

CITY OF LOS ANGELES

CALIFORNIA

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
FAX No. (213) 928-9515

KAREN BASS
MAYOR

December 14, 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 LEASE AGREEMENT WITH LYCEE INTERNATIONAL DE LOS
ANGELES AT 4155 RUSSELL AVENUE, LOS ANGELES, CA 90027**

The Department of General Services (GSD) requests authority to negotiate and execute a lease agreement with the International School of Los Angeles - Lycee International de Los Angeles (LILA) as "Lessee" for the City owned property located at 4155 Russell Avenue, Los Angeles, CA 90027 in Council District 4 (CD4).

BACKGROUND

On October 20, 2021 City Council adopted a motion (CF21-1070) directing GSD to negotiate a ten (10) year lease, with two (2), five- (5) year options with LILA for the City owned property (approximately 6.34 acres) located at 4155 Russell Avenue. The City of Los Angeles was the successor to the former Lessor (Mega Mortgage Co., Inc.). The City inherited this property in 1994 and the school has occupied this property since 1992. The lease with LILA expired on December 31, 2021. Since that time the lease agreement has been on hold due to ongoing negotiations with the school and community input provided to CD4.

TERMS AND CONDITIONS

The term is for 10 years with two, five-year options to extend. The proposed rent is \$1.65 per square foot (sf) with automatic 3% annual increases. Also, in order to address community concerns, LILA has agreed to several conditions. They recently had three speed humps installed at no cost to the City on Russell Avenue between Talmadge Street and the "dead end" of Russell. They agreed to create and comply with a Community Engagement Plan (CEP) and a Traffic Management & Reporting Plan (TMP) which will be an exhibit to the resulting lease. (Attachment A).

LILA will be financially responsible for all maintenance, repairs, utilities, janitorial and security costs associated with the property as well as any tenant improvement costs needed to operate a school.

A complete set of terms and conditions are outlined on the attached term sheet. (Attachment B)



MARKET ANALYSIS

The price per square foot (sf) current market analysis for commercial space in this current market ranges from \$1.25 to \$4.50 per sf. However, this property is unique in nature along with its historical status and current site conditions which pose challenges to value the property. Furthermore, the property was improved for its intended use as a school and its location is within a residential area. (Attachment C) A fairer assessment would be of land value. The per sf cost for this lease renewal is \$1.65 which takes into account the current long-term nature of the previous lease which was for 25 years.

| Address of Comparable Prop. | Property Type | Monthly Rent (PSF) |
|-----------------------------|-----------------|--------------------|
| 1825 Hyperion | Creative Office | \$4.50 FSG |
| 1864-1870 N. Vermont | Retail | \$2.80 + NNN |
| 4708 Fountain | Land | \$1.25 + MG |

FISCAL IMPACT

Approval of the lease will have a revenue impact on the General Fund of \$318,000 per year with 3% annual increases.

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 lease with International School of Los Angeles - Lycee International de Los Angeles at 4155 Russell Avenue, Los Angeles, CA 90027 under the terms and conditions substantially outlined in this request.


 Tony M. Royster
 General Manager

- Attachments: A. Community Engagement & Traffic Management
 B. LILA TERM SHEET
 C. Site Map

ATTACHMENT A

Re: LILA 4155 Russell Ave Lease – Community Engagement Plan (CEP), Traffic Management & Reporting Plan (TMP)

The Lycee International of Los Angeles (LILA) operating at 4155 Russell Avenue in Los Angeles, California shall provide a Community Engagement Plan (CEP) and Traffic Management Plan (TMP) that shall be communicated to the General Services Department and held with the Lease for the site, as well as Council District 4 to be known as "**LILA 4155 Russell Ave Lease – Community Engagement Plan (CEP), Traffic Management & Reporting Plan (TMP)**." Any revisions to this plan can proceed only with formal written agreements to amend with the guidance and approval of the City of Los Angeles Department of General Services (GSD), and Council District 4 (CD4).

