

TRANSMITTAL

TO
Council

DATE
09-19-18

COUNCIL FILE NO.
12-1643-S2

FROM
Municipal Facilities Committee

COUNCIL DISTRICT
6

At its meeting held on August 30, 2018, the Municipal Facilities Committee (MFC) approved the recommendations of the attached General Services Department (GSD) report, as amended, which would authorize GSD to negotiate and execute a non-profit sub-lease agreement with The University Corporation dba Strength United, for a Department of Water and Power (DWP) owned facility located at 14651 Oxnard Street for a 10-year term, subject to Council approval. The lease space would continue to be utilized to provide support for sexual and domestic abuse victims for a rental rate of \$0 per year on the basis that the value of the community benefits provided (\$1,790,800) exceeds the market value of the leased space (\$113,319). During consideration of the item, GSD clarified that the master lease agreement between the City and DWP is proposed for a 10-year term with no extension options (C.F. 12-1643-S2), while the non-profit sub-lease includes two five-year extension options. The Committee adopted the report recommendations with instructions to align the sub-lease term with that of the master lease by eliminating the extension options. The Committee's recommendation is hereby transmitted for Council consideration. There is no impact on the General Fund.



Richard H. Llewellyn, Jr.
City Administrative Officer
Chair, Municipal Facilities Committee

RHL:JCY:05190034

City of Los Angeles

CALIFORNIA

TONY M. ROYSTER
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August 30, 2018

Honorable City Council
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

REQUEST AUTHORIZATION TO NEGOTIATE AND EXECUTE A NEW SUB-LEASE AGREEMENT WITH THE UNIVERSITY CORPORATION DBA STRENGTH UNITED

The Department of General Services (GSD) requests authority to negotiate and execute a sub-lease agreement with The University Corporation dba Strength United for use of a facility located at 14651 Oxnard Street in Van Nuys. Strength United will utilize the site to provide support for sexual and domestic abuse victims.

BACKGROUND

The facility is owned by the Department of Water and Power (DWP). The City first approved a lease (Master Lease) for this property on October 26, 2012. This lease expired in June 2018 (C.F. 12-1643-S1). A new Master Lease with DWP is now pending Mayor and Council approval.

GSD subsequently executed two subleases for the use of this facility: one with The University Corporation dba Strength United and the other with Dignity Health dba Northridge Hospital Medical Center. These subleases also expired in June 2018, thereby necessitating new subleases to continue co-operation of the Valley CARES Family Justice Center (FJC). The FJC is a multi-agency partnership with on-site staff consisting of a victim advocacy and counseling center.

STRENGTH UNITED

Strength United operates through California State University Northridge's (CSUN) College of Education and is dedicated to ending sexual and domestic abuse and empowering families. Strength United provides a variety of services, including a 24-hour support and referral hotline, counseling, education and prevention programs, and is the primary operator of the FJC.

Strength United has requested to execute a new sub-lease for an additional 10 years. The Office of the City of Los Angeles Council District Six is in favor of and supports the proposed agreements.

The proposed lease agreement will contain the following:

TERMS AND CONDITIONS

LOCATION: 14651 Oxnard St, Los Angeles, CA 91411

LANDLORD: City of Los Angeles

USE: Provide social services to domestic abuse and sexual assault victims

SQUARE FEET: Approximately 4,312

TERM 10 Years

OPTION TERM: Two Five-Year Options

RENTAL RATE: \$0 per year for the first 5 year term

ADDITIONAL RENT: N/A

SECURITY DEPOSIT: No security deposit required

UTILITIES: All utilities will be paid by Tenant and separately metered.

PARKING: Included at no additional costs

TENANT IMPROVEMENTS: All Tenant Improvements will be at the sole cost of the Tenant

CUSTODIAL SERVICE: All custodial services will be at the sole cost of the Tenant

MAINTENANCE: All maintenance to the tenants leased space will be at the sole cost of the Tenant

The proposed Tenant is aware of the City's mandatory ordinance requirements including the Living Wage Ordinance and will conform accordingly.

COMMUNITY BENEFIT

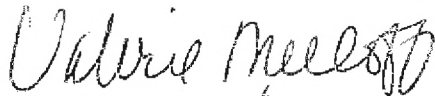
The CAO completed the attached CBA and recommends approval of the proposed terms and conditions of the Lease. The total CBA is \$1,790,800 annually, which includes the value(s) of Direct Services at \$920,600, Operational Budget at \$303,800 and Additional Offsets/In-Kind Services at \$566,400. The market value for leased space is \$113,319 annually. The community benefit of \$1,790,800 annually exceeds the market value of \$113,319 for the leased space by \$1,677,481.

FISCAL IMPACT

No revenue will be generated from this lease to the General Fund during the lease period.

RECOMMENDATION

That the Los Angeles City Council authorizes the Department of General Services to execute a lease agreement with The University Corporation dba Strength United for use of the City-owned facility located at 14651 Oxnard Street in Van Nuys for a term of ten years.



