County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE
713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
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DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

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Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 7, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

LEASE AGREEMENT - 1733 GRIFFIN AVENUE - LAC+USC MEDICAL CENTER TO VIP COMMUNITY MENTAL HEALTH CENTER (FIRST) (3VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the Lease is categorically exempt from the California Environmental Quality Act (CEQA).

2. Approve a ten-year gratis lease with VIP Community Mental Health Center, Inc. (VIP CMHC) for the use of 1733 Griffin Avenue, Los Angeles, in exchange for enhanced and ongoing mental health services to children and families impacted by child abuse, or domestic violence who are under the supervision of the Department of Children and Family Services (DCFS), or in out-of-home placement. As additional consideration, VIP CMHC shall provide tenant improvements to the facility that will accommodate DCFS emergency response workers and the new Los Angeles County Elder Abuse Forensic Center.

3. Find that the real property is not needed exclusively for County use during the term of the Lease.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to consummate a ten-year lease of a building located at 1733 Griffin Avenue, Los Angeles, situated within the LAC+USC Medical Center. The subject building contains11,003 gross square feet and 6,389 net usable square feet

with off site parking. VIP CMHC will occupy approximately 2,190 net usable square feet and the remaining 4,199 net usable square feet will be occupied by the County. In consideration of this gratis lease, VIP CMHC will provide mental health services pursuant to a service agreement with the Department of Mental Health that was approved by your Board on July 1, 2005. As additional consideration, VIP CMHC shall provide tenant improvements that will accommodate Los Angeles County DCFS emergency response workers and the new Los Angeles County Elder Abuse Forensic Center.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that the County increase public/private partnerships (Goal 4). The leasing of County property to a non-profit organization which provides services to the public is consistent with that Goal.

FISCAL IMPACT/FINANCING

The proposed lease is gratis. As additional consideration, VIP will provide mental health services, needed tenant improvements and will pay a proportionate share of the utility costs.

Upon prior approval of the County, VIP CMHC may install or construct tenant improvements at its own expense as may be necessary to prepare the premises for delivery of mental health services and related uses. VIP CMHC has estimated the tenant improvement costs to be $750,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed ten-year gratis Lease of 1733 Griffin Avenue to VIP CMHC, a non-profit, public benefit organization, is being made under the authority of California Government Code Section 26227. The Lease is renewable for up to an additional ten years based upon five two-year extensions. County Counsel has approved the proposed Lease as to form. Under a similar agreement approved by your Board on December 17, 2002, VIP CMHC leases the Phinney Hall building located at 1721 Griffin Avenue, Los Angeles, which is in close proximity to 1733 Griffin Avenue.

Both the County and VIP CMHC have the right to cancel this Lease upon 180 days prior written notice. In the event that the County cancels the Lease prior to the expiration of the term, the County shall reimburse VIP CMHC for the cost of tenant improvements equal to the depreciated value of the improvements paid for by VIP CMHC.

ENVIRONMENTAL DOCUMENTATION

The proposed Lease is categorically exempt from the California Environmental Quality Act (CEQA) according to Section 15312 of the State CEQA guidelines and Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Lease of the subject building will enable VIP CMHC and the County to enhance existing mental health services and case coordination of the children currently receiving services in the regional HUB; i.e., the Community Assessment and Treatment Center (regional multidisciplinary assessment center for children in foster care). These children are currently under the supervision of DCFS or in out-of-home placement (e.g., foster care). In addition, the lease will allow renovation of space to accommodate out-stationed emergency response DCFS workers who will participate with the HUB model and facilitate appropriate emergent evaluations of all children entering foster care. Additionally, space will be made available to the Los Angeles County Elder Abuse Forensic Center.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return one original and two copies of the adopted Lease and the adopted stamped Board letter to the CAO Real Estate Division at 222 South Hill Street, 3rd Floor, Los Angeles, California 90012 for further processing.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:WLD
CB:AA:eb

Attachment (1)

c: County Counsel
Health Services
Mental Health

LEASE AGREEMENT

VIP COMMUNITY MENTAL HEALTH CENTER, INC.
1733 GRIFFIN AVENUE, LOS ANGELES, CALIFORNIA 90031

ARTICLE 1
BASIC LEASE PROVISIONS

1.1 Date and Parties.

THIS LEASE AGREEMENT (hereinafter "Lease"), made and entered into this _____ day of _____, 2006.

By and between COUNTY OF LOS ANGELES, as landlord (hereinafter "County"), a body corporate and politic organized under the laws of the State of California, and **VIP COMMUNITY MENTAL HEALTH CENTER, INC.**, as tenant (hereinafter "Tenant"), a non-profit, public benefit organization incorporated in the State of California.

1.2 Independent Contractor Status.

This Lease is by and between the County and Tenant and is not intended, and will not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Tenant.

1.3 Prior Agreements.

This Lease contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreements between the parties or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

ARTICLE 2
DESCRIPTION OF PREMISES

2.1 Description of Premises.

The County, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Tenant, upon the following terms and conditions, hereby leases to the Tenant, and the Tenant hereby hires and takes of and from the County, those certain premises consisting of 2,190 net usable square feet (the "Premises") on the second floor of the building located at 1733 Griffin Avenue in the County of Los Angeles, State of California (the "Building"). The Building contains a total of approximately 11,003 gross square feet (6,389 net usable square feet) of space as depicted on Exhibit A attached hereto and incorporated herein by this reference. The County shall retain and occupy a total of 4,199 net usable square feet in the Building to house certain County programs. Tenant shall occupy and use the second

floor of the Building in accordance with Article 5 hereof. Tenant's percentage of occupancy is 33 percent. Floor plans of the Building are depicted in Exhibit B attached hereto and incorporated herein by this reference.

ARTICLE 3
Term

3.1 Original Term and Commencement Date.

The original term of this Lease shall be for a period of ten years, commencing upon execution of the Lease by the Los Angeles County Board of Supervisors. Upon expiration of the original term, and without further action of the parties, this Lease thereafter shall renew for a period of up to ten additional years based upon five term extensions of two years each. Such automatic renewal under each two-year extension shall be contingent upon Tenant, at the time of each extension's inception and for the duration of each extension, having and maintaining a separate agreement with the County for the provision of mental health services (the "Service Agreement"). In the event that Tenant does not have such a Service Agreement in place at the inception of each extension, or in the event that such a Service Agreement expires or otherwise terminates during any extension period, this Lease shall terminate concurrently with such Service Agreement's expiration or other termination. At the final expiration of the Lease, including any extension thereof, all capital improvements, including any completed by the Tenant, shall become property of the County.