Community Engagement Plan (CEP)

The Community Engagement Plan the LILA School must maintain includes an open line of communication with the surrounding neighborhood, paying special attention to residents of Russell Avenue between the school entrance and Talmadge Avenue:

- a. periodic updates via email and/or mail
- b. advance announcements of special events where increased traffic is expected as well as other special circumstances, which may affect neighborhood streets
- c. neighborhood meetings at least annually or more often if needed
- d. easily accessible instructions for contacting the school via email and/or telephone during working hours and special events.
- e. a LILA-designated Community Liaison who will act as the primary liaison with neighbors and shall be available on reasonable advance notice for meetings with neighbors

Traffic Management Plan (TMP)

Within ninety days (90) of lease execution, LILA shall implement the following transportation safety improvements as outlined in the LILA Traffic Management Plan (TMP) [pending approval from BOE and/or LADOT, as necessary]:

a. Operational/Safety Measures to Address Speeding

- i. Designated Traffic Control Staff on Russell Avenue
- ii. Russell Avenue/LILA Driveway Traffic Control Coordination

b. Traffic Calming Measures

- i. Roadway Narrowing via Striping on Russell Avenue
- ii. Digital Speed Feedback/Speed Limit Signs and Slow School Signs on Russell Avenue
- iii. Speed Humps and Associated Advanced Warning Signage on Russell Avenue
- iv. Speed Humps and Associated Advanced Warning Signage on the LILA Los Feliz Campus Driveway

c. Transportation Demand Management (TDM) Measures

- i. The LILA Shuttle Program – LILA will assist families with both Los Feliz campus (Elementary School) and Burbank campus (Middle/High School) students by providing an intra-campus shuttle connection, thereby reducing regional vehicle demand. LILA will also ensure that these shuttles be replaced with quieter and cleaner electric or compressed natural gas (CNG)-powered shuttles as soon as their busing company makes these alternatives available.
- ii. The LILA Carpool Program – LILA will implement a program to actively promote and incentivize a student carpool program and provide opportunities for multiple students to ride to/from school together in a single vehicle, thereby reducing vehicle demand.
- iii. Alternative Mobility Promotion – LILA will implement a program to actively promote and incentivize the use of mobility alternatives such as walking and cycling among staff, parents and students to further reduce vehicle demand.
- iv. Varying Class Schedules – LILA will vary class schedules to extend the associated AM drop-off and PM pick-up periods and reduce the peak vehicle demand.

d. Operational/Safety Measures to Address Vehicular Demand & Queuin

- Designated Traffic Control Staff on Russell Avenue
- i. Russell Avenue/LILA Driveway Traffic Control Coordination
 - ii. Designated On-Site Curbside Drop-Off/Pick-Up Staff
 - iii. Dedicated Area for Loading and Unloading, Pick Up and Drop Off On-Site Only
 - iv. Improved Staff Visibility and Advanced Messaging
 - v. Parent/Student Drop-Off/Pick-Up Protocol Education

Traffic Management Plan Annual Evaluation and Reporting (TMP)

LILA will evaluate the TMP on an annual basis and implement any additional measures (and/or improve the efficiency of the existing measures) necessary to address (1) Vehicular Speeding and (2) Vehicular Demand & Queuing.

a. Evaluation of Vehicular Speeding

- i. LILA will conduct a speed survey during the school year on Russell Avenue within 30 days after the implementation of the Russell Avenue speed humps and/or the implementation of all approved Russell Avenue traffic calming measures. Additional speed surveys will be conducted on an annual basis during the school year at the request of the adjacent neighborhood, LADOT, and/or the City of Los Angeles.
- ii. LILA acknowledges that the evaluation and/or implementation of additional traffic calming measures on Russell Avenue to further reduce speed may be required [pending approval from the adjacent neighborhood, BOE and/or LADOT, as necessary].

