



38A

REGULAR BOARD MEETING
DECEMBER 4, 2003
CLOSED SESSION

38 A

Metropolitan
Transportation
Authority

SUBJECT: METRO GREEN LINE PROJECT

**ACTION: APPROVAL OF JUST COMPENSATION FOR THE
ACQUISITION OF PARCEL AS502**

One Gateway Plaza
Los Angeles, CA
90012-2952

RECOMMENDATION

Approve Just Compensation for the following parcel and authorize the Chief Executive Officer to make an offer to the owner of record to acquire the parcel for the Metro Green Line Project and to pay escrow and title insurance costs.

| Parcel No | Owner | Property Interest | Just Compensation |
|-----------|--|--------------------------------------|-------------------|
| AS-502 | SAMS Venture, LLC (Space and Missile Systems) | Fee Simple Interest to Real Property | \$2,000,000 |

RATIONALE

Acquisition of the subject parcel is required for the continued operation of the Metro Green Line. MTA obtained a no-cost twenty-five (25) year easement from the U. S. Department of the Air Force on December 19, 1989. The easement permitted construction of the rail track access to the Metro Green Line Yard across the property. The 25-year easement was granted to permit construction and operation of the rail yard to proceed while the Air Force commenced the long-term process required to obtain authority to sell the property in fee. It was agreed that MTA would subsequently acquire the subject property at fair market value. This area provides the only rail access to the Metro Green Line Yard and is essential to its operation. Staff has made numerous attempts to acquire the parcel over the past several years but have been unable to complete the acquisition due to the reassignment of Air Force personnel involved in the transaction. The Air Force recently entered into a development agreement that has now provided the impetus to clear up this pending issue.

The development agreement includes the sale of approximately 13 acres of land adjacent to the Metro Green Line operating yard to Catellus Development Corporation and Kearny Real Estate Company ("SAMS Venture, LLC") for a residential housing development. The sale includes the land that is currently occupied by MTA under the easement agreement. SAMS Venture has agreed to sell the easement area to MTA at fair market value. The construction of the residential development will be separated from the Green Line Yard by an 8-foot high fence with landscaping.

Acquisition of this parcel at this time complies with MTA's policy to offer just compensation for the real estate needed for its transit projects. Completion of this acquisition also gives MTA fee title to the entrance to the Green Line Yard and provides the needed security that the property will remain available for transit use. A description of the parcel and an appraisal analysis are discussed in Attachment 1.

FINANCIAL IMPACT

Funds to acquire Parcel AS-502 have been identified in the approved FY-04 budget under Cost Center 8510, Project 800023, Metro Green Line Project.

ALTERNATIVE CONSIDERED

The acquisition of this parcel is required to operate the Metro Green Line as it is currently designed and operated. This parcel provides the only means of access to the Metro Green Line yard site from the transit right-of-way. If this parcel is not acquired, a new yard site will have to be acquired and the existing yard amenities relocated with a resulting substantial increase in costs.

ATTACHMENTS

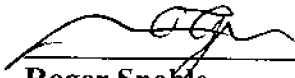
Attachment 1 – Summary of Basis for Just Compensation

Attachment 2 – Parcel Plat

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



Don Ott
Executive Officer, Administration



Roger Snoble
Chief Executive Officer

**SUMMARY OF BASIS FOR JUST COMPENSATION
(PARCEL AS502)**

- Location:** Easterly of the Metro Green Line Yard Site off of Aviation Boulevard in the City of Hawthorne
- Property Owner:** SAMS Venture, LCC (Space and Missile Systems) consisting of a partnership of Catellus Development Corporation and Kearny Real Estate Company
- Site Description:** The larger parcel is a L-shaped parcel that contains approximately 13.90 acres. The site is currently being used by the United States Government as the Los Angeles Air Force Base.
- The parcel to be acquired is nearly trapezoidal in shape and contains approximately 39,918 sq. ft. (0.916 acre). The site is part of the Metro Green Line Yard.
- Highest & Best Use:** As vacant, the proposed residential development in accordance with the "Willow Glen Specific Plan".
- Appraiser:** Gary L. Peck, Certified General Real Estate Appraiser

Appraisal Summary:

The appraiser valued the larger parcel as unimproved land with full vested entitlements. All entitlement approvals have been obtained through the City of Hawthorne, i.e. the General Plan amendment, zone change, and vesting of a tentative tract map. However, as of the date of the appraisal, there have been no expenditures related to the required infrastructure facilities. The appraiser analyzed four comparable land sales in his analysis. Three of the land sales involved vacant land sales that were fully entitled with all infrastructures in place and ready for development. The adjusted value of these land sales ranged from \$51.66 per sq. ft. (psf) to \$58.27 psf. The cost attributable to the infrastructures was deducted to derive an indicated value for the larger parcel as it actually exists (entitlements only). After adjusting for the infrastructures, the appraiser indicated a value of the larger parcel at \$50.38 psf. The fourth land sale was a parcel that had recently sold that was considered similar to the subject parcel as to allowable density and its entitlement status but was superior as to its location. The adjusted value indication based on this sale was \$54.00 psf. As a result of his analysis, the appraiser concluded that the indicated unitary value of the larger parcel was \$51.00 psf. This unit value was applied to the parcel to be acquired and the concluded value for the proposed take area is \$2,000,000 rounded (39,918SF X \$51/SF = \$2,035,818).

4149

11

SCALE = 200'

2597.000 FEET

- Revised:
 8-13-59
 10-5-60
 9-2-61
 12-4-61
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N.W.1/4 SEC. 20, T. 3 S., R. 14 W.

(12)

METRO GREEN LINE YARD

64307

3.98 AC.

2210 4-17-73

EK 4138

SUBJECT AIR FORCE PROPERTY

U.S.A. 605 2730 AC.

AIR FORCE PROPERTY

METRO GREEN LINE RIGHT-OF-WAY

GREEN LINE RIGHT-OF-WAY

3.680 AC. A 800

1216.90

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93 - 54

1910.1 AC.

0.501 AC. (S.A.)

10.807 AC.

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AVIATION R

MARINE

(8)

CONDOMINIUM TRACT NO. 50310

M.B. 1204-51-52

PARTITION MAP SHOWING PROPERTY FORMERLY OF THE REDONDO LAND CO. CALIFORNIA EDISON CO. LTD.

R.F. 140

TRACT NO. 49634

M. B. 1163-66-67

REDONDO BEACH AVE

FOR PREV. ASSMT. SEE: 4149-11

ASSESSOR'S MAP COUNTY OF LOS ANGELES, CALIF.