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TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON *PAW*
CHIEF EXECUTIVE OFFICER

FROM: THERESE MCMILLAN *TMC*
CHIEF PLANNING OFFICER

SUBJECT: UNION STATION MASTER PLAN UPDATE

ISSUE

In October 2014, the Metro Board adopted a set of recommendations that move the USMP from planning to implementation, including an Initial Implementation Plan (IIP). In the two years since then, staff has worked diligently on several aspects of the IIP, and the Regional Rail department has begun the design and engineering for the Link US project. This Board Box provides a summary of implementation efforts to date, details changes to the approach to redevelopment of Los Angeles Union Station (LAUS) given new studies and plans, and includes a revised implementation for redevelopment of Los Angeles Union Station (LAUS) (Attachment A) based on updated information and direction since October 2014.

DISCUSSION

Metro purchased Los Angeles Union Station (LAUS) in 2011 and shortly thereafter initiated the master planning process with Gruen Associates (prime) and Grimshaw Architects (design lead) (together, the "USMP Consultants"). After a two-year planning process that included extensive stakeholder engagement and briefings and presentations to the Board of Directors and other key stakeholders, a series of recommendations to transition the USMP from planning to implementation was approved by the Board of Directors in October 2014 along with the IIP.

USMP Implementation Activities to Date

Since the 2014 Board action, major USMP implementation activities have included:

- March 2015: Staff submitted Prerequisite Preliminary Application for the LEED ND precertification process;
- June 2015: An Environmental Consultant, Kleinfelder, was issued a notice to proceed to prepare the USMP Program EIR;
- October 2015: the Board approved an expansion of the Link US project to include the USMP-recommended multi-modal passenger concourse under the rail yard and accommodation of a high-speed rail system at the rail yard

- October 2015 USMP Consultants finalized the USMP Summary Report;
- USMP Stage 1 Perimeter Improvements:
 - May 2015: \$1 million grant agreement between Metro and the Los Angeles County Regional Park and Open Space District executed for improvements connecting Father Serra Park to El Pueblo and Union Station
 - October 2015: Metro awarded \$12.3 million in Caltrans ATP Cycle 2 funding for the Alameda Esplanade project;
 - June 2016: Staff submitted a \$5.3 million grant in Caltrans ATP Cycle 3 funding for the Los Angeles Street crossing (funding not awarded);
- August 2016: Selection of a consultant team to develop a Sustainability Strategic Plan that will focus on funding strategies for the LAUS forecourt, reinforce the sustainability identity for LAUS and identify short term demonstration projects;
- Staff has had ongoing coordination with:
 - Various departments at the City of Los Angeles to establish the parameters of a partnership to design, fund, and implement the USMP Stage 1 Perimeter Improvements;
 - The City of Los Angeles Department of City Planning to execute an MOU for the amendment to the Alameda District Specific Plan (ADP); and
 - Metro Regional Rail regarding the Link US project.

Concurrent with these longer term planning efforts, the Director of Union Station Property Management and his team have continued immediate improvement activities, including historic preservation, painting, re-roofing, a new HVAC system, and tenant improvements for new restaurants/grab and go options. In addition, Metro Art Presents has partnered with local artists and arts organizations to provide a popular and diverse range of high quality, all ages arts and cultural activities on a year-round basis. Property management, leasing and arts-related activities are assumed to be ongoing and are not the subject of this Board Box.

New Developments/Changes to Union Station Redevelopment Plans

As with any long term plan, as individual projects and studies progress certain elements change and new directions are identified. Below is a summary of fundamental changes to Metro's approach to the redevelopment of LAUS:

- **High Speed Rail.** The USMP included a "preferred" approach to High Speed Rail (HSR), located on the east side of Vignes below grade under the City-owned Piper Tech facility. Because Metro was ahead of the California High Speed Rail Authority's ("Authority") planning efforts for LAUS, the plan was careful to ensure that other approaches to a HSR station at LAUS were compatible with the main transportation improvements recommended. In October 2015 the Board approved a recommendation to accommodate High Speed Rail at the LAUS rail yard, to be studied and engineered in conjunction with the Link US project.

