

CITY OF LOS ANGELES
CALIFORNIA

Agenda Item No. 5

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ERIC GARCETTI
MAYOR

DEPARTMENT OF
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July 28, 2022

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 MOTHERS IN ACTION, INC. AT 3320-3322 W. 50TH STREET
AND 5000-5010 S. CRENSHAW BOULEVARD, LOS ANGELES**

The Department of General Services (GSD) requests authority to negotiate and execute a new lease with the Mothers In Action, Inc. (MIA), a 501(c)3 non-profit organization, for the property located at 3320-3322 W. 50th Street and 5000-5010 S. Crenshaw Boulevard, Los Angeles, CA 90043 (the "Properties") for the use of a public parking facility as part of the Destination Crenshaw Project (Project).

BACKGROUND

On March 2, 2022, the Los Angeles City Council adopted a motion introduced by Council District 8 (CD8) instructing GSD to negotiate and execute a lease with MIA (Council File #20-1047-S1). The City will use these properties to replace public parking for the small businesses impacted by the loss of parking spaces due to the new Metro Crenshaw/LAX Light Rail Line.

As a result of the new Crenshaw Rail Line, a number of parking spaces were eliminated along Crenshaw Boulevard, exacerbating parking issues for local businesses. Destination Crenshaw (DC), a non-profit organization, has been working with the City and Metro on the development of this area. Together with the Department of Transportation (LADOT), DC's plans include creating a total of 19 parking spaces (including one ADA parking space) on the Properties the City will lease from MIA. These parking spaces will be metered which will help generate additional income for the City.



The new Crenshaw/LAX Light Rail Line is an 8.5-mile line connecting to the Metro Green Line and will serve the cities of Los Angeles, Inglewood, and El Segundo. This line will travel through Hyde Park and will be flanked by 1.3 miles of an area that is currently being developed for the Project, giving travelers the opportunity to visit the community-inspired open-air street museum. The Project will include community gathering spaces, parks, landscape and streetscape improvements, more than 100 public art opportunities, and will highlight the world class contributions of the Black Los Angeles community.

TERMS AND CONDITIONS

The proposed lease will be for one year with four (4) – one-year options to extend the lease. A complete set of terms and conditions are outlined on the attached term sheet.

MARKET ANALYSIS

Based on current market rates of other vacant lots within a five-mile radius of the Properties, the monthly market rate for such properties ranges between \$0.50 per square foot to \$0.80 per square foot. This agreement was negotiated at \$0.19 per square foot, which equates to \$3,500 per month.

Market Rate – Vacant Lots Monthly Rate

ADDRESS	MONTHLY RATE PER SF
2150 Venice Blvd, Los Angeles, CA 90006	\$0.70/SF
6401 Broadway, Los Angeles, CA 90003	\$0.65/SF
800 S La Brea Ave, Inglewood, CA 90301	\$0.64/SF
11302 Prairie Avenue, Inglewood, CA 90303	\$0.59/SF
1816 Oak St, Los Angeles, CA 90015	\$0.80/SF
Total Average	\$0.50/SF
*3320-3322 W. 50th Street and 5000-5010 S. Crenshaw Blvd.	\$0.19/SF

*Proposed Rent is 62% less than average range of comparables.

MAINTENANCE

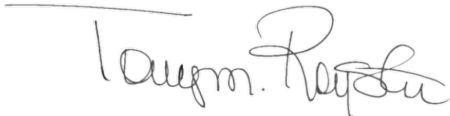
DC shall maintain the site in good and sanitary condition. Any repairs, alterations or other improvements required from the specific use of the site shall be performed by DC at their sole expense. The Department of Transportation (LADOT) will be responsible for all utilities associated with the properties.

FISCAL IMPACT

Funds for the Lease will be paid from the Department of Transportation Fund No. 363 (Special Parking Revenue Fund), Parking Facilities Lease Payments Account to the Department of General Services Fund 100-63, Account 000025. The lease will also generate parking income to the Special Parking Revenue Fund.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to negotiate and execute a new lease agreement with Mothers In Action, Inc. for Properties located at 3320-3322 W. 50th Street and 5000-5010 S. Crenshaw Boulevard, Los Angeles, CA 90043 under the terms and conditions substantially outlined in this report.



Tony M. Royster
General Manager

Attachments: Leasing Term Sheet

LEASING TERM SHEET

MFC DATE

LANDLORD

ADDRESS

TENANT

ADDRESS

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: