Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2017-0585, **File Type:** Agreement **Agenda Number:** 15.

**PLANNING AND PROGRAMMING COMMITTEE
NOVEMBER 15, 2017**

SUBJECT: CALTRANS PARK & RIDE LOTS

ACTION: AUTHORIZE ACQUISITION OF LAKEWOOD AND NORWALK CALTRANS PARK & RIDE LOTS THROUGH A RELINQUISHMENT PROCESS

RECOMMENDATION

AUTHORIZE:

A. acquisition of Lakewood and Norwalk Park & Ride Lots through execution of a Relinquishment Agreement; and

B. execution of a Memorandum of Understanding with Caltrans to enable a potential future joint development at El Monte Station on Caltrans-owned land.

ISSUE

Metro has negotiated a Relinquishment Agreement with Caltrans that would transfer ownership of two park & ride lots at Norwalk and Lakewood Green Line Stations (respectively the “Norwalk Lot” and “Lakewood Lot”) and potentially portions of the El Monte Transit Center to Metro. Maps of these lots are included in Attachment A, and the terms of the Relinquishment Agreement are detailed in Attachment B. This transfer of ownership would be at no cost to Metro, except for reimbursement of $150,000 for Caltrans staff time on the project and as described below for the El Monte potential joint development site. The park & ride lots would retain the restrictions that require the lots to be used for park & ride purposes unless otherwise approved by the Federal Highways Administration (“FHWA”).

In addition, in pursuit of a potential future acquisition of the park & ride lot at the Aviation Green Line Station (“Aviation Lot”) through relinquishment, staff has estimated the amount of $200,000 for additional environmental analysis to determine the environmental conditions at the property.

DISCUSSION

Limited Maintenance Services through Encroachment Permit
Metro currently provides limited maintenance services for 41 Caltrans park & ride locations (53 lots, as some locations have multiple lots), maps and lists of which are included in Attachment A. (Caltrans owns and therefore is responsible for maintenance, but Metro, in the absence of adequate

maintenance by Caltrans, obtained the right in 2012 to perform trash hauling, power sweeping, and graffiti removal for these lots through an Encroachment Permit with Caltrans.) A 42nd park & ride location at El Monte Transit Center is maintained through a joint use agreement where Metro has full maintenance responsibilities and obligations. At the October Board meeting the Board approved a new operations and maintenance agreement that provides Metro with more comprehensive maintenance rights for 17 park and ride lots, including Lakewood and Norwalk.

Initial Interest
During the past several years, Metro staff has explored acquisition of park & ride lots from Caltrans. Previous Board action (January 2014, Board Report Item 73) directed staff to pursue acquisition of 41 Caltrans park & ride locations. That Board report provided a prioritization of the lots based on their utility and proximity to transit. The highest priority lots were determined to be the lots along the Silver and Green Lines that were adjacent to Metro transit.

Environmental Contamination
Staff conducted Phase I environmental analyses on 15 of the 17 transit-served lots in 2013. (At that time, the Silver Line did not serve San Pedro and Harbor Park Lots which it now serves.) The Phase I assessments found recognized environmental conditions (RECs) at all of the 15 locations except for two: Lakewood and Norwalk Lots. The Harbor Gateway Lot was determined to be contaminated in the Phase I analysis conducted by Metro consultants, as it is a former landfill, for which Caltrans is responsible for environmental monitoring. However, Caltrans engineers did not concur with the findings of the Phase I analysis so it remains open and has not been certified.

Operations and Maintenance Agreement
In September 2017, the Board approved amendments to Operations & Maintenance (“O&M”) Agreement with Caltrans for the I-110 and I-105 Freeways that result in maintenance rights and responsibilities for the park & ride lots. These amendments give Metro much of the responsibility and control of ownership without a fee interest in the title of the properties.

Recent Updates
Over the last year, the priority lots adjacent to transit were examined more closely. Of those lots, Norwalk, Lakewood, Aviation and Harbor Gateway are the lots with the highest parking demand, and were therefore further prioritized among the adjacent lots.

