

**TRANSMITTAL**

TO Council	DATE 03-16-21	COUNCIL FILE NO. 20-0841
FROM Municipal Facilities Committee		COUNCIL DISTRICT 3

The attached report from the General Services Department (GSD) was approved by the Municipal Facilities Committee (MFC) at its February 25, 2021 meeting, and is hereby transmitted for Council consideration.

Adoption of the report recommendations would authorize GSD to negotiate and execute a new license agreement with Hope of the Valley to operate a 104 bed Tiny Home Village City at 19020-40 W. Vanowen St., Reseda, CA, 91335, a City-owned site in Council District 3.

This Tiny Home Village site is part of the COVID-19 Homelessness Roadmap (Roadmap). \$2,087,800 was previously approved in Emergency Solutions Grant-COVID funds for operations and services through June 30, 2022, and for furniture, fixtures, and equipment.

There is no anticipated impact to the General Fund at this time. In Fiscal Year 2022-23, the annual cost to operate this site will be \$2,087,800. The City portion of this cost after the County Commitment to Roadmap operations will be \$1,043,900. Funding for these costs will be considered through the City's annual budget process, which is subject to Mayor and Council approval.




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Richard H. Llewellyn, Jr.  
City Administrative Officer  
Chair, Municipal Facilities Committee

# CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER  
GENERAL MANAGER  
AND  
CITY PURCHASING AGENT



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MAYOR

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February 25, 2021

Honorable City Council  
City of Los Angeles  
c/o City Clerk  
Room 305, City Hall  
Los Angeles, CA, 90012

Attention: Armando Bencomo, Legislative Assistant

## **REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT WITH HOPE OF THE VALLEY RESCUE MISSION TO OPERATE INTERIM HOUSING AT 19020-19040 WEST VANOWEN STREET**

The Department of General Services (GSD) requests authority to negotiate and execute a license agreement with Hope of the Valley Rescue Mission (HVRM) to operate a Tiny Home interim housing site on a City of Los Angeles (City) owned property located at 19020-19040 West Vanowen Street, Los Angeles, CA 91335 (Vanowen). Vanowen also has a secondary address known as 6700 Vanalden Ave., Los Angeles, CA 91335.

### **BACKGROUND**

On September 9, 2020, the City Council approved the City Administrative Officer (CAO) Funding Recommendations for COVID-19 Homeless Roadmap Projects for the construction of Tiny Home Village interim housing including this one in Council District 3 (CD3) (CF 20-0841).

The Vanowen site is approximately 36,800 square feet (sf) and is currently developed as a City of Los Angeles owned municipal parking lot adjacent to the West Valley Municipal Center. Nearby facilities include a City branch library, the West Valley Los Angeles Police Department station, the CD3 Council Field Office, and a City park. The Vanowen project will contain approximately 55 pallet shelters - small, detached, prefabricated structures assembled on site with beds for up to 104 individuals, two hygiene trailers with restrooms, showers, lavatories, drinking fountains, and designated seating areas for food service. The Bureau of Engineering (BOE) is providing project design and construction management oversight with a target completion in May 2021. A site plan for this project and examples of the Tiny Home structures are shown in Attachment A of this report.

### **TERMS AND CONDITIONS**

The license term is for five years and includes two one-year extensions, and a month-to-month holdover option. The term will commence upon the final approval and issuance of the Certificate



of Occupancy. A complete set of terms and conditions are outlined on the attached term sheet. (See Attachment B)

### **SHELTER SERVICES**

Founded in 2009, HVRM is a faith-based compassion ministry that focuses on spiritual, emotional, physical, relational, occupational, and financial needs of their clients. Their two-pronged approach starts with crisis intervention then bridges clients, when they are ready, into long-term services that address chronic obstacles.

HVRM aims to help clients find a job or form of public assistance, medical and mental health services, substance abuse counseling and recovery, and housing placement.

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

### **BUILDING MAINTENANCE, UTILITIES, LANDSCAPING**

The City will maintain major building systems including plumbing, electrical, roof, mechanical systems, and all doors, door frames, and door openers, except for reasonable use and wear and damage resulting from negligent or other acts or omissions of the Licensee or Licensee's Parties. The City will also maintain fire life safety compliance and other regulatory requirements.

HVRM will directly set up utility services with utility providers as well as provide routine daily maintenance including interior and exterior light fixture lamps, interior paint, fire extinguishers, localized plumbing drain backups which do not affect the mainline, and damage resulting from negligent or other acts or omissions of HVRM and its parties. This includes replacement or repair of fixtures, electrical outlets, plumbing, and HVAC damaged as a result of intentional destruction of such property. Landscaping, if any, will be maintained by HVRM.

