CITY OF LOS ANGELES

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



Agenda Item No. 7

DEPARTMENT OF

GENERAL SERVICES

ROOM 701

CITY HALL SOUTH

111 EAST FIRST STREET

LOS ANGELES, CA 90012

(213) 928-9555

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January 25, 2024

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

Attention: Leyla Campos, Legislative Assistant

REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LEASE AMENDMENT WITH THE COUNTY OF LOS ANGELES AND A SUBLEASE AMENDMENT WITH VOLUNTEERS OF AMERICA OF LOS ANGELES (VOALA) FOR A BRIDGE HOUSING SITE AT 2817 S. HOPE STREET

The Department of General Services (GSD) requests authority to negotiate and execute an amendment to a lease agreement between the County of Los Angeles (County) and the City to extend the term for property owned at 2817 Hope Street, and subsequently amend the sublease with Volunteers of America Los Angeles (VOALA), as the operator of a bridge housing facility at 2817 S. Hope St. Los Angeles, CA 90007 in Council District 9 (CD9).

BACKGROUND

The 28,270 square foot County-owned parking lot is located between the intersection of Hope Street and 28th Street bordering the 110 freeway. On December 4, 2018, the City Council adopted a motion (C.F. 18-0750) instructing city staff to evaluate and subsequently approved funding and instructed GSD to negotiate a lease and sublease agreement with the County. City Council directed the sublease agreement be with the Volunteers of America Los Angeles (VOALA) as an operator of the site. The master lease agreement with the County was approved by City Council on July 3, 2019. The County has yet to develop this site and is willing to extend this agreement subject to the County's master plan for redevelopment.

Originally, this site was approved and opened April 2020 with 100 beds. VOALA has been the operator since the site opened.





SHELTER SERVICES

VOALA will continue to serve as the non-profit provider to operate this site. The City, through LAHSA, identified VOALA as the service provider to manage and operate the site with experienced staff and security personnel.

VOALA is a human services organization committed to serving people in need, strengthening families, building communities and serving children and families from under–served communities, at–risk youth, Veterans, individuals and families struggling with homelessness, men and women returning from prison, and people challenged with addictions and substance use. Operational funds are funded on a fiscal basis.

TERMS AND CONDITIONS

The lease with the County will be an extension of the current agreement and expire April 30, 2025 with all other terms and conditions remaining the same. The subsequent VOALA sublease will reflect the same termination date. Additional terms and conditions are outlined on the attached term sheet.

BUILDING MAINTENANCE, UTILITIES AND LANDSCAPING

Maintenance funding was established in the Capital Improvement Expenditure Program (CIEP) for major building and site systems such as structural, foundation, sewer, roof, HVAC, plumbing, and electrical, fire, life safety systems.

VOALA is responsible for utilities and provides routine daily maintenance and repairs through its operational funds, including landscaping and tree trimming. It is recommended that additional funds be provided to VOALA in their operator agreement to provide landscaping services within the site.

ENVIRONMENTAL

The CAO's Homeless Housing, Assistance, and Prevention Program Round 3 (HHAP-3) First Funding Report dated May 12, 2023 was approved by the City Council and Mayor on June 12, 2023. In this report, it was determined that the Bridge Home 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's HHAP-3 funding report dated May 12, 2023 that was approved by the City Council and concurred by the Mayor on June 12, 2023, \$2,196,000 of HHAP-3 funds were allocated for operations of the Bridge Home located at 2817 Hope Street through June 30, 2024. This funding supports 100 beds at \$60 per night, per bed for Fiscal Year

23-24. No funding was allocated for leasing, since the lease agreement with the County is at no cost, and the sublease with VOALA is at no cost.

FISCAL IMPACT

There is no impact to the General Fund. Subsequent years of operations will be funded with Homeless Housing, Assistance, and Prevention Program (HHAP) funds.

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 lease amendment with the County of Los Angeles, and amend the sublease with VOALA at 2817 Hope Street for continued operation of a temporary bridge housing facility under the terms and conditions as substantially outlined in this report.

Tony M. Royster General Manager

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Attachments: 2817 HOPE - County of LA Term Sheet

2817 HOPE - VOALA Term Sheet

LEASING TERM SHEET

MFC DATE	January 25, 2024
LANDLORD	County of Los Angeles
ADDRESS	320 West Temple St. 7th Floor LA, CA 90012
TENANT	City of Los Angeles - GSD
ADDRESS	111 E. 1st Street, 2nd Floor, Los Angeles, CA 90012
LOCATION	2817 Hope St.
LOCATION	2017 Hope St.
AGREEMENT TYPE	Lease
SQUARE FEET	28,270 SF
TERM	Expires at 4/30/25
RENT START DATE	None
LEASE START DATE	City Clerk's Attestation
OPTION TERM	None
HOLDOVER	None
SUBLET/ ASSIGNMENT	Right to assign - subject to Landlord approval
TERMINATION	30 days with 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	City responsible for the entirety of the site. However, the City under a subsequent sublease will pass along the daily Repairs and Maintenance responsibilities to the provider.
TENANT IMPROVEMENTS	None
PARKING	As available on site, if any.
UTILITIES	Tenant and ultimately the Sublessee, provider shall be responsible for all utilities.
CUSTODIAL	N/A
SECURITY	Tenant/City and subsequently the Provider/Sublessee shall be responsible for security of the site.
PROP 13 PROTECTION	N/A
INSURANCE (City)	Tenant shall indemnify and hold harmless Landlord
OTHER:	
PRINT:	
SIGNATURE:	

LEASING TERM SHEET

MFC DATE	January 25, 2024
LANDLORD	City of Los Angeles - GSD
ADDRESS	111 E. 1st Street, 2nd Floor, Los Angeles, CA 90012
TENANT/SUBLESSEE	VOALA
ADDRESS	3600 Wilshire Blvd. 1500 LA, CA 90010
LOCATION	2817 Hope Street LA, CA
AGREEMENT TYPE	Sublease
SQUARE FEET	28,270 SF
TERM	Expires at 4/30/25
RENT START DATE	None
LEASE START DATE	Upon City Clerk's Attestation
OPTION TERM	None
HOLDOVER	None
SUBLET/ ASSIGNMENT	Right to assign - subject to Landlord approval
TERMINATION	Landlord's right to terminate with 30 days' 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	Sublessee/Provider shall be solely responsible for daily building maintenance of the site and its equipment.
	City/Landlord shall be responsible for Building Systems, further defined in the agreement.
TENANT IMPROVEMENTS	None
PARKING	As Available on site
UTILITIES	Sublessee/Provider shall be responsible for all utilities
CUSTODIAL	Sublessee/Provider shall be responsible
SECURITY	Sublessee/Provider shall be responsible
PROP 13 PROTECTION	N/A
INSURANCE (City)	Sublessee/Provider shall indemnify and hold harmless Landlord
OTHER:	
PRINT:	