In negotiating with Caltrans for the relinquishment of these four higher priority lots, Caltrans has not been willing to indemnify Metro for any contamination. Therefore, Metro staff is recommending the following:

Lot	Environmental Condition	Recommendation
Lakewood	No RECs	Acquire now
Norwalk	No RECs	Acquire now
Aviation	One REC	Conduct Phase II analysis
Harbor Gateway	Former landfill, no consensus on Phase I	No acquisition; Maintain with O&M

No RECs were discovered for Norwalk and Lakewood Lots, so acquisition is relatively low risk. If contamination were found in the future, Metro may bear the responsibility for remediation. The Aviation Lot Phase I analysis revealed one REC, and therefore requires additional environmental analysis, including geotechnical borings, for a Phase II analysis. Harbor Gateway Lot is a former landfill. Because Caltrans will not indemnify Metro for the environmental conditions, staff has discontinued pursuit of Metro ownership at that location.

Staff could also pursue Phase II analyses at other high demand lots with limited RECs. In addition, there are two lots along the I-110 Freeway that were not analyzed in 2013 because they were not then served by the Silver Line. Staff could pursue Phase I analyses at the San Pedro and Harbor Park lots. However, parking demand is relatively low at those two locations so further study is not recommended at this time.

Relinquishment Process
For the two properties recommended to be acquired, staff is pursuing a Relinquishment process which allows Caltrans to transfer properties to other public agencies at no cost, as long as they continue to be used for public purposes and retain all of their federal and state use restrictions. This process has recently been made available to transportation agencies for park & ride facilities (in addition to local jurisdictions for streets and roads) by the 2015 Fixing America's Surface Transportation ("FAST") Act.

Federal and State Restrictions
Because these lots were acquired with funding from FHWA, federal restrictions apply. If patrons are charged for parking at these lots, the amount of revenue received from parking may not exceed the cost to maintain the lots. FHWA prohibits any commercial activity aside from vending machines on federal-funded properties. In addition, according to Caltrans policy, any changes to the parking areas may not decrease the number of available spaces. In order to remove FHWA and Caltrans restrictions from the lots, the lots would need to be purchased at fair market value. This is not recommended at this time.

I-105 Consent Decree
When the I-105 Freeway was built, a Consent Decree was imposed by the US District Court, requiring ten park & ride lots at prescribed locations and rapid transit installed along the I-105 to mitigate the impacts of the freeway on the community, including the Lakewood and Norwalk lots. The Green Line light rail and the associated park & ride lots are all a product of that Consent Decree. The Consent Decree does not specify the number of parking spaces that are required at each of these locations. Metro has been advised not to reopen the Consent Decree and therefore to continue to provide parking at all locations. However, Metro has also been advised that a transfer of property rights from Caltrans to Metro would not be a violation of or require re-visitation of the Consent Decree.

Lots within Freeway ROW
Portions of the Norwalk Lot are within the freeway right-of-way (ROW), meaning that the I-105 Freeway travels directly over the lots. Caltrans must retain ownership rights to those portions of the lot in order to maintain and operate the freeway. Metro will maintain and operate the entire park & ride lot using the fee ownership for the portion outside of the freeway ROW and the authority granted by the O&M Agreement executed in October 2017 for the portion under the freeway ROW.

