



Council Agenda Report

To: Mayor Silverstein and the Honorable Members of the City Council

Prepared by: Rob Houston, Interim Deputy City Manager

Reviewed by: Joseph D. Toney, Assistant City Manager

Approved by: Steve McClary, City Manager

Date prepared: March 1, 2023 Meeting date: March 13, 2023

Subject: Malibu Community Labor Exchange Office Update

RECOMMENDED ACTION: Receive and file an update on Malibu Community Labor Exchange office project.

FISCAL IMPACT: No additional appropriation is required. Funding for this project is included in the Adopted Budget for Fiscal Year 2022-2023 in Account No. 215-7070-7800.

WORK PLAN: This item was included as item #7.I. in the Adopted Work Plan for Fiscal Year 2022-2023.

DISCUSSION:

Summary

The City has been renting a temporary office trailer for Malibu Community Labor Exchange (MCLE) since winter 2018. Beginning in November 2021, staff initiated discussions with LA County and Santa Monica College (SMC) in an effort to procure a permanent office structure for the MCLE. Through extensive collaboration between all parties there is now a path forward to completing the permanent structure project. SMC will undertake the steps to ready the final site by constructing underground utilities, completing fencing, and preparing the parking surface. City staff are working to finalize CDBG funding to cover the remaining costs to complete the construction of the MCLE permanent structure. Steps underway include obtaining a geotechnical report for the permanent site, finding a modular office company to construct a foundation and office with an ADA/Accessible restroom in it, and completing the coastal CUP process. The Council is being asked to authorize the funding of both the temporary trailer rentals using CDBG funds. A plan and future costs associated with completing the permanent office structure is also discussed.

Background

As plans for the SMC Malibu Satellite Campus Project started to take shape, it was identified that the existing MCLE trailer would need to be relocated to accommodate campus construction. It was also determined that the trailer was dilapidated and unable to be relocated. On November 24, 2014, the Council adopted Resolution No. 14-70 authorizing CDBG funds to be used to purchase and install a permanent officer structure for MCLE on the County property. Due to the construction schedule and footprint of the Malibu Satellite Campus Project, the City's Permanent Office Project was put on hold. Council subsequently directed that CDBG funds be allocated to cover the costs to rent a temporary office trailer for MCLE.

In November 2021, in anticipation the completion of the SMC project, the City reached out to Los Angeles County and Santa Monica College representatives to finalize the proposed plans for the project and draft the associated agreements.

Since that time, City staff has been working with representatives from the County and SMC as they revised the location and layout of the proposed permanent office project in northwest corner of the County property. It was initially assumed that the permanent office project would involve a standard procurement and a straightforward permitting process. As staff looked further into the permitting requirements for the project, it was determined that the trailer would need a coastal development permit (CDP) with a variance to the City's Floor Area Ratio rules and a conditional use permit (CUP). It was estimated that the permitting process could take up to 4 months.

When the City received the revised plans from the County in June 2022 and prepared the permit submittal, it was determined that the office space could not be a trailer and would instead need to be fixed office with a permanent foundation and an ADA/Accessible restroom. In order to permit and construct a foundation for the trailer, the City will need to prepare a geotechnical study and have foundation design plans created. The costs and time associated with the required geotechnical study and design work were not anticipated in the project budget.

On January 24, 2022, the City Council adopted Resolution No. 22-06 authorizing and approving the use of \$15,000 in federal Community Development Block Grant (CDBG) funds for the Malibu Community Labor Exchange (MCLE) and the use of \$98,000 in CDBG funds for a permanent office for MCLE.

As of March 2023, the City, MCLE representative, the County, and SMC staff have collaborated to layout the steps needed to complete this project and determine what responsibilities each party has. Staff have rented an ADA/Accessible restroom trailer to sit beside the office trailer, and the extended agreement for both the restroom and the office trailer needs to be approved by the City Council as the term for the rental is likely to extend

to the end of the calendar year depending on when SMC can complete their site improvements.

Cost Summary

Temporary rental expenditure summary

For the remainder of the 2022-23 fiscal year, there is a request to appropriate \$39,847 from CDBG funds for expenditures through the end of June to rent the office and restroom trailer, pay for delivery and future pick up of the restroom trailer, as well as pay for waste servicing for the restroom trailer. Funding exists in the City's CDBG permanent office budget to cover these expenditures. CDBG staff have been provided approval to repurpose the permanent office funding for temporary expenses to continue to support this complex project.

Rental expenses for the two trailers are estimated to continue until December of 2023 which equates to six additional months of charges that total \$34,143. Funding from the City's CDBG budget can also be appropriated during the upcoming budget process to fund these expenses.

Permanent office expenditure summary

The estimate for the purchase of a permanent office modular office that contains an ADA/Accessible Restroom is \$120,000. The estimate to cover expenses including foundation design, foundation construction, geotechnical report costs, and miscellaneous permitting and construction costs is \$150,000. This total cost of \$270,000 exceeds the City's CDBG allocation so a request to obtain a CDBG revolving loan is underway to fund this upcoming expense. Staff will return with a future staff report to finalize receipt of CDBG loan funds for appropriation to fund the permanent office project.

ATTACHMENTS: None