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

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MICHAEL D. ANTONOVICH
Fifth District

June 12, 2007

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:

AMENDMENT NO. 1 TO LEASE NO. L-0790
ALTERNATE PUBLIC DEFENDER
1055 WILSHIRE BOULEVARD, LOS ANGELES
(FIRST DISTRICT) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chairman to sign the attached Amendment No. 1 to Lease No. L-0790 with Jamison 1055 Wilshire, LLC, (Landlord) for the Alternate Public Defender (APD) to continue occupying 6,500 rentable square feet of office space at 1055 Wilshire Boulevard, at a maximum initial annual rental cost of $166,164 which will be 100 percent net County cost. The lease term and rent will commence on July 1, 2007, upon approval by your Board.

2. Find that this lease amendment is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061 (b) (3) of the State CEQA Guidelines.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to extend the term of the current five-year lease for an additional five years, thereby allowing APD to provide uninterrupted services. The current lease expired on January 31, 2007, and occupancy has continued on a month-to-month holdover basis.

APD houses its Appellate, Pichess-Brady, Mental Health Court, DNA/Science Litigation Support and Capital Case Litigation Support Units in the subject facility. The Appellate Unit supports line attorneys working on cases before the California Appellate Court. The Pichess-Brady Unit supports line attorneys working on corrupt police officer cases. The Mental Health Court Unit handles all cases at the Adult Mental Health Court and the Juvenile Mental Health Court. All APD attorneys working on cases involving DNA or other scientific evidence are supported by the DNA/Science Litigation Support Unit.

All APD attorneys working on cases involving the death penalty are supported by the Capital Case Litigation Support Unit.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we enhance the quality and productivity of the County workforce (Goal 2). The proposed lease amendment supports this goal by providing a quality and efficient work environment for APD's employees, which is conducive to maximizing employee productivity. A quality and efficient work environment supports the APD staff in providing excellent service (Goal 1). Compliance with the County's Strategic Asset Management Principles is further outlined in Attachment A.

FISCAL IMPACT/FINANCING

The maximum initial annual rental cost for the proposed lease amendment is $166,164.

1055 Wilshire Blvd. Los Angeles	Existing Lease	Proposed Lease Amendment	Change
Term	Five Years (2/1/02 to 1/31/07) currently month-to-month	Five Years (7/1/07 to 6/30/12)	None
Total Area	6,500 sq. ft.	6,500 sq. ft.	None
Annual Office Rent	$144,853 ($22.29 per sq. ft.)	$146,664 ($22.56 per sq. ft.)	+$1,811.00 ($0.27 per sq. ft.)
Annual Parking Rent* (13 Parking Spaces)	$15,444 ($1,188 per parking space per year)	$19,500 ($1,500 per parking space per year)	+4,056 ($312 per parking space per year)
Maximum Annual Rent**	$160,297	$166,164	+$5,867
Cancellation	County may cancel anytime after the 36th month with three months notice.	County may cancel anytime with nine months notice.	Anytime with nine months notice.
Option to Renew	None	One 5-year option at fair market rent	One 5-year option at fair market rent
Rental Adjustment	Fixed 3 percent increase	Fixed 3 percent increase	None

* APD has the option to rent up to 13 parking spaces on-site, but they have been renting only two parking spaces. APD has elected to rent 17 parking spaces at an off-site parking garage from a different landlord using a separate administrative agreement at an annual amount of $13,872 or $816 per parking per year. That separate agreement is not reflected herein and has been on a month-to-month holdover since January 31, 2004.

** The maximum annual rent is the aggregate of annual office rent and annual parking rent.

Sufficient funding for the proposed lease is proposed in the 2007-08 Rent Expense Budget and will be billed back to APD. APD will allocate sufficient funds in its 2007-08 Proposed Operating Budget to cover the projected lease costs. The costs associated with the proposed lease amendment are 100 percent net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The subject facility currently houses several APD units totaling 27 employees. The terms of the proposed lease amendment are as follows:

- The term commences July 1, 2007, and expires on June 30, 2012.
- This is a full-service agreement whereby the Landlord is responsible for all operating costs associated with the County's tenancy except that APD will be responsible for HVAC services provided after normal business hours at a cost of $100 per hour.
- There is a cancellation provision allowing the County to cancel anytime upon nine months advance notice to the Landlord.
- The rent shall be increased annually by 3 percent.
- As part of the base rent, the Landlord shall clean the carpet and paint the interior walls at its sole cost.
- There is an option to renew this lease for an additional five-year period, subject to Board approval. The rental rate will be adjusted in accord with the fair market rental rate if the County exercises the renewal option.
- Since February 2002, APD has opted to rent parking at a lower cost from an off-site parking operator. Currently, APD is renting two on-site parking spaces and 17 off-site parking spaces. It is anticipated that additional off-site parking would be rented if needed, resulting in an increase from 17 off-site parking spaces to 20 off-site parking spaces. The combination of on-site and off-site parking will not exceed the 22 parking spaces that have been approved for this space requirement.

