



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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December 6, 2016

To: Supervisor Mark Ridley-Thomas, Chairman  
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From: Sachi A. Hamai  
Chief Executive Officer

## UPDATE ON DEPARTMENT OF MENTAL HEALTH HEADQUARTERS BUILDING

This memorandum updates the Board on the status of the new Department of Mental Health (DMH) headquarters.

On August 9, 2016, the Board approved a predevelopment agreement for the Vermont Corridor with a developer team led by Trammell Crow Los Angeles (TCLA). Office space required to accommodate DMH's new headquarters building program was projected at approximately 500,000 gross square feet (GSF) and 13 floors in the TCLA proposal presented to the Board. Following completion of the scope validation phase, TCLA confirmed the DMH program could be accommodated in 10 floors and approximately 403,000 GSF. Since the required space for the DMH program was well below the space requirements in the TCLA proposal presented to the Board, the CEO advised the project delivery team to include two floors of finished shell space for use by other County departments. Relocation of the Department of Community and Senior Services (DCSS) into this space is one potential option. The project program is now planned for a total of 12 floors and approximately 473,000 GSF, well within the original projected project program.

The parking analysis for the building occupancy, including future growth, resulted in an increase in the parking needs above the 1,886 stalls originally indicated in the Request for Proposals, so an increase of one level of the parking structure on Shatto was added increasing the total number of parking spaces to 1,947.

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Preliminary indications from TCLA indicate the cost impact of designing the building for a larger number of employees than anticipated and additional parking scope would be largely offset by the decrease in building square footage. Based on conceptual estimates, TCLA estimates the impact of the changes could result in a net increase of 1 percent in project costs, approximately \$3 million. However, negotiations with TCLA on development contract pricing will not commence until spring 2017, following completion of preliminary design documents. The predesign budgetary estimated maximum price provided by TCLA for the cost of the County facilities is \$270,000,000.

Because this scope remains within the overall square footage approved by the Board, we have instructed TCLA to proceed with the space planning for the DMH program and finished shell space option reflected in the 12-story office and 1,947 structured parking space scope discussed above, and predevelopment is proceeding. The project has proceeded into the next predevelopment phase of site due diligence (3.5 month duration), which will then be followed by schematic design (4 month duration).

If you have any questions, please contact Brad Bolger at 213-974-1360.

SAH:JJ:DPH:BMB  
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c: Executive Office, Board of Supervisors  
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