

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE REPORT relative to a ten-year lease for office space located at 888 South Vermont Avenue to relocate the Parking Enforcement and Traffic Control Unit (PETCU) of the Los Angeles Department of Transportation (LADOT) Hollywood Enforcement Area Division.

Recommendations for Council action:

1. AUTHORIZE the Department of General Services (GSD) to:
 - a. Negotiate and execute a new ten-year lease with 888 Vermont Avenue LLC for office/warehouse space located at 888 South Vermont Avenue, Los Angeles, California 90005, for use by the PETCU of the LADOT Hollywood Enforcement Area Division, under the terms and conditions outlined in the subject Municipal Facilities Committee (MFC) report dated June 8, 2020, attached to Council File No. 20-0720.
 - b. Utilize a consultant to develop a workspace plan that maximizes the number of PETCU work units that can be accommodated at the 888 South Vermont Avenue lease site, in order to relocate PETCU staff from the current City-owned facility located at 411 North Vermont Avenue, which is required due to structural deficiencies that cannot be remediated at this time due to significant costs of \$50-70 million.
2. REQUEST that the LADOT, GSD, and the City Administrative Officer, with any assistance that may be required from the Personnel Department, to develop a parking plan that would prioritize the use of on-site leased parking and any potential use of parking available at the current City-owned facility for overflow purposes; and, report to the MFC with the final proposed workspace and parking plan, along with any potential relocation of impacted staff to space available at the LADOT lease site located at 1111 Mateo Street, including an analysis of associated costs and recommended funding sources.

Fiscal Impact Statement: The MFC reports that there is no immediate impact to the General Fund as a result of the recommendations in the subject MFC report. The rental payments for the upcoming year are fully funded by monies budgeted for this purpose as part of the GSD's 2020-21 leasing account. A portion of the GSD's projected year-end lease savings is recommended as part of the Year-End Financial Status Report, which would fully offset the estimated one-time costs of moving and communication services. The ongoing leasing costs would be budgeted as part of the GSD's leasing account in future years, along with a three percent escalation factor. An additional allowance of \$1.9 million will be incurred at the owner's expense to complete tenant improvements.

There is a potential impact to the General Fund if this allowance is not sufficient to fully fund needed site improvements. However, City staff will work to prioritize these needs to remain within available funding, or identify other cost offsets or contributing funds; and, update the MFC on the final space plan, supplemental parking options, and funding options if costs exceed budgeted sources of funds as detailed in the subject MFC report.

Community Impact Statement: None submitted.

SUMMARY

At its special meeting held on June 15, 2020, the Information, Technology, and General Services Committee considered the MFC report dated June 8, 2020 relative to authorizing the GSD to negotiate and execute a new ten-year lease with 888 Vermont Avenue, LLC for office/warehouse space located at 888 South Vermont to relocate the PETCU of the LADOT Hollywood Enforcement Area Division. The new lease will provide the LADOT with 23,5559 square feet of office/warehouse space and on-site parking spaces for the relocation of up to 235 LADOT employees currently assigned to a City-owned facility located at 411 North Vermont Avenue. The relocation is required due to significant structural deficiencies at the 411 North Vermont facility that were identified upon inspection by the Bureau of Engineering. A consultant will be utilized to develop a detailed workspace plan that maximizes the number of PETCU work units that can be accommodated at the 888 South Vermont lease site.

After providing an opportunity for public comment, the Committee moved to approve the recommendations contained in the subject MFC report, as detailed above. This matter is now transmitted to the Council for its consideration.

Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
LEE:	YES
BLUMENFIELD:	YES
RODRIGUEZ:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-