CITY OF LOS ANGELES INTER-DEPARTMENTAL CORRESPONDENCE

Date: November 16, 2023

To: Municipal Facilities Committee

From: Steven Fierce, AIA, Division Manager

Architectural Division, Bureau of Engineering

Ohaji K. Abdallah, Asst. Div Mngr,

Signing for Steven Fierce Ohapi K. Abdallah, R.A.

Subject: WARNER GRAND THEATRE PROJECT W.O. #E1908215 - UPDATE

SCOPE OF WORK AND FUNDING APPROVAL.

RECOMMENDATION

It is recommended that the Municipal Facilities Committee (MFC):

- 1. Approve the updated scope of work for Phase 1 and Phase 2 of Warner Grand Theatre rehabilitation project;
- 2. Approve the updated total Phase 1 Project cost of \$21.16 million;
- 3. Direct the Board of Public Works to approve the solicitation of bids for Phase 1 of the Project, with an estimated shortfall of \$6.4 million; and,
- 4. Direct the CAO to work with Council District 15, and the Department of Cultural Affairs (DCA) to identify an additional \$6.4 million to fully fund Phase 1 of the Project.

PROJECT



Council member McOsker, CD 15



1.0 BACKGROUND

The Theatre was opened in 1931 by film pioneer Jack Warner and is one of three "neighborhood movie palaces" commissioned by the Warner Brothers in the Los Angeles region. It was designed by the noted architect of the day, B. Marcus Priteca, in the Art Deco-Moderne style.

The Department of Cultural Affairs (DCA) has operated the Theatre since 1996 as a multi-use facility, primarily as a rental facility to ensure that artists, producers/presenters, and audiences could access the facility. The Grand Vision Foundation (GVF) is a private non-profit organization, whose role since 1996 has been to raise funds for historic and aesthetic restorations and renovations of various elements of the physical plant. In recent years GVF has assisted DCA, and individual producers/presenters, with promotion and marketing to residents of the Harbor area. GVF has also made improvements to the stage audio system, digital projection system, as well as the purchase and installation of a new main drape.

The Theatre, known at the time as the Juarez Theatre, is a City of Los Angeles Historic-Cultural Monument (No. 251) and is listed in the National Register of Historic Places as No. 98001633.

The Theatre contains 1,489 seats, including 889 in the orchestra, 200 in the lower balcony and 400 in the upper balcony. The stage is 50' wide and 24' deep, capped by a curved Steel Deck Masonite extension covering an organ/orchestra pit that is 10' deep, for a total stage depth of 34' at the center. The stage is composed of tongue and groove hardwood laid on concrete. There is a small backstage area and minimal wings (approximately 20' stage right and 10' stage left). In addition, there are two built-in concession areas and a lower floor lounge. All of the dressing rooms are one floor below the stage and a loading access area is at street level directly east of the theatre storefronts.

The City of Los Angeles, DCA, and the community stakeholders in San Pedro/South Bay are interested in making much needed renovations, upgrades, and improvements to the historic Warner Grand Theatre. There are multiple goals, but ultimately, the proposed improvements are meant to allow the theatre to better serve the citizens of San Pedro and to the broader community at large. These improvements will significantly increase and maximize the venue usage through increasing rental opportunities, engaging community stakeholders, and enlisting leading performing arts organizations to return.

Following the issuance of a Task Order Solicitation (TOS) No. 35, the Bureau of Engineering (BOE) issued a Notice to Proceed on March 4, 2019, in the amount of \$75,000 to Studio Pali Fakete:architects (SPF:a) to produce a feasibility study and cost estimate for various options on how best to move the project forward (Pre-Design phase).

The initial findings of the Pre-Design phase resulted in a scope of work that far exceeded budget expectations. As such, BOE worked with CD 15, DCA, Architects, and GVF to establish the scope of work priorities validated through extensive budget analysis. The revised scope of work presented below has been determined to be the minimum required to effectively begin to meet the goals as outlined above.

The original estimate had a total project budget of \$9.9 million. The revised Phase 1 budget of \$21.2 million, revised scope of work, and the breaking up of the Bid Documents into Base Contract and Deductive Alternates or Phases will provide flexibility as future funding becomes available.

