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Los Angeles County
Metropolitan Transportation Authority

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**PLANNING AND PROGRAMMING COMMITTEE
JANUARY 17, 2007**

SUBJECT: TEMPLE AND BEAUDRY JOINT DEVELOPMENT

ACTION: AUTHORIZE THE EXECUTION OF AN EXCLUSIVE RIGHT TO
NEGOTIATE FOR THE DEVELOPMENT OF METRO PROPERTIES
ADJACENT TO THE 101 FREEWAY AND TEMPLE STREET

RECOMMENDATION

Authorize the Chief Executive Officer to enter into an Exclusive Right to Negotiate (ERN) with Temple and Beaudry LLC (Developer) to develop a mixed-use project (as described in Attachment A) on Metro properties (the "Site", as shown on Attachments B and C) adjacent to the 101 Freeway and Temple and Beaudry Streets . The Developer team was deemed as qualified in response to RFP 01JD 2005 Central Area/Temple and Beaudry issued by Metro.

ISSUE

In February 2006 Metro received one proposal in response to the RFP for the development of the Metro Site located at the intersection of Temple and Beaudry Streets. The Developer's proposal team was interviewed and its proposal was also reviewed with Metro Operations to determine its compatibility with existing bus operations that will continue at the Site. The recommended proposal includes a mixed-use development with retail and housing elements and is responsive to the Metro Board adopted development guidelines (Attachment D) for this development site.

BACKGROUND

The Temple/Beaudry site was purchased in 1985 by Metro (then, SCRTD) under an Advanced Local Acquisition Grant for usage as a bus layover area. It has remained unimproved since that time. Metro's increased bus fleet and the need to improve existing Divisions (temporarily relocating bus storage), has resulted in an increase need for bus layover and bus storage areas. Since Metro's proposed operations use for the site is as a

lower intensity layover and storage area, staff considered using the air-rights above the facility for development.

Metro issued its RFP for the development of six separate development sites in October 2005, consistent with the Metro Board adopted joint development guidelines. Four of the six properties received development proposals. A separate board report is being submitted for each development site receiving proposals. The potential development sites included properties at three Metro Gold Line East Los Angeles extension stations, two Metro Red Line stations, and one bus layover area (Temple/Beaudry). Over two hundred national and local development and development industry related firms were notified by mail of the RFP resulting in over 80 plan holders downloading the RFP from the Metro website. Metro held a pre-proposal Conference at the Metro Headquarters Building on Monday November 14, 2005.

Proposed Use:

The Metro Board adopted station area development guidelines that included discussions with the City of Los Angeles council office representing this area (CD-1). This proposed development is responsive to those guidelines.

The proposed development site includes additional property controlled by the Developer adjacent to and west of the Metro site (approximately 7-8000 square feet) as well as an excess parcel owned by Caltrans adjacent to and immediately north of the Metro property (Attachment C). Metro proposes to acquire ownership of the Caltrans excess parcel to facilitate a more efficient bus layover area and to buffer the retail and residential uses from adjacent freeway.

The Metro bus lay over plaza/facility will include parking for approximately 24 buses and ancillary Metro staff accommodations, including restrooms. The housing and commercial project will be five stories containing 145 residential units over three levels of parking with 300 plus parking spaces for residential, retail (11,436 sf on ground floor) and Metro uses. Public subsidy is anticipated for some of the housing component, specifically the planned 15%+ of affordable residential units.

The selected firm's proposal provides several advantages to Metro. The most apparent advantage was the inclusion of an adjacent property to the west and inclusion of additional property next to the Freeway. The additional property provides a more useful assemblage of the site and improves the circulation and access to, and through the property.

FINANCIAL IMPACTS

Funding for the efforts supporting joint development activities are budgeted in (**Real Property Management & Development budget**). This development will produce annual revenue starting upon commencement of construction in 2009).

