

CITY OF LOS ANGELES  
CALIFORNIA

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April 16, 2020

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

Attention: Armando Bencomo, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A NEW LEASE AGREEMENT  
WITH PEOPLE ASSISTING THE HOMELESS  
AT 3210 AND 3248 RIVERSIDE DRIVE**

The Department of General Services (GSD) requests authority to negotiate and execute a new lease with People Assisting the Homeless (PATH), a 501(c)(3) non-profit organization, to operate a bridge housing facility at 3210 and 3248 Riverside Drive, Los Angeles, CA 90029.

**BACKGROUND**

On March 27, 2019, the City Council adopted a motion (C.F. 19-0126) and report from the Homelessness and Poverty Committee (H&P) instructing staff to evaluate and determine if Riverside Dr. was suitable for development as a bridge housing facility. The evaluation is complete and the City's Homeless Coordinator requested GSD proceed with the negotiation of a lease with PATH to operate the facility.

The site is owned by the City of Los Angeles (City) and under the Department of Recreation and Parks' (RAP) jurisdiction. The site is a partially developed and improved parcel situated on an existing surface parking lot at approximately 3.3 acres and is comprised of two lots (APN 5434-016-900 and 5434-016-901). The project design includes a 10,800 square feet (sf) tent structure with 100 beds, an 1,080 sf hygiene trailer, an 1,080 sf administration/intake trailer, a repose garden, bin storage area, waste and recycling area, an elevated deck, an outdoor pet area and general open space.

The Bureau of Engineering (BOE) is managing the construction of the project with an estimated opening date of late June 2020.



**TERMS AND CONDITIONS**

The lease term is for three years, includes two one-year extension options and a month-to-month holdover option. The lease term commences on the approval and issuance date of a Certificate of Occupancy. A complete set of terms and conditions are outlined on the attached term sheet.

**SHELTER SERVICES**

PATH was selected by the City Administrative Office (CAO) as the non-profit provider lessee to operate this site. PATH was founded in Los Angeles by a group of concerned community members to support their neighbors experiencing homelessness. PATH provides a variety of services for homeless individuals including employment, outreach, housing navigation, and permanent supportive housing.

**BUILDING MAINTENANCE**

The CAO advised a maintenance fund will be 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. PATH will provide routine daily maintenance and repairs through its operational funds.

**ENVIRONMENTAL**

This site is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Article 19, Sections 15301 Class 1(h); 15304, Class 4(a)(b)(e); and 15331 Class 32; as well as City of Los Angeles CEQA Guidelines, Article III, Section 1, Class 1(8)(12); and Class 4(1)(3)(6); as set forth in the Notice of Exemption.

**COMMUNITY BENEFIT ANALYSIS**

Inasmuch as A Bridge Home is a City program formed to facilitate temporary housing and social services for homeless individuals, the proposed lease, being necessary for implementation of the subject "A Bridge Home" project, does not require further analysis of community benefits in support of the lease.

**FUNDING**

On December 10, 2019, the City Council approved a motion (C.F. 19-0126) to allocate \$1,465,000 to complete the project design and construction for the site. The motion also instructs the Controller to process a Reserve Fund loan in the amount of \$1,465,000 to support the project, which will be reimbursed through the State of California (State) Homeless Housing, Assistance, and Prevention Program (HHAP) grant receipts. The Reserve Fund loan will ensure that construction of the bridge housing facility at Riverside Dr. is not delayed. This loan will be repaid upon receipt of the City's HHAP allocation.

On February 11, 2020, the City Council approved a second funding motion (C.F. 19-0126) to allocate an additional \$5,631,255 for construction costs to build the facility. The motion also instructs the Controller to process a Reserve Fund loan for BOE in the amount of \$5,631,255 to support the project, which will be reimbursed through the State HHAP grant receipts. The Reserve Fund loan will ensure that construction of the bridge housing facility at Riverside Dr. is not delayed. This loan will be repaid upon receipt of the City's HHAP allocation.

The City expects to receive \$117,562,500 from the State of California HHAP grant, however, these funds are not anticipated to be available until second quarter 2020. The State Business, Consumer Services, and Housing Agency, the agency that administers HHAP, has confirmed that pre-award capital and operational costs may be reimbursed with HHAP.

Upon receiving HHAP grant funds, the City Administrative Officer (CAO) will request operational funding be identified from the Homeless Emergency Aid Program Grant AC-1 – Capital and Operating Support for the non-profit and associated start-up and operational costs.

#### FISCAL IMPACT

There is no anticipated General Fund impact provided the grant funding repays for the authorized reserve fund loan for the project. Initial project funding of \$7,096,255 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 a new lease agreement with the People Assisting the Homeless at 3210 and 3248 Riverside Dr., Los Angeles, CA 90029 for use as a bridge housing facility under the terms and conditions substantially outlined in this report.



Tony M. Royster  
General Manager

Attachment: Term Sheet

MFC DATE

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LANDLORD

ADDRESS

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TENANT

ADDRESS

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LOCATION

AGREEMENT TYPE

USE

SQUARE FEET

TERM

RENT START DATE

LEASE START DATE

OPTION TERM

HOLDOVER

SUBLET/  
ASSIGNMENT

TERMINATION

RENTAL RATE

ESCALATION

RENTAL ABATEMENT

ADDITIONAL RENT

PROPERTY TAX

OPEX

CAM

OTHER

SECURITY DEPOSIT

MAINTENANCE/  
REPAIR

MAINTENANCE/  
REPAIR DETAILS

TENANT  
IMPROVEMENTS

PARKING

UTILITIES

CUSTODIAL

SECURITY

PROP 13  
PROTECTION

INSURANCE  
(City)

OTHER: