County of Los Angeles
CHIEF EXECUTIVE OFFICE
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

June 7, 2011

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. 2 TO LEASE NO. 73163
DEPARTMENT OF HEALTH SERVICES
1403 WEST LOMITA BOULEVARD, LOS ANGELES
(FOURTH DISTRICT) (3 VOTES)

SUBJECT

This recommendation is for a five-year lease amendment for 12,527 rentable square feet for the Department of Health Services to provide continued use of existing office and clinic space for the Harbor/UCLA Family Medicine Health Center.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, per Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).

2. Approve and instruct the Mayor to sign an amendment to the five-year lease agreement with 1403 West Lomita Boulevard Limited Partnership, for the Department of Health Services to continue occupancy of 12,527 square feet of office and clinical space and 44 parking spaces located at 1403 West Lomita Boulevard, Los Angeles, at an initial annual rental cost of $255,551. The rental costs are 100 percent net County cost.

3. Authorize the Chief Executive Officer and the Director of Health Services to implement the project. The lease amendment will be effective upon approval by your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Department of Health Services (DHS) Family Medicine Health Center (FMHC) has occupied approximately 12,527 rentable square feet at this facility since March 2001, due to a lack of space at Harbor/UCLA Medical Center, located 2.8 miles away. The clinic space includes 11,380 square feet on the second floor and an administrative office on the first floor consisting of 1,147 square feet.

The clinic provides direct patient care services, resident teaching, and administrative functions. The FHMC houses approximately 80 staff positions and services to approximately 526 clients per week.

The proposed amendment will allow DHS continued occupancy of the facility with the uninterrupted delivery of programs and services to the constituency within this geographic area. The amendment establishes the terms and conditions for the option to extend the lease term, sets the rental rate during the option period and sets forth the performance of minor Tenant Improvement (TI) work to the premises.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goals of Operational Effectiveness (Goal 1) and Health and Mental Health (Goal 4) direct that we maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services; and improve health and mental health outcomes within available fiscal and other resources, by promoting proven service models and prevention principles that are population-based, client-centered, and family-focused. In this case, the proposed action will enable DHS to continue to provide uninterrupted services to the residents at the same location.

FISCAL IMPACT/FINANCING

The proposed amendment will provide DHS uninterrupted use of 12,527 square feet of clinic and office space and 44 parking spaces at a monthly rent of $21,296, or $255,551 annually. In addition, the Lessor will prepare the premises with TIs included in the rent for new paint, carpet, exterior sign, and minor improvements.

1403 W. Lomita Blvd. Los Angeles	Existing Lease/ Amendment No. 1	Proposed Lease/ Amendment No. 2	Change
Area (square feet)	12,527	12,527	None
Term	(3/12/2006-3/11/2011)	Five years upon Board Adoption	+ Five years
Annual Rent	$252,043 ($20.12/sq.ft.)	$255,551 ($20.40/sq.ft.)	+$3,508 (+$0.28/sq.ft.)
TI Allowance	None	$125,270 ($10/sq.ft. est.)	+$125,270 (+$10/sq.ft.)
Cancellation	County of Los Angeles (County) after 30 months with 60 days notice	County after 30 months with 60 days notice	None
Parking (included)	44	44	None
Option to Renew	One five-year option	One five-year option	None
Rental Adjustment	Based on Consumer Price Index (CPI) cap at 4 percent annually	CPI capped at 4 percent	None

This is a modified full-service gross lease whereby the Lessor is responsible for the operating costs associated with the County's occupancy, less electricity and janitorial service. The rental rate is $20.40 per square foot per year. Parking is included in the rental rate.

Sufficient funding for the proposed lease costs is included in the 2010-11 Rent Expense budget and will be billed back to DHS. DHS has sufficient funding in its 2010-11 operating budget to cover the projected lease costs.

FACTS AND PROVIONS/LEGAL REQUIREMENTS

The proposed amendment will provide uninterrupted use of 12,527 square feet of office space and 44 parking spaces. The proposed lease amendment contains the following provisions:

- A modified full-service gross basis with the Lessor responsible for the operating expenses, less electricity and janitorial service.

- TIs which include new paint, carpet, and vinyl flooring throughout the facility.

- A cancellation provision allowing the County to cancel any time after 30 months with 60 days prior written notice.

- One option to extend the lease for an additional five years at the same terms and conditions, with the exception of rental rate.

