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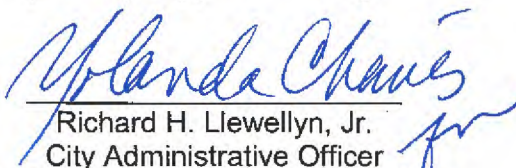
**TRANSMITTAL**

TO City Council	DATE 09-10-19	COUNCIL FILE NO. 18-0392
FROM Municipal Facilities Committee	COUNCIL DISTRICT 10	

At its regular meeting on August 29, 2019, the Municipal Facilities Committee considered the attached report from the Department of General Services, concurred with the recommendations, and instructed staff to transmit to Council for approval. Council approval of the report recommendations would authorized GSD to negotiate and execute a new three year license agreement with the Salvation Army for the City-owned property bounded by Hoover Street, South LaFayette Park Place, and Wilshire Boulevard ("LaFayette Park Triangle," APN 5077-005-901) in Los Angeles CA, 90057 for use as a temporary bridge housing facility.

Fiscal Impact

There is no anticipated impact to the General Fund for the approval of the recommendations in this report. Funding for operations in the amount of \$2,549,400 has been identified from the Homeless Emergency Aid Program Grant – AC 1 – Capital and Operating Support – A Bridge Home for this facility.

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

RHL:YC:JVW:BLM:15200036  
Attachment

# 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

August 29, 2019

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

Attention: Leyla Campos, Legislative Assistant

**REQUEST AUTHORIZATION TO NEGOTIATE AND EXECUTE A LICENSE  
AGREEMENT NEAR 625 S. LAFAYETTE PLACE WITH  
THE SALVATION ARMY FOR USE AS A BRIDGE HOUSING FACILITY**

The Department of General Services (GSD) requests authority to negotiate and execute a new license agreement between the City of Los Angeles (City) and the Salvation Army for Department of Recreation and Parks (RAP) controlled triangular property bounded by Hoover Street, South LaFayette Park Place, and Wilshire Boulevard (APN 5077-006-901), near 625 S. LaFayette Place St. Los Angeles, CA 90057 for use as a temporary bridge housing facility.

**BACKGROUND**

On March 8, 2019, the City Council adopted a motion (C.F. 18-0392) instructing staff to evaluate and determine if this property was suitable for development as a crisis and bridge housing facility and instructed the City's Homeless Coordinator to identify funds to operate the site. This evaluation was completed and the City Council in a subsequent motion instructed GSD to proceed with the negotiation of a 3-year license agreement for this purpose.

The triangle shaped RAP controlled site is bounded by Hoover Street, South Lafayette Park Place and Wilshire Boulevard. The City will license approximately 30,127 square-feet at zero cost for three years to construct and establish a bridge home. The license includes a holdover option, on a month-to-month basis after the license expiration date.



The Bureau of Engineering (BOE) and other appropriate City departments have determined this property is suitable for modular container structures containing bridge housing beds for approximately up to 70 individuals. The site will also include storage for residents, personal hygiene and laundry facilities, supportive and community engagement services, and 24-hour security.

The 3-year license agreement with the Salvation Army will include no rent and no renewal options. The Los Angeles Homeless Services Authority (LAHSA) has identified the Salvation Army as the service provider to manage and operate the site. The 3-year license term will commence upon the final approval of a Certificate of Occupancy by Los Angeles Department of Building and Safety.

### **FUNDING**

On March 8, 2019, the City Council approved a motion (Wesson - Cedillo) to allocate \$7,097,779 to construct the bridge housing facility for both 1819 Western and LaFayette Park Triangle (C.F. 18-0392) with approximately \$5,481,289 allocated for LaFayette Park Triangle.

On May 15, 2019, the City Council Committee on Homelessness and Poverty considered recommendations from the Homeless Strategy Committee (HSC) relative to a report from the City Administrative Officer (CAO) regarding the State Homeless Emergency Aid Program (HEAP) - First Quarterly Expenditure Report and Funding Recommendations. This report recommended HEAP funding to supplement County Measure H funding identified to pay for the operating costs at this site.

The Bureau of Engineering (BOE) contract with LSA Capital, the developer and HBG Construction Corporation, the general contractor is \$5,481,289.26. The source of those funds will be an appropriation from the Homeless Emergency Aid Program Grant Fund No. 60P/10. Additional CIEP funds for staff time and City contingency have been requested through the 1st Construction Projects Report for both 1819 Western and LaFayette Park Triangle. Operational funding in the amount of \$2,549,400 has been identified from the Homeless Emergency Aid Program grant - AC 1 - Capital and Operating Support - A Bridge Home for this facility.