Chief Administrative Office (CAO) Real Estate staff conducted a market survey within the Civic Center area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically. Based upon said survey, staff has established that the rental range for a similar full-service lease is between $21.60 and $33.00 per square foot per year. Thus, the proposed annual rental rate of $25.56 which includes parking represents a rate within the market range for the area. Attachment B shows County-owned or leased facilities in the Civic Center area and there are no County-owned or leased facilities available for this requirement.

This space requirement has been approved for 5,885 rentable square feet of office space. Although the subject premises currently exceed this amount by 615 square feet, the 6,500 square foot space cannot be reduced and is competitively priced.

ENVIRONMENTAL DOCUMENTATION

The CAO has made an initial study of environmental factors and has concluded that this lease amendment is exempt from CEQA as specified in Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15061 (b) (3) of the State CEQA Guidelines.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will provide the necessary office space for this County requirement. In accordance with your Board's policy on the housing of any County offices or activities, APD concurs with this recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return two originals of the executed lease and the adopted, stamped Board letter, and two certified copies of the Minute Order to the CAO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:WLD
CEM:KW:hd

Attachments (3)

c: County Counsel
Alternate Public Defender

1055Wilshire.b

ATTACHMENT A

ALTERNATE PUBLIC DEFENDER
1055 WILSHIRE BOULEVARD, LOS ANGELES

Asset Management Principles Compliance Form[1]

			Yes	No	N/A
1.	**Occupancy**				
	A	Does lease consolidate administrative functions?[2]			X
	B	Does lease co-locate with other functions to better serve clients?[2]			X
	C	Does this lease centralize business support functions?[2]			X
	D	Does this lease meet the guideline of 200 sq. ft. of space per person?[2] **Lease represents 240 sf per person. Excess due to pre-existing layout that is cost prohibitive to divide.**		X	
2.	**Capital**				
	A	Is it a substantial net County cost (NCC) program?	X		
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; capital lease or operating lease with option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment B?	X		
	G	Was build-to-suit or capital project considered? **Build-to-suit and capital projects are not viable for projects of this size.**		X	
3.	**Portfolio Management**				
	A	Did department utilize CAO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?	X		
	D	Why was this program not co-located?			
		1. The program clientele requires a "stand alone" facility.			
		2. X No suitable County occupied properties in project area.			
		3. X No County-owned facilities available for the project.			
		4. Could not get City clearance or approval.			
		5. The Program is being co-located.			
	E	Is lease a full service lease?[2]	X		
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?	X		
		[1]As approved by the Board of Supervisors 11/17/98			
		[2]If not, why not? Please **bold** any written responses			

