

MUNICIPAL FACILITIES COMMITTEE  
Minutes from the Special Meeting of December 15, 2022

MEMBERS: Matthew Szabo, Office of the City Administrative Officer, Chair (CAO)  
Sharon Tso, Chief Legislative Analyst (CLA)  
Jeanne Holm, Office of the Mayor (Mayor)

The meeting was called to order at 10:03 a.m.

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No General Public Comment.

**Item 2** Report from General Services Department (GSD) requesting authority to negotiate and execute a new lease agreement with Milan Rei VIII for office space located at 6400 Laurel Canyon, Suite 610 (CD 2), subject to Council and Mayor approval.

**Disposition:** Approved.

Matthew Szabo, CAO, requested that Item No. 2 be taken out of order to precede Item No. 1.

Jeanne Holm, Mayor, asked if the rent is comparable to commercial space in the surrounding area. Wayne Lee, GSD, responded that the initial lease agreement was executed prior to COVID-19, so the rent schedule is a little higher than the current market conditions.

Ms. Holm, Mayor, inquired whether any cost savings will be applied to special funds. Mr. Lee, GSD, responded that the lease is funded by the Housing Department. Ms. Holm, Mayor, requested a follow-up from GSD or LAHD.

**Item 1** Minutes of the November 17, 2022 Special Meeting.

**Disposition:** Approved without discussion.

**Item 3** Verbal update from GSD on the status of the Garland Building lease.

**Disposition:** Noted and filed.

Ms. Holm, Mayor, inquired if GSD is on schedule to secure a new location. Amy Benson, GSD, responded that all parties are working to expedite the process.

Sharon Tso, CLA, requested clarification on the timeline for relocation and whether search parameters extend beyond the downtown area. Ms. Benson, GSD, clarified that location options will be presented at the January 26<sup>th</sup> MFC, and that the location search will be focused on the downtown area, based upon feedback from departments.

Ms. Tso, CLA, further inquired about the programming survey and if the results would confirm the actual number of employees to be relocated. Ms. Benson, GSD, confirmed that there is a survey question asking for the number employees by classification.

Mr. Szabo requested that Agenda Item No. 4 and No. 5 be considered together.

**Item 4** Bureau of Engineering (BOE) report on programming options for the former CVS space, located in the LA Mall (Space No. 4).

**Disposition:** Item held for a subsequent report back at the January 26<sup>th</sup> MFC meeting.

Steven Fierce, BOE, provided a brief summary of their report, which includes options addressing the office space needs for City departments within the civic center space optimization program. Mr. Fierce added that BOE has identified the LA Mall Space No.4, former CVS space, and identified the Civil Human Rights Equity Department the most suitable tenant for the space. Mr. Fierce further added that as part of their analysis of the former CVS space, BOE studied three preliminary test fit options including flexible benching, hoteling space, and shared cubicle stations. In closing, Mr. Fierce added that the BOE will report back to the MFC once more information is available regarding the CVS space and the P-4 space test fit options for City Departments and that funding of \$9.75 million is needed for co-location of the CVS space, which results in a total funding shortfall of \$3.75 million that will be addressed in the upcoming budget.

**Item 5**

Joint quarterly Space Optimization report from the CAO and GSD.

**Disposition:** Item held for a subsequent report back at the January 26<sup>th</sup> MFC meeting.

Ms. Holm, Mayor, asked if there are any concerns from labor unions, given the options of hoteling and non-traditional workstations. Kay Ha, CAO, responded that a telecommuting policy is forthcoming, which will be followed by discussions with department heads and labor unions. Bernyce Hollins, CAO, further clarified that many departments are currently utilizing hoteling and flexible space options due to lack of capacity.

Ms. Holm, Mayor, inquired about the trade-offs with P-4 and other alternative spaces and asked if these options will allow for more space. Ms. Hollins, CAO, responded that additional analysis is needed before making a determination on the suitability of P-4.

Ms. Tso requested a definition of the terms “hoteling” and “flexible benching” and asked for clarification on the rationale of planning for future growth for space. Ms. Ha, CAO, responded that hoteling is a workspace where staff may rotate, and flexible benching is an open space where staff can plug-in and work. Ms. Hollins, CAO, further clarified that departments have requested space renovation projects that include a factor for future growth. Ms. Hollins, CAO, further clarified that there is a significant cost for renovations and a higher cost to return to reconfigure floors. Ms. Tso, CLA, commented that future growth should not be an overriding factor in making a determination, because the CVS project is already expensive.