- Annual rental rate adjustments based upon CPI with no minimum and a maximum increase of 4 percent per annum.

The Chief Executive Office (CEO) Real Estate staff conducted a survey within the search 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, nor are there any County-owned or leased facilities available for this program. Based upon said survey, staff has established that the rental range for similar office space is between $18.00 and $30.00 per square foot per year on a modified full-service gross basis, excluding parking. Thus, the base annual rent of $20.40 per square foot per year modified gross basis, including parking, for the proposed lease represents a rate within the market range for the area. Attachment B shows County-owned or leased facilities in the proximity of the service area and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this project is exempt from California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease amendment will adequately provide the necessary office space for this County requirement. DHS concurs with the proposed lease recommendation.

CONCLUSION

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

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Office

WTF:RLR:WLD
CEM:FC:hd

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Health Services

1403 WLomita.b

Attachment A

DEPARTMENT OF HEALTH SERVICES
1403 WEST LOMITA BOULEVARD, LOS ANGELES

Asset Management Principles Compliance Form[1]

			Yes	No	N/A
1.	**Occupancy**				
	A	Does lease consolidate administrative functions?[2] **Administrative functions will remain centralized at DHS, Harbor-UCLA Medical Center.**			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] **The average is 157 sq.ft. per employee in this facility.**		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; is it a capital lease or an operating lease with an 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 or capital project is not feasible for this requirement.**		X	
3.	**Portfolio Management**				
	A	Did department utilize CEO 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?			X
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ___ 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] **Modified gross (net utilities and janitorial) as with existing lease.**		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?

