



January 15, 1997

Los Angeles County
Metropolitan
Transportation
Authority

TO: BOARD OF DIRECTORS

**FROM: MICHAL ROBINSON, EXECUTIVE OFFICER
ADMINISTRATION**

SUBJECT: OFFICE SPACE REQUIREMENTS AND PLAN

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ISSUES

The MTA must enter into a lease agreement for a minimum of 57,000 square feet by April 30, 1997 in order to locate the Metro Rail East Side Project team and the Inspector General's staff outside of the Gateway Building. An additional 20,000 square feet *may be* required to accommodate currently vacant MTA staff positions and other changes due to internal reorganizations.

ALTERNATIVES UNDER REVIEW

A building survey is currently underway to assess this requirement. A number of alternatives are under review to determine the most cost effective means of meeting work space needs for all necessary parties. A final space plan and recommendation will be presented to the Board in March or April 1997. Staff is pursuing the following alternatives to meet the space needs and to maximize the occupancy potential at the Gateway Building:

1. Build out the "retail" space on the Plaza level of the Gateway Building. A preliminary report was prepared by the MTA Joint Development staff which concluded that because of the "marginal imminent consumer demand for retail good/services, the present and proposed supply of competitive space, and the anemic condition of the Los Angeles County economy, alternative uses for the space should be immediately pursued." (Approximately 40 staff can be accommodated in this space.);
2. Add more office units at the Gateway building. Preliminary reviews indicate that up to 70 offices can be added with minimal disruption to staff or up to 130 offices can be added with major disruption to departmental functions and space standard equity;
3. Build out available space in adjacent MTA owned facilities.

Several pending issues will have a direct impact on the amount of space that is potentially available at the Gateway Building. Timely resolution of the following issues will facilitate the

evaluation of office space options: (1) Transit Police Partnership requirements and (2) selection of the Metro Rail East Construction Manager.

BACKGROUND

MTA is currently occupying 47,214 square feet of office space on the 4th and 7th floors at the 818 W. 7th Street location. Approximately 100 staff and consultants are occupying this space on a short term lease that will end April 30, 1997. In order to meet the Board mandate that the Metro Rail East Side Project team and the Inspector General's staff be located outside of the Gateway Building a Request for Proposals (RFP) to lease office has been issued. Responses to the RFP will be evaluated and a recommendation will be made to the Board at its March or April 1997 meeting (tentative date).

The MTA occupied the new Gateway Building in September 1995. Since the opening of the building the MTA has undergone a number of organizational changes and has responded to specific needs, increasing the demand for staff within the building. The new building has facilitated face to face contact and has enabled better communication throughout the agency. During the early life of the MTA, several new units or organizational levels were created, e.g., Organizational Effectiveness, Board Research Services, Regional General Managers, Bus System Improvement Planning, and the Revenue Department. Still others saw their scopes expanded, e.g., Internal Audit, Communications, Public Affairs, Lobby and Ethics, Freeway Service Patrol, Quality Assurance, and Marketing. These changes to the structure of the agency have created the need for and use of more space at a faster rate than previously assumed.

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