

MUNICIPAL FACILITIES COMMITTEE
Minutes from the Regular Meeting of July 27, 2023

MEMBERS: Matthew W. Szabo, Office of the City Administrative Officer, Chair (CAO)
Sharon Tso, Office of the Chief Legislative Analyst (CLA)
Bernyce Hollins, Office of the Mayor (Mayor)

The meeting was called to order at 10:02 a.m.

General Public Comment

No public comment.

Item 5 Status report form General Services Department (GSD) on the year-one implementation of the deferred maintenance program.

Disposition: Noted and filed.

Yolanda Chavez, CAO, requested that Item No. 5 be taken out of order to precede Item No. 1.

Dwight Craft and Nestor McKenna, GSD, provided an overview of the report which included an update to the completion percentage that has increased to 74 percent. Mr. Craft further added that most of the delays are related to HVAC equipment and alarm panels, causing delays of several months. Mr. Craft concluded that all projects are expected to be completed for the Year One implementation of the program in 2023-24 and that work has also commenced on the Year Two elements of the program.

Bernyce Hollins, Mayor's Office, asked if the original \$50 million assessment conducted are not the City's full needs, but solely the known needs as some assessment needs in certain buildings are not included. Mr. McKenna further added that needs are identified as maintenance is performed on buildings, which has resulted in approximately 800 projects listed in the maintenance program. Ms. Hollins requested clarification on whether the 800 projects are within the original \$50 million assessment. Mr. McKenna responded that they are not. Ms. Hollins additionally asked if new projects have been added or reprioritized since the original assessment in January 2022. Mr. McKenna responded that projects are being constantly reprioritized to prevent deterioration, depending on funding availability.

Ms. Hollins inquired as to whether the deferred maintenance status reports are submitted on a quarterly basis and asked if the intention is to come back in the next quarterly report with the Year Two plan. Mr. McKenna confirmed that is the intention.

Item 1 Minutes of the June 29, 2023 Regular Meeting.

Disposition: Approved on consent.

Item 2 Report from GSD requesting authority to negotiate and execute a lease agreement with DWF VI GPI Lankershim Owner, LLC, for Council District 2 field office located at 5250 Lankershim Boulevard, subject to Council and Mayor approval.

Disposition: Approved.

Wayne Lee, GSD, provided an overview of the staff report which stated that the Office of Council District 2 is relocating and consolidating field offices as a result of redistricting to a new proposed location at 5250 Lankershim Boulevard.

Sharon Tso, CLA, asked for confirmation as to whether the 2028 lease expiration date is consistent with the existing lease. Mr. Lee responded that it is consistent with consideration to an executed term extension.

Ms. Tso requested clarification in regards to the inclusion of operational expenditure (OpEx) and common area maintenance (CAM) costs after the first year in relocation delta costs. Mr. Lee responded that only base rent is included in the delta costs and the OpEx and CAM costs will not be known until they are incurred.

Ms. Tso asked how early termination will work in the new lease. Mr. Lee responded that the City can terminate early in the case of redistricting or change in Councilmember. In the case of early termination, the City will need to pay some costs, likely the improvement costs.

Ms. Hollins stated that she would like to echo the CLA in requesting that the relocation be cost neutral, and also that the deal be structured to avoid the use of swing space.

Ms. Hollins requested clarification on whether the current lease was removed from the Citywide Leasing portfolio and whether there is a funding allocation for the new lease. Kay Ha, CAO, responded that the current lease is still within the Citywide Leasing portfolio and that the new lease is not, however, there is sufficient funding in the leasing account based on GSD's projection.

Item 3 Report from GSD requesting authority to negotiate and execute a non-profit license agreement with Tiuvac'a'ai Conservation Corps to provide ecological and climate resiliency youth training services located at 13520 Van Nuys Boulevard (CD 7), subject to Council and Mayor approval.

Disposition: Approved.

Bernyce Hollins, Mayor's Office, requested clarification on whether there is a service agreement with the City or if the program will be managed through the license agreement.

Wayne Lee, GSD, confirmed the program will be operated through a license agreement. Mr. Lee requested that Pablo Cardoza from the Tribal Conservation program speak on the program. Mr. Cardoza stated that the program began one year ago, hiring young adults for conservation projects through the City and the County of Los Angeles.

Ms. Hollins requested clarification on how the City would be informed of the program's outcomes. Mr. Cardoza responded that monthly program reports will be prepared which will include deliverables and hours completed.

Item 4 Report from GSD requesting authority to negotiate and execute a non-profit license agreement with Making It Happen, Inc., for community food and grocery assistance services located at 7477 Foothill Boulevard (CD 7), subject to Council and Mayor approval.

Disposition: Approved on consent.

Item 6 Report from Information Technology Agency (ITA) requesting authority to proceed with identifying relocation options within the Downtown Civic Center area for the Channel 35 operations.

Disposition: Approved as amended.

Maria Ramos, ITA, provided a verbal amendment to revise the report's recommendation to state: "Instruct the GSD, in consultation with ITA and the Bureau of Engineering (BOE), to identify options for addressing permanent space needs for the relocation of Channel 35 operations." Ms. Ramos proceeded to provide an overview of the report, stating that there have been plans to relocate Channel 35 operations to El Pueblo for several years, however that has been delayed since 2017, as construction bids have come in extremely high and over-budget. Ms. Ramos further added that no additional funds have been identified for the project to address the funding shortfall.

Ms. Tso noted that the project scope has changed since 2017 and considering the project scope was a major factor in the high cost, asked whether El Pueblo has been revisited as an option since then. Ms. Ramos responded that ITA has reconsidered El Pueblo however, a majority of the costs were due to the need for a seismic retrofit.