Attachment B

DEPARTMENT OF HEALTH SERVICES
SPACE SEARCH – WITHIN A FIVE-MILE RADIUS
DHS, HARBOR-UCLA MEDICAL CENTER

LACO	Name	Address	Gross SQFT	Net SQFT	Ownership	SQFT Available
A655	ALT PD & PUB DEFENDER-TORRANCE BRANCH OFFICES	3655 TORRANCE BLVD, TORRANCE 90503	11,869	8,618	LEASED	NONE
5177	TORRANCE COURTHOUSE	825 MAPLE AVE, TORRANCE 90503-5058	126,145	93,674	OWNED	NONE
T825	TORRANCE COURT-STEPHEN E O'NEIL JURY ASSEMBLY	825 MAPLE AVE, TORRANCE 90503-5058	2,874	2,874	OWNED	NONE
5043	TORRANCE COURTHOUSE-ANNEX	3221 TORRANCE BLVD, TORRANCE 90503	15,126	12,831	OWNED	NONE
T019	TORRANCE COURTHOUSE-TRAFFIC DIVISION	3221 TORRANCE BLVD, TORRANCE 90503	2,891	2,891	OWNED	NONE
A414	DCFS TORRANCE OFFICE	2325 CRENSHAW BLVD, TORRANCE 90501	60,804	57,764	LEASED	NONE
0921	HS-OLD TORRANCE PUBLIC HEALTH CENTER (CLOSED)	2300 W CARSON ST, TORRANCE 90501	11,306	6,036	OWNED	NONE
2063	HARBOR-REI ADMINISTRATION BUILDING N-14	1124 W CARSON ST, TORRANCE 90502	11,802	8,829	OWNED	NONE
2054	HARBOR-PUBLIC HEALTH PROGRAMS BLDG N-22	1000 W CARSON ST, TORRANCE 90502	2,650	2,120	OWNED	NONE
2061	HARBOR-MEDICAL RECORDS BLDG N-6	1000 W CARSON ST, TORRANCE 90502	2,257	1,824	OWNED	NONE
2093	HARBOR-REI MEDICINE OFFICES E-2	1000 W CARSON ST, TORRANCE 90502	4,007	3,611	OWNED	NONE
2095	HARBOR-REI PEDIATRICS/ EMERGENCY MEDICINE E-4	1000 W CARSON ST, TORRANCE 90502	10,051	7,219	OWNED	NONE
2101	HARBOR-HOSPITAL PLANNING & ARCH/MECHANICAL F4	1000 W CARSON ST, TORRANCE 90502	5,804	5,544	OWNED	NONE
2114	HARBOR-COUNTY TRANSPORTATION OFFICE H-1	1000 W CARSON ST, TORRANCE 90502	830	670	OWNED	NONE
2127	HARBOR-WOMEN'S HEALTHCARE PROGRAMS BLDG N-35	1000 W CARSON ST, TORRANCE 90502	1,535	1,192	OWNED	NONE
2869	HARBOR-MEDICAL RECORDS OFFICE F-8	1000 W CARSON ST, TORRANCE 90502	4,040	2,836	OWNED	NONE
2870	HARBOR-REI NEUROLOGY BUILDING F-9	1000 W CARSON ST, TORRANCE 90502	5,184	3,863	OWNED	NONE
2958	DHS-CHILD HEALTH DISABILITY & PREVENTION N-34	1000 W CARSON ST, TORRANCE 90502	1,125	874	OWNED	NONE
2963	HARBOR-DHS-CHDP OFFICE COTTAGE #14	1000 W CARSON ST, TORRANCE 90502	875	678	OWNED	NONE
2964	HARBOR-NURSING (HOME HEALTH CARE) COTTAGE #16	1000 W CARSON ST, TORRANCE 90502	875	678	OWNED	NONE
2965	HARBOR-PEDIATRICS COTTAGE #18	1000 W CARSON ST, TORRANCE 90502	875	678	OWNED	NONE
T529	HARBOR-PAYROLL TRAILER L-4	1000 W CARSON ST, TORRANCE 90502	2,160	1,423	OWNED	NONE
T530	HARBOR-HUMAN RESOURCES TRAILERS L-2 & L-3	1000 W CARSON ST, TORRANCE 90502	1,034	872	OWNED	NONE
T531	HARBOR-PATIENT FINANCIAL SERVICES 3-SOUTH	1000 W CARSON ST, TORRANCE 90502	12,240	9,936	OWNED	NONE
T606	HARBOR-ENVIRONMENTAL HEALTH & SAFETY BLD N-32	1000 W CARSON ST, TORRANCE 90502	3,600	3,144	OWNED	NONE
X904	HARBOR-REI EMERGENCY MEDICINE OFFICE N-7	1000 W CARSON ST, TORRANCE 90502	1,011	672	OWNED	NONE
X907	HARBOR-NURSING PRACTICE AFFAIRS BUILDING N-18	1000 W CARSON ST, TORRANCE 90502	2,160	1,586	OWNED	NONE
Y737	HARBOR-AF PARLOW HEALTH LIBRARY	1000 W CARSON ST, TORRANCE 90502	22,846	20,003	OWNED	NONE
5861	PUBLIC LIBRARY-CARSON LIBRARY	151 E CARSON ST, CARSON 90745	33,112	27,001	OWNED	NONE
A150	DMH-WELLNESS CENTER	21732 S VERMONT AVE STE 210, TORRANCE 90502	1,817	1,726	LEASED	NONE
T523	SHERIFF-CARSON STATION TRAILER-SSGU	21356 S AVALON BLVD, CARSON 90745	612	551	OWNED	NONE
T525	SHERIFF-CARSON STATION TRAILER-MCAD	21356 S AVALON BLVD, CARSON 90745	672	605	OWNED	NONE
A389	PW-INC CITY OFFICE/AREA 1 FIRE PREVENTION OFF	701 E CARSON ST, CARSON 90745	2,439	2,439	GRATIS USE	NONE
6130	SOUTH COAST-ADMINISTRATION BUILDING	26300 CRENSHAW BLVD, PV ESTATES 90274	3,003	2,133	OWNED	NONE
6332	PUBLIC LIBRARY-LOMITA LIBRARY	24200 NARBONNE AVE, LOMITA 90717	8,928	6,487	OWNED	NONE
6333	LOMITA ADMINISTRATIVE CENTER	24330 NARBONNE AVE, LOMITA 90717	27,483	21,490	OWNED	NONE
0100	PW ROAD-DIV #232 SUBYARD OFFICE	24309 WALNUT ST, LOMITA 90717	600	540	OWNED	NONE
A074	CSSD-DIVISION V HDQTERS/ TORRANCE HEALTH CTR	20221 S HAMILTON ST, TORRANCE 90502-1321	66,825	54,835	LEASED	NONE
A646	MENTAL HEALTH-TIES	21081 S WESTERN AVE, TORRANCE 90501	3,668	3,485	LEASED	NONE
4479	ANIMAL CONTROL #3-ADMINISTRATION BUILDING	216 W VICTORIA ST, CARSON 90248	1,495	704	OWNED	NONE
6087	PUB LIB-DR MARTIN LUTHER KING JR LIBRARY	17906 S AVALON BLVD, CARSON 90746	5,024	4,084	OWNED	NONE

