

MUNICIPAL FACILITIES COMMITTEE
Minutes from the Regular Meeting of October 31, 2024

MEMBERS: Yolanda Chavez, 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 10:18 a.m.

General Public Comment No public comment.

Item 3 Report from the General Services Department (GSD) requesting authority to negotiate and execute a no cost license agreement with the Los Angeles County Sheriff's Department (LASD) for the Los Angeles Police Department (LAPD) for the use of Elysian Park Gun Range at 1880 Academy Drive, in Council District 1, subject to Council and Mayor approval.

Disposition: Approved.

Yolanda Chavez, CAO, requested that Item No. 3 and 4 be taken out of order to precede Item No. 1.

Sharon Tso, CLA, asked for clarification on the term dates. Lisa Schechter, GSD, clarified that the term is for one-year with five one-year options to extend. Ms. Tso inquired about LASD's time of usage, the number of users, and expressed concern about the potential impact to LAPD's operations. Brandon Jacobs, LASD, responded that LASD is seeking out properties to build new gun range facilities. Mr. Jacobs estimated that 15 to 130 deputies may use the range for approximately five to 15 minutes. Additionally, Jeffry Phillips, LAPD, ensured that LASD's usage of the gun range does not impact LAPD's operations.

Ms. Tso asked about the cost associated with LASD's gun range usage. Mr. Phillips replied that there is no cost impact resulting from LASD's usage. Mr. Phillips added that the LAPD has a mutual agreement with the LASD that allows LAPD to dispose ordinance at a LASD facility. Ms. Tso inquired whether there is an option to terminate the agreement if any impact to LAPD's operation or cost arises from this agreement. Mr. Phillips responded that LAPD has the option to terminate the agreement if there are any changes. Ms. Schechter added that there is a 30-day right to terminate on either side.

Item 4 Report from GSD requesting authority to declare various Own a Piece of Los Angeles properties as exempt surplus land to satisfy the new State law promulgated through AB-1486, subject to Council and Mayor approval.

Disposition: Approved.

Sharon Tso, CLA, inquired as to why there were 180 properties listed in the original attachment but only about 90 are in the current report that will be declared as exempt surplus land. Alecia Simona, GSD, explained that some Council Offices did not want to sell certain surplus properties so some properties were removed from the list. Ms. Tso inquired whether GSD will continue to work with the Council Offices on those properties. Ms. Simona replied that GSD is working with the Council Offices on a case-by-case basis.

Item 1 Minutes of the September 26, 2024 Regular Meeting.

Disposition: Approved on consent.

Item 2 Report from GSD requesting authority to negotiate and execute a no cost license agreement with the Public Education Authority doing business as the Los Angeles Community College District for parking lot at 13460 Van Nuys Boulevard, in Council District 7, subject to Council and Mayor approval.

Disposition: Approved on consent.

Item 5 Report from GSD requesting authority to negotiate and execute an Offer of Compromise and Mutual General Release with Selma Lerner Estate for all known and unknown claims under the rental agreement C-113031 at 17909 Porto Marina, in Council District 11, subject to Council and Mayor approval.

Disposition: Approved.

Lisa Schechter, GSD, provided a summary explaining the need for a Mutual General Release with the Selma Lerner Estate on claims related to accounting discrepancies and lack of evidence due to the passage of time. Yolanda Chavez, CAO, asked about any potential future plans for the property. Ms. Schechter replied that this is a single-family home purchased with the Bureau of Sanitation's (LASAN's) Special Funds and that GSD is working with the Council Office on a potential plan to sell the property. Ms. Chavez inquired whether the money from selling the property will be repaid to LASAN. Ms. Schechter confirmed that the money will go back to LASAN as a Special Fund reimbursement.

Item 6

Verbal report from GSD on the status of the structural evaluation of City Hall East.

Disposition: Noted and filed.

