

COST FOR SUBWAY EXTENSION LINKING WESTSIDE TO DTLA DOUBLES TO \$3.2B

Third Leg Of Purple Line Expected To Be A Boon To Real Estate Development

THE REAL DEAL

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LA Officials At A Groundbreaking Ceremony For The Purple Line Extension In 2014 (Credit: Flickr)

A potential real estate development boom for the Westside of Los Angeles from a new subway extension will cost twice as much as what was originally estimated.

The Metro Board of Directors approved a new \$3.2 billion budget for the third leg of the Purple Line extension on Thursday, according to Curbed. That far surpassed an early estimate of \$1.4 billion and an updated estimate of more than the \$2 billion following the approval of Measure M in 2016, which funded transit.

The third phase of the extension stretches 2.6 miles between Century City and the Veterans Administration hospital in Westwood. In July, Metro signed off on a \$410 million contract with construction firm Tutor Perini Corporation to dig the tunnels for the extension. Tutor Perini is also building stations for the project.

The entirety of the nine-mile long extension — from Koreatown to Westwood — will cost around \$1 billion per mile, Metro staff told officials on Thursday. That would connect the Westside directly to Downtown L.A.

Around half the funding for the line would come from the federal government. It could be completed by 2026. The Purple Line extension could be a boon for development in the area, which is characterized mostly by single-family homes. Both the city of L.A. and the state are pushing to incentivize dense development along transit lines. The city provides density bonuses to developers that build affordable units near transit through its Transit Oriented Communities program.

Governor Gavin Newsom also has plans to financially reward cities and counties that approve housing near transit, as well as hold back funding from those that don't approve housing.

Not everyone is jazzed about the Purple Line though. A group of locals in Beverly Hills have fought tooth and nail to block a tunnel route that is part of Phase 2.