ATTACHMENT B

ALTERNATE PUBLIC DEFENDER
SPACE SEARCH – CIVIC CENTER AREA

LACO	FACILITY NAME	ADDRESS	GROSS SQ. FT.	NET SQ. FT.	OWNERSHIP	AVAILABLE SQ. FT.
5873	DHS-NORTH HOLLYWOOD PUBLIC HEALTH CENTER	5300 TUJUNGA AVE, NORTH HOLLYWOOD 91601	7511	4286	OWNED	NONE
T400	HS-NORTH HOLLYWOOD PUBLIC HEALTH CENTER ANNEX	5300 TUJUNGA AVE, NORTH HOLLYWOOD 91601	1347	1280	OWNED	NONE
A481	DPSS-GLENDALE FAMILY SERVICE CENTER	4680 SAN FERNANDO RD, GLENDALE 91204	80000	70420	LEASED	NONE
4608	PUBLIC LIBRARY-WEST HOLLYWOOD LIBRARY	715 N SAN VICENTE BLVD, WEST HOLLYWOOD 90069	5170	4581	OWNED	NONE
5459	WEST HOLLYWOOD RON STONE HEALTH CLINIC	621 N SAN VICENTE BLVD, WEST HOLLYWOOD 90069	8897	6405	OWNED	NONE
F684	PW FLOOD-NICHOLS CANYON DEBRIS BASIN OFFICE	1945 NICHOLS CANYON RD, LOS ANGELES 90046	160	144	OWNED	NONE
3972	FORD AMHPITHEATRE-SPECIAL EVENTS OFFICE	2580 CAHUENGA BLVD E, HOLLYWOOD 90068	965	825	OWNED	NONE
X456	HIGHLAND CAMROSE-BUNGALOW A	2101 N HIGHLAND AVE, HOLLYWOOD 90068	842	800	OWNED	NONE
X458	HIGHLAND CAMROSE-BUNGALOW B	2101 N HIGHLAND AVE, HOLLYWOOD 90068	1000	950	OWNED	NONE
X459	HIGHLAND CAMROSE-BUNGALOW C	2101 N HIGHLAND AVE, HOLLYWOOD 90068	1000	950	OWNED	NONE
X460	HIGHLAND CAMROSE-BUNGALOW G	2101 N HIGHLAND AVE, HOLLYWOOD 90068	1055	1000	OWNED	NONE
X461	HIGHLAND CAMROSE-BUNGALOW H	2101 N HIGHLAND AVE, HOLLYWOOD 90068	1000	950	OWNED	NONE
X464	HIGHLAND CAMROSE-BUNGALOW M	2101 N HIGHLAND AVE, HOLLYWOOD 90068	1000	950	OWNED	NONE
3969	HOLLYWOOD BOWL-ADMINISTRATION BUILDING	2301 N HIGHLAND AVE, HOLLYWOOD 90068	5137	4369	OWNED	NONE
4944	HOLLYWOOD BOWL-CONCESSION OFFICE	2301 N HIGHLAND AVE, HOLLYWOOD 90068	844	714	OWNED	NONE

3970	HOLLYWOOD BOWL-VOLUNTEER COTTAGE	2301 N HIGHLAND AVE, HOLLYWOOD 90068	1290	707	OWNED	NONE
B393	HOLLYWOOD COURTHOUSE	5925 HOLLYWOOD BLVD, HOLLYWOOD 90028	61571	22544	FINANCED	NONE
5461	DHS-HOLLYWOOD/WILSHIRE PUBLIC HEALTH CENTER	5205 MELROSE AVE, LOS ANGELES 90038	27578	14811	OWNED	NONE
5421	BEVERLY HILLS COURTHOUSE	9355 BURTON WAY, BEVERLY HILLS 90210	80566	40892	FINANCED	NONE
A578	AUDITOR - SHARED SERVICES INITIATIVE	3470 WILSHIRE BLVD, LOS ANGELES 90010	11400	10830	LEASED	NONE
A424	DPSS-EQUITABLE PLAZA BUILDING	3435 WILSHIRE BLVD, LOS ANGELES 90010	65871	62577	LEASED	NONE
A532	HEALTH-WILSHIRE METROPLEX BUILDING	3530 WILSHIRE BLVD, LOS ANGELES 90010	113027	101920	LEASED	NONE
A425	DCFS-DEPARTMENTAL HEADQUARTERS BUILDING	425 SHATTO PL, LOS ANGELES 90020	80756	76065	LEASED	NONE
A369	DCFS-PROCUREMENT AND SPECIAL SERVICES OFFICE	501 SHATTO PL, LOS ANGELES 90020	17751	15976	LEASED	NONE
A408	DCFS-THE U S BORAX BUILDING	3075 WILSHIRE BLVD, LOS ANGELES 90010	132488	105568	LEASED	NONE
X532	DCSS-LE SAGE COMPLEX 1 STORY BLDG(RED-TAGGED)	532 S VERMONT AVE, LOS ANGELES 90020	27179	10314	OWNED	NONE
X317	DCSS-LE SAGE COMPLEX 4 STORY BUILDING	3175 W 6TH ST, LOS ANGELES 90020	52230	42341	OWNED	NONE
A413	HUMAN RESOURCES-WILSHIRE SQUARE TWO BUILDING	3333 WILSHIRE BLVD, LOS ANGELES 90010-4109	76304	65438	LEASED	NONE
X550	MENTAL HEALTH-LE SAGE COMPLEX TOWER	550 S VERMONT AVE, LOS ANGELES 90020-1991	171651	149668	OWNED	NONE
X510	PARKS & REC-LE SAGE COMPLEX 2 STORY BUILDING	510 S VERMONT AVE, LOS ANGELES 90020	31540	24835	OWNED	NONE
Y193	PARKS & RECREATION-HEADQUARTERS BUILDING	433 S VERMONT AVE, LOS ANGELES 90020	31862	21777	OWNED	NONE
A336	SHERIFF-WILSHIRE CENTRE BUILDING	3055 WILSHIRE BLVD, LOS ANGELES 90010	7755	7115	LEASED	NONE

