

MOTION BY SUPERVISOR HILDA L. SOLIS

January 14, 2025

Lease Agreement for the Skid Row Action Plan Safe Services Space and Harm Reduction Health Hub

On June 28, 2022, the Los Angeles County Board of Supervisors (Board) directed the Department of Health Services Housing for Health (DHS-HFH) division in conjunction with the Chief Executive Office Homeless Initiative (CEO-HI) to convene working groups that include representatives from the City of Los Angeles, the Los Angeles Homeless Services Authority (LAHSA), Department of Public Social Services (DPSS), Department of Mental Health (DMH), Department of Public Health (DPH), Department of Aging and Disabilities (AD), Department of Economic Opportunity (DEO), and Skid Row community partners including residents, service providers, and stakeholders to develop a collaborative Skid Row Action Plan (SRAP).

On December 21, 2022, after a six-month period working with the above-mentioned stakeholders, the SRAP was submitted to the Board. On April 15, 2024, an additional SRAP Implementation Report was submitted to the Board. From its inception, SRAP has been driven by community members with lived experience and a deep

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connection to the neighborhood. Community members participated in a SRAP Resident Advisory Board and engaged in workgroups, listening sessions, and co-design sessions to shape the SRAP. Throughout this process, they highlighted a vision for long-term Resident Councils that will support community members in meeting with program participants, creating trauma-informed communities, promoting healing and racial justice, providing trainings to program staff working in Skid Row, and partnering with government and funding partners to design and resource effective programs.

SRAP focuses on six key areas of recommendations, including:

- Permanent Housing;
- Interim Housing;
- Low-Barrier Healthcare Center;
- Harm Reduction Health Hub;
- Safe Services Space; and
- Economic Opportunity.

Since the initial SRAP was released in 2022, significant investments and progress have been made in the areas of permanent housing, interim housing, and healthcare delivery. The State of California, via the California Interagency Council on Homelessness, provided DHS with an Encampment Resolution Fund grant that supported investments in interim and permanent housing resources in Skid Row. The County has also invested Care First Community Investment (CFCI) funds in expanding permanent housing resources dedicated to Skid Row. DHS and DMH are investing in opening the first Residential Care for the Elderly facility in Skid Row, which would provide 48 new permanent housing beds for people experiencing homelessness who need support

managing their Activities of Daily Living in response to the homeless emergency to address potential loss of or damage to life, health, and property. Through new opportunities from the State, Managed Care Plans L.A. Care and Health Net have committed significant funding towards expanding access to low-barrier healthcare in Skid Row. These investments, resulting in expanded collaboration, services, and resources, have supported thousands of people in exiting homelessness in Skid Row since the inception of SRAP.

Safe Services and Harm Reduction Health Hub

SRAP was designed by Skid Row community members to improve the health and safety of all who call Skid Row home. SRAP explicitly aims to address the history of Skid Row. One of the core tenets of the SRAP is to seek investments and resources that support Skid Row as a community where all people can thrive. Central to that vision are the SRAP recommendations for a Safe Services Space and a Harm Reduction Health Hub.

The Safe Services Space and Harm Reduction Health Hub would provide low-barrier access to activities and services provided in a community-led space that centers community members and people with lived experience. This space is designed to shift away from inflexible service delivery and enforcement models. Programs will be designed around trauma-informed principles and center people with experience of deep poverty, homelessness, drug use, and sex work and reflect the lived experience of people in Skid Row.

The Safe Services Space would provide participants with access to basic necessities, daily community activities, and robust services. Through Safe Services,

community members would have access to basic necessities, including bathrooms, showers, laundry machines, storage, charging stations, and water stations. Daily community activities would support the holistic wellbeing of participants through opportunities for engagement in programming that spans arts, culture, and wellness. Robust services would be delivered by Community Ambassadors with lived experience, case managers, and clinicians in partnership with a wide variety of service providers that specialize in health, behavioral health, aging and disability, money management, public benefits, and more. Safe Services would be offered in a welcoming, accessible, hospitable, and park-like setting that reflects the culture of the community. The space would foster opportunities for deep community connection, as it would be a center for the neighborhood by the neighborhood.

The Safe Services Space would be administered by DHS-HFH. DHS is currently under negotiations with Homeless Health Care Los Angeles, the entity selected through a competitive Work Order Solicitation, to operate the proposed Safe Services Space. The County proposes entering into a separate gratis sublease agreement with Homeless Health Care Los Angeles and the Work Order would be executed upon sublease execution. The Safe Services Space would be open seven days a week, including evening hours, to ensure robust access to services.

Co-located with the Safe Services Space, the Harm Reduction Health Hub would provide specialized services to people who use drugs, people with justice system involvement, people who engage in sex work, and who may be experiencing homelessness with affirming care to prevent overdose, provide light-touch medical care, and connections to recovery services for individuals with substance use challenges. The

Hub would be a place of respite, housing 22 observation beds where participants can be referred for services and treatment, access harm reduction supplies including naloxone, safer drug use kits, safer sex work supplies, hygiene supplies, and wound care kits, charge a cell phone, and/or receive overdose prevention services. Health Hub participants would have access to drop-in center space, case management, substance use services navigation, mental health services navigation, health care services, non-medically supervised observation spaces for overdose prevention, and assistance with interim and permanent housing. DPH Substance Abuse Prevention and Control (DPH-SAPC) would partner with the Harm Reduction Health Hub to co-locate an Opioid Treatment Program at the facility.

The Harm Reduction Health Hub would be administered by DHS Harm Reduction Division. DHS is currently under negotiations with JWCH Institute, Inc., Social Model Recovery Systems, and Homeless Health Care Los Angeles, who were selected through competitive Work Order Solicitations. The Work Orders would be executed upon sublease execution after the motion is approved.

