

CITY OF LOS ANGELES

CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



KAREN BASS
MAYOR

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

September 26, 2024

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

Attention: Adam Lid, Legislative Assistant

**REQUEST AUTHORITY TO NEGOTIATE AND EXECUTE A NON-PROFIT
LICENSE AGREEMENT WITH THE LOS ANGELES POLICE FOUNDATION
100 W. 1ST STREET, LOS ANGELES, CA 90012**

The Department of General Services (GSD) requests authority to negotiate and execute a new license agreement with the Los Angeles Police Foundation (LAPF), a California 501(c)(3) non-profit organization for a vending machine space located in the lobby area of the Police Administration Building at 100 W. 1st Street, Los Angeles, CA 90012 in CD14.

BACKGROUND

The Los Angeles Police Department (LAPD) is requesting a no-cost license agreement for the LAPF to place a LAPD branded merchandise/memento vending machine in the public front lobby on the ground floor of the Police Administration Building (PAB).

Since LAPF's founding in 1988, the organization has awarded more than \$55 million in grants to the LAPD which have funded projects such as: Community Safety Partnerships, Pandemic Relief Efforts, Mental Health Intervention Training, Officer First Aid Kits, Implicit Bias Training along with many more outreach programs.

LAPF plans on installing a vending machine directly next to the existing Los Angeles Police Federal Credit Union ATM in the lobby of PAB. LAPF will stock the vending machine with items for the public to purchase such as t-shirts, hats, jewelry, and other branded LAPD merchandise. All proceeds from the sales will go to LAPF for their community outreach programs.



The proposed vending machine measures 73" tall x 36" deep x 41" wide and will take approximately 11 square feet of floor space. LAPD has agreed to upgrade the existing duplex outlet to a quadplex outlet at their sole cost and expense. In addition, LAPD will provide, at no additional cost, the equipment for a wifi hotspot for the operation of the LAPF's vending machine.

TERMS AND CONDITIONS

The proposed license agreement is for a zero rent, one (1) year initial term with five (5) one (1) year options at the City's sole discretion. Either party may terminate the license agreement upon thirty (30) days written notice. The complete set of terms and conditions are outlined on the attached term sheet.

MAINTENANCE/UTILITIES

LAPD has agreed to upgrade the existing duplex outlet to a quadplex outlet at their sole cost and expense. In addition, LAPD will provide, at no additional cost, the equipment for a Wi-Fi hotspot for the operation of the LAPF's vending machine.

LAPF shall ensure that the vending machine is in operation and accessible during the normal hours of the PAB facility. LAPF, at all times and at its expense, provide all maintenance, repair, and service necessary for the proper and efficient operation of the vending machine and keep such equipment in good repair and in a clean, sanitary, and orderly condition and appearance. LAPF shall ensure that the vending machine and ancillary equipment necessary to operate the machine is operational and maintained in good working order at all times.

COMMUNITY BENEFIT

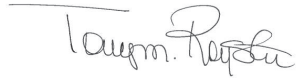
The City Administrative Office (CAO) completed the attached Community Benefit Analysis (CBA) which supports the recommendations for approval of the proposed no-cost license agreement based on the attached terms and conditions. The community benefits estimated at \$780,391 annually exceed the market value of \$1,200 per year for the licensed area by \$779,191. 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 Los Angeles City Council, subject to the approval of the Mayor, authorize the Department of General Services to negotiate and execute a no-cost license agreement with Los Angeles Police Foundation for the placement of a LAPD branded vending machine at the Police Administration Building at 100 W. 1st Street, Los Angeles, CA 90012 under terms and conditions substantially outlined in this report.



Tony M. Royster
General Manager

Attachments: Term Sheet
CBA

LEASING TERM SHEET

MFC DATE

September 26, 2024

LANDLORD

City of Los Angeles

ADDRESS

111 E. 1st Street, Los Angeles, CA 90012

TENANT

Los Angeles Police Foundation

ADDRESS

633 West 5th Street, Suite 960, Los Angeles, CA 90071

LOCATION

Police Administration Building (Lobby) 100 W. 1st Street, Los Angeles, CA 90012

AGREEMENT TYPE

License

USE

Vending Machine Concession - LAPD branding items (t-shirts, hats, toys, etc)

