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**PLANNING & PROGRAMMING COMMITTEE  
JULY 20, 2005**

**CONSTRUCTION COMMITTEE  
JULY 21, 2005**

**SUBJECT: STATUS OF RESTORATION OF THE LANKERSHIM DEPOT IN  
NORTH HOLLYWOOD**

**ACTION: RECEIVE AND FILE STATUS REPORT ON THE LANKERSHIM  
DEPOT**

**RECOMMENDATION**

Receive and File this status report regarding the Lankershim Depot (the Depot).

**ISSUE**

At its April 2005 meeting, the Board directed staff to report to the Construction Committee regarding the status of the rehabilitation of the Depot, which is located at the North Hollywood terminus station of the Metro Orange Line. This report will provide background information, the current status, and possible options for moving forward.

**DISCUSSION**

The Community Redevelopment Agency of the City of Los Angeles (CRA) requested funding through Metro's Call for Projects program in 1999 to rehabilitate the former Lankershim Depot, a historic structure that had previously served as a station for the Pacific Electric Red Car and the Southern Pacific Railroad. In July 1999, the Board programmed \$817,000 for FY 2000-01 and FY 2001-02 for this project. The total budget for the project was \$1.181 million, which included a match of \$364,800 from the CRA. The budget covered both design and construction, with an approximately 27 month long schedule that included public outreach, preparation of design drawings, procurement of a construction contractor, and actual construction. The original schedule projected that the design would be completed in 2001 and construction finished in 2003.

The project has been delayed for a number of reasons, including:

- a. The Memorandum of Understanding (MOU) between Metro and the CRA was not executed until July 2002 due to funding source changes and scope concerns.
- b. CRA's original grant application did not anticipate the later adoption and construction of the Orange Line, which necessitated a redesign of the original landscaping and pedestrian linkages plan for the Depot.
- c. Once the Orange Line was approved, Metro recommended additional changes to the Depot design to enable Metro operators to access a restroom on a 24-hour basis.
- d. The CRA's construction phase was delayed due to contractor protests regarding their procurement process.
- e. Developer interest in joint development in North Hollywood (including proposals to relocate the Depot) resulted in discussions as to: the utility of fully restoring the Depot in-place if it needed to be moved in the future; the advantages of waiting for a joint development firm to complete the restoration; and, the consideration of a reduced scope of work in the meantime.
- f. During the procurement process, material prices increased, and the CRA contractor was unwilling to agree to enter into a contract with CRA due to the cost increases and staging area restrictions, which resulted in the need for CRA to undertake a new procurement process.

Staff has been coordinating with the CRA regarding the best way to move forward, and these talks are ongoing at the CEO and staff levels. Metro staff recently performed a site visit to re-assess the current condition of the building and to strategize on different rehabilitation approaches under varying budget assumptions. The structure is in a dilapidated state, is in need of repair, and is unsafe for public use in its current condition. The items under discussion to help move the project forward include:

**Project Budget:** Construction and material costs have escalated dramatically since the original budget was forecast in the July 2002 MOU. The CRA's most recent estimated cost is now \$2.027 million, approximately 70% more than the original budget. The CRA and Metro remain committed to the original amounts pledged, but the funding of any cost increases would have to be negotiated and/or additional funding from private sources identified.

**Project Scope:** Staff is examining a range of alternatives regarding the level of rehabilitation, including:

- a. **Minimal Restoration:** This would limit the work to site cleanup, shoring up the structure to allow for minimal exterior repair and painting, roof replacement, minor foundation repair and adding protective fencing. The remainder of the work would be left for a future joint development project.
- b. **Restoration Within the Existing Budget:** This option would see what additional work might be completed beyond the minimal restoration, such as building stabilization, some interior improvements, restrooms (with 24-hour access for bus operations), utilities, landscaping and other improvements consistent with the current budget and scope.

- c. Full Restoration: The full scope would be completed according to State Historic Preservation Office guidelines, which would require additional funding.

**Orange Line Opening Day Considerations:** Regardless of which construction option is chosen, Metro is examining the feasibility of completing minor cosmetic improvements to the Depot's exterior and adding improved fencing, to be accomplished in time for the opening of the Orange Line.

**Construction Staging for Depot Rehabilitation:** Metro will continue to provide staging for the Depot restoration as described in CRA's contract documents, including the use of the future "park" area at the corner of Lankershim and South Chandler Boulevards and space around the perimeter of the building on Metro property. Additionally, Metro has offered possible office/storage space on the Metro property directly across the street. Metro and CRA will examine the availability of using the adjacent sidewalk and street right-of-way along South Chandler for additional room, though other planned improvements by the City may preclude that use.

**Project Lead:** To date, the CRA, as the grantee, has been the project lead, and their experience and expertise in the restoration of historic buildings, knowledge of applicable codes and regulations, and their on-going relationship with the State Architect are invaluable to the project. However, at this time, Metro has proposed, and CRA has concurred, that CRA relinquish the grant and their match to Metro, with Metro becoming the project lead. Additionally, CRA is preparing a letter documenting their relinquishment of the grant to Metro, which we anticipate will be executed prior to the July Board meeting.

Metro contracting options to be explored are the possibility of using one of our existing consultant benches or doing a focused procurement. Whatever the path, the CRA's expertise and assistance will be crucial to the success of the project. Metro staff costs (including procurement, project management, overhead and administration) would need to be funded through the grant and/or additional budget authority.

## **NEXT STEPS**

Pending any additional direction from the Board, Metro and CRA staff will continue to address the issues outlined above and return to the Board for any required actions.

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