2.0 SCOPE OF WORK

The project is divided into phases to address the increased cost of construction and funding availability, Phase 1 This approach does not take advantage of a larger projects' Economy of Scale.

The previously approved scope of work for Phase 1 and Phase 2 noted in the MFC Report dated July 27, 2020 (Attachment No 1) has been reorganized to accommodate the current funding availability. The Phase 1 scope now consists of the Items listed below:

- Elevator: Install a new elevator near the Northwest corner of the building to provide ADA access to the Second Floor and basement from the Main Floor Lobby.
- Restrooms
 - Basement: Upgrade and add gender-neutral restrooms in the basement to meet current code.
 - Main floor lobby, 2nd Floor lobby: Expand the Women's Restroom, add one all gender restroom, and expand the area for Men's urinals. Add vintage lounge seating.
 - 2nd Floor: Add Single-Occupancy, Gender Neutral, and ADA restrooms to meet current code requirements.
- Entrance lobby:
 - o Terrazzo Repairs: Restore damaged terrazzo flooring.
 - o Restore foyer ceiling, historic ticketing booth, doors, and marketing displays.
- Ticketing Offices and Usher Storage: Convert two existing sections of commercial space near the Southwest side of the building, adjacent to the entrance foyer, into a safe and secure ticketing and info booth. This will allow for ticketing and entry to be controlled on the street, and will also provide additional staff office and storage space. This scope also includes the purchase of updated ticketing equipment, including ticket scanners and software.
- Restore front facing shapes and historic awnings.
- Production Office/ storage: Convert the commercial space exterior storage space on the southeast side of the facility into a multi-use space that can accommodate a production/ stage manager office, and interior storage space for the off-stage equipment.

- Guest Lounge and Overlook: Transform the space historically designated as the venue apartment (currently office space) into a small reception lounge. The rehabilitation of this room will retain the historic fabric, and closet restroom.
- Main floor lobby: General historical rehabilitation of the finishes and fixtures, and replacement of the concession stands.
- 2nd Floor lobbies: General historical rehabilitation of the finishes and fixtures, restoration of the historic drinking fountain, and the installation of new electrical infrastructure to accommodate events.
- Replacement of the HVAC system and any gas-powered devices.

The revised scope of work for Phase 2, is as noted below:

- Historical Restoration of the main entrance facade of the building
- Auditorium:
 - Restore the ceiling, historic lighting fixtures, tapestries, and doorway curtains.
 - Replace existing seating with new seating for patrons with disabilities or mobility impairments.
- Backstage:
 - Upgrades to lighting, increase access for performers, restore finishes and install a hydration station.
 - Develop loading dock access from the alley
 - o Install a stage flooring product that will accommodate dance performances.
 - Upgrade the control booth and stage equipment.
 - Upgrade audience and stage lighting control infrastructure, and rehabilitate the theatrical rigging systems.
 - o Install Infrastructure to support private and public facing Wi-Fi.
 - o Purchase and Install a HD Digital Projector
 - o Theatrical Audio, Visual, Lighting Equipment upgrades
 - General improvements to backstage areas
 - Installation of a modular Dance Floor
- General rehabilitation improvements to the auditorium space

3.0 FUNDING/ BUDGET

Budget

Revisions were made to the previously approved Project budget to capture the scope modifications, actual costs incurred for previous design phases, and the updated construction cost escalation.

Phase 1 Budget				
Activity Previously Approved Budget		Proposed Budget		
Pre-Design	\$ 182,453	\$ 82,113		
Architectural Consultant	766,110	1,046,250		
Construction	8,751,659	14,100,000		
Construction Contingency 13%		1,833,000		

Other Direct Costs – Permits,	172,778	100,000
Hazmat Abatement		700,000
Project Construction Cost Escalation @ 12% * (6 Months) FY23/24		846,000
Project Construction Cost Escalation @ 9% * FY 24/25		1,421,280
PW / BCA Inspection Costs	986,905	352,500
PW / BOE Costs	483,777	686,712
Total Project Costs:	\$11,343,682	\$ 21,167,855

^{*} Based on the Funding for Construction Cost Inflation report, dated 7-28-2022.

