

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

Agenda Item No. 9

Date: June 29, 2023

To: Municipal Facilities Committee

From: Steven Fierce, AIA  
Municipal Facilities Program Manager  
Bureau of Engineering



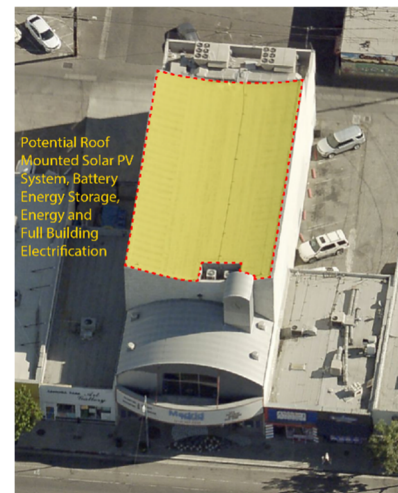
Subject: **Solar Energy Installation Municipal Facilities**

**Madrid Theater - Proposed Electrification, Solar Photovoltaic (PV),  
and Potential Battery Energy Storage (BES) System  
(21622 Sherman Way, Canoga Park, CA 91303)**

**Recommendations:**

1. Approve the addition of the Building Decarbonization scope to the Madrid Theatre Renovation Project with the goal of full building decarbonization.
2. Reprogram \$2M of the \$3M of FY 18-19 MICLEA funding designated for “Solar Energy Installation Municipal Facilities,” to the Madrid Theater Renovation Project, for the feasibility study, design, cost estimate, and construction for the building decarbonization elements as detailed in this report.

**Councilmember Bob Blumenfield, CD 3**



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## 1. BACKGROUND

### Madrid Theatre Renovations

The Madrid Theatre Renovations project is located at 21622 Sherman Way, Canoga Park, CA 91303, and is in Council District 3. The renovations designed for the Project include upgrades to the front façade, lobbies, theatre, and back-of-house support spaces and associated infrastructure upgrades. The Department of Public Works awarded the construction contract on September 28<sup>th</sup>, 2022 to Waisman Construction Inc (Waisman), for an amount of 10,743,000. Construction is roughly 20 percent complete.

To curb the impact of rising escalation costs, the project was awarded, despite a \$3.31 Million Dollar shortfall. Instructions to award the project and resolve the shortfall in future fiscal year requests was provided by the MFC, as noted in the MFC report dated August 11, 2022 (Attachment No.1). The funding request to close the \$3.31M is included in the proposed FY 23/24 budget.

### Solar Energy Installation Municipal Facilities

The FY 2018-2019 City Budget approved Municipal Improvement Corporation of Los Angeles (MICLA)-Issued Financing for “Solar Energy Installation(s) on Municipal Facilities which identified \$3M to install solar energy at four existing Municipal Facilities that include: (1) Vision Theater; (2) Evergreen Recreation Center; (3) Devonshire Police Station; and (4) Topanga Community Police Station. Of the four projects, only the Vision Theater project was construction ready, which saw the completion of the solar PV system scope using a combination of the Municipal Solar Fund and CDBG PY47 funds. \$1M from the Municipal Solar Fund was used for this effort, reducing the Municipal Solar Fund’s balance to \$2M for the remaining three projects.

The City Council voiced a need for full building decarbonization pilot projects to allow the City to learn and prepare for future projects. Working with the Mayor’s office, it was determined to utilize the “Solar Energy Installations on Municipal Facilities” fund toward one public-facing facility and fully fund not just solar PV, but fund total building decarbonization, including building electrification, solar PV, and energy storage systems.

The BOE project team evaluated the remaining three projects to review whether they are good candidates for full building decarbonization. It was determined that the LAPD Devonshire (CD12), Evergreen Recreation Center (CD14), and the Topanga (CD3)

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police station are all currently non-active projects and will require significant funding to fully decarbonize. Therefore, they will be decarbonized as part of the larger Citywide building decarbonization work plan that BOE is undertaking under separate funding. BOE has contacted the respective Council Districts to inform them of the project change.

The BOE project team has identified the Madrid Theatre Renovation Project in CD3 as a viable option for full building decarbonization since the project is presently undergoing a major construction renovation where some of the building components are already specified to be electrified such as the new HVAC, appliances, and water heater.

This report requests the reprogramming of \$2M of MICLA designated for "Solar Energy Installation on Municipal Facilities" from the four projects listed above, to the Madrid Theater project. The funding will be utilized to address costs for the feasibility study, design, cost estimate and construction for the building electrification and decarbonization work.

## **2. SCOPE OF WORK**

The Municipal Solar fund's added scope will include the feasibility study, design, cost estimate, and construction for the building decarbonization elements to meet the City of Los Angeles Building Electrification standards, and include the following: replacement of the remaining HVAC systems, installation of a roof mounted photovoltaic (PV) solar array, installation of a new membrane "cool" roof, and an add alternate to include the installation of a battery energy storage systems (BES).

The solar PV system will have a Net Energy Metering (NEM) configuration. The potential BES system will support the building's critical loads during an emergency power outage, peak demand response, and offset nighttime use. With the inclusion of on-site battery storage, this will provide a minimum of four hours backup power for the facility's critical load. Additionally, the solar installations may have the ability to provide an extended duration of backup power. The project will explore the capability of the solar PV system with a BES system to provide power to the building without utility grid power. This is known as islanding, and is expected to enhance the building's resiliency.

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**3. BUDGET**

| Building Decarbonization Scope                                    |           |                         |
|---|-----------|-------------------------|
| Design  | \$        | 200,000                 |
| Construction  | \$        |                         |
| Solar PV system, potentially for 45kW                             | \$        | 350,000                 |
| New Membrane Roof   | \$        | 400,000                 |
| HVAC Heat Pump replacement  | \$        | 400,000                 |
| Battery Energy Storage (add alternate)                            | \$        | 300,000                 |
| Permitting, Inspections, and Commissioning                        | \$        | 200,000                 |
| Contingency   | \$        | 150,000                 |
| <b><i>Building Decarbonization Scope Preliminary Estimate</i></b> | <b>\$</b> | <b><i>2,000,000</i></b> |

Availability of Fund

Funding for the additional Building Decarbonization scope is provided in FY 18-19 Blue Book MICLA appropriations designated for “Solar Energy Installation on Municipal Facilities.”

**4. SCHEDULE**

The current construction completion date for the Madrid Theatre Renovation project is May 1, 2024. With the addition of the building decarbonization elements, we anticipate an impact of four (4) months to the current construction schedule, resulting in an estimated revised construction completion of September 1, 2024.

**5. KEY ISSUES**

The MICLA fund of \$2M is subject to reauthorization and reprogramming approval.

**6. FISCAL IMPACT**

We currently do not anticipate any additional impact on the general fund.

cc:  
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