



**Metro**

Metropolitan Transportation Authority

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**CONSTRUCTION COMMITTEE  
FEBRUARY 15, 2007**

**SUBJECT: METRO GOLD LINE EASTSIDE EXTENSION  
INDIANA STREET LRT STATION  
LAUSD RAMONA OPPORTUNITY HIGH SCHOOL**

**ACTION: APPROVE AN EXTENSION OF TIME TO THE AGREEMENT FOR  
THE PROPERTY EXCHANGE BETWEEN METRO AND LAUSD**

**RECOMMENDATION**

- A. Approve an extension of time from the previous Board-approved deadline of February 15, 2007, to allow both parties to fulfill the obligations of the Exchange Agreement With Escrow Instructions, Funding and Reimbursement Agreement and Development Agreement Between LACMTA and LAUSD (the "Agreement") and
- B. Authorize the CEO to execute an amendment to the Agreement to extend the close of escrow beyond the current February 15, 2007 closing date, to a date agreed upon by both parties, subject to both parties fulfilling the conditions to close under the Agreement.

**ISSUE**

On June 22, 2006 the Metro Board of Directors authorized the Chief Executive Officer to finalize and execute the Exchange Agreement With Escrow Instructions, Funding and Reimbursement Agreement and Development Agreement Between LACMTA (Metro) and LAUSD (Los Angeles Unified School District) for the exchange of properties and the rebuilding of Ramona Opportunity High School. The Agreement was executed on July 27, 2006. The property exchange is required for Metro to build the Metro Gold Line Eastside Extension Indiana Street Light Rail Transit Station on a portion of the Ramona Opportunity High School site that is currently owned by LAUSD. An extension of time from the previous Board-approved deadline of February 15, 2007 is required to allow both parties to fulfill the conditions to close escrow under the Agreement.

## **BACKGROUND**

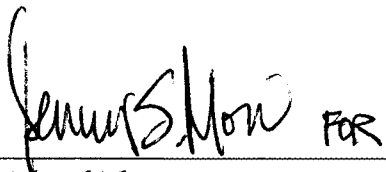
On October 26, 2006, the Metro Board approved the current February 15, 2007 deadline to allow both parties to fulfill the obligations. Also, the funding plan to rebuild Ramona Opportunity High School and allow the property exchange has been approved by the Metro Board of Directors and the LAUSD Board of Education. As part of the Agreement, Metro has acquired 9 (nine) properties on Alma Avenue that will be transferred to LAUSD at the close of escrow. Under the Agreement as one of the conditions to close escrow, LAUSD requires that Metro receive a letter of "No Further Action" from the Department of Toxic Substance Control (DTSC) before transferring ownership of the Alma Avenue properties to LAUSD. Metro began the DTSC process in November 2006, and has met all of the DTSC requirements to date. However, recently the DTSC notified Metro indicating that they will require additional time to issue the letter of "No Further Action".

Therefore, staff recommends that the Agreement be amended so that the deadline is extended to a date that will allow both parties to fulfill the conditions to close escrow under the Agreement.

## **ALTERNATIVES CONSIDERED**

The Metro Board of Directors could decide to not approve a time extension for the close of escrow. However, this is not recommended because it would not allow sufficient time for both parties to fulfill the conditions to close escrow.

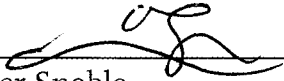
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