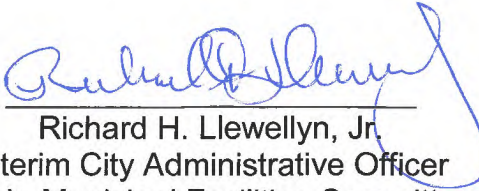


TRANSMITTAL

TO Council	DATE 01-05-18	COUNCIL FILE NO.
FROM Municipal Facilities Committee		COUNCIL DISTRICT 3

At its Special meeting held on December 21, 2017, the Municipal Facilities Committee adopted the recommendations of the attached General Services Department (GSD) report, which is hereby transmitted for Council consideration. Adoption of the report recommendations would authorize GSD to negotiate and execute a nonprofit lease agreement between the City and the Los Angeles Conservation Corps to utilize office space located at 19040 Vanowen Street to utilize the property as a community conservation and services programming office. There is no impact on the General Fund as a result of the recommended actions.


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

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

December 21, 2017

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

Attention: John White, Legislative Assistant

**REQUEST AUTHORIZATION TO NEGOTIATE AND EXECUTE A NEW
LEASE AGREEMENT WITH LOS ANGELES CONSERVATION CORPS**

The Department of General Services (GSD) requests authority to negotiate and execute a lease agreement with the Los Angeles Conservation Corps (LACC), a non-profit 501(c)3 organization, for the City-owned property located at 19040 Vanowen Street, Reseda, California 91335 to use as a community conservation and services programming office.

BACKGROUND

A Council Motion was adopted on August 25, 2017 (C.F. 17-0972) instructing GSD, with the assistance of the City Attorney, to negotiate and execute a lease or license agreement with the LACC for use of a portion of the City-owned facility located at 19040 Vanowen Street for graffiti abatement, tree planting, and other conservation efforts.

The LACC was founded in 1986 by former U.S Secretary of Commerce Mickey Kantor and has led the way in a national conservation and service corps movement for more than 35 years. Today, LACC provides conservation and service programs in urban and rural communities, and employs more than 26,000 young people annually. LACC's primary mission is to provide at-risk young adults and school-aged youth with opportunities for success through job skills training, education and work experience.

The City proposes a lease agreement for zero rent.

TERMS AND CONDITIONS

The proposed lease agreement will contain the following:

LOCATION:	19040 Vanowen Street, Reseda, California
LANDLORD:	City of Los Angeles
USE:	The site will be used as a community conservation and services programming office.
SQUARE FEET:	Approximately 1,014
TERM	5 Years
OPTION TERM:	One 5-year option
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
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.

COMMUNITY BENEFIT

The City Administrative Officer completed the attached Community Benefit Analysis (CBA) and recommends approval of the proposed terms and conditions of the lease as detailed below.

The total CBA is \$579,228 annually, which includes Direct Services at \$353,621, Value of Operational Budget at \$145,066, and Additional Offsets/In-Kind Services at \$80,541. The market value for leased space is \$22,876 annually. The community benefit of \$579,228 annually exceeds the market value of \$22,876 for the leased space by \$556,352.

As outlined in the attached CBA, the proposed lease is consistent with the City's proposed Non-Profit Leasing Policy wherein the annual contribution in services from the non-profit lessee significantly exceeds the annual rental value of the space.

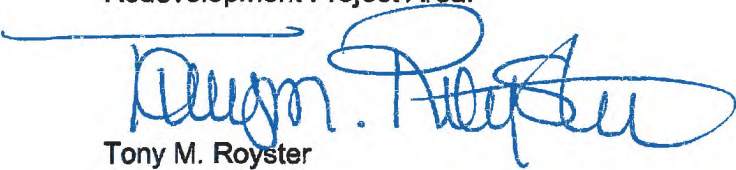
The lease agreement is for zero rent. The tenant will be responsible for the necessary tenant improvements to establish LACC's San Fernando Valley office. The office will facilitate graffiti abatement, tree planting, and other conservation efforts in the Reseda/Canoga Park Redevelopment Project Area.

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 authorize the Department of General Services to negotiate and execute a new lease agreement with Los Angeles Conservation Corps in order to provide for graffiti abatement, tree planting, and other conservation efforts in the Reseda/Canoga Park Redevelopment Project Area.



