



Real Estate Evaluation

June 9, 2020

Board of Education Meeting

Los Angeles Unified Real Estate Assets

- 1,386 Schools and Centers
- 21,000 Buildings Totaling More Than 78 Million Sq. Ft.
 - Downtown LA Office Market – 68 Million Sq. Ft.
 - Downtown San Francisco Office Market – 76 Million Sq. Ft.
- 6,400+ Acres of Land Equivalent to 10 Sq. Miles
 - Total Area of Downtown, Westlake and Koreatown Combined
 - Newhall Ranch – 6,000 Acres
 - City of Santa Monica – 8.3 Square Miles
- Spans 710 Square Miles of Los Angeles and 26 Adjacent Municipalities
- Properties are First and Foremost Utilized to Further Our Mission to Educate Los Angeles Area Public School Children From Kindergarten Through High School, Including Special Education Students, as well as Early and Adult Education Students

Guiding Principles

- Support Educational Mission
 - Align with Communities of Schools
- Support Communities LA Unified Serves
 - Affordable Housing for Employees
- Efficient Use of Space and Funding
 - Realign Administrative and Operational Space

Work Plan

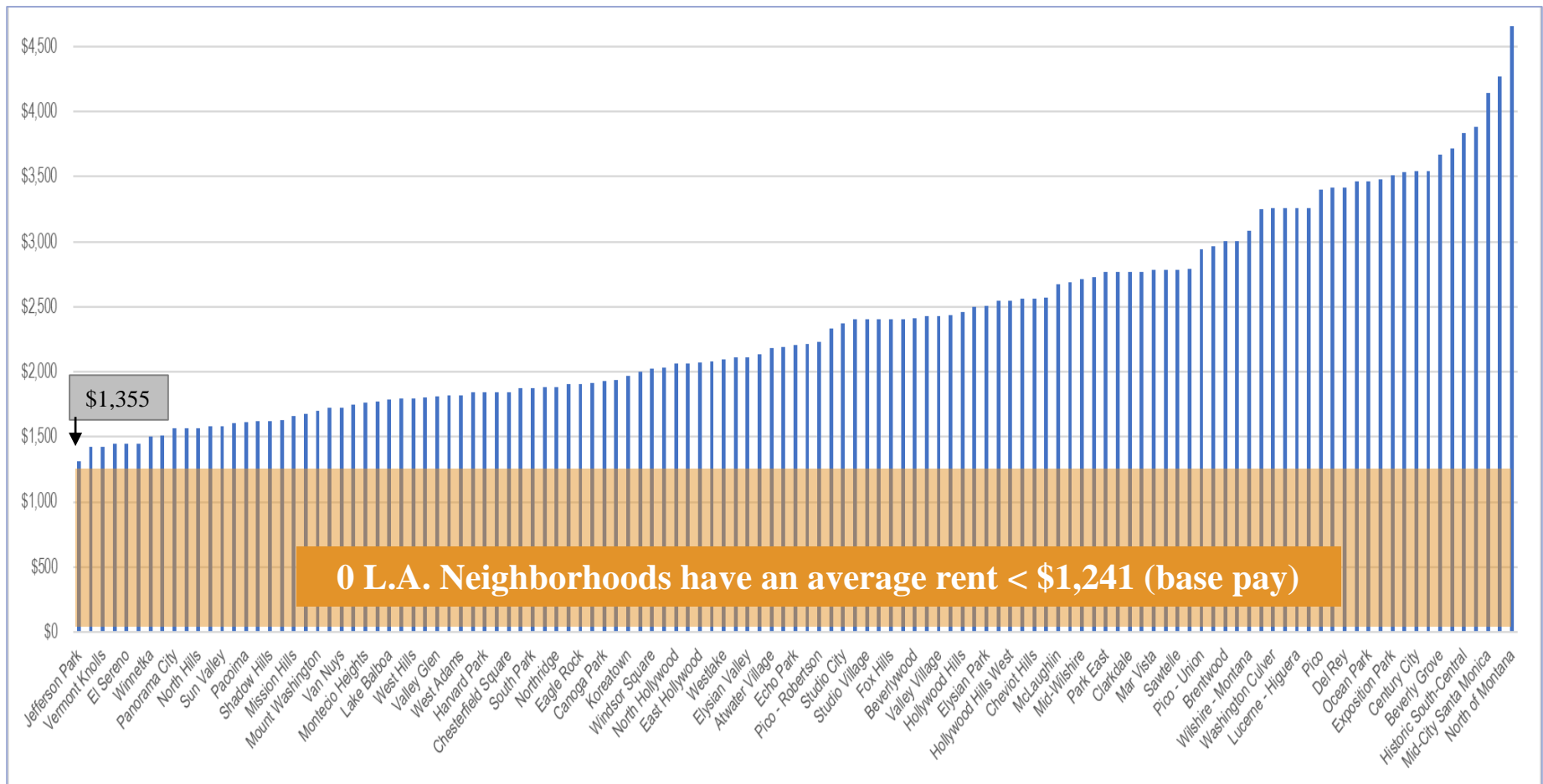
- Task Force with HR&A
- Partnership with Urban Land Institute
- Community Engagement
- Board Approval and Implementation

