WILLIAM T FUJIOKA
Chief Executive Officer

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

"To Enrich Lives Through Effective And Caring Service""

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

August 19, 2014

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

Dear Supervisors:

PUBLIC LIBRARY:
QUARTZ HILL LIBRARY PROJECT
ESTABLISH PROJECT, APPROVE BUDGET AND
OPTION TO LEASE AND DESIGN AGREEMENT
(FIFTH DISTRICT)
(3 VOTES)

SUBJECT

Approval of the recommended actions will establish the proposed Quartz Hill Library Project and approve an Option to Lease and Design Agreement.

IT IS RECOMMENDED THAT THE BOARD:

1. Establish the proposed Quartz Hill Library Project.

2. Find that Griffin|Swinerton is the most qualified and best value proposer, and approve the Option to Lease and Design Agreement with Griffin|Swinerton for a total maximum price of $1,870,000, for design services and an option to lease the proposed new Quartz Hill Library.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will establish the proposed Quartz Hill Library Project (Project), and allow the County to proceed with the design and environmental review services for the proposed Project.

The current Quartz Hill Library, located at 42018 North 50th Street West in the County unincorporated community of Quartz Hill, is a 3,500 square-foot leased facility, which is outdated and

undersized to meet the growing needs of the Quartz Hill community.

In response to those needs, on February 5, 2014, the Chief Executive Office (CEO) issued a Request for Proposals (RFP) for a 10,000 to 12,000 rentable square-foot, turn-key library, on an approximately 1-2 acre level site in the County unincorporated community of Quartz Hill. A total of four firms submitted proposals in response to the RFP. Based on the criteria stated in the RFP, Griffin|Swinerton submitted the most advantageous proposal for design and construction of the proposed Project. As proposed, a new 12,586-square-foot library facility will be constructed on 1.76-acre level site at Avenue M-2, 148 feet west 50th Street West with proposed construction cost of $9,977,712. We recommend executing an Option to Lease and Design Agreement (Attachment B) with Griffin|Swinerton for a total maximum sum of $1,870,000 for design services and an option to lease the property.

Prior to exercise of the option to lease, we will return to the Board to obtain the proposed Project approval, certify the environmental findings for the proposed Project, and ask the Board to exercise the option to lease the property.

Pursuant to the RFP, the library facility sought to include adult reading areas; a teen area and a children's/early childhood area with dedicated programming space; a homework center; group study/tutoring rooms; a community meeting room; express-service checkout machines; information services desks; public access computers; WiFi; staff areas; public restrooms; and associated site improvements, including landscaping, walkways, and security lighting. Additionally, the proposed Project will include the majority of the furniture, fixtures, and equipment (tables, chairs, built-in casework, book shelving, modular work stations, staff lockers, signage, and book self check-out units) to expedite procurement and installation by the developer, Griffin|Swinerton, in coordination with the other finish trades. The remaining furniture, fixtures, and equipment (computers, printers, fax machines, and copier machines), will be procured separately by the County with purchase orders through the Internal Services Department. Once approved, it is anticipated that construction of the proposed library will begin July 2015 and be completed in August 2016.

Green Building/Sustainable Design Program

As proposed by Griffin|Swinerton, the proposed Project, will comply with the County's Energy and Environmental Policy. The proposed Project will be designed to achieve at least the United States Green Building Council Leadership in Energy and Environmental Design (LEED) Silver level certification.

Implementation of Strategic Plan Goals

The proposed Project supports the County’s Strategic Plan Goals of Operational Effectiveness (Goal 1) and Integrated Services Delivery (Goal 3), by investing in public infrastructure that will enhance cultural, recreational, and lifelong learning opportunities for County residents.

FISCAL IMPACT/FINANCING

The maximum County obligation, based on the negotiations, for design services and an option to lease the property is $1,870,000. The total proposed Project construction cost is estimated $9,977,712. If approved, the proposed Project Schedule and Summary, are detailed in Attachment A.

The proposed Project is funded with $10,619,000 of Fifth District net County cost and $1,228,712 net

County cost derived from Public Library Operating Budget.

Operating Budget Impact

The Public Library's Fiscal Year 2014-15 operating budget for the existing Quartz Hill Library is $1,206,000. It is anticipated that the new library will begin operation in FY 2016-17. If approved, the annual operating budget for the new Quartz Hill Library is estimated at $1,496,000 based on increased staffing, support, facility maintenance, and other operating costs that will be required. This represents a net increase of approximately $290,000.

If the proposed Project is ultimately approved, Public Library will work with the CEO to determine the appropriate level of funding as the proposed Project nears completion. The operating costs will be funded through Public Library's operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended actions are authorized by Government Code 25351, which allows the Board, among other things, to lease buildings for library use. Such actions will establish funding for the design of a potential new public library facility in the County unincorporated community of Quartz Hill.

The proposed Option to Lease and Design Agreement, if approved by the Board, will allow the selected developer, Griffin|Swinerton, to proceed with the design of the new library, while securing for the County an option to lease the property upon completion of the building design, which option is exercisable by the Board any-time before April 1, 2015. The option price of $1,870,000 is payable in stages, which correlate to specified benchmarks in the design process. In the event the County elects to exercise its option to lease (which may be done only with Board approval), the parties will enter into a nine-year triple net lease in substantially the form attached to the Option to Lease and Design Agreement, the Board approval of which will be sought concurrently with the exercise of the option. Under the proposed form of lease, no lease payments will be owed by the County until such time as the building is substantially complete and has been accepted by the County. The lease will also contain an option to purchase the property, which will be exercisable by the County at any time during the nine-year lease term.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are not a project pursuant to the California Environmental Quality Act (CEQA) because they are activities that are excluded from the definition of a Project by Section 15378(b)(5) of the State CEQA Guidelines. The recommended actions are organizational or administrative activities of government, which will result in direct or indirect physical changes in the environment. Appropriate environmental documentation will be prepared by the County and provided for the Board's consideration when we return to the Board to recommend approval of the proposed Project and exercise of the option to lease.

CONTRACTING PROCESS

On February 5, 2014, the CEO issued a RFP for the proposed Project. On April 29, 2014, a total of four Design-Build teams submitted proposals. The Evaluation Committee, composed of representatives from the Department of Public Works (Public Works), Public Library, and the CEO

Capital Project Division, evaluated the proposals. The committee evaluated these proposals based on experience, financial capacity, proposed site location and environmental evaluation, cost, concept and renderings, and proposed schedule.

Based on the evaluation of these proposals, the committee determined that the Griffin|Swinerton team was the best qualified and best value proposer. All evaluations were completed without regard to race, creed, color, or gender. As requested by the Board on February 3, 1998, these agreement opportunities were listed on the County's "Doing Business with Us" website.

On July 18, 2014, protests were received from Brooke Rege Corporation and QH50, Carde Ten Architects, and Sinanian Development. The protests were reviewed by an evaluator independent of the selection process and were deemed to be without merit. Subsequently, on August 4, 2014, Brook Rege Corporation officially withdrew its protest.

ICF International, one of the Public Works' as-needed environmental consultants, has been retained to prepare the environmental documents for the proposed Project.

The attached Option to Lease and Design Agreement has been approved by County Counsel as to form.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects as a result of executing the Option to Lease and Design Agreement.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Facilities and Asset Management Division; and Public Library.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SHK:DJT
SW:AC:rp

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Public Library

ATTACHMENT A

PUBLIC LIBRARY:
QUARTZ HILL LIBRARY PROJECT
ESTABLISH PROJECT, APPROVE BUDGET AND
OPTION TO LEASE AND DESIGN AGREEMENT
CAPITAL PROJECT NO. 77606

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Selection of the Proposer	07/02/2014*
Option to Lease and Design Agreement	08/19/2014
Lease Agreement	04/01/2014
Substantial Completion	08/01/2016
Library Grand Opening	11/28/2016

* Actual completion date.

