



Ad Hoc Facilities Committee Agenda Item #:	III.A.- Facilities Ad Hoc Committee
Date:	March 21, 2019
To:	Magnolia Educational & Research Foundation dba Magnolia Public Schools (“MPS”) Board of Directors Facilities Committee (the “Facilities Committee”)
From:	Alfredo Rubalcava, CEO & Superintendent
Staff Lead:	Patrick Ontiveros, General Counsel & Director of Facilities
RE:	Extension of Rabuild Commercial LLC (Entitlements Consulting) Contract

I. Proposed Committee Recommendation(s)

At the February 2019 Board Meeting, the Facilities Committee was designated by the MPS Board as an Ad Hoc Committee to review and approve a contract extension for Rabuild Commercial Services LLC (“Rabuild”). Veronica Becerra is a principal of Rabuild.

Staff moves that the Facilities Committee approve a contract extension for Rabuild to continue providing land use and entitlement services on the MSA-1 project for a total amount not to exceed \$50,000, a \$25,000 increase to the current \$25,000 not to exceed amount approved by the MPS Board.

II. Background

A. Project Description

MPS contracted with Consultant to assist with handling violations of the zone variance^{1[1]} previously acquired by MSA-1 to allow certain activities on the parking lot parcel with that would not otherwise be allowed under the zoning code and to redo the zone variance to include the additional measures needed to expand the school. Specifically, Consultant was tasked with (a) modifying the current zoning variance to reconcile conflicts between the zoning variance requirements and the changed school size and composition; (b) obtaining zoning permission for the long term master plan; and (c) addressing the newly imposed Planning department requirements. Consultant’s contract is attached as Exhibit A. In order to move forward with the

¹ Note: A “zone variance” is a permit issued to a landowner by an administrative agency to allow the building of a structure or use of a property that is not otherwise allowed under the current zoning regulations.



new construction project for MSA-1, it was necessary to deal with the school's non-compliance with the conditions of approval for its existing zone variance.

The Facilities Committee approved Consultant at its October 5, 2017 meeting to provide services for the MSA-1 project and the MPS Board approved the contract with Consultant its October 12, 2017 Board Meeting. At the October 12, 2017 Board meeting, the Consultant's contract was approved with a not to exceed amount of \$25,000. See Exhibit A.

Consultant's responsibilities evolved over time and it became clear that another zone variance would not suffice to meet the School's long-term plans. Ultimately the Consultant and MPS staff agreed that MPS should seek a zone change for MSA-1 in lieu of a zone variance. Such strategy was communicated in various board reports.

B. Services Provided to Date and Services to be Provided

Consultant's services to date and the services yet to be provided are summarized in Exhibit B attached hereto.

An extension and fee increase limit is needed in order to keep Consultant working on the zone change and carry it through to a successful completion. Consultant assembled the zone change application, successfully submitted it, and is intimately familiar with the challenges that must be overcome to bring it to a successful completion.

MPS and Rabuild will execute a contract amendment to more clearly define Rabuild's ongoing responsibilities and deliverables.

III. Budget Impacts

The extension of the Consultant contract will not have an impact on the MSA-1 New Construction Project budget. The budget previously approved by the Board includes a line item of \$50,000 for land use consultant services so even with a contract extension the line item remains under the amount budgeted by MPS staff.

Exhibits (attachments):

- A. Rabuild Commercial LLC Contract
- B. Summary of Services Provided to Date and Services to be Provided



Exhibit A

Rabuild Contract

Rabuild Commercial Services LLC
449 West Foothill Blvd. Suite 157
Glendora, CA 91741
213 272-4784
vbcommercial@outlook.com

October 18, 2017

Timothy Buresh
Tim.buresh@primesourcepm.com
18238 Sherman Way
Reseda, CA 91335

Re: Engagement Agreement to obtain Discretionary City and County Approvals
for Real Estate Entitlements related to the property APN# 2125-036-021 and
APN# 2125-036-105, known as,

18216-18220 W. Sherman Way, Los Angeles, CA 91336

Dear Mr.Buresh,

Thank you for your interest in using Rabuild Commercial Services LLC, to serve you.

