One Gateway Plaza Los Angeles, CA 90012-2952



BOARD OF DIRECTORS July 27, 2006

SUBJECT: PUBLIC HEARING RE: RESOLUTION OF NECESSITY FOR THE ACQUISITION OF PARCEL WE-616 FOR THE METRO EXPOSITION LIGHT RAIL PROJECT

ACTION: ADOPT RESOLUTION OF NECESSITY

RECOMMENDATION

- A. Hold a public hearing on the proposed resolution of necessity.
- B. Adopt the attached Resolution of Necessity authorizing the commencement of an eminent domain action to acquire fee simple title to Parcel WE-616.

RATIONALE

Acquisition of Parcel WE-616 is required in connection with the construction and operation of the Metro Exposition Light Rail Project ("Project") for the widening of the north side Jefferson Boulevard at LaCienega. The Metro Board adopted the Draft Environmental Impact Statement/Report for light rail transit and an alignment from downtown Los Angeles to Culver City as the Locally Preferred Alternative (LPA) for the Exposition Corridor in 2001. The Final Environmental Impact Statement/Report (FEIS/R) was prepared and released in 2005. Preliminary Engineering Design (PE Design) commenced in 2003 and accompanied the preparation of the FEIS/R. Both the FEIS/R and the PE Design were completed by the issuance of the Record of Decision (ROD) from the Federal Transit Administration in February 2006. A written offer was presented to the owners of record, as required by California Government Code Section 7267.2. Because the Property is needed to proceed with construction of the Project and the widening of Jefferson Boulevard at La Cienega, staff recommends the acquisition of the Property through eminent domain.

In accordance with the provisions of the California Eminent Domain law and Sections 30503, 30600 and 130220.5 of the California Public Utilities Code (which authorize the LACMTA to acquire property by eminent domain), the LACMTA has prepared and mailed notice of this hearing to the owners of record, each tenant occupying the Property and the Clerk of the City of Los Angeles, informing them of their right to appear at this hearing and be heard on the following issues: (1) Whether the public interest and necessity require the proposed Project; (2) Whether the proposed Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury; (3) Whether Parcel WE-616 is necessary for the proposed Project; and (4) Whether an offer was made in compliance with Government Code Section 7267.2. After all of the testimony and other evidence have been received by the LACMTA from all interested parties, the LACMTA must determine whether to

adopt the proposed resolution of necessity to acquire Parcel WE-616 by eminent domain. In order to adopt the resolution, the LACMTA must, based upon all the evidence before it, find and determine that the conditions stated above exist. Attached is evidence (Attachment 1) submitted by staff that supports adoption of the attached Resolution that has been approved by counsel, and which sets forth the required findings.

FINANCIAL IMPACT

Funds to acquire the fee simple interests to Parcel WE-616 are included in the approved Metro Exposition Light Rail Project Budget, and are available to proceed with this acquisition.

ALTERNATIVE CONSIDERED

The Board has the option to withhold adoption of the Resolution of Necessity. This would result in an additional delay in obtaining possession of the required property, and thereby potentially cause delays and increased cost to the Project.

ATTACHMENTS

Attachment 1 - Staff Report Attachment 2 - Resolution of Necessity

Prepared by: Velma C, Marshall Director of Real Estate

Roger Moliere Executive Officer Property Management and Development

Roger Snoble Chief Executive Officer

STAFF'S REPORT REGARDING THE NECESSITY FOR THE ACQUISITION OF PARCEL WE-616 FOR THE METRO EXPOSITION LIGHT RAIL PROJECT.