B695	HEALTH-IMMUNIZATION PRGM	695 S VERMONT AVE, LOS ANGELES 90010	58572	54930	LEASED	NONE
C660	DPSS-GAIN PROGRAM REG IV/ MEDI-CAL OUTSTATION	2910 W BEVERLY BLVD, LOS ANGELES 90057	120327	33635	LEASED	NONE
A600	CENTRAL CIVIL WEST COURTHOUSE	600 S COMMONWEALTH AVE, LOS ANGELES 90005	208799	156237	LEASED	NONE
B500	DHS-WORKFORCE DEVELOPMENT PROGRAM	500 S VIRGIL AVE, LOS ANGELES 90020	8000	7200	PERMIT	NONE
A360	DPSS-METRO NORTH AP/ CALWORKS DISTRICT OFFICE	2601 WILSHIRE BLVD, LOS ANGELES 90057	62000	60140	LEASED	NONE
B922	DPSS-WILSHIRE SPECIAL DISTRICT OFFICE	2415 W 6TH ST, LOS ANGELES 90057	46228	42065	LEASED	NONE
5805	MENTAL HEALTH COURTHOUSE	1150 N SAN FERNANDO RD, LOS ANGELES 90065	28523	16817	OWNED	NONE
A388	ALT PUBLIC DEF-WILSHIRE-BIXEL BUILDING	1055 WILSHIRE BLVD, LOS ANGELES 90017	6500	6175	LEASED	NONE
A429	CAO-HILL STREET BUILDING	222 SOUTH HILL ST, LOS ANGELES 90012	29013	26082	LEASED	NONE
5979	CENTRAL ARRAIGNMENT COURTHOUSE	429 BAUCHET ST, LOS ANGELES 90012	83692	30638	FINANCED	NONE
3154	FOLTZ CRIMINAL JUSTICE CENTER	210 WEST TEMPLE ST, LOS ANGELES 90012	1036283	399535	FINANCED	NONE
5546	DHS-CENTRAL PUBLIC HEALTH CENTER	241 NORTH FIGUEROA, LOS ANGELES 90012	60924	34748	OWNED	NONE
A159	DA-FIGUEROA PLAZA	201 NORTH FIGUEROA, LOS ANGELES 90012	83164	79006	LEASED	NONE
Y356	EL PUEBLO PROPERTY	502 NEW HIGH, LOS ANGELES 90012	16517	14524	OWNED	14524
0144	EL PUEBLO PROPERTY	510 NEW HIGH, LOS ANGELES 90012	35683	22753	OWNED	22753
0142	EL PUEBLO PROPERTY	507 NORTH MAIN ST, LOS ANGELES 90012	15618	11154	OWNED	11154
0143	EL PUEBLO PROPERTY	501 NORTH MAIN ST, LOS ANGELES 90012	34350	29710	OWNED	29710
0495	EL PUEBLO PROPERTY	300 CESAR CHAVEZ, LOS ANGELES 90012	2800	2380	OWNED	2380
0101	HALL OF JUSTICE	211 WEST TEMPLE ST, LOS ANGELES 90012	570811	306487	OWNED	NOT HABITABLE
0156	HALL OF RECORDS	320 WEST TEMPLE ST, LOS ANGELES 90012	438095	258677	OWNED	NONE
5456	DHS-ADMINISTRATION BUILDING	313 NORTH FIGUEROA, LOS ANGELES	221359	134851	OWNED	NONE
0181	KENNETH HAHN HALL OF ADMINISTRATION	500 WEST TEMPLE ST, LOS ANGELES 90012	958090	591457	FINANCED	NONE

