

0220-06006-0000

TRANSMITTAL

TO Council	DATE 9/19/22	COUNCIL FILE NO. 20-0841, 20-0841-S3
FROM Municipal Facilities Committee	COUNCIL DISTRICT 14	

At its meeting held on August 25, 2022, the Municipal Facilities Committee (MFC) considered the attached report from the Office of the City Administrative Officer, approving Recommendations Nos. 1, 2, 4, 5 and 8, which is hereby transmitted for Council consideration, and directing staff to provide a subsequent report relative to the recommendations that were not approved. Council authorization of the recommendations approved by MFC would authorize the execution of a lease between the General Services Department and Bureau of Sanitation (BOS) for 33,770 square feet (s.f.) at the northern portion of the BOS yard located at 850 North Mission Road for the development of a Tiny Home Village. Additionally, adoption of the report would authorize the use of 34,882 s.f. of BOS yard located at 2212 Jesse Street (Mission & Jesse) to relocate bins and operations currently located at the Mission site.

There is no General Fund impact associated with the annual lease payment for the 850 Mission Road site, as the costs will be funded using Homeless funds provided through the LA County Roadmap agreement. The subsequent report to MFC and Council will identify any potential General Fund impact associated with the capital improvements for the Mission and Jesse site.


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

MWS:LRR: 05230023

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 23, 2022

CAO File No. 0220-05151-0370
Council File No. 20-0841, 20-0841-S23
Council District: 14

To: Municipal Facilities Committee

From: 
Patty Huber, Assistant City Administrative Officer

Subject: **AUTHORITY TO USE 850 N. MISSION ROAD FOR A TINY HOME VILLAGE, THE RELOCATION SOLID WASTE BINS TO 2212 E. JESSE STREET AND RELATED FUNDING APPROVALS**

RECOMMENDATION

That the Municipal Facilities Committee recommend that the City Council:

1. Approve the use of approximately 33,770 square feet of the northern portion of the Bureau of Sanitation (BOS) yard located at 850 N. Mission Road, from its current use for yard operations (odor control unit and storage bins), to provide space for the development of a Tiny Home Village (THV) to provide shelter and services to people experiencing homelessness (PEH) for up to five (5) years;
2. Approve the use of approximately 34,882 square feet of the BOS yard located at 2212 Jesse Street (Mission and Jesse), to relocate the current bins and operations at 850 N. Mission Road;
3. Approve a new allocation of up to \$3 million in Municipal Improvement Corporation of Los Angeles (MICLA) authority to fund the capital improvements required to accommodate the BOS yard operations at the Mission and Jesse site;
4. Approve the execution of a lease of up to five years between BOS and the General Services Department (GSD) for 850 N. Mission Road in Council District 14, to be funded by the Homelessness Efforts - County Funding Agreement Fund, for an estimated annual cost of \$194,400, with the final annual costs and terms of the lease to be finalized based on a Class A appraisal, and subject to Council approval;
5. Approve up to \$194,400 from Homelessness Efforts - County Funding Agreement Fund No. 63Q/10, Account No.10T618 to Fund No. 63Q/10, in a new account entitled "CD 14 - 850 Mission THV Leasing" for the leasing costs of the interim housing site located at 850 N. Mission Road, with 144 beds in Council District 14, through June 30, 2023;

6. Approve the execution of a lease between BOS and GSD for the repurposed portion of the Mission and Jesse site, at an annual cost currently estimated at \$188,363 to be funded by Additional Homeless Services - General City Purpose funds, with the final annual cost and terms of the lease to be finalized based on a Class A appraisal, and subject to Council approval;
7. Approve up to \$188,363 from Additional Homeless Services - General City Purpose Fund No. 100/56, Account No. 000931 to Citywide Leasing Fund No. 100/63, Account No. to be determined, in a new account entitled, "Leasing - Mission and Jesse in CD 14" for leasing costs of the Sanitation owned yard located at Mission and Jesse through June 30, 2023;
8. Authorize the Office of the City Administrative Officer (CAO) to make technical corrections, as necessary, to the transactions authorized through this report, as required to implement the intent of those transactions.

SUMMARY

The purpose of this report is to authorize the use of a portion of the Bureau of Sanitation (BOS) yard, located at 850 N. Mission Road in Council District 14, for a Tiny Home Village (THV) with approximately 74 pallet shelters, or 144 beds, that would provide shelter and services to PEH. And, to authorize a portion of the BOS yard at 2212 Jesse Street (Mission and Jesse) to relocate the bins and operations currently at 850 N. Mission Road. This report also requests the approval and funding for the leases for both sites and MICLA funding for the required improvements at Mission and Jesse.

