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July 30, 2015

Honorable Councilmembers
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Attention: Eric Villanueva, Legislative Assistant

REQUEST FOR AUTHORIZATION TO NEGOTIATE AND EXECUTE A CONTRACT WITH CBRE FOR PROJECT MANAGEMENT OVERSIGHT OF THE RESTACK PROJECT IN THE 201 TOWER OF FIGUEROA PLAZA

SUMMARY

The Department of General Services (GSD) requests authority to negotiate and execute a sole source contract with CBRE for project management oversight of the restack project in the 201 tower of Figueroa Plaza (201 Restack Project). The amount of space to be renovated in the 201 tower now totals 127,000 square feet and includes approximately of 93,000 square feet being vacated by the County of Los Angeles District Attorney (DA) and 34,000 square feet for the Development Services project and related moves. The revised stack plan for the 201 tower was approved at the Municipal Facilities Committee (MFC) June meeting, (Attachment A).

The restack of the 201 will be implemented in phases which are discussed below, along with resulting revisions to some of the schedules previously provided to the MFC.

Scope of Work

The 127,005 square feet of space to be renovated breaks down as follows:

FLOOR(S)	EXPLANATION	RSF
15, 16	LAPD Internal Affairs Division	41,716
Parts of 13 &14	LADBS Risk & Records Management	14,370
Part of 13	City Attorney Family Violence & Victim Assistance	13,858
12	LAFD	20,858
Part of 6	LAPD Force Investigation Division from 5th floor, LAPD Ombuds from PAB	10,287
5	Development Services Center	20,858
Parts of 2	LAFD displaced from 221 tower by DaVinci fire	5,058
TOTAL		127,005

Overall Phase Schedule

The 201 Restack Project has been divided into five overall phases of construction. The goals of these five phases are as follows:

Phase 1: Relocate LADBS Risk & Records Management from Two California Plaza (Two Cal) prior to October 31, 2015

Phase 2: Create an entire floor for Development Services Center for LADBS, City Planning and DOT plan check

Phase 3: Relocate LAPD Internal Affairs Division from Bradbury building lease

Phase 4: Relocate LAFD units (Professional Standards Division, Fire Facilities, Risk Management & Homeland Security)

Phase 5: Relocate City Attorney Family Violence and Victim Assistance units from Lyons/Reyes building lease

This sequence is based on various factors (for example, the need for LADBS to vacate Two Cal by October 31st), the details of which are shown on the attached chart, (Attachment B). Temporary interim moves are needed to clear construction spaces. These temporary moves into "swing space" are also indicated on the chart.

The dates shown are only estimated dates at this time. As test fits, space plans and construction drawings are completed for each phase and presented to the general contractor (GC), the schedule will likely be adjusted. GSD will inform the MFC of schedule changes when known. Once hired, the GC will immediately review the proposed schedule detail and will make recommendations on how tasks might be combined from one phase to the next to tighten the overall schedule.

Suite 790 of the 201 tower will be renovated for LADBS General Analysis & Budget section, one of the displaced groups currently at Two Cal. The renovation of this suite is being done directly by LADBS as part of its own Figueroa Plaza renovation project on many floors. While this must also be accomplished by October 31st to meet the deadline to vacate Two Cal, it does not fall into the 201 Restack Project scope or schedule.

Cost of Project

While programming for many of these groups has been completed, test fits and space plans are only now being finalized for Phase I. To meet the strict schedule, the hired GC will bid out each phase to sub-contractors from the completed construction drawings and develop costs for the City's review and approval prior to any work commencing. The City, with help from its construction management consultant, will identify opportunities for savings through careful review of the bids and value engineering where possible and appropriate. For this reason, firm cost estimates for this project are not yet available.

