

0220-05855-0000

**T R A N S M I T T A L**

TO Council	DATE 05-27-21	COUNCIL FILE NO. 21-0044
FROM Municipal Facilities Committee	COUNCIL DISTRICT 10	

At its meeting held on May 27, 2021, the Municipal Facilities Committee (MFC) approved the recommendation of the attached General Services Department (GSD) report, which is hereby transmitted for Council consideration. Adoption of the report would authorize GSD to negotiate and execute a new non-profit lease with the Los Angeles Homeless Services Authority (LAHSA) for office space (approximately 6,599 square foot) located at 1819 South Western Avenue, to use for outreach coordination and service deployment for the South Los Angeles community, for a term of four years with one four-year option to extend. As supported by the Community Benefits analysis performed for the LAHSA Master License Agreement (C.F. 08-3323-S1), this is a zero-dollar annual lease that assigns responsibility responsible for day-to-day custodial, repairs and maintenance to LAHSA.

For the initial one-year term, the Council Office has provided one-time discretionary funding of \$110,000 to address site rehabilitation (\$60,000 to make the building move-in condition) and to maintain the Heating, Ventilation and Cooling (HVAC) system, plumbing, roof, parking lot and elevator (\$50,000). To avoid a potential General Fund impact, any expenses over this amount for the initial year term or for future years would need to be prioritized for funding through the Capital Technology Improvement Expenditure Program (CTIEP), based on funding availability and relative needs to maintain other City-owned facilities.

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

RHL:KH:05210143

# CITY OF LOS ANGELES

CALIFORNIA

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GENERAL MANAGER  
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May 27, 2021

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

Attention: Armando Bencomo, Legislative Assistant

## **REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A NEW LEASE WITH THE LOS ANGELES HOMELESS SERVICES AUTHORITY AT 1819 S. WESTERN AVENUE**

The Department of General Services (GSD) requests authority to negotiate and execute a new lease with the Los Angeles Homeless Services Authority (LAHSA) for office space at a City owned property located at 1819 S. Western Ave, Los Angeles, CA 90006.

### **BACKGROUND**

On January 19, 2021, the Los Angeles City Council adopted a motion from Council District 10 (CD-10) Mark Ridley-Thomas directing GSD to negotiate and execute a no-cost lease with LAHSA in order to establish an outreach coordination hub and deployment site for the surrounding area and the broader South Los Angeles community (C.F. 21-0044).

The site was previously used as the CD-10 Field Office. CD-10 will retain four office spaces totaling 346 square feet (SF) on the first floor for its Rapid Response Team and field officers. A large refuse container used by the Rapid Response Team will remain in the parking lot with one parking space allotted for the pick-up vehicle. A Bridge Home facility providing 18 beds will continue operating in its designated space in the northwest corner of the parking lot. Additionally, 15 parking spaces will be designated for a future license agreement with the Debbie Allen Dance Academy, a non-profit organization down the street, as directed in an amending motion.

LAHSA will utilize this property for their Homeless Engagement Team members to park vehicles, store equipment, and have dedicated desk space. This includes five teams dedicated to CD's 10, 8, 9, 14, and 15 and another five teams dedicated to CD's 1, 4, 5, 11 and 13. LAHSA will provide the furniture to create micro-cubicles for these teams within the existing community room. Additionally, Access and Engagement leadership groups will share office space on the second floor.



**TERMS AND CONDITIONS**

LAHSA will lease approximately 6,599 SF of the 6,945 SF site for four years commencing on the date of attestation by the City Clerk. There will be one four-year option to extend. Both parties will have the right to terminate the agreement with a 60-day written notice. Parking may be used as available.

GSD Construction Forces will complete improvements to make the building move-in ready including cleaning, wall repairs, paint, new carpeting in damaged areas, and pressure washing.

A complete set of terms and conditions are outlined on the attached term sheet.

**COMMUNITY BENEFIT ANALYSIS**

A community benefit analysis was already performed to support the LAHSA Master License Agreement authorization (CF 08-3323-S1). The Master License created the legal support for designating satellite locations of the operational arm LAHSA's program, and, now, this lease identifies the "home base" for those operations. The community benefits are one and the same.

**LAHSA SERVICES**

LAHSA's team will provide community outreach to Service Planning Area 6, which includes communities of Athens, Compton, Crenshaw, Florence, Hyde Park, Lynwood, Paramount, and Watts. Three outreach Supervisors and 15 Homeless Engagement Teams will occupy the space. They will also use the space for collaborative meetings, outreach, and community-based partners, and as a hub for COVID-19-related supply distribution.