El Monte Transit Center
Metro's use of the Caltrans-owned portion of the El Monte Transit Center is governed through a series of agreements dating back to 1971. Under those agreements, Metro has full operations and maintenance responsibility and the agreements contemplated potential acquisition by Metro and joint development on the site. The El Monte Transit Center area has been designated as a Transit Oriented Communities Demonstration Program Site, and Metro joint development staff has been working with the City of El Monte to develop a plan to implement the City's vision for Santa Anita Avenue. Metro has received an unsolicited proposal to develop a portion of the Santa Anita frontage of Metro and Caltrans property and that proposal is under review. The proposed Board action requested would authorize the CEO to finalize negotiations with Caltrans to formalize a valuation process for the portion of the Caltrans site that may be included in a joint development project. This site would be valued at fair market at the time Metro decided to go forward with joint development. It is anticipated that Metro would only acquire the joint development site as part of a joint development agreement that would first come forward to the Board. The Board action would also authorize Metro to negotiate and execute an agreement with Caltrans for the relinquishment of the balance of the Caltrans site for public transportation purposes at no cost to Metro at such time as Metro desired to acquire the joint development site. Attachment C shows a map of the El Monte Transit Center, the area of the potential joint development site and the property currently owned by Caltrans. The Board is asked to take the El Monte related actions today to provide more certainty in the Joint Development acquisition process with Caltrans.

DETERMINATION OF SAFETY IMPACT

The relinquishment of the Caltrans lots will have no direct impact on safety. It may allow Metro to secure park & ride lots more effectively, having a potential benefit to safety.

FINANCIAL IMPACT

Impact to Budget

The relinquishment of the Lakewood and Norwalk Lots will cost $150,000 for the reimbursement of Caltrans staff time. The additional environmental analysis will cost $200,000. The total impact on the FY2018 Budget will be $350,000, to be addressed through the mid-year budget process. These actions will be funded with local funds which are eligible for bus and rail capital and operations. They will be budgeted in Cost Center 4510, Project 405107.

ALTERNATIVES CONSIDERED

The Board could choose to take no action and continue to maintain the Lakewood and Norwalk Lots without ownership, and to not pursue additional environmental analysis at the Aviation Lot. This alternative would not be in accordance with previous Board direction.

NEXT STEPS

Upon approval of recommendations, staff will finalize negotiations with Caltrans for the

relinquishment of the Lakewood Lot and the portions of the Norwalk Lot that are outside of the freeway ROW. This will involve obtaining approval by Caltrans in Sacramento and approval by the California Transportation Commission. Staff will also negotiate and execute a Cooperative Agreement with Caltrans to reimburse them for their staff time.

In addition, staff will initiate the Phase II analysis of the Aviation Lot and report back to the Board with findings. If the park & ride lot is not significantly contaminated, staff will recommend relinquishment of the Aviation Lot under the same terms negotiated for the Lakewood and Norwalk Lots.

ATTACHMENTS

Attachment A - Maps of Park & Ride Lots
Attachment B - Terms of the Relinquishment Agreement
Attachment C - Map of El Monte Transit Center

