

0150-11853-0000

**TRANSMITTAL**

TO Council	DATE 03-03-21	COUNCIL FILE NO. 05-2577
FROM Municipal Facilities Committee		COUNCIL DISTRICT 6

At its meeting held on February 25, 2021, the Municipal Facilities Committee (MFC) adopted the recommendation in the attached General Services Department (GSD) report, which is hereby transmitted for Council consideration. Approval of the report recommendation would authorize GSD to negotiate and execute a new non-profit sub-license agreement with Instituto De Educacion Popular del Sur De California (IDEPSCA) for the operation of a Day Laborer Resource Center (DLRC) at the property located at 8250 Balboa Place, Los Angeles, CA 91406 (Balboa) under the terms and substantially as outlined in the attached report. The owner of the site, Los Angeles World Airports, leases the site to First City Pacific Inc. Bank which subleases it to Home Depot (HD). HD sub-subleases 3,900 square feet at the site to the City for the operation of the DLRC. The original sub-sublease with the City expired on May 17, 2009. Currently, the City is on a month-to-month status under the terms of the sub-lease, pending Council approval of authority for GSD to negotiate a renewal of the sub-sublease.

The IDEPSCA was selected by the Economic and Workforce Development Department (EWDD) through a Request for Proposals process in 2020 and the DLRC site will be administered as part of EWDD's network of eight citywide DLRC sites. The sub-license agreement will be effective retroactively from July 1, 2020 through June 30, 2021 to align with the contract term dates of EWDD's service agreement with IDEPSCA.

Fiscal Impact

Funding in the amount of up to \$175,000 in General Fund dollars is available in the EWDD's Adopted 2020-21 Budget for the Day Laborer Center contract with the Instituto De Educacion Popular del Sur De California.



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

RHL:YC:SAM:02210118C

**CITY OF LOS ANGELES**  
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GENERAL MANAGER  
AND  
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111 EAST FIRST STREET  
LOS ANGELES, CA 90012  
(213) 928-9555  
FAX No. (213) 928-9515

February 25, 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 SUB-LICENSE  
AGREEMENT WITH INSTITUTO DE EDUCACION POPULAR DEL SUR DE CALIFORNIA  
AT 8250 BALBOA PLACE**

The Department of General Services (GSD) requests authority to negotiate and execute a sub-license agreement with Instituto De Educacion Popular del Sur De California (IDEPSCA), a 501(C)3 nonprofit organization to operate a Day Laborer Resource Center (DLRC) located at 8250 Balboa Place, Los Angeles, CA 91406 (Balboa).

**BACKGROUND**

On June 30, 2020, the Los Angeles City Council (Council) adopted an Economic and Workforce Development Department (EWDD) joint report (CF 20-0673) dated May 28, 2020, adopting the Year 2021 WDB Annual Plan for Program Year 2020-21. This authorizes EWDD to negotiate and execute agreements and amendments described in the Annual Plan approving the acceptance of various grant funds and approving the results of the 2020 DLRC Request for Proposals (RFP), which included Balboa.

In July 2020, EWDD advised IDEPSCA, authorized by City Council and the Mayor (CF 20-0600), to move into the site and begin operations under the EWDD Service Contract. In May 2020, EWDD selected IDEPSCA as the contract service provider through 2020 Day Labor Resource Center RFP. Although a service contract is in place, IDEPSCA has been operating the site since July 2020 without an accompanying license agreement with terms and conditions for the facility's use. This license agreement will run concurrently with the service contract with EWDD which can be renewed annually through June 30, 2025.

Los Angeles World Airport (LAWA) owns property at this location which contains a Home Depot store. A portion of the Home Depot site is subleased to the City for the DLRC. On July 1, 1985, LAWA leased the entire site to First City Pacific, Inc. bank who subleases it to Home Depot, Inc.



(HD). HD then sub-subleased approximately 3,900 square feet of the site to the City for DLRC operations. The sub-sublease to the City, for \$1 a year, was approved through Council File 05-2577 and expired on May 17, 2009, however the City is on a month-to-month holdover status under the terms of the sub-lease, which the City intends to renew. The City has the right to terminate their sub-sublease on 30-days notice and HD has the right to terminate the sublease with 90-days notice. Balboa's facility is an approximately 750 square foot (sf) cinder block building on the border of the HD parking lot and is a popular gathering site for day laborers.

### **TERMS AND CONDITIONS**

IDEPSCA will retroactively license the site for zero rent for one year, beginning July 1, 2020 through June 30, 2021, with four one-year extension options at City's sole discretion. Funding for the DLRC program is provided in EWDD's Fiscal Year (FY) 2020-21 budget. EWDD will oversee the DLRC. EWDD will request ongoing funding in the City's FY 2021-22 budget.

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

### **DAY LABORER RESOURCE CENTER SERVICES**

The IDEPSCA is a nonprofit community-based organization whose purpose is to promote self-determination in the Latino community in Southern California politically, culturally, and economically using popular education methodology. IDEPSCA promotes the development of collective solutions to community problems.

The DLRC is a program that allows persons seeking casual labor work to safely congregate and be matched with employers seeking temporary workers. Each DLRC provides fixed hiring centers in select areas of the City where day laborers can congregate safely and wait for prospective employers, thus serving as an alternative to the practice of congregating in public streets and/or in front of business establishments. Basic amenities to day laborers such as water, coffee, bread, lavatories, waste disposal, benches and shade are also provided.

### **MAINTENANCE, UTILITIES AND LANDSCAPING**

The CAO advises that a maintenance fund has been established from the General Fund in the CIEP for major building and site systems such as structural, foundation, sewer, roof, HVAC, plumbing, electrical, and fire and life safety systems, if applicable. GSD shall be responsible for the major maintenance items of the facility. Upon taking possession, IDEPSCA will maintain fire extinguisher requirements and provide basic and routine daily maintenance and landscaping throughout the DLRC site and pay for utilities.

### **COMMUNITY BENEFIT**

Pursuant to a contract between IDEPSCA and EWDD, the Service Provider is required to provide Day Laborer Services to the community on behalf of the City, in return for compensation from the City, and the contract requires the Service Provider to provide such services out of the City facility located at Balboa. The proposed sublicense is to accommodate the activities contemplated and required under the EWDD contract. In this situation, a Community Benefit Analysis, which is used to determine the amount of rent that may or may not need to be charged for the occupancy of a City facility, is not necessary.

**FUNDING**

The Balboa DLRC source of funds is the City General Fund (GF). Funding is for a 12-month period, July 1, 2020 through June 30, 2021, and is subject to the availability of funds and contingent upon City Council and Mayor approval. Other facility fixed costs may include a portable toilet lease, private trash disposal service, trailer lease, utilities (water, electricity), telephone/fax lines and internet service. Funding for the DLRC program is provided in Economic and Workforce Development Department (EWDD) Fiscal Year (FY) 2020-21 budget. EWDD will request ongoing funding in the City's FY 2021-22 budget. EWDD will oversee the DLRC.

The City also provides funding through EWDD's budget to accommodate the communication, data, and staff phones, all the furniture, office equipment, desks, chairs, and all the associated start-up furnishing required to equip the facility.

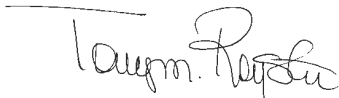
**FISCAL IMPACT**

Financing of approximately \$175,000 for IDEPSCA to administer the DLRC program is provided through the General Fund in EWDD's FY 2020-21 budget.

No revenue will be generated from this sub-license to the General Fund during the term period.

**RECOMMENDATION**

That the Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to execute a new license agreement with Instituto De Educacion Popular del Sur De California for the City-owned property located at 8250 Balboa Place, Los Angeles, CA 91406 under the terms and conditions substantially as outlined in this report.



Tony M. Royster  
General Manager

Attachments: Term Sheet

## LEASING TERM SHEET

MFC DATE	02/25/2021
LANDLORD	City of Los Angeles
ADDRESS	200 North Main Street, Los Angeles, CA 90012
TENANT	INSTITUTO DE EDUCACION POPULAR DEL SUR DE CALIFORNIA (IDEPSCA)
ADDRESS	811 Wilshire Blvd., 6th Floor, Los Angeles, CA 90017
LOCATION	8250 Balboa Place, Los Angeles, CA 91406
AGREEMENT TYPE	NNN (License)
USE	Office
SQUARE FEET	Approximately 750
TERM	Co-terminus with EWDD/IDEPSCA sontract starting July 1, 2020-June 30, 2021
RENT START DATE	July 1, 2020
LEASE START DATE	Upon attestation by City Clerk
OPTION TERM	Four (4) additional one (1) year terms.
HOLDOVER	Month-To-Month
SUBLET/ ASSIGNMENT	No Right to Sublease/Assign - Landlord approval
TERMINATION	City retains right to revoke any specific site at will with 30 days notice
RENTAL RATE	n/a
ESCALATION	n/a
RENTAL ABATEMENT	n/a
ADDITIONAL RENT	n/a
PROPERTY TAX	n/a
OPEX	n/a
CAM	n/a

OTHER	n/a
SECURITY DEPOSIT	n/a
MAINTENANCE/ REPAIR	Tenant
MAINTENANCE/ REPAIR DETAILS	Licensee will provide daily and routine custodial services during the hours of operation. City will maintain the building and lot under general conditions.
TENANT IMPROVEMENTS	None
PARKING	n/a
UTILITIES	All utilities will be paid by the City
CUSTODIAL	Provided by the licensee during operating hours of the Day Laborer Program
SECURITY	Provided by the licensee during operating hours of the Day Laborer Program
PROP 13 PROTECTION	Other
	n/a
INSURANCE	Tenant shall indemnify and hold harmless the City
OTHER:	