

STAUTORY EXEMPTION and GOVERNMENT OPERATIONS COMMITTEE REPORT relative to acquiring the northern portion of 23903 Normandie Avenue (APNs 7438-017-010; 7438-017-012; and 7438- 017-014) for the purpose of expanding the Los Angeles Department of Transportation's (LADOT) electric bus depot.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Department of General Services (GSD) with the assistance of the LADOT, Department of Public Works, City Attorney and any other City Department to negotiate, prepare, and execute documents necessary, including but not limited to the Purchase and Sale Agreement to effectuate the acquisition of the Property located at 23903 Normandie Avenue, Harbor City, CA, APNs 7438-017-010, 7438-017-012, 7438-017-014.
2. AUTHORIZE the LADOT to:
 - a. Make payment from appropriation account 94CA49 within the Proposition A Local Transit Assistance Fund, Fund 385/94 entitled "Harbor City Zero Emission Bus Yard Development" of up to \$9,800,000 to Chicago Title Company necessary to close escrow for the acquisition of the property at 23903 Normandie Avenue.
 - b. Expend funds pursuant to Recommendation No. 2 upon presentation of proper documentation and demand of the General Manager, GSD or designee.
 - c. Make any corrections, clarifications, or revisions to the above fund appropriation and payment instructions, including any new instructions, in order to effectuate the intent of executing the Purchase and Sale Agreement, including any corrections and changes to fund and account numbers; said clarifications/corrections/changes may be made orally, electronically, or by any other means.
3. AUTHORIZE the General Manager, GSD or designee, to prepare Controller instructions and/or make technical adjustments that may be required and are consistent with this action, subject to the approval of the City Administrative Officer (CAO); and, AUTHORIZE the Controller to implement these instructions.
4. AUTHORIZE up to \$10,000 from Proposition A Local Transit Assistance Fund, Fund 385/94 for the LADOT to maintain this property annually.
5. DETERMINE that the acquisition for a zero-emissions bus yard facility is statutorily exempt from California Environmental Quality Act (CEQA) pursuant to Section 21080.25 (b)(5) of the Public Resource Code.

6. DIRECT the following, pursuant to CEQA;
 - a. That the Project shall be completed by a skilled and trained workforce and/or by City forces.
 - b. The certification, under Public Resources Code section 21080.25(f)(1), that the Project will be completed by a skilled and trained workforce and/or by City forces.

Fiscal Impact Statement: The MFC reports that there is no General Fund impact anticipated at this time. The acquisition cost of \$9.8 million will be funded with Proposition A Local Transit Assistance Fund. To offset the full site development, the LADOT will pursue additional funds through federal, state, and local grants.

Community Impact Statement: None submitted.

Summary:

On August 18, 2026, your Committee considered an August 7, 2026 MFC report relative to acquiring the northern portion of 23903 Normandie Avenue (APNs 7438-017-010; 7438-017-012; and 7438- 017-014) for the purpose of expanding the LADOT's electric bus depot. According to the MFC, the Property meets LADOT's requirements for a zero-emissions bus maintenance facility, containing a land area of approximately 170,577 square feet or 3.92 acres, is vacant, fully fenced, flat-graded, compacted, and the soil has been remediated. The property benefits from a 40-foot-wide permanent Fire Lane easement on the adjacent previously acquired City property directly south of the proposed new Property totaling approximately 27,631 square feet. Upon the acquisition of the Property, this easement would be extinguished through merger of the two City properties. There are also six pipeline easements affecting the site that are 20-feet wide totaling approximately 5,620 square feet.

The location of these pipelines would not interfere with LADOT's intended use of the Property. The Property was recently rezoned (ZI 2514) by the City Planning Department to restrict many formerly permitted industrial uses. Similar to the first acquisition, this is a rare opportunity as LADOT Transit Service can only operate their yards on industrial zoned land with adequate power. The Property has adequate power due to its former use, which will support operations of the yard as a charging facility for battery electric buses without the need for expensive upgrades for power, which could be in excess of \$1 million. It is anticipated that LADOT will use Federal Transit Administration (FTA) Section 5307 or 5339 Grants to upgrade the facility once purchased. The purchase price of \$9.8 million may be matched by these FTA grants for any capital improvements. In addition to the previous southern parcel 23903 Normandie purchase (Council File No. 24-1424), GSD, on behalf of LADOT, acquired two other bus maintenance facilities in Fiscal Year (FY) 2018. However, the LADOT is still in need of purchasing the Property.

The Property was recently appraised by Frazier Capital Valuation, the City's appraisal consultant for this assignment, with a value date of May 28, 2026 and the proposed

purchase price is supported by the appraisal. The appraisal was reviewed and accepted by Curtis-Rosenthal, Inc. on June 24, 2026.

The Seller has agreed to a purchase price of \$9.8 million subject to Council approval. The City has reviewed the title report and has accepted all matters of record. City has also satisfied itself with the environmental condition of the property and will take title of the property “as is, where is, with all faults,” with City taking full responsibility of all aspects of the Property upon acquisition. Once the City Council has approved the acquisition, the parties will immediately enter into a binding, purchase and sale agreement. No deposit will be required at the opening of escrow. There is no monetary loss by the City for not closing the transaction. The site has been restored, with all oil and gas capital improvements owned by the Seller removed.

Once the City purchases the property, the LADOT will seek direction to assemble grant funds to develop the property with the necessary improvements to operate a zero-emissions bus maintenance yard, which would include a new office for transit operations personnel, bus maintenance bays, and up to 70 charging stations to charge 140 battery electric buses. The project consists of improvements on both the proposed Property acquisition and the previously purchased 4.83 acres with the number of charging stations and battery electric buses remaining unchanged. The acquisition of the Property will improve the layout of the proposed facility and provide savings in construction costs. For instance, the LADOT may opt against subterranean parking due to its high-cost relative to surface lots or multi-level parkades. The property is expected to be paved with minimal upgrades so it may be used in the interim for the 2028 Olympics. The LADOT anticipates a minimum five-year timeline for the permanent full project completion. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the MFC report, at detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Government Operations Committee

COUNCILMEMBER VOTE

PADILLA:	YES
LEE:	ABSENT
JURADO:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-