



Board Report

File #: 2024-0164, File Type: Agreement

Agenda Number: 9.

FINANCE, BUDGET AND AUDIT COMMITTEE MARCH 20, 2024

SUBJECT: LICENSE AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR TEMPORARY DEPARTMENT OF PUBLIC HEALTH FACILITIES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) or their designee, to execute a 33-month license agreement commencing on April 1, 2024, with the County of Los Angeles ("County") for a portion of real property located on parcels numbered (APN) 2350-013-920 and 2350-013-922 ("Property") at a rate of \$24,485 per month for a total license amount of \$808,005 ("License").

ISSUE

The County will be undergoing renovations of the Department of Public Health ("DPH"), North Hollywood Public Health Center facility located at 5300 Tujunga Ave, Los Angeles, CA 91601 between April 1, 2024 and December 31, 2026. To ensure continuity of services to existing patients and residents in North Hollywood and nearby cities during renovation, the County is seeking to temporarily relocate the North Hollywood Health Center to the Property. Board approval is required as the value of the License exceeds the CEO's delegated authority of \$500,000.

BACKGROUND

The Property (see Attachment A), which is 29,500 sq. ft., is part of a parking lot at Metro's North Hollywood Station on Chandler Boulevard between Fair Avenue and Vineland Avenue ("East Lot"). Metro acquired the East Lot in 1991 as part of the Burbank Branch Right of Way - approximately 14 miles of former rail right of way that is now mostly the G Line Busway.

The East Lot was transitioned to overflow parking from a vacant parcel in March 2013 and is part of the Supportive Transit Parking Program (STTP). The STTP controls parking demand at Metro stations through pricing policy and ridership verification, ensuring those using Metro parking resources are transit riders. The East Lot is the furthest parking option in proximity to the station. Once converted to parking, it added an additional 161 parking spaces to the station inventory bringing the station's total capacity to approximately 1100 spaces. Currently, the East Lot is utilized at 2% of its total capacity (three cars per day).

DISCUSSION

The North Hollywood Public Health Center, operated by DPH clinical services division, provides health care services to the public, including immunizations, STD screening and related services. This facility is being demolished and will be replaced by a new facility, the North Hollywood Integrated Health Center, that will house three (3) Los Angeles County departments: the Department of Public Health, Department of Health Services, and Department of Mental Health.

The County is requesting to begin the License on April 1, 2024, so that the County Department of Public Works can begin to configure the Property, with anticipated occupancy and reinstatement of clinical service delivery by the end of May 2024. The temporary site will house four trailers for office and clinic use and provide parking for employees and clients. DPH will continue to provide health care services to the public during the period of renovation, which will be completed by December 2026.

The proposed Licensed area encompasses approximately 87 passenger vehicle parking spaces and 40 motorcycle spaces. The remainder of the East Lot will stay open for transit use and have 74 remaining parking spaces available for transit use. ADA parking spaces are not impacted by use of the Licensed area. The remaining three North Hollywood parking facilities currently have the capacity to absorb any Metro Customers that have been parking in the East Lot.

This temporary use is anticipated to have minimal or no impact on the current parking needs for Metro customers at North Hollywood. Metro will continue to provide baseline services for all transit parking lots managed and owned by Metro, which includes security, ADA accessibility, lighting, and signage.

The Property is adjacent to the proposed North Hollywood Joint Development, “District NoHo” project. District NoHo is anticipated to begin phased construction in late 2024 and would consist of nearly 1500 residential units, 450,000 square feet of office space, 60,000 square feet of retail space, and two acres of publicly accessible open space. Pending consideration by the Metro Board this spring, the phased delivery of the District NoHo blocks would begin in 2024, and each two years an additional phase would begin.

Metro plans to use the Property for replacement transit parking beginning in 2027, which is after the County has terminated their use of the Property.

DETERMINATION OF SAFETY IMPACT

This Board action will have no impact on safety standards for Metro.