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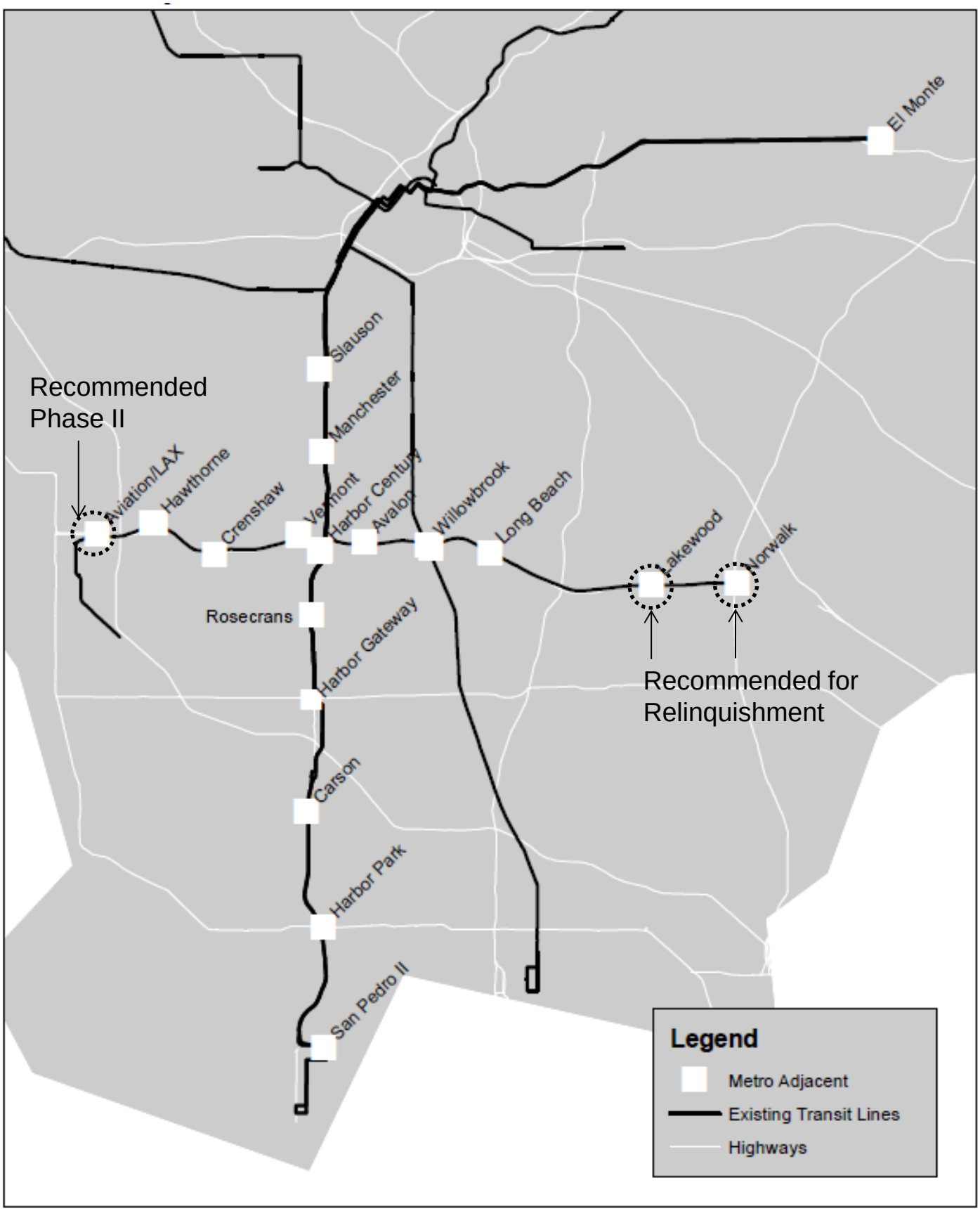
Phillip A. Washington
Chief Executive Officer

