





# Metro

March 5, 2004

TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE  
CHIEF EXECUTIVE OFFICER 

FROM: JAMES L. DE LA LOZA  
EXECUTIVE OFFICER 

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

## ISSUE

The Exclusive Negotiation Agreement (ENA) with MacArthur Park, LLC for the Westlake/MacArthur Park joint development project has expired as of January 2004. Staff has continued to work in good faith with the principals of MacArthur Park, LLC, in a non-exclusive way for completion of the terms and conditions for a development to take place at this location. Staff believes that the terms of a successful development agreement will be completed and presented to the MTA Board in March/April of 2004 for their review.

## BACKGROUND

On February 20, 2003, the Board authorized staff to develop and to enter into an Exclusive Negotiation Agreement (ENA) with MacArthur Park, LLC for the Westlake/MacArthur Park joint development project. MacArthur Park, LLC submitted an un-solicited offer to develop to the MTA and was not part of any competitive process. By July 2003 the ENA was completed and signed by the MTA and MacArthur Park, LLC for the development of a mixed-use commercial and residential project. This action commenced the six-month negotiating period that culminated at the beginning of January 2004. Since the ENA has expired there no longer exists an exclusive agreement with the principals of MacArthur Park, LLC. MTA staff has continued to review development and financial terms and conditions from the MacArthur Park, LLC for the development of the MacArthur Park station sites. Discussions have included establishing definitive financial terms and conditions and a development schedule subject to MTA Board acceptance and approval. The efforts are expected to result in the terms for a Development Agreement and Ground Lease for Board consideration in March/April 2004.

MacArthur Park, LLC, proposes to build a mixed-use, transit-oriented development at the MTA station that would include 199 residential units, 50,400 square feet of retail space and 503 parking spaces with 200 of the spaces for transit users. The proposed development would include 2.75 acres of the 3.65 acres of MTA owned property at this

location. The project is proposed in two primary phases with a potential adjacent third phase added without using MTA properties. The potential third phase would be development in excess of the units and square footage listed about.

### **NEXT STEPS**

A detailed list of proposed terms and conditions will be presented to the MTA Board for their consideration at the March/April 2004 Board meeting.

Attachment A: Map of MTA property at the Westlake/MacArthur Park Metro Station

# MacArthur Park

Alvarado Street

Wilshire Boulevard

Westlake Avenue

Bonnie Brae Street

7<sup>th</sup> Street

Approximately 3.65 acres

MTA property

MTA property

MTA property  
Station Tunnel Box

MTA

MTA property

MTA property

North

