


0150-12952-0000

**TRANSMITTAL**

TO The City Council	DATE 04/01/25	COUNCIL FILE NO. 23-1278
FROM Municipal Facilities Committee	COUNCIL DISTRICT 15	

At its meeting held on March 27, 2025, the Municipal Facilities Committee approved the attached Department of General Services (GSD) report, which is hereby transmitted for Council consideration. Adoption of the report recommendation would authorize GSD to negotiate and execute a non-profit license agreement with the Housing Authority of the City of Los Angeles (HACLA) to operate a community garden at 2254 East 103<sup>rd</sup> Street. The term for the license agreement is one year, with four one-year options to extend.

**Fiscal Impact:** There is no General Fund impact as this is a no-cost license agreement. HACLA is responsible for tenant improvements, utility, maintenance, fencing, security, custodial, and landscaping costs.

  
for Matthew W. Szabo  
City Administrative Officer  
Chair, Municipal Facilities Committee

MWS:AW:05250123

CAO 649-d

# CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER  
GENERAL MANAGER  
AND  
CITY PURCHASING AGENT



KAREN BASS  
MAYOR

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

March 27, 2025

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

Attention: Adam Lid, Legislative Assistant

## **REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT WITH THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES AT 2254 E. 103RD STREET, LOS ANGELES, CA 90002**

---

The Department of General Services (GSD) requests authority to negotiate and execute a new license agreement with the Housing Authority of the City of Los Angeles (HACLA)(Licensee), a state chartered public agency, and the City of Los Angeles (City)(Licensor) for the use of a vacant parcel as a community garden located at 2254 E. 103rd Street, Los Angeles, CA 90002 in Council District 15 (CD15).

### **BACKGROUND**

Under Council Motion C.F. 23-1278, adopted on February 7, 2024, the City Council directed GSD to negotiate and execute a new license agreement with HACLA to utilize a 3,250 square-foot(sf) City-owned vacant lot as a community garden. HACLA will collaborate with community groups to identify the use and operator for the lot. Once an operator is selected, the City will work with them to conduct a Community Benefits Analysis (CBA), assessing the value of proposed services against the market rate of the property. The proposed selection will be reviewed and approved by the City's MFC. Upon approval, the licensee may sublicense the lot to the independent operator through a Lot Use Agreement, with the licensee's rights and obligations extended to each operator at their designated location.

This community (Watts) has been designated by the U.S. Department of Agriculture (USDA) as an urban food desert, with limited access to fresh produce. Residents in food deserts face higher risks of obesity, diabetes, and cardiovascular disease. To address this, HACLA aims to improve healthy food access in Watts by establishing community harvest hubs.

HACLA has secured two grants to support this initiative:

- Community Project Funds from U.S. Representative Nanette Barragán's office
- Urban Agriculture Grant from the California Department of Agriculture



In partnership with residents of Jordan Downs and the students from Jordan High School, HACLA will develop the community garden to provide fresh food and educational opportunities. The plan includes installing or providing the following:

- Irrigation system
- Shade structure
- Raised planters
- Fruit trees
- Semi-annual harvest events
- Educational programs on composting and gardening

This community garden will serve as a valuable resource, promoting food security, sustainability, and community engagement in Watts.

### **TERMS AND CONDITIONS**

The proposed license agreement is for a zero rent with an initial one-year term with four (4) one-year options to renew at the City's sole discretion. The City shall have the authority to approve the use and operator selected by HACLA for the lot. Either party may terminate the agreement upon a 30-day notice. A complete set of terms and conditions are included in the attached term sheet.

### **MAINTENANCE/UTILITIES/LANDSCAPING**

The Licensee is responsible for all improvements, development, and activation of the community garden, including utility connections. They must handle ongoing maintenance, fencing, security, utilities, custodial services, and landscaping, ensuring the site remains in good and sanitary condition.

### **COMMUNITY BENEFITS ANALYSIS**

The City Administrative Office (CAO) completed the attached Community Benefit Analysis (CBA) which supports the recommendation for approval of the proposed terms and conditions. See the attached CBA.

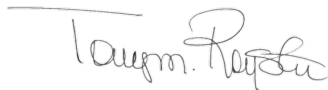
### **FISCAL IMPACT**

There is no anticipated impact on the General Fund as the license agreement contains zero rent.

**RECOMMENDATION**

That the Los Angeles City Council, subject to the approval of the Mayor:

1. FIND, Pursuant to Los Angeles City Charter Section 371(e)(10) and Administrative Code Section 10.15(a)(10), that the use of competitive bidding would be undesirable and impractical for this contract. The Housing Authority of the City of Los Angeles (HACLA) is uniquely positioned to operate and provide programming for the community garden in Watts, leveraging its longstanding relationships with local residents, community organizations, and educational institutions. HACLA will collaborate with community groups, residents of Jordan Downs, and students from Jordan High School to develop and maintain the garden, ensuring it serves as a sustainable source of fresh food, environmental education, and community engagement. Given HACLA's expertise in community development, access to resources, and established presence in Watts, it is the most qualified and effective entity to oversee this initiative, ensuring successful implementation and long-term benefits.
2. AUTHORIZE the Department of General Services to negotiate and execute a new license agreement with the Housing Authority of the City of Los Angeles for a community garden at 2254 E.103rd Street, Los Angeles, CA 90002 under the terms and conditions as substantially outlined in this report.



