



JULY 18, 2003

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

TO: BOARD OF DIRECTORS
[Signature]

THROUGH: ROGER SNOBLE
CHIEF EXECUTIVE OFFICER

FROM: JAMES L. DE LA LOZA
EXECUTIVE OFFICER
[Signature]
COUNTYWIDE PLANNING AND DEVELOPMENT

SUBJECT: WESTLAKE/MACARTHUR PARK JOINT
DEVELOPMENT PROJECT; INITIATION OF EXCLUSIVE
NEGOTIATIONS WITH MACARTHUR PARK, LLC.

ISSUE

On February 20, 2003, the Board authorized staff to enter into an Exclusive Negotiation Agreement (ENA) with MacArthur Park, LLC for the Westlake/MacArthur Park joint development project.

On June 23, 2003 the ENA was signed by the MTA and MacArthur Park, LLC for the development of a mixed use commercial and residential project. This action commences the six-month negotiating period that will culminate on or before December 23, 2003. MTA staff 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 February 20, 2003, the MTA Board of Directors authorized the Chief Executive Officer to enter into a six-month Exclusive Negotiation Agreement (ENA) with MacArthur Park, LLC for the development of approximately 3.6 acres of MTA-owned properties located at the Westlake/MacArthur Park Metro Red Line Station. MacArthur Park, LLC, proposes to build a mixed-use, transit-oriented development that would include 86,660 square feet of retail space, 310 residential units and 483 parking spaces. The council office for this area has also requested the development of a police substation concurrent and integrated with this development.

NEXT STEPS

A draft Development Agreement for the development of the project will be presented to MTA Board for their consideration.