A496	PD- LA LAW CENTER BUILDING	207 SOUTH BROADWAY, LOS ANGELES 90012	7100	6750	LEASED	NONE
0155	STANLEY MOSK COURTHOUSE	111 NORTH HILL ST, LOS ANGELES 90012	794459	441761	OWNED	NONE
3155	THE MUSIC CENTER	301 NORTH GRAND AVE, LOS ANGELES 90012	27582	17978	OWNED	NONE
A388	APD-WILSHIRE BIXEL BUILDING	1055 WILSHIRE BL, LOS ANGELES 90017	6500	6175	LEASED	NONE
D015	DPSS-CATHOLIC CHARITIES COMPUTER	1530 JAMES M WOOD, LOS ANGELES 90017	200	200	PERMIT	NONE
C760	DPSS-EAST LA GROW	2200 N HUMBOLDT ST, LOS ANGELES 90031	23655	17554	LEASED	NONE
5353	DPSS-METRO SPECIAL DISTRICT	2707 S GRAND AVE, LOS ANGELES 90007	115242	89650	OWNED	NONE
6518	THE ADAMS & GRAND BUILDING	2615 S GRAND AVE, LOS ANGELES 90007	215439	183874	OWNED	NONE
5266	METROPOLITAN COURTHOUSE	1945 S HILL ST, LOS ANGELES 90007	303434	125469	FINANCED	NONE
A442	MENTAL HEALTH-LAPD SMART	419 S SPRING ST, LOS ANGELES 90013	1000	1000	GRATIS USE	NONE
A627	COUNTY COUNSEL	350 S FIGUEROA AVE, LOS ANGELES 90071	14832	14090	LEASED	NONE
A632	PUBLIC DEFENDER	312 S HILL ST, LOS ANGELES 90012	9782	9293	LEASED	NONE
Y013	DPSS-CIVIC CENTER GROW	813 E 4TH PL, LOS ANGELES 90013	39956	25158	OWNED	NONE
A384	AG COMM/WTS & MEASURES	1320 E OLYMPIC BLVD, LOS ANGELES 90021	776	776	LEASED	NONE
C863	MED CTR-PATIENT FINANCIAL SERVICES	1910 N MAIN ST, LOS ANGELES 90031	13300	8919	LEASED	NONE

AMENDMENT NO. 1 TO COUNTY LEASE NO. L-0790
ALTERNATE PUBLIC DEFENDER
1055 WILSHIRE BOULEVARD, SUITE 850, LOS ANGELES

This Amendment No. 1 to Lease No. L-0790 ("Amendment No. 1") is made and entered into this _____ day of _____, 2007, by and between JAMISON 1055 WILSHIRE, LLC, a California Limited Liability Company ("Lessor") and the COUNTY OF LOS ANGELES, a body politic and corporate ("Lessee").

WHEREAS, KWI Wilshire Bixel Building L.P., a California Corporation ("Original Lessor"), predecessor-in-interest to Jamison 1055 Wilshire, LLC, and Lessee entered into that certain County Lease No. L-0790 dated November 14, 2001, whereby Original Lessor leased to Lessee approximately 6,500 rentable square feet of office space in the building located at 1055 Wilshire Boulevard, Suite 850, Los Angeles, in the County of Los Angeles, State of California ("Premises"), for a term of five (5) years ("Initial Term") from February 1, 2002 to January 31, 2007; and

WHEREAS, the Initial Term for the Premises expired on January 31, 2007 and continues on a month-to-month basis; and

WHEREAS, Lessor and Lessee desire to amend the Lease for the purpose of extending the Term of the Lease and modifying certain provisions of the Lease pursuant to the terms and conditions of the Lease and this Amendment No. 1; and

WHEREAS, Jamison 1055 Wilshire, LLC, is the successor-in-interest to KWI Wilshire Bixel Building L.P., and, as such, assumes all of the rights and obligations of KWI Wilshire Bixel Building, L.P., arising under the Lease, as amended hereby; and

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants, and agreements hereinafter contained, Lessor and Lessee hereby covenant and agree to amend County Lease No. L-0790 as amended as follows:

1. Paragraph 2. TERM, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

(a) Term. The term of this Lease shall be for a period of five (5) years commencing on July 1, 2007 ("Commencement Date") and terminating on June 30, 2012 ("Termination Date").

(b) Option to Renew. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Lessee shall have the option to renew this Lease for an additional period of five (5) years under the same terms and conditions set forth herein, except that the rental rate shall be adjusted by negotiation (the "Option to Renew"); provided, however that such adjusted rent shall not exceed the fair market value which Landlord could derive from the demised Premises on the open market (the "Fair Market Rental Rate").