FINANCIAL IMPACT

There is no adverse financial impact. All proposed improvements impacting Metro property will be at the sole cost and expense of the County. Metro Real Estate has determined that the License rates are in line with fair market value by applying a land capitalization rate to the estimated land value of

the property that was developed from analysis of recent land commercial land sales within a few miles radius of the Property.

Impact to Budget

This agreement will generate additional revenue, not currently budgeted in FY24 or forecasted in FY25, in the amount of \$293,820 annually. This is general fund revenue, which is eligible for bus and rail operating and capital projects.

EQUITY PLATFORM

Currently the DPH provides beneficial health services to the community at their North Hollywood Public Health Center. This regional collaboration between Metro and the County will allow the continuation of DPH services to the North Hollywood community. Additionally, the proposed location will be more centrally located in proximity to the North Hollywood Metro station allowing for easier access for those taking public transit.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommendation supports strategic plan goals #3 Enhance communities and lives through mobility and access to opportunity; #4 Transform LA County through regional collaboration and national leadership; and #5 Provide responsive, accountable, and trustworthy governance within the Metro organization.

ALTERNATIVES CONSIDERED

The Board could choose not to move forward with the License. This action is not recommended because there would be a gap in public health services for the North Hollywood community. Further, based on anticipated phasing of the proposed Joint Development project, the property is not needed for replacement parking until 2027.

NEXT STEPS

Upon guidance and approval by the Metro Board of Directors, the License will be finalized and executed by the CEO or their designee after approval as to form by County Counsel.

The Los Angeles County Board of Supervisors has approved a motion that has delegated authority to the Los Angeles Chief Executive Office Real Estate Division to immediately execute the License, upon approval of the Board.

ATTACHMENTS

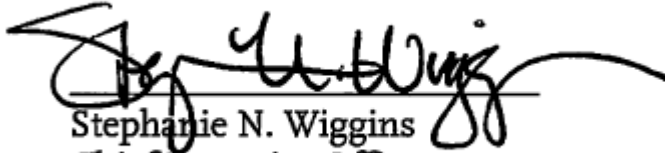
Attachment A - Property Location

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Diane Dominguez, Director, Real Property Management and Development, (213) 922-5253

