

MUNICIPAL FACILITIES COMMITTEE

Minutes from the Regular Meeting of September 26, 2024

MEMBERS: Matthew Szabo, Office of the City Administrative Officer, Chair (CAO)
Sharon Tso, Office of the Chief Legislative Analyst (CLA)
Bernyce Hollins, Office of the Mayor (Mayor)

The meeting was called to order at 10:16 a.m.

General Public Comment No public comment.

Item 3 First Quarterly Status Report from CAO on the Citywide Leasing Account.

Disposition: Noted and filed.

Matthew Szabo, CAO, requested that Item No. 3 be taken out of order to precede Item No. 1.

Aira Wada, CAO, provided an overview of the status of the Citywide Leasing Account for 2024-25. Ms. Wada highlighted that the year-end projected surplus is \$524,189, calculated from an estimated surplus of \$7.46 million and a shortfall of \$6.94 million. Ms. Wada further explained that there are two potential unfunded leasing liabilities totaling \$633,000, and approval of these leases will result in a shortfall of approximately \$108,000.

Mr. Szabo asked whether the plan is to approve the two leases forthcoming and address the potential shortfall. Justin Lawson, CAO, responded that additional surpluses are anticipated and the CAO would address the shortfall if the Committee approves both leases.

Sharon Tso, CLA, inquired if the number of desks will change at the Garland swing space. Albert Griego, CAO, replied that the Department of General Services (GSD) will provide an update in the October meeting on the status of the swing space for next year. Ms. Tso asked if the update will reduce the cost of the swing space and potentially offset the shortfall. Mr. Griego responded that the findings will potentially allow for lower lease cost at the Garland swing space and help offset the shortfall in the Citywide Leasing Account.

Item 1 Minutes of the August 29, 2024 Regular Meeting.

Disposition: Approved on consent.

Item 2 Report from GSD requesting authority to negotiate and execute a non-profit license agreement with the Los Angeles Police Foundation to operate a merchandise machine in the lobby of the Police Administration Building at 100 West First Street, in Council District 14, subject to Council and Mayor approval.

Disposition: Approved on consent.

Item 4 Report from GSD requesting authority to assign temporary office space for the Office of Finance on the P-4 level of City Hall East, Room E-107.

Disposition: Noted and filed on consent.

Item 5 **ADJOURN TO CLOSED SESSION:**

- a. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**, pursuant to Government Code Section §54956.9 (d)(1); settlement of claim by Estate of Selma Lerner.
- b. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**, pursuant to Government Code Section 54956.9, subd. (d)(2) and (e)(3), because there is significant exposure to litigation in two cases.
- c. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**, pursuant to Government Code Section 54956.8.

Property Location: Real property located at:

1. 555 West Fifth Street, Los Angeles, CA (APN: 5149-029-013)
Property Owner: Gregg Williams, as Receiver for Maguire Properties - 555 W. Fifth, LLC
2. 202 West First Street, Los Angeles, CA (APN: 5149-001-006)
145 South Spring Street, Los Angeles, CA (APN: 5149-001-003)
Property Owner: Onni Times Square LP
3. 777 South Figueroa Street, Los Angeles, CA (APN: 5144-009-047)
Property Owner: Maguire Properties - 777 Tower, LLC
4. 865 South Figueroa Street, Los Angeles, CA (APN: 5144-022-057)
Property Owner: Hancock S REIT LA Corp USA

5. 333 South Hope Street, Los Angeles, CA (APN: 5151-014-031)
Property Owner: 333 South Hope Co., LLC
6. 355 South Grand Avenue, Los Angeles, CA (APN: 5151-015-013)
Property Owner: Maguire Properties - 355 S. Grand, LLC
7. 110 East Ninth Street, Los Angeles, CA (APN: 5139-001-024)
Property Owner: Calmart Sub I, LLC
8. 333 South Grand Avenue, Los Angeles, CA (APN: 5151-015-012)
Property Owner: North Tower, LLC
9. 300 South Grand Avenue, Los Angeles, CA (APN: 5149-010-026)
Property Owner: CNI One Cal Plaza Owner, LLC
10. 707 Wilshire Boulevard, Los Angeles, CA (APN: 5144-005-400)
Property Owner: Carolwood 707 I, LLC/Carolwood 707 II, LLC
11. 611 West Sixth Street, Los Angeles, CA (APN: 5151-026-400)
Property Owner: 611 West Sixth Street Associates
12. 350 South Grand Avenue, Los Angeles, CA (APN: 5149-010-265)
Property Owner: 350 South Grand Avenue (LA) Owner, LLC
13. 444 South Flower Street, Los Angeles, CA (APN: 5151-018-017)
Property Owner: CVFI-444 S FLOWER LP
14. 601 South Figueroa Street, Los Angeles, CA (APN: 5144-007-044)
Property Owner: 601 Figueroa Co., LLC
15. 633 West Fifth Street, Los Angeles, CA (APN: 5151-017-025)
Property Owner: USBT Property Owner LP
16. 700 South Flower Street, Los Angeles, CA (APN: 5144-010-401)
Property Owner: NREA TRC 700, LLC
17. 800 Wilshire Boulevard, Los Angeles, CA (APN: 5144-008-010)
Property Owner: Onni 800 Wilshire LP
18. 915 Wilshire Boulevard, Los Angeles, CA (APN: 5144-007-040)
Property Owner: Deka Immobilien Investment GmbH
19. 448 South Hill Street, Los Angeles, CA (APN: 5149-026-004)
Property Owner: JMF Pershing Square, LLC

Agency negotiator/presenters:

Amy Benson, Director, Real Estate Services Division, General Services Department; Melody McCormick, Assistant General Manager, General Services Department; Zachary Millett, Assistant Director, Real Estate Services Division; Art Kusol, Senior Management Analyst, General Services Department; Onno Zwaneveld, Executive Vice President, CBRE, Inc.; Michael Syrengelas, Managing Director, CBRE, Inc.

Negotiating Parties: City of Los Angeles, Department of General Services; Gregg Williams as Receiver for Maguire Properties - 555 West Fifth, LLC; Onni Times Square LP; Maguire Properties - 777 Tower, LLC; Hancock S REIT LA Corp USA; 333 South Hope Co., LLC; Maguire Properties - 355 S. Grand, LLC; Calmart Sub I, LLC; North Tower, LLC; CNI One Cal Plaza Owner, LLC; Carolwood 707 I, LLC/Carolwood 707 II, LLC; 611 West Sixth Street Associates; 350 South Grand Avenue (LA) Owner, LLC; CVFI-444 S FLOWER LP; 601 Figueroa Co., LLC; USBT Property Owner LP; NREA TRC 700, LLC; Onni 800 Wilshire LP; Deka Immobilien Investment GmbH; JMF Pershing Square, LLC

Under Negotiation: Price and terms of payment of sublease and lease agreements.

RECONVENE OPEN SESSION AND REPORT ACTION TAKEN IN CLOSED SESSION

Meeting reconvened to Public Session at 11:17 a.m.

CLOSED SESSION ANNOUNCEMENTS

No Closed Session announcements.

Item 6 Adjournment – Next Meeting: Regular Meeting on Thursday, October 31, 2024.

The meeting adjourned at 11:17 a.m.