In the event Lessor and Lessee do not agree on a Fair Market Rental Rate, then both parties shall hire appraisers to determine the Fair Market Rental Rate. The Appraisers shall determine the Fair Market Rental Rate by conducting a Fair Market Rental survey using the base rental rates prevailing for similarly-improved office space within a two (2) mile radius of the Premises and for transactions consummated within the last twelve (12) months immediately preceding the commencement date of the Option to Renew. In determining the Fair Market Rental Rate, equitable adjustments to the surveyed rental rates shall be made for the size and credit-worthiness of the tenant, tenant improvement allowances, the nature of the tenant's improvements, the quality of the project, and any other lease terms having an impact on rental values (such as Tenant's option to expand or purchase). The Fair Market Rental Survey shall be conducted by the Lessor's appraiser and the Lessee's appraiser, each of which shall be certified and licensed by the State of California. Lessor shall bear the cost of Lessor's appraiser and Lessee shall bear the cost of Lessee's appraiser. If similarly-improved office space cannot be found within a two (2) mile radius of the Premises, then the survey area shall be enlarged to a five (5) mile radius.

If Lessor and Lessee cannot agree on the Fair Market Rental Rate ninety (90) days prior to the expiration of the Lease term, the parties shall mutually select a third appraiser who shall also conduct a Fair Market Rental survey. The third appraiser shall be required to have the same certification and licensing as the first two appraisers. The average of the two (2) appraisals nearest in value shall be the Fair Market Rental Rate. The cost of the third appraiser shall be borne equally by Lessor and Lessee.

Lessee, by Chief Administrative Office letter, shall notify Lessor in writing not less than two hundred seventy (270) days prior to the expiration of the Lease term, of Lessee's intention to exercise each option. The actual exercise of the Option to Renew shall be only by the Board of Supervisors of the County of Los Angeles. The Option to Renew set forth herein shall be personal to the County of Los Angeles and shall not be transferable to any assignees or sublessees.

2. Paragraph 3. RENT, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

(a) Rent. Lessee hereby agrees to pay as rent for the Premises the sum of Twelve Thousand Two Hundred and Twenty Two Dollars and NO/100 ($12,222.00) per month, i.e. One and 88/100 Dollar ($1.88) per rentable square foot per month for months one (1) through twelve (12) of the Lease Term. A monthly installment in the same amount, subject to the adjustments described herein below, shall be due and payable without demand on or before the first day of each calendar month succeeding the Commencement Date hereof during the Term, except that Rent for any fractional calendar month at the commencement or end of the Term shall be prorated on a daily basis. Landlord shall file a payment voucher with the Auditor of the County of Los Angeles (the "County") for the monthly Rent prior to the Commencement Date for the initial month(s) of the Term up to and including June, and annually thereafter in June for the ensuing twelve (12) months.

(b) Rent Adjustment. At the beginning of the 13th month of the Lease Term and every twelve (12) months thereafter, the Rent shall be increased as follows:

Months	Rate	Rent
13-24	$1.94	$12,610.00
25-36	$2.00	$13,000.00
37-48	$2.05	$13,325.00
49-60	$2.12	$13,780.00

3. Paragraph 4. USE, is hereby amended to add the following language:

Lessor, at its sole cost and expense, shall provide heating, ventilation, and air conditioning ("HVAC") Monday through Friday from 8:00 a.m. to 6:00 p.m., and on Saturdays from 9:00 a.m. to 1:00 p.m., except for New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day (or the days such holidays are generally observed).

Lessor shall make available, at Lessee's sole cost and expense, HVAC during evenings, nights, weekends and holidays at a rate of One Hundred Dollars ($100) per hour, upon receiving forty eight (48) hours prior written notice from Lessee. Lessee shall pay for after-hours HVAC as additional rent.

4. Paragraph 5. CANCELLATION, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Lessee shall have the right to cancel this Lease anytime by giving Lessor not less than two hundred seventy (270) calendar days prior written notice from the County Chief Administrative Office.

5. Paragraph 15. NOTICES, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Notices desired or required to be given by this Lease or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service.

Any such notice and the envelope containing the same shall be addressed to the Lessor as follows:

Jameson 1055 Wilshire, LLC
1055 Wilshire Boulevard, Suite 1650
Los Angeles, CA 90017
Regina Cho, Property Manager

or such other place as may hereinafter be designated in writing by the Lessor except that Lessor shall at all times maintain a mailing address in California.

