

**MUNICIPAL FACILITIES COMMITTEE
Minutes from the Meeting of January 30, 2020**

MEMBERS: Yolanda Chavez, Office of the City Administrative Officer, Chair (CAO)
Sharon Tso, Chief Legislative Analyst (CLA)
Paul Wang, Office of the Mayor (Mayor)

The meeting was called to order at 10:04 a.m.

No General Public Comment.

Item 1 Minutes of the following special meetings:

- a. November 21, 2019; and,
- b. December 19, 2019.

Disposition: Approved with direction to staff to correct the minutes of the November 21, 2019 meeting to replace “City” with “Chief” on Page One, Item No. 2, third paragraph.

Item No. 2 was considered after Item No. 12. The MFC recessed into closed session at 10:53 am, and entered back into open session at 11:25 am.

Item 2 Report from GSD and request to purchase a property located at 740 and 800 East 111th Place (CD 8) on behalf of the Department of Transportation for use as a bus yard, subject to Council approval.

(The Municipal Facilities Committee may recess to closed session, pursuant to Government Code Section 54956.8, in order to discuss the price and terms of payment for the possible acquisition of real property located at 740 and 800 East 111th Place with its negotiators Armando Para and Doug Kim of the Department of General Services, and receive advice from the City Attorney related thereto.)

Disposition: Approved as amended, with direction to GSD staff to: 1) report back to MFC prior to the expiration of a 60-day due diligence period with the results of the additional environmental testing of the site; and 2) approval by the MFC of the acquisition of the property prior to the close of escrow.

Dave Roberts from the General Services Department (GSD) gave an overview of the property acquisition status. Sharon Tso, the Chief Legislative Analyst (CLA), asked if additional sites were evaluated by the General Services Department (GSD). Mr. Roberts responded that over the last three years, all viable sites in a six-mile radius were evaluated. None of the sites met the Department of Transportation (DOT) criteria, a five-acre site located in an industrial zone. GSD did explore acquisition of some sites, however a successful negotiation was not secured. Paul Wang from the Mayor’s Office, asked about the DOT funding available for the acquisition. Corinne Ralph of DOT stated that the property acquisition and remediation cost would be funded with

Proposition A funds, which are currently allocated in the City budget. In the last few years, DOT purchased three facilities in Downtown and San Fernando Valley. DOT states that the South Los Angeles service area is the last acquisition necessary to support the Electric Bus Program. Grant funds would be utilized to develop and construct the facility. GSD and Colette Monell of Bureau of Sanitation (BOS) stated that Brownfield funds might be available to address the \$2.5 million remediation cost. Ms. Ralph stated that on January 14, 2020, DOT submitted an application for the Transit and Intercity Rail Capital Program (TIRCP) grant, which is one source of funding for construction (estimated at \$72 million including contingency). The TIRCP grant award announcement will be in three months (April 2020). If the City does not receive the grant, DOT identified other potential funding opportunities through the State of California and Los Angeles County Metropolitan Transportation Authority. The TIRCP grant would include a City match of \$55 million, which includes the property purchase price plus \$35 million that has already been expended to acquire the other DOT bus maintenance facilities.

Mr. Wang asked about the City's ability to cancel escrow if additional remediation issues are discovered on the property. Mr. Roberts stated that the right to cancel escrow is a standard contract clause. If the buyer is not satisfied with the property based on certain conditions and the seller agrees, the City has the right to cancel escrow unless the seller wants to give a credit for those issues identified during the property evaluation. Annette Bogna from the Office of the City Attorney stated that the cancellation clause would be a negotiated term in the contract and that it is not automatic. Megan Cottier of the City Administrative Officer (CAO) made a technical correction to add that David Roberts of the GSD as a negotiator of the property. Yolanda Chavez of the CAO recessed the regular meeting to go into closed session.

Item 3 Report from the Los Angeles Department of Building and Safety and request to enter into an agreement with CBRE for project management and related tenant improvement services for 201 North Figueroa Street, Eight and Tenth floors.

Disposition: Approved.

