

# County of Los Angeles CHIEF EXECUTIVE OFFICE

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"To Enrich Lives Through Effective And Caring Service"

November 05, 2014

WILLIAM T FUJIOKA

Chief Executive Officer

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

26 December 9, 2014

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PATRICK OZAWA ACTING EXECUTIVE OFFICER

DEPARTMENT OF PUBLIC WORKS: MARTIN LUTHER KING, JR. MEDICAL CAMPUS PARKING STRUCTURE PROJECT ESTABLISH CAPITAL PROJECTS CAPITAL PROJECT NOS. 69727 AND 67942 SECOND DISTRICT (3 VOTES)

# **SUBJECT**

The recommended actions will establish the Martin Luther King, Jr. Medical Campus Parking Structure Project and implement a Local Worker Hiring Program.

# IT IS RECOMMENDED THAT THE BOARD:

1. Establish the Martin Luther King, Jr. Medical Campus Parking Structure Project, under Capital Project Nos. 69727 and 67942.

2. Authorize the implementation of a Local Worker Hiring Program for the Martin Luther King, Jr. Medical Campus Parking Structure Project, and find that the program furthers a legitimate government interest.

# PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will establish the proposed Martin Luther King, Jr. (MLK) Medical Campus Parking Structure Project (MLK Campus Parking Structure Project), Capital Project Nos. 69727 and 67942, and authorize the Department of Public Works (Public Works) to proceed

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with the preparation of the design-build scoping documents for the proposed Project and solicitation of a design-builder.

#### Background

On October 11, 2011, the Board certified the Environmental Impact Report (EIR) for the MLK Redevelopment Project pursuant to the California Environmental Quality Act (CEQA). The EIR analyzed at a project level the environmental impacts of the MLK Outpatient Center, formerly known as the MLK Multi-Service Ambulatory Care Center as a Tier I development. The development of the remainder of the campus was analyzed at a program level in the EIR, which included up to 1,476,010 square feet of master planned future mixed-use development, and this was termed "Tier II."

On January 15, 2013, the Board adopted the MLK Campus Master Plan Project as a policy document to serve as a guideline for the future development of facilities and services at this campus, and found that the master plan is within the scope of the previously conceptually approved Tier II project.

#### Parking Structure

The proposed MLK Campus Parking Structure Project is the first Tier II project to be developed under the approved master plan and will compensate for construction of the new outpatient center which was partially built on surface parking, the recent opening of a new mental health urgent care center, approval of the new recuperative care services to be housed in the Interns and Residents building, and the opening of the new hospital. This demand can be accommodated in the short-term as the hospital will ramp up services gradually, but will not be accommodated in the long-term with the current parking supply. The demand for parking will increase in the long-term given the additional employees and patients to be served.

The proposed Project is a multi-level parking structure and associated site improvements at the east side of the MLK campus parking lot. It includes approximately 1,400 spaces to accommodate the parking demands for the campus, which are expected to increase when the inpatient services resume at the new MLK Inpatient facility expected to open in 2015. The proposed on-site and off-site improvements will include landscaping, driveways, pedestrian walkways along the perimeter of the structure, and will eliminate the existing bus stop turn-out by relocating the bus stop.

Approval of the recommendations will allow Public Works to proceed with the development of environmental documents and scoping documents required for the procurement of the designbuilder. Upon completion of the scoping documents, we will return to the Board to seek approval of the project budget and schedule, and award of the design-build contract.

#### Green Building/Sustainable Design Program

In accordance with the Countywide Energy and Environmental Policy adopted by the Board on January 16, 2007, the proposed Project will, to the extent feasible, incorporate sustainable design features to optimize energy and water use efficiency, and maximize the use and reuse of sustainable and local resources. However, the project will not achieve a Leadership in Energy and Environmental Development certification because effective September 1, 2011, the United States Green Building Council, Inc., stopped Leadership in Energy and Environmental Development certificates for parking structures.

The Honorable Board of Supervisors 11/5/2014 Page 3

#### Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness/Fiscal Sustainability (Goal 1), Community Support and Responsiveness (Goal 2), and Integrated Service Delivery (Goal 3). The proposed Project supports these goals by investing in public health infrastructure to enhance the safety of patients and staff, and improving patient care.

#### **FISCAL IMPACT/FINANCING**

On February 4, 2014, the Board appropriated \$775,000 in net County costs appropriation for the proposed MLK Campus Parking Structure Project. Approval of the first recommendation for Capital Project No. 69727 will allow Public Works to use these funds to start environmental documents, scoping documents, and solicitation process of the design-builder. However, \$775,000 will not fully fund these activities currently estimated at \$2,500,000. Therefore, Capital Project No. 67942 will be utilized to fund the remainder of these activities via commercial paper.

There is sufficient appropriation in Capital Project No. 67942 to allow Public Works to complete the environmental documents, scoping documents, and solicitation process of the design-builder and will also fund any necessary make-ready scope. Since County fiscal policy prohibits the co-mingling of certain fund types, the two Capital Projects cannot be combined.

Upon completion of these activities, we will return to the Board for approval of the project budget and schedule, and award of the design-build contract. The preliminary total project budget is \$44,000,000, which includes construction, design, and project/construction management services.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Civic Art Policy adopted on December 7, 2004, and amended on December 15, 2009, the Project budget will include 1 percent of design and construction costs, or a maximum of \$1,000,000 to be allocated to Civic Arts fund.

On October 19, 2010, the Board approved a mandatory Local Worker Hiring Program for the Inpatient Tower and Multi-Service Ambulatory Care Center projects at the MLK Medical Center based on a completed factual predicate study and findings that this program furthered legitimate public interests. It is recommended that on the same basis this program be included in this Project. On May 13, 2014, the Board approved a motion establishing a Local Worker Hiring Program for Veterans who are residents of the County of Los Angeles and are employed on County construction projects. These programs will be implemented as part of the contract solicitations for this Project.

#### **ENVIRONMENTAL DOCUMENTATION**

The recommended actions do not constitute a project pursuant to CEQA. The establishment of a capital project for the purpose of planning and developing a possible project is an activity that is excluded from the definition of a project by Section 15378(b) of the CEQA Guidelines, as it involves an organizational or administrative activity of government, which will not result in direct or indirect changes to the environment.

As noted upon recommendation of certification of the programmatic EIR for Tier II and in the recommendations for approval of the adoption of the MLK Master Plan Project, appropriate recommendations under CEQA, and any further necessary environmental findings will be

The Honorable Board of Supervisors 11/5/2014 Page 4

recommended to the Board by the Chief Executive Office when specific projects under the master plan are recommended for approval by the Board.

### **CONTRACTING PROCESS**

Public Works intends to use the design-build delivery method for this project. Public Works will use existing Board-approved as-needed consultant contracts with Anderson Environmental to develop the appropriate environmental document, and Langdon Wilson for site studies and scoping documents for the proposed Project.

# **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Establishment of this project will have no impact on current services at the existing MLK Medical campus.

It is anticipated that the facilities on campus will remain fully operational during construction. The project phasing plan may include leasing a yet to be determined number of parking spaces for visitors and staff when the project is under construction.

# **CONCLUSION**

Please return one adopted copy of this letter to the Chief Executive Office, Facilities and Asset Management Division; the Department of Health Services, Capital Projects Division; and the Department of Public Works, Project Management Division I.

Respectfully submitted,

WILLIAM T FUJIOKA Chief Executive Officer

WTF:SHK:DJT SW:TH:rp

c: Executive Office, Board of Supervisors County Counsel Arts Commission Auditor-Controller Health Services Public Works