II. PROJECT BUDGET SUMMARY

Budget Category	Proposed Budget
Land Acquisition	$ 0
Construction Design-Build Contract Job Order Contract (demolition & site remediation) Change Orders Telecommunication Equip-Affixed to Building Civic Art Other: Utility connections Subtotal	9,977,712
Programming/Development	
Plans and Specifications (Scoping Documents)	1,870,000
Plan Check and Jurisdictional Review	
Consultant Services Site Planning (Phase I Site Assessment) Hazardous Materials (Survey and Monitoring) Materials Testing and Deputy Inspection Cost Estimating Topographic Surveys Constructability Review Consultant Services (Library Consultant) Geotechnical Survey Environmental Documents Other (Building Commissioning) Subtotal	431,000
Furniture, Fixtures, and Equipment	
Miscellaneous Expenditures	
County Services Code Compliance and Quality Control Inspection Design Review Contract Administration Project Management Project Management Support Services ISD ITS Communications Project Technical Support Consultant Contract Recovery Office of Affirmative Action PM/CM As-Needed Contract Subtotal	
Total Project Budget	**$12,278,712**

ATTACHMENT B

PUBLIC LIBRARY:
QUARTZ HILL LIBRARY PROJECT
ESTABLISH PROJECT, APPROVE BUDGET AND
OPTION TO LEASE AND DESIGN AGREEMENT
CAPITAL PROJECT NO. 77606

OPTION TO LEASE AND DESIGN AGREEMENT

OPTION TO LEASE AND DESIGN AGREEMENT

This Option to Lease and Design Agreement (the "Agreement") is made and entered into this ____ day of August 2014, by and between Griffin/Swinerton, a joint venture, (the "Owner"), and the COUNTY OF LOS ANGELES, a body corporate and politic (the "County").

RECITALS:

A. Owner has an option to purchase that certain real property located at Avenue M-2 West in the unincorporated community of Quartz Hill, County of Los Angeles, State of California, as more particularly described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Property");

B. The Property is comprised of an approximately 1.6 acre parcel of unimproved land, all easements and interests appurtenant thereto, and all intangible property owned or held in connection with the Property, including without limitation, development rights, governmental approvals and land entitlements;

C. The County desires to lease the Property in contemplation of Owner's design and construction of a new public library facility in Quartz Hill (the "Project"), and Owner is willing to grant the County an option to lease the Property in accordance with the terms of this Agreement.

D. The County conducted a competitive selection process and selected Owner's proposal for the design and construction of the Project, and Owner is willing to commence work related to the design of the Project during the term of this Agreement, subject to the conditions set forth herein.

NOW, THEREFORE, the parties hereto agree as follows:

1. Option Agreement.

1.1 Option. This Agreement shall constitute an option granting the County the exclusive right to lease the Property, subject to the terms and conditions contained herein, for the period set forth herein (the "Option").

1.2 Option Term. This Option shall be exercisable by the County during a term commencing on the date of the execution of this Agreement, and terminating on April 1, 2015 (the "Option Term").

1.3 Option Price. The Owner and County agree to an option price of $1,870,000 (the "Option Price"). In consideration of the Owner's grant of the Option and performance of the Design Work pending the Board of Supervisors' approval of the Project, County shall tender 10% of the Option Price to Owner within ten business days of the full execution of this Agreement. The remainder of the Option Price

will be paid upon completion of the following design deliverables:

Payment Schedule

I. Architectural / Engineering Design Services

A.	Execution of Contract (Option Fee)	10%
B.	Schematic Design	23%
C.	Design Development	18%
D.	Construction Design Docs (50%)	25%
E.	Construction Design Docs & Specifications (90%)	12%
F.	Construction Design Docs & Specifications (100%)	12%
	Total	100%