Based on previous large projects completed at Figueroa Plaza for City tenant departments and on the work being done in the 221 Tower after the DaVinci fire, it is estimated that hard and soft construction costs, along with furniture, communications and moving costs, will run approximately $98 to $108 per square foot which is in line with estimates used for the 221 Tower Project as well as a recent construction project estimate at the Garland building with similar scopes of work. The total cost of the project is currently estimated to be between $14 and $15.2 million.

Included in the chart below are cost estimates with a contingency amount for the 201 Restack Project and recent comparable construction project estimates.

Category	$ per RSF Estimates		
	201 Tower	221 Tower	Garland
Soft Costs: Programming, test fit, space planning, construction documents, project management, project oversight/payment services	$8.00	Incl.	$8.00
Hard Construction Costs	$70.00	Incl.	$65.96
Furniture	$15.00	Incl.	$15.00
Communications	$12.00	Incl.	$12.00
Moving	$3.00	Incl.	$3.00
Subtotal	**$108.00**	**$103.30**	**$103.96**
Contingency at 10%	$10.80	$10.33	$10.40
TOTAL	**$118.80**	**$113.63**	**$114.36**

Phase 1 must begin immediately for LADBS to vacate Two Cal no later than October 31, 2015. The actual costs for the 201 Restack Project will vary from phase to phase depending on how much of the existing improvements can be re-used. As exact costs are developed, GSD will report these to the CAO and MFC.

Project Management Contract

For the 201 Restack Project, GSD proposes entering into a sole source agreement with CBRE similar to the one recently completed by LADBS for their renovation project. This proposed contract will provide CBRE project management oversight fee of 2% and will also cover costs of payment processing services.

Sole Source Findings

A sole source management contract with CBRE for the various phases of this project is recommended for the following reasons:

- CBRE is already in place to best meet a critical deadline. Departments displaced by the fire that are not part of the 221 North Figueroa restack were assigned space in the 201 Tower. They are currently in leased space at Two Cal and must return to Figueroa Plaza on the same schedule which is October 31, 2015;

- The City must proceed expeditiously with other phases of the 201 restack, such as the Development Services Center, that were delayed as a result of the fire. Using the CBRE team for this phase eliminates any delays otherwise resulting from another company having to step in;

- CBRE has established the working knowledge and relationships with the complicated mix of public tenants in the complex;

- The City needs to move expeditiously to refill the 201 Tower floors vacated by the District Attorney's Office with departments currently in leased locations to maximize savings in the leasing account;

- CBRE, as the City's property manager at Figueroa Plaza, has acted responsibly and timely to the restoration and re-occupancy project on site;

- All tenant improvement and relocation activities involve CBRE since they are the City's property manager at the Figueroa Plaza complex, they will coordinate building access, power, elevators and tenant communication; they have full access to the building infrastructure and having CBRE directly involved in project management oversight will expedite the backfill of the 201 Tower spaces.

FISCAL IMPACT

Costs for the entire project are estimated to be between $14 and $15.2 million, including the 10% contingency cost.

Of the total estimate, CAO has advised that $2.9 to $4.0 million may be paid by the Enterprise Fund for the Development Services Center which possibly may include a portion of the Fire Department renovation.

The CAO further advises that there are also tenant improvement funds approved by Mayor and Council as part of the 2015-16 Budget for backfill of the former County District Attorney space as well as prior year funding set aside for these purposes. GSD will work with the CAO to determine all available funding sources to cover the expenses of this project.

There will be lease savings from the termination of the Bradbury lease and related parking costs in FY 2015-16, once LAPD IAD is relocated to Figueroa Plaza in Phase 3, expected to be by the end of April 2016. However, anticipated early termination fees due to the landlord by the City will offset most of these savings in this FY. GSD will report any savings in the quarterly Optimization Report to the MFC.

