

CITY OF LOS ANGELES
CALIFORNIA

Agenda Item No. 6

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

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March 26, 2020

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

Attention: Armando Bencomo, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE
A BRIDGE HOUSING FACILITY LICENSE WITH U.S. VETS INITIATIVE**

The Department of General Services (GSD) requests authority to negotiate and execute a new license with U.S. Veterans Initiative (U.S. Vets), for property located at 826 Eubank Avenue Wilmington, CA 90744 for use as a temporary bridge housing facility.

BACKGROUND

On December 12, 2019, City Council adopted a motion (C.F. 18-0651-S2) instructing City staff to evaluate and determine if this site was suitable for a use as a temporary bridge housing facility. Subsequently, the City's Homeless Coordinator requested GSD proceed with the negotiation of a 42-month permit agreement with the Port of Los Angeles – Harbor Department (POLA) for the use of the site.

The 47,233 square foot (s.f.) site in Council District 15 consists of open lot to construct and establish a bridge home. The POLA license agreement expires on August 31, 2023 and has been finalized. Under the direction of Bureau of Engineering (BOE), the project is currently being built with projected completion dates as of June 2020.

TERMS AND CONDITIONS

The license will commence on the approval and issuance of a Certificate of Occupancy and expires on 8/31/2023 consistent with the POLA license agreement, which includes no holdover option and a 120-day notice termination option. Additional terms and conditions are outlined on the attached term sheet.



SHELTER SERVICES

U.S. Vets has been selected as the non-profit provider to operate this site and a separate report on their shelter services. The City, through the Los Angeles Homeless Services Authority (LAHSA), identified U.S. Vets as the service provider to manage and operate the site with experienced staff and security personnel. U.S. Vets, a 501(c)3 non-profit organization, is the nation's largest nonprofit provider of comprehensive services to homeless and at-risk veterans. It provides housing, employment and counseling services, and treatment for mental and physical health problems.

At each of its 11 locations around the country, U.S. Vets' personnel go into the local community to find homeless veterans and guide them to crucial services that might help alleviate the challenges they face as a result of their homelessness.

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.

The City acknowledges receipt of Phase I and Limited Phase II Environmental Site Assessment Report and the First Addendum to Phase I and Limited Phase II Environmental Site Assessment Report for the Premises. The City will indemnify and hold harmless POLA for any legal challenges to the environmental process or documentation including, any legal challenge to the CEQA documentation, permits, agreements and/or approvals.

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 lease.

FUNDING

The estimated total project costs are approximately \$7.7 million dollars. Funding in the amount of \$5,537,350 was provided in the Bridge Housing Fund line item within the General City Purposes (GCP) Fund, and \$2,184,232 from the Unappropriated Balance in 2018-19 for total project funding in the amount of \$7,721,582 (C.F. 18-0651-S2). The total cost includes \$84,100 for Furniture, Fixtures and Equipment (FF&E). On August 26, 2019, Council approved 12-months of operating costs from HEAP and GCP for Eubank in the amount of \$2,196,000 (C.F. 18-0628). The CAO is working with the Mayor's Office to identify operational cost funding for the remaining two years either through Measure H, or the Homeless Housing and Assistance Program (HHAP) grant monies.

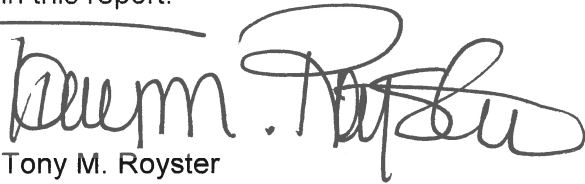
FISCAL IMPACT

There is no additional General Fund impact as \$7.7 million has been allocated for construction and \$2.2 million for one year of operational costs from the General City Purposes and the Unappropriated Balance. The CAO is working with the Mayor's Office to identify operational cost

funding for the remaining two years either through Measure H, or the Homeless Housing and Assistance Program (HHAP) grant monies.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to negotiate and execute a license with U.S. Vets at 826 Eubank Avenue for use as a temporary bridge housing facility under the terms and conditions as substantially outlined in this report.



Tony M. Royster
General Manager

Attachment

LEASING TERM SHEET

MFC DATE

LANDLORD

ADDRESS

TENANT

ADDRESS

LOCATION

AGREEMENT TYPE

USE

SQUARE FEET

TERM

RENT START DATE

LEASE START DATE

OPTION TERM

HOLDOVER

SUBLET/
ASSIGNMENT

TERMINATION

RENTAL RATE

ESCALATION

RENTAL ABATEMENT

ADDITIONAL RENT

PROPERTY TAX

OPEX

CAM

OTHER	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	Tenant
MAINTENANCE/ REPAIR DETAILS	Tenant shall repair and maintain daily repairs not limited to plumbing, HVAC, electrical, fire life safety that are not part of the major building systems.
TENANT IMPROVEMENTS	None. City shall build and construct the Premises per the approved plans and subject to a Certificate of Occupancy.
PARKING	Subject to availability
UTILITIES	Operator shall be responsible for all utilities
CUSTODIAL	Operator shall be responsible for all custodial
SECURITY	Operator shall be responsible for security including equipment
PROP 13 PROTECTION	City is Exempt
INSURANCE	Tenant shall indemnify and hold harmless the City
OTHER:	<p>Early Possession: If a temporary Certificate of Occupancy is obtained and approved, Licensee shall have 20 business days to move personal property and equipment onto the Premises subject to City rules and regulations.</p> <p>City's Repair and Maintenance Obligations: City shall repair and maintain Building Systems limited to Tent Structure, Trailers, HVAC and Fire Life Safety Systems for Preventative Maintenance and under Manufacturer's Warranty. to be further defined in the Agreement.</p>