

**MUNICIPAL FACILITIES COMMITTEE**  
**Minutes from the Special Meeting of December 19, 2019**

**MEMBERS:** Richard H. Llewellyn, Jr., City Administrative Officer, Chair (CAO)  
Matias Farfan, Chief Legislative Analyst (CLA)  
Miguel Sangalang, Office of the Mayor (Mayor)

The meeting was called to order at 10:01 a.m.

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Item 1 Report from the Bureau of Engineering (BOE) requesting authority to reallocate \$1.5 million from Demolition Contingency to various consultant contract line items within the Council-approved \$32.3 million Parker Center Demolition / Los Angeles Street Civic Building Project budget for FY 2019-20.

**DISPOSITION** Approved with an amendment to exclude Recommendations 2 and 3b, and approve a proposed budget reallocation of \$1.5 million for FY 2019-20 as detailed in Recommendation 1, and instruct BOE to report back in Spring 2020 in conjunction with release of the RFP

Mahmood Karimzadeh from BOE provided a progress update of the LASCB project and a summary of the report recommendations. Mr. Karimzadeh reported that the City selected three Project Teams through the Request for Qualifications (RFQ) process and is planning to release the Request for Proposals (RFP) to those firms by the end of April 2020. BOE anticipates a 12-month proposal/negotiation process and an additional three years for construction and completion of the proposed building and amenities. BOE further reported that the demolition phase is ahead of schedule at 98 percent completion, and requested the reallocation of \$1.5 million within the approved project budget of \$32.3 million. It was noted through the discussion that each of the three consultant contracts would require a budget adjustment due to the project's schedule extension and complex nature of the work.

Matias Farfan from the Office of the Chief Legislative Analyst (CLA) inquired about the legal counsel contractor's billable hours. Sean Torres from the Office of the City Attorney provided an explanation of the oversight of the contract and method for determining the firm's involvement in various tasks.

Following the discussions and an amendment by the CLA, City Administrative Officer, Rich Llewellyn recommended approving BOE's \$1.5 million budget reallocation request for FY 2019-20 only, with deferred consideration of future funding requests of \$6.8 million for the next phase and instructed BOE to report back to MFC in Spring 2020, in conjunction with the projected release of the RFP.

Item 2 Report from the Office of the City Administrative Officer on status of and changes to the Korean American National Museum project, including recommendations related to the amended and restated non-profit ground lease agreement (C-122257) for Department of Transportation Lot #692 located at 601-617 South Vermont Avenue (CD 10).

**DISPOSITION** Approved as amended to include funding from the General Fund in the Service Payback Agreement

Mr. Farfan inquired about the Service Payback Agreement between the City and the Museum, and how it would be structured. Neil Drucker, Director of BOE Architectural Services Division, clarified that the Agreement would be modeled after prior Service Payback Agreements executed between BOE and outside entities, such as those in the Proposition K: LA for Kids Assessment Program that the BOE manages. Natalie Brill of the CAO noted the agreement would be reviewed by the City Attorney's Office because of the use of bond funds. Miguel Sangalang of the Mayor's Office asked about whether the agreement would cover those funds being provided from the General Fund. After discussion, it was determined that the Services Payback Agreement would cover all funding sources, including the General Fund.

It should be noted that as specified in the report, Council approval and appropriation of the City funds to the project are entirely subject to completion of a Class "A" appraisal and a revised community benefits analysis that is greater than the current fair market value of the proposed second amended and restated ground lease.

Item 3 Report from the Office of the City Administrative Officer requesting to designate the City-owned property at 500 South Mesa Street (CD 15), as a site for potential economic development and direct the Economic and Workforce Development Department (EWDD) to prepare a Request for Proposals to solicit private development.

**DISPOSITION** Approved without discussion.

Item 4 Report from the Office of the City Administrative Officer requesting to designate the City-owned property at 1845 East 103rd Street (CD 15), as a site for potential economic development and direct the Economic and Workforce Development Department (EWDD) to prepare a Request for Proposals to solicit private development.

**DISPOSITION** Approved without discussion.

The MFC Chair adjourned the meeting at 10:29 a.m.