

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

JANUARY 21, 2020

APPROVAL OF LEASE TO TRANSFORM THE TROPICANA MOTEL IN COMPTON INTO INTERIM HOUSING FOR HOMELESS FAMILIES WITH CHILDREN

Based on the Los Angeles Homeless Service Authority's (LAHSA) 2019 Point-in-Time Homeless Count (2019 Homeless Count), Los Angeles County's (County) Service Planning Area 6 (SPA 6), which is comprised of the communities of Athens, Compton, Crenshaw, Florence, Hyde Park, Lynwood, Paramount, and Watts, has one of the highest rates of homelessness across the County. According to the 2019 Homeless Count, 9,543 persons are experiencing homelessness in the SPA 6 region. Specifically, within the City of Compton, 424 people are recorded as experiencing homelessness with 99.5% (i.e., 422 people) living unsheltered.

To help abate this significant humanitarian crisis, there is a timely opportunity for the County to facilitate the repurposing of two properties into interim housing for homeless families with children (Facility): (i) the Tropicana Motel, located at 1740 East Compton Boulevard, within the City of Compton, which consists of approximately 9,628 square feet, parking lot, and related improvements, and (ii) a separate small commercial unit, consisting of approximately 470 square feet, parking lot, and related improvements, immediately adjacent to the Tropicana Motel, located at 1730 East Compton Boulevard, within the City of Compton, which will be used for supportive services. The Facility requires modest aesthetic and deferred maintenance improvements that could be completed within a few months, allowing the Facility to be quickly transformed into a safe

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short-term residence for 41 families, many of whom may have no other choice but to currently call the streets or a vehicle their home.

Tropicana Shelters, LLC (Developer), proposes acquiring the entire Facility and constructing the needed capital improvements and deferred maintenance in order to facilitate the interim housing use. Improvements include painting, pest and mold removal, updating the heating and air conditioning systems, the installation of new flooring, carpeting, and fencing, the creation of a bathroom, and landscaping.

Special Services for Groups, Inc., a California non-profit public benefit corporation (SSG) – through one of its divisions, Homeless Outreach Program Integrated Care System (HOPICS) – which serves as the Coordinated Entry System lead for Homeless Families and Adults in SPA 6, is prepared to operate the Facility and provide supportive services to the families with the ultimate goal of aiding the families in transitioning into permanent housing. Rent, utilities, operations and service costs to operate the Facility will be funded through SSG's existing contract with LAHSA.

Once it is owned by the Developer, it is appropriate for the County to enter into a lease for the Facility to expedite the delivery of this much-needed additional interim housing, and then sub-lease the facility to SSG to operate the Facility and to provide supportive services to the families. The proposed lease and sublease are authorized by Government Code Section 26227.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Find that approval of the Tropicana Interim Housing for Homeless Families Facility (Facility), located at 1730 and 1740 East Compton Boulevard, in the City of Compton, and related actions below are exempt from the California Environmental Quality Act (CEQA) pursuant to Section 21080(b)(4) of the Public Resources Code and Section 15269(c) of the State CEQA Guidelines, which exempt specific actions necessary to prevent or mitigate an emergency, Section 21080.50 of the California Public Resources Code which exempts conversion of a motel or hotel structure with a

certificate of occupancy to supportive or transitional housing; and Sections 15301(a) and (d), 15302, 15303(e) and 15311(c) of the State CEQA Guidelines and Classes 1(d), 2, 3(b) and 11(c) and (h) of the County's Environmental Document Reporting Procedures and Guidelines, which are applicable to minor alterations to existing facilities, accessory structures. In addition, based on the proposed project records, the project will comply with all applicable regulations, and it is not in a sensitive environment and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemptions inapplicable. Upon approval of the recommended actions, the Los Angeles Homeless Services Authority, on behalf of the County of Los Angeles (County), will file a Notice of Exemption with the County Clerk pursuant to Section 21152 of the California Public Resources Code/Office of Planning and Research;

2. Find that, pursuant to Government Code Section 26227, the leasing and subleasing of the Facility for interim housing for homeless families with children will meet the social needs of the population of the County;
3. Delegate and authorize the Chief Executive Officer (CEO), or her designee, to negotiate with Tropicana Shelters, LLC, and execute a lease once the Facility is owned by Tropicana Shelters, LLC, approved as to form by County Counsel, for the Facility for a term of ten years, including three options to extend the term of the lease for a period of two years per option, and for a base rent of Forty-One Thousand Dollars (\$41,000) for each calendar month (which Base Rent shall be paid by SSG, pursuant to the sublease, directly to Developer);
4. Authorize the CEO, or her designee, to execute any other ancillary

documentation, approved as to form by County Counsel, necessary to effectuate the terms of the lease, and authorize the CEO, or her designee, to take other actions necessary and appropriate to implement and effectuate the terms of the proposed lease, including, without limitation, exercising option(s) to extend the term of the lease, exercising a right of first refusal for additional space at 1730 East Compton Boulevard, in the City of Compton, or exercising any termination right found under the lease;

5. Find that the Facility will not be needed for other County purposes during the term of the lease and sublease;
6. Delegate and authorize the CEO, or her designee, to negotiate and execute a sublease with SSG, approved as to form by County Counsel, to sublease the Facility for a term of ten years, and including three options to extend the term of the sublease, for a period of two years per option, to run concurrent with the lease, and obligating SSG to pay (i) the Base Rent to Developer for the term of the lease and sublease; and (ii) all operation and maintenance costs associated with the use;
7. Authorize the CEO, or her designee, to execute any other ancillary documentation, approved as to form by County Counsel, necessary to effectuate the terms of the sublease, and authorize the CEO, or her designee, to take other actions necessary and appropriate to implement and effectuate the terms of the proposed sublease, including, without limitation, exercising option(s) to extend the term of the sublease, exercising a right of first refusal for additional space at 1730 East Compton Boulevard, within the City of Compton, or exercising any termination right found under the sublease.

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