

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: February 19, 2009

Reference No.: 2.4d.(2)
Action Item

From: CINDY McKIM
Chief Financial Officer

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Chief
Division of Right of Way and
Land Surveys

Subject: **CONCEPTUAL APPROVAL FOR THE SALE OF STATE OWNED PROPERTY
LOCATED IN THE CITY OF EL MONTE**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission approve, in concept, the sale of State owned property to the Los Angeles County Metropolitan Transportation Authority (LACMTA). This property, located in the city of El Monte, is currently being used as a parking lot to serve the El Monte Transit Center that includes a bus station and other commuter parking facilities.

ISSUE:

Conceptual approval is needed so that the City of El Monte (City) can proceed in its efforts to secure Proposition 1C funds to construct a transit oriented development on a portion of the parking lot, as well as other properties owned by the City and LACMTA. When acquired, LACMTA will sell their interest in the subject property at cost to the City's Redevelopment Agency. As a condition for Proposition 1C funding, the City must show it has control of the required property. The proposed sale to LACMTA and subsequent sale to the City's Redevelopment Agency will accomplish this.

BACKGROUND:

The subject property is located in the city of El Monte and is currently being used as a parking lot for the El Monte Transit Center. The center includes a bus station and other commuter parking facilities. The Federal Highway Administration (FHWA) provided funds to the Department for the purpose of constructing and operating commuter parking lots. The El Monte Transit Center parking lots shown as "C-1" and "C-2" on the attached aerial photograph, were completed in 1974 via the 1973 El Monte Parking Lot Agreement between the Department and the predecessor to LACMTA. The parking lots provide vehicle parking for bus passengers using the San Bernardino Freeway busway to and from Union Station in downtown Los Angeles. As per the agreement, the Department was to retain "full rights of ownership" of the land and parking lot improvements, and LACMTA could use it "for vehicle parking and ingress and egress to the El Monte Transit Center, for their bus services". Additionally, per the agreement, "if either party offers any of its land and

improvements hereunder for sale, the other party shall have the first right of refusal to purchase the same at fair market value.”

Lot C-1 is a ground level parking lot currently containing 794 parking spaces with an access street to Lot C-2. Lot C-2 is improved with a parking lot and six LACMTA owned bus bays, an administration building, and a parking structure. It is unclear how many commuter parking spaces are currently available in Lot C-2 because some spaces are used by LACMTA for bus parking, employee parking and other administrative uses. The 2005 Joint Use Agreement between the Department and LACMTA, which allowed for the construction of the on-site LACMTA office building and use of certain existing parking spaces for employee parking, requires LACMTA to provide 2,018 dedicated commuter parking spaces (which was the maximum number of parking spaces available during the life of this facility), regardless of the current number of available parking spaces.