Tony M. Royster
General Manager

Community Benefit Analysis for Proposed Non-Profit Lease

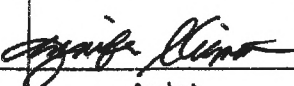
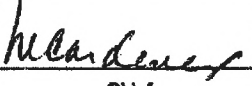
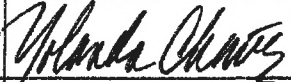
I. Proposed Lease Terms and Conditions	
Facility Location:	19040 Vanowen Street, Reseda, CA 91335
Lessee:	Los Angeles Conservation Corp, a non-profit 501(c)3 organization
Council File Reference:	17-0972 (Motion adopted on August 25, 2017)
Space Assignment:	Approximately 1,014 square feet
Term & Renewal Option:	Five (5) years, with one Five (5) year option to renew.
Market Rate:	\$1.88 per s.f. (Monthly Rate: \$1,906; Annual rate: \$22,876)
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 needed tenant improvements.
II. History and Current Services	
Mission:	To provide at-risk young adults and school-aged youth with opportunities for success through job skills training, education and work experience with an emphasis on conservation and service projects that benefit the community.
Vision:	<p>The L.A. Conservation Corps believes in second chances that:</p> <ul style="list-style-type: none"> • The past and the environment in which we were born should not limit our future. • Everyone thrives when they have a place they belong. • People connect more to their communities if they contribute to them. • Everyone deserves the opportunity to succeed in school and work. • All of L.A.'s citizens should have safe, clean communities and access to a beautiful green space. • By teaching environmental stewardship, young people will inspire change in others and change L.A.

Community Benefit Analysis for Proposed Non-Profit Lease

<p>Background / History:</p>	<p>LACC was founded in 1986 by former U.S. Secretary of Commerce, Mickey Kantor. LACC has led the way in a national conservation and service corps movement that is more than 35 years old, and now encompasses more than 100 corps in every state and the District of Columbia. LACC is modeled on the depression-era Civilian Conservation Corps which provided meaningful and paid environmental work to thousands of young men during one of our nation's most difficult periods. Today, these programs exist in urban and rural communities, and employ more than 26,000 young people annually in a variety of conservation and service projects.</p>
<p>Current Services:</p>	<p>The L.A. Conservation Corps consists of several community based programs that includes the following:</p> <ul style="list-style-type: none"> • Young Adult Corps that provides participants between the ages of 18-to-24 who were unsuccessful in a traditional high school the ability to obtain a high school diploma, paid on-the-job training, and a range of supportive services. • Clean & Green that offers valuable work experience in beautifying communities for high-school age students. • The SEA Lab that offers participants a Corpsmember-driven hands-on education about marine life and the importance of protecting our oceans.
<p>III. Community Benefit Analysis</p>	
<p>Value of Direct Services:</p>	<p>A. <u>Value of Dedicated Staff:</u> \$160,701</p> <ul style="list-style-type: none"> • <i>Calculated as 1.5 FTE* Management Staff @ 40 hours a week with an average hourly wage of \$24.84 for a total of \$77,501 per year (52 weeks).</i> • <i>Calculated as 2 FTE supervisors @ 40 hours a week with an average hourly rate of \$20 per hour for a total of \$83,200 per year (52 weeks).</i> <p>B. <u>Value of Services to Participants:</u> \$ 192,920</p> <ul style="list-style-type: none"> • <i>Calculated as 10 participants @ \$13.25 an hour for 28 hours a week for a total of \$192,920 per year (52 weeks).</i> <p>*FTE = full-time equivalent.</p>

Community Benefit Analysis for Proposed Non-Profit Lease

<p>Value of Operational Budget:</p>	<p>C. Value of Operational Budget - specify: \$ 145,066</p> <p><i>Includes: Staff benefits, CorpsMember benefits, transportation, project materials and uniforms, and office equipment that includes computers, tools, physical exams/first aid, office supplies, land lines, cell phones, and internet</i></p>
<p>Additional Offsets / In-Kind Services:</p>	<p>D. Value of Additional Offsets: \$80,541</p> <p><i>Includes: Overhead Costs as determined per federally negotiated indirect cost rate.</i></p>
<p>Total Community Benefit:</p>	<p>\$579,228 annually (=A+B+C+D above)</p>
<p>Market Value for Leased Space</p>	<p>\$22,876 annually *</p> <p>(*calculated as: average market rate of \$1.88 per s.f. multiplied by assigned space of 1,014 s.f. multiplied by 12 months = \$22,876)</p>
<p>Benefits Finding & Recommended Action.</p>	<p>Community benefits estimated at \$579,228 annually exceed the market value of \$22,876 for the leased space by \$556,352.</p> <p>The proposed lease is consistent with the City's proposed Non-Profit Leasing Policy in that the rental value of the space is exceeded by the annual contributions in services from the non-profit lessee. The proposed terms are recommended for approval.</p>

<p>12/12/2017</p>			
<p>Date</p>	<p>Analyst</p>	<p>Chief</p>	<p>Assistant CAO</p>

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