

MUNICIPAL FACILITIES COMMITTEE
Minutes from the Regular Meeting of January 26, 2023

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

The meeting was called to order at 10:00 a.m.

No General Public Comment.

Item 1 Report from the General Services Department (GSD) requesting authority to negotiate and execute a new Purchase and Sale Agreement on behalf of the Department of Cultural Affairs for the acquisition of property located at 1703 East 107th Street (Council District 15), to expand the Watts Tower Art Center Campus and serve as the Watts Towers Conservation Office, subject to Council and Mayor approval.

Disposition: Approved without discussion.

Alecia Simona, GSD, presented a summary of the departmental report.

Item 2 Staff reports on options to address office space needs for impacted Departments within the Civic Center:

- a. Bureau of Engineering assessment of City-owned spaces available for reassignment on the P-4 level of City Hall East;
- b. CAO/GSD update on potential leasing options to address Civic Center office space needs within a one-mile radius of City Hall; and,
- c. Letter from the Director of the Civil, Human Rights, and Equity Department dated January 23, 2023, relative to request for additional office space.
- d. ***Continued from December 15, 2022:*** Report back from the CAO and GSD relative to the joint quarterly Space Optimization report.

Disposition: Approved.

A brief summary of Items 2a through 2d were presented by Ohaji Abdallah, BOE, and Kay Ha, CAO, respectively.

Sharon Tso, CLA, asked if other departments, in addition to Information Technology Agency (ITA), were being considered for the office space located in City Hall East on the P-4 level. Ms. Ha responded that the CAO-procurement team is also under consideration.

Ms. Tso requested clarification on whether the CVS space is sufficient for hoteling and the accommodation of existing and projected staffing increases for CHRED. Ms. Ha stated that the configuration would accommodate CHRED's overflow and projected growth for 2023-24, subject to the budget adoption, and a remaining small amount of space would be available for a portion of CAO staff.

Ms. Tso inquired about a potential shortfall in the Space Optimization Program (Space Opti) fund due to the expensive cost of reconfiguration of CVS space and how the funding of the P-4 space will be impacted. Bernyce Hollins, CAO, responded that the Debt Group issued new guidance, which would not allow the CAO to utilize MICLA funds in the LA Mall. Ms. Hollins added that in order to do any further development in the LA Mall, effectuation of a funding exchange would be required. Ms. Hollins further explained that based upon BOE's preliminary estimate, the P-4 level space would require a minimum of \$500,000 to develop, and CAO anticipates the final budget will exceed that level once all the specific needs are defined for any modifications to the P4 space. Ms. Hollins concluded that the CAO is considering the potential use of space on P-4 level and has determined that CAO's procurement team and ITA can be accommodated.

Ms. Tso, CLA, asked for staff to clarify recommendations for addressing the space needs. Ms. Hollins, CAO, advised that staff recommend addressing the CAO's space needs within City-owned space available on the P-4 level of City Hall, and pursuing a leasing option to address CHRED's space needs since the P-4 level would not be a feasible option for facilitating public access.

Ms. Chavez proposed a motion to amend the December 15, 2022, CAO staff report recommendations to instruct: (1) GSD to work with CHRED to identify suitable lease space within the Civic Center to address the Department's space needs and report back to MFC; (2) Program management team to proceed with the preparation of space on P-4 level and report back on proposed options to address ITA's space needs.

Ms. Tso requested clarification on comments from the CAO quarterly Space Opti report dated December 15, 2022, concerning the Police evidence warehouse and the decentralization of the Commercial Auto Theft Division

(CATS). Jeffrey Phillips, LAPD, responded that Chief Moore authorized the reassignment of the CATS unit to a patrol assignment. Mr. Phillips further added that staff from the Police Emergency Services Division, currently located at Piper Tech, are under consideration for relocation into the evidence warehouse space vacated by the CATS unit. Ms. Tso recommended that LAPD should coordinate with CAO and GSD on all Space Opti-related matters and requested an update from CAO staff on space on the appropriate utilization of space at the at to be included in the next Space Opti status report.

Item 3

ADJOURN TO CLOSED SESSION:

Meeting adjourned to closed session at 10:35 a.m.

- a. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**, pursuant to Government Code Section 54956.8.

Property Location: Real Property located at 1200 West 7th Street, Los Angeles, CA (APN: 5143-06-019).

Agency negotiator/presenters: Amy Benson, Director, Real Estate Division, General Services Department; Wayne Lee, Senior Real Estate Officer, General Services Department; Melody McCormick, Assistant General Manager, Real Estate Division, General Services Department; Onno Zwaneveld, Executive Vice President, CBRE, Inc.

Negotiating Parties: City of Los Angeles, Department of General Services, and L.A. Care (potential sub landlord)

Property Owner: HRRP Garland, LLC (fee owner)

Under Negotiation: Price and terms of payment of sublease

- b. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**, pursuant to Government Code Section §54956.9 (d)(4). The City is considering whether to initiate litigation in one case.