3.2 Cancellation.

County and Tenant shall have the right to cancel this Lease at any time during the term by giving six months prior written notice to the other party. Notwithstanding the foregoing, in the event that the County decides to close the Los Angeles County-University of Southern California Medical Center (the "Medical Center") which is the current use of the Building, this Lease shall terminate automatically and concurrently with the Medical Center's closure. In the event that the County cancels this Lease prior to the expiration of the original ten-year term, or if this Lease automatically and concurrently terminates with the closure of the Medical Center, County shall reimburse Tenant for the cost of capital improvements and renovation costs equal to the depreciated value of capital improvements and renovation costs paid by Tenant based on a straight line depreciation over a 25-year term as provided in the American Hospital Associations' publication, *Estimated Useful Lives of Depreciable Hospital Assets, Revised 2004 Edition,* incorporated by this reference herein and made a part of this Lease. County's reimbursement shall not exceed Seven Hundred Fifty Thousand Dollars ($750,000) unless otherwise agreed to by the parties in writing through a formal, written amendment to this Lease. The 25-year depreciation period shall commence upon completion of the improvements and renovations as evidenced by a Certificate of Occupancy or other proof of final inspection approval by the County Department of Public Works.

3.3 Holdover.

In case Tenant holds over beyond the end of the extension terms provided in Section 3.2 above, such tenancy shall be from month-to-month only, subject to the provisions and conditions of this Lease, but shall not be a renewal or extension hereof. Either party may, during the holdover, cancel this Lease by giving the other party at least 30 days' prior written notice.

ARTICLE 4
RENT

4.1 Rent.

County hereby agrees to provide said Premises during the term and any holdover period on a gratis basis. Tenant hereby agrees in consideration for said Premises to faithfully perform all of its obligations under this Lease. As additional consideration, Tenant shall treat all indigent patients who present themselves at Tenant's facility in the same manner and on the same terms as such treatment is rendered to patients who pay or for whom reimbursement can be obtained. The parties hereto expressly agree that the value to County of the services provided by Tenant pursuant to Article 5 hereof plus the value of the tenant improvements contemplated hereby is at least equivalent to the fair market rental rate of the Premises.

ARTICLE 5
USE

5.1 Use.

Tenant is hereby granted permission to utilize the Premises for the full term of this Lease unless earlier terminated as provided herein. Such use by Tenant shall be exclusively for the provision of case management/brokerage, mental health, crisis intervention, and medication support services to children and their families who have been victims of domestic violence and/or child abuse as set forth in the Mental Health Services Agreement between the parties dated July 1, 2005, (the "Services") All such Services shall be open and available to low income, uninsured residents of incorporated and unincorporated areas of the County of Los Angeles. There shall be no discrimination against or preference, gratuity, bonus or other benefit given to residents of incorporated areas not equally accorded to unincorporated territory of the County of Los Angeles. Tenant shall provide the Services during DHS' normal hours of operation, which are:

County shall house in the Building related programs provided by Department of Health Services ("DHS") and the Department of Children and Family Services, and the Department of Mental Health.

At the beginning of each fiscal year, Tenant shall provide the DHS with a report reflecting service provided the previous year, and a program plan for services to be provided in subsequent years.

Tenant shall notify DHS prior to any significant change in the Services and obtain DHS's written approval thereof. It is expressly understood that this space use does not constitute the conveyance by County to Tenant of any estate or interest in real or personal property. Tenant shall not use or pledge its leasehold interest in the Premises to obtain financing.

ARTICLE 6
DAMAGE OR DESTRUCTION

6.1 Termination of Lease.

In the event Tenant ceases to provide the Services described in Article 5, Section 5.1, or the Premises or the Building is damaged by fire, incidents of war, earthquake, or other elements as to render them reasonably unfit for Tenant's occupancy as reasonably determined by either County or Tenant, County or Tenant may immediately terminate this Lease by giving to the other party written notice of such termination, which notice shall be effective upon the delivery of notice on the other party as prescribed in Article 14, whereupon Tenant shall surrender the Premises and shall not be obligated for any further consideration to the County.

6.2 Restoration by County.

In the event of damage or destruction to the Premises or the Building, if County undertakes restoration of the Premises and Tenant desires to remain in the space, County may, in its sole discretion, allow Tenant to do so, in which case commencement of the restoration shall require: (1) securing the Premises by the County to prevent injury to persons and/or vandalism to the improvements thereon, and (2) the placement of a work order or contract by the County for obtaining the labor and materials to accomplish the repair and restoration. Notwithstanding the foregoing, if the County undertakes restoration or demolition of the Premises, and County or Tenant does not wish Tenant to remain in the Premises during such renovation, or Tenant is unable to remain in the Premises because of the demolition, the parties shall cooperate in good faith to mutually identify space substantially similar to the Premises to which Tenant and its operations may be temporarily or permanently re-located, as the parties may reasonably decide. Nothing in this Section 6.2 shall be interpreted to require County to undertake the restoration of the Premises. Any decision to restore or demolish the Premises shall be made by the County in its sole discretion.

6.3 Termination By County.

In the event the Premises or the Building is damaged by earthquake, fire, the elements, or by other public disaster or casualty and the County reasonably determines that the Building, the Premises or any portion of either, shall be demolished, County may terminate this Lease without further liability to Tenant by giving 30 days' prior written notice of such termination to Tenant. This right to terminate the Lease is independent of any termination right contained in Section 6.1.

ARTICLE 7
TENANT'S FIXTURES

7.1 Tenant's Fixtures.

Tenant may remove, at its own expense, during or at the expiration of the term or other termination of this Lease, all fixtures, equipment, furniture, and all other personal property (hereinafter "Equipment") placed or installed in or upon the Premises by Tenant. Tenant agrees that if so instructed by County, Tenant shall remove, at its own expense, at the expiration or early termination of the term of this Lease, or any holdover period thereof, as the case may be, all Equipment placed or installed in or upon the Premises by the Tenant. In the event Tenant removes any or all fixtures pursuant to this Section, Tenant shall restore the Premises to the original condition which existed upon the commencement date of this Lease, ordinary wear and tear excepted, unless restoration would be manifestly unreasonable in light of improvements made to the Basic Structure of the Premises, as defined in Article 8, Section 8.1, during the term of the Lease.

All Equipment which was not placed or installed in or upon the Premises by the Tenant, or replacements of Equipment placed or installed by the County prior to the commencement date of this Lease, shall remain the property of the County. Tenant may remove said Equipment, at its own expense, only upon the prior written consent of the Chief Administrative Office of County.

7.2 County Equipment, Furniture, and Personal Property.

Any County equipment, furniture, and personal property existing on the Premises as of the commencement date of this Lease shall remain the property of County. Tenant accepts such equipment, furniture, and personal property in "as is" condition, and Tenant shall assure that such equipment, furniture and personal property shall be used only by staff who are properly trained and who have demonstrated competence in its use. No additional County equipment, furniture, or personal property shall be provided to Tenant by County unless first approved by the County Board of Supervisors in the form of an amendment hereto or by separate agreement.

ARTICLE 8
REPAIR, MAINTENANCE, AND REPLACEMENT

8.1 County's Obligations.

County agrees to repair, maintain and replace, as necessary, at County's own expense, the entire exterior and interior of the Premises, excepting those tenant improvements, any security systems installed for the Premises, all fixtures, equipment, and other personal property owned by Tenant, or owned by any officer, agent, employee, contractor, licensee, or invitee of Tenant or otherwise placed or installed in, on, or upon the Premises by Tenant, and further excepting any damage resulting from the intentional acts

or negligence of Tenant or its officers, agents, employees, contractors, licensees, or invitees. County's responsibility shall include, but not be limited to, lamps and tubes, elevators, exposed plumbing, fire sprinklers (if applicable), windows, fire extinguishers, and the Basic Structure. "Basic Structure" is agreed to include the building and all appurtenances thereto in their totality, including but not limited to all permanent exterior and interior walls, floors and ceilings, roof, all interior and exterior drainage systems, concealed plumbing, stairways, elevators, concealed electrical systems, and heating, ventilating and air-conditioning system and fire sprinklers, if applicable.

