CARES Contracts and Reports

Request 5: Copies of CARES documents relating to the definition of "commercial"

35. Memorandum from Director, Office of Strategic Initiatives to Chairman, West Los Angeles Advisory Panel regarding guidance to PricewaterhouseCoopers on term "commercial" for the West Los Angeles study (Sep 2005)

Department of Veterans Affairs

Memorandum

Date:

From: Director, Office of Strategic Initiatives (10ND)

To: Chairman West Los Angeles Local Advisory Panel (605/00)

Subj: Guidance to PricewaterhouseCoopers on term "commercial"

- 1. During the Local Advisory Panel(LAP) meeting you requested Veterans Administration (VA) to provide the guidance issued to PricewaterhouseCoopers (PwC) regarding how they were to interpret the statements made by the former Secretary Principi on the future use of the West LA campus. After a meeting with West LA community stakeholders former Secretary Principi wrote on February 25, 2005 to Mr. Zev Yaroslavski, Supervisory 3rd District County of Los Angeles in which he stated "I will not allow the property to be used for commercial purposes. He also wrote to Rep. Henry Waxman (D-CA) on October 22, 2002 in which he stated: "...committed that there would be no commercial or industrial use of the land."
- 2. In the execution of the West LA campus Capital Asset Realignment for Enhanced Studies (CARES) Business Planning Study the campus buildings and land will be assessed by the contractors to ensure that the VA has a twenty year asset needs and redeployment of assets plan that enhances its resources and ability to provide future services needs in a safe, secure, modern environment.
- 3. In discussions with the contractor and individuals within the community, there were varied interpretations of the term "commercial" and the specific intent of the former Secretary when he used this term. The contractor requested guidance regarding the term "commercial" as they were unclear on how the VA was using the term.
- 4. In response to the request and in consultation with the VA Office of Asset Enterprise Management (OAEM) the following guidance was provided by me as the Director of the VHA office administrating this CARES contract:

The term commercial should be defined as retail operations providing products and services exclusively for sale to the general public. With this definition, uses such as shopping malls, movie theaters, convenience stores, fast food outlets, industrial manufacturing and other like operations would be prohibited. On the other hand, institutional and office uses that **support or complement** needs of veterans such as assisted living, transitional housing, recreational, research or educational as well medical and non medical functions would be acceptable uses.

35-1

Chairman, West Los Angeles LAP (605/00)

2

We believe this provides sufficient clarification for the contractor to proceed with their independent assessment while not altering the former Secretary's commitment as stated in the two letters above.

Thank you for your continued work in support of the West Los Angeles CARES Business Study and the work of the Local Advisory Panel. If you need additional information please contact me at

Susan Pendergrass DrPH

Attachment