BACKGROUND

Parcel WE-616 is required in connection with the construction and operation of the Metro Exposition Light Rail Project ("Project"). The parcel number, address, and record owner (as indicated by title report issued by Orange Coast Title Company), and nature of the property interest sought to be acquired (based upon the Final Environmental Impact Study/Environmental Impact Report (FEIS/R) for the Metro Exposition Light Rail Project), is listed below:

| Parcel Number | Parcel Address | Owner | Interest Sought |
|------------------|---|---|-----------------|
| WE-616 | 3351 La Cienega Blvd 5633 – 5717 W. Jefferson Boulevard | Mauricio Pier, President La Cienega Jefferson, LLC, a California Limited Liability Company | Fee Simple |

The property contains approximately 34,458 square feet of land and is improved with four buildings containing approximately 19,676 square feet. The property is occupied by the following tenants: Clear Channel Outdoor, Vista Media, Batz Auto Upholstery (Miguel Batz), Rick & Son Automotive (Richard Greenwood), Peter Thomashevski Architects (Peter Thomashevski), Limey Wood Shop (Jeff Titmass), Jefferson Recycling (Al Diament) and Classbenz.com (Mauricio Pier).

The written offer to acquire the fee simple interest to Parcel WE-616 was made to the property owner on June 7, 2006. The offer was rejected and the owner's opinion of the value of the property is substantially higher than the approved just compensation established by LACMTA. An acceptable settlement could not be reached with the owner of Parcel WE-616. Offers were also made to the owner and to each tenant to acquire the fixtures and equipment that was not considered moveable or realty.

Following is an analysis as to why the attached Resolutions of Necessity should be adopted. Additional information justifying the adoption of the Resolution is contained in the FEIS/Report adopted by LACMTA on December 15, 2005 and the other environmental documents and analysis referenced therein.

The LACMTA Board voted to certify the Mid-City Exposition Light Rail Transit Project FEIS/R in December 2005. The Board adopted a modified Locally Preferred Alternative (LPA) with a rail route from 7th and Metro Center, via a connection along Flower Street in Downtown Los Angeles, to the Washington/National intersection in Culver City. The modified LPA incorporated the north side widening of Jefferson Boulevard west of La Cienega Boulevard. Prior to adoption by the Board, the FEIS/R was circulated and reviewed by interested and

concerned parties, including private citizens, community groups, the business community, elected officials and public agencies. Public hearings were held to solicit citizen and agency comments.

The Mid-City/Exposition Light Rail Project runs from the 7th Street/Metro Center Station in Downtown Los Angeles to National/Washington Station in Culver City, covering a distance of approximately 10 miles. The alignment initially uses the existing Metro Blue Line tract facilities from the 7th Street/Metro Center along the eastside of Flower Street to Exposition. The alignment then follows the existing Exposition railroad right of way to Culver City. Eleven stations are included in the Project. Three stations will be shared with the Metro Blue Line and eight new stations will be constructed. Stations locations include the following: 7th Street/Metro Center (existing), Pico (existing) Grand (existing, USC/Exposition Park, Vermont, Western, Crenshaw, La Brea, La Cienega and National/Washington

In order to construct the grade separation at La Cienega Boulevard, Jefferson Boulevard would need to be widened to maintain an adequate number of traffic lanes. Parcel WE-616 is required for the widening of Jefferson Boulevard to the north.

The property included in this action is required for the construction and operation of the Mid-City/Exposition Light Rail Project and the widening of Jefferson Boulevard.

A. <u>The public interest and necessity require the Project.</u>

The Mid-City /Westside Study area encompasses over 100 square miles and extends for approximately 18 miles from Downtown Los Angeles to the Pacific Ocean. It is bounded on the north by the Santa Monica Mountains and on the south by the Baldwin Hills (Slauson/Manchester Boulevards). The Study area included the Westside portions of the City of Los Angeles as well as the cities of Santa Monica, Beverly Hills, West Hollywood and Culver City. The Los Angeles communities of Hollywood, Westwood, West Los Angeles, Marina del Rey and South Los Angeles are also in the Study area. Performance Indicators illustrate that travel conditions on the Westside will worsen by 2020 and the area will not meet regional objectives for mobility, accessibility, reliability, or safety without the implementation of additional transportation improvements.