8.2 Janitorial Services.

County shall provide for janitorial, trash removal and waste disposal services on the Premises.

8.3 Failure To Make Repairs.

In the event County should fail, neglect or refuse to commence the repair, replacement or maintenance work required by Section 8.1 of this Lease within 15 days after written notice of the need for such work has been served upon it by Tenant (or, in the event of an emergency, within two days after written notice has been served by Tenant), or in the event County fails, neglects or refuses to diligently continue such work once commenced, its pursuit to completion of said replacement or maintenance work, upon 15 days after written notice of such fact has been served upon it by Tenant, then Tenant may perform or cause to be performed said repair, replacement or maintenance work and off-set the reasonable cost thereof against its rental obligation to the County. An emergency as used herein is defined as any life threatening situation, or any event that renders the Premises unusable because of utility disruption or HVAC system failure.

8.4 Condition Of Premises Upon Termination.

Tenant shall return Premises to County in as good condition as existed on the commencement date hereof, ordinary wear and tear excepted, unless restoration would be manifestly unreasonable in light of improvements made to the Basic Structure of the Premises, as defined in Article 8, Section 8.1, during the term of the Lease.

8.5 Replacement.

In the event that items specified as County's responsibility in Section 8.1 wear out or fail or are damaged by earthquake, fire or the elements, and/or other public disaster or casualty, the County shall replace said items at its own expense subject to the provisions of Article 6 and Section 8.1.

ARTICLE 9
UTILITIES

9.1 Utilities.

County shall pay for all costs associated with the effluent treatment, water, sprinkler standby charges, electricity, gas, other lighting, heating, power and other utility rents and charges accruing in connection with the Premises during the term of this Lease, provided, however, that Tenant shall reimburse County for 33% of said utility costs each month. County, at the end of each month, shall provide to Tenant, within 45 days following each month, a summary of the monthly utilities expenses that the County has incurred. Tenant shall pay County 33% of the County's monthly utilities within 14 days of receipt of said expense summary. Tenant shall comply with any applicable laws, ordinances, regulations, or policies with respect to the curtailment or conservation of energy or water. Tenant shall be responsible for any and all telephone and other communications costs and installations on the Premises related to and arising from Tenant's activities as described in the provisions of Article 5, Section 5.1. Tenant shall be responsible for any costs associated with any security system(s) placed or installed in or upon the Premises by Tenant.

ARTICLE 10
ACCESS BY COUNTY

10.1 Access By County.

Tenant agrees to permit the County or its authorized agents free access to the Premises upon advance written, telephonic, or facsimile notice of 48 hours, or sooner if Tenant agrees, for the purpose of inspection. Such advance notice shall not be required for the purpose of the County making emergency repairs; however, County will use its best efforts to notify Tenant as soon as possible.

ARTICLE 11
TERMINATION FOR DEFAULT

11.1 Default By County.

If default shall be made by County in any of the covenants or agreements herein contained on the part of the County to be kept and performed, and such default constitutes a material breach of the Lease, Tenant may, at it its sole discretion, terminate this Lease upon the giving of 30 days written notice. In addition thereto, Tenant shall have such other rights or remedies as may be provided by law. Tenant may not terminate the Lease if: (1) County cures the default within 30 days after notice is given, or (2) the default cannot reasonably be cured within the 30 days after notice is given, but County reasonably commences to cure the default within the 30-day period and diligently and in good faith continues to cure the default.

11.2 Default By Tenant.

Tenant's failure to repair and maintain the Premises and grounds provided herein, or to perform any of the other covenants or agreements herein, shall place Tenant in default under this Lease. County may, at its sole discretion, terminate this Lease upon a material breach of any of its terms by giving Tenant 30 days written notice of termination. In addition thereto, County shall have such other right or remedies as may be provided by law. County may not terminate the Lease if: (1) Tenant cures the default within the 30 days after notice is given, or (2) the default cannot reasonably be cured within the 30 days after notice is given, but Tenant reasonably commences to cure the default within the 30-day period and diligently and in good faith continues to cure the default.

ARTICLE 12
ASSIGNMENT AND SUBLETTING

12.1 Assignment and Subletting.

The use of the Premises is restricted as provided for in Article 5, Section 5.1. Accordingly, Tenant shall not assign, sublease, or otherwise transfer its interest in this Lease without the prior written approval of the County's Chief Administrative Office, which shall not be unreasonably withheld, upon receipt of a written request from Tenant. Any assignment, sublease, or other transfer of any interest in this Lease without the County's written consent shall be void and shall constitute a material breach, for which County may terminate this Lease. The sale, merger or reorganization of Tenant shall not constitute an assignment, sublease or other transfer under this Lease.

ARTICLE 13
ALTERATIONS

13.1 Alterations.

Tenant agrees not to make any material alterations in or on the Premises without first securing the prior written consent of the County's Chief Administrative Office. Consent shall be given or denied within 30 days of receipt of written request, which shall include a complete set of plans, where applicable, for such alterations. Consent shall not be unreasonably withheld. Failure to provide written approval or disapproval within 30 days shall be deemed approval. Any alterations installed by Tenant which are "trade fixtures" as such are defined by the law of eminent domain shall be treated as Tenant's fixtures in accordance with the provisions of this Lease.

ARTICLE 14
NOTICES

14.1 Notices.

All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands shall be personally delivered (including by means of professional messenger service), sent by United States registered or certified mail, postage prepaid, return receipt requested, or transmitted by facsimile transmission, in which case the receiving party shall immediately confirm receipt of such notice. All notices are effective upon receipt. For the purposes of such notices, the addresses for the parties are set forth in Section 14.2, below. Either party may from time to time designate another person or place for receipt of notice by writing to the other party delivered in conformity with this Section.

14.2 Notices-Where to Send.

All notices given under this Lease shall be addressed and/or delivered to the respective parties as follows:

County:
County of Los Angeles
Chief Administrative Office
Real Estate Division
222 South Hill Street , 3rd Floor
Los Angeles, California 90012
Attn: Carlos Brea
Manager, Property Management

Tenant:
VIP Community Mental Health Center
1721 Griffin Avenue
Los Angeles, California 90031
Attn: Executive Director

ARTICLE 15
INSURANCE AND INDEMNIFICATION

15.1 Self-insurance.

County, as a governmental entity, has the right to self-insure with respect to any insurance required under this Lease.