<u>Funding</u>

Funding Sources for Phase 1				
Funding Source	BFY	Appr. Unit	Budgeted Amount	
CTIEP	2017	00N285	\$150,000	
CHEP	2018	00P376	\$100,000	
	2018	50RTGT**	\$780,226	
MICLA*	2019	50RTWG***	\$1,220,000	
	2022	TBD	\$12,500,000	
		Total Funding	\$ 14,750,226	

^{*}MICLA funds have been/will be reauthorized in the 2023-24 First Construction Projects Report (C.F. 23-0842) and 2023-24 Second Construction Projects Report (C.F. 23-0842-S1).

Currently, Phase 1 of the Warner Grand Theatre project has a projected budget shortfall in the amount of \$6,417,629. The shortfall can be reduced if future City staff costs for bid and award and construction phases are not reimbursed. To address the shortfall, a CTIEP request was submitted for 2024-25, for an amount of \$4.2 million.

The project currently has enough funding to initiate and fund construction activities through the 2025-26, as indicated in the expenditure plan below.

Funding Sources	Expended/ Committed	Const. Funds	FY23/24 4 th Qtr.	FY24/25 1 st Qtr.	FY24/25 2 nd Qtr.	FY24/25 3rd Qtr.	FY24/25 4th Qtr.	FY25/26 1 st Qtr.	Total
CTIEP (2016-17)	\$0.150m								\$0.150m
CTIEP (2017-18)	\$0.60m	\$0.040m	\$0.040m						\$0.100m
MICLA (2017-18)	\$0	\$0.780m	\$0.780m						\$0.780m
MICLA (2018-19)	\$1.031m	\$0.189m	\$0.189m						\$1.22m
MICLA (2021-22)	\$0	\$12.5m	\$1.0m	\$2.3m	\$4.1m	\$5.1m			\$12.5m
Shortfall Funding		\$6.4m				\$0.30m	\$3.1m	\$3m	\$6.4m
TOTALs	\$1.228m	\$19.9 m	\$2.009m	\$2.3m	\$4.1m	\$5.4m	\$3.5m	\$3m	\$21.1m

^{** \$1.5} million was originally appropriated. DCA expended \$719,773. The remaining will be used for capital improvements for the Warner Grand project.

^{***}Original appropriation of \$5.0 million was reduced by \$3,780,000 in 2020-21 Second Financial Status Report (C.F.20-0600-S84).

CD 15 has been an ardent supporter of the project and would like to see this project go to bid this year.

Therefore, BOE recommends that the Municipal Facilities Committee approve the recommendation to authorize BOE to proceed with the solicitation of bids, despite the previously noted project shortfall.

4.0 SCHEDULE

The revised project schedule is shown below:

Project Schedule				
Phases	Start Date	Finished Date	Revised Start	Revised Finish
Design	Oct. 1, 2020	June 30, 2021	Oct 1, 2020	Sept 30, 2023
Bid and Award	July 1, 2021	Dec 31, 2021	Dec 1, 2023	March 31, 2024
Construction	Jan 1, 2022	Dec 31, 2022	April 1, 2024	Dec 31, 2025
Post Const.	Jan 1, 2023	June 30, 2023	Jan 1, 2026	June 1, 2026

CC:

Michael Samulon, Office of the Mayor Jeanne Min, Office of Councilmember McOsker, CD 15 Sergio Carrillo , Office of Councilmember McOsker, CD 15 Matthew W. Szabo, City Administrative Officer Melinda Gejer, City Administrative Officer Daniel Tarica, Los Angeles Department of Cultural Affairs Benjamin Johnson, Los Angeles Department of Cultural Affairs Ted Allen, Bureau of Engineering Deborah Weintraub, Bureau of Engineering Celso Del Poso, Bureau of Engineering Ohaji K. Abdallah, Bureau of Engineering Marcus Yee, Bureau of Engineering GEN. FORM 160 (Rev. 6-80)

