



**DEPARTMENT OF VETERANS AFFAIRS**  
**Greater Los Angeles Healthcare System**  
**11301 Wilshire Boulevard**  
**Los Angeles, CA 90073**

December 15, 2006

In Reply Refer To: 691/10A5

The Honorable Henry Waxman  
 Member, United States  
 House of Representatives  
 8436 West Third Street, Suite 600  
 Los Angeles, CA 90048

Bakersfield Community  
 Based Outpatient Clinic  
 1801 Westwind Drive  
 Bakersfield, CA 93301  
 (661) 632-1800

Dear Congressman Waxman:

Los Angeles Ambulatory  
 Care Center  
 351 E. Temple Street  
 Los Angeles, CA 90012  
 (213) 253-2677

Thank you for your letter of November 3, 2006 in which you inquire about current land use projects at the West Los Angeles Medical Center (WLA). We welcome the opportunity to provide you with the information requested and to provide an explanation of our current land use program.

Santa Barbara Community  
 Based Outpatient Clinic  
 4440 Calle Real  
 Santa Barbara, CA 93110  
 (805) 683-1491

First and foremost, we are in complete agreement with your statement that "Direct benefits to veterans must be the highest priority for the West Los Angeles VA campus". Everyone agrees that all veterans have earned the right to have access to the highest quality health care and it should be delivered in the highest quality healthcare facilities. While we have been successful in providing the highest quality of care, our facility infrastructure is in disrepair with major needs for improvement. The current land use program provides a necessary infusion of revenue to help offset the perpetual budget shortfalls that prevent us from addressing the capital needs of this campus.

Sepulveda Ambulatory Care  
 Center and Nursing Home  
 16111 Plummer Street  
 North Hills, CA 91343  
 (818) 891-7711

We will now address your specific questions following the format in your letter.

West Los Angeles  
 Healthcare Center  
 11301 Wilshire Boulevard  
 Los Angeles, CA 90073  
 (310) 478-3711

**Westside Shepherd of the Hills Church**

The process used to permit the Westside Shepherd of the Hills Church to use the Wadsworth Theatre starts with the 20-year Enhanced Sharing agreement with the Wadsworth Theatre Corporation (dba Richmark Entertainment). This agreement, originally awarded in the year 2000, authorizes the Wadsworth Theatre Corporation to manage the Wadsworth and Brentwood Theatres, as well as manage events on our grounds. Based upon the authority in their contract and our specific approval for this use, the Wadsworth Theatre Corporation entered into a License Agreement with The Westside Shepherd of the Hills Church (previously called Westside Community Church) in December 2005.

Although there is no requirement to obtain input from veterans or the community for license agreements of this nature, the Wadsworth Theatre

Page 2.

Congressman Waxman

Corporation did in fact seek input from the community. On January 3, 2006 Rich Willis from the Wadsworth gave a comprehensive presentation of its planned activities for 2006, including the church, to the Brentwood Community Council.

This use is consistent with other similar uses. The Wadsworth Theatre Corporation has had a License Agreement with the Kehillat Israel Jewish Congregation of Pacific Palisades for five years. They also had a similar agreement with the Los Angeles Church of Christ for two years.

There are four years remaining on their license agreement. They pay a \$100,000 annual use fee plus have made \$100,000 worth of improvements to the theatre area.

On January 7, 2006, I made an announcement at the One VA Meeting that we would make our real property assets, including the Wadsworth and Brentwood theatres, available to veterans organizations for their use. We followed this announcement with a letter to all the veterans services organizations. Since then, we have had several uses of this nature.

#### **Drive-in Theater, Movie Shoots, and Palazzo**

The Drive-In Theater and Palazzo concepts have been cancelled, based upon neither group being able to get community support for their projects.

The approval process for non-recurring use is two-fold. If a non-recurring use falls within the scope of an existing Enhanced Sharing Agreement (e.g., Wadsworth Theatre), the approval process requires local VA approval of the use. If the use does not fall within the scope of an existing Enhanced Sharing Agreement, then a separate and new Enhanced Sharing Agreement is required. (e.g., filming agreements)

Even though there is no requirement to seek community support on Enhanced Sharing Agreements, in the cases of the Drive-In Theater and Palazzo, we felt the impact of these uses were substantial enough that a voluntary referral and approval was in order. Thus, we directed these potential partners to seek community support prior to us considering their concepts.

#### **Land Use Overview**

The Land Use Overview was prepared by the Office of Asset Management, VA Greater Los Angeles Healthcare System (GLA). The Land Use Overview provided to elected officials contained a section on our local input/desires to the CARES process. We have since taken that section out and the revised version focuses only on our current land use program. We have handed out the revised version to representatives of several homeowners, community,

Page 3.