Tony M. Royster  
General Manager

Attachment: Term Sheet  
CBA

## **LEASING TERM SHEET**

MFC DATE	March 27, 2025
LANDLORD	City of Los Angeles - GSD
ADDRESS	111 East 1st Street, Los Angeles, CA 90012
TENANT	Housing Authority of the City of Los Angeles (HACLA)
ADDRESS	2600 Wilshire Blvd, 5th floor Los Angeles, CA 90057
LOCATION	2254 E. 103rd Street, Watts, CA 90002
AGREEMENT TYPE	No-Cost License Agreement
USE	Community Garden
SQUARE FEET	Approximately 3,250 Square Feet (sf)
TERM	1 year
EARLY POSSESSION	N/A
RENT START DATE	N/A
LEASE START DATE	Date of attestation by the City Clerk
OPTION TERM	Four (4) one (1) year extensions upon Licensee request
HOLDOVER	None
SUBLET/ ASSIGNMENT	Right to Sublease/Assign with Landlord's approval
TERMINATION	Either party may terminate the agreement by providing a written 30-day notice to the other party
RENTAL RATE	N/A
ESCALATION	N/A
RENTAL ABATEMENT	N/A

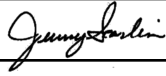
ADDITIONAL RENT	N/A
PROPERTY TAX	N/A
OPEX	N/A
CAM	N/A
OTHER	
SECURITY DEPOSIT	N/A
MAINTENANCE/ REPAIR	All maintenance to the licensed area will be at the sole cost of the Tenant.
MAINTENANCE/ REPAIR DETAILS	Tenant shall be financially responsible for ongoing maintenance once the license has commenced, as well as any additional improvements such as utility connections needed to facilitate the planned activities. Tenant shall also be financially responsible for all applicable utility, custodial and landscaping costs.
TENANT IMPROVEMENTS	Tenant shall be financially responsible for all costs of any required tenant improvements needed to facilitate the planned activities including but not limited to the activation of the lot to create, develop, operate, and maintain the lot subject to the approval provisions further defined in the license agreement.
PARKING	N/A
UTILITIES	Any/all utilities will be paid by the Tenant
CUSTODIAL	Tenant
SECURITY	Tenant Security Measure- Tenant, at its own cost and expense, shall provide security on Property at a level that is necessary to ensure the safety of visitors thereto, including the participants of the community garden and any community events.
PROP 13 PROTECTION	Landlord will not provide Prop 13 protection
INSURANCE (City)	Tenant shall indemnify and hold harmless the City
OTHER:	<p>The Tenant shall maintain appropriate insurance coverage as determined by the City's Risk Management Division. If the Tenant is self-insured, a Self-Insurance Letter will be required.</p> <p>The City shall have the authority to approve the use of the lot and the operator selected by HACLA. The operator of the community garden shall maintain appropriate insurance coverage as determined by the City's Risk Management Division."</p>

Tenant must transfer utilities into their name within 30 days of the lease commencement.

PRINT:

Jenny Scanlin

SIGNATURE:

A handwritten signature in black ink, appearing to read "Jenny Scanlin", is written inside a rectangular box.

**Report from  
OFFICE OF THE CITY ADMINISTRATIVE OFFICER  
Community Benefits Analysis for Proposed Non-Profit Lease**

<b>I. Proposed Lease Terms and Conditions</b>	
Facility Location:	2254 East 103rd Street, Los Angeles, CA 90002 (Vacant Lot) in Council District 15
Lessee:	Housing Authority of the City of Los Angeles (HACLA)
Council File Reference:	C.F. 23-1278 (Adopted by City Council on 2/7/2024)
Space Assignment:	Approximately 3,250 square feet (APN# 6066-015-900 lots 479 and 48)
Term and Renewal Option:	One-year term commencing upon execution, with four one-year options to extend.
Market Rate:	\$0.81 per square foot or \$31,590.00 annually
Proposed Rental Rate:	\$0.00 during the initial term, and rates are subject to re-negotiation at the discretion of the City.
Tenant Improvements, Maintenance, Utilities, Security, and Custodial Costs:	Lessee shall be financially responsible for tenant improvements, maintenance, utilities, fencing, security, custodial, and landscaping costs.
<b>II. History and Current Services</b>	
Mission:	HACLA is committed to preserving, enhancing, and expanding affordable housing and improving the quality of life for Angelenos with a focus on People, Place, and Pathways to Opportunity.
Vision:	HACLA's vision plan, Build HOPE (Housing, Opportunity, People, Excellence), is aimed at uplifting the communities and individuals it serves and deepening its role as a national housing leader. This 25-year strategic framework acts as a roadmap to expand affordable housing and improve quality of life for Angelenos through three focused visioning modules dedicated to People, Place and creating Pathways to Opportunity.
Background / History:	The City of Los Angeles (City) Resolution No. 1241 established HACLA in 1938. HACLA has grown to become one of the nation's largest and leading public housing authorities, providing the largest supply of quality affordable housing to residents of Los Angeles.