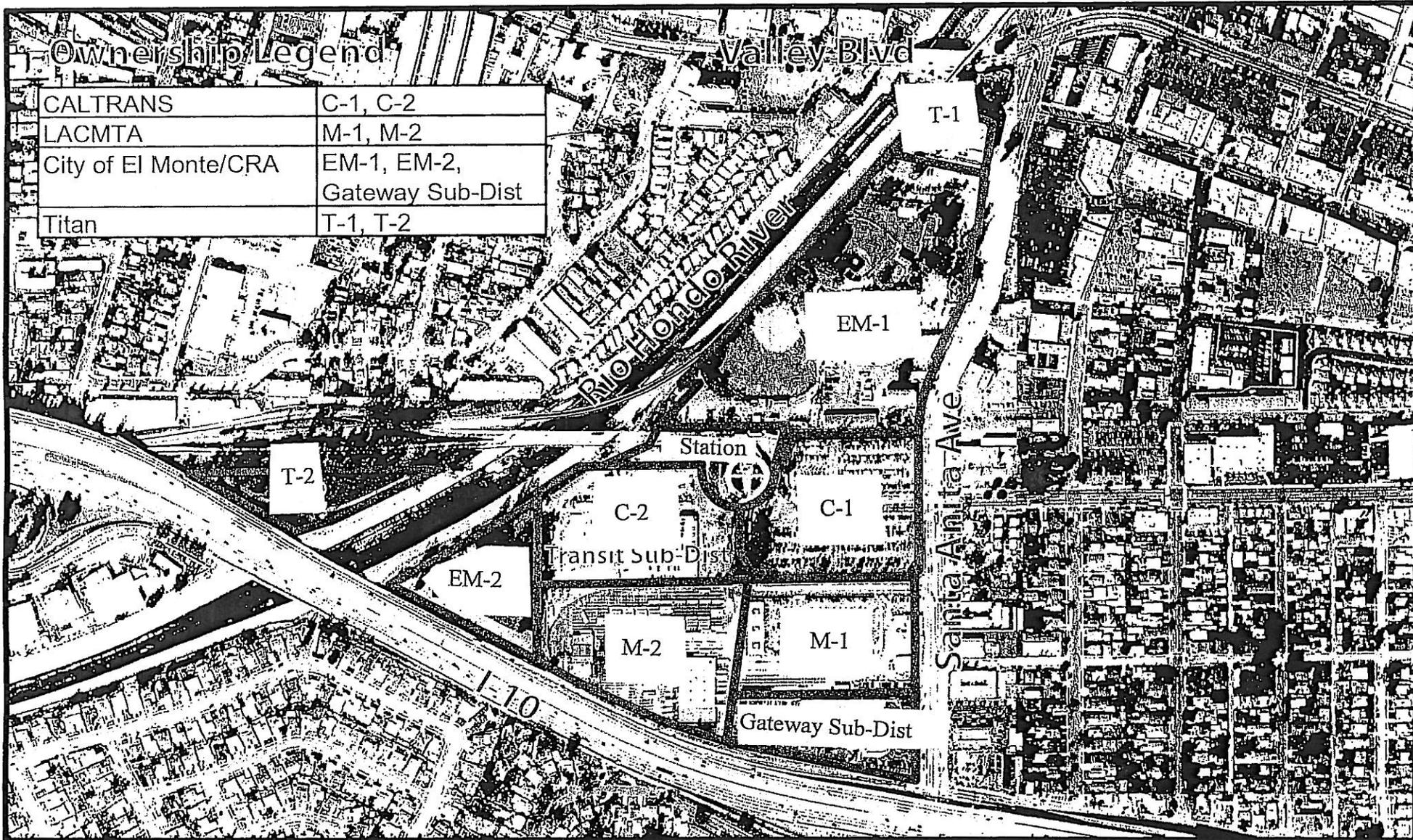
Recently, LACMTA has been working cooperatively with the City, its Redevelopment Agency and the Department on the City’s proposal to construct a transit oriented development on the El Monte Transit Center parking lot as well as properties owned by the City and LACMTA. The City is currently seeking Proposition 1C funds to assist in this project. The City’s proposal requires that it obtain a portion of Lot C-1. As per the City’s *El Monte Transit Village Specific Plan*, the portion of Lot C-1 the City seeks to obtain would be improved as a commercial and residential development called the *North Promenade Village*. The Department is agreeable to selling a portion of Lot C-1 as long as certain commuter parking replacement and preservation conditions (outlined below) are met. LACMTA has expressed its intent to exercise its right of first refusal to buy the property with the intent of reselling the property to the City’s Redevelopment Agency for development under the City’s specific plan.

Terms of any sale for the Department owned property to LACMTA will include the following provisions:

- A) Purchase price for the portion of Lot C-1 from the Department by LACMTA will be at fair market value, contingent upon the City receiving necessary Proposition 1C or other funds needed to complete its purchase of the C-1 property from LACMTA for same value.
- B) Profit sharing with the Department in the event any profits realized by LACMTA by the sale of Lot C-1 to the City.
- C) No sale of any portion of Lot C-1 will be completed until commuter parking has been replaced in a manner acceptable to the Department and the FHWA, and its continued availability for transit patron use in perpetuity has been ensured through a Department and FHWA-approved commuter parking agreement that shall be binding upon any new and future owner of the property. This agreement shall require the replacement of all displaced parking spaces up to 2,018 spaces as provided in the 2005 Joint Use Agreement between the Department and LACMTA.

- D) LACMTA and the City shall fully indemnify the Department against any liability resulting from existing hazardous waste contamination on Lot C-1 including costs associated with working on property overlying the San Gabriel Superfund Site.

Attachment



Ownership Legend:

CALTRANS	C-1, C-2
LACMTA	M-1, M-2
City of El Monte/CRA	EM-1, EM-2, Gateway Sub-Dist
Titan	T-1, T-2

OWNERSHIP MAP

