CF 16-1266. 800 Square Feet of Office Space / 3514 North Broadway / Soledad Enrichment Action, Inc. / Lease Agreement (Cedillo)

Date received: 11/09/2016 Council action final: 08/18/2017

ENTERTAINMENT AND FACILITIES

MOTION

Soledad Enrichment Action, Inc. (SEA) is a non-profit agency providing counseling and case management, parent education, job training and placement, and after school tutoring in Los Angeles County. Currently, SEA has numerous private and public contracts and provides city services through the Mayor's Office of Gang Reduction and Youth Development (GRYD).

SEA has offices in multiple locations throughout the County and requires office space in Lincoln Heights. The decommissioned Fire Station # 70 at 3514 N. Broadway would serve as a suitable location, at which they propose to occupy approximately 800 square feet of office space or 50% of building since the other office space is used by Council District 1 and the Lincoln Heights Neighborhood Council.

SEA will be responsible for providing insurance/liability coverage as well as covering the cost of any necessary tenant improvements, maintenance, custodial, utilities and security for their space.

I THEREFORE MOVE that City Council instruct the General Services Department to negotiate and execute a lease with SEA for a term of three years with two, one year renewal options at the rate of \$1 per year in consideration of the valuable services they will continue to provide to Lincoln Heights and the City of Los Angeles.

I FURTHER MOVE that Council instruct the City Administrative Officer work with the General Services Department and provide any assistance as necessary.

PRESENTED BY

GILBERT CEDILLO
Councilmenaber, 1st District

SECONDED BY

Council File 16-1266

Item: (37)

CONSIDERATION OF MOTION (CEDILLO - BUSCAINO) relative to a lease with Soledad Enrichment Action, Inc. for office space at the decommissioned Fire Station No. 70 at 3514 North Broadway.

Recommendations for Council action:

INSTRUCT the Department of General Services to negotiate and execute a lease with Soledad Enrichment Action, Inc. for a term of three years with two, one-year renewal options at the rate of \$1 per year in consideration of the valuable services they will continue to provide to Lincoln Heights and the City.

INSTRUCT the City Administrative Officer work with the GSD and provide any assistance as necessary.

CF 16-1266. Documents submitted 05/25/17. DGS report, dated 5/30/17, relative to a request for authorization to execute a new lease with Soledad Enrichment Action, Inc. at 3514 N. Broadway, LA

CITY OF LOS ANGELES

CALIFORNIA

ERIC GARCETTI

MAYOR

Agenda Item No. 6

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

March 30, 2017

TONY M. ROYSTER

GENERAL MANAGER AND CITY PURCHASING AGENT

> Honorable City Council City of Los Angeles c/o City Clerk Room395, City Hall Los Angeles, California 90012

Attention: Eric Villanueva, Legislative Assistant

REQUEST FOR AUTHORIZATION TO NEGOTIATE AND EXECUTE A NEW LEASE WITH SOLEDAD ENRICHMENT ACTION, INC., A NONPROFIT ORGANIZATION

The Department of General Services (GSD) requests authority to negotiate and execute a new lease with Soledad Enrichment Action, Inc. (SEA) a nonprofit organization for office space at 3514 North Broadway in Lincoln Heights.

BACKGROUND

The nonprofit, SEA, will be sharing 50% of the building, which is 800 square feet and currently vacant, at the decommissioned Fire Station 70 with Council District 1 and the Lincoln Heights Neighborhood Council. The office will be staffed with three full-time and three part-time employees.

A Motion was approved by Council on January 3, 2017 (C.F. 16-1266).

SEA provides counseling and case management, parent education, job training and placement, and after school tutoring. SEA also provides City services through the Mayor's Office of Gang Reduction and Youth Development (GRYD).

The proposed Tenant is aware of the City's mandatory ordinance requirements including the Living Wage Ordinance and will conform accordingly.

The proposed lease agreement will contain the following:



TERMS AND CONDITIONS

Location: 3514 North Broadway

Landlord: City of Los Angeles

Use: The site will be used to operate a nonprofit service organization.

Square Feet: Approximately 800

Term: Three years

Option: Two One-year renewals

Rental Rate: \$0

Security Deposit: Not Required

Utilities: All utilities will be at the sole cost of the Tenant

Parking: Five spaces and one space for the disabled on site to be used by

all building occupants. There will be no assigned parking.