CITY OF LOS ANGELES

INTER-DEPARTMENTAL CORRESPONDENCE

Date: July 27, 2020

To: Municipal Facilities Committee

From: Steven Fierce, AIA, Division Manager

Architectural Division, Bureau of Engineering

Subject: WARNER GRAND THEATRE PROJECT W.O. #E1908215 – RECOMMENDATION TO THE

BOARD OF PUBLIC WORKS TO PROCEED WITH THE DESIGN FOR A TOTAL PROJECT

COST IN THE AMOUNT OF \$9,873,000, COMMITTEE MEETING JULY 30, 2020

It is recommended that the MFC:

1. Recommend to the Board of Public Works (Board) that they proceed with the design for the Warner Grand Theater Rehabilitation Project with a **Total Project Cost** of \$9,873,000, and;

- 2. Direct staff to work with CAO, Council District 15, and the Department of Cultural Affairs (DCA) to identify an additional \$4,000,000 to fully fund the project, and;
- **3.** Recommend that the MFC recommends to the Los Angeles City Council to approve an extension to the term of previously allocated MICLA funds for this project from their current expiration dates and to recommend an expiration date of June 30, 2023, as shown in the table that follows:

Funding	Amount	Current Expiration	Extension
MICLA – FY 17/18	\$ 780,226.68	June 30, 2022	June 30, 2023
MICLA – FY 18/19	\$ 5,000,000.00	June 30, 2021	June 30, 2023

Council member Buscaino, CD 15





1. Background

The Theatre was opened in 1931 by film pioneer Jack Warner and is one of three "neighborhood movie palaces" commissioned by Warner Brothers in the Los Angeles region. It was designed by the noted architect of the day B. Marcus Priteca in the art deco-moderne style.

The Department of Cultural Affairs (DCA) has operated the Theatre since 1996 as a multiuse facility, primarily as a rental facility to ensure that artists, producers/presenters and audiences could access the facility. The Grand Vision Foundation is a private non-profit organization, whose role since 1996 has been to raise funds for historic and aesthetic restorations and renovations of various elements of the physical plant. In recent years, the Grand Vision Foundation has also assisted the DCA and individual producers/presenters with promotion and marketing to the residents of the Harbor area and has made improvements to the stage audio system and digital projection **system** as well as, the purchase and installation of a new main drape.

The Theatre (known at the time as the Juarez Theatre) is a City of Los Angeles Historic-Cultural Monument (#251) and is listed in the National Register of Historic Places as #98001633.

The Theatre contains 1,489 seats, including 889 in the orchestra, 200 in the lower balcony and 400 in the upper balcony. The stage is 50' wide and 24' deep, capped by a curved Steel Deck Masonite extension covering an organ/orchestra pit that is 10' deep, for a total stage depth of 34' at the center. The stage is composed of tongue and groove hardwood laid on concrete. There is a small backstage area and minimal wings (approximately 20' stage right and 10' stage left). In addition, there are two built-in concession areas and a lower floor lounge. All of the dressing rooms are one floor below the stage and a loading access area is at street level directly east of the theatre storefronts.

The City of Los Angeles, the Department of Cultural Affairs, and the community stakeholders in San Pedro/South Bay are interested in making much needed renovations, upgrades, and improvements to the historic Warner Grand Theatre. There are multiple goals, but ultimately, the proposed improvements are meant to allow the theatre to better serve the citizens of San Pedro and to the broader community at large. These improvements will significantly increase and maximize the venue usage through increasing rental opportunities, engaging community stakeholders, and enlisting leading performing arts organizations to return.

Following the issuance of a Task Order Solicitation (TOS) No. 35, the Bureau of Engineering issued a Notice to Proceed on March 4, 2014, in the amount of \$75,000 to Studio Pali Fakete: architects (SPF:a) to provide Pre-Design services. SPF:a completed the task that includes recommendations and options, along with associated cost estimates on how best to proceed.

