



December 6, 2002

Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

**TO:** BOARD OF DIRECTORS

**THROUGH:** ROGER SNOBLE  
CHIEF EXECUTIVE OFFICER

**FROM:** JAMES L. de la LOZA  
EXECUTIVE OFFICER  
COUNTYWIDE PLANNING AND DEVELOPMENT

**SUBJECT:** WILSHIRE & VERMONT JOINT DEVELOPMENT  
PROJECT; INITIATION OF EXCLUSIVE NEGOTIATIONS  
WITH URBAN PARTNERS, LLC.

**ISSUE**

On June 27, 2002, the Board authorized staff to enter into an Exclusive Negotiation Agreement (ENA) with Urban Partners, LLC for the Wilshire and Vermont joint development project.

On November 5, 2002, the ENA was signed by the MTA and Urban Partners, LLC for the development of a mixed use commercial and residential project, and a Los Angeles Unified School District (LAUSD) funded middle school. This action commences the six-month negotiating period that will culminate on or before May 5, 2003. MTA staff, with the assistance of its joint development consultant, will negotiate in good faith to establish definitive financial arrangements and a development schedule. At the end of the negotiation period, staff will prepare a draft Development Agreement and Ground Lease for Board consideration.

**BACKGROUND**

On June 27, 2002, the MTA Board of Directors authorized the Chief Executive Officer to enter into a six-month Exclusive Negotiation Agreement (ENA) with Urban Partners, LLC for the development of approximately 5.8 acres of MTA-owned properties located at the Wilshire and Vermont Metro Red Line Station. Urban Partners, LLC, proposes to build a mixed-use, transit-oriented development that would include, approximately 380 housing units, 30,000 square feet of commercial uses, and an LAUSD middle school. Additionally, Urban Partners, LLC proposes to develop 700 below grade parking spaces for the residential and commercial development and 76 parking units for the LAUSD middle school.

Urban Partners will build the LAUSD middle school as part of the overall development, but will have a separate construction contract with LAUSD. The MTA is making available approximately 2.9 acres of the MTA development site for the LAUSD middle school usage. LAUSD will purchase the middle school portion of

the site from the MTA for the commercial and residential development. Urban Partners will design and construct both the middle school and the commercial/residential development as an integrated development.

#### **NEXT STEPS**

A draft Development Agreement for the development of the entire project will be presented to MTA Board for their consideration. Additionally staff anticipates presentation to the MTA Board of a Purchase and Sale agreement for that portion of the property to be used for the LAUSD middle school and a Ground Lease for the residential and commercial portions of the project. All documents are anticipated to be presented by the MTA staff to the MTA Board prior to the expiration date of the ENA (May 5, 2003).