15.2 Insurance.

15.2.1 Without limiting Tenant's indemnification of County and during the Term of this Lease, Tenant shall provide and maintain the following insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Tenant's own expense.

a. General Liability Insurance (written on ISO policy form CG00 01 or its equivalent) and endorsed to name the County as an additional insured, with limits of not less than the following:

General Aggregate:	$2 million
Products/Completed Operations Aggregate:	$1 million
Personal and Advertising Injury:	$1 million
Fire Legal Liability:	$ 100,000
Each Occurrence:	$1 million

b. Workers' Compensation and Employers' Liability Insurance providing workers compensation benefits, as required by the Labor code of the State of California and for which Tenant is responsible, and including Employers' Liability coverage with limits of not less than the following:

Each Accident:	$1 million
Disease – policy limit:	$1 million
Disease – each employee:	$1 million

c. Auto Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with a limit of liability of not less than $1 million for each accident, and providing coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto", used in Tenant's business operations.

15.2.2 Evidence of Insurance. Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to the Chief Administrative Office, Real Estate Division, prior to the commencement date. Such certificates or other evidence shall: (a) specifically identify this Lease, (b) clearly evidence all coverages required in the Lease, (c) contain the express condition that County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance, and (d) identify any deductibles or self-insured retentions for County's approval.

15.2.3 Insurer Financial Ratings. Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County.

15.2.4 Failure to Maintain Coverage. Failure by Tenant to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of this Lease.

15.2.5 Notification of Incidents, Claims or Suits. Tenant shall report to County any accident or incident relating to activities performed under this Lease which involves injury or property damage which might reasonably be thought to result in the filing of a claim or lawsuit against Lessee and/or County. Such report shall be made in writing within seventy-two (72) hours of Tenant's knowledge of such occurrence.

15.2.6 Self Insurance. Not withstanding anything contained herein to the contrary, Tenant shall be permitted to self-insure instead of maintaining the policies of insurance required herein upon the satisfaction of the Real Estate Management Division's prerequisites at that time.

15.2.7 Compensation for County Costs. In the event that Tenant fails to comply with any of the indemnification or insurance requirements of this Lease, and such failure to comply results in any costs to County, Tenant shall pay full compensation for all reasonable costs incurred by County.

15.2.8 Failure on the part of Tenant to procure or maintain required insurance shall constitute a material breach of this Lease upon which County may immediately terminate this Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by County shall be repaid by Tenant to County upon demand.

15.2.9 Use of the Premises shall not commence until Tenant has complied with the aforementioned insurance requirements, and shall be suspended during any period that Tenant fails to maintain said policies in full force and effect.

15.3 Indemnification.

15.3.1 County agrees to indemnify, defend, and hold harmless Tenant and its directors, officers, employees, and agents from and against any and all liability and expense(including defense costs and legal fees) arising from or connected with claims and lawsuits which result from bodily injury, death, personal injury, or property damages (including damage to County's property) to the extent arising or alleged to arise from County's negligence, willful misconduct or breach of this Lease in connection with County's use, maintenance or ownership of the Premises.

15.3.2 Tenant agrees to indemnify, defend, and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents (and if County requests, any holder of any mortgage encumbering the Premises as its interest appears) from and against any and all liability and expense, including defense costs and legal fees, arising from or connected with claims and lawsuits which result from bodily injury, death, and personal injury, or property damage (including damage to Tenant's property) to the extent arising or alleged to arise from Tenant's negligence, willful misconduct or breach of this Lease in connection with Tenant's use and occupancy of the Premises.

ARTICLE 16
TAXES

16.1 Real Property Taxes.

County, as owner, shall be responsible, when appropriate, for applying for exemptions and waivers concerning taxation of the real property of the Building and the Premises. Tenant shall use its best efforts to assist County, as required, in any such application for exemption or waiver. In any event, County shall pay promptly all applicable real property taxes, assessments and special assessments which may be levied or assessed against the Premises during the term of this Lease or any extension or holdover period thereof.

16.2 Personal Property Taxes, Possessory Interest Taxes, Assessments, and License Fees.

Tenant shall be responsible, when appropriate, for applying for exemptions and waivers concerning taxation of personal property, possessory interests, parking assessments, fees, and license fees. County shall use its best efforts to assist Tenant, as required and when appropriate, in any such application for exemption or waiver. In any event, Tenant shall pay before delinquency all taxes, assessments, license fees, and other charges that are levied and assessed against Tenant's personal property installed or located in or on the Premises, that become payable during the term. Tenant hereby acknowledges that its occupancy and use of the Premises may result in a possessory interest subject to taxation. All possessory interest taxes levied and billed shall be the sole responsibility of the Tenant and shall be paid when due by Tenant. County may terminate this Lease upon Tenant's nonpayment of such taxes, assessments, and license fees.

ARTICLE 17
BINDING ON SUCCESSORS

17.1 Binding on Successors.

Each and all of the conditions and agreements herein contained shall be binding upon and shall inure to the benefit of the successors-in-interest of the County, and wherever the context permits or requires the successors-in-interest to the Tenant.

ARTICLE 18
PARKING SPACES

18.1 Parking Spaces.

So long as Tenant is not in default as defined in Article 11, Section 11.2, and subject to parking facility rules and regulations as established by County or any parking facility licensee/operator from time to time, Tenant and its employees and visitors shall be entitled between the hours of 6:00 a.m. and 6:00 p.m., Monday through Friday, to use spaces in

Lot 14, located adjacent to the Premises on Sichel Street on a first come first served basis. The parking spaces shall allow the drivers of the automobiles validly parked in such spaces to have in-and-out access to such spaces and to lock their respective vehicles.

County reserves the right to lease out parking after hours and on weekends. In the event that Tenant implements extended operating hours (with the prior approval of County), Tenant shall notify County in writing at least 60 days in advance. All inquiries and issues related to the lease of on-site parking for third party use shall be directed to:

Director of Real Estate or Designee
Chief Administrative Office
Real Estate Division
222 South Hill Street , 3rd Floor
Los Angeles, CA 90012
Telephone: (213) 974-4300
Fax: (213) 217-4971

ARTICLE 19
HAZARDOUS MATERIALS

19.1 Definition.

For purposes of the Lease, the phrase "Hazardous Substances" shall be deemed to include hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316, as amended from time to time, or the same or related defined phrase in any successor or companion statutes, and crude oil or byproducts of crude oil, other than crude oil which exists on the Premises as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8.

19.2 County's Warranties and Representations.

County hereby warrants and represents, based upon appropriate and reasonable inspection of the Premises, that it has no actual knowledge of any release of Hazardous Substances on the Premises during its ownership of the Premises; that County shall comply with all Federal, State and local laws and regulations concerning the use, release, storage and disposal of Hazardous Substances; and that County shall require Tenant to comply with the aforementioned rules and regulations.

19.3 Tenant's Warranties and Representations.

Tenant hereby warrants and represents that it shall comply with all Federal, State and local laws and regulations concerning Tenant's use, release, storage and disposal of Hazardous Substances on the Premises.

19.4 Notification.

County and Tenant agree to immediately notify each other when either party learns that Hazardous Substances have been released on the Premises.

19.5 Indemnification.

County agrees to indemnify, defend and save Tenant, its agents, officers and employees from or against all liability, expenses (including defense costs, legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of Hazardous Substances on the Premises or in the Building and have not been caused by Tenant, or Tenant's officers, employees, agents, licensees or contractors.