ATTACHMENT A – MAPS OF PARK & RIDE LOTS



Norwalk Lot – Recommended for Relinquishment

Lakewood Lot – Recommended for Relinquishment

Aviation Lot – Recommended Phase II analysis

Attachment B – Terms of Relinquishment Agreement

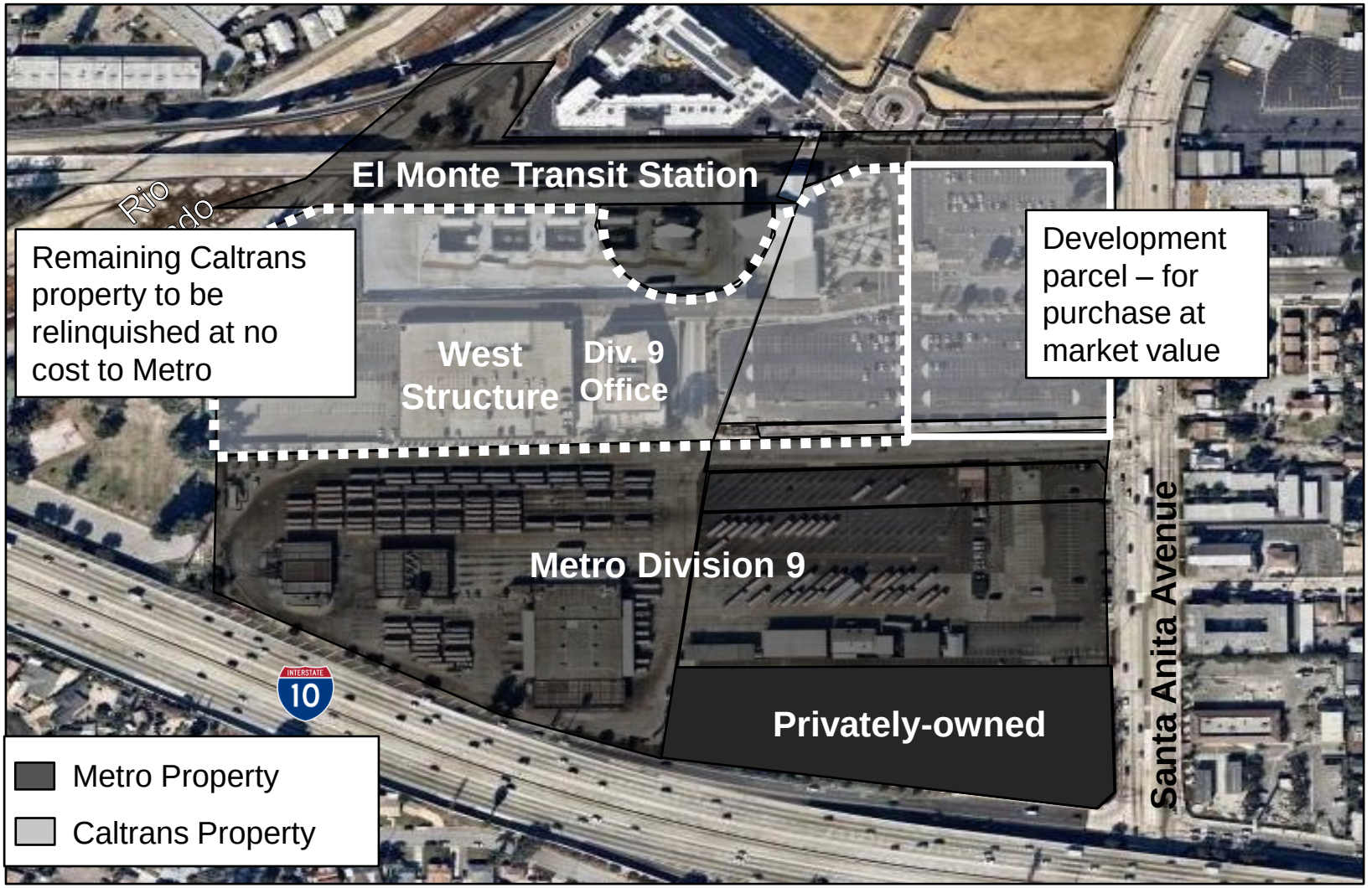
LACMTA responsibilities:

1. To operate and maintain the lots at no additional cost to Caltrans.
2. To maintain the same number of parking spaces that are currently present.
3. To provide parking spaces at a “minimum cost” to patrons (parking price may not exceed maintenance costs).
4. To maintain ownership of lots as long as the facility is needed for public purpose.
5. To never transfer ownership of a lot that was fully or partially funded by federal funds or located within Freeway ROW, to a non-governmental entity without prior written approval of the Federal Highway Administration (FHWA).
6. To allow properties to be re-conveyed to Caltrans at no cost if the properties are needed for a highway purpose.
7. To accept the lots in their existing environmental condition and to indemnify Caltrans of future environmental issues.

Caltrans responsibilities:

1. To relinquish upon CTC’s approval.
2. To provide LACMTA with all documentation about the lots.

Mutual responsibilities:

1. Caltrans reserves the right to enter to modify signage, drainage, and other reasonable improvements for a state highway purpose as long as they do not affect LACMTA’s use of the lots.
2. Metro will allow Caltrans and assignees access through the Lakewood Lot to maintain the telecommunications facility, coordinated through Metro Parking Management.

Attachment C – El Monte Transit Center Station