Tenant

Improvement: All tenant improvement will be at the sole cost of the Tenant.

Custodial

All Custodial services will be at the sole cost of the Tenant.

Services:

Maintenance: All building maintenance of the premises will be at the sole cost

of the Tenant.

The proposed lease is consistent with the City's proposed Nonprofit Leasing Policy wherein the rental value of the space significantly exceeds the annual contributions in services from the nonprofit lessee.

The CAO completed the attached Community Benefit Analysis (CBA) and recommends approval of the proposed terms and conditions of the lease.

FISCAL IMPACT

No revenue will be generated from this lease to the General Fund.

Community Benefit Analysis For Non-Profit Lease

I. Lease Terms and Co	nditions		
Facility Location:	3514 North Broadway, Los Angeles		
Lessee:	Soledad Enrichment Action, a non-profit 501(c)3 organization		
Council File Reference:	16-1266 (Motion adopted on 11/09/2016)		
Space Assignment:	800 square feet		
Term & Renewal Option:	Three year initial term, with two one-year options to renew. Approval of the renewal options at the existing rate will be at the discretion of the City.		
Market Rate:	\$2.25 per square foot (Monthly rate: \$1,800 / Annual rate: \$21,600).		
Proposed Rental Rate:	\$0 per year during the first term, with rate under any renewal options to be subject to negotiation.		
Utilities/Custodial:	Lessee shall be financially responsible for all applicable utilities and custodial costs.		
Tenant Improvements:	Lessee shall have full responsibility for the cost of any needed tenant improvements.		
II. History and Current S	Services		
Mission:	SEA empowers youth, families, and communities in underserved areas to become self-determined contributing members of society by providing guidance, resources and support.		
Vision:	SEA works with its clients in a safe, family-oriented and supportive environment to enable them to become self-directed and productive members of society.		
Background / History:	Soledad Enrichment Action Inc. (SEA) is a non-profit organization, founded in 1972 by a group of mothers in East Los Angeles who had lost their sons to gang violence. From these humble beginnings, SEA has since grown to become		
	SEA provides a wide array of social, mental health, and educational support services. Services for high-risk youth and their families provide alternative to gangs, drugs and		

Community Benefit Analysis For Non-Profit Lease

III. Community Benefit	Analysis
Value of Direct Services:	A. Value of Dedicated Staff: \$174,000 Lead Community Intervention Worker (1 position) Case Manager (1 position) Parenting Instructor (12.5 positions) Afterschool Programming Coordinator (25 positions) Afterschool Instructor/facilitator (25 positions) B. Value of Services to Participants: \$991,600 Value of services includes: mental health (USC Telehealth) case management and intervention, after school tutoring victims of crimes services, urban art movement, employment and job skills training, gender specific programming, parents helping parents, caught in the crossfire, teen parenting sessions, camp excursions and family reunification.
Value of Operational Budget:	C. Value of Operational Budget - specify: \$14,156 Includes: Electricity, Internet, telephone, janitorial, cleaning supplies & toiletries and office supplies.
Additional Offsets / In-Kind Services:	D. Value of Additional Offsets – specify: \$21,000 Includes: Field trips, community events, peace efforts, workshops, resource fair and camp expression.
Total Community Benefit:	\$1,200,756 annually (=A+B+C+D above)
Market Value for Leased Space	\$21,600 annually * (* calculated as: average market rate of \$2.25 per s.f. multiplied by assigned space of 800 s.f. multiplied by 12 months = \$21,600)
Benefits Finding & Recommended Action.	Community benefits estimated at \$1,200,756 annually, exceed the market value of \$21,600 for the leased space by \$1,179,156. The proposed lease is consistent with the City's proposed Non-Profit Leasing Policy in that the rental value of the space is exceeded by the annual contributions in services from the non-profit lessee. The proposed terms are recommended for approval.

	Alliego	BOH to MRC	Whandh Ches
Date	Analyst	Chief	Assistant CAO

File No. 16-1266

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE relative to an agreement with Soledad Enrichment Action, Inc., to lease 800 square feet of office space.