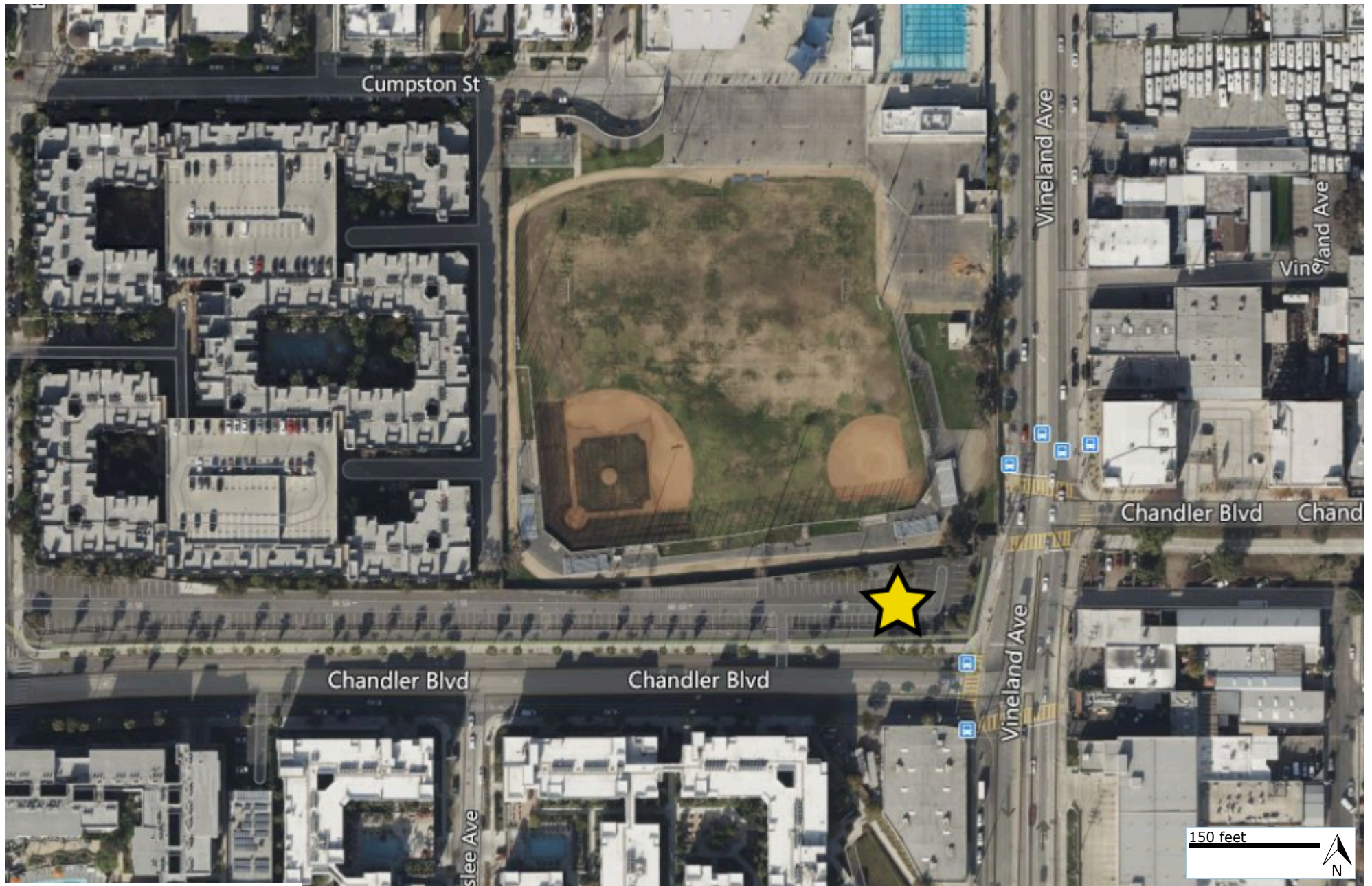
Holly Rockwell, Senior Executive Officer, Real Property Management and Development, (213) 547-4325

