

MUNICIPAL FACILITIES COMMITTEE
Minutes from the Special Meeting of December 11, 2025

MEMBERS: Matthew Szabo, Office of the City Administrative Officer, Chair (CAO)
Matias Farfan, Office of the Chief Legislative Analyst (CLA)
Matthew Hale, Office of the Mayor (Mayor)

The meeting was called to order at 10:06 a.m.

General Public Comment: No public comment.

Item 10 Second Quarterly Status Report from the City Administrative Officer on the Citywide Leasing Account.

Disposition: Approved with discussion.

Matthew Szabo, CAO, requested that Item No. 10 be taken out of order to precede Item No. 1.

Aira Wada, CAO provided a brief presentation of the status of the Citywide Leasing Account which included a projected year-end General Fund surplus of \$2.9 million. The report also recommends a transfer of \$2.6 million for the Garland Relocation Project and \$289,362 to address security issues at the Seventh Street Yard. Ms. Wada added that the Special Fund Leasing Account and the A Bridge Home Leasing Account are projected to be within budget at year-end.

Mr. Szabo asked for clarification on whether the projected year-end surplus of \$2.9 million for the General Fund Leasing Account includes all of the shortfalls. Ms. Wada confirmed that all shortfalls are included in the calculation of the year-end projection.

Item 1 Minutes of the October 30, 2025 Regular Meeting.

Disposition: Approved on consent.

Item 2 Report from the General Services Department requesting approval of a space assignment for the Mayor's Office of Major Events on the 10th floor of City Hall, Rooms 1025, 1035, and 1040.

Disposition: Approved on consent.

Item 3 Report from the General Services Department requesting approval of a space assignment for the Mayor's Office of Strategic Partnerships in the Los Angeles Mall, Suite No. 6.

Disposition: Noted and filed on consent.

Item 4 Report from the General Services Department requesting authority to negotiate and execute a lease amendment with Kevin Kim, doing business as Express News & Lotto, to operate a retail sales store at 155-A South Main Street (Police Administration Building), in Council District 14, subject to Council approval.

Disposition: Approved on consent.

Item 5 Report from the General Services Department requesting authority to negotiate and execute a non-profit lease agreement with Foundation for Early Childhood Education, Inc., to provide childcare services at 707 East Kensington Road, in Council District 1, subject to Council approval.

Disposition: Approved on consent.

Item 6 Report from the General Services Department requesting authority to negotiate and execute a sublease agreement with Hope the Mission to operate an interim housing site at 2301 West Third Street, in Council District 13, subject to Council approval.

Disposition: Approved on consent.

Item 7 Report from the General Services Department requesting authority to negotiate and execute a lease agreement with the Weingart Center Association to operate an interim housing site at 3210 - 3248 Riverside Drive, in Council District 4, subject to Council approval.

Disposition: Approved on consent.

Item 9 Report from the Economic and Workforce Development Department requesting authority to execute the Assignment and Assumption Agreement of commercial leases at 13269 Van Nuys Boulevard and associated parcels, subject to Council approval.

Disposition: Approved on consent.

Item 8 First Quarterly Status Report from the Bureau of Engineering on the Taylor Yard G2 River Park project.

Disposition: Noted and filed with discussion.

Matthew Hale, Mayor, asked whether there are any plans to generate revenue at the site. Luz Rabelo, Bureau of Engineering (BOE), stated that there is no plan to implement a revenue generating program as part of the Paseo del Rio project; however, the longer-term plan for the Taylor Yard G2 River Park Build-Out includes ideas for revenue generating such as building a cafe. Mr. Hale requested that BOE include updates on potential revenue generating plans in the Taylor Yard Implementation Feasibility Report.

Item 11 Report from the Bureau of Engineering requesting approval to award \$5.1 million to the General Services Department, Construction Forces Division, for Phase 1A of the Ben Franklin Library project at 2200 East First Street, in Council District 14.

Disposition: Approved with discussion.

Ohaji Abdallah, BOE, provided a brief presentation on the report to award \$5.1 million to the General Services Department (GSD) for the Benjamin Franklin Library project. Mr. Abdallah stated that the Los Angeles Public Library (LAPL) transferred \$3.9 million to GSD in the Fiscal Year (FY) 2024-25 First Financial Status Report and that the remaining funds will be transferred in the FY 2026-27 Construction Projects Report. Mr. Abdallah noted that the report incorrectly states that the \$3.9 million was transferred in FY 2023-24 instead of FY 2024-25.

Matthew Hale, Mayor, inquired if decarbonization components are included in the project. Mr. Abdallah clarified that the decarbonization funds were removed from many projects, including this project, and BOE was instructed to come back to the Municipal Facilities Committee (MFC) for approval of decarbonization funds for individual projects. Mr. Abdallah added that the design has been completed for the decarbonization components of the Ben Franklin project and that there will be adjustments made before requesting approval for decarbonization funds from the MFC.

Matias Farfan, CLA, asked for clarification on design and contingency costs. Mr. Abdallah clarified that LAPL funded the design costs and that contingency costs are included in the estimates.

Matthew Szabo, CAO, inquired whether decarbonization was scoped out of the project. Mr. Abdallah stated that the decarbonization component was scoped out of the design of the project. Mr. Hale asked if efficiency was lost by scoping out decarbonization from the project. Mr. Abdallah replied that inefficiency resulted from the redesign which will not affect the project moving forward.

Item 12 Report from the Bureau of Engineering requesting approval to award \$2.8 million to the General Services Department, Construction Forces Division, for Phase II of the Madrid Theatre project at 21622 Sherman Way, in Council District 3.

Disposition: Approved with discussion.

Ohaji Abdallah, BOE, provided a brief presentation on the report to award \$2.8 million to GSD for Phase II of the Madrid Theatre project. Mr. Abdallah stated that Phase II focuses on the Audio/Visual system, intrusion alarm, and Heating, Ventilation, and Air Conditioning system.

Item 13 **Continued from October 30, 2025:** Report from the Bureau of Engineering on the status of the Building Decarbonization Workplan.

Disposition: Approved recommendation #3 to establish a new interim Municipal Improvement Corporation of Los Angeles appropriation of \$889,281 for the Cypress Park Branch Library, Old Fire Station 39, and Silverlake Branch Library. Recommendations #1-2 and #4-7 to be continued to a future meeting.

Zohra Akhter, BOE, provided an overview of the report regarding the Building Decarbonization Workplan. Zoe Roberts, Tetra Tech/Glumac, presented a summary of the presentation to highlight key findings to decarbonize City buildings by 2035.

Matthew Szabo, CAO, asked for the definition of funding requirements and whether it indicates the overall cost to decarbonize City facilities. Ms. Akhter clarified that funding requirements include the total cost of construction and electrification design, as well as battery and solar costs, if feasible, to deliver the project.

Matthew Hale, Mayor, inquired as to how the priority criteria are weighted. Ms. Akhter explained that BOE looked at various department priorities. Ms. Akhter added that equipment is planned to be used through end of life before they are decarbonized. Mr. Hale asked how the City can balance cost effectiveness and emission reduction. Ms. Akhter responded that the primary goal of this project is emission reduction, yet solar projects are separated from other electrification projects due to complexity and cost.

Matias Farfan, CLA, requested clarification on the correlation of project cost and emission reduction. Ms. Roberts replied that emission reduction and project cost are difficult to correlate as the project impact extends beyond emission reduction, such as the utility cost and electrical load reduction of the building. Ms. Roberts also stated that the Department of Water and Power (DWP) already provides low emission electricity, which may make the project seem less impactful in comparison to the project cost.

Mr. Farfan asked whether the cost estimates include the DWP cost for upgrades. Ms. Roberts stated that the building-level upgrade cost is included; however, the grid-level upgrade cost is not included. Mr. Farfan inquired if DWP weighed in on each of the project. Ms. Akhter answered that BOE had worked with DWP on the grid impact study, which showed no significant impact from electrification for the majority of City buildings aside from high-rise buildings and schools.

Mr. Farfan asked for the time difference between replacing electrical equipment with new gas-powered equipment. Ms. Akhter replied that water heaters will take the most time to replace due to their complexity. Ms. Akhter added that permitting takes the most time. Mr. Farfan inquired as to the replacement time of failed water boilers and their operational impact if it were to occur. Ms. Akhter stated that the water boiler for the Civic Center area will require a master plan and will take over five years to replace. Ms. Akhter added that the master plan will include strategy on minimizing employee move-out for operational impact reduction. Ms. Akhter also noted that Recommendation #5 prioritizes emergency replacement needs in a separate process.

Mr. Farfan asked for clarification on Recommendation #5 as to a cost analysis to determine whether to replace particular equipment with respect to potential plans of building demolitions and rebuilding. Ms. Akhter explained that the Workplan includes a step to analyze the best course of action in collaboration with various City departments.

Mr. Szabo inquired if CAO staff has reviewed the funding sources. Ms. Akhter stated that the Year 1 Workbook Expenditure Plan was created in collaboration with the CAO staff in 2024. Mr. Szabo asked for confirmation that prior funding was removed. Ms. Akhter confirmed that the funding was removed and that BOE is asking to revise the Workplan with the recommendations in this report. Mr. Szabo requested clarification on what is included in the \$2.4 billion. Ms. Akhter clarified that the \$2.4 billion addresses the top 25 prioritized projects to be completed by 2035, including installation of solar panels. Ms. Akhter noted that \$1.35 billion is the cost of replacing the old equipment with new gas-powered equipment. Ms. Akhter suggested that BOE can separate out the solar panel cost to compare the price of replacing the old gas-powered equipment to the new equipment powered by gas as opposed to electric. Mr. Szabo stated that there is a need to identify funding before the Workplan is sent out to Council for consideration. Mr. Szabo asked whether Recommendation #5 should be directed toward GSD. Ms. Akhter reiterated that the recommendation is directed toward departments because the departments make the arrangements with GSD on funding equipment replacement.

Yolanda Chavez, CAO, inquired if the report is to be forwarded to Council. Ms. Akhter stated that BOE would like the report to be forwarded to Council. Mr. Szabo requested BOE to come back with the plan to complete the decarbonization by 2045 as opposed to 2035. Mr. Hale also requested that BOE come back with the cost estimates focusing on the utility savings and without the DWP rebates. Mr. Farfan asked whether revising the plan will be a large undertaking. Ms. Akhter stated that BOE will work with the consultant, Tetra Tech/Glumac, to work on revising the time frame, which will affect the cost estimates and distribution of projects, but that the overall framework will not change. Ms. Roberts added that the Energy Savings Performance Contracts projects could help with financing the projects.

Item 14 Adjournment – Next Meeting: Regular Meeting on Thursday, January 29, 2026.

The meeting adjourned at 11:15 a.m.