BACKGROUND

On April 19, 2017, the City Council approved a motion (Huizar - O'Farrell, CF-15-1138-S21) instructing the CAO and the General Services Department (GSD) to identify a better use for the underutilized property located at 850 N. Mission Road in Boyle Heights, specifically to provide housing for PEH. The THV introduced in this report will be added to the City's COVID-19 Homelessness Roadmap (Roadmap).

COVID-19 Homelessness Roadmap

The City reached an agreement with the County on June 16, 2020, to develop an additional 6,700 homeless interventions in the Roadmap to address the COVID-19 emergency within 18 months. The County has committed to providing up to \$60 million in services per year over five years for a total of up to \$300 million or up to half of the estimated \$600 million cost for these beds over the five-year term of the agreement, based on the number of interventions that are open and occupiable within 60 days of July 1 each year. The target population for this effort includes:

- People experiencing homelessness and living in the City within 500 feet of freeway overpasses, underpasses, and ramps;
- People experiencing homelessness within the City who are 65 years of age or older; and
- Other vulnerable people experiencing homelessness within the City.

DISCUSSION

850 N. Mission Road

Department of Public Works, Bureau of Sanitation Use

The BOS yard, located at 850 N. Mission Road, is about 50,852 square feet and was purchased with Sewer Construction Maintenance (SCM) funds as part of the City's effort to reduce sewer odor in the area. A portion of the site currently operates an odor control unit and houses a carbon odor scrubber, to which the Bureau is working to make required system upgrades. The remaining portion of the yard is used as storage for sanitation bins that are dispatched to different parts of the City for the clean up of bulky items or collecting trash from social venues.

COVID-19 Homelessness Roadmap - Tiny Home Village

In response to the current shelter crisis declared on November 17, 2015 (CF-15-1138) and made continuous on June 14, 2019 (CF-15-1138-S40), as well as the motion introduced on March 8, 2017, the Bureau of Engineering created a rough order of magnitude (Attachment 2) and a site plan for a THV that would occupy about 33,770 square feet in the northern portion of 850 N. Mission Road (Attachment 3). The THV would provide shelter and services to PEH, as well as 144 beds to the Roadmap. The THV would provide hygiene pallets, on-site laundry, a pet relief area, and outdoor sitting area for participants. Construction for this site is expected to cost about \$4,869,572, while operations would cost approximately \$2,890,800 annually. On June 7, 2022, the Council approved an exemption of the California Environmental Quality Act (CEQA) through the CAO's 11th Roadmap report (CF-20-0841-S23) and funding for the construction of the site. The current BOS operations of this site will need to be transitioned over to the Mission & Jesse site to allow the creation of this THV.

2212 Jesse Street (Mission & Jesse)

A portion of the BOS yard, located at 2212 Jesse Street, is approximately 34,882 square feet and is currently operating as an Air Treatment Facility (ATF). The purpose of this ATF is to remove odor from the newly constructed East Central Interceptor Sewer and the existing North Outfall Sewer. Using SCM funds, BOS purchased the Mission and Jesse site, which consisted of three parcels. The first parcel was used to construct an ATF, a pocket greenway for the community to use was constructed on the second parcel, and the third parcel at the cross section of Mission Road and Jesse Street, as seen in Attachment 5, was used as a construction laydown area and was left vacant after the construction was completed in 2014. This area is a dirt parcel of land, a

portion of which was dedicated for the construction of a roundabout, and the rest of it is to be paved for housing Livability Storage Division (LSD) storage trailers and solid waste trash bins.

The capital improvements required for the Mission & Jesse site is currently estimated at up to \$3 million (refer to Attachment 4), which includes new asphalt, chain link fencing, wrought iron fencing, lighting, grading, drainage, creating a new entrance, and design for a new switchgear pad. This report proposes a new allocation of Municipal Improvement Corporation of Los Angeles (MICLA) to fund these improvements. The program management team is currently working to reduce the current scope of work defined in an effort to reduce the overall cost of the capital improvements required for the Mission & Jesse site to accommodate the displaced yard functions. A final determination for MICLA eligibility will be made once the revised scope is available. There is also \$300,000 in discretionary funds provided by Council District 14, which will be used to offset costs that are not MICLA eligible.

