

CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS
MAYOR

Agenda Item No. 4

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
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July 27, 2023

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

Attention: Mandy Morales, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A NON-PROFIT
LICENSE AGREEMENT WITH MAKING IT HAPPEN INC. AT
7747 FOOTHILL BLVD. ROOM #203, TUJUNGA, CA 91042**

The Department of General Services (GSD) requests authority to negotiate and execute a new license agreement with Making It Happen Inc. (Tenant), a California 501(c)3 non-profit organization, and the City of Los Angeles (City), (Landlord) in Council District 7 for use of room #203 located in North Valley City Hall, 7747 Foothill Blvd., Tujunga, CA 91042 for use as office space.

BACKGROUND

Pursuant to the Council Motion, C.F. 22-1505, adopted on February 22, 2023, the City Council directed GSD to negotiate and execute a license agreement with Making It Happen Inc. to occupy room #203, approximately 307 square feet, in the North Valley City Hall.

Making It Happen, Inc. was established in 2013 by Pattee Colvin, an advocate who was formerly unhoused. While unhoused, Ms. Colvin struggled with finding services to address her needs and she knew that she was not the exception. Ms. Colvin started a non-profit organization focused on serving the needs of individuals and families in the community with compassion and dignity.

Making It Happen Inc. offers access to food and grocery assistance with a weekly drive-thru pantry serving over 200-250 individuals and families. They furnish clean clothing, hot showers, job training, Narcan distribution and training access. Furthermore, they assist with the needs of unhoused individuals at local permanent housing facilities and provide homeless connect days offering free medical clinics.



The office space will be utilized for administrative purposes, a drop-in location that provides an array of programs and services, as well as partnering with Council District 7 on community outreach. Their mission is to support the community in any way they can.

TERMS AND CONDITIONS

The proposed license agreement is for zero rent for a one-year license agreement with four, one-year options to renew at the City's sole discretion. Complete terms and conditions are outlined on the attached term sheet.

BUILDING MAINTENANCE/UTILITIES/PARKING

The City shall be responsible for the exterior and interior maintenance of the building which includes but is not limited to common areas custodial services, HVAC, utilities, as well as other related building maintenance. Making It Happen will be responsible to keep their office space clean, including but not limited to the interior walls, floors, ceilings, doors, fixtures et al. They shall also promptly remove all trash and waste generated from its operations to an appropriate trash dumpster as designed by the City. Any repairs, alterations or other improvements required from the specific use of their portion of the office space shall be performed by the Tenant at their sole cost and expense.

The Community Benefit Analysis states that the Tenant will be responsible for paying all applicable utility and custodial costs. After further evaluation, the Tenant will not be responsible for paying the utilities as the Tenant would be occupying a room within this City-owned facility. Individual rooms are not separately metered. Removal of the utilities cost in the Community Benefit Analysis does not significantly impact the overall community benefit value compared to the market value of the licensed space. However, the Tenant will be responsible for their own custodial costs in the proposed office space.

Behind the facility there is a surface parking lot which provides parking for the building as well as a community park. Additionally, there is ample street parking available on the surrounding streets including Foothill Blvd, Wyngate St., and Kailua Lane.

COMMUNITY BENEFIT ANALYSIS

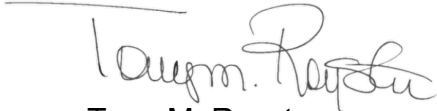
The City Administrative Office (CAO) completed the attached Community Benefit Analysis (CBA) which supports the recommendations for approval of the proposed terms and conditions. See the attached CBA.

FISCAL IMPACT

There is no anticipated impact on the General Fund as the license agreement contains zero rent.

RECOMMENDATION

That the Municipal Facilities Committee, subject to the approval of the Mayor, authorize the Department of General Services to negotiate and execute this new license agreement with Making It Happen Inc. at 7747 Foothill Blvd., room #203, Tujunga, CA 91042 under the terms and conditions substantially outlined in this report.

A handwritten signature in black ink, appearing to read "Tony M. Royster". The signature is written in a cursive style with a long horizontal line extending from the top left of the name.

Tony M. Royster
General Manager

Attachments: Term Sheet
CBA

LEASING TERM SHEET

MFC DATE 07/27/2023

LANDLORD City of Los Angeles

ADDRESS 111 E. 1st Street, 2nd Floor, Los Angeles, CA 90012

TENANT Making It Happen, Inc. - a 501(c)(3) non profit organization

ADDRESS 8100 Foothill Boulevard, #58, Sunland, CA 91042

LOCATION 7747 Foothill Boulevard, Room #203, Tujunga, CA 91042

AGREEMENT TYPE No Cost Non Profit License Agreement

USE Office Space

SQUARE FEET Approximately 307 square feet

TERM One (1) Year Term

RENT START DATE N/A

LEASE START DATE Upon City Clerk's Attestation

OPTION TERM Four (4) one (1) year options at City's sole discretion

HOLDOVER N/A

SUBLET/
ASSIGNMENT Right to Sublease - Landlord's approval

TERMINATION City has the right to terminate without cause upon ninety (90) day written notice

