



Board Report

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**EXECUTIVE MANAGEMENT COMMITTEE
SEPTEMBER 15, 2022**

SUBJECT: LOS ANGELES AERIAL RAPID TRANSIT PROJECT UPDATE

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE status report on the Los Angeles Aerial Rapid Transit Project.

ISSUE

Metro is the California Environmental Quality Act (CEQA) lead agency for the Los Angeles Aerial Rapid Transit Project ("Project"), which is completely funded by the Aerial Rapid Transit Technologies (ARTT), including reimbursement of Metro staff time. This receive and file report provides an update through August 2022.

BACKGROUND

The Project will connect Los Angeles Union Station and Dodger Stadium via an aerial gondola system, expanding mobility options for transit riders. ARTT submitted an Unsolicited Proposal to Metro in April 2018 to fund/finance, design, construct, operate and maintain the Project. After reviewing the Phase I submittal, Metro requested a Phase II of ARTT's Unsolicited Proposal for the Project. In December 2018, Metro formally concluded the Unsolicited Proposal process and began exclusive negotiations with ARTT. A Memorandum of Agreement (MOA) between ARTT and Metro was executed in April 2019. Amendments to the MOA were executed in September 2021 and June 2022 to extend the date by which ARTT will submit updated project information, including construction and operating costs and a funding and financing plan, to September 30, 2022.

Metro issued the Notice of Preparation (NOP) for the Environmental Impact Report (EIR) under CEQA on October 1, 2020. During the NOP scoping period, Metro hosted a virtual scoping meeting, and a virtual open house was available throughout the scoping period. The Draft Environmental Impact Report (DEIR) is expected to be released in fall of 2022.

As a direct result of listening sessions within the communities along the alignment and engagement with proponents of Los Angeles State Historic Park, ARTT has chosen the preferred Broadway alignment, rather than the alternative Spring Street alignment. After discussions with the community about the potential for an intermediate station between Union Station and Dodger Stadium, the

Project incorporated the Chinatown/State Park Station within the southernmost portion of the Los Angeles State Historic Park, an approximately 3-minute walk from Metro's L Line (Gold), together with proposed enhancements to the adjacent Los Angeles State Historic Park.

DISCUSSION

Community Outreach

ARTT has been engaging with stakeholders and garnering input on the Project's environmental review since the Notice of Preparation (NOP) was released in October 2020. The outreach employs a variety of opportunities for participation through interactive engagement at in-person gatherings and online.

Additional efforts are ongoing and consist of various avenues to inform and educate the public on the proposed project's details. ARTT has conducted outreach in several languages, including Mandarin, Cantonese, Spanish, and English and via various platforms: online, social media, in-person community briefings, one-on-one briefings, and door to door canvassing - knocking on doors of over 21,000 local neighbors and 500 businesses. ARTT has sent direct mail to over 17,000 homes adjacent to the Project's proposed alignment. This includes the communities of Chinatown, William Mead, Solano Canyon, Victor Heights, Angelino Heights, Olvera Street, Downtown, Echo Park, Lincoln Heights, and Downtown. LA ART also has a strong social media presence, which provides additional avenues of information to users on various platforms.

These levels of communication have enabled ARTT to discuss its design and proposed benefits with community members. They have facilitated communication about concerns and questions related to construction, parking, and traffic burdens in the area. Some community members, including those in Chinatown, have been vocal about the need for projects that help to promote the area and help with a post-COVID-19 economic recovery.

ARTT also initiated partnerships with various cultural and educational community organizations that represent communities of color and are crucial stakeholders in the communities the Project would serve. These efforts include providing mobility and promotional resources to groups such as Cathedral High School, the Chinese American Museum, Chinatown businesses, and the Olvera Street Merchants Association Foundation to help in addressing visitor, educational, and customer access to distressed businesses and institutions.

Concerns from the community have been expressed regarding gentrification, parking, traffic, and use of public property by a for-profit organization. There is also a misperception from some community organizations that Metro is funding and/or operating the project. Traffic and parking studies have been conducted that exceed what is required under CEQA. Metro is also conducting a peer review of the ridership, mode of travel, traffic and parking studies. LAART is committed to a community benefits package which is still being defined. The Project is being transitioned to a non-profit organization, Zero Emissions Transit, a supporting organization of Climate Resolve. See the below sections for more discussion. A lawsuit has been filed against Metro regarding the unsolicited proposal process which Metro is responding to through the court system.