RECOMMENDATIONS

That the City Council subject to the approval of the Mayor,

1. Authorize the Department of General Services to negotiate and execute a sole source contract with CBRE for the 201 Restack Project which includes project management, space planning, tenant improvements and re-occupation of displaced employees and other departments to the 201 North Figueroa Tower in an amount not to exceed $15.2 million;

2. Instruct the Department of General Services to work with the City Administrative Officer to identify and transfer all funds required for this project; and

3. Authorize the City Administrative Officer to make technical adjustments as necessary in identifying and transferring required funding.

Tony M. Royster
General Manager

FIGUEROA PLAZA - 201 TOWER

OPTION WITH DEVELOPMENT SERVICES, LAPD BRADBURY, LAFD Prof Standards and City Attorney Family Violence

BACKFILLING LA COUNTY D.A. SPACE Revised June 12, 2015)

16	Suite 1600 LAPD-IAD from Bradbury 20,858 RSF *Former LA County DA*				
15	Suite 1500 LAPD-IAD from Bradbury 20,858 RSF *Former LA County DA*				
14	Suite 1400 Cultural Affairs Department 11,172 RSF	Suite 1425 Building and Safety - Subject Specialty, Risk and Records Management 2,623 RSF *Currently LAFD Homeland S*	Suite 1440 2,114 RSF *Former LA County DA*	Suite 1455 2,633 RSF	Suite 1460 CBRE Property Mgmt 2,316 RSF
13	[redacted]		Suite 1350 Building and Safety - Subject Specialty, Risk and Records Management 7,000 RSF *Former LA County DA*		
12	[redacted] *Former LA County DA*				
11	Suite 1100 PW/Engineering - Mapping & Survey 20,858 RSF				
10	Suite 1000 Department of Building & Safety 20,858 RSF				
9	Suite 900 Department of Building & Safety (Data Center and Technology Services Bureau) 20,858 RSF				
8	Suite 800 Department of Building & Safety 20,858 RSF				
7	Suite 700 Department of Building and Safety (Financial Services and GABS from 2Cal) 13,587 RSF			Suite 730A BOE - City Clerk Land Records 3,941 RSF	Suite 730B Building and Safety 9,330 RSF
6	Suite 600 LAPD Commission 2,392 RSF	Suite 610 LAPD Inspector General 8,178 RSF	Suite 650 [redacted] 6,364 RSF *Currently LAFD Risk and EMS*	Suite 675 [redacted] 2,339 RSF *Former LA County DA*	Suite 690 [redacted] 1,584 RSF *Former LA County DA*
5	Suite 500 Planning and Development Services 11, 213 RSF *Formerly Vacant - LADWP*	Suite 505 [redacted] 4,943 RSF *Currently LAPD Force Investigation*	Suite 520 Development Services 1,742 RSF *Former OPA*	Suite 530 Development Services 1,000 RSF *Former LA County DA*	Suite 535 Development Services 1,960 RSF *Former Fire*
4	Suite 400 Department of Building & Safety 20,858 RSF				
3	Suite 300 Department of Building & Safety 20,858 RSF				
2	Suite 200 Engineering/Land Development 11,203RSF	[redacted] *Temporary loan to DBS*	Suite 260 LAPD Facilities Mgmt 3,368 RSF	Suite 285 LAPD Facilities Mgmt 1,226 RSF	[redacted] *Temporary loan to DBS*
1	Suite 100 Dept. on Disability 8,555 RSF		Suite 110 / 160 Department of Bldg & Safety 5,849 RSF		Suite 199 Plaza Cards & Gifts 440 RSF (Exp. 2/29/16)

NEW LAPD-IAD Total at Fig Plaza- 41,716 RSF
LAPD - IAD Total at Bradbury - 40,591 RSF

NEW Building & Safety - RRM - Post Da Vinci - 14,370 RSF
Building & Safety - Pre-Da Vinci - RRM - included in LADBS assigned space

NEW LAFD- Prof Standards, Risk Mgmt, Fire Fac at Fig - 20,858 RSF
LAPD - various at 201 Fig and CHE 17th floor - 15,947 sq ft