Ms. Tso, Chief Legislative Analyst, asked if the Department of Building and Safety (LADBS) project had been evaluated for consistency with City Space Standards. Melody McCormick from GSD responded that the Department would not review this project, but space planning consultants (CBRE) and furniture vendors that have a history of compliance would ensure that the LADBS project complies with space standards. LADBS clarified its intent to use Special Funds to purchase, the use of Automated Sit/Stand desks, which is not a City standard. LADBS staff responded, stating that they work closely with GSD and CBRE who are familiar with the City's space standards. It was noted that LADBS is seeking a sole-source contract with CBRE, outside of the existing operating contract that GSD has executed as CBRE is Figueroa Plaza's operator. Ms. Tso asked again for verbal confirmation that space standards would be followed. LADBS did confirm that they will comply with the space standards of the City. Mr. Wang, asked if all costs would be borne by LADBS special funds. LADBS staff confirmed that was correct.

Item 4 Report from the CAO relative to the sale of a City-owned parcel located at 18825 West Edleen Drive (CD 3) to the Mountains Recreation and Conservation Authority.

Disposition: Approved as amended, with direction to staff to add a covenant to the Ordinance requiring Mountains Recreation and Conservation Authority to maintain the property as open space.

Ms. Tso asked if there was a covenant in place to ensure that the Mountains Recreation and Conservation Authority (MRCA) would be required to maintain the property as open space. Mandana Khatibshahidi from the Office of the CAO stated that the language in the Ordinance did not specifically reference open space as a requirement, and GSD and Office of the City Attorney should be consulted. Mr. Roberts stated that the purpose of selling the property to MRCA was to maintain it as open space. Mr. Wang asked if MRCA would also be required to maintain the property to ensure that it was kept clean. The Committee approved the recommendations as amended to require a covenant to the Ordinance.

Item 5 Report from GSD and request to sell six parcels located adjacent to 2215, 2251, 2301, 2299, 2311 AND 2315 Beverwil Drive (CD 5), in accordance with the “Own a Piece of L.A.” Ordinance (C.F. 07-1894).

Disposition: Approved as amended, with direction to GSD staff to reflect the updated property values of the six subject OPLA properties.

Mr. Roberts provided an update on the property values of the six subject OPLA properties due to a correction from the Department of City Planning (DCP) regarding the proper land use/zoning designation. The subject properties were originally zoned as R1/Residential, but have been rezoned as OS/Open Space. DCP will be effectuating that correction.

Given this information, Mr. Roberts indicated that the estimated property values for each of the subject properties are now modified to the following amounts from a rate of \$17/square foot to \$10/square foot:

Remnant Property Adjacent To:	Updated Property Value
2315 Beverwil Dr.	\$12,330
2251 Beverwil Dr.	\$18,620
2301 Beverwil Dr.	\$17,820
2215 Beverwil Dr.	\$13,350
2299 Beverwil Dr.	\$19,310
2311 Beverwil Dr.	\$11,890

Mr. Roberts noted that DCP and Council District 5 are supportive of moving forward with the recommendations in the report despite the changes.

Ms. Tso asked GSD if the Department will be making contact with the adjacent property owners to clarify the changes. Mr. Roberts responded that outreach to those property owners is already underway. Ms. Tso noted that the property owner at 2299 Beverwil Drive was not interested in purchasing the adjacent OPLA property and asked if the lower purchase price could convince them to purchase. Mr. Roberts was hopeful that this would be the case.

Ms. Tso asked that GSD ensure that the sale of these properties, combined with the OPLA properties previously sold, fit within the allowed square foot threshold under the OPLA ordinance. Mr. Roberts concurred and noted that the previous OPLA properties sold on Beverwil Drive were sold under the previous R1/Residential zoning designation and are grandfathered. Ms. McCormick also noted that those previously sold properties are immediately adjacent to the homes on Beverwil Drive, whereas these six subject properties are immediately adjacent to the flood channel.

Ms. McCormick noted that GSD is hopeful that the sale is still amenable to the adjacent property owners because it would allow them to contact the police department to enforce trespassing on private property, rather than it being City/publicly owned property, which is a more drawn out process.

Item 6 Report from GSD on Own a Piece of LA (OPLA) List Exemption from Surplus Property Rules (currently with City Attorney).

Disposition: Approved, with discussion.

Ms. Tso asked about the significance of the color coding on Attachment B of the GSD report. Mr. Roberts and Ms. McCormick replied that the color coding is meant for internal purposes only to track contact with adjacent property owners, and bore no significance within the context of the recommendations in the report.

Ms. Tso asked for clarification on the outreach process to property owners adjacent to OPLA designated parcels. Ms. McCormick responded that outreach is routinely conducted to adjacent property owners to gauge interest for purchasing OPLA sites. This action complies with the new state law, AB 1486, and allows GSD to continue its task of disposing of these sites through the provisions of the OPLA Ordinance.