AMENDMENT NO. 2 AND
EXERCISE OF SECOND OPTION TO RENEW
LEASE NO. 73163
DEPARTMENT OF HEALTH SERVICES
1403 WEST LOMITA BOULEVARD, LOS ANGELES

This AMENDMENT NO. 2 and EXERCISE OF OPTION TO RENEW LEASE NO. 73163 ("**Amendment No. 2**") is made, entered and dated as of this ____ day of _____, 2011 by and between **1403 W. LOMITA BLVD., Limited Partnership**, a California limited partnership, ("**Lessor**"), and the **COUNTY OF LOS ANGELES**, a body corporate and politic, ("**Lessee**").

RECITALS

WHEREAS, 1403 W. LOMITA BLVD., Limited Partnership, a California limited partnership is the successor in interest to ANASTASI DEVELOPMENT COMPANY, LLC, a California limited liability company ("**ANASTASI**"), and as such has assumed all obligations of ANASTASI pertaining to Lease No. 73163 (the "**Lease**") originally entered into on December 5, 2000, whereby Original Lessor (as defined below) leased to Lessee approximately 12,527 rentable square feet of office space commonly known as (the "**Premises**") in the building located at 1403 West Lomita Boulevard, Los Angeles (the "**Building**"), for a term of sixty (60) months, and;

WHEREAS, AMENDMENT NO. 1 to said Lease No. 73163 was made and entered into on March 7th, 2006, and the Lease was extended for a period of sixty (60) months subject to the conditions contained therein, and;

WHEREAS, ANASTASI was the successor in interest to San Pedro Peninsula Hospital, and as such, assumed all obligations of San Pedro Peninsula Hospital pertaining to Lease No. 73163, and the amendment thereto, and;

WHEREAS, pursuant to Paragraph 2, TERM, subparagraph C Option to Renew of AMENDMENT NO. 1 to Lease No. 73163, Lessee desires to exercise its option to renew thereby extending the term of the Premises currently leased for an additional sixty (60) months, and Lessor is in agreement with extending and amending the term pursuant to Paragraph 2. herein; and;

WHEREAS, Lessee desires another option to renew this Lease for a period of five years under the same terms and conditions except that rental rate for said option term shall be subject to adjustment, not to exceed 95% of fair market value, 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 as set forth herein.

AGREEMENT

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 herein contained, Lessor and Lessee hereby covenant and agree to amend Lease No. 73163 as follows:

1. Upon execution of this Amendment No. 2 by the parties hereto, Paragraph 2, **TERM**, of the Lease shall be deleted in its entirely and replaced with the following:

   A. Term.

   The term of this Lease shall be for a period of sixty (60) months commencing upon approval of this Amendment No. 2 by the Board of Supervisors (the "Second Extended Term Commencement Date"), but in no event sooner than March 12, 2011, and ending sixty (60) months thereafter.

   B. Early Termination.

   At or any time after the thirtieth (30th) month following the Commencement Date, Lessee at its sole discretion shall have the right to either terminate this Lease in its entirety or reduce the rentable square footage of the Premises by giving Lessor not less than 60 days prior written notice from Lessee's Chief Executive Officer.

   C. Option to Renew.

   Lessee shall have the option to renew this Lease for a period of sixty (60) months under the same terms and conditions as contained herein (the "Option Term"), except that the rental rate for the Option Term shall be adjusted by negotiation, and shall in no event exceed 95% of the then-prevailing Fair Market Rent ("FMR"). The FMR shall be determined by using the rental rate for similarly improved office/clinic space within a five-mile radius of the Premises and subtracting therefrom that portion of the rent covering the tenant improvement allowance, if any, for transactions consummated within the nine months immediately preceding the commencement date of the Option Term. In determining the Fair Market Rent, equitable adjustments shall be made to the surveyed rental values for the size and creditworthiness of the Lessee, the quality of the project, the nature of Lessee's tenant improvements and any other lease terms having an impact on rental value (such as a tenant's option to expand or purchase).

   Lessee, by Chief Executive Office letter, shall notify Lessor in writing not less than one hundred and eighty (180) days prior to the expiration of the Lease term of Lessee's intention to exercise its option.

