

Attachment 3

Notes from Meeting of Subway Ad Hoc Committee with Saban Theater and Metro Representatives

August 6, 2014

In attendance:

City: Mayor Bosse, Council member Mirisch, Assistant City Manager Mahdi Aluzri, Deputy City Manager David Lightner, City Engineer Mark Cuneo, Senior Planner Ryan Gohlich, City Attorney Larry Wiener, Assistant City Attorney Nick Ghirelli, Cartherine Higley, Cordoba Corporation

Saban Theater: Rabbi David Baron, Tim Buresh

Metro: Deputy County Counsel Ron Stamm, Outside Counsel Deborah Fox, Jim Cohen, project construction, Scott McConnell, project construction, Brian Hancock, project construction

City Attorney Wiener opened the meeting by explaining that the City Council had requested that the City, Metro and the Saban sit down to work out the issues identified by the Saban at the recent City Council meetings concerning the proposed Memorandum of Agreement between the City and Metro concerning utility relocation (the "MOA").

Mr. Wiener noted that the agreement scheduled for City Council consideration on August 19th addresses utility relocation, and that some of the Saban's concerns involve potential impacts to the Saban that will arise from station construction, and not utility relocation. While all issues could be identified at this meeting, Mr. Wiener indicated that it was most pressing to focus on those issues that concerned utility relocation and invited the Saban to begin the meeting by specifically identifying the issues it wished to address. The Mayor also noted that it was her goal to be able to consider the utility relocation agreement on August 19th and therefore this meeting should focus on those issues related to utility relocation.

Mr. Buresh introduced the issues of concern to the Saban. He prefaced his remarks by noting that the Saban did not distinguish between utility relocation and station construction because both phases were part of one project that will have an impact on the Saban. Mr. Buresh then identified the following issues of concern to the Saban:

1. Whether project construction would damage or reduce visibility of the theater's marquee.
2. Whether during construction or upon completion of the station box, there would be any physical contact between Metro facilities and the theater that would transmit vibration or whether Metro construction would increase the load supported by the foundation, creating the potential for settlement. Mr. Buresh requested that Metro perform an ALTA quality survey of the existing building to determine whether the building, as built, varies from the plans examined by Metro that are on file at UCLA.

3. The Saban would like an independent structural assessment to be performed on the Saban to determine the theater's tolerance for settlement and whether Metro's proposed construction would cause settlement that would exceed that tolerance.
4. The Saban would like an architectural assessment to establish a baseline of the condition of architectural features that might suffer damage during construction.
5. The Saban would like an assessment of the minimum sidewalk width required to accommodate its patrons before and after events.
6. The Saban would like an independent geotechnical assessment of the theater to ensure that proposed construction does not result in differential settlement of the building due to construction or dewatering.
7. The Saban would like noise mitigation during construction. Construction noise would be unlikely to penetrate the Theater, except perhaps through stage doors. But, offices in building will be affected by daytime construction. So, the Saban is requesting that windows be retrofitted and perhaps lobby and stage doors as well.
8. The Saban is concerned that the station box will transmit vibration into the theater, particularly if the foundations for the station box and the Saban building touch. The Saban requests additional mitigation and monitoring to prevent or limit vibration.
9. The Saban requests parity with the mitigation provided to the Pantages, the Wiltern and the El Capitan theaters.

Rabbi Baron then listed the following operational concerns of the Saban:

1. Adequate sidewalks must be preserved for patrons.
2. Adequate parking (including all existing off street parking) must be preserved for events. A new valet zone should be provided on Hamilton for all patrons, especially disabled patrons. No construction parking should be allowed in the off street parking facilities used by Saban patrons. The Saban currently pays \$10 per car for use of the nearby parking facilities. Metro should pay the cost of parking in order to encourage patrons to visit the theater due to the availability of free parking.
3. Neighborhood aesthetics must be preserved. The Rabbi asked where staging would occur and asked about the aesthetic plan for barricades. Metro indicated that staging for the utility relocation work is planned for Wilshire and Crenshaw. The Rabbi also asked about the barricades that shield staging sites in Beverly Hills and Metro indicated that it intends to use 20 foot tall barricades similar to the ones used currently on sites in LA (at Wilshire and Ogden). Mr. Wiener explained that the City has design standards for barricades and that Metro would be expected to adhere to those standards or new standards would have to developed by the City to address areas of concern..
4. The Saban would like Metro to fund increased personalized marketing efforts to potential patrons through social media.

