

REVISED

MUNICIPAL FACILITIES COMMITTEE
Minutes from the Regular Meeting of March 27, 2025

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 10:00 a.m.

General Public Comment No public comment.

Item 1 Minutes of the February 27, 2025 Regular Meeting.

Disposition: Approved on consent.

Item 2 Report from the General Services Department requesting authority to negotiate and execute a non-profit license agreement with Housing Authority of the City of Los Angeles to operate a community garden at 2254 East 103rd Street, in Council District 15, subject to Council and Mayor approval.

Disposition: Approved on consent.

Item 3 Report from the General Services Department requesting authority to negotiate and execute a non-profit license agreement with Los Angeles Community Garden Council to operate a community garden at 5620 West Fountain Avenue, in Council District 13, subject to Council and Mayor approval.

Disposition: Approved on consent.

Item 4 Report from the General Services Department requesting authority to negotiate and execute a non-profit license agreement with Little Italy of Los Angeles Association for the use of a public plaza at 603 South Harbor Boulevard, in Council District 15, subject to Council and Mayor approval.

Disposition: Approved on consent.

- Item 5** Report from the General Services Department requesting authority to negotiate and execute a non-profit license agreement with Hathaway-Sycamores Child and Family Services, doing business as Sycamores, for the Crisis and Incident Response through Community-Led Engagement program at 6262 Van Nuys Boulevard, Suite E, in Council District 6, subject to Council and Mayor approval.

Disposition: Approved on consent.

- Item 6** Report from the General Services Department requesting authority for the direct sale of three Own a Piece of Los Angeles remnant parcels: Assessor Parcel Number 2108-001-902 (Council District 3), Assessor Parcel Number **2568-002-901** (Council District 7), and a property adjacent to 4630 South Sawtelle Boulevard (Council District 11), to respective adjoining property owners.

Disposition: Approved on consent.

- Item 7** Report from the General Services Department requesting authority to negotiate and execute a lease agreement with the Los Angeles Police Federal Credit Union for the City-owned property at 5651 West Manchester Avenue, in Council District 11, subject to Council and Mayor approval.

Disposition: Approved with discussion.

Sharon Tso, CLA, inquired as to why the report states that the current rate is above market even though it is within the range cited in the analysis. Lisa Schechter, General Services Department (GSD), stated that the rate was reduced due to the tenant improvements paid by the tenant.

- Item 8** Third Quarterly Status Report from the City Administrative Officer on the Citywide Leasing Account, subject to Council and Mayor approval.

Disposition: Approved with discussion.

Aira Wada, CAO, provided a brief presentation on the report stating that the General Fund Leasing Account has a new year-end projected surplus of \$288,315 due to a transfer of \$1.41 million in surplus prior year leasing funds to fully address the overspending in Fiscal Year (FY) 2024-25. Justin Lawson, CAO, added a clarification that \$830,000 reduction reflected as FY 2024-25 budget reduction in the report is a minimum surplus projected for the year-end.

Bernyce Hollins, Mayor, asked if the plan moving forward for the A Bridge Home facilities expenses is to establish a sub-account within the Leasing Account. Mr. Lawson clarified that the A Bridge Home Leasing Account is already established and that this report recommends the transfer of expenditures to the correct account and future expenditures will be billed directly out of A Bridge Home Leasing Account through the remainder of FY 2024-25.

Ms. Hollins inquired the plan for upcoming FY. Mr. Lawson replied that the plan is to fund homelessness leases out of A Bridge Home Leasing Account to directly appropriate any funding in FY 2025-26.

Ms. Tso asked for the funding source for A Bridge Home leases other than the two paid out of A Bridge Home Leasing Account. Mr. Lawson responded that A Bridge Home leases are typically paid out of the General City Purposes Fund. Yolanda Chavez, CAO, clarified that the difference is that there are homelessness leases funded by Los Angeles Homeless Services Authority and the two leases that are being transferred are funded by GSD. Ms. Tso asked for clarification on the necessity of the transfer. Mr. Lawson clarified that this is for an administrative purposes as there was no funding appropriated for A Bridge Home Leasing Account for FY 2024-25.

Item 9 Report from the General Services Department requesting approval of a space assignment for the Los Angeles Housing Department at 444 South Flower Street (Industrious), in Council District 14.

Disposition: Approved with discussion.