Planning and Development Services - 15,915 RSF (proposed additional 4,943 RSF from LAPD FID)

Assigned Space - City Departments 225,710 RSF

NEW City Attorney - Family Violence - 13,858 RSF

LAFD 1,746 RSF - Reserved

Plaza Cards and Gifts 440 RSF

CAO AMSP - *LADBS GABS to be absorbed within LADBS space 7th floor with Financial Services

PHASING SCHEDULE & SEQUENCE FOR "201 RESTACK PROJECT"

Phase	Group(s)	# of Empl	From	To	Move-In Date	Why This Phase?
1-A	**Prepare** communications in 201/Suite 1300				8/10/15	Activate and/or install communications for this space as TEMP swing space for LAFD groups
1-B	LAFD Homeland Security	19	201/ Ste 1425	201/ Ste 1300	8/10/15	TEMP relocation to clear Ste 1425 for construction of Phase 1
1-C	LAFD Fire Facilities	4	201/ Ste 535	201/ Ste 1300	9/1/15	TEMP relocation to clear Ste 535 for construction of Phase 2
1-D	**Prepare** communications in 201/12th floor				9/15/15	Activate and/or install communications for this space as TEMP swing space for LAPD groups
1-E	LAPD Force Investigation Division (FID) LAPD Ombuds	27 10	201/ Ste 505 PAB	201/ 12th floor 201/ 12th floor	9/15/15 9/15/15	TEMP relocation to clear Ste 505 for construction of Phase 2 TEMP relocation from PAB
1-F	LAFD Risk Management & EMS-QI+PAD	8 11	201/ Ste 650	201/ Ste 1300	10/1/15	TEMP relocation to clear Ste 650 for construction of Phase 3
1-G	**Build Out for** LADBS Risk & Records Management	35	2 Cal Plaza	201/ Stes 1350 & 1425/1440/1455	10/31/15	LADBS must vacate TEMP displacement site of 2 California Plaza by end of October 2015; fire insurance will not pay after October
2A	**Build Out for** Development Services Center: LADBS, City Planning, DOT	105	Various locations in City Hall & 201	201/ Entire 5th floor	1/10/16	Combine plan check verification for LADBS, City Planning & DOT in one location, right above customer floors 3 & 4
2B	**Build Out for** LAFD Fire Prevention Bureau & Public Safety Bureau Development Services Section	25	201/ 3rd & 4th floors	201/ Stes 210 & 210-A/B	1/10/16	LAFD staff was displaced by DaVinci fire and has been squeezed into 201 3rd & 4th floors
3A	**Build Out for** LAPD FID LAPD Ombuds	27 10	201/ Ste 1300 PAB	201/ New Stes on 6th floor	2/5/16 2/5/16	Permanent new space Permanent new space
3B	**Build Out for** LAPD Internal Affairs Div	200	Bradbury Building	201/ 15th & 16th floors	4/30/16	Terminate outside lease at Bradbury Building & related parking sites for lease savings

Attachment B

Phase	Group(s)	# of Empl	From	To	Move-In Date	Why This Phase?
	(IAD)					
4A	**Build Out for LAFD:** Professional Standards Div Risk Management Fire Facilities Homeland Security	 31 8 4 19	 CHE 1800 201/ Ste 1300 201/ Ste 1300 201/ Ste 1300	 201 / Entire 12th floor	 8/6/16 7/31/16 7/31/16 7/31/16	Consolidate Fire services into one floor; relocate Professional Standards Division to make space available on CHE 18th floor for other LAFD groups
4B	LAFD EMS-QI+PAD	11	201/ Ste 1300	CHE 18th floor	8/31/16	Consolidation of this EMS group with EMS Bureau in CHE
5	City Attorney Family Violence Unit & Victim Assistance	30	Reyes/Lyons Building	201/ Ste 1300	1/5/17	Terminate outside lease at Reyes/Lyons Building, related parking sites for lease savings