Annual Leasing Expenses

The BOS properties at 850 N. Mission Road and 2212 Jesse Street were purchased with the SCM fund. Accordingly, the City must pay a monthly market-rate lease. At the instruction of GSD, appraisals were completed for both sites by Integra Realty Resources. Effective August 5, 2022, the value appraisals resulted in the following triple net (NNN) rates:

BOS Yard Site	Monthly Appraised Value*	Yearly Appraised Value*	Funding Source
850 N. Mission Road	\$16,200	\$194,400	County Funds
Mission & Jesse	\$15,697	\$188,363	Additional Homeless Services - General City Purpose
Total	\$31,897	\$382,763	
* Land value is based on a Class C appraisal, with actual rental rates to be determined based on a Class A appraisal.			

FUNDING

On June 7, 2022, the City Council approved \$5,551,471 of Homeless Housing Assistance and Prevention Round 2 (HHAP-2) grant funds to fund the construction of the THV at 850 N. Mission Road (CF-20-0841-S23). A total of \$681,899 was intended for the improvements at Mission and Jesse, but is pending recommendation and Council approval for the reprogramming of a different funding source. Construction for the THV is estimated at \$4,869,572, as seen in Attachment 2. In a future funding report, this office plans to recommend a total of approximately \$2,890,800 in

County/Roadmap funds for site operations and \$194,400 for leasing. The improvements for the site located at Mission and Jesse will receive \$300,000 in funding provided by Council District 14.

DEBT IMPACT STATEMENT

The issuance of Municipal Improvement Corporation of Los Angeles (MICLA) debt is a General Fund obligation. The issuance of MICLA for the capital improvements to the Mission and Jesse Sanitation Yard would cause the City to borrow \$3,000,000 at an approximate 5.5 percent interest rate over 20 years. The total estimated debt service for this project is \$5,020,000, including interest of approximately \$2,020,000. During the life of the bonds, the estimated average annual debt service is \$251,000 over 20 years.

Actual interest rates may differ as rates are dependent on market conditions at the time of issuance. We cannot fully predict what interest rates will be in the future. In accordance with the City's Debt Management Policy, the City has an established debt ceiling to guide in evaluating the affordability for future debt. The debt ceiling for non-voted direct debt as a percentage of General Fund revenues is 6.0 percent. The 2022-23 Adopted Budget non voter-approved debt ratio is 2.97 percent. The issuance of debt for this project will not cause the City to exceed the six percent non voter-approved debt limit.

FISCAL IMPACT

There is no anticipated General Fund impact to address the annual leasing costs associated with the Mission and Jesse site, currently estimated at \$188,363 annually, with the final leasing costs to be based on a Class A appraisal. Leasing costs for the Mission and Jesse site will be paid through the Additional Homeless Services - General City Purpose (AHS-GCP) fund. However, there may be a General Fund impact for Fiscal Year 2023-24 if AHS-GCP funds are not approved through the budget process. The MICLA impact for the improvements on Mission and Jesse are noted above.

There is no additional General Fund impact associated with the annual lease payment for 850 N. Mission Road, currently estimated at \$194,400, as these costs will be funded using the Homeless funds provided through the County under the Roadmap agreement. It is anticipated that County Homeless funds will continue to fund this lease in Fiscal Year 2023-24. Attachment 1 provides a comprehensive breakdown of the funding sources that will be utilized for the capital and leasing costs of both 850 N. Mission Road and Mission and Jesse.

Attachments

1. Financial Impact Summary (850 Mission; Mission and Jesse)
2. Rough Order of Magnitude: THV Development Costs (850 N. Mission Road)
3. THV Site Plan (850 N. Mission Road)
4. Current Budget for Capital Improvements (Mission & Jesse)
5. Site view of appraised area (Mission & Jesse)
6. Site view of appraised area (850 N. Mission Road)

Financial Impact Summary: Estimate of Capital and Annual Leasing Expenses		
BOS Yard Site	850 N. Mission Road	Mission & Jesse
Capital Cost	\$4,869,572	\$3,000,000 (2)
Capital Funding Source	HHAP-2	MICLA/ Additional Homeless Services - GCP
Leasing Cost/Month (1)	\$16,200	\$15,697
Leasing Cost/Annual (1)	\$194,400	\$188,363
Leasing Funding Source	County Roadmap	Additional Homeless Services - GCP
Operating Cost	\$2,890,800	–Not applicable –
Operating Funding Source	County Roadmap	–Not applicable –

(1) This appraisal value is based on a Class C appraisal. The final leasing cost will be determined by a Class A appraisal.