Recommendation for Council action:

AUTHORIZE the Department of General Services (GSD) to negotiate and execute an agreement with Soledad Enrichment Action, Inc., to lease 800 square feet of office space at 3514 North Broadway pursuant to the terms and conditions in the Department's report to Council dated March 30, 2017.

<u>Fiscal Impact Statement</u>: The GSD reports that no revenue will be generated from this lease to the General Fund.

Community Impact Statement: None submitted.

SUMMARY

In a report to Council dated March 30, 2017, GSD requests authority to execute a lease agreement with Soledad Enrichment Action, Inc., for 800 square feet of office space at 3514 North Broadway. The property is a decommissioned Fire Station owned by the City of Los Angeles. Soledad provides counseling and case management, parent education, job training and placement, and after school tutoring, as well as other services through the Mayor's Office of Gang Reduction and Youth Development.

At its meeting held August 8, 2017, the Information, Technology, and General Services Committee recommended that Council approve GSD's request.

Respectfully Submitted,

INFORMATION, TECHNOLOGY, AND GENERAL SERVICES COMMITTEE

MEMBER

VOTE

RODRIGUEZ:

YES

BLUMENFIELD: ABSENT

O'FARRELL:

YES

-NOT OFFICIAL UNTIL COUNCIL ACTS-

CF 08-1572. 3516 NORTH BROADWAY / AZTECS RISING / LEASE AGREEMENT (Ed Reyes)

6/13/2008 Lease with Aztecs Rising at an old fire station located at 3516 N. Broadway, for a 10-year period, at \$1 a year, in exchange for all maintenance, repairs, and/or upgrades at this location etc.

AD HOC-GANG VIOLENCE & YOUTH DEVELOP. INFORMATION TECH. & GENERAL SVCS.

JUN 1 3 2008

Aztecs Rising promotes peace, self-sufficiency and quality of life for youth, adults and families through gang intervention, violence prevention, case management and job readiness services. Aztecs Rising seeks to break the cycle of violence in the community so that future generations can succeed.

Through innovative programs, Aztecs Rising helps youth and adults become successful. contributing members of their community. While similar in approach, each program of Aztecs Rising works with a unique population and our programs cooperatively work together to provide the best possible services to clients. Services are offered through three programs: Junior Aztec Fire Fuels Program, Aztec Fire Fuels Crew and L.A. Bridges II Gang Intervention Program.

Aztecs Rising is an established gang prevention and intervention agency in the Northeast area and is well know by community members, schools, non-profit agencies, business, and law enforcement agencies. Aztec Rising provides a wide array of services to individuals, families, and the community. They work with many individuals who are gang involved, recently released from prison, probation and parole, and alcohol/drug addicted. Aztecs Rising also offers support services to the families of these individuals through parenting, anger management, case management, and gang prevention and intervention services specially tailor to address their unique needs.

Aztecs Rising would like to lease an old fire station located at 3516 N. Broadway in order to continue its important service to the community in exchange for a non-compensatory lease agreement. The lease would be for a period of ten years, for \$1 per year, provided that the City shall not be responsible for any maintenance, repairs or upgrades of the property, throughout the term of the leases.

Given that Aztecs Rising provides essential services to the community that cannot be provided by any other agency or organization, it is reasonable and prudent to forgo an RFP process for this space.

I THEREFORE MOVE that the Department of General Services, be requested and authorized to negotiate and execute a lease agreement with Aztecs Rising for an old fire station located at 3516 N. Broadway, for a 10-year period, at \$1 a year, in exchange for all maintenance, repairs, and/or upgrades at this location.

PRESENTED BY:

ED P. REYES Councilmember, 1st District

SECONDED BY:

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DIG 08-1572 Old 0F02-0817

VERBAL MOTION

I HEREBY MOVE that Council ADOPT the following recommendation of the Department of General Services (Item No. 31, CF 02-0817) relative to executing a lease for Los Aztecas in a City-owned facility (Fire Station 70) at 3516 North Broadway:

Recommendation for Council action, as approved by the Municipal Facilities Committee:

AUTHORIZE the General Manager, DGS, or designee, to execute a lease for a portion of the old Fire Station 70 building, 3516 North Broadway, to Los Aztecas, substantially under the following terms and conditions: Office space is for Los Aztecas staff, with a rental rate of \$1 annually, for a lease to co-terminate with the Councilmember's term ending June 30, 2005, with an option to renew for a second term from July 2005 to June 2009.

