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July 29, 2021

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

Attention: Michael Espinosa, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LICENSE  
AGREEMENT AT ARROYO DRIVE AND AVENUE 60 WITH  
HOPE OF THE VALLEY FOR USE AS INTERIM HOUSING**

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 at a City of Los Angeles (City) owned property located at Arroyo Drive and Avenue 60, Los Angeles, CA 90042. Arroyo Drive and Avenue 60 is the location of the Department of Recreation and Parks' (RAP) Herman Park, also known as Arroyo Seco Park.

**BACKGROUND**

On July 1, 2020, City Council (Council) approved a motion (CF 20-0841) reserving up to \$100 million of COVID-19 Federal Relief Funds to implement the COVID-19 Homelessness Roadmap. The motion further directed the City Administrative Officer (CAO), with the assistance of various departments to report back and the ensuing CAO report (CF 20-0841) was approved in Council on May 4, 2021 recommending the use of Arroyo Drive and Avenue 60 in Council District 14 (CD14) for construction of a Tiny Homes project. (See Attachment A - Site Plan).

Subsequently, on April 15, 2021, the Board of Recreation and Park Commissioners approved a report to convert a portion of Arroyo Seco park to a temporary housing site (No 21-065). The report also authorized RAP's General Manager, or designee, which may include another City Department, to issue a license to a housing operator for the operation, security, and maintenance of the project. GSD will execute the license agreement with HVRM allowing them to operate the site via a service contract with LAHSA under the COVID-19 Homeless Roadmap Program.

Arroyo Seco Park is an 85.97-acre park which provides tennis courts, playgrounds, baseball diamonds, a dog park and picnic areas for the surrounding community. However, the proposed project area is located on an unused portion of the parking lot as there is no longer vehicular



access. The lot is immediately adjacent to a green space with trees and landscaping and a small children's play structure. Construction will include outdoor lighting, perimeter fencing, 115 tiny homes (109 double beds, six single beds) of small, detached, pre-fabricated cabins assembled on site with beds for up to 224 Individuals. No trees will be removed.

The Bureau of Engineering (BOE) is providing project design and construction management oversight with an expected completion in August 2021.

### **TERMS AND CONDITIONS**

The three-year license agreement with HVRM will have no rent and no renewal options. A complete set of terms and conditions are outlined on the attached term sheet.

### **SHELTER SERVICES**

HVRM, founded in 2009, is a faith-based compassion ministry that focuses on the 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.

### **COMMUNICATION AND FURNITURE, FIXTURES, AND EQUIPMENT**

The City will provide separate funding to accommodate the communication, data, staff phones, furniture and office equipment required. Funds totaling \$12,280 from the Homelessness Efforts - County Funding Agreement Fund were approved by City Council on April 6, 2021 (CF 20-0841) from a CAO report.

### **BUILDING MAINTENANCE/UTILITIES/LANDSCAPING**

HVRM shall maintain the buildings in good and sanitary condition and repair in accordance with local standards for comparable properties of like age and character. HVRM is further obligated to maintain 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 Licensee or Licensee's Parties including replacement or repair of fixtures, electrical outlets, plumbing, and HVAC damaged as a result of intentional destruction of such property. Any repairs, alterations or other improvements required from the specific use of the building by Licensee shall be performed by Licensee at Licensee's sole cost and expense.

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 Homes and additional Roadmap sites.

### **ENVIRONMENTAL**

On April 6, 2021, the Los Angeles City Council determined that this project was exempt from California Environmental Quality Act (CEQA), (CF 20-0841). In this action, the City Council

determined the City's activities related to the homeless shelter at this site are statutorily exempt under Public Resources Code Section 21080(b)(4) as specific actions 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; and, because these projects use "Homeless Housing, Assistance and Prevention Program funds," they are also exempt under Governor's Order N-32-20, as set forth in the Notice of Exemption in the City Council's prior action.

### **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**

On April 6, 2021, the City Council approved the City Administrative Office (CAO) Funding Recommendations for COVID-19 Homelessness Roadmap Projects which approved the construction of a Tiny Home Village at Arroyo Drive and Avenue 60 in CD14 (CF 20-0841).

A total of \$7,163,096 is approved for construction costs from the Community Development Block Grant-COVID Fund (\$5,119,932) and Coronavirus Relief Fund (\$2,043,164). Additionally, \$3,732,920 from the Homelessness Efforts - County Funding Agreement Fund was approved for operations, including services, through June 30, 2022, and for furniture, fixtures, and equipment.

### **FISCAL IMPACT**

There is no anticipated impact to the General Fund. Initial project funding of \$7.16 million was approved by Council.

### **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 Arroyo Drive and Avenue 60, Los Angeles, CA 90042 for an interim housing site under the terms and conditions substantially outlined in this report.

Handwritten signature of Tony M. Royster in black ink, with the initials "FOR MMR" written to the right of the signature.

Tony M. Royster  
General Manager

Attachments: Term Sheet  
Attachment A - Site Plan

# Attachment A - Site Plan

Figure 1  
Project Site Location Map



# LEASING 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

OTHER: