

MUNICIPAL FACILITIES COMMITTEE
Minutes from the Regular Meeting of February 23, 2023

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

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

No General Public Comment.

Item 2 Report from the General Services Department (GSD) requesting authority to negotiate and execute a non-profit license agreement between the City and Per Scholas for use as a YouthSource Center within the Boyle Heights Tech Center located at 1600 East 4th Street (CD 14), subject to Council and Mayor approval.

Disposition: Approved.

Matthew Szabo, CAO, requested that Item No. 2 be taken out of order to precede Item No. 1

Sharon Tso, CLA, requested clarification on whether the City or Per Scholas is responsible for utilities and custodial operations since the Community Benefits Analysis and leasing term sheet differ. Gerardo Ruvalcaba, Economic and Workforce Development Department (EWDD), responded that the EWDD is responsible for utilities and custodial operations. Sophia Dominguez, GSD, stated that the Community Benefits Analysis is incorrect and will be revised to be consistent with the leasing term sheet prior to being transmitted to Council.

Item 1 Minutes of the:

- a. January 12, 2023 – Special Meeting; and,
- b. January 26, 2023 – Regular Meeting.

Disposition: Approved without discussion.

Item 3 Report from GSD requesting authority to negotiate and execute a revocable license agreement with the Veterans Administration (VA) for the VA-owned site located at 11301 Wilshire Boulevard (CD 11), for the purpose of an interim housing site for people experiencing homelessness, subject to Council and Mayor approval.

Disposition: Approved.

Ms. Tso requested confirmation of the license start date. Melody McCormick, GSD, clarified that the license date on the leasing term sheet is incorrect and will be revised prior to being submitted to Council.

Jeanne Holm, Mayor, inquired about the current capacity of the A Bridge Home (ABH) Maintenance Fund. Ms. McCormick, GSD, responded that the initial capacity of the Fund was \$500,000 and the remaining balance is \$150,000. Ms. McCormick further added that GSD is working with CAO to ensure adequate capacity to maintain the ABH sites.

Item 4 Report from GSD requesting authority to negotiate and execute a new lease and subsequent sublease extension agreement with Housing Authority of the City of Los Angeles (HACLA) and The Salvation Army, for the HACLA-owned site located at 2316 East Imperial Highway (CD 15), for the purpose of an interim housing site for people experiencing homelessness, subject to Council and Mayor approval.

Disposition: Approved.

Ms. Tso requested clarification on the plan to address the operations funding gap from the end of 2022-23 to the termination date. Mr. Szabo responded that the first series of State grants for additional Homeless Housing Assistance and Prevention (HHAP) will be to address the maintenance of ongoing operations and will be reflected in subsequent HHAP reports.

Item 5 Report from Office of the City Administrative Officer requesting authority and funding to initiate design and pre-development for the modification of the Council District 8 Vermont Field Office ground floor public services counter for the proposed Planning Department office.

Disposition: Item Continued.

Ms. Holm inquired about the availability of Planning development funds or enterprise funds to offset project cost. Bernyce Hollins, CAO, clarified that the Planning positions are not fee supported and ineligible for special cost recovery. Ms. Hollins further added that a majority of the costs will be funded through the Space Optimization Program, subject to MICLA eligibility, and any items that are not MICLA eligible would need to be funded through the Department.

Ms. Tso expressed concern with the cost and the timing of completion of the project. Ms. Hollins explained that the timeline will be determined by the prioritization of this project and Bureau of Engineering's (BOE) ability to back-fill positions.

Ms. Tso further commented on the expensive cost per square foot for the reconfiguration. Celso Del Poso, BOE, responded that a majority of the cost is associated with the furniture, fixtures, and equipment.

Mr. Szabo expressed concern with the cost estimate for construction and recommended continuing the item to allow time for cost-related questions to be addressed. Ms. Tso requested a report back on the Los Angeles Department of Building and Safety enterprise fund reimbursement.

Item 6 Report from GSD on the Year One implementation of the Deferred Maintenance Program.

Disposition: Noted and filed.

Ms. Holm asked if project costs have been revised in light of factors such as contractor availability and fluctuating economic costs. Paul Merritt, GSD, clarified that some projects have come in under budget and others over budget, and further added that economic effects have not had a substantial impact on project costs.

Ms. Holm asked if the recent extreme winter weather events have resulted in the addition of new projects. Mr. Merritt clarified that a few projects have been prioritized such as roof repair and water penetration, and further added that work is prioritized based upon departmental needs.

Ms. Tso inquired about projects that are MICLA ineligible and how GSD plans to address funding needs. Mr. Merritt responded that alternate funding has been identified for several ineligible projects and other projects have been reprioritized to year two of the program.

Ms. Tso inquired about the year two projects and requested clarification on the anticipated funding needs. Mr. Merritt clarified that a few more projects have been added to year two of the program, at an estimated amount of approximately \$10 million.

Mr. Szabo, requested clarification on GSD's capacity to spend the full \$10 million requested in year two of the program. Mr. Merritt indicated that funds will be encumbered as soon as possible and further explained that one issue with encumbering funds is the lead-time for materials acquisition.

Mr. Szabo instructed GSD to report back on the status of the Deferred Maintenance program on a quarterly basis.

Item 7 Quarterly status report from BOE on the Taylor Yard G2 project.

Disposition: Noted and Filed.

Ms. Holm inquired about a new funding source identified for the purpose of Consultant Services for specific grant applications. Luz Rabelo, BOE, responded that the funding source is a LAWDP account previously allocated for LA Riverworks and further added that a Council Motion provided a portion of funding to BOE.

Item 8 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 10:38 a.m.