b. Evaluation of Vehicular Demand & Queuing

- i. The maximum ADT level of 1,660 vehicles associated with maximum student enrollment (350) and faculty/staff (65) allowed under the current CUP assumes an Average Vehicle Ridership (AVR) of 1.0 for students and 1.0 for faculty/staff. Based on the TDM measures detailed above, it is reasonable to assume that LILA could achieve a minimum AVR of 1.1 for students and effectively limit the total Average Daily Trips (ADT) to 1,500 vehicles (750 inbound vehicles and 750 outbound vehicles) during typical operations, reducing the maximum ADT level by nearly 10%.
- ii. LILA will monitor and report the ADT levels as follows:
 1. 1st Year – LILA will monitor and report the ADT levels twice during the 1st year, once 30 days after the start of the school year and once during the middle of the school year.
 2. 2nd Year – LILA will monitor and report the ADT levels twice during the 2nd year, once 30 days after the start of the school year and once during the middle of the school year.
 3. 3rd Year & Beyond – At the request of the City of Los Angeles, LILA will monitor and report the ADT levels up to twice per year, once 30 days after the start of the school year and/or once during the middle of the school year.
 4. LILA acknowledges that any reporting of sustained levels beyond the ADT limit of 1,500 vehicles would result in the requirement to implement additional TDM measures and/or improve the efficiency of the existing TDM measures.

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LEASING TERM SHEET

| | |
|-----------------------|---|
| MFC DATE | December 14, 2023 |
| LANDLORD | City of Los Angeles - GSD |
| ADDRESS | 111 E. 1st Street, 2nd Floor, Los Angeles, CA 90012 |
| TENANT | International School of LA - Lycee International de Los Angeles, 501(3)c |
| ADDRESS | 1105 W. Riverside Drive Burbank, CA 91506 |
| LOCATION | 4155 Russell Avenue LA, CA 90027 |
| AGREEMENT TYPE | Lease Agreement |
| SQUARE FEET | Approximately 6.34 Acres - Approximately 16,000 SF |
| TERM | Ten Years from Lease Start Date |
| RENT START DATE | 1/1/24 |
| LEASE START DATE | Latter of City Clerk's Attestation or 1/1/24 |
| OPTION TERM | 2 5- year option at Market Rent, capped at 10% of then current monthly rent |
| HOLDOVER | Month to Month, at 150% of Base Rent |
| SUBLET/ ASSIGNMENT | Right to assign - subject to Landlord's approval |
| TERMINATION | None |
| RENTAL RATE | \$26,500.00 per month |
| ESCALATION | 3% Annual Increase |
| RENTAL ABATEMENT | None |
| ADDITIONAL RENT | None |
| PROPERTY TAX | None |
| OPEX | None |

| | |
|------------------------|---|
| CAM | None |
| OTHER | None |
| SECURITY DEPOSIT | TBD from previous lease |
| MAINTENANCE/ REPAIR | Tenant solely responsible for all building maintenance of the site and its equipment. |
| TENANT IMPROVEMENTS | None |
| PARKING | As Available on site |
| UTILITIES | Tenant responsible for all utilities |
| CUSTODIAL | Tenant |
| SECURITY | Tenant |
| PROP 13 PROTECTION | N/A |
| INSURANCE (City) | Tenant shall indemnify and hold harmless Landlord |
| OTHER: | |
| PRINT: | John Fleck |
| SIGNATURE: | |

International School of Los Angeles

Premises Map
4155 Russell Avenue, Los Angeles, CA 90027
Site: 6.32 Acres (276,170 SF)

Tenant is responsible for the installation of 3 speed humps on Russell Avenue between Talmadge Street and the "dead end" at no cost to the City.



ATTACHMENT A

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Community Engagement Plan (CEP)

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b. Traffic Calming Measures

- i. Roadway Narrowing via Striping on Russell Avenue
- ii. Digital Speed Feedback/Speed Limit Signs and Slow School Signs on Russell Avenue if a survey of households on Russell Avenue between Talmadge Street and LILA shows 2/3 (66%) of households supporting implementation.
- iii. Speed Humps and Associated Advanced Warning Signage on Russell Avenue
- iv. Speed Humps and Associated Advanced Warning Signage on the LILA Los Feliz Campus Driveway

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