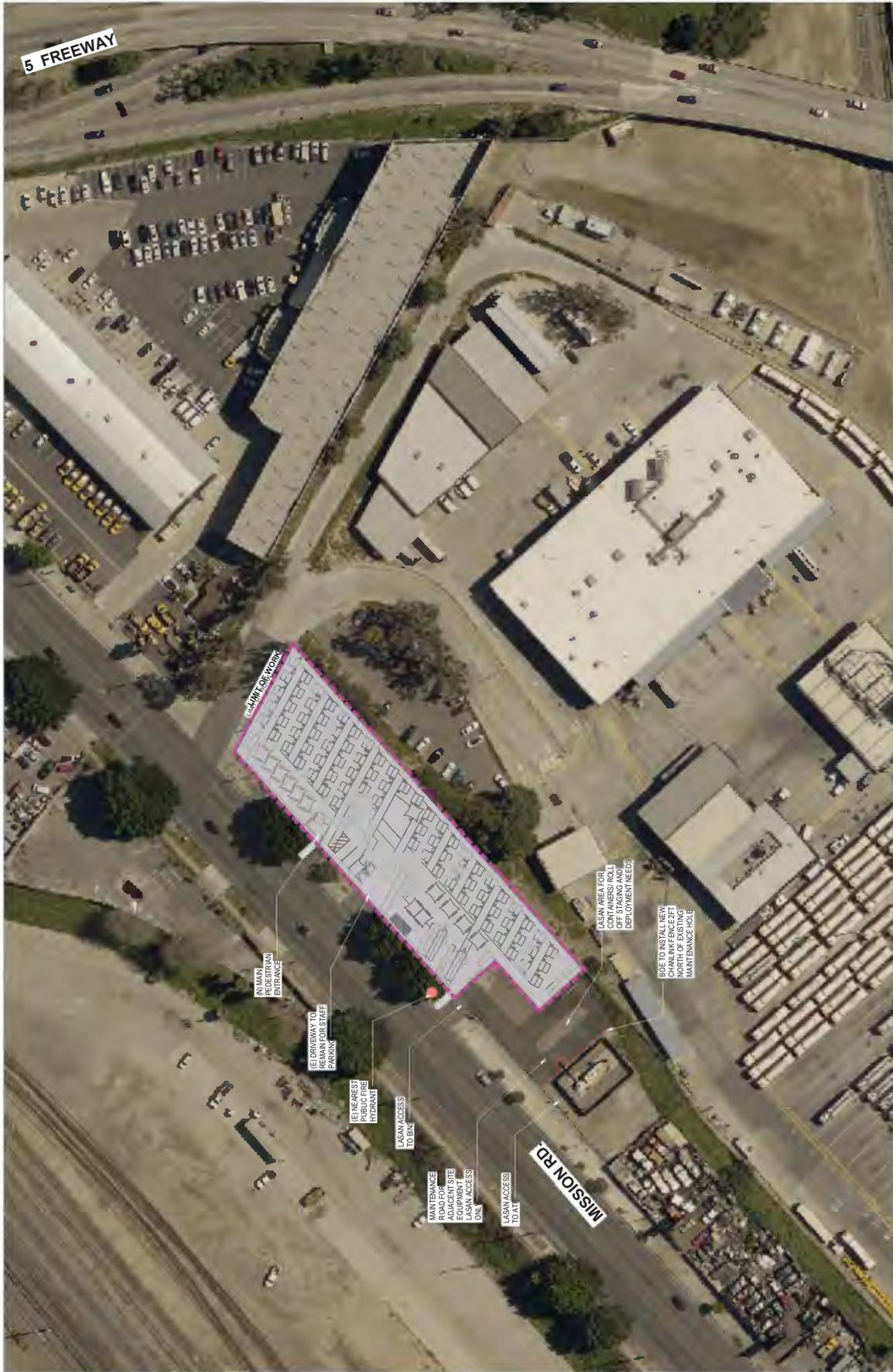
(2) This amount is subject to change, since staff are currently working to reduce the scope of work and identify savings.