This letter is to set forth and confirms that [Magnolia Science Academy 1 Reseda Campus](#), have engaged Rabuild Commercial Services LLC to provide consulting services to you for the administration of Governmental Relations, and Entitlement/Land Use process related to the above mentioned property.

This work will be performed at our regular hourly rates, which vary between \$65.00 per hour to \$220.00 per hour, depending upon the individual doing the work and the type of work required, see attached Rate Exhibit for breakdown. Our time is calculated in increments of 15 minutes. All telephone calls have a minimum time allocation of 15 minutes. In addition to the charges for time, you will be billed for all costs as they are incurred, including photocopying, parking, messenger service, postage and similar cost items. These items will be billed at cost. Permits will be billed back to the client at cost. We try to use professionals within the company that can do an assigned part of the project for the most effective overall lowest cost to you. Therefore, usually more than one person is involved in a project such as yours. Time is charged when more than one person may be present at any time, such as in a conference. However, I will have primary responsibility for this matter and the others will, in effect, be assisting me.

Because of the nature of your project, we cannot estimate the total charges for fees. If there is any work done for you, which is not covered by this Fee Agreement and not covered by another Fee Agreement, we will contact you and request permission to continue the necessary work, that work will be billed at our customary hourly rates then in effect plus reimbursable costs.

Improper Performance of Contractors and Suppliers

Rabuild Commercial Services LLC shall not have control or charge, and shall not be responsible for, the design, means, methods, techniques, sequences or procedures of construction, fabrication, shipment, delivery or installation, or for the safety precautions or programs in connection with the work to be performed for any aspect of this Project, or any aspects of work done in association with the Owner's development on the Property, including the acts or omissions of any designers, architects, contractors, subcontractor suppliers, or any other persons performing any of the work, or for the failure of any of them to carry out the work in a proper manner. Rabuild Commercial Services LLC, only duties pursuant to this agreement are to facilitate Owner as described.

This fee agreement will not take effect, and Rabuild Commercial Services, LLC will have no obligation to provide consulting services, until this agreement is executed and the initial fee or retainer is paid.

Indemnification

[Magnolia Science Academy 1 Reseda Campus](#), agrees to indemnify and defend against, and to hold Rabuild harmless from, any and all liability, loss or damage that Rabuild Commercial Services LLC may incur as a result of any claims associated with the Project.

We cannot represent the result of our efforts will be successful in whole or in part. While we agree to use our best efforts in your representation, nothing in this Fee Agreement and nothing in our statement(s) to you will be construed as a promise or guarantee about the outcome of your matter, and we make no such promise or guarantees. Our comments about the outcome of your matter are the expression of opinion only.

Primarily, time spent and hourly rates are used in the preparation of the bills. There are times however, when other factors need to be considered, such as the difficulty of the work, the expertise required, the time constraints, etc.

We will render billings to you on a monthly basis. You will have an obligation to pay the bills rendered by this office within thirty (30) days from billing. All fees not paid within thirty (30) days of billing will bear interest at the rate of 10% per annum. In the event of arbitration over a fee dispute, such arbitration shall be heard in Los Angeles, California. In the event any arbitration or court action may be brought under

this Fee Agreement, it is agrees that any such action may be brought in any court in the State of California and any award or judgment shall include attorneys' fees and courts.

If there is any unresolved disagreement over our fees, you will have the option of arbitrating such agreement. The arbitration can be binding or non-binding. We are willing to agree in advance that any such arbitration will be binding on either party.

Any additional services we perform for you and your various entities, unless separately agreed to, will be performed under all the terms and conditions set forth above.

Our agency/consulting client relationship is one of mutual trust and confidence. We do our best to see that our clients are satisfied not only with our services but also with the fees charged for those services. Whenever you have any questions or comments regarding our services, or the status of your files, or whenever any new facts or considerations come to your attention, you should contact me or any other consultant or agent with whom you are working. We encourage you to inquire about any matter relating to our fee arrangements or monthly statements that are in any way unclear.

It is important to our agency/consultant relationship that any questions you have about our billings to you be resolved while the matter is fresh on all our minds. Therefore, you agree that you will have thirty (30) days after the delivery of a bill to you to make objections or questions any of the items on the bill. Absent any such objection or question, you will be deemed to have accepted the items on the bill and to have admitted to their accuracy and to your obligation to pay the total shown on such bill.