Tony M. Royster
General Manager



Community Benefit Analysis for Proposed Non-Profit Lease

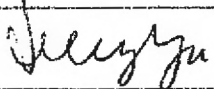
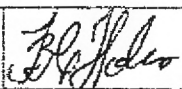
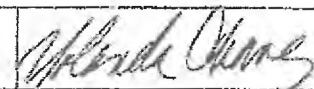
I. Proposed Lease Terms and Conditions	
Facility Location:	14651 Oxnard St, Van Nuys, CA 91411
Lessee:	The University Corporation, a non-profit 501(c)3 organization (dba Strength United)
Council File Reference:	12-1643-S1 (Motion adopted January 14, 2016)
Space Assignment:	Approximately 4,312 square feet (Floor)
Term & Renewal Option:	Ten (10) years, with no option to renew.
Market Rate:	\$2.19 psf (\$9,443 monthly or \$113,319 annually)
Proposed Rental Rate:	\$0 per year during the first term, with rate under any renewal options to be subject to negotiation.
Utilities/Custodial:	Lessee shall be financially responsible for all applicable utility and custodial costs.
Tenant Improvements:	Lessee shall have full responsibility for the cost of any and all needed tenant improvements and building upkeep.
II. History and Current Services	
Mission:	The University Corporation (dba Strength United) is dedicated to ending abuse, empowering families and developing leaders.
Background / History:	Strength United (formerly Valley Trauma Center), was founded in 1986 and is a nonprofit 501(c)3 auxiliary of the California State University Northridge. Strength United provides comprehensive social, education, and prevention services to individuals of all ages who have experienced child maltreatment, domestic violence or sexual assault. Strength United joined a Family Justice Center (FJC) pilot project in 2009 and has been providing services through the Valley Cares FJC since 2012.
Current Services:	<p>Current services offered include:</p> <ul style="list-style-type: none"> • 24-hour support and resource telephone line providing information, crisis intervention, emotional support, guidance for giving and receiving help, and referrals and linkages to community resources. • Sexual Assault Response Team (SART): a 24-hour program that provides emergency response to reports of child sexual abuse, rape and sexual assault. A team of trained and certified professionals provide services to children, adolescents, adults, parents, family members and friends.

Community Benefit Analysis for Proposed Non-Profit Lease

	<ul style="list-style-type: none"> • Domestic Abuse Response Team (DART): a 24-hour service that provides emergency response with the Los Angeles Police Department, crisis intervention, and emergency shelter and housing. • Child Maltreatment Advocacy and Counseling: services to address the behavioral and emotional changes children experience when they have been abused or witnessed violence. • Domestic Violence Advocacy & Counseling: services such as support groups, safety planning, restraining orders and court accompaniments to address the socioeconomic and psychological needs of families experiencing violence in the home. • Sexual Assault Advocacy & Counseling: services such as counseling, case management, and civil legal services to individuals of all ages who have experienced any type of sexual contact or behavior that occurs without the explicit consent of the recipient. • LGBTQIA+ Services: services responding to the unique needs of the lesbian, gay, bisexual, transgender, queer, intersex, and asexual community who have experienced domestic and or sexual violence. • Education & Prevention Programming: outreach to communities, schools and agencies aiming to prevent all forms of child maltreatment, domestic violence and sexual assault. Strategies include focus on risk and protective factors for abuse and violence to reduce the likelihood that an individual will engage in abusive or violent behavior.
<p>Proposed Use of Property</p>	<p>Continued operation of the Valley Cares Family Justice Center, a public-private partnership linking various agencies responsible for responding to child abuse and domestic and sexual violence.</p>
<p>III. Community Benefit Analysis</p>	
<p>Value of Direct Services</p>	<p>A. <u>Value of Dedicated Staff and Value of Services to Participants</u>: \$ 920,600</p> <p>Staff salaries consist of administrative staff members including executive director, chief administrative officer, supervisors, and coordinators working over 50 percent of their time on average (\$478,200); and direct program staff members earning an average hourly wage of \$20, working various hours a week, converted into annual terms of 52 weeks (\$442,400). Programs offered to participants are listed below:</p> <ul style="list-style-type: none"> • Child abuse prevention, intervention and treatment; • Child abuse treatment (witnessing violence, bullying); • DART; • LGBTQIA+ Services Program; • Sexual Assault Services Program; and, • Trauma recovery services.

Community Benefit Analysis for Proposed Non-Profit Lease

Value of Operational Budget:	B. Value of Operational Budget: \$303,800 Value includes costs associated with contract services, instructional materials, transportation, utilities and supplies, and equipment.
Additional Offsets /In-Kind Services:	C. Value of Offsets / In-Kind Services: \$566,400 in-kind services value includes calculated cost of 60 volunteer advocates and 14 marriage and family therapy trainees at an estimated hourly rate of \$17 multiplied by hours of services provided.
Total Community Benefit:	<u>\$1,790,800 annually</u>
Market Value for Leased Space:	<u>\$113,319 annually</u> <i>Calculated as: average monthly market rate of \$ 2.19 per s.f. multiplied by assigned space of 4,312 sq. ft. multiplied by 12 months = \$113,319</i>
Benefits Finding & Recommended Action.	Community benefits estimated at \$1,790,800 annually, exceeding the market value for the leased space by <u>\$1,677,481.</u> Approval of the proposed lease terms is recommended on the basis that the value of the community benefits exceed the market value of the leased space.

0220-05479-0001			
Work Assignment Number	Analyst	Chief	Assistant CAO

YC:JCY: 05190017c

Released Date: 08-22-18