2. Paragraph 3, **RENT** of the Lease shall hereby be amended by deleting all mention of "The sum of NINETEEN THOUSAND, FOUR HUNDRED SIXTEEN AND 85/100 DOLLARS

($19,416.85) per month, or $1.55 per rentable square foot per month" wherever it appears in Paragraph 3 and replacing it with the following: "The sum of TWENTY ONE THOUSAND, TWO HUNDRED NINETY-FIVE AND 90/100 DOLLARS ($21,295.90) per month or $1.70 per rentable square foot per month"

3. Paragraph 15, **NOTICES** shall be amended by changing the Lessor's notification address to:

1403 W. Lomita Blvd., LP
c/o Positive Investments Inc.
610 N. Santa Anita Avenue
Arcadia, CA 91006

4. Paragraph 25, **TENANT IMPROVEMENTS** of the Lease shall be deleted in its entirety, and replaced with the following:

25. TENANT IMPROVEMENTS:

A. Lessee acknowledges that it is already in possession of the Premises pursuant to the Lease, and that Lessor shall be deemed to have delivered possession of the Premises to Lessee on the Second Extended Term Commencement Date in an "as-is" condition except for the following:

Lessor shall, at Lessor's cost, following the Second Extended Term Commencement Date, perform the work more particularly described in Exhibit A attached hereto and incorporated herein by this reference (collectively, the "Lessor Work"), with the exception of an exterior sign, described in Exhibit A attached hereto and incorporated herein by this reference, under the heading "Exterior Improvements, Item E. Signage". Such item shall be installed by Lessee at Lessee's expense, subject to Lessor's approval. The Lessor Work shall be performed using Building standard materials, procedures and specifications, as set forth in Exhibit A hereto. Lessor agrees to perform the Lessor Work before 7:00 a.m. or after 6:00 p.m. on Mondays through Fridays and/or any time on the weekends and/or during limited business hours upon prior approval of County staff. Lessee hereby agrees to use its best efforts to cooperate with Lessor in connection with the construction of the Lessor Work. Notwithstanding the immediately preceding sentence, in connection with the performance of the Lessor Work, Lessor agrees to move, to the extent necessary, Lessee's furniture and such other items as Lessor may require be moved in order to perform the Lessor Work; provided, however Lessee shall be required to move Lessee's computers, copiers and other personal property which Lessor or its contractor may reasonably request be moved. Notwithstanding the foregoing, Lessor shall use its commercially reasonable efforts to perform the Lessor Work in a manner so as to minimize unreasonable interference with Lessee's business at the Premises. Lessor shall endeavor to perform all Lessor Work within three (3) months of approval of this Amendment No. 2 by Lessee's Board of Supervisors, but in no event shall the Lessor Work be completed later than nine months after such approval of this Amendment No. 2 by the Board of Supervisors.

5. Paragraph 30 **RENT ADJUSTMENT** of the Lease shall be deleted in its entirety and replaced with the following:

30. RENTAL ADJUSTMENT:

A. Rental Adjustment Period

For each successive 12-month period following the Second Extended Term Commencement Date, the monthly rental shall be subject to adjustment. At the first anniversary of the first day of the first full calendar month following the Second Extended Term Commencement Date and every twelve months thereafter (each, an "Adjustment Date"), the rent shall be adjusted in accordance with the CPI formula as set forth in subparagraph B below.

B. CPI Formula:

The method for computing the annual rental adjustment shall be by reference to the Consumer Price Index for all Urban Consumers for the Los Angeles-Riverside-Orange Co. area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84 = 100), herein referred to as "Index." The "Base Index" shall be the Index published for the month in which the Second Extended Term Commencement Date occurs.

The rental adjustment shall be calculated by multiplying the base rent set forth in Paragraph 3, RENT (the "Base Rent"), by a fraction, the numerator being the Index published for the month immediately preceding the Adjustment Date (the "New Index"), and the denominator being the Base Index.

The formula shall be as follows:

(New Index ÷ Base Index) x (Base Rent) = Adjusted Rental Rate

or

(New Index ÷ Base Index) x ($21,295.90) = Adjusted Rental Rate

If the Index is changed so that the base year of the Index differs from that used as of the Second Extended Term Commencement Date hereunder, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term of this Lease, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as

would be obtained if the Index had not been discontinued or revised. In the event the parties are unable to agree upon a substitute index (if the original Index is discontinued without a replacement) then upon demand by either party, the matter shall 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 for the purpose of determining an alternate method of computing the rent adjustment based upon the increase in the cost of living.