Amy Benson, GSD, provided a brief summary of the report regarding the Los Angeles Housing Department (LAHD) space assignment and work station allotment adjustments for various departments occupying Industrious. Ms. Benson stated that there will be no Bulk License Repricing Charge applied to the lease cost as LAHD will be occupying the work stations originally approved for reduction and no work stations will be given back to the landlord. Ms. Benson added that the Special Funded departments will pay for the new work station allocation starting May 2025.

Sharon Tso, CLA, asked whether LAHD will have a one-to-one ratio of work stations. Ms. Benson clarified that LAHD will not have a one-to-one ratio. Ms. Tso inquired as to the annual cost paid by the General Fund and Special Fund. Ms. Benson stated that the annual cost is approximately \$1.4 million for the General Fund and \$1.9 million for the Special Fund.

Bernyce Hollins, Mayor, inquired when the move-in and internal relocation will be completed. Ms. Benson stated that the move-in and relocation will be completed in mid-April to May. Ms. Hollins asked for the new term expiration date. Ms. Benson answered that the new term will expire January 2027.

Item 10 Report from the General Services Department on the status of the structural evaluation of City Hall East.

Disposition: Noted and filed with discussion.

Paul Merritt, GSD, provided a brief presentation on the updates regarding the structural evaluation of City Hall East. Mr. Merritt stated that Phase I is almost complete and that the overall assessment is that the building is safe. Mr. Merritt added that funding of \$1.8 million is secured in the current year budget for this purpose and that the funding is sufficient for Phases I and II.

Bernyce Hollins, Mayor, asked for confirmation that the estimated cost ranges from \$2.35 million to \$3.1 million. Albert Griego, CAO, confirmed that the cost ranges from \$2.35 million to \$3.1 million. Ms. Hollins inquired the funding source for the \$1.8 million transferred for this purpose. Mr. Griego responded that \$1.8 million was authorized through the Construction Projects Report as an interim Municipal Improvement Corporation of Los Angeles (MICLA) appropriation for FY 2024-25. Ms. Hollins inquired whether there is a need for MICLA eligibility determination and funding for the remainder of the project. Mr. Griego stated that the determination and remaining funding needs are included in the FY 2025-26 proposed budget.

Sharon Tso, CLA, asked for confirmation that Phase I costs \$600,000. Mr. Merritt stated that it is an estimate and that the actual has not been verified yet. Ms. Tso inquired as to why Phase IV is estimated at \$75,000. Mr. Merritt explained that Phase IV is only \$75,000 assuming there is no need for replacement of the columns if only cosmetic repair of the concrete cover is needed. Mr. Merritt further stated that the cost of replacing the columns will not cost more than \$500,000, if need be; however, the initial investigation did not show the need for replacement of the steel columns encased in concrete. Ms. Tso asked for clarification on mesh and rebar stated in the report. Mr. Merritt clarified that mesh and rebar were not in the plan of the columns, yet those elements do not affect the integrity of the building.

Yolanda Chavez, CAO, asked for clarification on the timing of the project. Mr. Merritt answered that Phase I is pending completion due to waiting for the engineer's design with a ten-year warranty. Ms. Chavez inquired if the project can be completed in FY 2025-26. Mr. Merritt estimated an overall project completion within one or two years.

Matthew Rocke, GSD, stated that Phase III may be higher price at \$1.2 million due to the market price increase.

- Item 11** Report from the General Services Department requesting authority to execute a Purchase and Sale Agreement with Watts Station, LP, to acquire the property located at 10341 Graham Avenue, relative to the Watts Cultural Crescent, in Council District 15, subject to Council and Mayor approval.

Disposition: Approved with discussion.

Armando Parra, GSD, provided a brief presentation of the report regarding the acquisition of 10341 Graham Avenue to expand the existing Watts Cultural Crescent. Mr. Parra stated that the maximum acquisition cost if finalized before July 2025 as anticipated is \$2.9 million, plus the \$15,000 closing cost.

Sharon Tso, CLA, asked when the additional soil testing will be completed. Mr. Parra clarified that the additional soil testing cannot be finalized until a project scope for the site is determined. Mr. Parra stated that the magnitude of the cost for additional environmental testing is included in the report if a future plan is to build buildings on the site.

Yolanda Chavez, CAO, inquired if the City is required to build housing at this site. Mr. Parra explained that there is a covenant on this property to use the site for housing. Ms. Chavez asked whether there is a possibility for the County to lift the covenant. Jeanne Min, Council District 15, stated that the Council Office will request the County to include other uses in addition to housing after the acquisition of the property.

- Item 12** Adjournment – Next Meeting: Special Meeting on Thursday, April 10, 2025.

The meeting adjourned at 10:49 a.m.