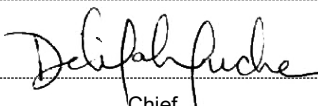
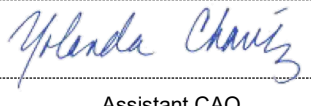


**Report from  
OFFICE OF THE CITY ADMINISTRATIVE OFFICER  
Community Benefits Analysis for Proposed Non-Profit Lease**

	<p>HACLA's annual budget is more than \$1.0 billion. Its funds come from five main sources: the Department of Housing and Urban Development's (HUD's) annual operating subsidy, HUD's annual Capital Fund, Section 8 administrative fees, rent from public housing residents plus other programs, and capital grants from various sources. HACLA continues to explore alternative funding sources and has built numerous key partnerships with the City and the State agencies, nonprofit foundations, community-based organizations, and private developers.</p>																						
Current Services:	<p>HACLA provides more than a place to live. It offers a range of programs specifically for low income, homeless, disabled, children and seniors such as: Family Self-Sufficiency Program, Homeless Program, Homeownership Program, Housing Opportunities for Persons with Aids, Tenant-Based Supportive Housing, Project-Based Voucher Assistance, Continuum of Care, Moderate Rehabilitation Single Room Occupancy Program, HUD-Veteran Affairs Supportive Housing, Project-Based Voucher - Rental Assistance Demonstration, Family Unification Program, and Mainstream Five Year.</p>																						
<b>III. Community Benefits Analysis</b>																							
Value of Direct Services:	<p>A. <u>Value of Dedicated Staff</u>: \$55,000.00</p> <table> <tr> <th>Staff</th><th>Annual Cost</th></tr> <tr> <td>Contractor/Farmer</td><td>\$45,000.00</td></tr> <tr> <td>Students and Community Volunteers</td><td>3,000.00</td></tr> <tr> <td>Watts Rising Street Team</td><td>7,000.00</td></tr> <tr> <td>Total</td><td>\$55,000.00</td></tr> </table> <p>B. <u>Value of Services to Participants</u>: \$15,000.00</p> <table> <tr> <th>Item</th><th>Annual Cost</th></tr> <tr> <td>Gardening, Nutrition, and Food Preparation Classes</td><td>\$6,000.00</td></tr> <tr> <td>Compost/Soil/Fertilizer</td><td>3,600.00</td></tr> <tr> <td>Produce Swaps/Giveaways (\$2,000 per Harvest)</td><td>4,000.00</td></tr> <tr> <td>Plant/Seed Giveaway</td><td>1,400.00</td></tr> <tr> <td>Total</td><td>\$15,000.00</td></tr> </table>	Staff	Annual Cost	Contractor/Farmer	\$45,000.00	Students and Community Volunteers	3,000.00	Watts Rising Street Team	7,000.00	Total	\$55,000.00	Item	Annual Cost	Gardening, Nutrition, and Food Preparation Classes	\$6,000.00	Compost/Soil/Fertilizer	3,600.00	Produce Swaps/Giveaways (\$2,000 per Harvest)	4,000.00	Plant/Seed Giveaway	1,400.00	Total	\$15,000.00
Staff	Annual Cost																						
Contractor/Farmer	\$45,000.00																						
Students and Community Volunteers	3,000.00																						
Watts Rising Street Team	7,000.00																						
Total	\$55,000.00																						
Item	Annual Cost																						
Gardening, Nutrition, and Food Preparation Classes	\$6,000.00																						
Compost/Soil/Fertilizer	3,600.00																						
Produce Swaps/Giveaways (\$2,000 per Harvest)	4,000.00																						
Plant/Seed Giveaway	1,400.00																						
Total	\$15,000.00																						

**Report from  
OFFICE OF THE CITY ADMINISTRATIVE OFFICER  
Community Benefits Analysis for Proposed Non-Profit Lease**

Value of Operational Budget:	C. <u>Value of Operational Budget</u> : \$19,000.00	
	Item	Annual Cost
	Gardening Supplies (Tools and Seeds/Seedlings)	\$6,000.00
	Irrigation	4,000.00
	Shade Structure Design and Construction	8,000.00
	Chairs and Worktable	1,000.00
	Total	\$19,000.00
Additional Offsets / In-Kind Services:	D. <u>Value of Additional Offsets</u> : \$0.00	
Total Community Benefits:	<b>\$89,000.00</b> annually (=A+B+C+D above)	
Market Value for Leased Space:	<b>\$31,590.00</b> annually	
Benefits Finding and Recommended Action:	<p>Community benefits estimated at <b>\$89,000.00</b> annually exceed the annual market value of <b>\$31,590.00</b> for the leased space by <b>\$57,410.00</b>.</p> <p>Approval of the proposed lease terms is recommended on the basis that the value of the community benefits exceeds the market value of the leased space.</p>	

0220-05479-0062	Aira Wada		
Work Assignment Number	Analyst	Chief	Assistant CAO

YC/AW/02520006

Release Date: 03-19-25