

MOTION BY SUPERVISOR ZEV YAROSLAVSKY

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Many County departments and offices are housed in leased space at locations throughout the County. Leases for these facilities are negotiated by the Chief Executive Office – Real Estate Division and reviewed by the Real Estate Management Commission, a Board-appointed body established under the authority granted by Chapter 3.58 of the Los Angeles County Code, before they are sent to the Board for final approval. Currently, the County has almost 500 leases for approximately 8.4 million square feet of space, for which the County is paying over \$175 million a year.

Both this Board and the Chief Executive Officer (CEO) strive to enhance efficiencies and produce cost-savings for the County, in keeping with the County’s Strategic Plan. In particular, it is critical during this challenging economy that we examine innovative ways to improve the delivery and lower the cost of real estate services.

An examination of County real estate practices reveals that some standard leasing and build-out procedures may be outmoded or no longer necessary. For example, the County routinely requires wiring in support of information technology that

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may not be relevant at this point in time. Another example is lease cancellation clauses, which provide the County with desirable flexibility but typically add to the cost. It may be worthwhile to consider whether such clauses should be routinely included in every County lease.

Members of the Commission and the CEO-Real Estate Division believe there is potential benefit to establishing a temporary advisory committee of the Commission to review policies, procedures and practices, and to identify possible cost-savings for real estate transactions between the County and outside parties.

I, THEREFORE, MOVE that, under the authority of Government Code Section 252074 and County Code Section 3.58, the Board of Supervisors:

1. Instruct the Real Estate Management Commission to establish a temporary advisory committee of the Commission, composed of fewer than a quorum of the Commission, for a period of up to one year; and instruct that committee to collaborate with the CEO Real Estate Division to review current real estate practices and policies and identify possible cost-saving measures.
2. Instruct County Department Heads or designees to work with the Commission's committee and CEO Real Estate Division to assist with reviewing departmental standards or policies relating to the procurement and build-out of real estate space, with the goal of identifying possible measures that would promote efficiency and cost-savings.