Ohaji Abdallah, BOE, explained that the entire block is tied together and due to that construction, resulting in an increased project scope of seismic retrofit upgrades for additional structures.

Ms. Tso inquired as to whether there has been any preliminary assessment for options for Channel 35. Mr. Abdallah responded that there have been, and that is why ITA and BOE are requesting authority to perform a deeper search and return with vetted figures. Mr. Abdallah further added that there are some locations similar to El Pueblo that have already received seismic upgrades and due to recent construction costs escalations, the purchase of a building with those upgrades could be significantly cheaper.

Ms. Hollins stated that this project has been delayed for a while and a balanced approach is needed, especially with consideration to ITA's needs. Ms. Hollins further added that the El Pueblo building is a City facility and the structural issues must be addressed. Ms. Hollins asked if the analysis could include costs of proceeding with El Pueblo with reduced scope or the potential for partnerships with other departments or third parties as a point of comparison to any options proposed by ITA and BOE. Mr. Abdallah, responded that BOE recently released a Task Order Solicitation (TOS) for the El Pueblo Master Plan and the scope includes analysis for any potential revenue sharing options for the Pico Block.

Ms. Hollins, asked for clarification on when responses are due for the TOS. Mr. Abdallah responded that responses have already been received and are currently being scored. Mr. Abdallah further added that the analysis for this particular project will be completed by BOE and brought forward in a timely manner to be considered as part of this discussion.

Ms. Tso asked if there are any opportunities for local businesses to provide funding for the project in exchange for branding opportunities. Mr. Abdallah responded that there have been several proposals, however third parties have pulled out once the project costs were received.

Ms. Hollins asked if the options ITA wishes to explore are solely private options or if they include City-owned properties. Ms. Ramos stated that the revised recommendation is very general and that the priority would be to purchase a property, however, ITA is also open to City-owned options.

Item 7 Report from Department of Building and Safety (LADBS) requesting authority to deviate from City Work Space Standards, as part of the tenant improvement project authorized for space assigned to the Department on the ninth floor of 201 North Figueroa Street.

Disposition: Approved.

Emilio Rodriguez and Tony Pelaez, LADBS, provided an overview of the report requesting authority to proceed with tenant improvement and space reconfiguration of approximately 6700 sq. ft. on the 9th floor Fig Plaza. Mr. Rodriguez added that additional space is needed to accommodate new staff approved in the 2023-24 City Budget for the Zoning Review program and additional growth of the program. Mr. Rodriguez further added that LADBS is requesting authority to add 19 cubicles through the reduction of existing cubicle workspaces from 8 x 12 to 8 x 8 configurations and any remaining space would be used as common area workspace.

Ms. Hollins inquired as to the approximate cost per square foot and requested a report back on the resolution of the space-sharing issue for the Vermont space. Mr. Pelaez responded that it is \$245 per square foot.

Item 8 Report from Economic and Workforce Development Department (EWDD) requesting authority for the direct sale of two City-owned single family homes at 5510 South Manhattan Place (CD 8) and 12243 Blakley Avenue (C.F. 10-1068), subject to Council and Mayor approval.

Disposition: Approved as amended. Recommendation Nos. 1, 3, 4, and 5 are approved. The report will be held until the sales ordinance is ready and forwarded to Council.

Blair Miller, EWDD, presented a summary of the reports which included the recommendation for the sale of two City-owned properties at 5510 South Manhattan Place (CD 8) and 12243 Blakley Avenue. Ms. Miller added that EWDD is reporting to MFC for three reasons: direction is needed from Council to adopt the sales ordinance, approval of the purchase and sale agreement with specific distribution of funds, and a determination that the public interest and necessity require the direct sale of the property without notice of sale or advertisement for bids.

Ms. Tso, CLA, asked if the distribution of funds was previously approved. Ms. Miller responded that it was approved through the October 2021 report. Ms. Tso requested clarification on whether these are allowable uses for the EWDD Trust Fund. Ms. Miller responded that they are EWDD real estate activities however, they still need further vetting.

Ms. Tso inquired if the Committee needs to approve the sales ordinance separately. Robert Moore, City Attorney, responded that it can be approved separately but the intention is to send it forward with the EWDD report.

Ms. Hollins requested an update to the Capital and Technology Improvement Expenditure Program (CTIEP) property management funds provided to EWDD. Ms. Miller responded that EWDD can provide a report update on the CTIEP property management funds in the future.

Ms. Chavez inquired if there was any consideration for the sale of these properties to low or moderate income families for homeownership. Ms. Miller responded to the affirmative, however, there was only one offer and it was extraordinarily low and would not pay the expenses of the sale.

Item 9 **Continued from June 29, 2023:** Third quarterly status report from Bureau of Engineering (BOE) on the Taylor Yard G2 River Park project.

Disposition: Noted and filed.

Yolanda Chavez, CAO, requested Items 9 and 10 be considered concurrently.

Item 10 Fourth quarterly status report from BOE on the Taylor Yard G2 River Park project.

Disposition: Noted and filed.

Luz Robelo and Chris Johnson, LADBS, provided an overview of the status report, which included an update on the virtual community workshop that was completed for the Paseo del Rio project, additional stakeholder meetings, and released a project questionnaire which received 1,200 responses. Ms. Rubelo further added that the Board of Recreation and Parks approved the Memorandum of Understanding (MOU) for formalizing the partnership for the Taylor Yard project. Ms. Rubelo concluded that the annual groundwater monitoring and dust suppressant was completed.

Item 11 Adjournment – Next Regular Meeting, Thursday, September 28, 2023.

The meeting adjourned at 10:56 a.m.