CEQA

Metro is the Lead Agency for the proposed Project. Under CEQA, the Lead Agency is responsible for the Draft EIR's adequacy and objectivity and must independently review and analyze the Draft EIR before releasing it for public comment. ARTT retained a Metro-approved EIR consultant, AECOM, to conduct the environmental process for the Project.

Metro anticipates that the Draft EIR will be released for a 45-day public comment period in the fall of 2022. The Draft EIR will analyze the proposed Project's potential environmental effects on: Aesthetics, Agriculture & Forestry, Air Quality, Biological Resources, Cultural Resources, Energy, Geology & Soils, Greenhouse Gases, Hazards and Hazardous Materials, Hydrology & Water Resources, Land Use & Planning, Mineral Resources, Noise & Vibration, Population & Housing, Public Services, Recreation, Transportation, Tribal Cultural Resources, Utilities & Service Systems, and Wildfire. During the Draft EIR public comment period, there will be numerous opportunities for the public to learn more about the Project and submit comments.

After the public review period ends, Metro will consider and respond to the comments received and prepare the Final EIR. As the Lead Agency, before Metro considers approval of the proposed Project, it must certify that the EIR complies with CEQA; require adoption of mitigation measures that will become conditions; make certain findings regarding alternatives, mitigation measures, and significant unavoidable impacts; and adopt a monitoring and reporting program for the mitigation measures. Metro is committed to ensuring the process is thorough, comprehensive, and transparent so that informed decisions can be made.

CEQA requires an EIR to identify and describe a reasonable range of feasible alternatives to the proposed project or its location that could feasibly attain most of the project's basic objectives while avoiding or reducing the project's significant environmental effects. The proposed Project Alternatives section will consider the analysis of a "no project" alternative. In addition, the Alternatives section will include a Transportation Systems Management Alternative under which the proposed Project would not be constructed, and instead the existing Union Station Dodger Stadium Express bus service on Dodger game days would be enhanced to increase the capacity of the Dodger Stadium Express bus service to match the capacity of the proposed Project.

Traffic Studies

Traffic analysis and ridership forecast technical studies are ongoing and are being prepared in accordance with CEQA and the City of Los Angeles' Department of Transportation (LADOT) Assessment Guidelines (TAG). The scope of the transportation studies was developed in coordination with Metro and LADOT. The studies will be made available to the public once the Draft EIR is completed and released for public comment. The ongoing transportation analyses will be summarized in two separate reports:

- The *Draft Environmental Impact Report Transportation Impact Section* (and associated appendices) will include the ridership forecasts and analysis of the Project's potential for transportation impacts under CEQA and the City of Los Angeles TAG. This will include an evaluation of the Project's consistency with Plans, Programs, Ordinances or Policies, an evaluation of the Project's effect on Vehicle Miles Travelled, the evaluation of the Project's

potential for impacts related to Geometric Hazards, and an evaluation of the Project's potential for impacts related to emergency response.

- A separate *Project Access, Circulation and Construction Transportation Study* will be prepared in accordance with the non-CEQA analyses required in the City of Los Angeles TAG. This separate technical report will evaluate the Project's potential effects on intersection level of service.

Parking Study

Although CEQA does not require parking analysis, a comprehensive station area parking study was conducted for the Alameda Station adjacent to Union Station and the Chinatown/State Park Station at the southernmost entrance of the Los Angeles State Historic Park. The study was prepared to evaluate parking conditions in the study area and the proposed Project's potential to affect parking occupancy. The methodology for the parking study was developed in coordination with Metro's Parking Management group, as well as with LADOT. It will include a quantitative adjustment to account for the effects of the COVID-19 pandemic on parking occupancy.

All on-street and identified publicly available off-street parking spaces within a ½ mile walking distance of the proposed Alameda and Chinatown/State Park Stations have been inventoried to determine the total number of available parking spaces. Parking occupancy was collected in September 2021 on a weekday evening with a Dodger game, as well as a weekday evening without a game. Weekday evenings were selected for analysis because the majority of Dodger home games occur on weekday evenings. The parking study found that there are approximately 10,293 publicly available parking spaces (6,876 publicly available off-street and 3,417 on-street) within ½ mile walking distance of the proposed Project's Alameda and Chinatown/State Park Stations. Applying the COVID-19 quantitative adjustment, on the weekday evening with a Dodger game, approximately 4,190 vehicles were parked, with 6,100 available spaces.

