


0150-12882-0001

TRANSMITTAL

TO The City Council	DATE 04-07-25	COUNCIL FILE NO. 23-1307
FROM Municipal Facilities Committee	COUNCIL DISTRICT 14	

At its meeting held on March 27, 2025, the Municipal Facilities Committee approved the attached Department of General Services (GSD) report, which is hereby transmitted for Council consideration. Adoption of the report recommendations would authorize GSD to assign 112 work stations to the Los Angeles Housing Department and to reallocate assigned work stations for various departments at 444 South Flower Street. On January 15, 2025, the City Council approved a previous GSD report which recommended a reduction of leased work stations from 511 to 387. The attached report amends the number of work stations assigned to various departments at 444 South Flower Street, for a new total of 511 work stations.

Fiscal Impact: There is no General Fund impact. Funding for this purpose is authorized as part of the 2024-25 Citywide Leasing Account budget. Additional work stations for LAHD will be funded through LAHD's various special funds.


for Matthew W. Szabo
City Administrative Officer
Chair, Municipal Facilities Committee

MWS:AW:05250136

CAO 649-d

CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



KAREN BASS
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

March 27, 2025

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

Attention: Adam Lid, Legislative Assistant

**REQUEST FOR A SPACE ASSIGNMENT FOR THE
LOS ANGELES HOUSING DEPARTMENT STAFF WITHIN
CITY CONTROLLED SPACE AT INDUSTRIOUS 444 S. FLOWER ST.**

The Department of General Services (GSD) requests authorization to assign approximately 112 additional seats within the City Controlled co-working space at 444 S. Flower St. operated by LA 444 South Flower St., LLC (Industrious) to the Los Angeles Housing Department (LAHD) for staff use.

Additional changes to the Council approved (CF 23-1307) seating assignment plan are necessary to meet the needs of the various departments. GSD requests authorization to make these and any future changes to the seating assignment for all departments occupying this City Controlled temporary office space.

BACKGROUND

The Los Angeles Housing Department (LAHD), Office of Finance (OOF), Economic and Workforce Development Department (EWDD), Community Investment for Families Department (CIFD), Youth Development Department (YDD), and Personnel Department (PER) vacated the Garland Building at the end of February 2024 and currently occupy the 13th and 14th floors of the Industrious co-working office space located at 444 South Flower Street as part of the ongoing Garland Relocation Project. The City Council previously authorized the current seat assignments totaling 511, of which the City is charged for 507 seats, at Industrious to provide one seat or workstation to every employee in CIFD, YDD, OOF, PER, and EWDD. LAHD was provided with 31 seats under this scenario as their department was to relocate to temporary swing space in a lease deal that did not move forward.

In January 2025, an amended license agreement was approved via MFC and City Council (CF 23-1307) that reduced the number of seats utilized under Scenario D (see below). Under the amended license agreement, the City has various options to reduce the number of seats used. However, minor changes have been made which the departments have agreed to that meet their various needs in the Proposed Seating Scenario outlined below.



Additionally, GSD worked with LAHD to find separate temporary office space at other locations for their displaced staff for which they would pay directly using Special Funds. GSD provided several options for their consideration. LAHD, however, chose to expand at Industrious. This decision was made while other departments on site were directed to decrease their seating allocations. LAHD decided to take over the seats being vacated on the 13th floor.

Council Approved Scenario D

Council Approved Modified Scenario D: Reduce Seat Count to 387						
FUND	DEPT.	PROPOSED SEATS	% OF TOTAL SEATS	MONTHLY RENT	5% BLR Charge	MONTHLY TOTAL
GENERAL FUND	OOF	150	39%	\$82,500	\$825	\$83,325
	YDD	18	5%	\$9,900	\$358	\$10,258
	PERSONNEL	12	3%	\$6,600	\$248	\$11,550
	SUBTOTAL	180	47%	\$99,000	\$1,430	\$105,133
SPECIAL FUND	EWDD	110	28%	\$60,500	\$963	\$74,525
	CIFD	66	17%	\$36,300	\$908	\$37,318
	LAHD	31	8%	\$17,050	\$0	\$17,050
	SUBTOTAL	207	53%	\$113,850	\$1,870	\$128,893
TOTAL		387	100%	\$212,850	\$3,300	\$234,026

PROPOSED SEATING ASSIGNMENT – ALL DEPARTMENTS

In this proposed seating assignment outlined below, the City will not relinquish any seats back to the Landlord at this time. LAHD has 31 seats currently assigned to them but will take 112 additional seats and pay for approximately 143 seats overall using their special funds. This will allow them to stay in this location until the permanent office space is available. In addition, LAHD's expansion at Industrious completely eliminates the City's obligation to pay a 5% monthly Bulk License Repricing Charge (BLRC), which was a penalty that applies to the number of seats relinquished in the first year of the license agreement renewal, as outlined in the December 2024 report.

Proposed Seating Assignment

Dept.	Council Approved Scenario D	Proposed Seats
OOF	150	153
YDD	18	20
PERSONNEL	12	13
EWDD PERS	0	2
EWDD	110	110
CIFD	66	70
LAHD	31	143
TOTAL	389	511

Proposed Cost Breakdown

Modified Council Approved Scenario D + LAHD: Billed Seat Count 507						
FUND	DEPT.	PROPOSED SEATS	% OF TOTAL SEATS	*MONTHLY RENT	FY 2024-25 MAY - JUN RENT	**FY 2024-25 RENT PROJECTION
GENERAL FUND	OOF	153	29.9%	\$83,376	\$166,752	\$459,545
	YDD	20	3.9%	\$10,875	\$21,750	\$71,943
	LAHD CIFD, YDD PERS	13	2.5%	\$6,971	\$13,943	\$47,405
	CIFD 34%	24	4.7%	\$13,106	\$26,212	\$193,522
	*SUBTOTAL	210	41.0%	\$114,329	\$228,657	\$2,724,365
SPECIAL FUND	EWDD + (2) PERS	112	22.0%	\$61,347	\$122,694	\$365,294
	CIFD 66%	46	9.0%	\$25,097	\$50,193	\$50,193
	LAHD	143	28.0%	\$78,078	\$156,156	\$206,349
	*SUBTOTAL	301	59.0%	\$164,522	\$329,043	\$621,836
TOTAL		511	100.0%	\$278,850	\$557,700	\$3,346,200

CIFD 34% General Funded, 66% Special Funded (has been fully paid by GF through April)

Notes: *Monthly Rent is the percentage of total seats times the total rent cost of 507 seats (\$278,850)

**Includes Rent paid from July 24' to April 25'

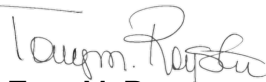
FISCAL IMPACT

There is no negative impact to the General Fund. Funding for this license is included in the Citywide Leasing Account Budget for FY 2024-25. Assigning LAHD a total of approximately 143 seats will transfer the associated rental costs from a General Fund obligation to LAHD's Special Fund.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor:

1. Authorize the assignment of approximately 112 additional seats (workstations) to the Los Angeles Housing Department within the City-controlled space at 444 South Flower Street, Los Angeles, CA 90071.
2. Authorize the General Manager of the Department of General Services to reallocate assigned seats within the City Controlled space at 444 South Flower Street to meet the various needs of the occupying departments.


 Tony M. Royster
 General Manager