**MAINTENANCE, UTILITIES AND LANDSCAPING**

Upon lease execution, LAHSA will set up accounts directly with utility providers. LAHSA will be responsible for all day-to-day upkeep and custodial duties of the building and cleaning the parking lot. LAHSA is obligated to maintain interior light fixture lamps, interior paint, localized plumbing drain backups which do not affect the mainline, and damage resulting from negligent or other acts or omissions of Lessee or Lessee's Parties including replacement or repair of fixtures, electrical outlets, plumbing, and HVAC.

Throughout the lease term, the GSD Building Maintenance Division will provide repair and maintenance for the HVAC system, roof, elevator, parking lot, and plumbing, except for acts of negligence by LAHSA or its guests.

**FUNDING**

The CAO will allocate funds from CD-10 including \$60,000 for GSD Construction Forces to perform improvements to make the building move-in ready. CD-10 has provided \$50,000 as a one-time funding to partially address any maintenance issues in the upcoming fiscal year. GSD's Citywide Building Maintenance Account will be used until further funding is identified.

**FISCAL IMPACT**

There is an anticipated General Fund impact for unfunded maintenance expenses projected commencing in Year Two through termination of the lease. For the first lease year, the Council Office has provided one-time discretionary funding of \$50,000 to address repairs and

maintenance. The CAO advises that to avoid a General Fund impact, any expenses over this amount for the initial year term or for future years would need to be prioritized for funding through the Capital Technology Improvement Expenditure Program (CTIEP), based on funding availability and relative needs to maintain other City facilities.

**RECOMMENDATION**

That the Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to execute a new lease agreement with the Los Angeles Homeless Services Authority for the City-owned property located at 1819 S. Western Ave, Los Angeles, CA 90006 under the terms and conditions substantially as outlined in this report.



Tony M. Royster  
General Manager

Attachments: Term Sheet

## LEASING TERM SHEET

MFC DATE	05/27/2021
LANDLORD	City of Los Angeles
ADDRESS	111 E 1st Street, Room 201, Los Angeles, CA 90012
TENANT	Los Angeles Homeless Services Authority
ADDRESS	811 Wilshire Blvd, 6th Floor, Los Angeles, CA 90017
LOCATION	1819 S Western Ave, Los Angeles, CA 90006
AGREEMENT TYPE	Non-profit lease
USE	Office
SQUARE FEET	Approximately 6,599 SF (6,945 Total SF, City retains 4 offices = 346 SF)
TERM	4 years
RENT START DATE	Date Attested
LEASE START DATE	Date Attested
OPTION TERM	One 4-year extension option
HOLDOVER	Month-to-Month
SUBLET/ ASSIGNMENT	Right to Sublease/Assign - Landlord approval
TERMINATION	Either party may terminate with 60 day notice
RENTAL RATE	\$00.00
ESCALATION	N/A
RENTAL ABATEMENT	N/A
ADDITIONAL RENT	N/A
PROPERTY TAX	N/A
OPEX	City to maintain HVAC, plumbing, elevator, roof, and parking lot throughout lease
CAM	LAHSA

OTHER	
SECURITY DEPOSIT	N/A
MAINTENANCE/ REPAIR	Tenant  
MAINTENANCE/ REPAIR DETAILS	LAHSA responsible for day to day custodial, repairs, and maintenance. City will maintain HVAC, plumbing, roof, parking lot, FLS, and elevator unless caused by negligent acts of LAHSA or its guests. \$50k funded for Year 1, then unfunded.
TENANT IMPROVEMENTS	CD-10 will designate \$60k for carpet replacement, wall patching, painting, pressure washing, and miscellaneous repairs to make the building move-in ready.
PARKING	As available, except 15 reserved spaces for Debbie Allen Dance Academy
UTILITIES	LAHSA
CUSTODIAL	LAHSA
SECURITY	LAHSA
PROP 13 PROTECTION	City is Exempt  
INSURANCE (City)	Tenant shall indemnify and hold harmless the City
OTHER:	<p>The City will continue to use 4 offices on the first floor (approx 346 SF) 1 truck parking space, and use the refuse container. Available parking will be shared with A Bridge Home.</p> <p>The City reserves the right to license up to 15 parking spaces to another party. The parking agreement will indemnify and hold harmless LAHSA.</p> <p>LAHSA is obligated to maintain interior light fixture lamps, interior paint, localized plumbing drain backups which do not affect the mainline, and damage resulting from negligent or other acts or omissions of Lessee or Lessee's Parties including replacement or repair of fixtures, electrical outlets, plumbing, and HVAC.</p>