction Easement

A temporary construction easement area consisting of a 6-foot wide strip adjacent to the permanent taking and containing approximately 3,822 square feet will be required for an 18-month period. The appraiser applied a 9% and 10% rate of return to the fee value of the temporary area and calculated the compensation for an 18-month period at \$23,219 and \$25,798, respectively. Based on the calculations, he estimated the reasonable compensation for the temporary construction easement at \$25,000.

Summary and Recommendation: The recommended just compensation based on the appraisal is \$643,255.

Permanent Area	\$618,255
Temporary Construction Easement	<u>25,000</u>
TOTAL	\$643,255

DESCRIPTION: NUMEROUS LOTS

BENCH MARK: N/A

TITLE REPORT:

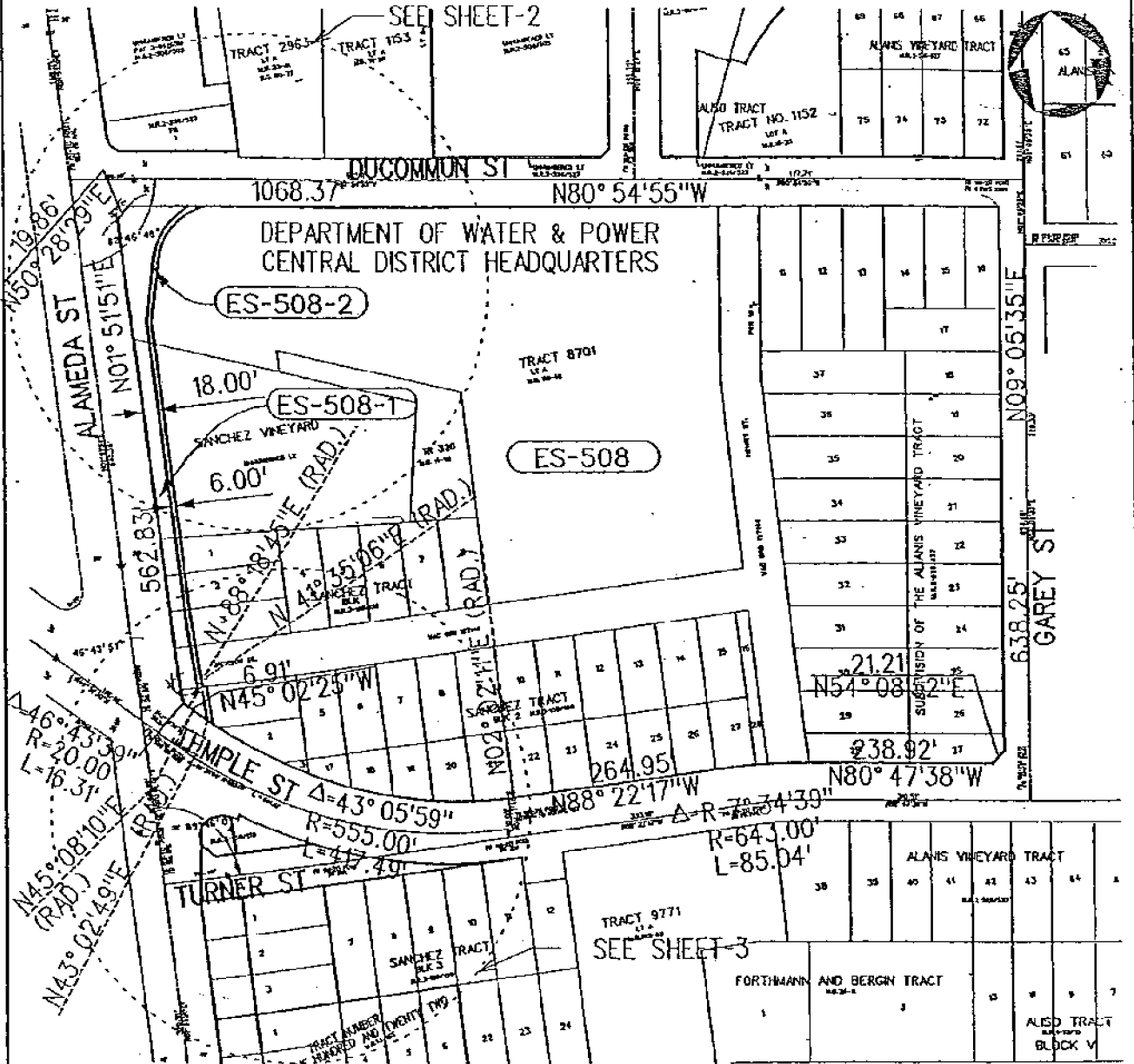
ASSESSORS REF. 5173-005-900,006-900

ADDRESS:

&007-901

R.O.W. REFERENCE PI-002; ES-508

NO.	DATE	REVISION DESCRIPTION
1	3/24/03	REVISE TAKE ARFA, ADD TCE



PARCEL NO.	TOTAL PARCEL	ES-508-1 FEED	ES-508-2 (TEMP. CONST. EASD)
NET AREA - SQUARE FEET	691,674	13,739	3,822

M LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY EASTSIDE LRT PROJECT

EASTSIDE LRT PARTNERS
 APPROVED BY: *[Signature]*
 SUBMITTED BY: EIRT PROJECT MANAGER
 MTA PROJECT MANAGER DATE

PARCEL PLAT
 ES-508
 SHEET 1 OF 3

CONTRACT NO./DESIGN LIBR
 COB01
 SCALE
 N.T.S.
 DATE
 4/10/02
 DRAWN BY
 S BASHIRI
 CHECKED BY
 L E RUSH
 REV. DATE
 3/24/03
 REV. NO.
 1