1.4 No Further Encumbrance of Property. The Owner hereby agrees that it shall not encumber the Property with any leasehold interest, tenancy or occupancy, and further agrees not to amend, extend, renew, or permit the holdover of any existing leasehold interests, tenancies or occupancies of the Property or to cause, or acquiesce to, any further liens or encumbrances or otherwise alter the condition of title, during the Option Term. The Owner shall require the current owner to agree and represent that the Property is unencumbered by any leasehold interest, tenancy or occupancy, and shall maintain the Property in that condition to and until the end of the Option Term or any extension thereof or the Execution Date, as defined below, whichever occurs first.

1.5 Right of Entry. Owner hereby also grants to the County, its agents and employees the right to enter upon the Property during the Option Term for the purpose of conducting engineering surveys, soil tests, entitlement processes and any studies/reports to determine the Property's suitability for the intended or contemplated use by County and for any other reasonable purpose, including without limitation compliance with the California Environmental Quality Act ("CEQA").

1.6 Exercise of Option. Upon County's election to exercise the exclusive Option to lease the Property, the parties hereto, pursuant to Government Code section 25351 and other applicable law, will effectuate the lease for the Property (the "Lease") in accordance with the terms and conditions of this Agreement.

1.7 Lease Terms. Upon County's exercise of its Option, the parties intend to execute a lease for the Property in a form substantially similar to that attached as Exhibit B and incorporated herein by this reference, with changes to make the Lease a

triple net lease and with such other mutually agreeable changes to allow the Lease to be financeable per financing terms acceptable to the County and lender. Annual base annual rent is preliminarily estimated at $1,537,778 based upon a nine-year amortization of the total project cost of $11,847,712 less the Option Price of $1,870,000 plus estimated financing costs.

1.8 Contingencies. County's exercise of its Option is subject to the following conditions:

1.8.1 Approval of this Agreement by the County's Board of Supervisors;
1.8.2 Completion of the due diligence activities outlined in Section 1.5 and approval of the environmental document for the transaction contemplated hereby by the County;
1.8.3 The Board of Supervisors' approval and execution of the Lease.

1.9 Notice of Intent to Exercise Option. County shall notify Owner of County's intent to exercise its Option to lease the Property by delivering written notice (pursuant to Section 5) (the "Option Notice") to Owner by letter from County's Chief Executive Office ("CEO") at any time prior to the expiration of the Option Term. The parties acknowledge that the actual exercise of the Option (and execution of the Lease) shall be only by the County's Board of Supervisors.

1.10 Voluntary Termination. County may terminate this Agreement, by written notice to Owner, prior to the expiration of the Option Term if it determines, in its sole discretion, that the Property is not suitable for the County's intended or contemplated use. Upon such notice, the Option shall terminate and all rights of County in said Property shall then and there cease.

2. Condition of Property.
The County acknowledges that the Property is being offered for lease on an "as is" basis, solely in reliance on the County's own investigation of the Property and that no representations have been made with respect to the Property by the Owner. Notwithstanding the foregoing, the Owner shall bear sole responsibility for the removal of all contaminated materials, toxic or hazardous substances, and asbestos, if any, on the Property, pursuant to the terms of this Agreement.

3. Execution of the Lease.

3.1 Time for Execution. Upon County's delivery of its Option Notice, the parties shall finalize the Lease (in substantially the form attached hereto as Exhibit B and incorporated herein by this reference with the changes referenced in Section 1.7) and return to the County's Board of Supervisors for the actual exercise of the Option by the Board and final execution of the Lease.

