

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE REPORT relative to the lease of former Fire Station 65, located at 1525 East 103rd Street in Council District 15 to Watts Counseling and Learning Center.

Recommendations for Council action:

1. FIND that Watts Counseling and Learning Center, a 501(c)3 non-profit Community Benefit Program of Kaiser Permanente of Southern California/Foundation Health Plan, Inc. (Kaiser), provides a significant community and public benefit to Los Angeles residents that is greater than the current market value of the proposed lease agreement for Former Fire Station 65.
2. AUTHORIZE the General Manager, Department of General Services (GSD), with assistance from the City Attorney and other necessary departments, to finalize negotiations and execute a lease agreement with Kaiser for the Former Fire Station 65 property located at 1525 East 103rd Street, as illustrated in Attachment 1 and outlined in Attachment 2 of the Chief Administrative Officer report, dated October 4, 2018, and without material changes.
3. FIND under the California Public Resources Code, Section 21166 and the State's Environmental Quality Act Guidelines Section 15162, on the basis of substantial evidence contained in the whole record, made at the public hearings on April 18, 2018, and pursuant to Charter Section 562 and the Los Angeles Municipal Code (LAMC) Section 12.27 B, that a zone variance from LAMC Sections 12.04.09 B and 12.23 B.7(a) to allow the change in use of a leased space within an existing municipal building in the Public Facility zone to a privately operated community services center on an interim basis is appropriate.
4. DETERMINE that the five requirements and prerequisites for granting a variance as enumerated in Section 562 of the City Charter and Section 12.27 of the LAMC have been established by the adoption of the Mitigated Negative Declaration No. ENV-2017-1063-MND on July 16, 2018, there have been no changes to project, changes with respect to the circumstances under which the project is being undertaken or new information of substantial importance concerning the project, which cause new significant environmental effects or a substantial increase in the severity of previously identified effects, and therefore no subsequent negative declaration, addendum, or further environmental documentation is necessary.
5. AUTHORIZE the City Attorney to make any technical corrections that would be necessary to execute the agreement.

Fiscal Impact Statement: The CAO reports that there is no anticipated revenue to the General Fund from approval of the lease. The total estimated community benefit over the three-year term of the lease is \$2.18 million in capital improvements or \$726,667 annually. The total revised annual lost revenue based on the revised 7,760 square feet is \$81,946. The revised community benefit to the City is \$644,721 annually. Additionally, the City will own the permanent capital improvements after termination of the lease.

Community Impact Statement: None submitted.

SUMMARY:

At its regular meeting held on October 9, 2018, the Information, Technology, and General Services Committee considered a CAO report relative to the lease of former Fire Station 65 located at 1525 East 103rd Street in Council District 15 to Watts Counseling and Learning Center, a non profit 501(c)3 Community Benefit Program of Kaiser Permanente Health Plan, Inc.

After providing an opportunity for public comment, the Committee moved to approve the recommendations contained in the CAO report, as detailed above. This matter is now forwarded to Council for its consideration.



Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
RODRIGUEZ:	YES
BLUMENFIELD:	YES
O'FARRELL:	YES

LC 10/09/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-