SQUARE FEET

10.25 SF

TERM

One (1) Year

RENT START DATE

n/a

LEASE START DATE

Upon City Clerk Attestation

OPTION TERM

Five (5) One (1) Year Options at City's sole discretion

HOLDOVER

No

SUBLET/
ASSIGNMENT

No

TERMINATION

Either party upon thirty (30) day written notice

RENTAL RATE

n/a - no cost agreement

ESCALATION

n/a

RENTAL ABATEMENT

n/a

ADDITIONAL RENT

n/a

PROPERTY TAX	n/a
OPEX	n/a
CAM	n/a
OTHER	n/a
SECURITY DEPOSIT	n/a
MAINTENANCE/ REPAIR	LAPF at it's sole cost and expense
MAINTENANCE/ REPAIR DETAILS	LAPF shall, at all times and at its expense, provide all maintenance, repair, and service necessary for the proper and efficient operation of the vending machine and keep such equipment in good repair and in a clean, sanitary, and orderly condition and appearance.
TENANT IMPROVEMENTS	<p>There currently is a two-cord electrical outlet that is utilized by an ATM - LAPD through CFD will have the outlet converted to a four-cord outlet to provide additional power supply to the proposed vending machine. LAPD will cover the cost to upgrade the existing outlet.</p> <p>Note: Power specification for the vending machine is standard 110V AC/60HZ/2.5 Amps.</p> <p>Further LAPD will provide at no cost to LAPF the equipment for a wifi hotspot for the operation of the vending machine.</p>
PARKING	n/a
UTILITIES	
CUSTODIAL	n/a
SECURITY	n/a
PROP 13 PROTECTION	n/a
INSURANCE (City)	LAPF shall indemnify and hold harmless the City. Limits to be outlined further in the agreement
OTHER:	LAPF shall ensure that the vending machine is in operation and accessible during the normal hours of operation of the facility or location where the vending machine is installed.

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PRINT:

Dana Katz, Executive Director

SIGNATURE:

Dana Katz

**Report from
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Community Benefits Analysis for Proposed Non-Profit Lease**

I. Proposed Lease Terms and Conditions	
Facility Location:	Police Administration Building 100 West First Street (Placement of Vending Machine: Lobby Area) Los Angeles, CA 90012
Lessee:	Los Angeles Police Foundation (LAPF)
Council File Reference:	Los Angeles Police Department (LAPD) memo was sent to Matthew Szabo, CAO, on April 25, 2024.
Space Assignment:	Approximately 10.25 square feet in the lobby area for the placement of a vending machine.
Term & Renewal Option:	One-year term commencing upon agreement of the lease, with five one-year options to extend at the City's sole discretion.
Market Rate:	Approximately \$9.76 per square foot or \$1,200.00 annually.
Proposed Rental Rate:	\$0.00 during the initial term, and rates subject to re-negotiation at the discretion of the City.
Clean-up and Associated Cost:	LAPF shall at all times and at its sole expense, provide maintenance, repair, and service necessary for the proper operation of the vending machine and keep such equipment in a clean, sanitary, and orderly condition and appearance. LAPD will provide, at no cost to LAPF, the equipment for a Wi-Fi hotspot as well as electrical costs to operate said vending machine.
Tenant Improvements:	LAPD will upgrade the existing electrical outlet from a duplex to a fourplex outlet at LAPD's expense.
II. History and Current Services	
Mission:	The mission of LAPF is to create partnerships to provide resources and programs that help the police perform at their highest level and to enhance LAPD-community relations.
Vision:	LAPF is an independent, non-profit organization that provides critical resources and vital support to LAPD. This includes, equipment and state-of-the-art technology, specialized training, and innovative programs that would otherwise be unfunded. The support provided by LAPF directly improves public safety, impacts officer readiness, and enhances community member's quality of life. As the largest source of private funding for LAPD, LAPF is passionately dedicated to ensuring that Los Angeles be America's safest major city.
Background / History:	In 1998, LAPF was established to fund urgently needed programs and equipment for LAPD. LAPF started with a board of 15 concerned community leaders and no paid staff. Today, LAPF has a full-time staff of two and a board of 39. Since the founding, the LAPF has awarded more than \$55 million in grants to help the police serve at their highest level to keep the communities and families safe.

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Community Benefits Analysis for Proposed Non-Profit Lease**

Community Outreach

- 77th Area Tree Trimming Ceremony is an event held at 77th Street Area Community Police Station in remembrance of the victims lost to violent crime throughout South Los Angeles.
- Harvard/South Park Community Safety Partnerships is a team comprised of 10 officers who focus on community engagement, school/safe passages, critical enforcement, and youth programs, reaching Harvard Park and South Park.

Equipment and Technology

- V-Armed Virtual Reality System is a large-scale motion capture virtual reality system that will allow for up to 10 officers at a time to enter a large-scale immersive environment to train in de-escalation, community engagement, and other tactical movements.
- LAPF invested in the upgrade of a 1976 King Air 200 multi-engine fixed-wing aircraft to last at least five more years and to comply with the Federal Aviation Administration compliance. This airplane helps with missions, such as transporting department investigators to conduct interviews and investigations, high-profile and violent criminal extraditions, transporting key witnesses to testify, emergency evacuation/ transportation and transporting LAPD personnel to participate in law enforcement funerals.

Current Services:

Training

- Metropolitan Division K9 Behavioral Training is a service dog training that greatly enhanced the ability to support LAPD operations by providing well-trained police service dogs to assist with effectively searching for outstanding suspects and/or firearms, while enhancing officer safety and providing outstanding community services.
- Human Trafficking Training focused on new investigative techniques, undercover operations, and current case studies. The training broadened officers' investigative skills and enhanced their overall effectiveness as human trafficking investigators.

