

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: January 30, 2025

To: Municipal Facilities Committee

From: Ohaji Abdallah, Asst. Div Head, Prop K Program Mngr.
Architectural Division, Bureau of Engineering *Ohaji K. Abdallah, R.A.*

Subject: LANKERSHIM ARTS CENTER REHABILITATION

- Phase I – Fire Life Safety, Lighting, HVAC Improvements,
Phase II – East Wall Structural Repair
- Phase III – Theatre Improvement & Decarbonization

RECOMMENDATIONS

It is recommended that the Municipal Facilities Committee (MFC):

1. Approve the overall project budget, scope and schedule for the Lankershim Arts Center Rehabilitation
 - Phase I - Fire Life Safety, Lighting, HVAC Improvements: Completed in July 2023, for a cost of \$600,000.
 - Phase II – East Wall Structural Repair: Estimated completion in July, 2025 for a cost of \$2.4 million.
 - Phase III – Theatre Improvement and Decarbonization: Estimated completion in January 2028 for a cost of \$5 million.
2. Approve the General Services Department-Construction Forces Division (GSD-CFD) Change Order of \$1,700,000 and additional project contingency of \$300,000, which increases the construction costs for Phase II of the Lankershim Arts Center Structural Repair project to \$2.4 Million Dollars.
3. Direct the City Administrative Office (CAO) to coordinate with the Bureau of Engineering (BOE) and Council District 2 (CD2) to effectuate the transfer of \$1,700,000 of approved Project specified MICLA funding to GSD, as noted within the body of this report.
4. Direct the CAO to coordinate with BOE and CD2 to transfer \$700,000 of Project specified MICLA fund to BOE accounts as noted in the body of this report, to fund the Phase III design consultant needed.



Lankershim Arts Center

Councilmember Adrin Nazarian, CD 2

1.0 BACKGROUND

Designated a Historic-Cultural Monument no. 232 on July 14, 1980, the streamlined modern landmark, built circa 1939 by Charles S. Lee for the Department of Water and Power, is currently home to the Lankershim Arts Center. Envisioned as a resource for emerging performing artists and related supporting arts groups, the all-inclusive arts facility is in the heart of North Hollywood's NoHo Arts District, and is owned and operated by the City of Los Angeles's Department of Cultural Affairs (DCA) Performing Arts Division.

Due to the need of Fire Life Safety and lighting upgrades, the Project was initiated in 2022 and was phased to accommodate available funds and to develop the scope of work for the three Phases described below.

2.0 SCOPE OF WORK

Phase I: Status- Completed

Phase I involved the historic restoration of the first-floor storefront windows, HVAC repairs to the black box theater, gallery light fixture replacements, and Fire Life Safety System upgrades. This phase was completed in July 2023, for a cost of \$581,200 as noted in the approved GSD - CFD final invoice. Ongoing scaffolding rental during this phase is estimated to increase the costs to \$600,000.

Phase I scope details:

- Historic restoration of the storefront windows
- Fire Life Safety (FLS) system improvements
- Upgrades to Mechanical/HVAC components in the theatre.
- LED lighting upgrades in the 1st floor gallery.
- Structural evaluation and subsequent design for the exterior spalling concrete wall facing East.

Phase II: Status: current phase- Construction

Phase II consists of repairing the spalling concrete wall on the East (alley) exterior side of the building and parapet. This work comprises installing a fiber-reinforced polymer (FRP) structural retrofit system to the wall, and making improvements to the existing wood framing in order to strengthen the wall anchor connections to the 2nd floor and roof diaphragms.

Phase II scope details

- Installing shoring for the roof and second floor
- Repairing the spalling concrete wall on the East (alley) exterior side of the building and parapet
- Install FRP (fiber-reinforced polymer) structural system to address the spalling concrete on the East facing exterior wall.
- Drill, epoxy, and weld additional rebar into the existing concrete.
- Add wood framing to the floor and roof diaphragm to strengthen connections to the existing Concrete wall,

GSD-CFD initially estimated the Phase II scope of work to cost approximately \$800k including a contingency of \$100k. \$800k of project approved MICLA funds were transferred to the GSD account, per the 2023-24 Second Construction Projects Report (CPR), CF #: 23-0842-S1. GSD (CFD) and their vendor initiated the demolition and construction and have spent approximately \$400K.