The Chief Executive Office (CEO) conducted a market property survey based on the space criteria provided by DHS-HFH. The survey provided twelve available spaces for lease. DHS-HFH chose one property, 442 S. Crocker Street, Los Angeles, CA 90013. The County proposes to enter into a lease agreement at 442 S. Crocker Street, Los Angeles, CA 90013 with the following major terms:

- A term of nine years and six months;
- The base rental amount for the entire term will not exceed \$19,973,000;

- Total lease cost over the entire term, including rent, parking, real estate taxes, Business Improvement District (BID) fees, janitorial and utilities, shall not exceed \$25,173,000;
- Low Voltage is not included in the lease agreement. DHS will contract with ISD for the acquisition and installation of low voltage items which costs shall not exceed \$1,426,000;
- The County will have the right to an early termination any time after the sixth year of the term with no termination fee;
- The County will have the first right of refusal to purchase the premises at any given time during the lease term;
- The lease will commence the first day of the month after the Board consents to the lease, the lease is fully executed, and the County accepts the premises.

In addition, 50 existing parking spaces at 332-340 Omar Street, Los Angeles will be provided under a proposed separate parking agreement with an affiliate company with the following terms:

- The term of the proposed parking agreement will be coterminous with the proposed lease;
- Each parking space will be at a proposed cost of \$150 per space per month for a total of \$7,500 per month;
- The County will have the right to an early termination with thirty days prior notice.

Project Description

The proposed lease of the property at 442 S. Crocker Street, Los Angeles is for an as-is already improved property for the use as a Safe Services Space and Harm

Reduction Health Hub, and may be used for a permitted use by any other County department the County designates at a future time, or any governmental or lawful purposes consistent with the SRAP. No physical changes to the property are anticipated. The proposed project consists of the lease of an existing 36,707 square-foot site including a 15,000 square foot building (as well as recently completed small accessory buildings) for the purpose of operating a shelter/low barrier navigation center that would include two components: 1) Safe Services Space facilities would provide laundry facilities, restrooms/showers, and small exterior pavilion/booth with staffing to coordinate services for people experiencing homelessness and would provide a park-like setting with raised deck/stage, relaxation areas, benches, shaded cabanas, pet area, signage and a community garden; 2) Harm Reduction Health Hub building would include 22 shelter beds, office areas, exam rooms, community rooms, bathrooms, lounge spaces, signage and reception. The parking will be provided under a separate parking agreement.

Fiscal Impact/Financing

DHS-HFH developed a multi-year forecast that outlines the various one-time braided funding sources to support programming at this site. Funding in support of the subject programming includes Measure H SRAP, American Rescue Plan Act (ARPA), L.A. Care and Health Net Homeless and Housing Initiative Incentive Program funds, to name a few. ARPA funding expires in two-years and some of the other funding sources identified by DHS-HFH are time-limited. Therefore DHS-HFH will continue to diligently explore funding options over the term of the lease in order to continue programming. Services at this location will be evaluated over time and should there be a need to transition core programming, based on need, the space may be re-purposed for interim

housing and/or other uses consistent with the SRAP.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Find that approval of a lease agreement for the premises located at 442 S. Crocker Street, Los Angeles, CA 90013 to be used by DHS and its contractors for health services in Skid Row and related actions herein are categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15303 (construction of small structures) and Section 15332 (in-fill development) and Class 3 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G because they are within certain classes of projects that have been determined not to have a significant effect on the environment and are statutorily exempt from CEQA pursuant to California Public Resources Code Section 21080(b)(4) and State CEQA Guidelines section 15269(c), which apply to actions to prevent or mitigate an emergency; and Public Resources Code Section 21080.27(d)(1) and (3), which apply to low barrier navigation centers and financial assistance in furtherance of such facilities in the City of Los Angeles. Upon your Board's approval of the actions herein, the Department of Health Services will file a Notice of Exemption with the County Clerk and with the State Clearinghouse at the Governor's Office of Land Use and Climate Innovation in accordance with Section 21152 of the California Public Resources Code and will post the Notice to the County's website in accordance with Section 21092.2; and,
2. Find that entering into a lease agreement for nine years and six months for the premises to be used by DHS and its contractors is authorized by Government Code

section 25351, which allows the County to enter into leases and agreements for the leasing of buildings that are necessary to carry out the work of the County government; and,

3. Authorize the Chief Executive Officer, or her designee, to execute a lease agreement with HAR-Crocker 442 Crocker, LLC for 36,707 rentable square feet and outdoor space at 442 S. Crocker Street, Los Angeles, CA 90013. The total lease cost over the entire lease term, including rent, parking, real estate taxes, BID fees, janitorial and utilities, shall not exceed \$25,173,000; and,
4. Authorize the Director of Department of Health Services, or her designee, to contract with and direct the Internal Services Department for the acquisition and installation of the telephone, data and low voltage systems, and vendor installation at a total cost not to exceed \$1,426,000 paid in lump sum in the first year; and,
5. Authorize the Chief Executive Officer, or her designee, to execute a parking agreement with Westchester Properties, LLC for 50 parking spaces at 332-340 Omar Street, Los Angeles. The total monthly parking cost will be for \$7,500.
6. Authorize the Chief Executive Officer, or her designee, to execute a gratis sublease agreement with the chosen service provider selected through the Work Order solicitation procured by DHS.
7. Delegate and authorize the Chief Executive Officer, or her designee, to execute any other ancillary documentation, approved as to form by County Counsel, and to take all further actions necessary and appropriate to implement the terms and conditions of the lease agreement or parking agreement, including, without limitation, exercising any early termination rights.

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