

MOTION

The Los Angeles Department of Transportation's (LADOT) public transit program includes the operation of a family of transit services including DASH and Commuter Express fixed-route services, and the Cityride transportation program for seniors and persons with disabilities. LADOT operates over 359 City-owned transit buses that carry approximately 23 million passenger trips per year.

The Department competitively contracts for operation of all its public transit services. LADOT's contractors are responsible for providing the facilities where the City-owned vehicles are stored and maintained; these operating facilities are typically leased by the contractors, with LADOT reimbursing the contractors for the cost of the lease through the hourly contract cost rate.

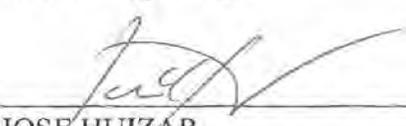
LADOT's contractor currently leases a privately held site located 1950 E. Washington Blvd. (APNs 5167-005-013- and 5167-005-015) and uses it as a bus maintenance facility for DASH and Commuter Express buses. This property contains an area of approximately 213,446 square feet. The property is improved with a single-story, single-tenant, metal industrial building, parking areas, compressed natural gas and propane fuel in above-ground storage tanks, and a service pit.

In 2013, LADOT and GSD began discussions with the property owner, Central Los Angeles Transfer, to purchase the property. Initially the negotiations did not result in a satisfactory purchase agreement and it was recommended that the City acquire the property through condemnation (C.F. 17-0205). However, the property owner would like to restart negotiations with the City. Once acquired by the City, the use of the property will remain unchanged, but the property will become a City-owned transit facility instead of a privately owned transit facility.

If the City acquires the property, there will be lease cost savings of \$792,000 annually and LADOT indicates that owning the property would provide the following advantages: improve service quality by buying and upgrading the facilities (with federal funds) to provide better quality maintenance services; shorten the length of time needed to transition from one operator to another when contracts are renegotiated; and encourage potential new proposers for transit contracts. Funding for the acquisition would be drawn from the Proposition A Local Transit Assistance Fund.

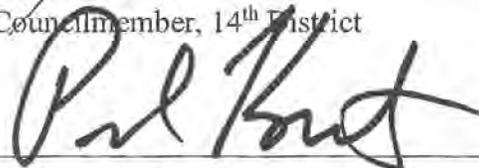
I THEREFORE MOVE that the City Council instruct the Department of General Services (GSD), with the assistance of the Los Angeles Department of Transportation (LADOT) and the City Attorney, to negotiate an agreement to acquire the property located at 1950 E. Washington Boulevard (APNs 5167-005-013- and 5167-005-015) for its continued use as a bus maintenance facility for the City's transit service operations and report to Council with the terms and conditions of the acquisition.

PRESENTED BY:



JOSE HUIZAR
Councilmember, 14th District

SECONDED BY:



cbs

JUN 23 2017

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