ROM		11/4/21
City of Los Angeles - Department of Public Works - Bureau of Engineering		
CD 14 Tiny Home Village- 850 Mission (148 beds)		
ITEM DESCRIPTION	ITEM TOTAL	
ALLOWANCES		
1	MOBILIZATION per the General Requirements, Sections 01292 and 01721	\$ 100,000
2	ALLOWANCE for Plan Check & Permit Fees per the General Requirements, Section 01292	\$ 30,000
3	ALLOWANCE for Geotechnical Services per the General Requirements, Section 01253	\$ 20,000
4	ALLOWANCE for Differing Site Condition per the General Requirements, Section 01253	\$ 20,000
4	ALLOWANCE Utility fees per the General Requirements, Section 01253	\$ 175,000
CONSTRUCTION		
5	Designer Fee	\$ 118,000
6	Demolition	\$ 50,000
7	Level & Anchor Pallet Shelters	\$ 264,000
8	Laundry Modular Unit	\$ 102,500
9	Guard Booth	\$ 30,000
10	Fencing & Gates w/ Privacy Slats or Acoustical Blankets	\$ 72,000
11	Site Furnishings	\$ 28,000
12	Misc. Site Improvements	\$ 261,000
13	On-Site Underground Utilities: Sewer, Domestic Water, Fire Hydrants	\$ 96,600
14	Mechanical & Plumbing	\$ 88,000
15	Internet & Security Conduits	\$ 53,200
16	Smoke & Fire Alarm	\$ 91,200
17	Site Lighting	\$ 66,500
18	Electrical - Main Switchboard to Local Power Panels	\$ 1,320,000
19	Electrical - All other	\$ 88,000
20	Construction Contingency	\$ 307,400
TOTAL ESTIMATED CONSTRUCTION COST:		\$ 3,381,400
21	Pallet Shelter (76 Residential, 4 Admin, 2 storage)	\$ 820,000
22	Hygiene Pallet Structures (5 Standard, 1 Accessible)	\$ 270,000
23	Sewer- Connection (ESR)	\$ 90,772
24	BOE/BCA	\$ 307,400
SUB-TOTAL CITY COST:		\$ 1,488,172
TOTAL PROJECT COST:		\$ 4,869,572
Unit abbreviation: CY=cubic yard, EA=each, LF=linear foot, LS=lump sum, SF=square foot, SY=square yard		
NOTES		
1. Estimate does not include soil remediation		Pet Crates \$700 Storage Bins \$7,400 \$8,100

Attachment 3

CD14 TINY HOME VILLAGE PROJECT:
NORTH MISSION ROAD





PROGRAM
PROPOSED: EMERGENCY SLEEPING CABIN COUNT (PALLET 64): 76
TOTAL BEDS: 148
TOTAL ADULT SINGLE BEDS (44 OCCUPANTS): 148
MOBILE HYGIENE UNITS (TOILETS AND SHOWERS): 02 REQUIRED
8x20 LAUNDRY STRUCTURE, W/ SERVICE SINK AND STORAGE
STORAGE PALLET(S): 05, FOR ADMINISTRATION OFFICES: 03

**CD14 N. MISSION RD
TINY HOME VILLAGE PROJECT**

PROJECT SCOPE
NEW SHELTER AND HOMELESS PROJECT TO PROVIDE BEDS WITHIN
AREA IS APPROXIMATELY 38,770 SF WITHIN AN EXISTING PARKING LOT OWNED
BY CITY OF LA. SITE AMENITIES INCLUDE (2) MOBILE HYGIENE UNITS WITH
TOILETS AND SHOWERS, (1) LAUNDRY STRUCTURE, (1) STORAGE PALLET, (1)
AREA WITH MOBILE SPACE (UMBRELLAS FOR FOOD DISTRIBUTION SERVICES,
LAUNDRY UTILITIES, ADMINISTRATIVE OFFICES, INDIVIDUAL LOCKERS, GUARD
PALLET, STORAGE PALLET(S), PET AREA, AND STAFF PARKING. SITE PERIMETER
TO BE FENCED WITH PRIVACY SLATS.
THIS SITE WILL REQUIRE TREE TRIMMING ALONG THE STREET AND SOME SIDEWALK
RESTORATION MAY BE NEEDED FOR ACCESSIBILITY.

