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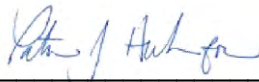
**TRANSMITTAL**

TO The City Council	DATE 10-08-25	COUNCIL FILE NO. -
FROM Municipal Facilities Committee		COUNCIL DISTRICT 5

The attached report from the Department of General Services (GSD) was waived by the Municipal Facilities Committee and is hereby transmitted to Council for consideration.

Adoption of the report recommendations would authorize GSD to negotiate and execute a lease agreement with 7253 Melrose Partners, LLC, and a sublease agreement with Safe Place for Youth (SPY) to operate the interim housing site at 7253 Melrose Avenue in Council District 5. The term of the lease agreement is three years, with two one-year options to extend. The term of the sublease agreement with SPY is concurrent with the leasing term.

**Fiscal Impact:** There is no immediate impact to the General Fund. On September 2, 2025, the Mayor concurred the City Council's approval of the Fifth Alliance Funding report (C.F. 23-1022-S19) which allocated a total of \$826,200 in Homeless Housing, Assistance, and Prevention (HHAP) funds for Transitional Aged Youth for lease costs at this site through June 30, 2026. There is a potential future impact to the General Fund relative to supporting the lease once the HHAP grant funds are depleted or the grant expenditure authority expires.



Matthew W. Szabo  
City Administrative Officer  
Chair, Municipal Facilities Committee

MWS:AW:05260048

# 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

October 6, 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 AUTHORITY TO NEGOTIATE AND EXECUTE A LEASE AT  
7253 MELROSE AVENUE LOS ANGELES 90046 WITH 7253 MELROSE PARTNERS, LLC  
AND A SUBLEASE WITH SAFE PLACE FOR YOUTH FOR USE AS INTERIM HOUSING**

The Department of General Services (GSD) requests authority to negotiate and execute a lease agreement with 7253 Melrose Partners, LLC (Landlord) for a privately owned property, and a sublease with Safe Place for Youth (SPY) to operate this proposed interim housing site located at 7253 Melrose Avenue Los Angeles, CA 90046 in Council District 5.

**BACKGROUND**

Included in the CAO's Fifth Alliance Settlement Agreement Program (ASAP) funding report, dated August 1, 2025, authorization and funding is recommended for this project site. The CAO's funding report received Mayor concurrence on September 2, 2025.

This interim housing project (Project) is a three-story former assisted living facility built in 1969 containing 31 client guest rooms (dual occupancy), shared jack and jill restrooms, private office, dining room, elevator, client community room and large commercial kitchen that is approximately 12,240 square feet (sf). Furthermore, the site includes small exterior areas at both the rear and southeast corner of the lot.

The Landlord has completed the repairs and renovations to bring the site to code compliant standards for the Project which has been verified by the Bureau of Engineering.

**TERMS AND CONDITIONS**

**Landlord Lease**

The proposed lease with the Landlord is for three years with two, one-year renewal options. The lease term commences upon the City Clerk's attestation. The rent for the property is \$90,000 monthly with 3% annual increases.



**Service Provider (Operator) sublease**

The no-cost sublease with SPY is also for three years with two, one-year renewal options which is consistent with the Landlord lease. The operator shall be responsible for utilities.

A complete set of terms and conditions are outlined on the attached term sheets for the lease and sublease.

**SHELTER SERVICES**

Safe Place for Youth (SPY), the Operator, was founded by Alison Hurst in 2011 along with a group of dedicated volunteers, offering hot food, clothing, and socks to homeless youth in Venice Beach from their cars. Since then, SPY has grown from a 100% volunteer-led organization to a professional staff of nearly 80 employees.

**BUILDING MAINTENANCE/UTILITIES/LANDSCAPING**

The Landlord will maintain major building systems such as the roof, structural components and items that may be covered under the manufacturers' warranty. Furthermore, the elevator system will also be upgraded including replacing elevator doors and adding emergency safety mechanisms such as emergency phone systems and lighting to meet ADA code requirements.

