

Public Buildings Reform Board (PBRB) Public Meeting - Notes Chet Holifield Federal Building - Laguna Niguel, CA Date: July 24, 2019 Time: 2PM - 3PM PST

2:00 PM PST:

Meeting Start

## **Kickoff & Introductions**

**PBRB:** Talmage Hocker (TH), Mary Phillips (MP); Nick Rahall (NR); Angela Styles (AS); David Winstead (DW)

- AS: Background on Federal Assets Sale & Transfer Act (FASTA) including deadlines and PBRB deliverables. Focus is on cost savings in federal real property portfolio. Exclusions exist, largely focused on civilian portfolio. Others areas of opportunity include consolidation, tech improvements. PBRB is looking to work with state and local officials for win-win scenarios.
  - PBRB will have 3 groups of recommendations
    - Direct to sale currently conducting public hearings and property visits.
      GSA analysis/ OMB approval process. Environmental and historic issues considerations for many properties being reviewed
    - 2 additional rounds of recommendations
- DW: Personal background and experience. Community is a big part of process as partnership yields best value
- MP: Experience visiting properties on this trip has been helpful ability to see issues and surrounding uses. Funding appropriated upfront at \$30M.
- NR: This is a bi-partisan board. Success of government's reduce fed footprint policy is being continued with FASTA. Federal government has a large inventory. This is the third public meetings, first outside of DC.
- TH: Background in private sector development. Noticed GSA has well-managed properties; age of inventory is a concern. Government should upgrade, build new, dispose.

## Panel Discussion Featuring GSA and City of Laguna Niguel, CA

GSA: Gerald Mularkey (GM), Portfolio Manager

**City of Laguna Niguel**: Jonathon Ordana (JO), Community Development Director; John Morgan (JM), Planning Manager

- GM: History and Overview of Chet Holifield Federal Building (CHFB). Original design for light manufacturing, acquired by GSA in 1971. GSA has made determination to build smaller cost effective building for CIS. Request to Congress for FY2020. Design/build by FY2023. GSA looking for long term housing in lease market for remaining clients. Next steps: Receive authorization and appropriation for project. Request was included in President's FY2020 budget for 380,000 gsf new building on 27 acres of the southern portion of the unused parking lot on property.
- *Question from County Water District*: Anticipated timing of GSA move?
  - GM: Concurrent with construction
- Question from Customs & Border Patrol (CBP): Where would new building be placed?
  - GM: Southern portion of parking lot.
  - CBP: Will a leaseback be considered?
  - GM: Presumptive to say
  - AS: PBRB has an independent authority to dispose outside of normal GSA process.
- JO: Location of CHFB is an opportunity area, the CIty has been anticipating reuse and welcomes an intensification of use. Potential for a lot of density. Surrounding zoning is business park, commercial. There is a need for more business park uses with complimentary retail. Some residential component as well, encourage attendees to look to master plan. City budgeting for a land use (visioning doc) study within the next 6-9 months.
  - AS: Timeframe for master plan?
  - JO: mid-2020 for visioning followed by zoning changes change to existing plan.
  - AS: Sale prior to leaseback. Developers may want information from City sooner
  - JO: City will provide guidance throughout process
  - AS: CHFB likely has historic considerations. Does the City have any opinions?
    - JO: City has historic society who may want a park/photos but City prefers redevelopment of existing site.
- NR: What level of discussion has happened at the city level?
  - JO: City Council has commented on the CHFB site but no binding resolutions. Mayor supports redevelopment. Location of new building in concert with City desire for that corridor.
- DW: What is City's current economic development strategy?
  - JO: newer, innovative retail. Need daytime population and rooftops. Some residential development. Some portion of needed commercial would fit at LN.
- DW: What other business would be interested in locating at this site?

- JO: City has an abundance of big box stores and car dealerships. CIty is looking to support a campus-type use for single tent.
- JM: Laguna Niguel is predominantly bedroom community with a population of 67,000. City is looking to attract younger population with spending capital. City is predominantly built out. Currently seeing a lot of small-scale, in-fill development.
- JO: CHFB is the largest parcel in South OC and provides a great opportunity for reuse
- MP: Have you received interest from potential developers of the CHFP site?
  - JO: yes, through relationships with smaller developers
- *Question from Clark Construction*: Has the City looked into hiring consultants for visioning plan, redevelopment?
  - JO: No, informal process to date.
  - JM: This is a unique opportunity and the next step is to understand the federal disposal process
- AS: PBRB has flexibility in making recommendations
  - JO: The City welcomes a faster process
- *Question from CBP*: What came of GSA's RFI process?
  - GM: clarity on timing. The RFI was focused on GSA remaining in the CHFP and selling off parking. Today, the better option is to build new and dispose project drivers have changed.
- AS: PBRB is looking for feedback on ideas to streamline. GSA will execute the disposal but with recommendations on how to dispose from PBRB. Not public yet but some cases are obvious.
- GM: parallel and independent process
- City: Does the PBRB or GSA have an example of success?
  - $\circ~$  GM: several innovative developments around the region
  - AS: NASA Moffett Field project with Google
  - DW: This is the first time an authority like this is available; however, GSA has had success around the country and the City is encouraged to research the Volpe Center in Cambridge, MA; St Elizabeth's DHS HQ in Washington, DC: and. FDA campus in Montgomery County, MD.
  - Flavio Peres: My program would be happy to connect with the City on GSA's process
- *Question from audience*: How big is the new federal building?
  - GM: 27 acres. \$185 million in funding not including tenant improvements
- Question from audience: Will City's visioning plan focus on CHFB site or broader?
  - JO: opportunity zone. This property will impact all of the city. City is welcoming a new city manager soon, the plan will have recommendations.
- *Question from audience*: Will future building have public review process?

- GM: GSA has a formal design process overseen by a different division, don't want to speak on their behalf.
- AS: Closing remarks

## 3:00 PM PST Meeting End