CALL OUT FOR WORK

NO MAIN
PEDESTRIAN
ENTRANCE

GET BRNWAY TO
REMAIN FOR STAFF
PARKING

(6) NEAREST
FIRE HYDRANT

LASAN ACCESS
TO BUS

MAINTENANCE
ROAD FOR
EQUIPMENT SITE
LASAN ACCESS
ONLY

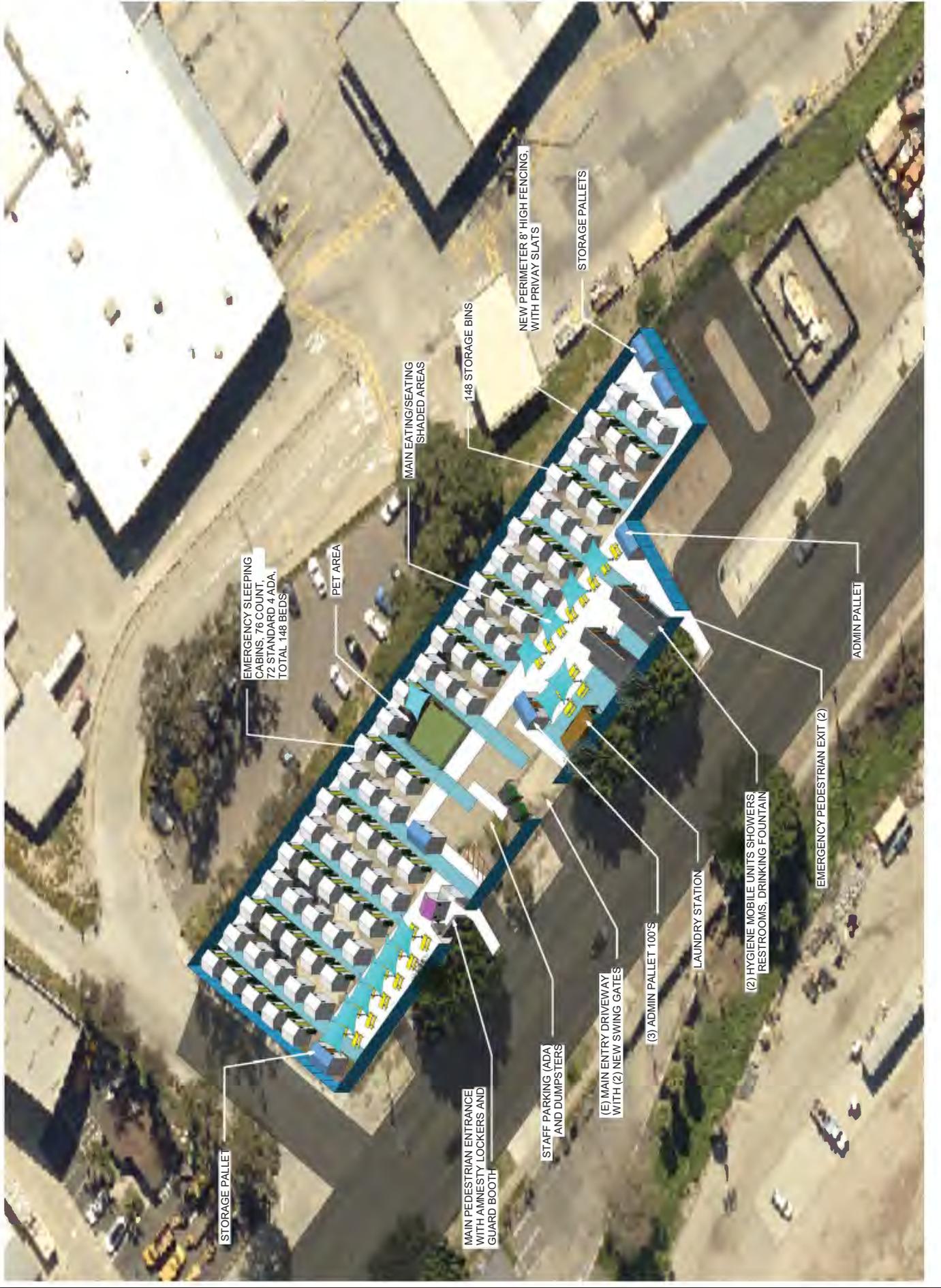
LASAN ACCESS
TO JAIL

LASAN AREA FOR
STORAGE AND
DEPLOYMENT NEEDS

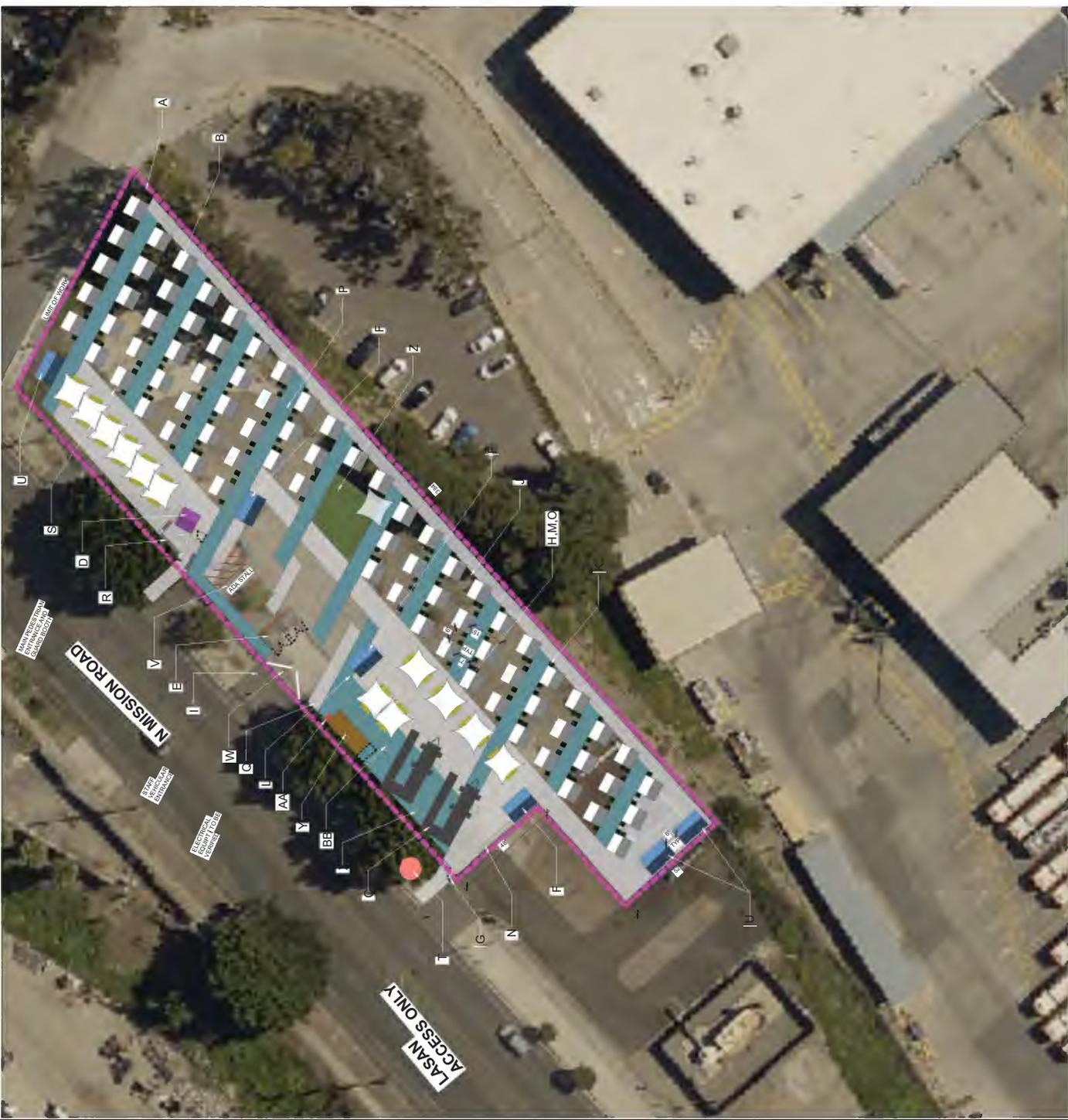
BOE TO INSTALL NEW
MANTENANCE HOLE
NORTH OF EXISTING

MISSION RD

5 FREEWAY



- KEYNOTE LEGEND:**
- A. (N) PERIMETER FENCING, 8' HIGH, WITH PRIVACY SLATS, APPROXIMATELY XXX LINEAR FEET
 - B. EMERGENCY SLEEPING CABIN (PALLET SHELTER 64), TYPICAL.
 - C. HYGIENE MOBILE UNIT WITH SHOWERS, TOILETS, LAVATORIES, AND DRINKING FOUNTAIN. SEE SHEET A300. TWO REQUIRED. SEE P001 FOR DETAILS.
 - D. PALLET GUARD BOOTH WITH HEATING AND LIGHTING
 - E. DUMPSTERS, CITY PROVIDED, PROVIDE 5' HIGH FENCE ENCLOSURE WITH SLATS, AT 40 SF WITH 4-3' SWING GATES
 - F. PALLET 100 FOR ADMIN OFFICES (3)
 - G. PEDESTRIAN GATE, PROVIDE 2'-4"
 - H. ULINE METAL PICNIC TABLES, 6' RECTANGLE OR 46" ROUND, PROVIDE 15 MIN
 - I. (E) DRIVEWAY
 - J. PROVIDE SITE AND EGRESS POST LIGHTS, TYP.
 - K. STORAGE BINS (148)
 - L. HOT BOX AND REFRIGERATION AREA, PROVIDE EXTERIOR OUTLETS FROM ADJACENT STRUCTURE
 - M. MOBILE UMBRELLAS WITH ACRYLIC CANVAS
 - N. SUNBRELLA FABRIC.
 - O. BENCHES BY VICTOR STANLEY, PRSS-124, PROVIDE 7 MIN.
 - P. FOOD DISTRIBUTION AREA
