

0220-06070-0000


**T R A N S M I T T A L**

TO Council	DATE 01-25-23	COUNCIL FILE NO. 20-0841
FROM Municipal Facilities Committee	COUNCIL DISTRICT 6	

The attached report from the Department of General Services (GSD) was waived by the Municipal Facilities Committee (MFC) and is hereby transmitted for Council consideration.

Adoption of the report recommendation would authorize GSD to negotiate and execute a lease agreement with Volunteers of America Los Angeles (VOALA) for the operation of a Tiny Home Village located at 9710 San Fernando Road. The lease term is three years, with two one-year options to extend, to commence upon approval and issuance off the Statement of Completion. LAHSA will execute a service contract with VOALA to operate the site.

There is no anticipated General Fund impact. Construction funding has been approved through the eighth COVID-19 Homelessness Roadmap funding report, and operating costs will be funded with County Agreement funds and Homeless Services – General City Purpose funds.

  
 for Matthew W. Szabo  
 Chair, Municipal Facilities Committee

MWS:LRR/05230116

CAO 649-d

# CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER  
GENERAL MANAGER  
AND  
CITY PURCHASING AGENT



KAREN BASS  
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January 26, 2023

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

Attention: Michael Espinosa, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE  
A LEASE AGREEMENT WITH VOLUNTEERS OF AMERICA LOS ANGELES  
FOR INTERIM HOUSING AT 9710 SAN FERNANDO ROAD, LOS ANGELES**

The Department of General Services (GSD) requests authority to negotiate and execute a lease with Volunteers of America Los Angeles (VOALA) for the operation of a Tiny Home site located at a City-owned Right of Way property at 9710 San Fernando Road, CA 91331 in Council District 6 for interim housing.

**BACKGROUND**

The City's Homeless Coordinator requested that GSD negotiate a 36-month lease with VOALA to provide homeless services at this City-owned property.

Through this lease with VOALA, the site will be operated as an interim housing project that includes, among other things, tiny homes to accommodate 161 beds (including Americans with Disabilities Act compliant single beds), administration offices, mobile hygiene units with restrooms, showers and lavatories, on-site laundry, a pet relief area, outdoor sitting area for participants, a guard booth, individual storage bins, staff parking, and site perimeter fencing with privacy slats.

The Bureau of Engineering (BOE) is providing project design and construction management oversight with an expected completion date estimated in January 2023.



**TERMS AND CONDITIONS**

The lease term commences upon approval and issuance of the Statement of Completion and will last for approximately 36 months. The construction for the project has already commenced and is anticipated to be completed in January 2023. A complete set of terms and conditions are outlined on the attached term sheet.

**SHELTER SERVICES**

VOALA was selected by Council District 6 and the Office of the City Administrative Officer as the non-profit organization to operate this site. VOALA is one of the largest and most comprehensive human services organizations touching the lives of over 1.5 million people each year in hundreds of communities throughout the United States. With over 31 affiliates across the country VOALA has been pursuing their mission since 1896.

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

**BUILDING MAINTENANCE, UTILITIES, AND LANDSCAPING**

The City shall maintain major building systems, including and limited to plumbing, electrical, and mechanical systems such as fire life safety systems that service the entire project.

VOALA shall be responsible for utilities and provide daily routine and preventative maintenance including interior electrical, light fixture(s), smoke detectors, fire extinguishers, localized plumbing drain backups which do not affect the main line, and damage resulting from negligent or other acts or omissions of VOALA 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. VOALA will also maintain any landscaping, if any.

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

**ENVIRONMENTAL**

Through the CAO's eighth Roadmap funding report (CF# 20-0841) approved by the City Council on September 21, 2021, it was determined that the interim housing project 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 eighth Roadmap funding report approved by the City Council and Mayor on September 29, 2021 (CF# 20-0841), \$7,223,363 was allocated for the construction of the Tiny Home Village at 9710 San Fernando Rd. in Council District 6. \$500,000 came from the Federal Coronavirus Relief fund (CRF), \$3,880,068 came from the Community Development Block Grant - COVID fund (CDBG-CV), and \$2,833,295 came from the Additional Homeless Service - General City Purpose fund (AHS-GCP). Additionally, a small portion of \$10,000 was supplied by the Homeless Housing, Assistance and Prevention fund (HHAP).