1. Average travel time (mobility indicator) to work will increase by 26 percent over 1990 conditions to 29 minutes and will exceed the regional objectives of 22 minutes by 32 percent. Average travel speeds on all parts of the highway network (arterials and freeways) will decline to 22.6 mph, 32 percent below the regional objective. Approximately, 40 percent of travel in peak hours will be wasted due to delay.

2. The percentage of job opportunities within 25 minutes of employees' homes (accessibility indicator) will improve in the sub region due to the high employment growth, but 39 percent of the workers on the Westside will have to travel more than 25 minutes to work, compared to the regional objectives of 22 minutes.

3. The continued implementation of reduced emission vehicles (environmental indicators) will reduce the amount of reactive organic gases produced on the Westside, but the reliability of the transportation system will decline.

4. A commuter's probability of arriving at a destination on time (reliability indicator) will decrease to 74 percent if riding transit and to 52 percent if traveling by car illustrating how unpredictable travel will become as increased congestion will cause the sub region to exceed the regional safety objective.

It is recommended that based upon the above evidence that the LACMTA Board find and determine that the public interest and necessity require the Project.

B. <u>The proposed Project is planned and located in the manner that will be the most</u> compatible with the greatest public good and least private injury.

In 1991, LACMTA (through its predecessor agency) acquired railroad right of way (ROW) throughout the Los Angeles Area. The majority of the Project will be built in the existing Right of Way. Most of the private property acquisitions will be partial takes rather than full takes and an effort will be made to limit displacements of individuals or businesses. For all of the property acquisitions, relocation assistance and compensation will be provided by LACMTA ads required by federal and state law.

It is recommended that based upon the above evidence, that the LACMTA Board find and determine that the Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury.

C. The interest in the subject property is necessary for the proposed Project.

In order to construct the Light Rail Transit grade separation at La Cienega Boulevard, Jefferson Boulevard would need to be widened to the North to maintain an adequate number of traffic lanes. The fee simple interest in Parcel WE-616 is required in order to provide the land necessary to complete the street widening.

Parcel WE-616 is legally described in the attached Exhibit "A" and is generally depicted in the parcel plat map attached hereto as Exhibit "B", all of which are incorporated herein by this reference.

It is recommended that based upon evidence, LACMTA Board find that the acquisition of Parcel WE-616 is necessary.

D. <u>An offer was made in compliance with Government Code Section 7267.2</u>

California Code of Civil Procedures Section 1245.230 requires that a Resolution of Necessity contain a declaration that the governing body has found and determined that either the offer required by Section 7267.2 of the California Government Code has been made to the owner(s) of

record, or the offer has not been made because the owner(s) cannot be located with reasonable diligence.

California Government Code Section 7267.2 requires that an offer be made to the owner(s) of record, in an amount which the agency believes to be just compensation. The amount must not be less than the agency's approved appraisal of the fair market value of the property. In addition, the agency is required to provide the owner(s) with a written statement of, and summary of the basis for, the amount it established as just compensation.

LACMTA staff has taken the following actions as required by California law for the acquisition of Parcel WE-616:

- 1. Obtained independent appraisals of the fair market value of the real estate and improvements pertaining to realty in and to Parcel WE-616.
- 2. Reviewed and approved the appraisals, and established the amount of just compensation for the property.
- 3. Determined the owner of the subject property by examining the county assessor's records and title reports, and
- 4. Made a written offer to the owner(s) of WE-616 for the established amount of just compensation, which was not less than the approved appraisal amount.

It is recommended that based upon the above evidence, that the LACMTA Board find that an offer has been made to the applicable property owner(s) in compliance with Government Code Section 7267.2, and that the acquisition of the above mentioned Property is necessary.