<u>Fiscal Impact Statement</u>: The DGS reports that there is no fiscal impact associated with the lease of the space. Los Aztecas will be responsible for its own communications costs and telephone bills.

(Information Technology and General Services Committee waived consideration of the above matter)

PRESENTED BY		
	JANICE HAHN Councilmember,	15th District
SECONDED BY _		
	ED P. REYES Councilmember,	1st District

May 7, 2002

CF 02-0817

Motion ADOPTED

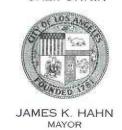
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LOS ANGELES CITY COUNCIL



JON KIRK MUKRI GENERAL MANAGER



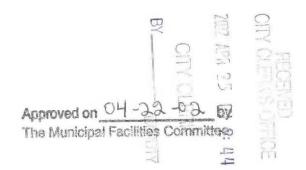


DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 485-5801
FAX NO. (213) 620-9149

April 18, 2002

City Council City of Los Angeles c/o City Clerk Room 360, City Hall Los Angeles, CA 90012

Attention: Cynthia Landis



REQUEST FOR APPROVAL TO EXECUTE A LEASE FOR LOS AZTECAS IN CITY OWNED FACILITY (FIRE STATION #70) LOCATED AT 3516 NORTH BROADWAY, LOS ANGELES

The Department of General Services requests authority to lease approximately 213 square feet of space to Los Aztecas, a non profit organization. Los Aztecas works under the auspices of the Public Health Foundation Enterprises, a federally funded program. Los Aztecas will occupy office spaces and share the use of common areas in the building. They will conduct a gang intervention program in support of the City's objective to reduce gang-related crime and improve the quality of life of the Lincoln Heights community. Council District 1 fully supports the lease of space to Los Aztecas.

Background

Fire Station # 70 was fully renovated to primarily serve as a community service center in the Lincoln Heights area. With the endorsement of the Councilmember, the Department of Neighborhood Empowerment (DONE) was assigned 40% of the office space to establish the area's Access Center. As the City department in residence, DONE is responsible for the housekeeping and safety issues on site. The remaining office spaces would be leased to non-profit organizations that will provide community services. Council District 1 supports leasing two of the remaining office spaces to Los Aztecas.

Los Aztecas is involved in gang intervention and crisis prevention for youth with a primary focus on Fire Crew Programs. Since the building is located directly across from Lincoln Heights High School, it promotes effective outreach for the youth programs sponsored by the organization. Los Aztecas works in collaboration with the United States Forest Service and the Fire Departments of both the City and County of Los Angeles in the implementation of its programs. Los Aztecas has met all the requirements established in the City's Policy for Non-Profit Organizations.

Terms and Conditions

The Department of General Services recommends lease approval with the following terms and conditions:

Location:

3516 N. Broadway, Lincoln Heights

Use:

Office space for Los Aztecas staff

Rental Rate: \$1.00 annually

Term:

Lease to co-terminate with the Councilmember's term ending in June 30, 2005, with an option to renew for a second term from July

2005 to June 2009.

Fiscal Impact Statement

There is no fiscal impact associated with the lease of the space. Los Aztecas will be responsible for their own communications costs and telephone bills.

Recommendation

That the Los Angeles City Council authorize the Department of General Services to execute a lease for a portion of the old Fire Station #70 building, 3516 N. Broadway, Los Angeles, to the Los Aztecas, under the terms and conditions substantially as outlined above.

JON KIRK MUKRI General Manager

TY OF LOS ANGEL S

KEITH COMRIE
CITY ADMINISTRATIVE OFFICER

CALIFORNIA



ROBERT E. CHASE
JOHN R. COOMBS
WILLIAM R. MCCARLEY
JEROME R. SELMER
THOMAS K. SHIELDS
ASSISTANT
CITY ADMINISTRATIVE OFFICERS
0640-00943

June 12, 1981

The City Council of the City of Los Angeles

Honorable Members:

Councilman Arthur K. Snyder has requested the assignment of space in the municipal facility, vacant Fire Station 70, located at 3516 North Broadway, to the East/Northeast Little Sisters Program at a rental cost of \$1 per year for the west half of the main building (1,885 square feet) and that the Cultural Affairs Department, Murals Program be assigned the east half of the main building (1,885 square feet) with the bathroom area of 488 square feet used as a common area.

