

0220-05151-0528

TRANSMITTAL

TO Council	DATE 02-16-24	COUNCIL FILE NO. 20-1524-S1
FROM Municipal Facilities Committee		COUNCIL DISTRICT 9

At its meeting held on January 25, 2024, the Municipal Facilities Committee (MFC) approved the recommendation of the attached General Services Department (GSD) report, which is hereby transmitted for Council consideration. Adoption of the report would authorize GSD to negotiate and execute a lease amendment 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 the A Bridge Home (ABH) interim housing facility. The lease with the County will extend the current agreement and expire April 30, 2025 with no renewal options. The subsequent VOALA sublease will reflect the same termination date.

There is no anticipated General Fund impact at this time. On June 12, 2023, the Council approved \$2,196,000 of Homeless Housing, Assistance, and Prevention Grant Round 3 (HHAP-3) funds for the operation of this ABH site through June 30, 2024. 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.

Edwin Gipson II
 Digitally signed by Edwin Gipson II
 Date: 2024.02.16 10:26:39 -08'00'

 Matthew W. Szabo
 City Administrative Officer

MWS:EG:MAG:MZ:16240078

CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



KAREN BASS
MAYOR

Agenda Item No. 7

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

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

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.

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:	
SIGNATURE:	