Please indicate your agreement to the above by signing and returning the attached copy of this letter. We are requesting a retainer, payable now, in the amount of \$3,500.00 to be applied against fees and costs.

Sincerely,

Rabuild Commercial Services LLC

Veronica Becerra
California State License 00826816

Acknowledged:  Dated: 11/08/17
Magnolia Public Schools
Caprice Young - CEO

Rate Exhibit

Principal	\$220.00 per hour
Assistant Planners	\$200.00 per hour
Expediting Assistants	\$165.00 per hour
Planning Assistants	\$165.00 per hour
Project Managers	\$ 95.00 per hour
Assistants	\$ 65.00 per hour

*Based on average difficulty our hourly billing excluding reimbursable charges will not exceed the sum of \$15,000.00 for the services to obtain discretionary approvals related to the required zone variances for the subject property.

Any appeal cases will be considered a new case.

Scope of Work

A. Zoning, Land Use and Entitlement Analysis

- Review, research and consult on all documents and plans related to the project.
- Consult with all members of the development team as needed.
- Determine use and verify zoning. Meet with City of Los Angeles Planning and Building and Safety, BOE and Land Development Staff for a preliminary review of proposed project.
- Review and summarize key zoning restrictions.

B. Governmental Relations

- Meet with City Officials, Councilmembers and Agencies to determine feasibility of project.
- Meet with community groups, property owners and other parties, including City Agencies to present project and generate support.

C. Entitlements

- Coordinate all documents needed for the submittal of all planning applications, including coordination with all members of the development team.
- File all planning applications, including but not limited to Variances, Conditional Use and or Zone Changes.
- Attend all hearings associated with the various applications.
- Clear all conditions required for final approval of discretionary requests.



Exhibit B

Tasks Completed to Date and Tasks Remaining to be Completed

Rabuild Commercial (Veronica Becerra) MSA-1 Scope of Work

Background: Rabuild was originally contracted to provide zone variance services for the MSA-1 parking lot parcels. Scope later changed to provide zone change services. First \$25,000 has been exhausted. MSA-1 team seeks approval for a second not to exceed \$25,000 cap.

Tasks Accomplished to Date (within first \$25,000):

- Reviewed the zone variance materials for the MSA-1 existing variances; reviewed actual conditions at MSA-1 to determine the prospects of successfully meeting existing conditions imposed by variances; strategized with MSA-1 team about filing for another zone variance versus filing for a zone change and consulted with Council office regarding the same. Deliverable: devise strategy for moving forward to maximize the utility of the MSA-1 parking lot parcels and minimize both short term and long term costs.
- Applied for and received clearance from Community Development Overlay District to allow project to pull permits. Entailed multiple meetings with CDO and Planning Department Reps. Deliverable: CDO approval and ultimately construction permits.
- Assistance with “master planning” the entire MSA-1 site in hopes of enticing the City to enter into a collaborative arrangement whereby the City would build an ice rink partially on MSA-1 property in exchange for use of the ice rink and any associated facilities. This included several working meetings with the architects to develop master plan schemes. Deliverable: several master planning schemes.
- Confering with City officials regarding the prospect of a collaboration on the skating rink. Deliverable: reports back to MSA-1 team about prospects.
- Confer with City officials regarding the filing of a zone change in lieu of a zone variance. Deliverable: agreement by and support of City officials for submission of zone change application.
- Prepare zone change application including collaborating with vendors to produce necessary documents, including CEQA documents – initial study and mitigated negative declaration and traffic study. Deliverable: zone change application documents.
- Assist MSA-1 in acquiring certificate of occupancy for Amigo campus. Including meetings with various Planning Department officials. Deliverable: Certificate of Occupancy.

Tasks to be Completed (within second \$25,000):

- File zone change application. Deliverable: receipt for filing
- Shepard application through zone change application process. Deliverable: Periodic updates on the timeline and process.
- Endeavor to have zone change application approved with minimal conditions. Deliverable: Periodic updates.
- Represent MSA-1 at public hearings. Deliverable: Appearances at hearings
- Assist MSA-1 with more community outreach, including Reseda Neighborhood Council, and other community organizations. Deliverables: letters of support, if possible.