As demolition progressed, unforeseen conditions revealed irregular rebar placement concealed in the concrete wall which required re-engineering of structural details, submission for re-plan check review by the Los Angeles Department of Building and

Safety (LADBS), and a revised scope of work. GSD-CFD and their vendor provided a revised construction cost estimate to complete the remaining Phase II scope of work for approximately \$2 Million. This equates to a scope of work change order of approximately \$1.6 Million, including contingency. The original estimate, \$800,000, plus the additional scope of work and contingency, \$1.6 Million, equates to a total Phase II Project cost of \$2.4 Million. Although Project funding is available, construction has been halted and will not be reinitiated until the project has received approval by this committee as recommended in this report.

Phase III (Theatre Improvement and Decarbonization) consists of exterior and interior upgrades to the existing facility to provide state-of-the-art theater improvements to the black box studio spaces, and amenities such as ticketing, concessions, dressing room, break room, and production booth—all equipped with the latest audio/visual infrastructure. The project also includes the installation of components to decarbonize the facility by installing components such as a new HVAC system, a new water heater, photovoltaic panels and backup battery, and a new roof.

The BOE - Architectural Division has drafted a Task Order Solicitation (TOS) to solicit a design team from the Pre-Qualified On-Call Architectural Consultant (PQOC) list for Phase III of the project.

BOE estimates a total Phase III project budget of \$5 Million. Based on the remaining project approved funding of \$3.2 Million, Phase III has an estimated projected budget shortfall of approximately \$1.8 million.

Phase III scope details:

- Upgrades to the existing facility to the following:
 - black box theater
 - control room
 - ticketing booth
 - concession stand
 - dressing rooms
 - break rooms
 - production booth
- Replace A/V equipment to meet industry standards.
- Install new theatrical lighting to meet industry standards.
- Install a new membrane roof
- Repair water damage in the basement
- Decarbonization
 - Replace the HVAC system with a model that solely uses electricity,
 - Replace the water heater with a model that solely uses electricity,
 - Install a roof mounted solar panel system and associated infrastructure,
 - Install a 4-hour backup battery system

The City of Los Angeles, DCA, and the community stakeholders in North Hollywood’s NoHo Arts District are interested in making much-needed renovations, upgrades, and improvements to the historic Lankershim Arts Center. The proposed improvements have multiple goals, but ultimately, they are meant to allow the Arts Center to better serve the citizens of North Hollywood and the broader community at large. These improvements will significantly increase and maximize venue usage through increasing rental opportunities, engaging community stakeholders, and enlisting leading performing arts organizations to return.

3.0 FUNDING/ BUDGET

Funding Source

Funding Sources for Phase II			
Funding Source	BFY	Appr. Unit	Budgeted Amount
EWDD CF-20-1021-S4	2020	Fund57, Dept 22	\$600,000
Phase I Funding:			\$600,000

Funding Sources for Phase II			
Funding Source	BFY	Appr. Unit	Budgeted Amount
MICLA	2023	50RTWG	\$2,400,000
Phase II Funding:			\$2,400,000

Funding Sources for Phase III			
Funding Source	BFY	Appr. Unit	Budgeted Amount
MICLA	2023	50RTWG	\$1,600,000
Decarb Engineering Special Service Fund	2024	50YVLI	\$1,600,000
Phase III Funding:			\$3,200,000
TOTAL PROJECT FUNDING			\$6,200,000

Budget

The Project budget noted below captures the scope modifications, actual costs incurred for previous phases, and the updated construction cost escalation.

Activity	Budget	Funding Source	Expenditures to date
Phase I – Construction			
GSD Final Invoice	\$600,000	EWDD- Fund 57, Dept 22	\$600,000
Phase II Sub-total:	\$600,000		\$600,000
Phase II – Construction			
GSD Revised Construction Estimate (including contingency)	\$2,400,000	MICLA FY 23-24	\$400,000
Phase II Sub-total:	\$2,400,000	“	\$400,000
Phase III – Design			
TOS 108 (Design Consultant Service)	\$700,000	MICLA FY 23-	\$TBD
Construction (Rough Order Magnitude)	\$2,700,000	MICLA FY 23- Decarb Fund	TBD
Construction Contingency +/- 20%	\$540,000	TBD	TBD
Other Direct Costs (Permits, BOE)	\$40,000	TBD	TBD
Communication – ITA (Network & Security)	\$80,000	TBD	TBD
Project Construction Cost Escalation @ 8%, FY 25/26 *	\$210,000	TBD	TBD
Project Construction Cost Escalation @ 8%, FY 26/27 *	\$220,000	TBD	TBD
PW / BCA Inspection Costs	\$180,000	TBD	TBD
PW / BOE PM/ CM Costs	\$330,000	TBD	TBD
Phase III Sub-total:	\$5,000,000		\$0
Total Project	\$7,981,200		\$1,000,000
Total Project Funding	\$6,200,000		
Total Project Shortfall	\$1,781,200		
* Based on the Funding for Construction Cost Inflation report, dated 7-28-2022.			

