CITY OF LOS ANGELES

TONY M. ROYSTER GENERAL MANAGER AND CITY PURCHASING AGENT California



KAREN BASS MAYOR Agenda Item No. 5

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

May 25, 2023

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

Attention: Mandy Morales, Legislative Assistant

REQUEST AUTHORIZATION TO NEGOTIATE AND EXECUTE A LEASE AMENDMENT AT 1215 S. LODI AVENUE WITH YOUNG WOMEN'S CHRISTIAN ASSOCIATION (YWCA) AND SUBLEASE AMENDMENT WITH PEOPLE ASSISTING THE HOMELESS (PATH) FOR USE AS A BRIDGE HOUSING FACILITY

The Department of General Services (GSD) requests authority to negotiate and execute a lease amendment with the Young Women's Christian Association (YWCA) and a sublease amendment with People Assisting the Homeless (PATH), respectively, for the continued operation of A Bridge Home site located at 1215 S. Lodi Place Los Angeles, CA 90038 in Council District 13 (CD13).

BACKGROUND

The City's Homeless Coordinator requested that GSD negotiate a 13-month lease amendment agreement with YWCA and sublease amendment with PATH to continue providing homeless services at this site. The current lease and sublease, established on March 20, 2020, is in holdover status as it expired on February 25, 2023. GSD just received direction and details on the extension terms.

The site is the historic Hollywood Studio Club property located in Council District 13. The City will continue to lease approximately 31,087 square feet of the building for 13 months to operate a bridge housing facility. The lease includes a holdover option, on a month-to-month basis after the lease expiration date. The site currently includes a total of 124 beds.

TERMS AND CONDITIONS

The current City's lease cost to the YWCA is \$111,005.22 per month. Additionally, there is an approximate current balance of \$100,000 due to the YWCA which was carried over

from underpaid utilities because of a billing oversight by the YWCA. As part of the extension, the City has agreed to pay this outstanding balance in exchange for a half month of rent abatement.

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

SHELTER SERVICES

PATH has been operating 124 interim housing beds at this site and will also manage and operate the expanded program site around the clock with experienced staff and security personnel.

PATH started by distributing food and clothing to people living on the streets. Now, over 30 years later, PATH has more than 25 locations throughout California, provides services in more than 140 cities, and has more than 1,000 units of permanent supportive housing completed or in the pipeline. PATH's mission is to end homelessness for individuals, families, and communities.

LAHSA will execute a separate service contract with PATH to operate the site.

BUILDING MAINTENANCE, UTILITIES, AND LANDSCAPING

The Landlord, YWCA shall be responsible for all major building and site systems such as structural foundation, sewer, roof, HVAC, plumbing, electrical, fire and life safety systems. The operator, PATH, through the sublease agreement will be responsible for day-to-day repairs and maintenance of the site. Furthermore, PATH will be responsible for utility payments for their pro-rata share of the site to be paid directly to the Landlord.

ENVIRONMENTAL

Through the CAO's 15th Roadmap funding report (CF# 20-0841-S30) approved by the City Council and Mayor on March 8, 2023, it was determined that the interim housing project involved in this approval was exempt from the California Environmental Quality Act (CEQA). Findings state that this site is statutorily exempt under Public Resources Code Section 21080(b)(4) as a specific action necessary to prevent or mitigate an emergency as also reflected in CEQA Guideline Section 15269(c); Public Resources Code section 21080.27 (AB 1197) applicable to City of Los Angeles emergency homeless shelters. The current leasing approval is an action toward implementing, and in furtherance of, the previously approved and exempt project.

FUNDING

In the CAO funding report approved by the Mayor and Council on June 7, 2022 (CF 20-0841-23), \$1,401,600 of County Agreement funds were allocated for the operations of the A Bridge Home site through June 30, 2023. Operations will be provided by the service provider PATH and will be funded at the beginning of each Fiscal Year with the same monies moving forward. On March 8, 2023, the Mayor and Council approved the 16th Roadmap funding report, which allocated \$3,042,852 of County Agreement funds for

Honorable City Council

leasing costs through the end of the COVID-19 Homelessness Roadmap agreement ending June 30, 2025.