RECONVENE REGULAR MEETING IN PUBLIC SESSION

Meeting reconvened to Public Session at 11:09 a.m.

CLOSED SESSION ANNOUNCEMENTS

No closed session announcements.

- Item 4** a. Report from GSD requesting approval of the LADOT All-Electric Bus Maintenance Facility Initial Study/Mitigated Negative Declaration, in accordance with the California Environmental Quality Act, for property located at 740 and 800 111th Place (CD 8), subject to Council and Mayor approval.

Kenneth Stanberry, GSD and Lauren Rhodes, BOE, presented a summary of the staff report for this item.

Ms. Tso, requested clarification on whether funding sources for the purchase and construction of the project had been identified or obtained, such as grants or Proposition A. Lauren Ballard, LADOT, responded that Proposition A will be the source of funds for the acquisition and construction funding will be a combination of Proposition A and federal grants. Ms. Ballard further added that grants have been identified but not applied for, while Proposition A will be set aside in future years.

Ms. Tso requested an estimate of the total project cost excluding the acquisition cost and whether the cost estimate has been updated recently. Ms. Ballard responded that a similar project was completed by LADOT a few years ago at a cost of \$32 million for construction and design and further added that there has been no update to the total cost estimate.

Ms. Tso inquired about the status of LASAN's current location. Ms. Ballard clarified that the bus facility is currently located in the City of Compton and the annual lease cost is \$1.2 million.

Ms. Tso inquired about a potential revision of the cost estimate of \$2.5 million for remediation submitted by LASAN's consultant based upon increasing economic costs. Colette Monell, LASAN, stated that LASAN's consultant submitted the cost estimate for remediation in 2019 and that LASAN the consultant recently confirmed the estimate is reasonable and recommended an extra contingency to be included for unknown off-site liability. Ms. Monell request further clarification from the City Attorney's Office. Steven Martin, City Attorney, responded that the liability and potential risks are unknown at this time, as detailed in the staff report submitted to the Committee.

Ms. Tso asked if GSD or BOE had discussed the contamination and remediation with the Council Office. Ms. Ballard responded that the Council Office has been briefed on the project.

ADJOURN TO CLOSED SESSION:

Meeting adjourned to Closed Session at 10:35 a.m.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS, pursuant to Government Code Section 54956.8.

Property Location: Real Property located at 740 AND 800 EAST 111TH Place, Los Angeles, CA 90059 (APN: 6071-002-009, 6071-002-013)

Agency negotiator/presenters: Amy Benson, Director, Real Estate Division, General Services Department; Kenneth Stanberry, Assistant Director, Real Estate Division, General Services Department.

Negotiating Parties: City of Los Angeles, Department of General Services and Department of Transportation, and Watts Labor Community Action Committee (fee owner)

Property Owner: Watts Labor Community Action Committee

Under Negotiation: Price and terms of payment

RECONVENE REGULAR MEETING IN PUBLIC SESSION

Meeting reconvened to Public Session at 11:41 a.m.

CLOSED SESSION ANNOUNCEMENTS

No closed session announcements.

- Item 4**
- b. Motion on report from GSD requesting approval of the LADOT All-Electric Bus Maintenance Facility Initial Study/Mitigated Negative Declaration, in accordance with the California Environmental Quality Act, for property located at 740 and 800 111th Place (CD 8), subject to Council and Mayor approval.

Ms. Tso expressed concern regarding the mitigation cost required as part of acquisition, the inability to gain access to the adjacent property to make an assessment of the hazardous materials and vapor emission, and the uncertainty of funding availability.

Alma Guerrero, Mayor, also expressed concern regarding the funding availability for this project and proposed an instruction to the CAO to report back with an analysis of the funding availability.

Upon confirmation from Annette Bogna, City Attorney, Ms. Chavez stated that there is not sufficient time to validate funding given the March 2023 deadline for acquisition. Ms. Bogna further explained that Council has a deadline to take action and this item is the sole contingency remaining in the contract.

Alma Guerrero recommended that the Municipal Facilities Committee not approve the Initial Study/Mitigated Negative Declaration and not proceed with the acquisition based upon the findings, the lack of confirmation on funding, and unknown funding costs.

Disposition: Not approved.

Item 5

Municipal Facilities Committee to consider a determination in accordance with AB 361 Section 3(e)(3) that, while the state of emergency due to the Covid-19 pandemic, as originally proclaimed by the Governor on March 4, 2020, remains active and/or state or local officials have imposed or recommended measures to promote social distancing, this legislative body has reconsidered the circumstances of the state of emergency and that the state of emergency continues to directly impact the ability of the members to meet safely in person and/or state or local officials continue to impose or recommend measures to promote social distancing.

Disposition: Approved as read into the record.

The meeting adjourned at 11:49 a.m.