RENTAL RATE \$0.00

ESCALATION N/A

RENTAL ABATEMENT N/A

ADDITIONAL RENT N/A

PROPERTY TAX N/A


| | |
|--------------------------------|---|
| OPEX | N/A |
| CAM | N/A |
| OTHER | Tenant is responsible for phones/internet/connectivity |
| SECURITY DEPOSIT | N/A |
| MAINTENANCE/ REPAIR | Tenant shall maintain their portion of the site in good and sanitary condition. City has no repair and maintenance obligation within their premises. |
| MAINTENANCE/ REPAIR DETAILS | |
| TENANT IMPROVEMENTS | Any repairs, alterations or other improvements required by the specific use of their portion of the office space shall be performed by the Tenant at their sole cost and expense. |
| PARKING | Behind the facility there is a surface parking lot. Parking is a on a "first come - first serve" basis |
| UTILITIES | City |
| CUSTODIAL | Tenant is responsible for their own custodial in their office portion. City will provide custodial for all common areas at the facility. |
| SECURITY | Tenant is responsible for their own security. |
| PROP 13 PROTECTION | N/A |
| INSURANCE (City) | Tenant shall indemnify and hold harmless the City |
| OTHER: | Appropriate insurance coverage to be determined by the City's Risk Management Division. |
| PRINT: | |
| SIGNATURE: | |

Community Benefit Analysis for Proposed Non-Profit Lease

| I. Proposed Lease Terms and Conditions | |
|--|---|
| Facility Location: | 7747 Foothill Blvd. Room #203 Tujunga, CA 91042 |
| Lessee: | Making It Happen, Inc., a non-profit 501 (c)(3) organization |
| Council File Reference: | C.F. 22-1505 (motion adopted February 22, 2023) |
| Space Assignment: | Approximately 307 square feet (s.f.) floor space |
| Term & Renewal Option: | 1 Year (with four options to renew for one year each) |
| Market Rate: | <u>\$8,584 total annual</u> = 307 s.f. x \$2.33 per s.f. x 12 months |
| Proposed Rental Rate: | \$0 per year during the first term, with rate under any renewal options to be subject to negotiations at the discretion of the City. |
| Clean-up and Associated Cost: | Lessee shall be financially responsible for all applicable utility and custodial costs. |
| Tenant Improvements: | Lessee shall have full responsibility for the cost of any needed tenant improvements. Building Maintenance shall not provide any support. |
| II. History and Current Services | |
| Mission: | Making It Happen, Inc. serves individuals and families (unemployed, under-employed or homeless) by providing solutions that improve their quality of life in the community. |
| Vision: | To help any person in need in the community by providing services or by connecting them to services needed. |
| Background / History: | Making It Happen, Inc. was established in 2013 by Pattee Colvin, an advocate who was formerly unhoused. While unhoused, Ms. Colvin struggled with finding services to address her needs and she knew that she was not the exception. After she became housed, Ms. Colvin decided to give back by starting a non-profit organization focused on serving the needs of individuals and families in the community with compassion and dignity. Making It Happen, Inc. is a non-profit benefit Corporation run entirely by volunteers. |
| Current Services: | Services offered include: (1) weekly drive-thru food pantry serving over 200-250 individuals and families; (2) providing access to housing solutions, clean clothing, hot showers, job training, Narcan distribution and training; (3) assistance with the needs of housed individuals at local permanent housing facilities; and, (4) community outreach - homeless connect days and bi-annual, free medical clinics. |

Community Benefit Analysis for Proposed Non-Profit Lease

| III. Community Benefit Analysis | |
|--|---|
| Value of Direct Services: | <p>A. <u>Value of Dedicated Staff: \$12,000</u></p> <ul style="list-style-type: none"> 1 Staff/Director: \$12,000 <p>B. <u>Value of Services to Participants: \$307,500</u></p> <ul style="list-style-type: none"> Weekly Food Pantry: \$292,500 (\$25 per box x 225 people served x 52 weeks) Outreach and Community Programs: \$15,000 (distribution of clothing, hygiene, housing assistance needs) |
| Value of Operational Budget: | <p>C. <u>Value of Operational Budget: \$23,500</u></p> <ul style="list-style-type: none"> Insurance: \$1,500 Advertising: 1,000 Transportation: 11,000 Vehicle Maintenance: 3,000 Office Supplies/ website domain/phone/ software subscription/ copying/printing: 7,000 |
| Additional Offsets / In-Kind Services: | D. <u>Value of Additional Offsets/In-Kind Services: \$8,000</u> |
| Total Community Benefit: | <u>\$351,000</u> annually (A+B+C+D) |
| Market Value for Leased Space: | <u>\$8,584</u> annually |
| Benefits Finding and Recommended Action: | <p>Community benefits estimated at <u>\$351,000</u> annually exceeds the market value of <u>\$8,584</u> for the leased space by <u>\$342,416</u>.</p> <p>Approval of the proposed lease terms is recommended on the basis that the value of the community benefits exceeds the market value of the leased space.</p> |

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|------------------------|--------------|--------|---|
| 0220-05479-0039 | LaTanya Roux | Kay Ha |  |
| Work Assignment Number | Analyst | Chief | Assistant CAO |

YC/KH/LRR/05230198

Released Date: 06/09/2023