Youth Programs

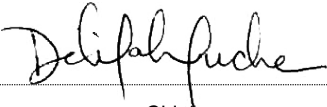

- Police Academy Magnet Schools Program is a partnership between LAPD and the Los Angeles Unified School District (LAUSD), which provides outreach to over 1,300 LAUSD students at nine schools throughout Los Angeles. Students in the program work daily with an officer who provides mentorship, leadership training, and character building.
- Off Highway Vehicles 4 Mentoring & Education provides at-risk youth an opportunity to develop self-esteem, strong values, and a sense of responsibility using the minibike as a motivational tool. The grant was used to purchase helmets, goggles, kneepads, elbow pads, and gloves for youths to ensure safety while operating the minibikes. The LAPD is the first police department on the West Coast to adopt this program.

**Report from
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Community Benefits Analysis for Proposed Non-Profit Lease**

III. Community Benefits Analysis																																							
Value of Direct Services:	<p>A. <u>Value of Dedicated Staff</u>: \$386,875</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Staff</th> <th style="text-align: right;">Annual Salary</th> </tr> </thead> <tbody> <tr> <td>Executive Director</td> <td style="text-align: right;">\$228,850</td> </tr> <tr> <td>Program Director</td> <td style="text-align: right;">104,400</td> </tr> <tr> <td>Executive Assistant</td> <td style="text-align: right;">\$53,625</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$386,875</td> </tr> </tbody> </table> <p>B. <u>Value of Services to Participants</u>: \$0 Funds received from the vending machine will go toward paying for LAPD equipment and technology upgrades, specialized training, community outreach, and youth programs. These programs are similar to services listed under Section II., Current Services.</p>	Staff	Annual Salary	Executive Director	\$228,850	Program Director	104,400	Executive Assistant	\$53,625	Total	\$386,875																												
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Value of Operational Budget:	<p>C. <u>Value of Operational Budget</u>: \$393,516</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Item</th> <th style="text-align: right;">Annual Cost</th> </tr> </thead> <tbody> <tr> <td>Professional Services</td> <td style="text-align: right;">\$177,000</td> </tr> <tr> <td>Cost of Merchandise*</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td>Dues/Subscriptions</td> <td style="text-align: right;">16,000</td> </tr> <tr> <td>Travel</td> <td style="text-align: right;">15,000</td> </tr> <tr> <td>Marketing</td> <td style="text-align: right;">15,000</td> </tr> <tr> <td>Insurance</td> <td style="text-align: right;">48,400</td> </tr> <tr> <td>Meetings</td> <td style="text-align: right;">25,000</td> </tr> <tr> <td>Office Supplies</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td>Postage</td> <td style="text-align: right;">7,500</td> </tr> <tr> <td>Printing</td> <td style="text-align: right;">6,500</td> </tr> <tr> <td>Repairs and Maintenance</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>Telephones and Utilities</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td>Training</td> <td style="text-align: right;">750</td> </tr> <tr> <td>Miscellaneous</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>Website</td> <td style="text-align: right;">18,800</td> </tr> <tr> <td>Gifts</td> <td style="text-align: right;">12,500</td> </tr> <tr> <td>Payroll Expense</td> <td style="text-align: right;">\$2,066</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$393,516</td> </tr> </tbody> </table> <p>*Approximately \$5,000 of the cost of merchandise will be spent to replenish items as needed.</p>	Item	Annual Cost	Professional Services	\$177,000	Cost of Merchandise*	30,000	Dues/Subscriptions	16,000	Travel	15,000	Marketing	15,000	Insurance	48,400	Meetings	25,000	Office Supplies	5,000	Postage	7,500	Printing	6,500	Repairs and Maintenance	2,000	Telephones and Utilities	10,000	Training	750	Miscellaneous	2,000	Website	18,800	Gifts	12,500	Payroll Expense	\$2,066	Total	\$393,516
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Additional Offsets / In-Kind Services:	D. <u>Value of Additional Offsets</u> : \$0																																						
Total Community Benefits:	\$ 780,391.00 annually (=A+B+C+D above)																																						

**Report from
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Community Benefits Analysis for Proposed Non-Profit Lease**

Market Value for Leased Space	\$ <u>1,200.00</u> annually
Benefits Finding & Recommended Action:	Community benefits estimated at \$ <u>780,391.00</u> annually exceeds the market value of \$ <u>1,200.00</u> for the leased space by \$ <u>779,191.00</u> . Approval of the proposed lease terms is recommended on the basis that the value of the community benefits exceed the market value of the leased space.

0220-05479-0048	Aira Wada	 Chief	 Assistant CAO
Work Assignment Number	Analyst	Chief	Assistant CAO

YC/AW/05250007

Release Date: 07-18-24