FISCAL IMPACT

There is no anticipated impact to the General Fund at this time.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize GSD to negotiate and execute a lease amendment agreement with YWCA, and a sublease agreement with PATH for the extension of the "A Bridge Home" site located at 1215 Lodi Place Los Angeles, CA 90038 to operate an interim housing site under the terms and conditions substantially outlined in this report.

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Tony M. Royster General Manager

Attachments: YWCA Term Sheet PATH Term Sheet

LEASING TERM SHEET

MFC DATE	5/25/2023
LANDLORD	Young Women's Christian Association (YWCA)
ADDRESS	1215 Lodi Place
TENANT	City of Los Angeles - GSD
ADDRESS	111 East First Street 2nd Floor Los Angeles, CA
LOCATION	1215 Lodi Place
AGREEMENT TYPE	Lease Amendment
USE	Interim Housing
SQUARE FEET	Approximately 37,000 Square Feet
TERM	13 months
RENT START DATE	02/26/23
LEASE START DATE	02/26/23
OPTION TERM	3 1-Year Options to Extend
HOLDOVER	None
SUBLET/ ASSIGNMENT	None
TERMINATION	None
RENTAL RATE	\$111,005.22/month
ESCALATION	None
RENTAL ABATEMENT	Half Month - \$55,502.61 for month 2
ADDITIONAL RENT	None
PROPERTY TAX	None
OPEX	None
CAM	None

OTHER	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	Landlord shall be responsible major building systems
MAINTENANCE/ REAPAIR DETAILS	Landlord shall maintain major Building Systems - limited to main plumbing responsibility, HVAC, major electrical systems, and fire life safety systems. Tenant shall maintain daily and preventative maintenance items
TENANT IMPROVEMENTS	None
PARKING	As available on site, subject to availability.
UTILITIES	Tenant and Subleasee shall be responsible 78% of the Utility.
CUSTODIAL	Provider, PATH shall be responsible for all custodial
SECURITY	PATH shall be responsible for security on the site.
PROP 13 PROTECTION	Other None
INSURANCE	Landlord shall indemnify and hold harmless the City
OTHER:	City of Los Angeles, as part of the extension will remit the remaining balance due which is approximately \$100,000 for PATH as a one time courtesy.
	Shonon Shelton Sharon Shelton Interim CEO 3/3/23

LEASING TERM SHEET

MFC DATE	5/25/2023
LANDLORD	City of Los Angeles - GSD
ADDRESS	111 E. 1st St. 2nd Floor Los Angeles, CA 90012
TENANT	People Assisting the Homeless (PATH)
ADDRESS	350 N. Madison LA, CA 90004
LOCATION	1215 Lodi Place
AGREEMENT TYPE	Sublease Amendment
USE	Interim Housing
SQUARE FEET	Approximately 37,000 Square Feet
TERM	1 Year
RENT START DATE	02/26/23
LEASE START DATE	02/26/23
OPTION TERM	3 1-Year Options to Extend
HOLDOVER	None
SUBLET/ ASSIGNMENT	None
TERMINATION	Landlord's Right - 30 day written notice
RENTAL RATE	None
ESCALATION	None
RENTAL ABATEMENT	None
ADDITIONAL RENT	None
PROPERTY TAX	None
OPEX	None
CAM	None

OTHER	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	Tenant's responsibility for all items that are not considered major building
MAINTENANCE/ REAPAIR DETAILS	Landlord shall maintain major Building Systems - limited to main plumbing responsibility, HVAC, major electrical systems, and fire life safety systems. Tenant shall maintain daily and preventative maintenance items.
TENANT IMPROVEMENTS	None
PARKING	As available on site, subject to availability.
UTILITIES	Tenant shall be responsible for all utilities - 78% prorata share
CUSTODIAL	Provider shall be responsible for all custodial
SECURITY	Provider shall hire a security contractor for the site.
PROP 13 PROTECTION	Other None
INSURANCE	Landlord shall indemnify and hold harmless the City
OTHER:	