ATTACHMENTS

- 1 Legal Description (Exhibits "A")
- 2 Plat Map (Exhibits "B")
- 3 Resolution of Necessity for WE-616

RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY DECLARING CERTAIN REAL PROPERTY NECESSARY FOR THE METRO EXPOSITION LIGHT RAIL PROJECT (MTA PARCEL WE-616)

THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY HEREBY FINDS, DETERMINES, AND RESOLVES AS FOLLOWS:

Section 1.

The Los Angeles County Metropolitan Transportation Authority ("MTA") is a public entity organized and existing pursuant to Chapter 2 of Division 12 of the California Public Utilities Code (commencing with Section 130050).

Section 2.

The property interests described hereinafter are to be taken for public use, namely, for public transportation purposes and all uses necessary, incidental or convenient thereto, in connection with the development, construction, operation and maintenance of the Metro Exposition Light Rail Project ("Project") and the widening of Jefferson Boulevard;

Section 3.

The MTA is authorized to acquire the property interests described hereinafter pursuant to the following:

- a. Article I, Section 19 of the Constitution of the State of California;
- b. California Public Utilities Code, Division 10, Part 3 (Sections 30000-33020, inclusive), and Sections 30503 and 30600 in particular;
- c. California Public Utilities Code, Division 12 (Sections 130000-130730, inclusive), and Section 130220.5 in particular; and
- d. California Code of Civil Procedure Sections 1240.010-1273.050, inclusive.

Section 4.

The property to be acquired is located in the City of Los Angeles, and is more particularly identified as follows:

a. The fee simple title in and to Parcel No. WE-616, containing approximately 34,458 square feet consisting of a full property acquisition.

Parcel WE-616 is described more specifically in Exhibit "A", attached hereto, and is generally depicted in the Parcel Plat Map attached hereto as Exhibit "B", both of which are incorporated herein by this reference.

Section 5.

(a) The environmental impacts of the Project were evaluated in the Mid-City Exposition Light Rail Project Final Environmental Impact Report ("FEIR") and the Mid-City Exposition Light Rail Transit Project Final Environmental Impact Study ("FEIS") for this Project; and

(b) The Los Angeles County Metropolitan Transportation Authority has reviewed and considered the Mid-City Exposition Light Rail Transit Project FEIR and FEIS, before and as part of the process of determining whether to acquire the above-referenced properties.

Section 6.

The Los Angeles County Metropolitan Transportation Authority hereby declares that it has found and determined each of the following:

(a) The public interest and necessity require the Project;

(b) The Project is planned or located in the manner which will be most compatible with the greatest public good and the least private injury;

(c) The property sought to be acquired, which has been described herein, is necessary for the Project; and

(d) The offer required by Section 7267.2 of the Government Code has been made to the owner of record.

Section 7.

Legal counsel is hereby authorized and directed to take all steps necessary to commence legal proceedings, in a court of competent jurisdiction, to acquire the property described above, by eminent domain. Counsel is also authorized to seek and obtain an Order of Immediate Possession of said property in accordance with the provisions of the eminent domain law and to deposit the total sum of probable just compensation fixed by the Superior Court in its order determining and establishing security for said immediate possession with the Clerk of said Superior Court in connection therewith.

Counsel is further authorized, pursuant to Section 30258 of the Public Utilities Code, to associate with, at its election, a private law firm for the preparation and prosecution of said proceedings.

I, MICHELLE JACKSON, Secretary of the Metropolitan Transportation Authority, do hereby certify that the foregoing Resolution was duly and regularly adopted by the Metropolitan Transportation Authority at a meeting held on the 27th_____ day of July, 2006.

MICHELLE JACKSON MTA Secretary Date:_____

APPROVED AS TO FORM: Raymond G. Fortner, Jr. County Counsel

BY<u>:_____</u>___

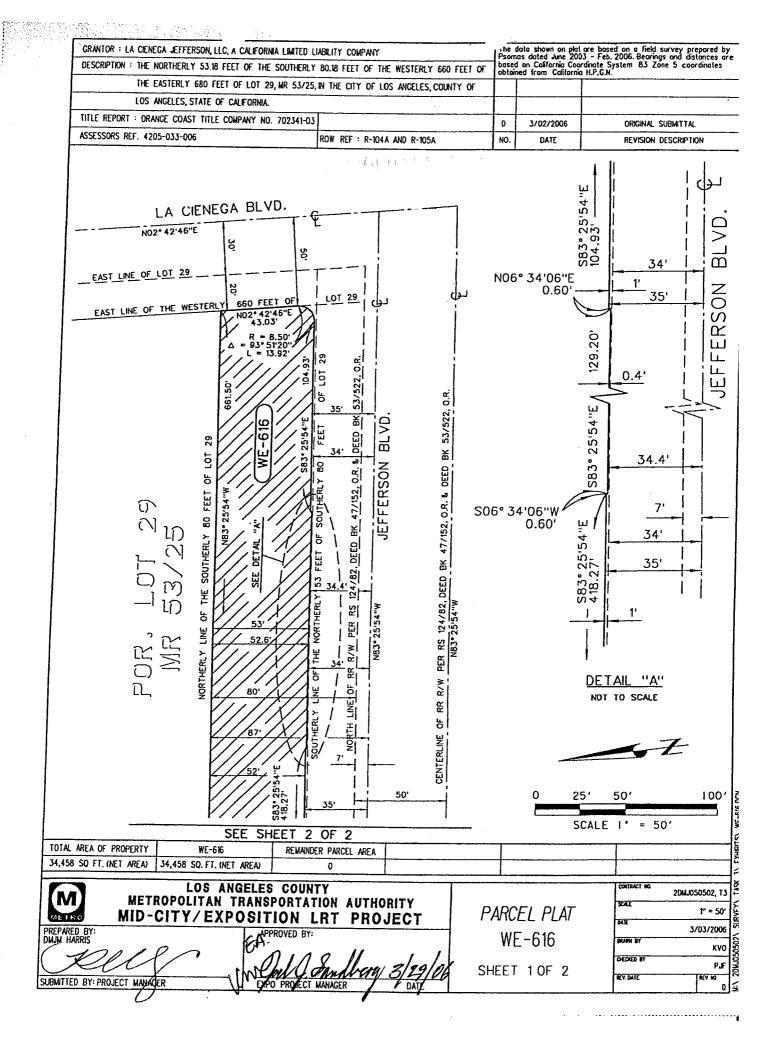
Exhibit "A"

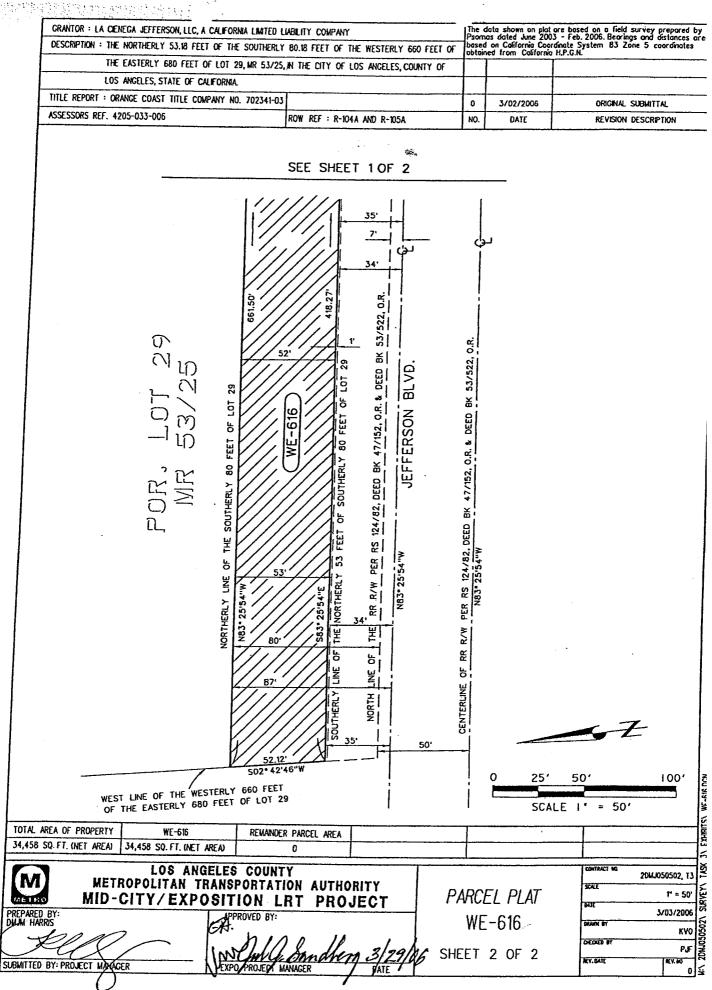
THE NORTHERLY 53.18 FEET OF THE SOUTHERLY 80.18 FEET OF THE WESTERLY 660 FEET OF THE EASTERLY 680 FEET OF LOT 29 IN THE SUBDIVISION OF THE SOUTHERN PORTION OF THE RANCHO RINCON DE LOS BUEVES, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 53 PAGE 25, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID NORTHERLY 53.18 FEET AND SAID SOUTHERLY 80.18 FEET BEING MEASURED ALONG THE EASTERLY LINE OF SAID LOT.

EXCEPT THEREFROM THE EASTERLY 20 FEET THEREOF.

ALSO EXCEPT THAT PORTION OF SAID LAND INCLUDED WITHIN THE FOLLOWING DESCRIBED LINES:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF LA CIENEGA BOULEVARD, 100 FEET WIDE "FORMERLY JEFFERSON BOULEVARD", AS SHOWN ON THE MAP OF TRACT NO. 14457, RECORDED IN BOOK 309 PAGES 25 TO 27 INCLUSIVE OF MAPS, RECORDS OF SAID COUNTY, WITH THE NORTHERLY LINE OF THAT CERTAIN STRIP OF LAND 100 FEET WIDE, AS DESCRIBED IN DEEDS TO THE LOS ANGELES AND INDEPENDENCE RAILROAD COMPANY RECORDED IN BOOK 47 PAGE 152 AND IN BOOK 53 PAGE 522, BOTH OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHERLY ALONG SAID PROLONGATION, A DISTANCE OF 27.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE WESTERLY PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT, A DISTANCE OF 661.47 FEET, MORE OR LESS, TO THE WESTERLY LINE OF THE EASTERLY 680.00 FEET OF SAID LOT 29; THENCE NORTHERLY ALONG SAID WESTERLY LINE, A DISTANCE OF ONE FOOT TO A LINE THAT IS PARALLEL WITH AND DISTANT 28.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM SAID SOUTHERLY LINE; THENCE EASTERLY ALONG SAID LAST MENTIONED PARALLEL LINE, A DISTANCE OF 418.27 FEET; THENCE SOUTHERLY AT RIGHT ANGLES, A DISTANCE OF 0.60 FEET; THENCE EASTERLY PARALLEL WITH SAID SOUTHERLY LINE, A DISTANCE OF 129.20 FEET; THENCE NORTHERLY AT RIGHT ANGLES, A DISTANCE OF 0.60 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 28.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM SAID SOUTHERLY LINE; THENCE EASTERLY ALONG SAID LAST MENTIONED PARALLEL LINE TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 8.50 FEET, AND BEING TANGENT AT ITS POINT OF ENDING TO SAID NORTHERLY PROLONGATION; THENCE NORTHEASTERLY ALONG SAID CURVE TO ITS POINT OF ENDING; THENCE SOUTHERLY ALONG SAID PROLONGATION TO THE TRUE POINT OF BEGINNING.





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