5. The Saban would like Metro to provide free bus advertising (such as bus wraps) to the Saban.
6. The Saban would like Metro to reimburse the Saban for the costs of retaining its consultants (Tim Buresh).
7. The Saban would like the City to consider whether it wishes to acquire Metro's future construction staging site at Gale and Wilshire upon the completion of Metro's construction. Metro agreed to provide Mr. Wiener contact information for its real estate staff so that Mr. Wiener can further discuss this concept with them.
8. The Saban would like the City to relax its signage regulations during construction to allow for more prominent advertising to mitigate the impacts on its business.

Metro responded to the concerns expressed by the Saban

1. The utility relocation work will have neither a physical or visual impact on the Saban's marquee or the Saban's physical structure. Metro is willing to make this representation in the MOA.
2. Metro represented that its construction will not interfere with any foundation or footings of the Theater and that the construction is based on the plans of the building that Metro has reviewed. In order to allay concerns, Metro agreed to prepare sections and profiles of its proposed construction work to demonstrate that there is adequate distance between the proposed utility excavation and construction and the building.
3. Metro will prepare a survey, stamped and signed by an engineer, to determine the location of the building relative to the property lines on Wilshire and Hamilton to determine if the building is in the location shown on the plans.
4. Metro and the City have already agreed that the sidewalks between the Theater and the offstreet parking used by theater patrons will be available at their full width before and after events, so there is no need to study whether a smaller sidewalk width will be sufficient.
5. Metro and the City have also already agreed that no construction parking will be allowed in the three offstreet parking facilities on Wilshire Boulevard used by Saban patrons.

Those present then discussed the difficulty of resolving the details of any structural, architectural or geotechnical assessment before the August 19th City Council meeting. Establishing the parameters of those assessments would require an extended and technical discussion and the parameters would need to be identified before Metro could seriously consider whether it would be willing to fund the assessments and to what extent. Furthermore, the concerns to be addressed by these studies would arise during station construction and not utility relocation. Metro, the City and the Saban representatives agreed to form a working group that would meet over the next 30 to 60 days to address the issue of whether such studies could be done and the detail of what the studies would accomplish, and then Metro's willingness to financially participate in those studies. Metro, the City and the Saban agreed to enter into a letter agreement that would commit the parties to this process. Mr. Wiener agreed to prepare a draft of the letter agreement and circulate for review.

Mr. Wiener indicated that the requests for items such as valet zones and loading zones were within the control of the City, and that Metro had already agreed that if any such zones were established on Hamilton in areas currently served by parking meters, that Metro would reimburse the City for the lost revenue from the parking meters. Mr. Wiener indicated that he believed that staff was favorably inclined to providing the Saban with replacement valet parking and replacement and expanded loading zones on Hamilton. Metro also agreed to discuss with the City and the Saban how it will procure and dispose of property it may acquire during the course of station construction.

Mr Wiener also indicated that requests for subsidized parking, advertisement and consultant reimbursement were part of a larger discussion of the amount of business assistance funding that Metro would provide during the utility relocation work. Metro has not yet provided a number in response to the City Council's comments on July 29 that \$250,000 was not sufficient business assistance during utility relocation and that resolution of the items identified by the Saban would need to be tied to the total amount of business assistance to be offered by Metro.

The Saban representatives expressed their appreciation that Metro and the City took the time to address each of the concerns expressed by the Saban at the meeting and that issues had been addressed or a process had been established for addressing the Saban's issues in a prompt manner. The City and Metro representatives reaffirmed their commitment to continue to meet with the Saban weekly during construction, to perform the tasks promised at the meeting and to work to resolve the remaining issues that will arise during station construction.