

MUNICIPAL FACILITIES COMMITTEE
Minutes from the Regular Meeting of February 24, 2022

MEMBERS: Matthew W. Szabo, Office of the City Administrative Officer, Chair (CAO)
Matias Farfan, Chief Legislative Analyst (CLA)
Alma Guerrero, Office of the Mayor (Mayor)

The meeting was called to order at 10:12 a.m.

No General Public Comment.

Item 2 Report from the General Services Department (GSD) requesting authority to negotiate and execute a new lease agreement for 1330 W. Pico Boulevard for the Los Angeles Police Department South Traffic and Central Traffic Divisions, subject to Council and Mayor approval.

Disposition: Item held for a subsequent report back.

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

Amy Benson, GSD, provided a summary of the report on the status of negotiations at 1330 W. Pico Boulevard. Sandy Russell, LAPD, made a statement further explaining several points in the report. Alma Guerrero, Mayor, asked what the interim plan is for LAPD South Traffic once its lease expires in September, while the new facility is ready to move-in. Ms. Benson responded that the lease would revert to month-to-month after the lease terminates. Ms. Guerrero requested further clarification on when the new lease will be executed at the Pico location. Ms. Benson clarified that once the Committee approves the report, GSD can finalize negotiations.

Matias Farfan, CLA, asked if GSD had discussed the option of the City purchasing property from the owner. Ms. Benson stated the current owners just recently purchased the property and she did not think the owner would be open to selling. Mr. Farfan further asked to confirm whether the owner is contributing to any tenant improvements. Ms. Benson responded that the tenant improvement allowance will be negotiated with the landlord, and lease costs will not be paid until tenant improvements are completed and the certificate of occupancy is issued. Paul Burke, GSD, added that the owner just purchased the property and one of negotiating terms is the City's right of first refusal. Mr. Farfan inquired if the adjacent Caltrans property's price is included. Mr. Burke responded that the Caltrans property lease price is included in the lease estimate at an additional \$14,000 per month for an additional 120 spaces.

Matt Szabo, CAO, expressed concern about the City investing a significant amount of money in a property the City does not own at the end of the 20 year term. Mr. Szabo further asked if the right of first refusal was exercised, would the City receive any credit for lease payments to be applied towards the asking price. Ms. Benson responded that such an option had not been negotiated. Mr. Szabo indicated he understands the urgency to address the space need for the South Traffic Bureau, but wants to explore the full range of options. Mr. Szabo requested the report back at the next meeting to also explore the option of utilizing trailers.

- Item 1** Minutes of the:
- a. January 13, 2022 Special Meeting; and,
 - b. January 27, 2022 Regular Meeting.

Disposition: Approved without discussion.

- Item 4** Report from GSD requesting authority to revise the terms of the master license agreement with Kounkuey Design Initiative for the Adopt A Lot program, subject to Council and Mayor approval.

Disposition: Approved on consent.

Matt Szabo, CAO, requested that Item No. 4 and Item No. 6 be approved on consent.

- Item 6** Report from CAO on the direct sale of surplus property located at 4366 South Main Street in accordance with State Law AB 1486, subject to Council and Mayor approval.

Disposition: Approved on consent.

- Item 5** Report from the Bureau of Engineering on the Taylor Yard G2 River Park project requesting authority to approve the final implementation feasibility report and its appendices, including selection of a preferred island scheme alternative bridging G1 and G2, various requests for participation from multiple City departments spanning the partnership parcels and approval of a Letter of Intent on the 100-Acre Partnership between the Mountains Recreation and Conservation Authority, State Parks, and the City, subject to Council and Mayor approval.

Disposition: Item held for a subsequent report back.

Chris Johnson, BOE, presented a summary of the implementation feasibility report (“IFR”) and recommendations. Matias Farfan, CLA, inquired if discussions had occurred between BOE and DWP regarding the relocation of power lines. Mr. Johnson responded that BOE shared report recommendations with DWP and met with Executive staff in late 2021. Mr. Farfan further inquired if Metrolink will be involved with relocation. Mr. Johnson responded that BOE is working with high speed rail in addition to Metrolink, which has plans to relocate a tail track on the G2 site.

Matt Szabo, CAO, asked Mr. Johnson to elaborate on the sources of revenue this project will rely upon to mitigate the operating shortfall estimated between a range of \$2.5 to \$5 million. Mr. Johnson clarified that food and beverage concessions and venue rental would partially offset costs. Mr. Szabo expressed concern that the project estimates developed in December 2019 would not be reflective of the current escalation for construction costs. Mr. Johnson responded that the site will be developed in phases and with further knowledge BOE would be able to refine cost estimates in the IFR.

Mr. Szabo asked if it is possible to update the construction cost estimates without unnecessarily delaying the project. Mr. Johnson stated that BOE will need a few weeks to update and report back to the Municipal Facilities Committee (MFC).

Mr. Szabo requested that BOE update Table 12.2 in the IFR and either be replaced or included as an appendix. Mr. Szabo further requested to hold the item for 30 days.

Item 3 Quarterly leasing report from the Office of the City Administrative Officer to include recommendations for a related space assignment for the Los Angeles Police Department within the Police Administration Building.

Disposition: Approved.

Kay Ha, CAO, provided a summary of the report. Alma Guerrero, Mayor, asked if there will be enough room to accommodate new positions added in the Youth Development Department and the Community Investment for Families Department. Ms. Ha responded that the CAO will be conducting due diligence once the staffing numbers have been verified for the upcoming year and that the CAO will include the results in a subsequent report back.

Item 7 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 11:12 a.m.