The notices and envelopes containing the same shall be addressed to the Lessee as follows:

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

with a copy to:

Chief Administrative Office
Real Estate Division
Attention: Director of Real Estate
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012

6. Paragraph 17. INSURANCE, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

(a) Lessor's Insurance. During the term of this Lease, Lessor shall maintain the following insurance:

(i) Commercial Property Insurance which shall (1) cover damage to Lessor's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates) and (2) be written for full replacement cost of the property, with a deductible of no greater than five percent (5%) of the property value.

(ii) Comprehensive General Liability Insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of Five Million Dollars ($5,000,000); (2) products/completed operations aggregate of Two Million Dollars ($2,000,000) and (3) personal and advertising injury of One Million Dollars ($1,000,000).

(iii) Failure by Lessor to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease shall constitute a material breach of this Lease.

(b) Insurance Requirements. All insurance policies required to be maintained by Lessor under this Lease shall be issued by insurance companies which have a Best's Rating of "AVII" or better and which are qualified to do business in the State of California.

(c) Certificates. Both parties shall deliver to the other party on the Commencement Date of this Lease and thereafter at least fifteen (15) days prior to expiration of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates must document that each party has named the other as an additional insured (or its equivalent) on its general liability and property insurance policy, and that Lessee has been named a loss payee on Lessor's commercial property insurance policy, as required.

Further, all certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given to Lessee in the event of material change to, expiration or cancellation of the coverages or policies evidenced by the certificates.

(d) Waiver of Subrogation. Lessor and Lessee each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Lessor shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Lessee.

(e) Lessee's Insurance. During the term of this Lease, Lessee shall maintain the following insurance:

(i) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of Five Million Dollars ($5,000,000); (2) products/completed operations aggregate of Two Million Dollars ($2,000,000) and (3) personal and advertising injury of One Million Dollars ($1,000,000).

(ii) Failure by Lessee to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease shall constitute a material breach of this Lease. Lessee shall have the right to use its self-insurance programs to comply with any and all of the insurance requirements herein.

7. Paragraph 20. PARKING SPACES, is hereby amended to add the following language:

Lessee shall have the right to the number of parking spaces as set forth herein for the Term of this Lease. Lessee shall pay as additional rent an amount of One Hundred Twenty Five Dollars ($125) per parking space per month.

8. Paragraph 25. TENANT IMPROVEMENTS, is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

Lessor has completed all Tenant Improvements and Lessee has accepted the Tenant Improvements and will continue occupying the Premises in its present condition, subject to the repainting of interior walls and shampooing of the carpet.

Within thirty (30) days of the Commencement Date of this Amendment No. 1, Lessor shall commence the repainting of interior walls and shampooing of the carpet. throughout the entire Premises, at its sole cost and expense pursuant to Lessee's specifications.

9. Notwithstanding anything to the contrary, all of the terms and conditions contained in this Lease shall remain in full force and effect. In the event of a conflict between the Lease and this Amendment No. 1, the terms of Amendment No. 1 shall control.

10. Each of the undersigned signatories for the Lessor personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Lease upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Lessee from all damages, costs, and expenses, which result from a breach of this mutual representation.

11. This Amendment No. 1 contains the entire agreement of the parties with respect to the subject matter contained herein and supersedes any and all prior agreements of Lessor and Lessee with respect to the Premises.

12. All undefined terms when used herein shall have the same respective meanings as are given under the Lease as amended unless expressly provided otherwise in this Amendment No. 1.

IN WITNESS WHEREOF, the Lessor has executed this Amendment No. 1 or caused it to be duly executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Amendment No. 1 to be executed on its behalf by the Chair of said Board and attested to by the Clerk thereof the day, month, and year first above written.

LESSOR:

JAMISON 1055 WILSHIRE, LLC

By _____ 5/22/07
Name PAUL T. KIM
Title EXECUTIVE VP

By _____
Name _____
Title _____

LESSEE:

COUNTY OF LOS ANGELES

By _____
ZEV YAROSLAVSKY
Chairman, Board of Supervisors

ATTEST:
Sachi A Hamai
Executive Officer-Clerk
of the Board of Supervisors

By _____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
COUNTY COUNSEL

By _____ for SB