C. General Provisions:

1. During months one (1) through sixty (60) of the Lease term set forth herein, the monthly rent adjustment based upon the CPI formula set forth above shall not result in an annual increase greater than four percent (4%) per year of the monthly base year rent at the Second Extended Term Commencement Date. By way of illustration, if the total Base Rent at the Second Extended Term Commencement Date is $21,295.90, then in no event shall the rental adjustment be greater than $851.84 per month in any one year.

2. In no event shall the monthly rent be adjusted by the CPI formula to result in a lower monthly rent than was payable during the previous year of the Lease.

6. In the event of a conflict between the terms of the Lease and the terms of this Amendment No. 2, the terms of Amendment No. 2 shall control. The terms "include" and "including" are not limiting and include the concept of "including but not limited to." All other terms and conditions contained in Lease No. 73163 shall remain in full force and effect, and are hereby re-affirmed.

IN WITNESS WHEREOF, the Lessor has executed this Amendment No. 2 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. 2 to be executed on its behalf by the Chairman of said Board and attested to by the Clerk thereof on the day, month, and year first above written.

LESSOR

1403 W. LOMITA BLVD., LIMITED PARTNERSHIP,
a California Limited Partnership

By: _____
Mr. Srinivas Yalamanchili, General Partner

By: _____
Mr. Rao Yalamanchili, General Partner

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

LESSEE

COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____
Michael D. Antonovich
Mayor, Board of Supervisors

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: _____
Senior Deputy

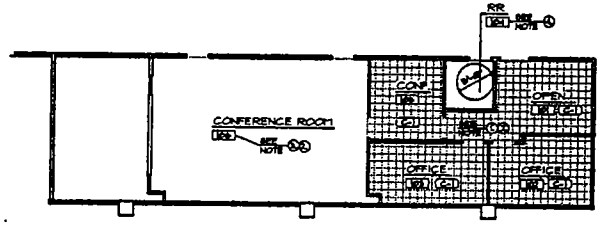
EXHIBIT "A"

SPACE PLAN & SPECIFICATIONS

(attached)