SELECTED TEAM MEMBERSHIP

The firms presenting the proposal include:
Neimann Properties (Neimann, President)
Polis Builders (Nick Patsaouras, President)

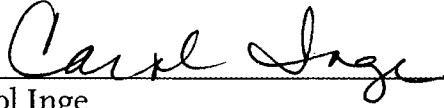
NEXT STEPS

Staff will negotiate terms and conditions with the selected firm and return to the Metro Board for a request to enter into a Joint Development Agreement and Land Lease. Staff has already begun the process of securing additional property for the bus layover from Caltrans.

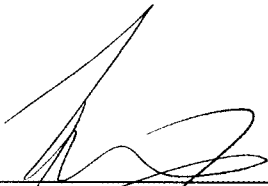
ATTACHMENTS

ATTACHMENT A: Conceptual Rendering
ATTACHMENT B: Metro Owned Property, Temple and Beaudry
ATTACHMENT C: Metro Owned Property, Temple and Beaudry (Aerial)
ATTACHMENT D: Summary of Development Guidelines

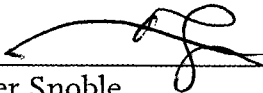
Prepared by: Diego Cardoso, Director, Central Area Planning Team
Robin Blair, Transportation Planning Manager



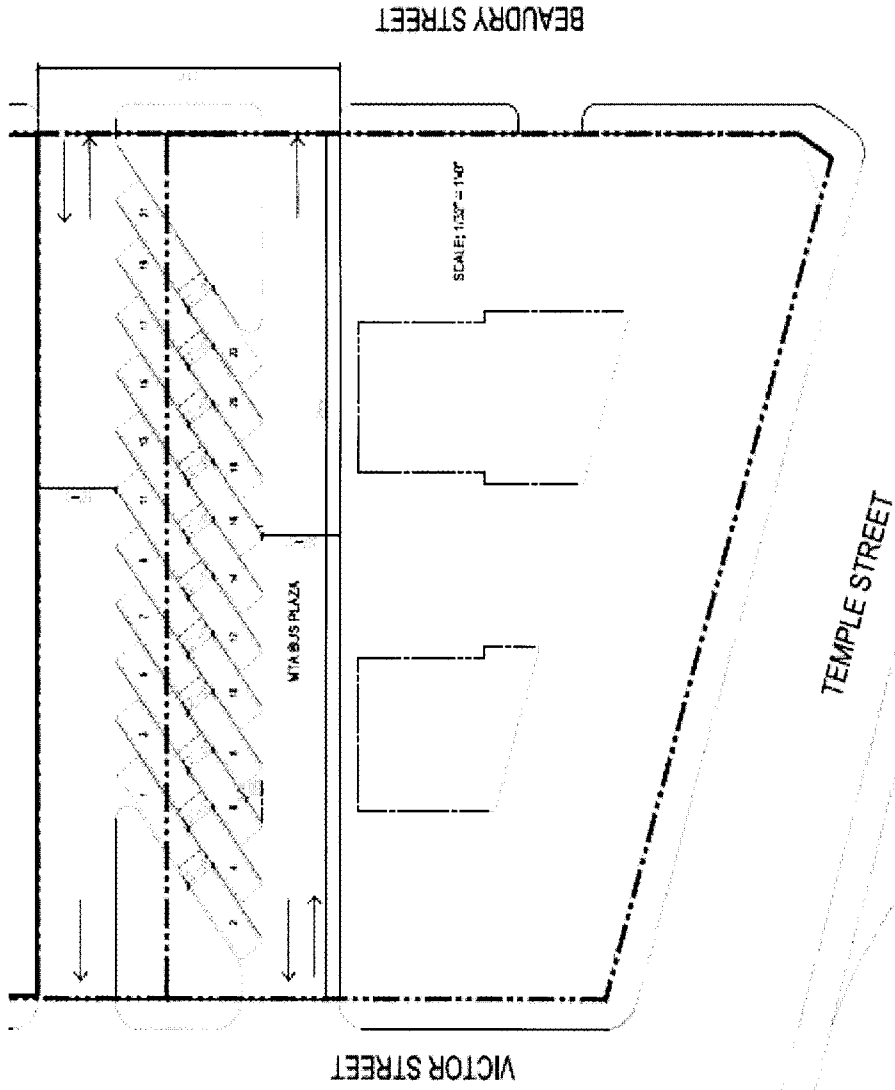
Carol Inge
Chief Planning Officer



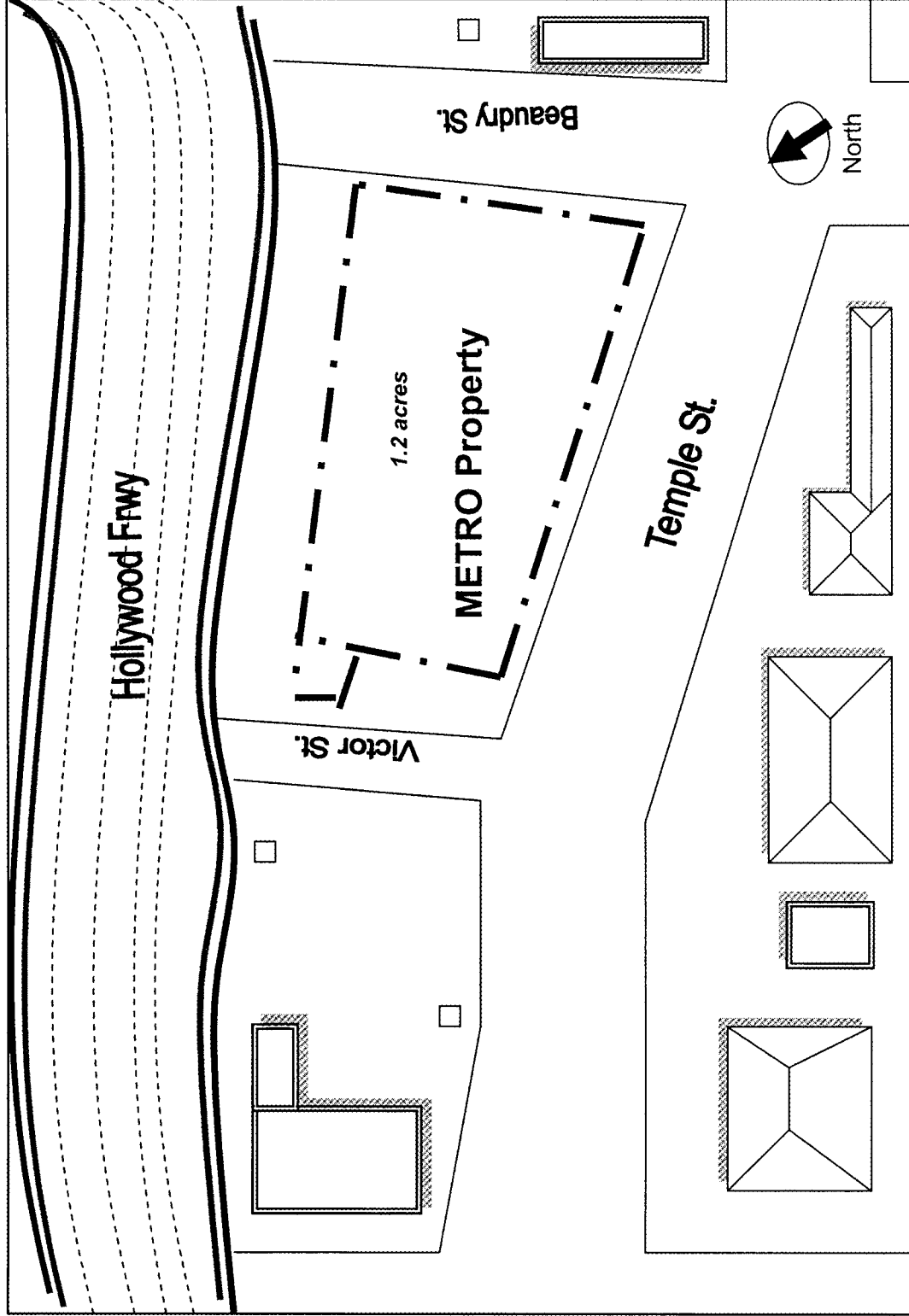
Roger Moliere
Chief, Real Property Management & Development