The initial findings of the Pre-Design Phase resulted in a scope of work that far exceeded budget expectations. As such, the BOE worked with the CD15, DCA, Architects, and the Friend's Group, over the past year, which established the scope of work priorities validated through extensive budget analysis. The current scope of work identified has been determined to be the minimum required to effectively begin to meet the goals as outlined above.

The Task Order Solicitation to proceed with Design Services with a total project budget of \$9,873,000, will allow a minimum / optimum scope of work to go into construction, given that the costs used for Overhead and Mobilization are similar, whether for a small or larger project. Breaking up the Bid Documents into Base Contract and Deductive Alternates or Phases will provide flexibility as future funds are becomes available.

2. Scope of Work

The project is divided into three phases: Phase 1 and 2 (\$9,873,000)

- Elevator: Back Northwest corner, access to basement, Main Floor Lobby, and Second Floor lobby (three floors).
- Upgraded and add Gender-Neutral Restrooms: Maximize and upgrade all gendered bathrooms in the basement. Basement restrooms will be re-configured to remain within the existing basement area. Main floor lobby, and 2nd Floor lobby. Expand the Women's Restroom, plus one all gender fluid Restroom, and one area for Men's urinals. Place Lavatories in the lobby if possible. Create space for venue exhibition on walls and vintage lounge seating. Add 2nd Floor Single-Occupancy, Gender Neutral, and ADA restrooms utilizing the Men's and Women's Restroom Foyers.
- Entrance lobby:
 - A. Terrazzo Repairs: Restore damaged terrazzo flooring.
 - B. Restore foyer ceiling, historic ticketing booth, doors, and marketing displays. Create an opportunity for part of the foyer and ticketing booth to be an outdoor standing reception area for the general public.
 - C. Marquee NO electronic marquee, repurpose the poster frames within the vestibule for electronic display.
- Ticketing Offices and Usher Storage: Transform far left storefront into security safe ticketing and info office. Allows for ticketing to be controlled out on the street to manage ingress. Also allow for additional staff office and storage. Plus the purchasing of all updated ticketing equipment, scanners, software, and PPE. Restore front facing shapes and historic awnings
- Administrative Office / Green Room / Piano Storage / COVID cleaning storage; Transform
 far eastern section of store fronts into multi-use space for ADA wheelchair artist dressing
 rooms, holding space for large casts, production/stage manager office, and off-stage
 equipment and costuming quick changes. Restore front facing shapes and historic
 awnings. Plus this room can serve as piano storage.
- 2nd Floor VIP Fundraising and Event Space and Overlook: Transform historic venue apartment (current offices) to small reception lounge; can also be used for celebrity artists; keep closet bathroom. Keep the historic nature of the apartment. The safe can be the back bar. Needed for all rental clients and local arts organizations. Need high touch vintage design.
- Digital Projector: Purchase new digital projector, as old one is non-operations. \$65,000.
- Restore and adapt Main floor lobby and 2nd Floor lobbies: Add vintage furniture and
 restore lighting fixtures. Add vintage inspired moveable/rolling buffet/bar stations that can
 be rolled to various sections of the lobby based on needs of renter and to maximize flow
 and sales. Allows for vintage pop-up stations for merchandise, food and beverage sales,
 registration and ticketing, and donor's wall. Events could take place in both the founders
 room and main lobby at the same time, requires two full refrigerators. Add additional
 electrical as needed. Restore historic fountain at upper lobby.
- Theatrical Audio, Visual, Lighting Equipment upgrades: Minor purchase for wireless sound equipment and labeling and storage. Plus purchase of rolling production cart.
- General Improvements: Paint stage and auditorium floors, and touch ups, podium, and stage risers. Verify Fire department requirements to convert organ lofts to storage space.
- Install wireless: Install wireless, green screen, and all-live streaming equipment.

Depending on funding, Phase 1 and Phase 2 may be separated: Phases 1 for the available \$5,873,226.68 and Phase 2 for the currently unfunded \$4.0M. This approach does not take advantage of a larger projects' Economy of Scale.

Phase 3: Future Elements

Restore outside of building

Air conditioning/HVAC repair/replace including electrification appliances

Earthquake Retrofit

Restore auditorium and historic lighting fixtures tapestries and doorway curtains.