HARBOR · UCLA
FAMILY HEALTH CENTER

SIGN FLOOR PLAN

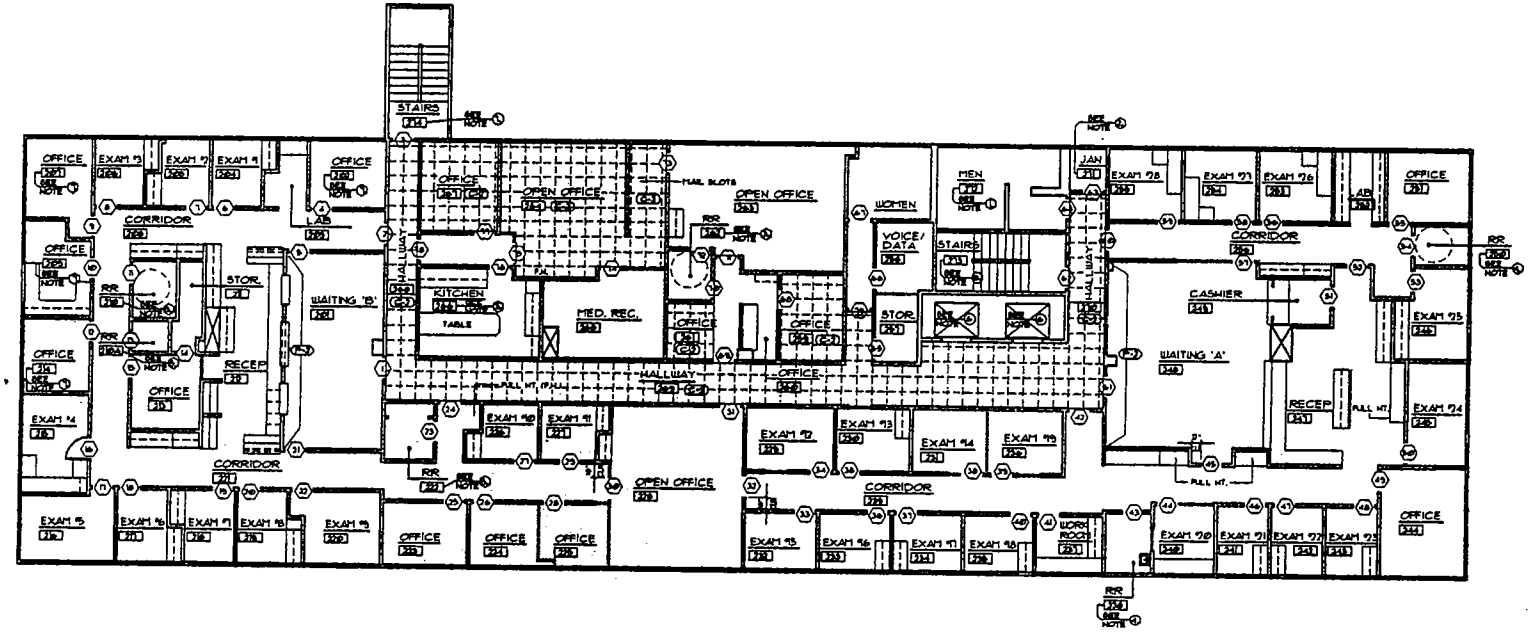


② CONSTRUCTION PLAN - FIRST FLOOR

SCALE: 1/8" = 1'-0"

0 2 4 8 FT.

N



① CONSTRUCTION PLAN - SECOND FLOOR

SCALE: 1/8" = 1'-0"

0 2 4 8 FT.

N

IMPROVEMENTS THROUGHOUT

NEW PAINT BY DUAN EDWARDS OR APPROVED EQUAL

(PS1) * 636 SUNS COVER (DENIM)

(PS2) 023-717

A. REPLACE ALL CARPET IN ALL AREAS WHERE CARPET IS EXISTING, INCLUDING FIRST FLOOR HALLWAY
B. CLEAN HVAC AIR SUPPLY AND RETURN VENT GRILLS.
C. REPLACE / REPAIR ALL EXHAUST FANS FROM TOILET ROOMS
D. REPAIR HVAC OVERFLOW CONDENSATION PAN, REPAIR WATER DAMAGES AT THIS LOCATION.
E. REPLACE ALL BROKEN AND STAINED ACOUSTIC CEILING TILES ALL OFFICES, CONFERENCE ROOM AND HALLWAY
F. REPAIR WATER HEATER, PLUMBING, REST, DAMAGING WATER FILTRATION SYSTEM
G. INSULATE ALL UNDER SINK EXPOSED PLUMBING, AS REQUIRED BY ADA.
H. REPLACE ALL BURNOUT CANDLE LIGHTS.

EXTERIOR IMPROVEMENTS

A. FRONT ENTRANCE:
STEAM CLEAN EXTERIOR ENTRY FLOOR (REMOVE GUM)

B. BUILDING EXTERIOR 2nd FLOOR:
WEATHER STRIPPING EXTERIOR WINDOWS

C. SURFACE PARKING LOT:
TWO HANDICAP PARKING STALLS (ADJACENT TO FRONT ENTRANCE) ARE REQUIRED TO COMPLY WITH ADA REQUIREMENTS.
RE-STRIPE/RE-PAINT LINES FOR PARKING STALLS AND ADA PATH OF TRAVEL

D. GARAGE:
REPLACE BROKEN GARBAGE CANS (LOWER LEVEL)
REMOVE GUM FROM FLOOR (LOWER LEVEL)
REMOVE GRAFFITI.
RE-STRIPE PARKING STALLS ON TOP LEVEL

E. SIGNAGE:
ADD NEW SIGN ON SOUTH ELEVATION, AT EAST END BETWEEN SECOND AND THIRD FLOOR SIGN LEGEND SHALL READ PER SIGN DRAWING

FIRST FLOOR IMPROVEMENTS

ROOM # [101] [102] [103] [104] AND HALLWAY. USE (CP1) CARPET

1. REPLACE CARPET AND FLOOR BASE AS INDICATED ON FLOOR PLAN
2. REPLACE DAMAGED ACOUSTIC CEILING TILES TYP. ALL ROOMS AND HALLWAY
3. ROOM [106] CONFERENCE ROOM: REPLACE LIGHT BULB, LIGHT FIXTURE
4. REPAIR OR REPLACE EXISTING EXHAUST FAN AT ROOM [104]
5. EMERGENCY ENTRANCE (WEST END OF BUILDING)
REPAIR EXISTING SLIDING DOOR, AND DOOR LOCK, AND AUTOMATIC ELECTRONIC MECHANISM
6. ELEVATOR: REPLACE EXISTING FLOOR COVERING
7. STAIRWELL (SOUTH END) NEXT TO ELEVATORS
STEAM CLEAN / REPAIR TREADS RISERS AND HAND RAILS.
8. STAIRWELL (NORTH END)
REPAIR WATER DAMAGE
REPAINT
REPLACE DAMAGED CEILING TILES
REPAIR TOP AND BOTTOM TREADS PER ADA CONTRAST COLOR.