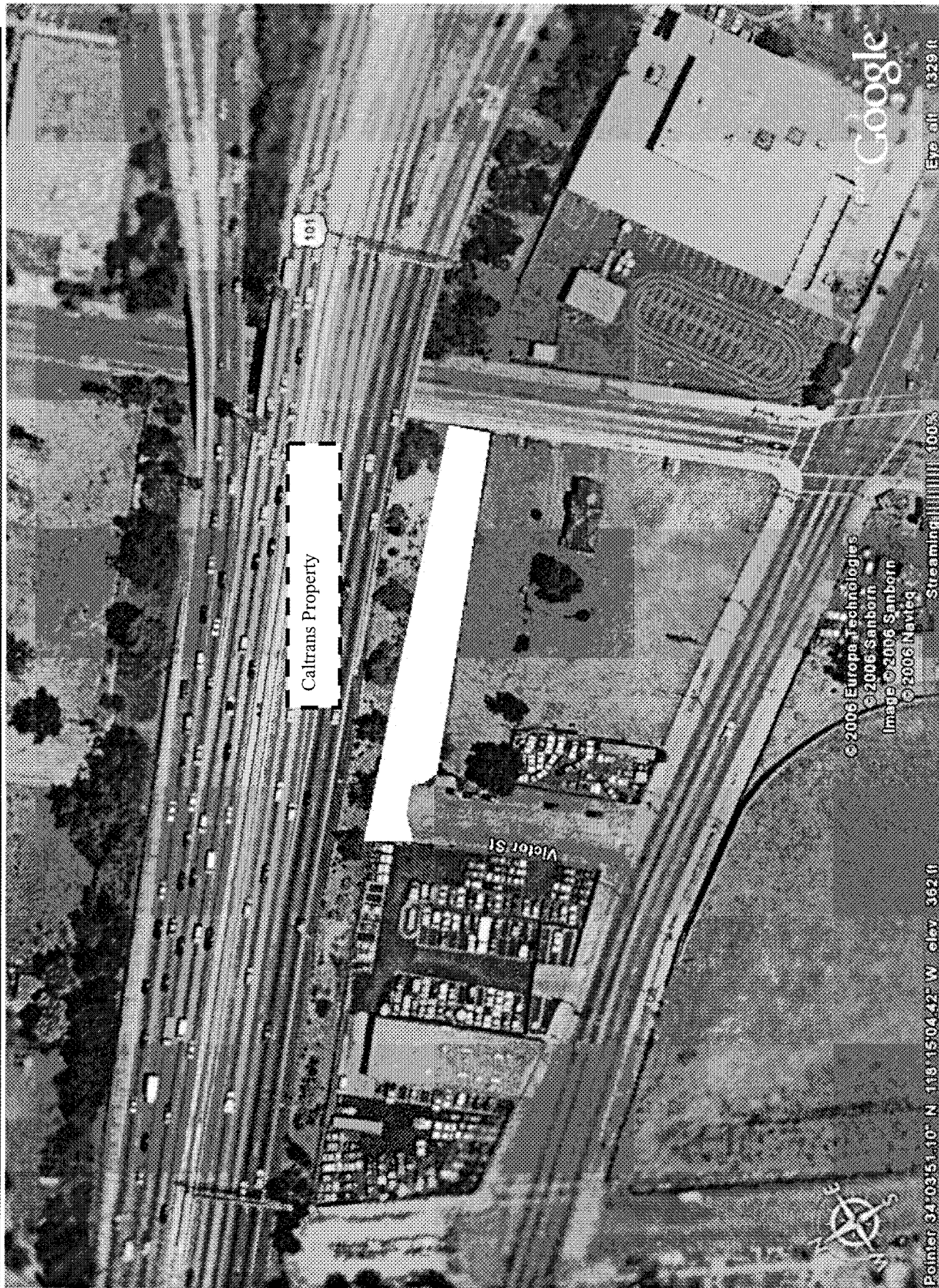


Roger Snoble
Chief Executive Officer



ATTACHMENT B





Pointer: 34°03'51.10" N 118°15'04.42" W elev. 362.0
Temple Beaudry

© 2006 Europa Technologies
© 2006 Sanborn
Image © 2006 Sanborn
© 2006 Navteq

Streaming 100%

Eye alt. 1329 ft

ATTACHMENT D

SUMMARY OF DEVELOPMENT GUIDELINES

Los Angeles County Metropolitan Transportation Authority

Temple/Beaudry Bus Layover
Conceptual Development Guidelines

SITE CONDITIONS AND HISTORY

The Metro owned property consists of approximately 1.2 acres adjacent to the 101 Freeway to the North, Beaudry Avenue to the east, Temple Avenue to the South and Victor Street (dead ends into the Freeway) to the West. The Metro parcel is directly north of vacant parcels designated as part of the proposed Los Angeles Unified District High School (Belmont). The surrounding area consists mainly of vacant land and some commercial structures to the south and east. A moderate density residential area exists several blocks to the west.

AREA PLANS AND ZONING

1117-1119 West Temple

Westlake Plan Area

Central City West Specific Plan (ordinance)

Zoning:

P-F (CW) -O Public Facility / O Oil Drilling

M R 7-26/27 Light industrial uses/public facilities

Joint uses on this property will require a use variance or zone change.

COMMUNITY VISION

In the early 1990's the City of Los Angeles adopted an extensive specific plan for this area in anticipation of the Central Business District of Los Angeles expanding west across the 110 Freeway. The Central City West Specific Plan (CCWSP) included Metro's Temple/Beaudry site. Air rights development of the site is reasonably responsive to the CCWSP specific plan and is consistent with staff discussions with the Council Office for this area. Staff has recommended consideration of a joint use of the property that would include housing over Metro's bus layover area. The project designs and set backs would be in general conformity with the CCWSP design guidelines.