Mr. Szabo, requested clarification on the annual cost escalation and proposed timeline for CVS space occupancy. Steven Fierce, BOE, responded that the cost escalation is based on BOE Construction Management Division’s previous report to MFC, which is 15 percent this year and 13 percent next year. Mr. Fierce, BOE, further added that the build-out is expected to be completed by July 2025.

Mr. Szabo, CAO, commented that other options outside of what is included in the report should be explored. Mr. Szabo further added that while CHRED and CAO need more space, the Committee must make prudent financial decisions as a significant capital investment in the LA Mall is difficult to approve, given that the tenancy is short-term.

Mr. Szabo, CAO, recommended that the Committee continue items No. 4 and No. 5 to the January MFC meeting with an analysis of the P-4 space and potential lease options.

**Item 6**

Report from BOE requesting authority to proceed with the design and construction of an LAPD excess storage parking lot for towed cars and recreational vehicles, located at 2621 South Nevin Avenue (CD 9).

**Disposition:** Approved.

Ms. Holm, Mayor, inquired about the inclusion of soil testing and remediation in the project cost and if the removal of top soil would result in complete remediation. Marina Quinonez, BOE, responded that the site is contaminated with lead and arsenic and that there is a funding allowance to test and allocate hauling of the contaminated soil.

Ms. Holm, Mayor, requested clarification concerning the homeless services provided to vehicle owners residing in their vehicles that will be towed. Sherilyn Correa, Council District 9, clarified that the district has conducted similar operations in collaboration with LAPD, DOT, LAHSA, and CAO.

Mr. Szabo, CAO, commented that there is a recommended RV policy that has been recommended to Council by the CAO. Mr. Szabo further added that there are two motions requesting RV policies, protocols, and a mayoral initiative, all of which include significant outreach and housing options.

Ms. Holm, Mayor, asked whether individuals whose vehicles are impounded and stored, are interested in reclaiming their RV due to lack of permanent housing. Ms. Correa, Council District 9, stated the individuals will be placed on a path for interim housing in the district or receive hotel vouchers.

Ms. Tso, CLA, requested clarification on the funding requirement for 2023-24 budget. Ms. Quinonez, BOE, clarified that project funds have been requested for 2023-24. Ms. Hollins, CAO, further added that funding of \$359,000 is currently available from residual Capital Technology Improvement Expenditure Program funds and General City Purpose funds, if approved by the MFC.

Ms. Tso, CLA, requested GSD to explore the opportunity to extend the lease term in excess of five years, given the need for vehicle storage and resources to be dedicated for remediation and improvement. Ms. Schechter stated that GSD will return to the MFC next month with negotiated recommendations.

**Item 7** Report from CAO requesting authority to initiate structural repairs for the Los Angeles Zoo, Langur Bridge.

**Disposition:** Approved.

Ms. Tso, CLA, asked if all of the Zoo bridges have been assessed and if accessibility issues exist with the bridge detours. Elyse Matson, ZOO, responded that the Langur Bridge is the only bridge currently under review by BOE, and that the remaining bridges will be assessed by BOE in the future. Ms. Matson further added that the bridge detour includes an unavoidable hill that is traversable but not ideal for accessibility.

Ms. Tso, CLA, inquired about the timeline for receiving the determination concerning bridge repair options. Shirish Mistry, BOE, responded that the BOE report recommends hiring a licensed civil or structural engineer to assess the damage and extent of repairs.

Ms. Tso, CLA, asked if there has been an inquiry into the funding availability from the Greater Los Angeles Zoo Association endowment to support the bridge repair. Ms. Hollins, CAO, clarified that the CAO will report back on the MICLA eligibility determination, additional funding sources for non-MICLA eligible items, and the Zoo's capacity to contribute towards the funding.

**Item 8** Moment of Silence in remembrance of **John-Michael Mendoza**, General Services Department and the Economic and Workforce Development Department.

**Item 9** Municipal Facilities Committee to consider a determination in accordance with AB 361 Section 3(e)(3) that, while the state of emergency due to the Covid-19 pandemic, as originally proclaimed by the Governor on March 4, 2020, remains active and/or state or local officials have imposed or recommended measures to promote social distancing, this legislative body has reconsidered the circumstances of the state of emergency and that the state of emergency continues to directly impact the ability of the members to meet safely in person and/or state or local officials continue to impose or recommend measures to promote social distancing.

**Disposition:** Approved as read into the record.

*The meeting adjourned at 10:58 a.m.*