Tenant agrees to indemnify, defend and hold harmless County from and against all liability, expenses (including defense costs, legal fees and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of Hazardous Substances on the Premises or in the Building caused by Tenant, or Tenant's officers, employees, agents, licensees, or contractors.

The indemnity provided each party by this Section shall survive the termination of this Lease.

19.6 Default.

The presence or release of Hazardous Substances on the Premises and/or in the Building or on the subject property, which is not caused by Tenant, or Tenant's officers, employees, agents licensees, contractors, or invitees, and which threatens the health and safety of Tenant's agents, officers, employees or invitees, as determined by either County or Tenant, shall entitle County and/or Tenant to immediately terminate this Lease.

19.7 Operating Costs

Costs incurred by County as a result of the presence or release of Hazardous Substances on the Premises and/or in the Building or on the subject property which is not caused by Tenant, or Tenant's officers, employees, agents, licensees, contractors, or invitees, are extraordinary costs not considered normal operating expenses and shall not be passed through to Tenant as part of its obligation, if any, to pay operating expenses.

19.8 Asbestos Notification.

County agrees to notify Tenant as least annually of County's actual knowledge of the presence of asbestos-containing materials on or within the Premises. Tenant and County agree to notify their own employees of the presence of asbestos containing materials on or within the Premises. Such notification shall comply with Health and Safety Code Section 25915, et seq., as amended from time to time or as required by any successor or companion statute enacted subsequent to this Lease.

ARTICLE 20
WARRANTY OF AUTHORITY

20.1 Warranty Of Authority.

Each of the parties hereto covenants, warrants and guarantees that the individuals executing this Lease and the instruments referenced herein, have the legal power, right and actual authority to execute this Lease upon the provisions and conditions stated herein and each agrees to indemnify and hold harmless the other from all damages, costs, and expenses which result from a breach of this material representation.

ARTICLE 21
ESTOPPEL CERTIFICATE

21.1 Estoppel Certificate.

Either party shall at any time upon not less than 60 days' prior written notice from the other party execute, acknowledge and deliver to the requesting party a statement in writing: (1) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (2) acknowledging that there are not, to the declarant's knowledge, any uncured defaults on the part of either party hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises or the Building or any other interested party. Failure to deliver such statements within such time shall be conclusive evidence that (a) this Lease is in full force and effect without modification except as may be represented by the requesting party in the written request for the certificate, and (b) there are no uncured defaults in the requesting party's performance.

ARTICLE 22
TENANT IMPROVEMENTS

22.1 Tenant Improvements.

County is providing the Premises to Tenant in an "as is" condition. Subject to County's approval and consent, Tenant may install or construct any tenant improvements at its own and sole expense as may be necessary to fit said Premises for delivery of mental health services and related uses. Preliminary design documents, construction drawings, and specifications for any proposed interior tenant improvements that by statute require county/city permits shall be prepared by a licensed California architect /contractor at the sole expense of the Tenant. Prior to the construction or installation of any improvements, Tenant shall submit all preliminary and final design documents, construction drawings, and specifications for review and approval by the Los Angeles County Department of Public Works (DPW) or the City of Los Angeles as required.

The County shall endeavor to provide its approval or disapproval to Tenant in writing within 30 days of the receipt of all final design documents, construction drawings, and specifications. Failure by the County to provide written approval within 30 days shall be deemed approval. Tenant shall modify the final design documents, construction drawings, and specifications to conform to review comments by County. Comments shall not unreasonably withheld or delayed. All work, construction and materials shall be shown in final working drawings and specifications. All circuit breakers, fire sprinklers, and plumbing shut off valves shall be labeled as to areas controlled both on the drawings and on the breaker panels and valves. Upon completion, Tenant shall furnish the County with one complete set of reproducible as-built drawings in AutoCad or DFX format including locations of all underground utility lines and their depths.

The Premises shall meet all applicable Federal, State, and local building codes, regulations, and ordinances required for beneficial occupancy. At Tenant's sole cost and expense, Tenant shall obtain all necessary permits and jurisdictional approvals for any work, construction, and occupancy from DPW or the City of Los Angeles as required.

The proposed Tenant Improvements, which are to be provided by Tenant, have been estimated by Tenant to cost up to $750,000. For purposes of ascertaining the actual cost of said Tenant Improvements, Tenant shall provide to County, upon the issuance of a Certificate of Occupancy, or a final sign-off by the County's Department of Public Works, a detailed breakdown of the total costs of constructing the Tenant Improvements. The County has the right to audit such costs for a period of 24 months from the date of issuance of the Certificate of Occupancy or final sign-off, whichever occurs later.

In the event that Tenant fails to obtain a building permit and complete construction of any proposed Tenant Improvements within 18 months from County's execution of this Lease, County at its option may cancel the Lease upon 30 days written notice to Tenant.

All construction undertaken shall be in conformance with the provisions of Article 23, Section 23.4 herein.

22.2 Removal Of Tenant Improvements.

All tenant improvements of every kind and nature whatsoever installed by Tenant on the Premises with the written consent and approval of County shall remain the property of Tenant during the term of this Lease. Upon expiration of this Lease, all such improvements shall revert to County ownership.

22.3 ADA Requirements.

All tenant improvements shall comply with the Americans With Disabilities Act ("ADA"), as it now exists or may later be amended. Tenant shall provide to County architectural plans for all work required by the Building and Safety/Land Development Division of the County Department of Public Works or the City of Los Angeles in order to comply with ADA access requirements as a condition of the issuance of building permits for any tenant improvement work. Tenant shall construct all required improvements to provide

access to the Premises to the disabled in compliance with the ADA. Such improvements shall be the property of County, and shall not be removed upon the termination of the Lease.

22.4 Signs and Name of the Facility.

Tenant shall be allowed to place and maintain signs inside and outside the Premises at appropriate locations in order to direct persons for delivery of the services provided by Tenant hereunder. Tenant shall provide written notification to the County concerning the size, design, precise location, and means of attachment of outside and external signs which shall be subject to the consent of County or its designee, which consent shall not be unreasonably withheld. County shall provide its written approval or disapproval within 30 days of the receipt of a written request from Tenant. Failure by County to provide such written approval or disapproval within 30 days will be deemed approval.

ARTICLE 23
GENERAL PROVISIONS

23.1 Arbitration.

In the event of any dispute regarding the provisions or conditions hereof, or the rights or obligations of the parties hereto, such dispute may, at the request of either party, be submitted to arbitration in accordance with the provisions of California Code of Civil Procedure Section 1280 et seq., as they now exist or may later be amended. The County's Chief Administrative Office, or its designee, shall act on behalf of the County in arbitration, with the assistance of County Counsel.

23.2 Captions and Titles.

The captions and titles in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

23.3 Choice of Law.

This Lease is made and entered into, and shall be governed by the laws of the State of California, exclusive of conflict of law provisions.

