

CITY OF LOS ANGELES

CALIFORNIA

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February 29, 2024

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

Attention: Luigi Verano, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A LEASE AT
688 S. HOOVER STREET, LOS ANGELES, CA 90057 WITH THE
SALVATION ARMY FOR USE AS A BRIDGE HOUSING FACILITY**

The Department of General Services (GSD) requests authority to negotiate and execute a new lease agreement between the City of Los Angeles (GSD) and The Salvation Army (TSA) at a Department of Recreation and Parks (RAP) controlled triangular property for use as a temporary A Bridge Housing (ABH) facility in Council District 10 (CD 10).

BACKGROUND

On February 1, 2024, the Board of Recreation and Parks Commissioners approved a report to extend a portion of the RAP controlled site in Council District 10 as a Bridge Housing site. This will allow the nonprofit operator, TSA, to provide continued services on site through a service contract with Los Angeles Homeless Services Authority (LAHSA).

The triangle-shaped RAP controlled site is bounded by Hoover Street, South LaFayette Park Place and Wilshire Boulevard (APN 5077-006-901). GSD has entered into inter-department Right of Entry (ROE) agreement with RAP for approximately 30,127 square feet at zero cost for an additional one year for the bridge housing facility site. With this report, GSD will enter into a one-year lease agreement with TSA who has been operating the site. The project site began operations in March of 2021 and includes 75 beds.

TERMS AND CONDITIONS

The new lease term is from February 11, 2024 through February 10, 2025. There is no holdover option. The proposed no-cost lease with The Salvation Army has no renewal options. A complete set of terms and conditions are outlined on the attached term sheet.



SHELTER SERVICES

The City identified TSA as the service provider to manage and operate the site 24 hours a day, seven days a week with experienced staff and security personnel. TSA is dedicated to ending homelessness and has experience providing emergency housing facilities, homeless shelters, transitional living centers, group homes, and family shelters with over 10 million nights of lodging annually. In addition, TSA also combats long-term homelessness by providing homeless adults, veterans, and children with holistic physical, emotional, and spiritual support. Support services are funded for one additional year and includes case management, mental health and substance abuse oversight. Program participants will remain at the shelter until they identify permanent housing or choose to exit the program.

LAHSA has executed a service contract with TSA to operate the site through June 30, 2024. A new service contract will be executed for FY 24-25.

BUILDING MAINTENANCE

The CAO established a maintenance fund in the Capital Improvement Expenditure Program (CIEP) for major building and site systems such as structural, foundation, sewer, roof, HVAC, plumbing, and electrical, fire, life safety systems.

TSA will provide routine daily maintenance and repairs, which shall include landscaping and hardscape, as applicable. Funding for these items shall be provided through the LAHSA/TSA operational agreement.

ENVIRONMENTAL

Through the CAO's 21st Roadmap funding report (C.F. 20-0841-S40), approved by the City Council with the Mayor's concurrence on December 21, 2023, it was determined that the A Bridge Home (ABH) facility involved in this approval was exempt from the California Environmental Quality Act (CEQA). Findings state that this site is statutorily exempt from CEQA under Public Resources Code (PRC) section 21080.27 applicable to the City of Los Angeles emergency homeless shelters, and under PRC Section 21080(b)(4) as specific actions necessary to prevent or mitigate an emergency as also reflected in State CEQA Guidelines Section 15269(c). The current leasing approval is an action toward implementing and furthering the previously approved and exempt project.

FUNDING

On June 12, 2023, the Mayor concurred with the City Council's approval of the 17th Roadmap Funding report (C.F. 20-0841-S34), which allocated \$1,509,750 of County Agreement funds to support the operations of 75 beds located at this Tiny Home Village through June 30, 2024. No funding was provided for leasing since the site is owned by the Department of Recreation and Parks and this is a no-cost agreement.

FISCAL IMPACT

There is no anticipated General Fund impact at this time. Current operational funding is supported with Roadmap County Agreement funds.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize GSD to negotiate and execute a lease agreement with The Salvation Army at 688 S. Hoover Street, Los Angeles, CA 90057 to continue operating A Bridge Housing facility under the terms and conditions substantially outlined in this report.



Tony M. Royster
General Manager

Attachment: Term Sheet

LEASING TERM SHEET

| | |
|-----------------------|---|
| MFC DATE | February 29, 2024 |
| LANDLORD | City of Los Angeles - GSD |
| ADDRESS | 111 E. 1st Street, 2nd Floor, Los Angeles, CA 90012 |
| TENANT | The Salvation Army |
| ADDRESS | 3107 S. Grand Ave., Los Angeles, CA 90007 |
| LOCATION | 688 S. Hoover Street |
| AGREEMENT TYPE | Lease |
| SQUARE FEET | 30,127 SF |
| TERM | 1 Year |
| RENT START DATE | None |
| LEASE START DATE | 2/11/24 |
| OPTION TERM | None |
| HOLDOVER | None |
| SUBLET/ ASSIGNMENT | Right to assign - subject to Landlord approval |
| TERMINATION | 30 days with notice |
| RENTAL RATE | None |
| ESCALATION | None |
| RENTAL ABATEMENT | None |
| ADDITIONAL RENT | None |
| PROPERTY TAX | None |
| OPEX | None |

| | |
|------------------------|---|
| CAM | None |
| OTHER | None |
| SECURITY DEPOSIT | None |
| MAINTENANCE/ REPAIR | Tenant responsible for day-to -day building maintenance of the site and its equipment, including landscaping, if applicable. City, as funded, shall provide maintenance of the Building Systems that are further defined in the lease agreement. |
| 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: | |
| SIGNATURE: | |