Phase 3 of the Lankershim Arts Center project has a projected budget shortfall of approximately \$1.78 million. To address the shortfall, a \$1.8 million CTIEP request will be submitted for 2025-26.

The Project has enough funding to initiate and fund design activities through 2025-26, as indicated in the expenditure plan below.

Phase 2 - Construction								
Funding Sources	Expended/ Committed	Const. Funds	FY24/25 1 st Qtr.	FY24/25 2 nd Qtr.	FY24/25 3 rd Qtr.	FY24/25 4 th Qtr.	FY25/26 1 st Qtr.	Total
MICLA (2023-24)	\$.400m	\$2m			\$1.5m	\$.5m	\$0	\$2.4m
TOTALS	\$.400m	\$2m	\$0	\$0	\$1.5m	\$.5m	\$0	\$2.4m

Phase 3 -									
Funding Sources	Expended/ Committed	Const. Funds	FY24/25 3 rd Qtr.	FY24/25 4 th Qtr.	FY25/26 1 st Qtr.	FY25/26 2 nd Qtr.	FY26/27 3 rd Qtr.	FY26/27 4 th Qtr.	Total
MICLA (2023-24)		\$1.6m		\$.200m	\$.300m	\$.200m	\$.500m	\$.400m	\$1.6m
DECARB Special Fund (2023-24)		\$1.6m					\$.1.200m	\$.400m	\$1.6m
Project Shortfall		\$1.8m						\$1.8m	\$1.8m
TOTALS	\$0	\$5m		\$.200m	\$.300m	\$.200m	\$2.8m	\$1.6m	\$ 5m

CD 2 has been an ardent supporter of the Project and would like to see this Phase III Project proceed with Design in 2025 and start construction in 2026.

Therefore, BOE recommends that the Municipal Facilities Committee approve the recommendation to transfer funds to GSD and BOE accounts as noted below:

1. Transfer \$1.6 Million from Account: 40W30K, Fund: 298, Department: 40, to the GSD Accounts as noted below:
 - General Services Department: Fund100/40
 - Appropriation Unit 001101, Hiring Hall Construction Salaries \$100,000
 - Appropriation Unit 001121, Benefits Hiring Hall Construction \$100,000
 - Appropriation Unit 003180, Construction Materials \$1,400,000

2. Transfer \$700,000 of Project specified MICLA fund, from Fund: 298, Department: 40, account: 40W30K, to the BOE Accounts as noted below:
 - Bureau of Engineering: Fund 682, Department 50, Appropriation Unit No Lankershim Theatre Phase II

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4.0 SCHEDULE

Phase II – Project Schedule		
Phases	Start	Finish
Construction	April 18, 2024	July 1, 2025
Post Const.	July 2, 2025	October 1, 2025
Phase III – Project Schedule		
Design	January 6, 2025	December 30, 2025
Bid and Award	January 3, 2026	August 1, 2026
Construction	September 2, 2026	September 30, 2027
Post Const.	August 1, 2027	December 29, 2027

5.0 KEY ISSUES

It behooves the Project to restart the Phase 2 construction to curb additional materials escalation as well as to ensure the specialty contractor can complete the work this fiscal year. Completing Phase 2 will meet the client’s reopening goals and their efforts to retain the theatre performance for the community.

6.0 FISCAL IMPACT

There is no additional impact on the General Fund at this time.

cc:

Bernyce Hollins, Office of the Mayor
 Nikki Ezhari, Office of Councilmember Krekorian, CD 2
 Matthew W. Szabo, City Administrative Officer
 Melinda Gejer, City Administrative Officer
 Daniel Tarica, Los Angeles Department of Cultural Affairs
 Nikki Genovese, Los Angeles Department of Cultural Affairs
 Cassandra Reyes, Los Angeles Department of Cultural Affairs
 Sherrie Lofton, Los Angeles Department of Cultural Affairs
 Alma Miranda, Los Angeles Department of Cultural Affairs

Ted Allen, Bureau of Engineering
 Deborah Weintraub, Bureau of Engineering
 Celso Del Poso, Bureau of Engineering
 Ohaji K. Abdallah, Bureau of Engineering
 Marcus Yee, Bureau of Engineering

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Phase I - Historic restoration of the storefront window



Phase I - Upgrades to Mechanical/HVAC components

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Phase I – LED Lighting Upgrade



Phase II – East Wall Structural Sseismic Reinforcement Repair