- **Relocation of Patsaouras Plaza.** Relocation of Patsaouras Bus Plaza to the west side of LAUS, at the level of the rail yard and in a north/south configuration, was a key transit improvement approved by the Board as part of the USMP. The other main transit improvement was the creation of a large multi-modal concourse in an east/west configuration, to be achieved by a dramatic expansion of the existing passageway. As noted above, building the portion of this multi-modal concourse located directly under the rail yard is now part of the Link US project. Over the past two years, staff made efforts to identify funding sources for bus plaza relocation, which is estimated to cost \$700 M. These included efforts to include the bus plaza as a project in the “Systemwide Improvements” category of the proposed Measure M projects as well as a study of the cost for using tax-exempt bonds to finance the project. Staff also held a series of meetings with Executive Management from Metro Operations as well as Engineering and Construction to determine the priority of this proposed transit improvement. While all parties agreed that the bus plaza relocation recommendation best achieves the many goals set forward by the USMP, at this time there is not a clear commitment to prioritizing funding for this project over other critical transit investments. Based on the limited funding availability and prioritization of other systemwide transit improvements, at this time staff is no longer assuming relocation of Patsaouras Bus Plaza as a short or medium term transit improvement.

- **Programmatic Environmental Impact Report (PEIR).** Staff kicked off the PEIR in June 2015 and held the public scoping meeting in March 2016. The PEIR was to include a Program-level clearance for the transit improvements proposed in the USMP and a Project-level clearance for the “Stage 1 Perimeter Improvements” which include Alameda Street, Los Angeles Street, and the LAUS forecourt. The PEIR team had the difficult task of ensuring that the cumulative impacts of Link US and HSR assessed in the USMP Program are consistent with the expected Project-level impacts of the Link US project, as well as accommodation of High Speed Rail at the rail yard. As the Link US and High Speed Rail project studies progressed, the PEIR study consistently modified assumptions to acknowledge changes to the original USMP concept and initiated new studies in support of new information and direction from these projects.

With the recent determination that relocation of the bus plaza is not a short or medium term priority, and the extent of changes to USMP-identified transit improvements, it has become evident that the Link US and HSR projects, through their respective Project-level clearances, are best suited to determine impacts and mitigations for their respective projects. Staff has determined that the most cost and time efficient path forward is to shift from seeking a Program-level clearance for the USMP and instead only clear Perimeter Improvements identified by the USMP at a Project-level. Any Program level and/or additional Project level clearances related to the USMP can be sought at a later date, as appropriate. The USMP PEIR contract is being modified to re-scope the environmental process and clear the Alameda and Los Angeles Street perimeter

improvements at the Project level. Additionally, staff will seek Board authority in January 2017 to amend the environmental contract to include NEPA clearance for the Alameda and Los Angeles Street improvements. The Project-level clearance for the USMP improvements will be completed by Summer 2017 and Link US will be completed by December 2017.

- **Commercial Development.** The USMP anticipated 3.25 M square feet of development opportunities spread across both the east and west sides of the station. As conceived through the USMP study, commercial development potential at LAUS is unlocked by the relocation of Patsaouras Bus Plaza, which created (1) an opportunity to reconfigure the east side of the LAUS property; (2) overbuild opportunities above the new bus facility on the west side of the station; and (3) development potential on the west side of the station through the acquisition and demolition of the Mozaic apartments. Because relocation of Patsaouras Bus Plaza is no longer a near term expectation, staff will pursue a different strategy for seeking commercial development on the LAUS property.

The Joint Development team is exploring the feasibility of releasing a Request for Interest and Qualifications (RFIQ) for the redevelopment of the east side of LAUS, once the Link US project has reached 35% design and its footprint/elevation is clear. If determined a feasible approach to commercial development, the RFIQ will not assume changes to Patsaouras Bus Plaza, but will allow for the relocation or reconfiguration of the plaza subject to operational parameters being met. In order to ensure that a potential RFIQ reflects accurate technical information about the development opportunities on a complicated, multi-modal site, staff will seek Board authority in January 2017 to amend the USMP contract to allow the USMP Consultants to assist with development of the RFIQ, with emphasis on: identifying the development pads; bus and transit patron operational needs; and structural retrofits needed to support commercial development. The USMP Consultants would also provide support in reviewing potential development proposals for structural feasibility and compatibility with optimizing transit functions at the station. Staff will also seek a financial consultant for the RFIQ process. A community outreach plan will be developed, however given the extent of engagement and study already undertaken for the USMP, a new set of Development Guidelines are not recommended for the LAUS commercial development RFIQ. If determined a feasible and appropriate approach, an RFIQ could be released by winter 2017.