Item 7 Report from the City Administrative Officer (CAO) and status update on space assignments at City-owned facilities for the Department of City Planning and the Department of Cultural Affairs.

Disposition: Approved recommendation to move forward with Recommendation No. 3B.

Blayne Sutton-Wills of the Office of the (CAO) presented the report before the Committee outlining four recommendations. Of the recommendations, Recommendation 3 asked the MFC to select one of two options to provide guidance to staff in where to locate the Civil and Human Rights Commission. Mr. Wang asked if the CAO has a preference for recommendations for the Civil and Human Rights Commission space location. Staff responded that Recommendation 3B (LA Mall) is preferred. Bernyce Hollins of the Office of the CAO stated that the Commission is anticipated to expand to up to 25 full-time staff (FTEs). However, the immediate need can be met within the LA Mall area, which may also accommodate a staff expansion. In comparison with the other

option, the available space in Fig Plaza within Suite 770, which would include co-location with the Department of Cultural Affairs (DCA), has limited opportunity for expansion. Ms. Hollins added that the available budget for the Commission is currently \$500,000 and must fund salary and space need expenses. If the program expands beyond that level, the Space Optimization fund would be available to address future phases of work.

Ms. Tso asked if the Commission would have issues with the LA Mall space, as it is not contiguous. Ms. Hollins acknowledged the spaces in the Mall are not contiguous and that the growth rate of the Commission was not known. She reiterated, the decisions presented to MFC are based on known needs, which is up to four FTEs initially. Ms. Tso asked GSD if it had any plans for these spaces within the LA Mall. Ms. McCormick, GSD, responded that there were no current space designations, and stated that GSD works with the CAO Municipal Facilities Group to determine the best use of space.

Ms. Tso also asked about the Department of City Planning (DCP) project, if special funds were available to support the project. Mr. Raoul Mendoza from the DCP, answered that the Long Range Planning fund will support improvements. Ms. Tso asked if savings referred to in the report as a potential source to contribute to the project budget are current or future operational savings. Mr. Mendoza responded that the special fund is subsidized by the General Fund and DCP does not have reserves in place to use for this project. He added that any funding contribution would likely be created by salary savings in the current year, but that would depend on the budget status and vacancies that would not be known until year-end. The CAO report calculated that percentage share for the Department based on personnel positions supported by Special Fund monies. However, the CAO acknowledges that DCP may not be able to contribute full cost recovery, but that the project should move forward as there is a need for the space to ensure efficient work. The utilization of funds from the previous MFC decision, which is now being rescinded, would be available to fund the costs of the DCP's project. In addition, the Space Optimization program would also be available to fund project shortfalls.

Item 8 Quarterly status update from GSD on Space Optimization projects.

Disposition: Note and File.

Ms. Tso asked for clarification on the two Mateo leases. Mark Lopez from GSD responded that the leases for 1111 S. Mateo and 1201 S. Mateo are DOT leases for Yards and Shops operations. Ms. Hollins added that the leases are for the relocation of the Avenue 19 facility and the Commercial Street/Ducommun Street maintenance shop in order to provide expansion space for the adjacent DOT facility to accommodate new buses.

Item 9 Report from the Bureau of Engineering (BOE) for options for Lot 3 "Tinker Toy" structure surface treatments.

Disposition: Approved Option Two, with recommendations to review the need for security lighting and move project contingencies to a new CIEP line item.

Neil Drucker from the Bureau of Engineering (BOE) presented options for the property after the structure is removed: a dirt lot (Option One), an asphalt capped lot (Option Two), or a fully-designed parking lot (Option Three). Mr. Drucker requested that the MFC provide guidance to BOE on which Option is preferable to the City. Mr. Wang asked if issues would arise from LAPD

vehicles parking in an unpaved lot. Mr. Drucker responded that an unpaved lot might present issues to operations, and that BOE's minimum recommendation would be Option Two. Ms. McCormick noted that dust generated from an unpaved parking lot might result in complaints from patrons of Lot 7 managed by GSD.