The Draft EIR forecasts ridership through 2042, when the proposed Project is forecast to generate 10,000 riders for a Dodger game day. The majority of these riders (approximately 6,750 riders) are expected to take transit, walk or bike to a proposed Project station. However, some riders are still expected to drive and park. Parking space demand of approximately 790 vehicles is estimated for peak operations. Accordingly, the parking study determined there would be an adequate supply of parking) in the study area after accounting for the peak demand of the proposed Project.

The parking study recommends that the proposed Project prepare a parking management plan (PMP) prior to commencing operations in coordination with Metro and LADOT. The PMP will focus on strategies and methods to encourage riders to use transit to connect to the proposed Project rather than driving and parking. In addition, it will identify neighborhood parking management measures to prevent parking spillover and will identify suitable off-street public parking facilities where those who choose to drive to a proposed Project station can park without negatively affecting parking availability for members of the community.

Peer Review

Metro retained a consultant to do a peer review on traffic, parking, ridership, and mode of travel assumptions to ensure independent corroboration of the reasonableness of critical assumptions in

the environmental analysis. The cost of the peer review is fully reimbursed by ARTT.

SB 44 | Informational Workshops and Public Hearings During Draft EIR Public Comment Period

The proposed Project will utilize SB 44, which became effective January 1, 2022, which provides for streamlined judicial review for certain transit projects which will reduce GHG emissions, known as “environmental leadership transit projects.” As a transit project no more than two miles in length, the minimum required GHG reduction is 50,000 metric tons of GHG emissions in the Project’s corridor. While SB 44 only requires one informational meeting, Metro will host two informational workshops to inform the public of the key analyses and conclusions of the Draft EIR within 10 calendar days of its release. Similarly, while SB 44 only requires one public hearing to be held within 10 calendar days before the public comment period’s close, Metro will hold two public hearings to receive testimony on the Draft EIR.

Community Benefits

The Board’s June 2021 Motion noted that community benefit recommendations should consider, but not be limited to mitigations for potential parking impacts; local job creation; workforce training; small business support and partnerships; affordable housing; and housing/business preservation.

In addition to considering the community benefits identified in the Motion, ARTT has committed to improved air quality, and accessible and affordable fares to residents and employees of businesses in the adjacent communities. ARTT is also looking at several improvements along the route to enhance pedestrian safety and provide active-transportation connectivity. Many of these items are a direct result of the community engagement and comment process in advance of the release of the Draft EIR.

ARTT will also be providing a Community Access Fares Program that allows residents and employees located within the Community Access Program Area to utilize their Metro system access pass or individual fare in order to also utilize the LA ART system at no additional cost, outside of game and event-day periods.

In addition, Dodger fans with a game ticket will ride the gondola for free, just as fans currently ride the existing Dodger Stadium Express bus service from Union Station and the South Bay for free with a game ticket. Providing Dodger fans with free transit to games will encourage ridership and maximize the air quality benefits of LA ART, enhancing the fan experience and reducing traffic in the communities adjacent to the stadium.

It is anticipated that the environmental review process and planned stakeholder engagement will continue to help define potential community benefits with a more comprehensive list to be brought to the Board prior to certification of the Final EIR.

LA ART opened an exhibit at Dodger Stadium where fans and visitors can visit, view, and sit in a full-sized gondola cabin, experiencing what it will be like to ride the cabin in the future.

Governance

by ARTT(the developer of the proposed aerial gondola) has announced its intent to donate LA ART to

a new non-profit organization called *Zero Emissions Transit (ZET)*. ZET was formed by Climate Resolve, a leading climate resiliency non-profit organization that supports equitable and sustainable transit. ARTT has stated its commitment to fund the Project through the environmental and entitlement phases. The financing plan (due September 30) will provide construction and operations financing plans. No Metro funds will be used for planning, construction or operations of the LA ART project. Under the terms of the MOA, Metro will have written approval authority over any assignment and will perform appropriate due diligence prior to issuing a consent.

EQUITY PLATFORM

A major purpose of the Project is to reduce congestion from existing vehicle trips in connection with Dodger games and special events at the Stadium, leading to reduced greenhouse gas (GHG) emissions and improved air quality. By taking vehicles off the road, the proposed Project would reduce vehicle miles traveled (VMTs), providing GHG emissions benefits and increased access in the area between Union Station and Dodger Stadium. The proposed Project would increase transit access in a community burdened by pollution, offering emissions reductions benefits for an area that includes disadvantaged communities identified by CalEnviroScreen 3.0 as in the top 99 percent of California communities burdened by pollution. The Project can also provide additional access to recreation and parks. In addition to benefiting the immediate area along the alignment, these reductions in VMT and GHG emissions would further the objectives to reduce carbon emissions and benefit the region.