The isolated location of the site with the northern edge bordering the freeway, limited potential impact to any residential uses and, with the majority of adjacent properties either being vacant (including the under construction high school athletics fields) or back office type commercial uses, limited the advantages of having a formal community outreach program for this site.

DEVELOPMENT GUIDELINES

The site will remain an active bus layover facility inclusive of approximately 24 or more bus parking stalls and the related driver service facilities such as restrooms and waiting area. Development of this site requires that a temporary relocation site is provided by the development firm or that development is coordinated to allow continuous operation during construction of the new development.

This site's development scenario would likely consist of a mixed-use residential/commercial on top of the layover area. Architectural features or a shallow retail face on the Temple and Beaudry corner to screen the bus parking/operations is desirable. Any development must consider mitigations of noise (freeway/bus) or activities arising from the storage and operations of the buses and, present an attractive and desirable building frontage facing the public roadway.

These guidelines envision multi-family residential above the layover area with the potential for limited street level retail to assist screening the layover area. There exists a shortage of multi-family housing in the area and housing in proximity to the adjacent High School. These shortages combined with the current market conditions support housing as a predominate use at this location. Market rate residential is financially supportable at this location, but any project would have to respond to the specifications of the city council office and city planning. If public subsidies are available, then affordable housing is appropriate and would likely be well received in the market. Potentially, demand may exist for both family and senior projects. Metro will consider other uses that support continued operation of the site as a bus layover and present an attractive and complimentary appearance to the community.