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

The Operator'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:

- Decking and Roof - If applicable, due to susceptibility of decking - including ADA ramps - to damage from frequent use, the operator shall be responsible for all necessary repairs to these areas.
- Electrical Systems- All electrical components beyond the switchgear, including distribution panels, outlets, lighting, and fixtures.
- HVAC Systems- Ductless HVAC units installed at the site.
- Landscaping and Hardscape - All landscaping and hardscape areas associated with 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.
- Elevator - The Operator shall maintain the elevator with a certified elevator vendor to provide service, as needed.

**ENVIRONMENTAL**

The Bureau of Engineering (BOE) has determined the City's activities related to the homeless shelter at this site to be statutorily exempt under Public Resources Code (PRC) Section 21080.27.5, applicable to low barrier navigation centers and Government Code Section 8698.4(a)(4) governing homeless shelter projects under a shelter crisis declaration. The Mayor and City Council must approve BOE's determination that this use is categorically exempt from CEQA.

**FUNDING**

On August 1, 2025, the Office of the City Administrative Officer (CAO) released the Fifth Alliance Settlement Agreement Program (ASAP) funding report (C.F. 23-1022-S19), which recommends the approval of the interim housing at this site that will serve Transitional Aged Youth (TAY). A total of \$826,200 is proposed for leasing through June 30, 2026. Funding for the remainder of the term will be programmed on a year-by-year basis, based on funding availability and any expenditure deadlines that must be adhered to.


**FISCAL IMPACT**

There is no impact to the General Fund at this time, as Homeless Housing, Assistance, and Prevention funds for Transitional Aged Youth (HHAP TAY) are utilized and may continue to fund the ongoing services and leasing for this particular program.

There is no revenue generated from the sublease with SPY since they are providing services and this is a no-cost lease.

**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 agreement with 7253 Melrose Partners, LLC and a sublease agreement with Safe Place for Youth at 7253 Melrose Avenue for a temporary homeless housing site under the terms and conditions substantially outlined in this report.



Tony M. Royster for  
General Manager

Attachments: Term Sheet – 7253 Melrose Partners  
Term Sheet – Safe Place for Youth

## LEASING TERM SHEET

MFC DATE	October 2025
LANDLORD	7253 Melrose Partners, LLC
ADDRESS	4569 W. Pico Blvd., LA, CA 90012
TENANT	City of Los Angeles - GSD
ADDRESS	111 E. 1st Street, 2nd Floor, Los Angeles, CA 90012
LOCATION	7253 Melrose Ave. Los Angeles, CA 90046
AGREEMENT TYPE	Lease
SQUARE FEET	12,240 RSF
TERM	36 months
RENT START DATE	Upon City Clerk's Attestation
LEASE START DATE	Upon City Clerk's Attestation
OPTION TERM	Two 12-month extension with 6 months notice with 3% increase of last rent rent
HOLDOVER	None
SUBLET/ ASSIGNMENT	City shall have a right to assign to an operator
TERMINATION	None
RENTAL RATE	\$90,000/mo. - Modified Gross
ESCALATION	3% Annual Increase
RENTAL ABATEMENT	None.
ADDITIONAL RENT	None
PROPERTY TAX	None
OPEX	None

CAM	None
OTHER	None
SECURITY DEPOSIT	None
MAINTENANCE/ REPAIR	<p>Tenant/Operator is responsible for day-to-day building maintenance of the site and its equipment. Tenant/Operator shall reimburse Landlord for costs to maintain the building including regular maintenance and repairs due to the acts caused by the Tenant/Operator, performed by the Landlord excluding ordinary wear and tear.</p> <p>Landlord, shall maintain all major Building Systems and Structural components which include but not limited to electrical, plumbing, HVAC, Fire Sprinkler, Roof. Furthermore, Landlord shall also maintain the elevator with a third party service agreement along w/ exterior landscaping. Furthermore, Landlord shall be responsible for all environmental and hazardous materials issue prior to the commencement of the lease and ongoing to be further defined in the lease.</p>
TENANT IMPROVEMENTS	Landlord shall perform all work subject to final issuance of C of O and ensure code compliance.
PARKING	1 included as part of the rent. Additional 3 tandem off site spaces at \$300/month per space, at Tenant's discretion, paid to LL's directly and capped at 3% annual increase consistent w/ rent
UTILITIES	Tenant/Operator responsible for all utilities
CUSTODIAL	Tenant/operator shall be responsible for the site.
SECURITY	Tenant/Operator
PROP 13 PROTECTION	N/A
INSURANCE (City)	Tenant/Operator shall indemnify and hold harmless Landlord
OTHER:	<p>Early Possession: Landlord shall provide 15 days early possession to set up prior to Lease Effective Date.</p> <p>Late Fee: Tenant, the City shall not subject to a late fee.</p>
PRINT:	
SIGNATURE:	