The Little Sisters Program is based in Northeast Los Angeles/East Los Angeles Community, and provides needy young women between the ages of 6 through 16 with Big Sisters for a period of one year. The program will provide guidance, friendship, and a positive role-model to socially and economically disadvantaged young women.

The Cultural Affairs Department's Mural Program is the City-wide Murals Project which has been in existence since July 1974 and has sponsored over 65 community murals throughout the 15 councilmanic districts. The project uses community youngsters to beautify the community and serves as an anti-graffiti program.

The Building and Safety Department has conducted a site inspection of the facility and has issued a preliminary approval. The Department indicated that the review of its files revealed that the Fire Station was constructed of reinforced brick and concrete in 1936, and is exempt from the Earthquake Hazard Reduction Ordinance.

The Councilman of the district concurs with the assignment of office space to the East/Northeast Little Sister Program at a rental cost of \$1 per year for one year renewable up to ten years, and also the assignment of space to the Murals Program of the Cultural Affairs Department.



Recommendation

That the Council:

- 1. Authorize the Department of General Services, with assistance of the City Attorney and the Department of Building and Safety, to negotiate a one year lease renewable up to ten years with the East/Northeast Little Sisters Program to occupy 1,885 square feet on the west side of old Fire Station 70, at 3516 North Broadway, with maintenance supplied by the City.
- 2. a) Authorize the General Manager of the Department of General Services to execute the lease and the City Clerk to attest said execution, and
 - b) Direct the General Manager of the Department of General Services to effect the necessary repairs with City forces with the funds provided by the City Council.
- 3. Assign the Department of Cultural Affairs 1,885 square feet on the east side of old Fire Station 70, at 3516 North Broadway.

Basis of Recommendation

1. Request

In a letter dated March 17, 1981, Councilman Arthur K. Snyder requested the assignment of the municipal facility located at 3516 North Broadway (old Fire Station 70) to the East/Northeast Little Sister Program and the Cultural Affairs Department, Murals Program.

2. Fire Station 70, built in 1936, located at 3516 North Broadway in the Fourteenth Councilmanic District, has the following areas:

	Assignable Floor	Common Bathroom	Total Area
Area Paved	Area	Area	of Property
3,242 sq ft	3,770 sq ft	488 sq ft	7,500 sq ft

3. Background

The East/Northeast Little Sister Program is based in Northeast Los Angeles, and the Los Angeles County's East Los Angeles Community. The program provides needy young women between the ages of 6 through 16 with Big Sisters for a period of one year. The Big Sisters provide guidance and ultimately a positive role-model to the socially and economically disadvantaged young women.

The Cultural Affairs Department's Murals Program has evolved from the City-wide Murals Project which has been in existence since July 1974 and has sponsored community murals throughout the councilmanic districts. Formerly, an adjunct of the Department of Recreation and Parks, City Los Angeles, the Murals Program has been part of the Cultural Affairs Department since July, 1980. City-wide Murals Project has made a contribution to the aesthetic and community development of the City of Los Angeles, working with over 30 grass roots community organizations which reflect the ethnic diversity of Los Angeles, from native American to Black, Chicano, Asian American and Anglo. The inner-city, and particularly the East side of Los Angeles, contains the majority of wall paintings.

The Murals Program will take the youth of the community and direct them into a positive painting project with the help of trained artists and counselors.

4. Proposal to Use Fire Station

The Little Sisters program and murals program plan to operate out of old Fire Station 70. The group intends to counsel youths together, and are situated directly across the street from Lincoln Senior High School. Before the joint occupancy by the East/Northeast Little Sister Program and the Cultural Affairs Murals Program the following maintenance repairs must be completed:

Main	tenance and Repairs Needed	Estimated Cost
1.	Clean up	\$ 200
2.	Service and repair water system	
	including water heater	1,000
3.	New roof	15,000
4.	Slurry and fill gas tank	
	remove gas pump	750
5.		1,000
6.	Plaster patch ceiling and walls	2,400
7.	Refurbish switches, light and	
	receptacles	750
8.	Handicap ramps-inside and rear	2,500
9.	Fire extinguishers	300
10.	Service and repair of air	
	conditioning and heating units	3,000
11.	Floodlights Skylight	1,750 750
12.	Exterior lights	400
10.	Total	