The CAO advises A Bridge Home Maintenance Fund through the CIEP was established with GSD for bridge home and homeless navigation site maintenance costs. The CAO is working with GSD to confirm ongoing costs and a funding source for Tiny Home and additional Roadmap sites which will be recommended in a subsequent report.

### **ENVIRONMENTAL**

This project 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 bridge homeless shelters; and, because the project uses "Homeless Emergency Aid Program funds," it is exempt under Governor's order N-32-20. AB 1197 codified at Public Resources Code section 21080.27 exempts the project as an emergency homeless shelter (Bureau of Engineering report, dated August 7, 2020; CF 20-0841).

### **COMMUNITY BENEFIT ANALYSIS**

Inasmuch as COVID-19 Homelessness Roadmap 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 COVID-19 Homelessness Roadmap Tiny Home project, does not require further analysis of community benefits in support of the license.

**FUNDING**

A total of \$ 4,728,619 has been approved for construction costs including \$3,418,900 from the COVID-19 Federal Relief Fund (CRF) and \$30,000 from the Homeless Emergency Aid Program. On November 24, 2020, \$1,309,719 from the Homeless Housing, Assistance, and Prevention Program (HHAP) was approved to add funding to reflect actual costs based on contractor bid amounts and to ensure construction continued without delay if the December 30, 2020 CRF expenditure deadline was not extended. Additionally, \$2,087,800 from the Emergency Solutions Grant (ESG-COVID) was approved for operations, including services, through June 30, 2022.

**FISCAL IMPACT**

There is no anticipated General Fund impact providing the grant funding repays for the authorized reserve fund loan for the project. Initial project funding of \$4.73 million was approved by Council with the understanding the full cost will be offset by the HHAP grant funds.

**RECOMMENDATION**

That the Los Angeles City Council, subject to the approval of the Mayor, authorize GSD to negotiate and execute this license agreement with Hope of the Valley Rescue Mission at 19020-19040 West Vanowen Street, also known as 6700 Vanalden Avenue, for an interim housing site under the terms and conditions substantially outlined in this report.



Tony M. Royster  
General Manager

Attachments: Site plan and pictures of Tiny Homes  
Term Sheet

ATTACHMENT A

PROJECT SITE AND SAMPLE TINY HOME PICTURES

PROJECT SITE



**TINY HOMES**

**SAMPLE PICTURES FROM CHANDLER SITE**



**LEASING TERM SHEET**

MFC DATE	02/18/2021
LANDLORD	City of Los Angeles
ADDRESS	111 E 1st Street, Room 201, Los Angeles, CA 90012
TENANT	Hope of the Valley Rescue Mission (HVRM)
ADDRESS	11076 Norris Ave, 2nd Floor, Pacoima, CA 91331
LOCATION	19020-19040 West Vanowen St, Los Angeles, CA 91335 (6700 Vanalden Ave)
AGREEMENT TYPE	Zero Dollar Receivable License
USE	Temporary Interim Housing (Pallet Shelter).
SQUARE FEET	Approximately 36,800-square feet (sf)
TERM	Five (5) Years
RENT START DATE	Upon final issuance of Certificate of Occupancy
LEASE START DATE	Date Attested
OPTION TERM	None
HOLDOVER	Month-To-Month
SUBLET/ ASSIGNMENT	Right to Sublease/Assign - Landlord approval
TERMINATION	City right to revoke site at will with 30 days notice upon uncured default
RENTAL RATE	\$0
ESCALATION	n/a
RENTAL ABATEMENT	n/a
ADDITIONAL RENT	n/a
PROPERTY TAX	n/a
OPEX	Tenant
CAM	n/a

OTHER	n/a
SECURITY DEPOSIT	n/a
MAINTENANCE/ REPAIR	Other See Maintenance/Repairs Details below.
MAINTENANCE/ REPAIR DETAILS	City shall be responsible for the major maintenance items of the facility. Upon taking possession, Tenant will provide basic and routine daily maintenance throughout the site.
TENANT IMPROVEMENTS	BOE will provide design and management.
PARKING	n/a
UTILITIES	Tenant responsible to directly contract utility services
CUSTODIAL	Tenant
SECURITY	Tenant
PROP 13 PROTECTION	City is Exempt
INSURANCE	Tenant shall indemnify and hold harmless the City
OTHER:	