23.4 Construction.

All construction work paid for directly or by reimbursement with public funds pertaining to this Lease by the Tenant or its designated contractors or subcontractors shall comply with all applicable Federal, State, and local regulations, codes and ordinances, including but not limited to all provisions of the Labor Code of the State of California. Under the provisions of said Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of worker or mechanic needed for the construction of the improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work contemplated, are filed with the Clerk of the Board of Supervisors and must be posted at the subject site.

23.5 Cumulative Remedies.

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23.6 Force Majeure.

In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period for the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

23.7 Impairment Of Title.

County shall notify Tenant in writing within 30 days of each and every occurrence which may impair County's title to the Premises. Such occurrences include, but are not limited to, default on a trust deed, transfer of any interest in any trust deed, notification of any lien recordation, notification of any foreclosure, and notification of default should a master lease exist.

23.8 Interpretation.

The language of this Lease shall be construed according to its fair meaning and not strictly for or against County or Tenant.

23.9 Quiet Possession.

As long as Tenant is in compliance with the terms and conditions of this Lease, Tenant shall have and enjoy quiet possession of the Premises for the entire term hereof.

23.10 Recordation.

Either party may record this Lease at anytime without the prior written consent of the other party.

23.11 Severability.

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

23.12 Waiver.

Any waiver by either party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of either party to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Lease or estopping either party from enforcing the full provisions hereof.

No option, right, power, remedy, or privilege of either party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given either party by this Lease shall be cumulative.

23.13 Licenses And Compliance With Applicable Law.

Tenant shall obtain and maintain in effect during the term of this Lease, all licenses, permits, and certificates required by law which are applicable to the operation of a private mental health care center, and Tenant shall further ensure that all its officers, employees, and agents who perform services hereunder obtain and maintain in effect during the term of this Lease and any holdover or extension period, all licenses, permits, and certificates required by law which are applicable to its performance hereunder. Tenant shall further comply with all federal, State, and local laws, ordinances, regulations, and directives applicable to its performance hereunder.

23.14 Endorsement.

Tenant shall not, in any manner, advertise, publish or represent that County endorses the services herein mentioned without the prior written consent of County.

23.15 County Lobbyists.

Tenant and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010 retained by Tenant, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Tenant or any County lobbyist or a county lobbying firm retained by Tenant to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Lease upon which County may immediately terminate or suspend this Lease.

23.16 Title.

Tenant hereby acknowledges the title of County in and to the Premises, and covenants and agrees never to assail, contest, or resist said title.

23.17 Administration Of County Space.

County does not grant or delegate to Tenant hereunder any of its governmental powers (statutory, implied, administrative, or otherwise) with respect to the Premises.

23.18 Acknowledgment Of Ineligibility For Relocation Assistance.

Tenant expressly acknowledges that Tenant will be in possession of the Premises as a result of County's previously acquired property interest. In recognition of such fact, Tenant hereby disclaims any status as a "displaced person" as such is defined in Governmental Code Section 7260, and hereby acknowledges its ineligibility for relocation assistance as provided in Government Code Sections 7260 through 7276, inclusive, as interpreted in Title 25, Chapter 6, Section 6034(b)(1) of the California Code of Regulations.

23.19 Delegation of Authority.

Unless otherwise expressly set forth herein, County hereby delegates to its Chief Administrative Officer or his designee, the authority to make any and all determinations required herein and to execute any and all instruments necessary to effectuate this Lease.

23.20 Solicitation of Consideration.

It is improper for any County Officer, employee or agent to solicit consideration, in any form, from a tenant with the implication, suggestion or statement that the tenant's provision of consideration may secure more favorable treatment for the tenant in the award of the lease or that the tenant's failure to provide such consideration may negatively affect the County's consideration of the tenant's submission. A tenant shall not offer to or give, either directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to award of a lease.

Tenant shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the termination of this Lease.

23.21 Conflict of Interest.

No County employee whose position in County service enables him/her to influence obtaining or awarding any lease, license or permit, and no spouse or economic dependent of such employee, shall be employed in any capacity by Tenant herein, or have any other direct or indirect financial interest resulting from this Lease.

23.22 Entire Agreement.

This Lease contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both County and Tenant.

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IN WITNESS WHEREOF, the COUNTY OF LOS ANGELES, a body politic and corporate, by order of its Board of Supervisors, landlord herein, and the VIP COMMUNITY MENTAL HEALTH CENTER, INC., a non profit public benefit corporation, Tenant herein, have caused this Lease to be executed as of the date of the last signatory hereto. If the space provided in Article 1, Section 1.1 of this Lease is blank, the last signatory shall cause such date to be entered in that space, although such date shall be deemed to be the date of this Lease in any case.

COUNTY OF LOS ANGELES
"LANDLORD"

By _____
Michael D. Antonovich
Mayor, Los Angeles County

VIP COMMUNITY MENTAL HEALTH CENTER, INC.
"TENANT"

By _____
Astrid Heger, M.D.
Executive Director

By _____
Lou Mele
Secretary

ATTEST:

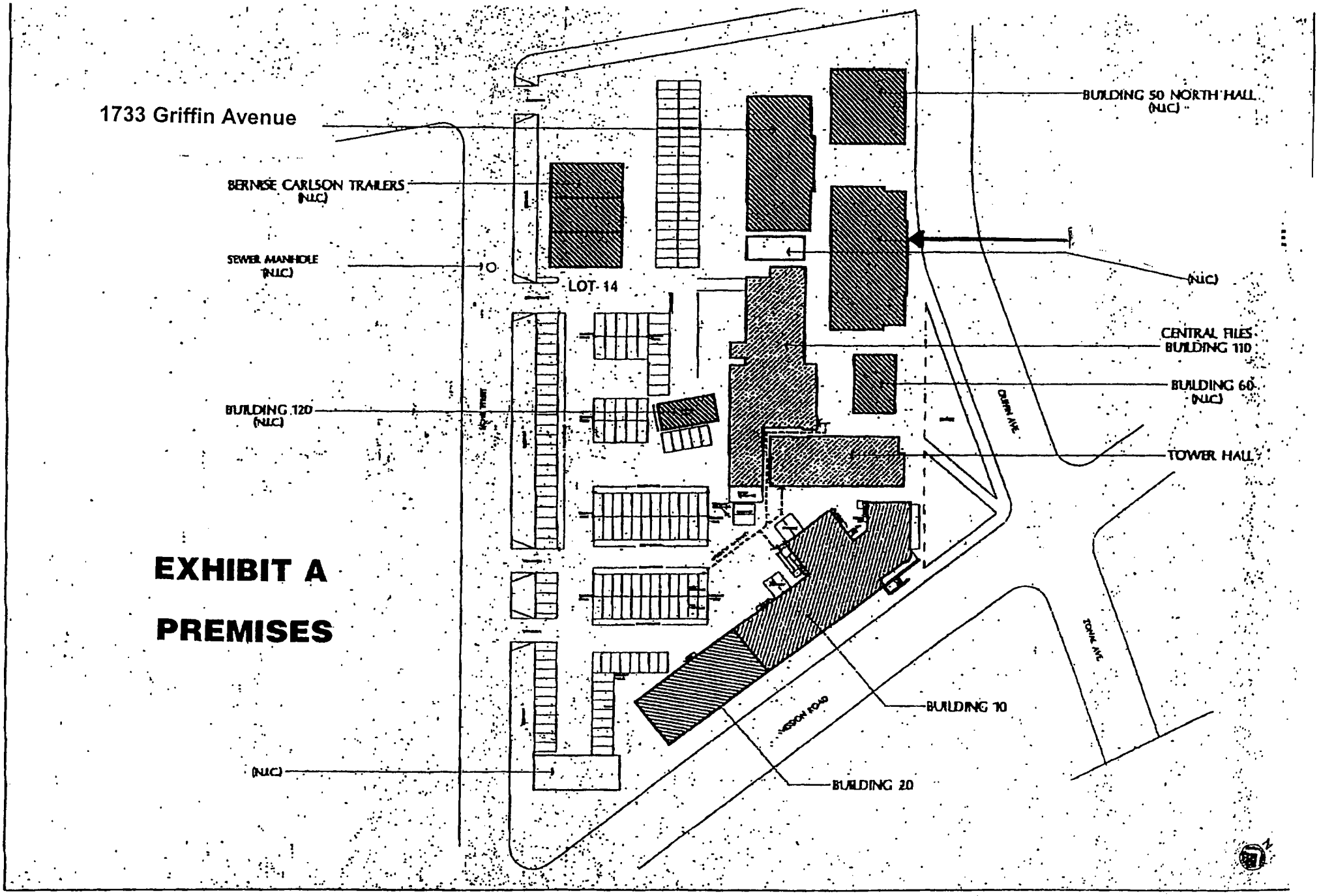
VIOLET VARONA-LUKENS
Executive Officer, Board of Supervisors

By _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Senior Associate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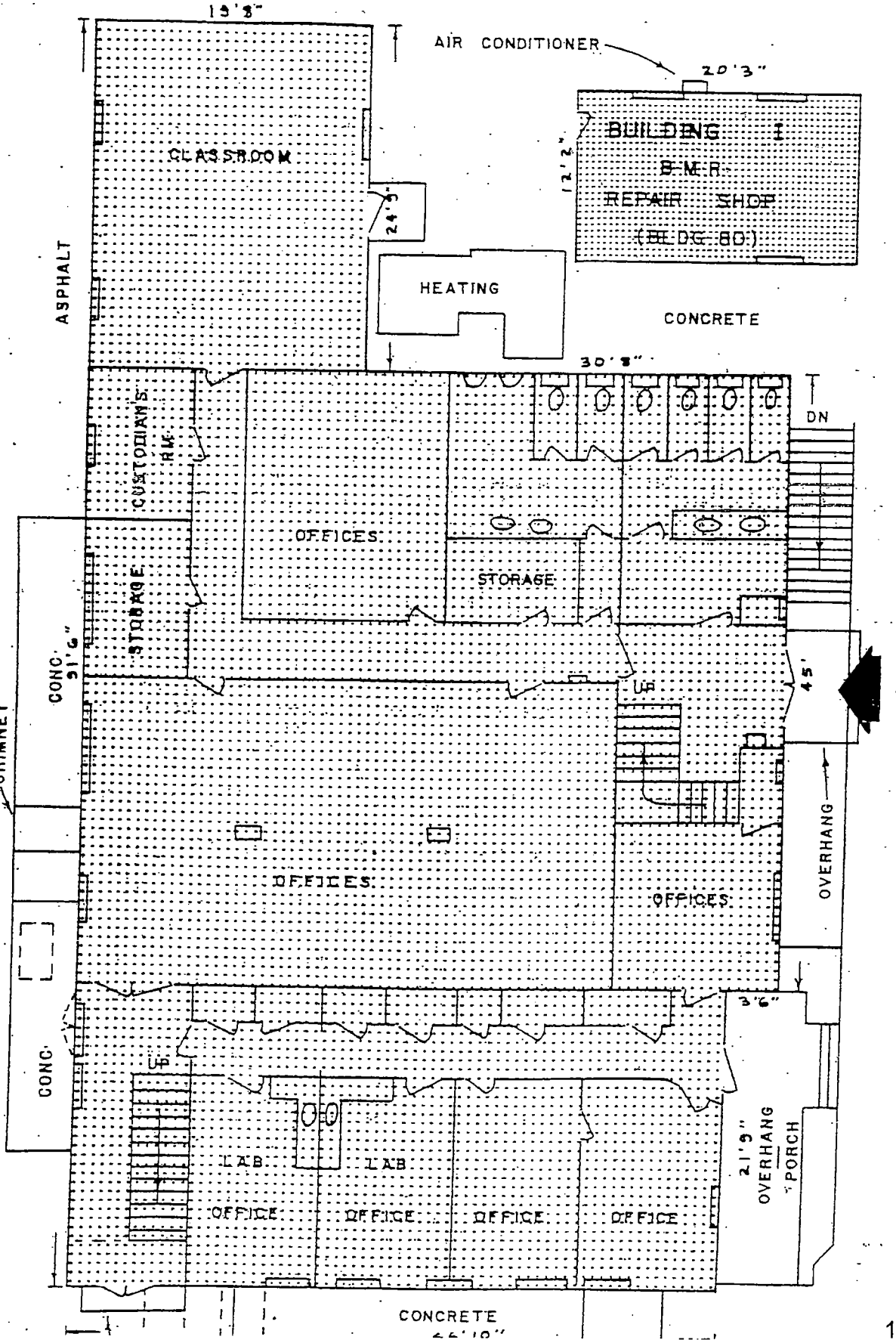
BERNISE CARLSON TRAILERS (N.I.C.)
SEWER MANHOLE (N.I.C.)
LOT 14
BUILDING 120 (N.I.C.)
(N.I.C.)
BUILDING 50 NORTH HALL (N.I.C.)
(N.I.C.)
CENTRAL FILES BUILDING 110
BUILDING 60 (N.I.C.)
TOWER HALL
BUILDING 10
BUILDING 20
EXHIBIT A
PREMISES
NORTH CAMPUS

EXHIBIT B

BUILDING G

SCIENCE HALL (BLDG 90)



