



March 28, 2001

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

TO: BOARD OF DIRECTORS

FROM: THOMAS K. CONNER *Thomas Conner*
EXECUTIVE OFFICER, OPERATIONS

SUBJECT: MTA DIVISION 1 LAND ACQUISITION AND EXPANSION

ISSUE

The Board approved and certified the Initial Study/Mitigated Negative Declaration (IS/MND) for the Division 1 Land Acquisition and Expansion Project at its February 22, 2001 Board meeting. The Board also approved two motions that instructed staff to:

1. Consult with adjacent property owners to the proposed expansion site in order to determine if the MTA expansion can be achieved while accommodating the expansion and economic development efforts of the adjacent businesses; and,
2. Work with the adjacent property owners on mitigating potential noise impacts.

BACKGROUND

The Division 1 expansion required the acquisition of approximately 115,00 square feet of vacant and undeveloped contiguous parcels generally located at 1345 East 7th Street in the City of Los Angeles. The parcels are located immediately south of the existing Division 1. Staff had obtained an appraisal of the parcels and was prepared to make an offer to acquire the parcels immediately after the Board's action on February 22, 2001. A conditional offer to acquire the parcels for the amount of MTA's appraisal was submitted to the owner's representative on February 23, 2001. A response was received from the owners' representative dated March 1, 2001, which indicated that the property was sold to another entity on March 1, 2001.

Staff was aware that the property had been in escrow with an adjacent property owner for almost a year and had not closed. Apparently after receiving MTA's offer, the owners and the adjacent property owner quickly reached agreement on a purchase price and closed the transaction.

MTA staff previously met with the prospective buyer of the expansion site on February 16 to discuss the buyer's plans for the site and to determine if joint use of the site was possible. The buyer, Alameda Produce Market ("APM"), has plans to build a multi-story garage on the site. The plans could be adjusted to accommodate

bus parking on the first level and commercial auto parking on the upper level. A subsequent meeting was held with APM's architect on February 23rd to review MTA's design criteria for enclosed bus parking.

During the public comment period and at the February 22nd Board meeting, a representative from the adjacent Central Hotel stated that the project would create additional noise that would affect the hotel's operations. We are currently in the process of performing additional noise analysis that focuses on the project's impacts to the Central Hotel. We will continue to work with the property owner to develop a project that would not contribute significant noise to existing conditions.

NEXT STEPS

Since Alameda Produce Market has purchased the parcel for an amount that is higher than MTA's offer price, staff is pursuing working with them to jointly develop the site. APM's architect has been given all of the Division's expansion design criteria so that a conceptual design plan could be developed. Subsequent meetings will be held to work out a plan that meets the requirements of both entities. If agreement were reached that that site could physically work for both uses, a joint development proposal would then be prepared which would, among other things, show how the joint uses would function as well as identify the financial participation requirements of the MTA. The proposed joint development concept and financial terms would be brought to the Board for consideration.

Noise measurements have been taken at the hotel and staff is working to finalize the conclusions of the noise study. However, staff continues to work with surrounding property owners to develop a project that is both compatible with the surrounding development and inclusive of appropriate mitigations for any significant impacts. It is premature to offer any specific mitigation until we have an actual project plan and can estimate the noise impacts on a particular property due to specific project design.

A Board Report will be presented with our findings and recommended course of action.