

CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS
MAYOR

Agenda Item No. 6

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

DEPARTMENT OF
GENERAL SERVICES
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December 11, 2025

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

Attention: Adam Lid, Legislative Assistant

REQUEST TO NEGOTIATE AND EXECUTE A SUBLEASE WITH HOPE THE MISSION AT 2301 W. THIRD STREET, LOS ANGELES, CA 90057 TO OPERATE AN INTERIM HOUSING SITE

The Department of General Services (GSD) requests authority to negotiate and execute a sublease agreement with Hope the Mission (HTM), a 501(c)3, to operate an interim housing site located at 2301 W. Third Street Los Angeles, CA 90057 in Council District 13 for interim housing.

BACKGROUND

On July 2, 2025, the Mayor and City Council approved the City Administrative Officer's (CAO) Fiscal Year 2025-2026 Annual Homelessness Funding Report (C.F. 23-1022-S16). The report authorized GSD to enter into a sublease agreement with Hope the Mission to operate the A Bridge Home (ABH) site, referred hereafter as the "Project". The property is owned by the Daughters of Charity and the current master lease expires on December 15, 2026.

This site was previously operated under a different service provider, Urban Alchemy, since the project opened in January 2022 (CF# 20-0841-S19). The previous sublease agreement with Urban Alchemy terminated June 30, 2025. HTM was awarded the service provider contract through a Request for Proposals conducted by the Los Angeles Homeless Services Authority (LAHSA). HTM assumed operations on July 1, 2025. A ratification clause will be added to the resulting agreement to reflect the start date of HTM's operation.

Through this agreement, the City will sublease the site to HTM to continue operation of this interim housing project which includes a 26,900 square foot (sf) site with approximately 56 tiny homes (including three Americans with Disabilities Act compliant single beds), administration offices, two hygiene mobile units with restrooms, showers



and lavatories, drinking fountains, designated seating area for food services, pet relief area, staff parking, lockers, perimeter fencing, utilities and a guard station.

TERMS AND CONDITIONS

The no cost sublease term will be effective July 1, 2025 and expires December 15, 2026. The City shall have the unilateral right to terminate the sublease with 30 day written notice.

A complete set of terms and conditions are outlined on the attached term sheet.

SHELTER SERVICES

Founded in 2009, Hope the Mission is a faith-based compassion ministry that focuses on spiritual, emotional, physical, relational, occupational, and financial needs of their clients. Their two-pronged approach starts with crisis intervention then bridges clients, when they are ready, into long-term services that address chronic obstacles.

HTM aims to help clients find a job or form of public assistance, medical and mental health services, substance abuse counseling and recovery, and housing placement.

BUILDING MAINTENANCE, UTILITIES AND LANDSCAPING

The City shall maintain major building systems that service the entire project, limited to major plumbing, electrical, and mechanical systems. In cases of emergency or structural failure, GSD through Building Maintenance Division (BMD) shall remain available to provide emergency assistance.

The Operator shall be responsible for daily routine maintenance, including janitorial services, annual preventative maintenance, including but not limited to: interior electrical systems and light fixtures, fire life safety systems, smoke detectors including coordinating annual Reg-4 testing with the City, fire extinguishers, and maintenance/repairs to sprinkler heads and associated components.

The City's responsibility for the electrical system is limited to the infrastructure up to and including the main switchgear. The City's responsibility with respect to the maintenance and repair of the plumbing systems will be from the meter to the backflow device, and the outside connection to the main sewer line. The Operator shall also be responsible for plumbing including localized plumbing and drain backups (not affecting main lines), annual backflow testing, pest control, damage caused by negligent or intentional acts or omissions of the Operator or its parties, including repair or replacement of fixtures, outlets, plumbing, appliances and HVAC systems.

Furthermore, the Operator shall maintain the following:

- Electrical Systems- All electrical components beyond the switchgear, including distribution panels, outlets, lighting, and fixtures.
- HVAC Systems- Including ductless HVAC units, if any are installed at the site.

- All plumbing fixtures such as faucets, sinks, shower valves, trap primers, hose bibs, flush valves and water heaters. Additionally, the Operator shall also be responsible for shower pans, and floor/area drains.
- All locks, keys, and any associated repairs or requests, including those related to new staff onboarding or transitions between service providers.
- Operator is also responsible for all utilities and landscaping at the site.

ENVIRONMENTAL

Through the City Administrative Officer report, dated June 12, 2025 (C.F. 23-1022-S16), approved by the Council and Mayor on July 2, 2025, it was determined that the funding allocation, lease, change in service provider, and continued use for a period of approximately one year of the Tiny Home Village/low barrier navigation center at 2301 W. Third Street is statutorily exempt from California Environmental Quality Act (CEQA) under Public Resources Code Section 21080.27.5, applicable low barrier navigation centers and Government Code Section 8698.4(a)(4) governing homeless shelter projects under a shelter crisis declaration.