FLOOR PLAN

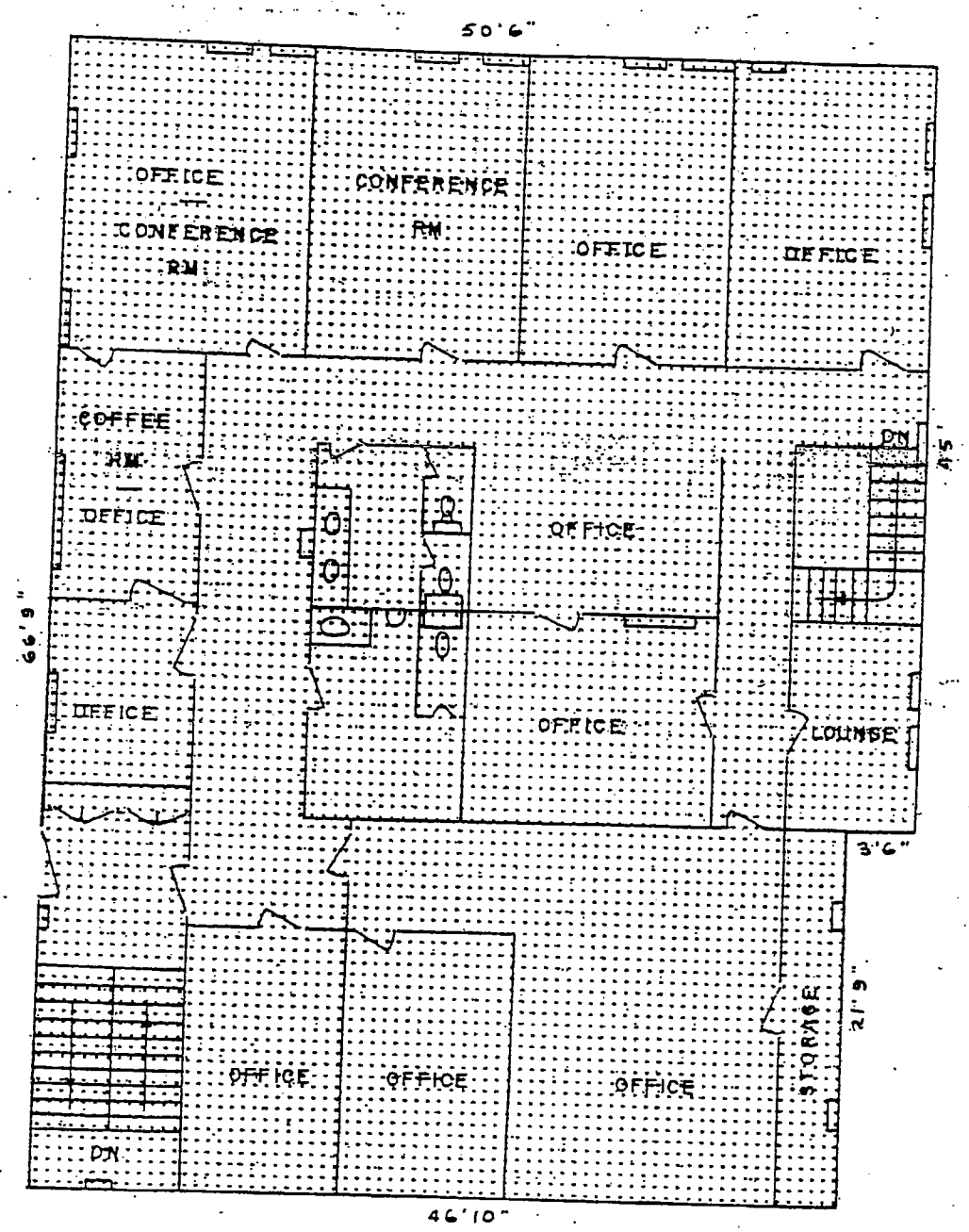
GROUND FLOOR

SCALE 1" = 10'

BUILDING G

FLOOR PLAN

SCALE 1" = 30'

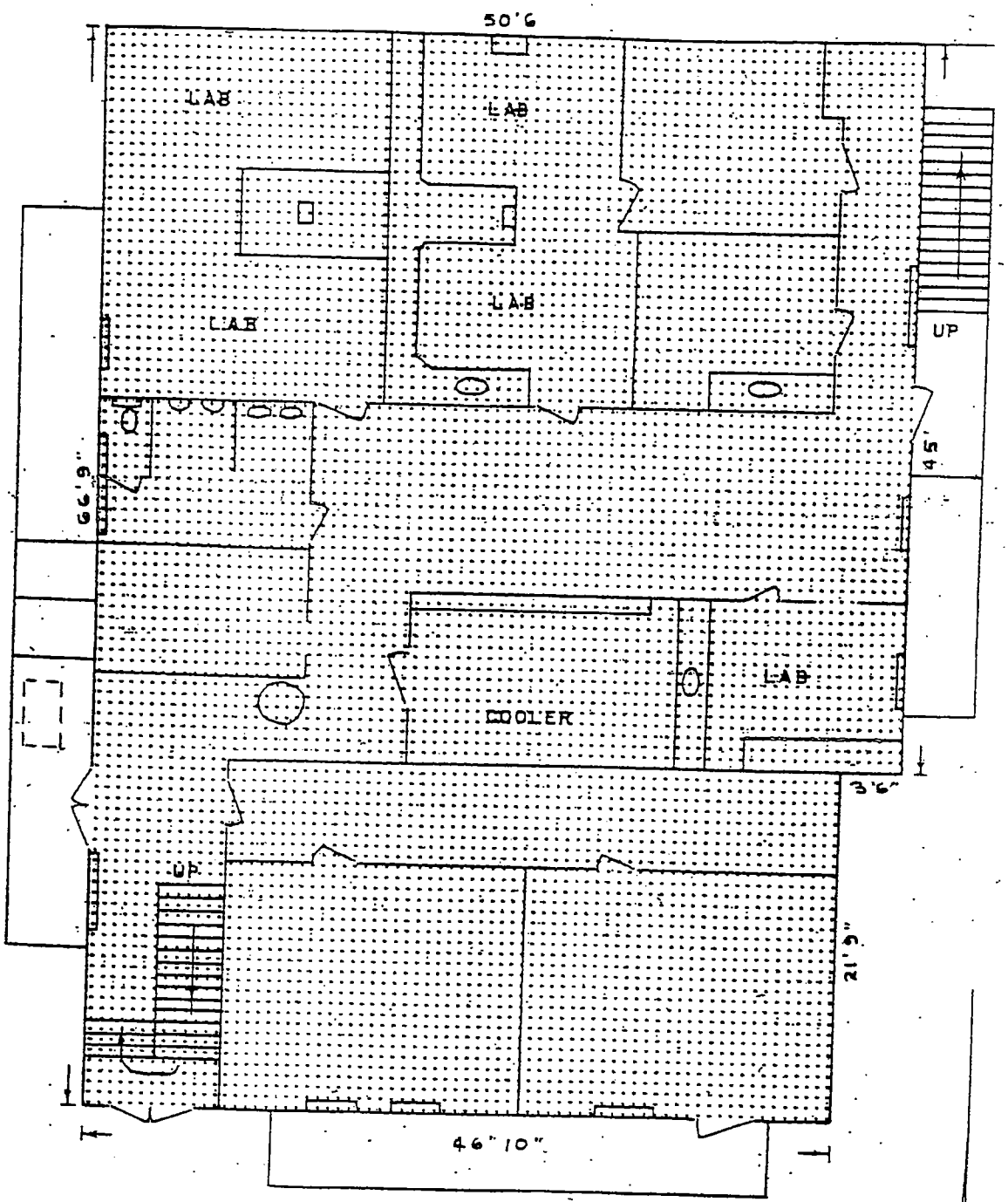


SCIENCE HALL (BLDG 90)

SECOND FLOOR

SCIENCE HALL (BLDG. 90)

BASEMENT



Nissa scott

BUILDING G

FLOOR PLAN

SCALE 1" = 10'