### **SHELTER SERVICES**

The City has identified the Salvation Army as the service provider to manage and operate the site with experienced staff and security personnel. The Salvation Army is dedicated to ending homelessness with experience providing emergency housing facilities, homeless shelters, transitional living centers, group homes, and family shelters with over 10 million nights of lodging annually. In addition, the Salvation Army also combats long-term homelessness by providing homeless adults, veterans, and children with holistic physical, emotional, and spiritual support. They will provide support services which are funded for three years and include case management, mental health and substance abuse oversight. Program participants will remain at the shelter until they identify permanent housing or choose to exit the program

**MAINTENANCE**

The CAO advises a maintenance fund has been established in the Capital Improvement Expenditure Program (CIEP) for major building and site systems such as structural foundation, sewer, roof, HVAC, plumbing, electrical, fire and life safety systems. GSD shall be responsible for the major maintenance items of the facility.

Upon taking possession pursuant to a license, the Salvation Army, shall be responsible for daily maintenance and repairs throughout the site.

**COMMUNICATION, FURNITURE, FIXTURES AND EQUIPMENT**

The City through the approved services funding will provide the operator the communication, data, staff on-site phones, all the furniture, beds, office equipment, desks, chairs, and all the associated start-up furnishing required to equip the facility.

**ENVIRONMENTAL**

This site is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Article 19, Sections 15301 Class 1 (h); 15304, Class 4(a)(b)(e); and 15332 Class 32; as well as City of Los Angeles CEQA Guidelines, Article III, Section 1, Class 1 (8)(12); and Class 4(1)(3)(6); as set forth in the Notice of Exemption.

**COMMUNITY BENEFIT ANALYSIS**

Inasmuch as 'A Bridge Home' is a City program formed to facilitate temporary housing and social services for homeless individuals, the proposed license, being necessary for implementation of the subject 'A Bridge Home' project, does not require further analysis of community benefits in support of the license.

**TERMS AND CONDITIONS**

The proposed license will include the following:

- LOCATION: City-owned property near 625 S. LaFayette Park Place  
Los Angeles, CA 90057
- LICENSEOR: City of Los Angeles ~ GSD
- LICENSEE: The Salvation Army
- USE: Residential transitional housing for homeless
- SQUARE FEET: Approximately 30,127 sq. ft.

TERM: Three years (36 months) from Building and Safety's final Certificate of Occupancy issuance for the tenant improvements.

LICENSE EFFECTIVE DATE: Upon complete execution by both parties and attested by City Clerk's Office.

RENTAL RATE: \$0

ESCALATIONS: None

OPTIONS: None

HOLDOVER: Month to month

ADDITIONAL RENT: Licensee shall not be subject to any additional rent.

SECURITY DEPOSIT: None

UTILITIES: All utilities shall be paid by Salvation Army.

PARKING: On site, at no extra cost subject to availability.

SUBLICENSEE CLAUSE: Salvation Army shall be permitted to sublicense to an operator with City's prior written consent which shall not be unreasonably withheld.

CUSTODIAL: Provided by the Salvation Army

PROPERTY TAXES: City shall not be subject to any property tax. Licensee may be subject to a possessory interest tax.

TENANT IMPROVEMENTS: City shall be responsible for Tenant Improvements for container structures, including any fence or wall construction, if needed.

INSURANCE: Salvation Army shall provide insurance for the property and to be further determined by Risk Management.

MAINTENANCE: City to maintain major building systems including heating, ventilation, air conditioning, water heaters, fire alarm and sprinkler system, exterior and interior walls, and plumbing and electrical systems.

Licensee shall provide basic and routine daily maintenance and repairs within the facility.

**FISCAL IMPACT**

There is no impact to the General Fund. A total of \$5.4 million dollars in funding for site is provided by the Homeless Emergency Aid Program Grant Fund No. 60P/10, AC-1 - Capital and Operating Support and General City Purposes Fund No. 100/56.

**RECOMMENDATION**

That the Los Angeles City Council, subject to approval of the Mayor, authorize the Department of General Services to negotiate and execute a license with the Salvation Army for 625 S. Lafayette Place, under the terms and conditions as substantially outlined in this report.

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Tony M. Royster  
General Manager