## LEASING TERM SHEET

MFC DATE

October 2025

LANDLORD

City of Los Angeles - GSD

ADDRESS

111 E. First St. 2nd Floor LA, CA 90012

TENANT / LESSEE

Safe Place for Youth 501(3)c

ADDRESS

2471 Lincoln Blvd. Ste. 101, Venice, CA 90291

LOCATION

7253 Melrose Ave. Los Angeles, CA 90046

AGREEMENT TYPE

Sublease

USE

Interim Housing

SQUARE FEET

12,240 RSF

TERM

36 months, in parallel with lease

RENT START DATE

Upon City Clerk's Attestation

LEASE START DATE

Upon City Clerk's Attestation

OPTION TERM

Two 12-month extension with 9 months notice

HOLDOVER

None

SUBLET/  
ASSIGNMENT

City may transfer with 90 days notice

TERMINATION

City may terminate with 90 days notice. SPY may terminate with 90 days notice contingent on funding.

RENTAL RATE

\$0

ESCALATION

N/A

RENTAL ABATEMENT	N/A
ADDITIONAL RENT	None
PROPERTY TAX	None
OPEX	None
CAM	None
OTHER	None - Tenant is responsible for all utility costs on site
SECURITY DEPOSIT	None
LANDLORD MAINTENANCE/ REPAIR	<p>The Landlord shall maintain major building systems that service the entire project, limited as detailed below to major plumbing, electrical, and mechanical systems.</p> <p>The Tenant shall be responsible for daily routine maintenance, including janitorial services, all utilities for the site, annual preventative maintenance, including but not limited to: interior electrical systems and light fixtures, fire life safety systems, smoke detectors including annual Reg-4 testing, fire extinguishers, and maintenance/repairs to sprinkler heads and associated components.</p> <p>The Landlord shall be responsible for the electrical system limited to the infrastructure up to and including the main switchgear. The Tenant'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 Tenant 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 Tenant or its parties, including repair or replacement of fixtures, outlets, plumbing, appliances and HVAC systems, for damage caused by the tenant.</p> <p>Furthermore, the Operator shall maintain the following:</p> <ul style="list-style-type: none"> <li>• Decking and Roofing- Due to the susceptibility of decking—including ADA ramps—to damage from frequent use, the Tenant shall be responsible for all necessary repairs to these areas.</li> <li>• Electrical Systems- All electrical components beyond the switchgear, including distribution panels, outlets, lighting, and fixtures, shall be the responsibility of the Tenant.</li> <li>• HVAC Systems- Ductless HVAC units installed at the site will be the responsibility of the Tenant.</li> <li>• Landscaping and Hardscape - All landscaping and hardscape areas associated with the site.</li> </ul>



	<ul style="list-style-type: none"> <li>• The Operator shall also be responsible for 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.</li> <li>• The Operator shall also be responsible for all locks, keys, and any associated repairs or requests, including those related to new staff onboarding or transitions between service providers.</li> </ul>
TENANT IMPROVEMENTS	Tenant shall NOT make any improvements on site unless it is approved by the City and Landlord.
PARKING	1 included as part of the rent. Additional 3 tandem off site spaces \$200/space subject to 3% annual increase.
UTILITIES	Tenant responsible - electrical, water, and other utilities for the Premises.
CUSTODIAL	Tenant shall be responsible for all custodial
SECURITY	Tenant provides security of the site.
PROP 13 PROTECTION	N/A
INSURANCE (City)	City is self-insured. Tenant shall also provide insurance per the agreement.
OTHER:	
PRINT:	Erika Hartman, CEO
SIGNATURE:	