The Community Access Fares Program will allow residents and employees located within the Community Access Program Area to utilize their Metro system access pass or individual fare in order to also utilize the LAART system at no additional cost, outside of game and event-day periods. This will increase convenience for first/last mile connections for nearby residents and employees. As noted above, it is anticipated that the environmental review process and planned stakeholder engagement will continue to help define potential community benefits with a more comprehensive list to be brought to the Board for approval prior to certification of the Final EIR.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed Project aligns with Strategic Plan Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The Project has the potential to provide an efficient mobility alternative for people to travel to Dodger Stadium car-free.

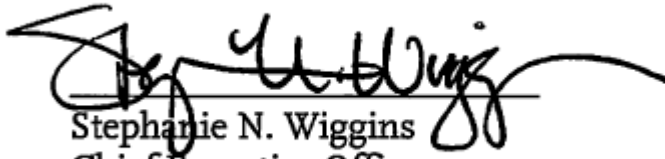
NEXT STEPS

The Draft EIR and traffic studies will be released in the fall of 2022. ARTT will submit updated project information, including construction, operating costs and a funding and financing plan (including proposed fare structure) in September 2022, which will be reviewed by Metro staff and consultant experts. Community outreach will continue as noted above. The financing plan, construction agreement and operation agreements and Union Station shared use agreements will be brought to

the Board for approval prior to certification of the Final EIR.

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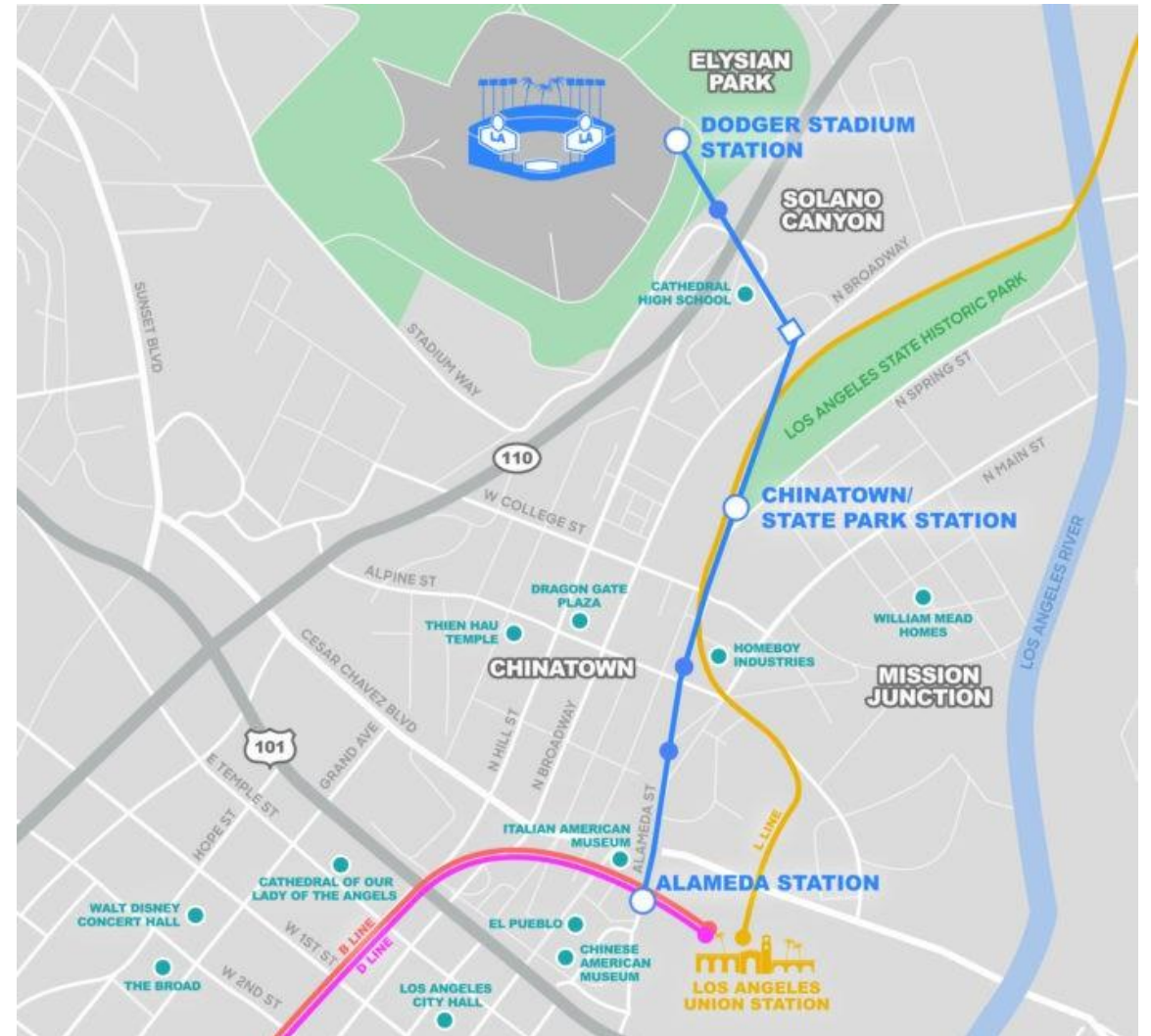
Los Angeles Aerial Rapid Transit Update Executive Management Committee Receive and File