ADA Seating

Backstage upgrades

Elevator on stage to basement

Change loading dock to alley

Purchase dance floor and Marley (special surface for dancing and performances)

Upgrade technical offices and stage equipment

Upgrading smart screen and restore flies (theatrical rigging systems).

Purchase and connect venue to buildings behind the theater all the way to Grand Vision Foundation. Create large dance studios, rehearsal spaces, educational spaces, community meeting space, and rooftop event and catering space connected from the 2nd Floor lobby and crossing the alley.

4. Funding

Funding Required for Phase 1 and 2				
Activity Incl. Staff Costs w/o Staff Cost				
Pre- Design	\$ 182,453	\$ 182,453		
Construction	\$ 8,751,659	\$ 8,751,659		
Architectural Consultant	\$ 766,110	\$ 766,110		
Other Direct Costs – Permits	\$ 172,778	\$ 172,778		
PW / BOE Staff Costs	\$ 986,905	-		
PW / BCA Inspection Staff Costs	\$ 483,777	-		
Total Project Costs	\$11,343,682	\$ 9,873,000		

Available Funds for Phase 1				
Funding Source	Amount	Amount		
CIEP	\$ 93,000.00	\$ 93,000.00		
MICLA – FY 17/18	\$ 780,226.68	\$ 780,226.68		
MICLA – FY 18/19	\$ 5,000,000.00	\$ 5,000,000.00		
	\$ 5,873,226.68	\$ 5,873,226.68		
Total Funding	\$ 5,873,000.00	\$ 5,873,000.00		

Rounded to the nearest \$1,000.

Surplus / Shortfall				
Shortfall \$ 5,470,682 \$ 4,000,000				

The above chart shows two budget spreadsheets: one budget includes City Staff Costs and the other without City Staff Costs. Currently, the Warner Grand Theatre project has a projected budget shortfall in the amount of \$5,470,682. This amount is reduced to \$4,000,000, if staff cost of \$1,470,682 is not reimbursed. This will result in having a total project cost in the amount of \$9.873,000 as shown in the chart above.

The Council District 15 office in various meetings has given staff a verbal commitment to find \$4,000,000 to offset the shortfall.

The Bureau therefore recommends that the Municipal Facilities Committee send forward a recommendation to the Board to authorize the Bureau to proceed with the design for the Warner Grand Theater rehabilitation Project with a Total Project Cost of \$9,873,000.

5. Schedule

The recommended project schedule is shown below:

Project Schedule				
Phases	Start Date	Finished Date		
Design Phase	October 1, 2020	June 30, 2021		
Bid and Award Phase	July 1, 2021	December 31, 2021		
Construction Phase	January 1, 2022	December 31, 2022		
Close-Out Phase	January 1, 2023	June 30, 2023		

Available Funds				
Funding Source	Amount	Fund Expiration	Extension	
CIEP	\$ 93,000.00	-	-	
MICLA – FY 17/18	\$ 780,226.68	June 30, 2022	June 30, 2023	
MICLA – FY 18/19	\$ 5,000,000.00	June 30, 2021	June 30, 2023	

The current expiration dates of the MICLA funding are illustrated in the chart above. Both MICLA funds will need to be extended to June 30, 2023 to accommodate the Bid & Award, Construction, and Close-Out Phases.

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CC:

Shmel Graham, Office of the Mayor Alma Guerrero, Office of the Major Michael Samulon, Office of the Mayor Alison Becker, Office of Councilmember Buscaino, CD 15 Bernyce Hollins, City Administrative Officer Lisa Johnson, City Administrative Office Danielle Brazell, Los Angeles Department of Cultural Affairs Benjamin Johnson, Los Angeles Department of Cultural Affairs Gary Lee Moore, Bureau of Engineering Deborah Weintraub, Bureau of Engineering Antoinette Barrios, Bureau of Engineering Cynthia Jefferson, Bureau of Engineering Steven Fierce, Bureau of Engineering Neil Drucker, Bureau of Engineering Bill Lee, Bureau of Engineering Ejike Mbaruguru, Bureau of Engineering