



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101

DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors

GLORIA MOLINA  
First District

YVONNE BRATHWAITE BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DCN KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

September 30, 1997

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**CONSOLIDATION OF COMMISSION OVERSIGHT OF ASSET MANAGEMENT  
(ALL DISTRICTS AFFECTED) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

- 1) Instruct the Chief Administrative Office, working with the Real Estate Management Commission, to create a special task force comprising representatives of the Economy and Efficiency, Quality and Productivity, and Small Craft Harbor Commissions to evaluate and report to the Board of Supervisors as appropriate on the feasibility of consolidating the ongoing accountability for oversight of the County's asset management efforts.
- 2) Instruct the task force to evaluate and report back with recommendations on facilitating the exchange of information and ideas among all County commissions and departments with real property management responsibility.

**PURPOSE OF RECOMMENDED ACTION**

In an October 1996 update of its September 1995 report on "Asset Management Strategies for the Los Angeles County Real Estate Portfolio", the Economy and Efficiency Commission recommended that a task force comprising representatives from the Real Estate Management, Economy and Efficiency, Quality and Productivity and Small Craft Harbor Commissions evaluate the ongoing accountability for progress on the County's asset management effort.

It is possible that consolidating such accountability would enhance the County's asset management efforts by streamlining the reporting relationships required in managing the County's real property. The recommended action would direct the CAO, with those

Honorable Board of Supervisors  
September 30, 1997  
Page 2

Commissions currently having a major role in overseeing portions of the County's asset management efforts, to evaluate the feasibility of consolidating the responsibility and accountability for such oversight.

The Commission oversight will also include implementation of a strategic asset management plan, recommended in a separate action, that will establish the County's future policies and procedures regarding its real property holdings; similar to the plan for Marina del Rey that was prepared by the Department of Beaches and Harbors and approved by your Board.

#### JUSTIFICATION

The Economy and Efficiency, and Quality and Productivity Commissions have previously reported the need for the County to recognize that it has vast real estate holdings that must be managed as a business enterprise. The Commissions also reported that existing asset management activities were too decentralized and that every department with asset management activities acted independently.

To address the issue of decentralization, the Commissions recommended establishing an asset management program that:

- Provides for development of asset management strategies with an overall vision of what is best for the County; and
- Maximizes cooperation and coordination among County departments with asset management responsibilities.

Recognizing that the success of the County's asset management efforts requires a centralized point for making and implementing real estate decisions, the Board of Supervisors in approving the September 1995 Economy and Efficiency Commission report on Asset Management Strategies, consolidated certain of the County's asset management activities (e.g., asset development, capital budgeting process, leasing and space management, and inventory control) within the CAO.

Honorable Board of Supervisors  
September 30, 1997  
Page 3

Meanwhile, a significant portion of the County's asset management effort remains decentralized. Various County departments (e.g., Beaches and Harbors, Public Works, and Parks and Recreation) retain specific asset management responsibilities related to their departmental mission and delivery of public service. In addition, several existing commissions, including those named above, continue to provide oversight of portions of the County's asset management efforts.

Although each commission, in the performance of its duties, provides a valuable service to your Board, there is no single entity with complete oversight regarding asset management issues. Just as consolidating certain of the County's asset management activities described above has assisted in providing centralized asset management accountability, it is possible that consolidating commission oversight will further enhance accountability by streamlining the reporting process while minimizing duplicated efforts by the affected commissions and the staff who must report to those commissions.

#### FISCAL IMPACT

None.

#### FINANCING

None.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Commissions would not be expected to give up existing powers and duties, with respect to asset management issues, as provided for in the County Code, for example:

- The Quality and Productivity Commission would continue to provide your Board, this office and other County departments with information and recommendations relating to productivity and quality of services in the County;

Honorable Board of Supervisors  
September 30, 1997  
Page 4

- The Economy and Efficiency Commission would continue to provide recommendations on improving governmental economy, efficiency and effectiveness;
- The Real Estate Management Commission would continue to provide advice and recommendations to your Board and affected departments with respect to matters concerning the purchase, sale, lease, exchange and rental of real property by the County or other public entity having your Board as its governing body; and
- The Small Craft Harbor Commission would continue to make recommendations to your Board regarding policies and procedures for the planning, financing, development and operation of Marina del Rey, the adequacy of rules and regulations for Marina operations of Marina del Rey, and prices to be charged by small craft harbor lessees and concessionaires for goods and services supplied to the public.

Under the recommended action, the commissions would instead determine the best means for providing ongoing oversight of the County's real property asset management program, and provide a clearinghouse to share information and expertise for all County departments. This would benefit the County by:

- Providing a forum for discussing asset management issues and strategies and policies affecting County departments, using both in-house County expertise and the independent expertise provided by your Board's appointed commissioners;
- Simplifying and consolidating reporting relationships required in managing the County's real property assets; and
- Facilitating the exchange of information and ideas among all County departments with real property management responsibility.