Paul Merritt, GSD, presented that Goss Construction Inc. will be performing the construction while Brandow and Johnston, currently going through the authority for expenditure process, will complete the structural evaluation as the construction and engineering cannot be done by one company due to insurance limitations. Mr. Merritt stated that the project had a brief delay in order to identify funds to pay for the engineering and construction. Mr. Merritt further explained that the CAO has submitted a request to transfer funds in the Second Construction Projects Report (CPR), currently pending approval from the City Council. Mr. Merritt added that if the City requires a contract rather than the authority for expenditure which was requested for engineering, the process will be further delayed.

Mr. Merritt stated that Phase I of the project includes the repair and evaluation as well as the excavation of the planter. Phase I is scheduled to begin in two weeks. Mr. Merritt continued by noting that Brandow and Johnston will conduct an evaluation and provide a written report that will be submitted to the MFC. Mr. Merritt estimated that the evaluation is anticipated to take from six months to a year if there are no negative findings when the planter is excavated and building columns are examined.

Mr. Merritt stated that Phase II of the project consists of BOE designing the waterproofing of the planters and Goss Inc. performing the construction. Manan Bhalja, Bureau of Engineering (BOE), added that waterproofing will be designed by BOE's Architectural Division. Mr. Merritt added that Phase III is the planter conversion. Mr. Merritt concluded by adding that Phase IV consists of the repair of the concrete columns in the basement level parking lots, which is estimated to take from about one to two years.

Sharon Tso, CLA, asked for a cost estimate of the project. Mr. Merritt estimated that the total project cost could be up to \$4.0 million as the scope of work has grown, however, the firm estimate cannot be determined until the Brandow and Johnston report is available. Ms. Tso inquired whether the cost can increase beyond the \$4.0 million estimate. Mr. Merritt stated that he does not anticipate the cost to increase further, however, there is no certainty until the columns are opened. Mr. Merritt explained that Phase I's cost includes \$472,000 for the contractor for engineering, excavation, and some repair work, and \$120,000 for BOE work; Phase II's estimate includes \$695,000 for joint repair and \$900,000 for design and material for waterproofing; Phase III's cost is between \$200,000 to \$1.0 million for the planter conversion; and Phase IV's cost is between \$350,000 to \$1.3 million for the concrete column repair.

Matt Rocke, GSD, stated that the full report will be ready for the December or January meeting and will include recommendations and cost estimates based on the evaluation by Brandow and Johnston. Yolanda Chavez, CAO, requested as built drawings for the City Hall East and the Los Angeles Mall parking levels to be shared with CAO staff so they can be included as part of the Civic Center Master Plan.

- Item 7** Report from GSD requesting authority from the Municipal Facilities Committee (MFC) to negotiate for the potential purchase of property for the Department of Transportation (DOT) at 23903 South Normandie Avenue, in Council District 15.

Disposition: Approved.

Alecia Simona, GSD, provided a brief background for the potential purchase of the DOT bus-yard at 23903 South Normandie Avenue. Bryan Ochoa, DOT, explained that this acquisition is critical in meeting the electrification goal, and assured that DOT is confident of the added benefits to the public and ability to acquire federal and state grant funding.

Bernyce Hollins, Mayor, inquired how the return on investment of \$1.2 million annually was calculated and when the City will see the return on investment. Mr. Ochoa responded that \$1.2 million is the annual lease cost for the Compton bus yard that is currently being leased that the new property will replace. Mr. Ochoa added that for a 10-year period, the \$12 million purchase cost will be even. Ms. Hollins asked for confirmation that there will be additional costs for development, although the City will break even after 10 years with the purchase of the property. Mr. Ochoa confirmed that there will be additional development costs.

Ms. Hollins inquired when DOT will have a better estimate of the potential General Fund impact. Mr. Ochoa responded that grant reimbursement will cover the purchase cost. Mr. Ochoa further added that design and construction will be paid with the Federal Transit Administration grants while Proposition A (Prop A) will pay for the local match, which is usually 20 percent. Ms. Hollins clarified that the General Fund impact would be 20 percent of the development cost which will be funded through either the Municipal Improvement Corporation of Los Angeles Fund or the General Fund based on eligibility.