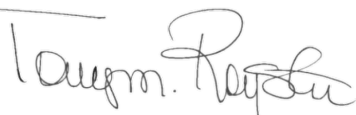
To support operations of the Tiny Home Village, \$1,558,985 of Emergency Shelter Grant - COVID funds (ESG-CV) were approved by the City Council and Mayor on September 29, 2021. These funds were approved for both operations and start up costs, which include furniture, fixtures, and equipment. Services will be provided by the Volunteers of America Los Angeles (VOALA). No funds were allocated for leasing, since the site is located on City- owned land.

**FISCAL IMPACT**

There is no anticipated impact to the General Fund at this time. The annual cost to operate this site is \$3,232,075.00 which will be funded with County Agreement funds. Additional Homeless Services - General City Purpose funds can be allocated for maintenance, as necessary.

**RECOMMENDATION**

That the Los Angeles City Council, subject to the approval of the Mayor, authorize GSD to negotiate and execute a lease agreement with VOALA for the "Tiny Home" site located at 9710 San Fernando Road, Los Angeles, CA 91331 to operate an interim housing site under the terms and conditions substantially outlined in this report.



Tony M. Royster  
General Manager

Attachment: Term Sheet

## LEASING TERM SHEET

MFC DATE 01/26/2023

LANDLORD City of Los Angeles - GSD

ADDRESS 111 E. 1st Street, Room 201, Los Angeles, CA 90012

TENANT Volunteers of America Los Angeles

ADDRESS 3600 Wilshire Boulevard, Suite 1500, Los Angeles, CA 90010

LOCATION 9710 San Fernando Road

AGREEMENT TYPE Lease Agreement

USE Interim Housing

SQUARE FEET 55,960 Square Feet

TERM Three (3) Years from final issuance of Completion \*\* See "Other"\*\*\*

RENT START DATE Upon City Clerk Attestation

LEASE START DATE Upon City Clerk Attestation

OPTION TERM Two (2) one (1) year options

HOLDOVER Month to Month

SUBLET/  
ASSIGNMENT No Right to Sublease/Assign

TERMINATION LL's option with thirty (30) day written notice. \*\*\*See "Other"\*\*\*

RENTAL RATE \$0.00

ESCALATION None

RENTAL ABATEMENT None

ADDITIONAL RENT None

PROPERTY TAX None

OPEX None

CAM None

OTHER	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	Tenant
MAINTENANCE/ REPAIR DETAILS	**See "Other"***
TENANT IMPROVEMENTS	City of Los Angeles through Bureau of Engineering will design and oversee construction of the site.
PARKING	As available on site
UTILITIES	Tenant
CUSTODIAL	Tenant
SECURITY	Tenant
PROP 13 PROTECTION	City is Exempt
INSURANCE (City)	Tenant shall indemnify and hold harmless the City
OTHER:	<p>Term: In the event that the Service Contract terminates pursuant to the terms and provisions of the Service Contract, this Lease agreement shall, without any notice or action, automatically terminate. Lease Agreement is conterminous with Service Contract.</p> <p>Early Termination: City shall have the unilateral right to terminate this Lease at an time for any reason upon thirty (30) days' written notice to VOALA.</p> <p>Maintenance/Repair Details: VOALA shall be responsible for utilities and provide daily routine and preventative maintenance including interior electrical, light fixture(s), smoke detectors, fire extinguishers, localized plumbing drain backups which do not affect the main line, and damage resulting from negligent or other acts or omissions of VOALA 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. VOALA will also maintain any landscaping, if any.</p>