(CP1)
SHOW CONTRACT GROUP
COLLECTION: SOHO LIFE
STYLE NAME: IMPLICITY TILE, BLD4
STYLE NUMBER: 9434
CONSTRUCTION: MULTI-LEVEL PATTERN LOOP
COLOR: 40488 HARBORING DESIRE

WALL BASE: SURGE COVE - CHARCOAL 271 OR SLATE 9169

SECOND FLOOR IMPROVEMENTS

COMMON HALLWAY AND ANY OTHER AREAS WITH CARPET

ROOM # [206] [207] [208] [209] [210] [211] [212] [213] USE (CP2) CARPET

(CP2)
SHOW CONTRACT GROUP
COLLECTION: SOHO LIFE
STYLE NAME: IMPLICITY TILE, BLD4
STYLE NUMBER: 9434
CONSTRUCTION: TEXTURE LOOP
COLOR: 40488 HARBORING DESIRE

WALL BASE: SURGE COVE - CHARCOAL 271 OR SLATE 9169

1. ROOM # [210] [211] REST ROOM: REPLACE CERAMIC TILE FLOORING AND BASE BOARD, NEW CERAMIC FLOOR TILE SHALL BE 9"X9" MIN. SIZE, AND 6" COVE BASE CERAMIC TILE, CONTRACTOR TO SUBMIT SAMPLES TO COUNTY FOR APPROVAL.
REPLACE OR REPAIR EXHAUST VENT.
REPLACE TOILET PAPER DISPENSER NEXT TO SINK.
2. ROOM # [212] JANITORS CLOSET: REPLACE OR REPAIR FLOOR SINK, REPLACE PLUMBING DRAIN TO ELIMINATE DRAIN OVERFLOW.
REPLACE CERAMIC FLOOR TILE AND BASEBOARD, NEW CERAMIC TILE SHALL BE MIN. 12"X12" WITH A 6" TILE COVE BASE. CONTRACTOR TO SUBMIT TILE SAMPLES FOR COUNTY APPROVAL.
IDENTIFY FLOOR LEAKS AT THIS LOCATION.
WALL PATCH HOLES.
3. ROOM # [202] REST ROOM: REPLACE OR REPAIR EXHAUST FAN
REPLACE BROKEN TOILET PAPER DISPENSER.
REPLACE CERAMIC FLOOR TILE AND BASEBOARD, NEW CERAMIC TILE SHALL BE MIN. 12"X12" WITH A 6" TILE COVE BASE. CONTRACTOR TO SUBMIT TILE SAMPLES FOR COUNTY APPROVAL.
4. ROOM # [218] & [219] REST ROOM: REPLACE EXHAUST VENTILATION FAN
REPLACE TOILET PAPER DISPENSER.
5. ROOM # [217] [218] [219] REST ROOM: INSTALL NEW EXHAUST VENTILATION FAN
6. ROOM # [203] KITCHEN: REPLACE EXISTING VINYL FLOOR WITH NEW VINYL TILE ARMSTRONG 51105 BLUE CLOUD, AND RUBBER BASE TO MATCH EXISTING
7. CLEAN EXISTING CARPET

PLOT DATE 12/01/10 START DATE 10/19/10 revisions 1 DHS 11/10/10 2 DHS 11/23/10 3 DHS 11/30/10 4 DHS 12/01/10 5 DHS 12/01/10	APPROVALS LEGACOR lessor DHS client department DHS client department CEO chief real estate	INFORMATION EFRAIN BACALANTE designer FABIOLA CHAVARRIA agent checked by date	COUNTY OF LOS ANGELES DEPARTMENT OF HEALTH SERVICES HARBOR UCLA MEDICAL CENTER / FAMILY MEDICINE CLINIC 1403 WEST LOMITA BLVD. HARBOR CITY, CA

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
Real Estate Division
FACILITIES DESIGN
222 SOUTH HILL STREET LOS ANGELES, CA 90012

FILE NO. 24-10
SHEET NO. A-1
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