Congressman Waxman

and neighborhood groups at a meeting held on December 4, 2006. We have shared this information with elected officials and community leaders, but would have to acquire VA Central Office's approval to release to the public.

The projects referenced in the initial Land Use Overview are ones we recommended to be considered as part of the CARES Options. However, since the CARES project for master planning effort at WLA is a nationally driven endeavor, decisions relative to Business Plan Options and reuse will be made at a VA Central Office level. The local WLA facility has no authority in this regard.

All Enhanced Sharing Agreements require an approval process, which includes VA Central Office concept approval, appropriate legal and technical review. All agreements are executed using Federal Procurement Regulations and USC 8153 Enhanced Sharing Authority. Because these are selling agreements, competition is not required. However, where appropriate, we have pursued competition (e.g., Wadsworth Theatre). A majority of our agreements were awarded by the Network 22 Logistics Office located in Long Beach, Calif. However, more recently, the Office of Asset Management, GLA, has authority to award Enhanced Sharing Agreements.

The Office of Asset Management is responsible for the formation, negotiation, award and administration of land use projects for the WLA property. They approved Enterprise, Inc., to operate on this facility via a license agreement with our parking operator, Westside Services. Westside Services has a long-term sharing agreement to provide comprehensive parking services.

There are a number of evaluations, including environmental impacts that are an internal part of the concept approval process with our VA Central Office.

All types of uses have been denied access to the property over the past year. They include events (Palazzo and Drive-in Theatre) as well as long-term proposals.

The \$26 million annual revenue potential was determined by the Office of Asset Management. It is a magnitude estimate based upon maximum implementation of our input to CARES.

#### **Brentwood Golf Facility**

The Office of Asset Management developed the concept for this project. The project is no longer under consideration locally. The golf course is currently operated by the Compensated Work Therapy program.

Page 4.

Congressman Waxman

### **UCLA and VA Employee Housing**

A request has been made to our VA Central Office asking for an exemption from the CARES process for this particular project. I made the decision, based upon a recommendation by the Office of Asset Management, to pursue this request. The Office of Asset Management developed the idea for this project. We do not have a description or scope, it is just an idea we feel important to pursue.

### **Fisher House**

This program is strongly supported by our veterans service organizations. They have deemed it a high priority for this campus. Organizations that have been particularly supportive are the American Legion (by both Statewide leadership and locally by the Pacific Palisades Post), Prisoners of War, Jewish War Veterans, the Reserve Officer's Association, and the Hollywood Canteen Foundation. The American Legion Pacific Palisades Post has demonstrated their belief that the Fisher House should be the campus' number one priority by transferring their annual \$100,000 donation that usually goes to buying equipment for the hospital, to the Fisher House. They have also committed next years annual donation to the Fisher House as well because they believe it is such a desperately needed project.

Construction for the Fisher House is currently scheduled to begin in March 2008, but could be accelerated. The non-profit organization, Brentwood Fisher House Foundation continues fund raising to support the program.

The reference to the Fisher House as a redevelopment option in the CARES Business Plan Options (BPOs) is in fact misleading. While the BPOs make it sound like the Fisher House is only a potential reuse option, the fact is that VA Central Office has designated our site as the number one priority site for CY2008.

The parcels selected as possible sites for the Fisher House in the BPOs were parcels C, E, G and K. However, this was a mistake by the consultants. The VA and Fisher House Foundation have specific requirements for the location of the House, namely that the House be adjacent to the hospital and that it have the appropriate utility connection already in place. Therefore, parcels C, E, and G, which are on the north campus, are not feasible locations for the Fisher House. Parcel K which is adjacent to the hospital and located on the south campus, is the only parcel to comply with this requirement. The current designated site was selected for its proximity to the hospital and because it has all the appropriate utility connections already in place. This location was approved by GLA engineers, VA Central Office, and the Fisher House Foundation.

Page 5.

Congressman Waxman

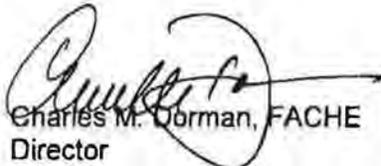
We expect the Fisher House Foundation to provide a proffer to the VA shortly for the W LA Fisher House. The evaluation and approval process for Fisher House is done through VA Central Office, as this is a national program.

**Historic Trolley Stop**

The Historic Trolley Stop has no project associated with potential reuse. This was an idea only.

We hope this addresses your concerns. If you need any additional information, please contact Mr. Ralph Tillman, Director of Asset Management at 310-268-3789.

Sincerely,

  
Charles M. Dorman, FACHE  
Director