Sharon Tso, CLA, asked for confirmation on whether there was another property at 111th Street that was considered for acquisition. Brian Lee, DOT, confirmed that the original plan was to purchase the property at 111th Street (Lanzit), which fell through due to a potential redevelopment.

Ms. Tso inquired if there will be additional testing done as part of the negotiation and about DOT's confidence in meeting the industrial standards. Mr. Ochoa replied that BOE reviewed all cleanups and DOT is confident that the property has been remediated to industrial standards. Mr. Ochoa added that additional cleanup may be required during the design and construction phase, but the estimated cost of additional testing is between \$300,000 through \$600,000, which is included in the estimate for construction and design. Ms. Tso further inquired as to which documents BOE had reviewed to determine that the cleanup was sufficient. Mr. Ochoa responded that the documentation provided to government agencies was reviewed by BOE.

Ms. Tso inquired whether Prop A funding can be used still. Mr. Lee explained that DOT purchased electric busses that were front-funded by Prop A, and recently DOT received grants for the busses which will allow Prop A to fund the acquisition of the property. Ms. Tso asked whether all grant funds need to be in place before proceeding with the project. Mr. Lee replied that DOT will proceed with what is available and have BOE determine the full cost estimate while DOT seeks additional grant funds.

Ms. Tso asked the reason for the property falling out of escrow with another buyer. Ms. Simona responded that GSD will get back to the MFC with the information. Ms. Tso inquired what will be in the report coming back in the November MFC. Ms. Simona replied that a full report will provide more information that is typically presented for acquisition.

Ms. Tso asked whether this property is exempt from the California Environmental Quality Act (CEQA). Ms. Simona explained that this property has been remediated up to industrial standards that can qualify for an exemption from CEQA. Amy Benson, GSD, added that the CEQA review listed in the presented report is different from the actual exemption resource code, which will be corrected in the full report in November.

Item 8 **Continued from June 27, 2024:** Updated report from CAO on a proposed Non-Profit Leasing Policy for City-Owned Facilities.

Disposition: Item continued to a future meeting to allow GSD to conduct an outreach to non-profits and report back with a survey of the results of any potential impact resulting from the proposed non-profit policy.

Matias Farfan representing the CLA, replaced Sharon Tso for the remainder of the meeting.

Delilah Puche, CAO, provided a brief overview of the proposed policy and explained the need for a policy to establish standards for non-profit leasing of City-owned facilities. Ms. Puche stated that new processes considered within the proposed policy are highlighted with an asterisk. Ms. Puche clarified that the required inspection is for full-occupancy of a City-owned facility only and that facilities partially occupied by City employees will continue to be maintained by GSD. Ms. Puche further clarified that this work is currently managed by GSD. Ms. Puche noted that two out of four vacant positions in GSD's Leasing Unit have been filled although the report states only one was filled. Ms. Puche emphasized that the space needs determination process may impact the existing \$26 million budget the City spends on private leases. Ms. Puche added that GSD has not performed outreach to Council Offices as of yet.

Mr. Farfan expressed concerns about the lack of outreach to the current non-profit tenants, and advised that non-profits should be given notice of potential changes and an opportunity to provide feedback before approving the report.

Yolanda Chavez, CAO, asked GSD whether there is an efficient way to reach out to non-profit tenants for feedback on the proposed changes. Amy Benson, GSD, responded that GSD can reach out to the non-profits, however, responses may take some time to receive. Ms. Chavez recommended GSD reach out to the non-profits and ask them to respond with their comments on the proposed policy by December in order for the report to be scheduled for City Council in January.

Mr. Farfan introduced a motion for the Committee to tentatively approve the policy, subject to GSD sending out a transmittal to the current non-profit lease holders that includes the policy tentatively approved by MFC, with a deadline of at least 30 days to submit feedback, at which time the MFC will discuss the results of the outreach for final approval before the report is transmitted to Council. The motion was seconded by Ms. Hollins.

Item 9 Adjournment – Next Meeting: Special Meeting on Thursday, November 14, 2024.

The meeting adjourned at 11:09 a.m.