 - Q. PAINT (E) ASPHALT WITH SOLAR REFLECTIVE COATING, COLOR/PATTERN BY ARCHITECT
 - R. NEW ELECTRICAL EQUIPMENT - KEEP AREA CLEAR. SEE ELECTRICAL SHEETS.
 - S. DESIGNATED AREA FOR AMNESTY LOCKERS
 - T. (N) UTILITARIAN HOSE BIBB, 4 SHOWN
 - U. EXISTING FIRE HYDRANT
 - V. PALLET 100 FOR STORAGE (3)
 - W. DESIGNATED STAFF PARKING
 - X. 2-10 ROLLING GATES
 - Y. HYGIENE MOBILE UNIT SERVICE STATION WITH SHUT-OFF VALVE. SEE CIVIL, ELECTRICAL AND PLUMBING.
 - Z. LAUNDRY, SINK AND STORAGE CONTAINER, PROVIDE 30X48" CLEARANCE AT SINK
 - AA. PET AREA
 - BB. MECHANICAL EQUIPMENT. SEE PLUMBING SHEET ADA CIRCULATION PATH
- SITE INFORMATION:**
- 1. EXISTING ASPHALT PARKING LOT, TO BE IMPROVED AS REQUIRED
 - 2. LEVEL CABINS WITH PRESSURE TREATED WOOD STUDS DIRECTLY ON ASPHALT, AS REQUIRED. NOT TO EXCEED 8" - SEE STRUCTURAL SHEETS.
 - 3. CABINS REQUIRE OVERHEAD POWER SERVICE TO FEED SLEEPING CABIN, REFER TO ELECTRICAL SHEETS
 - 4. PROVIDE AN RV HOOK UP STATION WITH 5' X 5' CONCRETE PAD AND TRAFFIC BOLLARDS, AS REQUIRED TO PROTECT EQUIPMENT. (SEWER/ WATER/ ELECTRIC CONNECTIONS REQUIRED) - REFER TO PLUMBING SHEET, SEE KEYNOTE X ON A101. PLUMBING, CIVIL, AND ELECTRICAL SHEETS
 - 5. NEW SITE LIGHTING TO BE PROVIDED, SEE ELECTRICAL.
 - 6. TRIM TREES AS REQ'D. ALL WORK TO BE DONE UNDER A CERTIFIED ARBORIST.
 - 7. THE SITE MAY NEED GRADING TO LEVEL PALLET PLACEMENT AT ADA CIRCULATION PATH.