September 15, 2022

File: 2022-0316

Background

- April 2018 - Aerial Rapid Transit Technologies LLC (ARTT) submitted an Unsolicited Proposal to fund, construct, operate, and maintain a gondola connecting Union Station to Dodger Stadium
- April 2019 – Memorandum of Agreement (MOA) between ARTT and Metro executed
- October 2020 – Notice of Preparation (NOP) issued
- Metro as CEQA lead agency
- ARTT reimburses Metro for all staff and consultant time



Community Outreach

- Virtual scoping meeting held in late 2020; two informational virtual meetings held in June 2021
- Additional communication along the alignment and in adjacent neighborhoods through 2021 and 2022 via email, website updates, social media, stakeholders briefings, door to door canvassing (21,000 homes and 500 businesses) and direct mail (17,000)
- Communication in Mandarin, Cantonese, Spanish, and English.
- Exhibit at Dodger Stadium where fans and visitors can visit, view, and sit in a full-sized gondola cabin, experiencing what it will be like to ride the cabin in the future.
- Concerns raised include parking, traffic and gentrification. Also misunderstanding that taxpayer/Metro dollars or assets are being used for a private project



California Environmental Quality Act (CEQA) and non-CEQA studies

Draft EIR (CEQA)

- Incorporates Project modifications from NOP comments and stakeholder engagement
- Includes a traffic analysis and ridership forecast technical studies
- Includes a “no project” alternative and an Alternative that Dodger Stadium Express would be enhanced to match the capacity of the Project
- Anticipated to be released in next few weeks with 45-day comment period
- SB44 “environmental leadership transit project”

| Parking Study (Non-CEQA) | Public Parking Inventory (within ½ mile of Alameda and Chinatown/State Park Station) | Dodger Game Day Use | Remaining Public Parking Spaces Available | Projected additional LAART use (with 10,000 gondola riders) |
|--------------------------|---|---------------------|---|--|
| On street | 3,417 | 2,017 | 1,405 | |
| Off street | 6,876 | 2,173 | 4,703 | |
| Total | 10,293 | 4,180 | 6,108 | 790 |

Parking management plan critical to project success and will be approved by Metro and LADOT prior to LAART operations

Peer Review - Metro retained a consultant to do a peer review on ridership, mode of travel, parking and traffic

Additional Information

Governance

- ARTT has announced its intent to donate LAART to a new non-profit organization called *Zero Emissions Transit* formed by Climate Resolve
- ARTT has restated its commitment to continue to fund the project through environmental and entitlement approvals
- MOA contains a provision for Metro written approval for any assignment

Community Benefits

- Improved air quality
- Free fares for residents and employees on non-game/event days
- Dodger fans ride free with a game ticket
- Potential improvements along the route to enhance active transportation connectivity
- Community benefits will continue to be assessed based on feedback from community

Next Steps

- Draft EIR released
- 45-day comment period
- Four public meetings during DEIR circulation
- Finalize Metro peer review
- Receive and review project financing plan
- Review proposed donation to Zero Emissions Transit
- Upon conclusion of the CEQA process, Metro board to consider certification of the Final EIR