Ms Tso asked if Lot 3 would have controlled access. Mr. Robert Lomelin from BOE clarified that currently a key card is necessary to access the lot and that an attendant could be placed in an existing booth. Ms. Chavez clarified the location of Lot 3 (as opposed to Lot 7), which is managed by GSD. Megan Cottier from the CAO added that Lot 3 is currently fully gated, and would remain gated through construction and post-construction. Mr. Wang asked to clarify if fencing costs were included in BOE's estimates. Mr. Llomelin answered that the perimeter fence is existing and will remain. Ms. McCormick added that the current structure is managed by a key card with access programmed by LAPD, and that there is no attendant that manages access to Lot 3.

Ms. Chavez provided additional background on the scope of the project. Ms. Cottier shared information on interim plans for LAPD parking during construction. Mr. Wang asked if Option Two provided more spaces for vehicles. Mr. Lomelin confirmed that to be true. Mr. Wang asked if there was a need for security lighting. BOE staff responded that ambient lighting in the area may be sufficient, and that lighting was included in Option Three. Ms. Chavez asked the MFC to consider that the lot may be repurposed in the future as part of the Civic Center Master Plan.

Ms. Hollins added that staff supported Option Two as it an interim measure that allows the site to be utilized more intensively in the future. In addition, Option Three would generate a shortfall.

Mr. Wang asked if wiring under the existing structure would be removed during construction. Mr. Lomelin responded that dirt would be removed from the property but utilities would be left in place. Valerie Melloff asked if Lot 3 was going to be vacant for an extended period, that abutting storage containers be temporarily relocated as they have negatively impacted Lot 7 revenues. Ms. Chavez responded that the lot would not be vacant.

Ms. Tso asked to re-confirm that Lot 3 would have controlled access. It was confirmed. Ms. Tso asked to confirm that Option Two did not have any security lighting, and expressed her support for the inclusion of lighting. It was confirmed, and BOE staff added that ambient lighting was provided from adjacent street lights. Mr. Drucker suggested that BOE work with the Department of Water and Power's Outdoor Area Lighting Program to provide additional light to the area. Ms. Hollins noted that the surplus generated by Option Two could be utilized towards additional lighting.

Ms. Tso asked if this project was funded specifically in the 2019-20 CIEP Budget, and if there was an established contingency account within the CIEP for Municipal Facilities. Ms. Hollins confirmed that this item was specifically funded through the 2019-20 CIEP budget and added that a general contingency has not been authorized through the CIEP budget. Ms. Tso asked that surplus generated by this project be moved to a contingency account within the CIEP for Municipal Facility projects. Ms. Hollins confirmed that action would be completed.

Item 10 Report from BOE and update on the El Pueblo Capital Program, Pico House, and Channel 35 relocation project.

Disposition: Continued to a future MFC meeting.

Item 11 Report from GSD and request to execute a lease agreement between the City and Metro for a property at 14333 Aetna Street (CD 6) for a Bridge Home site subject to Council approval.

Disposition: Approved, with discussion.

John Michael Mendoza from GSD provided the Committee with updates on two items within the report. The report mentions the site includes 7,200 sf. consisting of ten 60' x 120' trailers. The correct measurement of the trailers is 60' x 12'. The second point Mr. Mendoza made is that the CAO advised GSD that a second funding Motion would be introduced to fund the remaining project costs using a Reserve Fund loan that will be repaid by State of California (State) Homeless Housing, Assistance, and Prevention Program (HHAP) grant funds. Ms. Chavez clarified that the first Motion recommending a Reserve Fund loan and the second Motion introduced would both be repaid with HHAP grant funds.

Ms. Tso asked if the Homeless Emergency Aid Program (HEAP) monies would fund the operational costs. Ms. Chavez confirmed that there may be savings in HEAP and that any savings will be recommended for services at the remaining temporary shelter sites including 14333 Aetna Street. Ms. Tso asked if the City will pursue funding from the County for services. It was confirmed that the City is pursuing additional funding for services from the County. If additional funding is not secured, a HHAP report expected to be released in March will recommend a funding allocation for operational costs and services for the temporary shelter.

Ms. Tso asked when construction would begin and if it would be complete by the end of the fiscal year. Ms. Deborah Weintraub from the BOE responded that the Bureau is confident that all bridge temporary shelters are scheduled to be open by July 2020, but was not sure if this specific project had been awarded. Daisy Bonilla of the Office of the CAO, added that the bids for the project were scheduled to be received by the end of the week and that the project will be awarded in February 2020.

Item 12 Quarterly status update from the Bureau of Engineering on the G2 Taylor Yard project.

Disposition: Approved with no discussion.

The meeting adjourned at 11:33 am.