 - 8. ASPHALT RECOMMENDED TO MITIGATE EROSION CAUSED BY RAIN. REFER TO CIVIL SHEETS. PROVIDE ONE MAIN PEDESTRIAN ENTRANCE WITH PANIC HARDWARE, 2ND PEDESTRIAN ENTRANCE (EMERGENCY EXIT ONLY).



ORIGINAL SCOPE OF WORK

- ORIGINAL LIMIT OF WORK. APPROX 25,000 SF WITH;
- 10,500 SF OF NEW ASPHALT 200 LF OF 8' HIGH CHAIN LINK FENCING AND LIGHTING

ADDITIONAL SCOPE OF WORK

NEW LIMIT OF WORK APPROX 36,000SF

- NEW AREA REQUESTED -AREA TO INCLUDE GRADING,DRAINAGE, PAVING AND LIGHTING
- NEW FENCING REQUESTED, FENCING TO BE 10' HIGH, WROUGH IRON. TOTAL NEW LENGTH OF FENCING IS 2,550 LF
- NEW PROPOSED FENCING WILL BLOCK THE ENTRANCE TO THE PARK, A NEW ENTRANCE WILL BE REQUIRED,

- DESIGN NEW SWITCHGEAR PAD FOR SWP AND BOS REMOVE POWER POLES AND UNDERGROUND TRANSFORMER

ADDITIONAL REQUESTS INCLUDE STRIPPING FOR STAFF PARKING AND BIN UNLOADING FOR AN AREA APPROX 36,000 SF





The subject is outlined in red. Although the rooftop of a building adjacent to the south of the subject appears to lie within subject perimeter, improvements on that parcel do not encroach onto subject property.

2200-2212 Jesse Street
Los Angeles, California



The subject is outlined in red. APN 5410-009-913, in which the subject is located, is outlined in blue. Boundaries not to scale.

850 North Mission Road
Los Angeles, California