Support Communities

- **Goal:**
 - Develop 2,000 Units of Housing for Los Angeles Unified Employees, Including Teachers
- **Guiding Principle:**
 - Tenancy for Los Angeles Unified Employees
- **Why Housing?**
 - Increase the Attractiveness of Los Angeles Unified as an Employer
 - Reduce Turnover and Increase Retention of Staff
 - Reduce Long Commutes,
 - Staff More Closely Connected to Their Schools
- **Next Steps**
 - Identify Potential Sites for Further Evaluation
 - Community Engagement

New Teachers Priced Out of All LA Neighborhoods

- Teacher Starting Salary = \$51,440
- Affordability Threshold for Monthly Rent & Utilities (30% of Gross Income) = \$1,286
- Affordability Threshold for Monthly Rent Only: \$1,241



Long Employee Commutes

	HOME		WORK		Commute (Street Miles)	One-Way Morning Commute Time (8:00 a.m. Arrival Assumption)
	Zip	City	Zip	City		
School Administrative Assistant	92570	Perris	90044	Los Angeles	70	2.5 Hours
Window/Wall Washer	92503	Riverside	90248	Gardena	55	2.5 Hours
Teacher	91739	Etiwanda	90280	South Gate	53	2 Hours
Teacher	91711	Claremont	91401	Valley Glen	50	2 Hours
Teacher	91355	Santa Clarita	90017	Los Angeles	40	1.5 Hours
Teacher	93536	Del Sur	91340	San Fernando	58	1.5 Hours

Exploration of Opportunities to Realign Administrative and Operational Support Facilities

Intent

Explore Opportunities to Realign Administrative and Operational Facilities to support:

- Teaching and Learning
- Aligning Resources, People, and Assets with the Communities of Schools
- Efficient Use of Space and Funding

Generate Funds to Address Projected Budget Shortfalls

Considerations

COVID-19 Crisis

- Highlighted Importance of Realignment
- Created Opportunity to Consider Teleworking Models Which Could Reduce the Amount of Physical Space Needed

Today's Proposal

Authorize Superintendent to Explore Opportunities to Realign Administrative and Operational Support Facilities

- Conduct Due Diligence and Other Reasonable Activities
 - Administrative Space Needs Study
 - Evaluate Viability of Potential Sale of Operational Support Facilities in Downtown Los Angeles Area

Make Recommendations to the Board Regarding the Potential Disposal, Exchange, Joint Occupancy Development, or Other Real Estate Transactions

- District Administrative, Operational, Vacant and/or Underutilized Properties
- Potential Acquisition, Lease, and/or Construction of Alternative Administrative and Operational Facilities

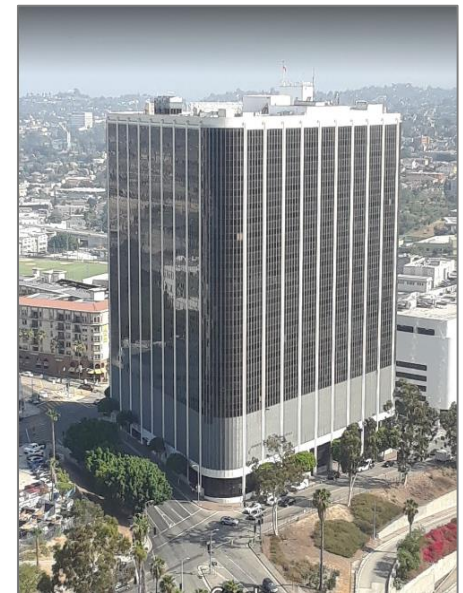
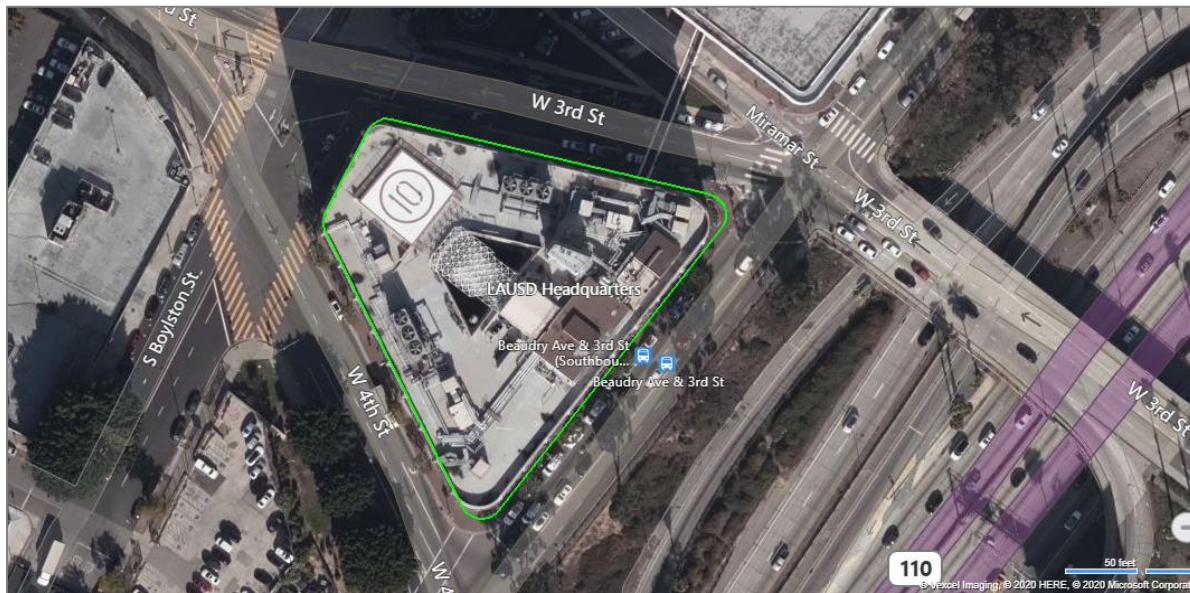
Administrative Headquarters Building

Site Address: 333 South Beaudry Avenue Los Angeles, CA 90017

Size: Approximately 1.09 acres

Uses: Central administrative site with a capacity of 4,000 employees (3,500 employees currently assigned), Board of Education meeting room, and main data center

APN: 5152-019-900



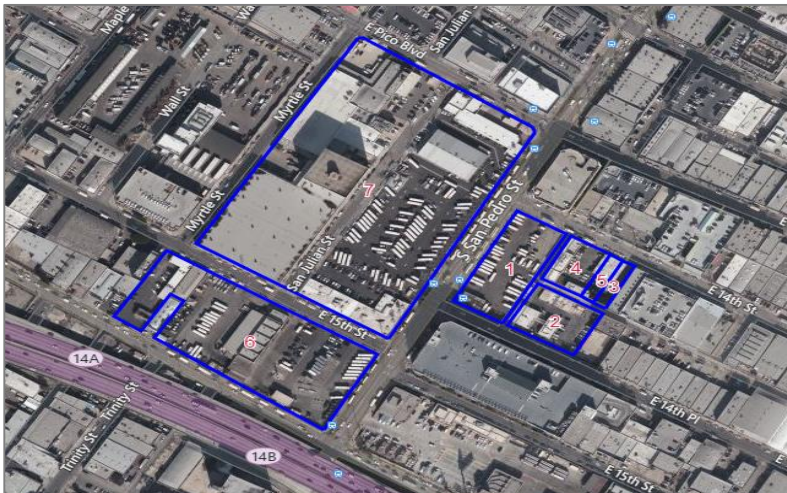
14th & San Pedro Properties

Site Address: Includes multiple addresses on South San Pedro Street, East 14th Place, East 14th Street, East 15th Street, San Julian Street, South San Julian Street, and East Pico Boulevard

Size: 17.48 acres in total

Uses: Transportation offices, maintenance, fueling, bus yard, OEHS offices & hazardous waste warehouse, LA's Best Operations Office, Central Continuation High school Tri-C CDS, business division garage, furniture showroom, ITD training lab, Beyond the Bell warehouse, salvage warehouse

APN's: 5132-020-900, 5132-020-901, 5132-020-902, 5132-020-903, 5132-020-904, 5133-029-904, 5133-029-905



Newman Nutrition Center

Site Address: 2310 Charlotte Street Los Angeles, CA 90033

Size: Approximately 6.03 acres

Uses: Central food distribution center and bus yard

APN: 5202-007-906



Process

Q2/3 – 2020

- Board Authorizes Superintendent to Explore Opportunities to Realign Administrative and Operational Support Facilities: Authorize Due Diligence Activities and Funding
- Initiate Due Diligence – Phase I
 - Issue RFP(s)/RFQ(s) for a Comprehensive Facilities Needs Assessment and Space Allocation Services for District Administrative, Operational, Vacant and Underutilized Properties
 - Initial Focus on:
 - Los Angeles Unified Headquarters Building
 - Newman Nutrition Center
 - 14th Street and San Pedro Street Facility
 - Appraisals
 - Environmental Studies
 - Community Engagement

Q3/4 - 2020

- Present Due Diligence Findings and Recommendations to Board
- Issue RFP(s) for Certain Properties