- **Union Station/Civic Center District Concept.** Metro's Strategic Initiatives team has been working with the Authority's Station Area Planning team to explore opportunities for broader coordination of planning efforts around the Union Station area. Union Station sits at the eastern border of the Civic Center and connects to Chinatown and Little Tokyo; all of these areas are seeing unprecedented investments in infrastructure, new commercial development and ongoing land use planning efforts. Combined, these efforts will create tremendous land value as well as opportunities to achieve greater outcomes

around economic development, mobility, and equitable TOD. To that end, at its October 27th the Metro Board approved a motion to create an Exploratory Taskforce, made up of Metro staff, the Authority, the County and City of Los Angeles and community stakeholders to:

- Formally coordinate the planning and implementation of infrastructure investments from the Committee member agencies in and around Union Station and the Civic Center;
- Identify potential revenue generation opportunities, including value capture;
- Engage stakeholders early on and include the public, business leaders, other agencies and neighboring communities; and
- Ensure equitable distribution of benefits.

Staff has also identified two grant funding opportunities that could support coordination, community engagement and exploration of value capture opportunities.

The efforts to date and proposed new approach to commercial development are summarized in an updated implementation strategy for redevelopment of Los Angeles Union Station, included as Attachment A.

NEXT STEPS

Staff will continue the efforts described in this Board Box, and will bring recommendations for a contract amendment with the USMP Consultants to the January 2017 Board meeting.

If you have further questions or want additional clarification, please contact Cal Hollis, Senior Executive Officer, at (213) 922-7319 or hollisc@metro.net. Jenna Hornstock, Deputy Executive Officer, at (213) 922-7437 or hornstockj@metro.net. Elizabeth Carvajal, Senior Manager, at (213) 922-3084 or carvajale@metro.net.

ATTACHMENTS

A. LAUS Redevelopment – Revised Implementation Strategy

Los Angeles Union Station Redevelopment – Revised Implementation Strategy¹
November 2016

Strategy/Plan	Current Actions	Next Steps
Seek funding and advance design and construction for USMP Stage 1 Perimeter Improvements and Connect US Action Plan projects	\$13.3 M secured for LAUS perimeter improvements, across 2 grants. Design work for funded improvements will commence in 2017. Connect US has \$35 M in funding secured across 3 grants. Funded improvements will be in design in 2017, with implementation beginning in 2019.	Work with City of Los Angeles to have Connect US Action Plan adopted, continue to seek funding and advance funded projects
Complete project level environmental clearance for USMP Stage 1 Perimeter Improvements	Project level CEQA clearance underway, completed Summer 2017.	<ul style="list-style-type: none"> • Re-scope PEIR contract • Amend contract with Kleinfelder to incorporate NEPA clearance in contract (Jan 2017) • Complete environmental process by Summer 2017
Alameda District Plan (ADP) Update	MOU with Los Angeles Department of City Planning to be executed in Winter 2016. Will explore expanded boundaries for the ADP and opportunities for transfer and monetization of development rights	<ul style="list-style-type: none"> • Planning work to commence Summer 2017
Multi-agency coordination on planning and identify value capture/district opportunities that support Union Station redevelopment, Connect US Action Plan and broader equitable TOC efforts	Metro Board directed formation of an Exploratory Taskforce comprised of Metro, CHSRA, City of LA, County of LA and community stakeholders to focus on “Equitable TOC” around LAUS and the Civic Center	<ul style="list-style-type: none"> • Form taskforce and develop action plan, including community engagement strategy • Identify funding and/or apply for grants that support coordination efforts and value capture study.
Pursue commercial development opportunities on the east side of LAUS	Study feasibility of issuing RFIQ for development parcels on the east side of LAUS after Link US has a defined project	<ul style="list-style-type: none"> • Amend USMP contract with Gruen Associates to generate development site plan and structural/operational instructions (Jan 2017) • Procure financial consultant (Jan – June 2017) • If development is feasible, develop RFIQ/target release for Winter 2017

1. Does not include ongoing maintenance, management, historic preservation and leasing activities under the purview of the Union Station Property Management division.