FUNDING

On July 2, 2025, the City Council and Mayor approved the Fiscal Year 2025-26 Annual Homelessness Funding Report (C.F. 23-1022-S16), which approved up to \$221,430 in Homeless Housing, Assistance and Prevention Round 4 (HHAP-4) grant funds to support leasing costs at this site, through June 30, 2026. No funding for leasing is provided under this sublease agreement, since it is a no-cost agreement with Hope the Mission to operate the interim housing site.

The CAO is working with GSD to confirm ongoing costs and funding sources for all interim housing sites, which will be recommended in a subsequent report. The CAO advises the established A Bridge Home Maintenance Fund will be reviewed and funded on a case-by-case basis.

FISCAL IMPACT

There is no impact to the General Fund as a result of the recommendations in this report.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor, authorize GSD to negotiate and execute a sublease agreement with Hope the Mission to operate an interim housing site located at 2301 W. Third Street Los Angeles, CA 90057 under the terms and conditions substantially outlined in this report.

 For
Tony M. Royster
General Manager

Attachment: Term Sheet

LEASING TERM SHEET

MFC DATE

December 11, 2025

LANDLORD

City of Los Angeles - GSD

ADDRESS

111 1st Street, Los Angeles, CA 90012

TENANT

Hope the Mission

ADDRESS

16641 Roscoe Pl. North Hills, CA 91343

LOCATION ADDRESS

2301 W. Third St. LA, CA 90057

USE

Interim Housing

SQUARE FEET

26,900 SF

EARLY POSSESSION

N/A - Tenant on site as of 07/01/25

TERM

07/01/25 -12/15/2026

LEASE
COMMENCEMENT
DATE

Upon City Clerk's Attestation

LEASE EXPIRATION
DATE

December 15, 2026

RENT START DATE

N/A

RENT

N/A

AGREEMENT TYPE

Lease

RENT INCREASES

N/A

HOLDOVER

MTM

SUBLET/
ASSIGNMENT

Subject to City's consent and approval

RENEWAL OPTION

NOTICE PERIOD

N/A

TERM	None
DATES	N/A
OPTION RENT / ESCALATION	N/A
OPTION RENT - RENT SCHEDULE	N/A
RENT ABATEMENT	None
OPEX	Tenant responsible for all utilities, custodial, landscaping, security, routine maintenance, and minor repairs
LATE FEE	N/A
PROPERTY TAX	None
PROPERTY INS.	City is self-insured. Tenant required to maintain general liability insurance subject to Risk.
ADDITIONAL RENT	N/A
PARKING - NUMBER OF PASSES	Parking as available on site.
MONTHLY PARKING COST	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR: LANDLORD	See below.
MAINTENANCE/ REPAIR: TENANT	<p>The City shall maintain major building systems that service the entire project, limited to major plumbing, electrical, and mechanical systems. In cases of emergency or structural failure, GSD through Building Maintenance Division (BMD) shall remain available to provide emergency assistance.</p> <p>The Operator shall be responsible for daily routine maintenance, including janitorial services, annual preventative maintenance, including but not limited to: interior electrical systems and light fixtures, fire life safety systems, smoke detectors including coordinating annual Reg-4 testing with the City, fire extinguishers, and maintenance/repairs to sprinkler heads and associated components.</p> <p>The City's responsibility for the electrical system is limited to the infrastructure up to and including the main switchgear. The City's responsibility with respect to the maintenance and repair of the plumbing systems will be from the meter to the backflow device, and the outside connection to the main sewer line. The</p>

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- Operator is also responsible for all utilities and landscaping at the site.

TENANT
IMPROVEMENTS:
ALLOWANCE/SCOPE

None – Premises accepted “as is”.

UTILITIES

Tenant responsible for all utilities

CUSTODIAL /
LANDSCAPING

Tenant responsible for custodial services and landscaping

SECURITY

Tenant provides 24/7 on-site security

PROP 13

N/A

INSURANCE
(CITY)

City is self insured

INSURANCE
(OTHER PARTY)

- \$5,000,000 per occurrence
- Coverage must include premises, contractual, personal injury, products, fire-legal liability, etc
- The City and its boards/commissions must be named as additional insureds
- Proof of insurance must be provided before possession and upon City's request
- To be further defined in sublease agreement

OTHER:

The City shall have the unilateral right to terminate the sublease with 30 day written notice.

PRINT:

SIGNATURE: