

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



KAREN BASS
MAYOR

Agenda Item No. 6

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
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May 25, 2023

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

Attention: Mandy Morales, Legislative Assistant

**REQUEST AUTHORIZATION TO NEGOTIATE AND EXECUTE A LEASE
EXTENSION AT 407/515 N. BEACON ST. SAN PEDRO, CA 90731 WITH
CALIFORNIA DEPARTMENT OF TRANSPORTATION AND SUBLEASE
AMENDMENT WITH HARBOR INTERFAITH SERVICES, INC**

The Department of General Services (GSD) requests authority to negotiate and execute a lease extension with the State of California Department of Transportation (Caltrans) and subsequently a sublease amendment with Harbor Interfaith Services, Inc. (Harbor Interfaith), for the continued operation of A Bridge Home site located at 407/515 N. Beacon St. San Pedro, CA 90731 in Council District 15 (CD15).

BACKGROUND

The City's Homeless Coordinator requested that GSD negotiate a 12-month extension with Caltrans. The initial 36 month lease has expired as of January 1, 2023. The site is approximately 26,196 square feet (sf) and covers approximately one-third of the current Beacon Street Park and Ride surface lot located between the intersection of N. Beacon Street and W. O'Farrell Street in the San Pedro area of Los Angeles. A portion of the lot currently operates as a Park and Ride transit lot. The project includes a single-story 10,800 sf modular tent and associated structures for accommodating up to 100 beds.

TERMS AND CONDITIONS

The current lease and sublease expired on December 31, 2022. GSD was recently provided direction for the extension. Both agreements will be amended to reflect the extended term. The lease with Caltrans is for \$1 per month with a \$500 annual administration fee. There is no rent due for the sublease agreement with Harbor Interfaith. A complete set of terms and conditions are outlined on the attached term sheet.



SHELTER SERVICES

Harbor Interfaith Services Inc. shall continue, through LAHSA, as the service provider to operate the site.

Harbor Interfaith, Inc. a 501(c)3 non-profit organization, provides comprehensive services to the homeless population including housing, employment and counseling services, and treatment for mental and physical health problems.

BUILDING MAINTENANCE, UTILITIES, AND LANDSCAPING

The City shall be responsible for all major building and site systems such as structural foundation, sewer, roof, HVAC, plumbing, electrical, fire and life safety systems. The operator, Harbor Interfaith, through the sublease agreement, will be responsible for day-to-day repairs and maintenance of the site along with any damage caused with their use. Furthermore, Harbor Interfaith will be responsible for utility payments for their pro-rata share of the site to be paid directly to the Landlord.

ENVIRONMENTAL

Through the CAO's 16th Roadmap funding report (CF# 20-0841-S31) approved by the City Council and Mayor on March 8, 2023, 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.

The Bureau of Engineering has recommended that beyond the one year use, remedial measures may be implemented for the slope stability.

FUNDING


In the CAO funding report approved by the Mayor and Council on March 8, 2023 (CF 20-0841-31), \$1 monthly rent plus a \$500 annual administration fee of County Agreement funds were allocated for the leasing cost of the A Bridge Home site at 407 N. Beacon St. \$900,090 of County Agreement funds were allocated in the 11th Roadmap funding report (CF 20-0841-S23) that was approved by the Council and Mayor on June 7, 2022. This funding source will continue to be utilized and programmed by fiscal year to support operations.

FISCAL IMPACT

There is no anticipated impact to the General Fund at this time.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize GSD to negotiate and execute a lease extension with Caltrans and an amendment to the sublease agreement with Harbor Interfaith for the extension of the "A Bridge Home" site located at 407/515 N. Beacon Avenue Los Angeles, CA 90731 to operate an interim housing site under the terms and conditions substantially outlined in this report.



Tony M. Royster
General Manager

Attachments: Caltrans Term Sheet
Harbor Interfaith 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	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	Tenant's responsibility - passed on through sublease with Harbor Interfaith <input type="checkbox"/>
MAINTENANCE/ REPAIR DETAILS	Tenant's responsibility - passed on through the sublease with Harbor Interfaith
TENANT IMPROVEMENTS	None
PARKING	As available on site, subject to availability.
UTILITIES	Tenant shall be responsible, passed on through the sublease to provider, Harbor Interfaith.
CUSTODIAL	Provider, Harbor Interfaith shall be responsible
SECURITY	City through the provider, Harbor Interfaith will hire a security contractor
PROP 13 PROTECTION	Other None
INSURANCE	Landlord shall indemnify and hold harmless the City
OTHER:	

LEASING TERM SHEET

MFC DATE

LANDLORD

ADDRESS

TENANT

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LOCATION

AGREEMENT TYPE

USE

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RENTAL ABATEMENT

ADDITIONAL RENT

PROPERTY TAX

OPEX

CAM

OTHER	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	Tenant's responsibility for all items that are not considered major building <input type="checkbox"/> <input type="checkbox"/>
MAINTENANCE/ REPAIR DETAILS	City shall maintain major Building Systems - limited to main plumbing responsibility, HVAC, major electrical systems, and fire life safety systems. Tenant shall maintain daily and preventative maintenance items.
TENANT IMPROVEMENTS	None
PARKING	As available on site, subject to availability.
UTILITIES	Tenant shall be responsible for all utilities
CUSTODIAL	Provider, Harbor Interfaith shall be responsible for all custodial
SECURITY	Harbor Interfaith will hire a security contractor for the site.
PROP 13 PROTECTION	Other <input type="checkbox"/> None <input type="checkbox"/>
INSURANCE	Landlord shall indemnify and hold harmless the City
OTHER:	<input type="text"/>