

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 26, 2026

CAO File No. 0150-13148-0000

Council District: 14

To: The Municipal Facilities Committee

From: City Administrative Officer, Municipal Facilities Committee Staff *Albert C. Griego*Subject: **SPACE OPTIMIZATION PROJECT - LOS ANGELES MALL FORMER CVS**

RECOMMENDATION

That the Municipal Facilities Committee (MFC):

1. Approve the space optimization project to convert the former CVS space in the Los Angeles Mall into a common workspace for City employees; and,
2. Direct the City Administrative Officer-MFC staff and the Department of General Services to report on the final project cost and design,

SUMMARY

As part of the Space Optimization Program, developed to reduce the City's reliance on long-term private leases by improving existing City facilities (C.F. 10-0597), the City Administrative Officer (CAO) staff, with the assistance of the General Services Department (GSD) and Bureau of Engineering (BOE), reviewed the available space in the Los Angeles Mall. This report recommends the conversion of the former CVS retail space in the Los Angeles Mall Suite No. 4, into office and conference room space for City employees that are housed outside of the Civic Center and are conducting business in the City Hall area.

DISCUSSION

The former CVS space consists of approximately 11,500 square feet of retail space that is vacant and available to be converted for City use. The CVS space is currently used as a storage area for the Building Maintenance Division and can be vacated upon request. This space has the capacity to address immediate program needs for conference room space and flexible workstations. City employees that are housed outside of the Civic Center area need work space when they are attending meetings in City Hall. This work space would save staff time and increase productivity.

The GSD-Construction Forces Division has developed a rough order of magnitude estimate of \$1.1 million which includes a 20 percent contingency. The scope of work includes the following:

- General Repairs – Patching, painting, electrical, ceiling and flooring
- Restrooms – Replacement, paint, floor, and ADA compliance.

- Conference Room – Buildout of prior pharmacy enclosure, entry door, and glass install
- Mechanical Systems – HVAC replacement and controls
- Security – Card reader installation

The CAO-MFC staff will work with GSD-Construction Forces Division to finalize the cost estimate to complete the project within the available Space Optimization program funding. Funding for furniture in excess of the budgeted amount will be submitted through the annual budget process.

The table below includes a breakdown of the estimated project costs.

Scope of Work	Amount
Construction (includes 20% contingency)	\$ 865,000
Furniture (flexible work desks, phone booths, conference tables, chairs)	200,000
Data	35,000
Total	\$ 1,100,000

FISCAL IMPACT STATEMENT

Funding for this project is included in the Capital Technology Improvement Expenditure Program. There is no additional impact on the General Fund, beyond Municipal Improvement Corporation of Los Angeles funding authorized for the Space Optimization Program.

FINANCIAL POLICIES STATEMENT

This report complies with the City's financial policies in that to the extent possible current operations will be funded by current revenues.