On June 8, 1981, the City Council authorized the transfer of \$16,000 from the Boyle Heights Senior Citizens Center, Recreation and Parks Grant Fund Number 5760, Account Number 267 to the following accounts within the Department of General Services fund Number 13307 for the renovation of Old Fire Station No. 70:

Salaries, Account 102 - \$12,000

Construction Materials, Supplies and Services Account 316

4,000

\$16,000

The preliminary estimate to complete the necessary maintenance and repairs to the building includes a cost of \$15,000 to replace the roof. Discussions with representatives of the Department of General Services has indicated that the roof can be repaired at considerably less cost than its replacement. It is recommended that all the repairs be accomplished by City forces with the funds provided by the City Council.

The Building and Safety Department has conducted a site inspection of the facility and has issued a preliminary approval. The Department indicated that the review of its files revealed that the fire station was constructed of reinforced brick and concrete in 1936, and is exempt from the Earthquake Hazard Reduction Ordinance. The Department also indicated that the change in use from a fire station to the use proposed by the Cultural Affairs Department and the Little Sisters Program would be permitted. However, permits for any alteration work or change of use would be required in order to obtain a new Certificate of Occupancy.

Annual Rent

The City will rent 1,885 square feet on the west side of old Fire Station 70, at 3516 North Broadway, to the East/Northeast Little Sister Program at a rate of \$1 per year on a renewable lease for up to ten years. The Murals Program of the Cultural Affairs Department will be assigned space without rent, because it is a City Department.

Contents of the Lease Agreement: Major Points

a. As consideration of this lease, East/Northeast Little Sisters Program (organization) agrees to pay \$1 per year, and during the term of this lease, at the Organization's sole expense, to fully utilize the premises for community services.

- b. In the event the Organization shall hold over and remain in possession of the premises after the term of the lease, hold-over procedures will be from month-to-month at the City's permission.
- The Organization shall make no installations, additions, or improvements or structural alterations or changes without written consent and approval of the plan by the City's Department of General Services.
- d. The Organization agrees to keep and maintain the premises in good condition and repair.
- e. The City shall be responsible for providing all maintenance and utility services, including but not limited to: cleaning of the entire premises; furnishing of toilet supplies; replacing of light bulbs, tubes, and starters, washing and repainting interior walls as needed; keeping the premises well lighted during the hours the facility is open and at least dimly lit for safety at all times; providing all necessary heating and ventilation; and providing for all utilities such as gas, water and electricity.
- f. The Organization, at is own expense and cost, agrees to and shall, no later than the effective date of this lease, secure from an insurance company or companies licensed in the State of California, and maintain during the entire term of this lease, the following insurance coverage for the entire premises and their surrounding areas (including but not limited to all areas):
 - 1. Extended coverage, fire and casualty insurance in an amount not less than \$300,000.
 - 2. Public liability insurance in the minimum amount of \$500,000 for a combined single limit covering both bodily injury and property damage.

This lease shall not commence until the Organization has obtained all insurance required, and such insurance has been approved by the City Attorney of the City of Los Angeles.

g. This lease is made on the express condition that the City, its officers, department, agencies, bureaus and employees are to be free from all liability or loss by reason of injury to person or property, from whatever cause, while in or on the leased premises.

h. Notwithstanding anything in this lease to the contrary, should the leased premises or its building in which it is located become untenantable for the Organization's purposes, or if in the opinion of any governmental agency having jurisdiction thereof, including but not limited to the Department of Building and Safety and the Fire Department of the City of Los Angeles, the premises or the building should not be used for the Organization's purposes, this lease shall immediately terminate, and the City may enter upon said premises and immediately take possession of same.

Very truly yours,

MUNICIPAL FACILITIES COMMITTEE

Keith Comrie, Chairman City Administrative Officer

Maureen A. Kindel, President

Board of Public Works

Ben Spiker

Ken Spiker

Chief Legislative Analyst

KC:MGS:mg