

**MINUTES OF THE CITY COUNCIL
OF THE CITY OF LOS ALAMITOS**

SPECIAL MEETING – February 12, 2018

1. CALL TO ORDER

The City Council met in Special Session at 5:02 p.m. Monday, February 12, 2018, in the Council Chamber, 3191 Katella Avenue, Mayor Edgar presiding.

2. ROLL CALL

Present: Council Members: Chirco, Hasselbrink, Murphy,
Mayor Pro Tem Kusumoto, Mayor Edgar

Absent: Council Members: None

Present: Staff: Bret M. Plumlee, City Manager
Steven A. Mendoza, Development Services Director
Windmera Quintanar, CMC, City Clerk
Maria-Luisa Valdez, Interim Administrative Services Director
Chelsi Wilson, Executive Assistant/Benefits Coordinator

A. Workshop Regarding Civic Center Related Studies (Development Services)

This workshop consisted of Jones Lang LaSalle (JLL) providing Council with its findings from the Highest and Best Use Study, Hotel Market and Feasibility and Financial Analysis, and Property Condition Assessment and Report.

City Manager Plumlee introduced the item and the team present from JLL.

Mike Wong, Senior Associate of JLL Public Institutions, summarized the Highest and Best Use Study and answered questions from the City Council.

City Council and Staff discussed lack of interest from the Sewer District, feasibility of a four story building, requirements for a Police Department building, assumption that flexible lease space could be found, feasibility of moving Parks and Recreation to Cottonwood park, various assumptions between leasing and buying, unknown market conditions, opposition to leasing space, and costs of maintenance for owning a building.

Kent Michels, Vice President of Strategic, Advisory and Asset Management at JLL Hotels and Hospitality Group, summarized the Hotel Market and Feasibility and Financial Analysis Report and answered questions from the City Council.

City Council and Staff discussed the assumed development costs based off three to five stories, developer's desired rate of return, feasibility of maintaining the land and leasing the acreage to a developer, report suggests a hotel would do well, and Council consensus a hotel was feasible.

Ricardo Flores, Senior Vice President, JLL Construction Project and Development Services, summarized the Property Condition Assessment and Report and answered questions from the City Council.

City Council and Staff discussed the necessary expenditures to make the building safe, state of the Los Al TV Studio, and suggested upgrades are the minimum to maintain the buildings.

RECESS

The City Council took a brief recess at 6:19 p.m.

RECONVENE

The City Council reconvened in special session at 6:33 pm

Mayor Edgar opened the item for public comment.

Pete Carvajal, Parks, Recreation and Cultural Commissioner and Representative from the Youth Sports League, spoke in opposition to moving Parks and Recreation to Little Cottonwood Park and stated support for maintaining open field space.

Dean Grose, former Council Member, spoke regarding the disrepair of the facilities and stated he believed a deal for land could be worked out with the Joint Forces Training Base if the City was assertive in the process.

Nick Zamvakellis, property owner and developer, cautioned the Council against selling the land and suggested it consider renovating or remodeling with a high rise building with parking. Upon the Mayor's request, he shared a few ideas.

Dean Hill, resident, agreed with Mr. Zamvakellis and suggested the City look into swapping property with the School District.

Mayor Edgar closed the item for public comment.

City Council and Staff discussed the following ideas:

- Interest in keeping City Hall together and maximizing green space available
- Interest in adding a senior center should a multi-story building be built
- Support for keeping the land
- Concern for costs to rebuild facilities, especially with upcoming pension obligations
- \$500,000 in immediate repairs would still be needed if Council opted to construct a new building which could take 3-5 years to complete
- Opposition to leasing land
- Potential footprints of a new building
- Interest in a Public-private partnership to ensure a steady revenue flow
- Interest in combing the hotel with a new facility in the back
- Possibility of pension obligation bonds

City Manager Plumlee and Senior Associate Wong advised the Council of the next steps in the process including reaching out to the development community to gauge interest, gathering market data and the request for qualifications and proposals process.

Mayor Edgar summarized Council would like to focus on sending a strong message to the market this site was available for a hotel, direction to Staff to reach out to the Sewer District to gauge its interest in the process, and data regarding if revenue from this site could offset the lease cost for a different location.


Council consensus was received for Staff to move forward with the prospective for the site to become a hotel site.

Mayor Pro Tem Edgar requested an Ad Hoc Committee to engage with the Sewer District elected officials.

Council and Staff set April for the next status update.

4. **ADJOURNMENT**

The City Council adjourned at 7:09 p.m.



Troy D. Edgar, Mayor

Attest:



Windmera Quintanar, CMC, City Clerk