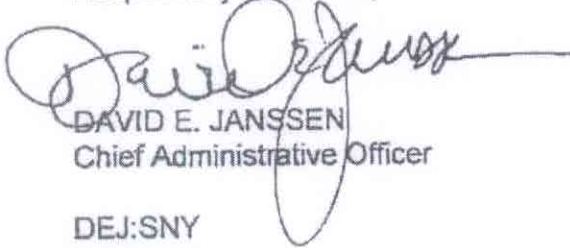
Other Commissions which oversee a portion of the asset management activities in the County, such as the County Beach Commission and Parks Commission, should be invited to participate to help insure the fullest exchange of information.

Honorable Board of Supervisors  
September 30, 1997  
Page 5

**IMPACT ON CURRENT SERVICES OR PROJECTS**

There is no immediate direct impact on County services or projects.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Administrative Officer

DEJ:SNY  
LHD:hg/g

Attachments (1)

- c: Executive Officer, Board of Supervisors
- County Counsel
- Auditor Controller
- Department of Beaches and Harbors
- Department of Parks and Recreation
- Department of Public Works
- Economy and Efficiency Commission
- Quality and Productivity Commission
- Real Estate Management Commission ✓
- Small Craft Harbor Commission
- Asset Innovations



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION - LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101

RECEIVED

NOV 21 1997

DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors

GLORIA MOLINA  
First District

YVONNE BRATHWAITE BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

November 20, 1997

To: E. Thornton Ibbetson, Chair  
Real Estate Management Commission

From: Sharon N. Yonashiro *Sharon Yonashiro*  
Assistant Administrative Officer  
Financial and Asset Management Branch

**REAL ESTATE OVERSIGHT STUDY**

It was a pleasure speaking with you on Tuesday, and as follow-up to our conversation, we are proceeding to establish the task force on the Asset Management Oversight study as we discussed. We look forward to working with you on this matter.

We are preparing letters to the Economy and Efficiency, Quality and Productivity, and Small Craft Harbor Commissions requesting representation at the first task force meeting on January 7, 1998. In addition, we are developing a draft agenda which I plan to include in your agenda package for the December 11, 1997 Real Estate Management Commission meeting in order that you and the other Commissioners may have sufficient time for review and comment prior to our sending out a final agenda for the first task force meeting. All of the correspondence will be sent under your signature as Chairman of the Real Estate Management Commission and as the lead in this study.

During our discussion of the Asset Management Oversight study at last week's meeting, you also inquired as to the membership of the Small Craft Harbor Commission. Attached is background information on this Commission, as well as a current roster of the five Commissioners, which has been verified with the Department of Beaches and Harbors.

The draft letters of invitation will be faxed to you for review prior to finalizing for your signature. In the meantime, should you have any questions, please call me at (213) 974-2273 or Diane Shamhart at (213) 738-2153.

DEJ:SNY

DS:i/g

Attachment

c: Real Estate Management Commission Members  
Claus Marx



COUNTY OF LOS ANGELES  
**REAL ESTATE MANAGEMENT COMMISSION**

550 SOUTH VERMONT AVENUE, 10TH FLOOR / LOS ANGELES, CALIFORNIA 90020  
(213)738-2301 / FAX (213) 382-5165

**COMMISSION MEMBERS**

E. Thomson (Ibbotson), Chairman  
Hector Carmon  
Milton G. Gordon  
Patrick K. Prinsler  
Kenneth A. Ruby

**BOARD OF SUPERVISORS**

Gloria Molina  
Yvonne Brathwaite Burke  
Zev Yaroslavsky  
Don Knabe  
Michael D. Antonovich

November 25, 1997

Mr. David A. Abel, Chairman  
Economy and Efficiency Commission  
Room 163 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Mr. Abel:

**TASK FORCE ON LOS ANGELES COUNTY ASSET MANAGEMENT OVERSIGHT**

The Chief Administrative Office recently provided the Economy and Efficiency Commission with information on the Asset Management Oversight study approved by the Board of Supervisors on September 30, 1997 (copy attached). The Real Estate Management Commission, in concert with the Economy and Efficiency, Quality and Productivity and Small Craft Harbor Commissions, was directed to evaluate and report back to the Board on the feasibility of consolidating the ongoing accountability for oversight of the County's asset management efforts. In order to accomplish this directive we are establishing a Task Force comprised of the Real Estate Management Commission and two representatives from each of the remaining Commissions. We feel that a working group of ten individuals will provide broad spectrum and insight to this study, and can be more easily managed with all of our other collective activities and responsibilities.

This is to request that you designate two members of the Economy and Efficiency Commission to participate with us as members of the Asset Management Oversight Task Force. We have scheduled the first meeting of the Task Force on Wednesday, January 7, 1998 at 9:30 a.m. in Room 743 Hall of Administration, and look forward to their attendance.

Mr. David A. Abel  
November 25, 1997  
Page 2

We will be developing an agenda for the first meeting and expect that it will be available in mid-December. In the meantime, the most pressing issue is to establish the Task Force membership and verify attendance at the January 7, 1998 meeting so that we may all begin our work on this very important endeavor.

Please advise Diane Shamhart of the Chief Administrative Office as to the names of your designees, as well as the most appropriate means to contact them directly. Ms. Shamhart may be reached at (213) 738-2153.

We look forward to working with all of the involved parties on this matter of mutual concern.

Sincerely,



E. THORNTON IBBETSON, CHAIR  
Real Estate Management Commission

ETI:SNY:DS

Attachment

c: Bruce Staniforth, Executive Director