Reviewed by: Ray Sosa, Chief Planning Officer, (213) 547-4274



Stephanie N. Wiggins
Chief Executive Officer

ATTACHMENT A - PROPERTY LOCATION



Metro



LICENSE AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR TEMPORARY DEPARTMENT OF PUBLIC HEALTH FACILITIES

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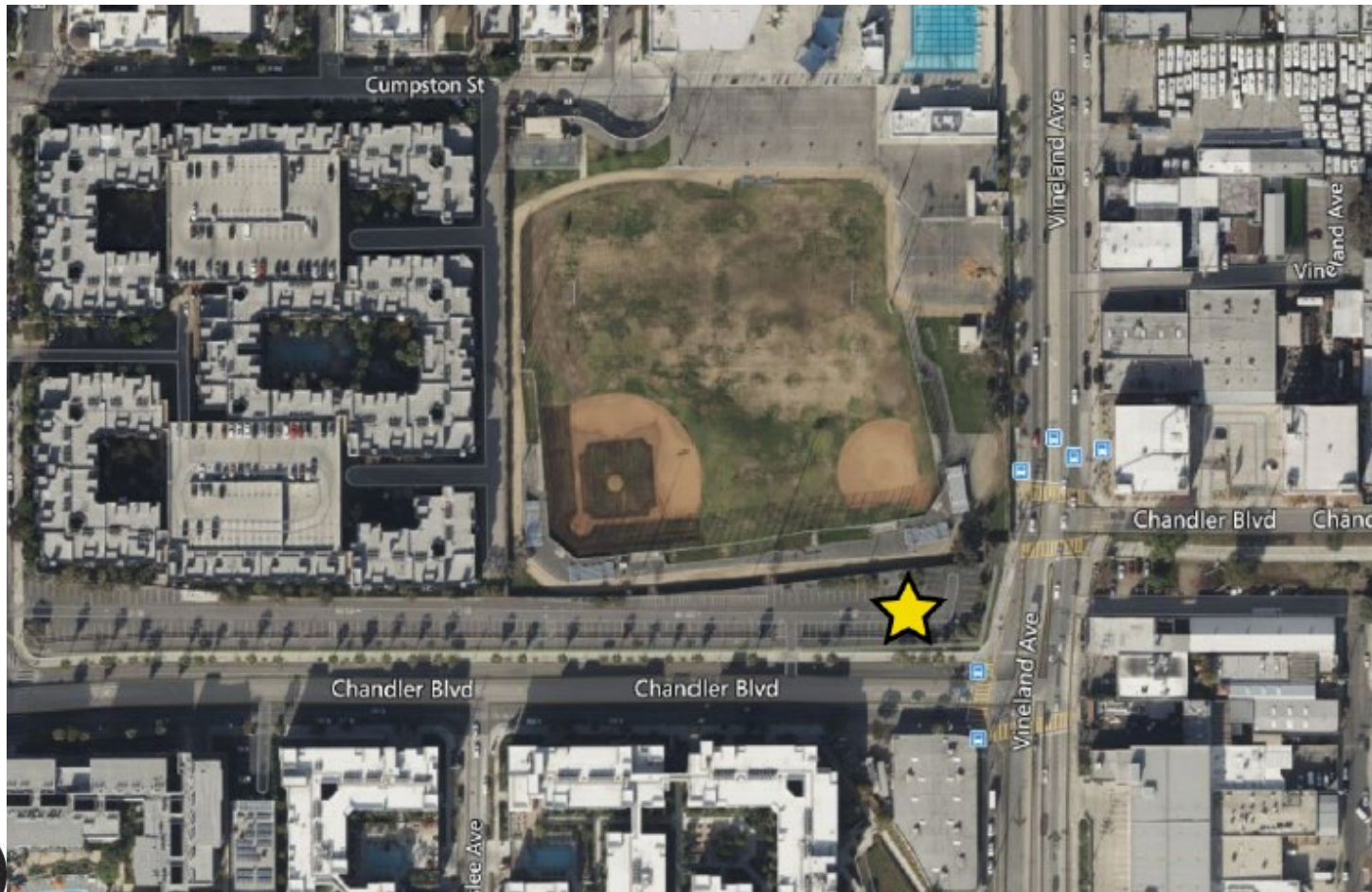
LICENSE AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR TEMPORARY DEPARTMENT OF PUBLIC HEALTH FACILITIES

Recommendation:

- AUTHORIZE the Chief Executive Officer (CEO) or their designee to execute a 33-month license agreement commencing on April 1, 2024 with the County of Los Angeles (“County”) for a portion of real property located on parcels numbered (APN) 2350-013-920 and 2350-013-922 (“Property”) at a rate of \$24,485 per month for a total license amount of \$808,005.

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Property Location



Metro

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Proposed LA County Department of Public Health Site Plan



LICENSE AGREEMENT WITH THE COUNTY OF LOS ANGELES FOR TEMPORARY DEPARTMENT OF PUBLIC HEALTH FACILITIES

Next Steps:

- The Los Angeles County Board of Supervisors has approved a motion that has delegated authority to the Los Angeles Chief Executive Office Real Estate Division to immediately execute the necessary lease agreement, upon approval of the Metro board.
- Receive approval from Metro Board of Directors to execute license
- CEO or their designee to execute license agreement with the County after approval as to form by County Counsel.



Thank you



Metro