3.2 County's Conditions to Lease Execution. County's obligation to consummate the transaction contemplated by this Agreement is conditioned upon: (i) Owner's

execution of the Lease; (ii) Owner's representations, warranties and covenants being true and correct as of the date of Lease Execution (the "Lease Execution Date"); (iii) County's satisfaction of the requirements of the California Environmental Quality Act ("CEQA"); (iv) Owner's consummation of the purchase of the Property; and (v) Owner's completion to County's reasonable satisfaction, of the Design Work (as defined hereinbelow) in accordance with Exhibits E-H attached to County's Request for Proposals. Upon non-satisfaction of any one of the above conditions, County shall allow Owner an opportunity to cure by any reasonable method; if the Owner fails to cure, County may, in writing, terminate this Agreement, and thereafter the parties shall have no further obligations pursuant to this Agreement. If County does not object to Owner's non-satisfaction of said conditions, they shall be deemed satisfied as of the Lease Execution Date.

3.3 Owner's Conditions to Lease Execution. Owner's obligation to consummate the transaction contemplated by this Agreement is conditioned upon: (i) the County's Board of Supervisors approval of the Lease of the Property; and (ii) County's representations, warranties and covenants being true and correct as of the Lease Execution Date. Upon non-satisfaction of any one of the above conditions, Owner shall allow County a reasonable opportunity to cure by any reasonable method; if County fails to cure, Owner may, in writing, terminate this Agreement, and thereafter the parties shall have no further obligations pursuant to this Agreement. If Owner does not object to County's non-satisfaction of said conditions, they shall be deemed satisfied as of the Lease Execution Date.

3.4 Loss by Fire or Other Casualty. Owner shall maintain fire and casualty insurance on the Property in full force until the Lease Execution Date, and thereafter pursuant to the Lease terms to include such insurance until Lease Rent Commencement date. In the event that, prior to the Lease Execution Date, the Property or any part thereof, is destroyed or damaged, the County, at its option, may instead elect to terminate this Agreement, and thereafter, neither party shall have any further obligations pursuant to this Agreement. If County elects to lease the Property in its then condition, all proceeds of insurance paid or payable to Owner by reason of such damage or destruction shall be paid or assigned to County.

3.5 Lease Execution Date. For purposes of this Agreement, the "Lease Execution Date" shall be defined as the date of the County's Board of Supervisors' execution of the Lease. The parties agree to cause the Lease Execution Date to occur no later than April 1, 2015. The parties may mutually agree in writing to extend the Lease Execution Date beyond that date, if such an extension appears to either party to be necessary.

4. Possession.

4.1 County's Possession. County shall be entitled to exclusive possession of the

Property as of the Rent Commencement Date pursuant to the lease terms. Owner shall provide County with access to the Property and any keys or other means necessary to operate all locks and alarms associated with securing the improvements on the Property.

4.1.1 Owner agrees to deliver the Property in good condition, without any tenancy rights encumbering it, pursuant to the lease terms upon Lease Execution Date.

4.1.2 Owner agrees to terminate all property management agreements, listing agreements and maintenance agreements relating to the Property prior to Rent Commencement Date (as defined in the Lease).

5. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested or by Express Mail or Federal Express to the following address:

To County: County of Los Angeles, Chief Executive Office
500 West Temple Street
Seventh Floor
Los Angeles, California 90012
Attention: Jan Takata

With a Copy to: County of Los Angeles, Office of County Counsel
Room 653 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012
Attention: Amy M. Caves, Esq.

To Owner: Griffin/Swinerton
385 Second Street
Laguna Beach, CA 92651
Attention: Roger Torriero

With a Copy to: Josef M. Rodarti
The Rodarti Group
2753 Camino Capistrano, Suite B-1
San Clemente, CA 92672

Notice shall be deemed, for all purposes, to have been given on the date of personal service or three (3) consecutive calendar days following the deposit of the same with a carrier as specified above. Notice of change of address shall be given by written notice in the manner detailed in this paragraph.

6. Brokers. The parties represent that no broker or finder has been engaged by either of them.

7. Representations and Warranties of the Parties. In consideration for entering into this Agreement and as an inducement to the transaction contemplated herein, each of the parties hereto makes the following representations and warranties, each of which is material and is being relied upon by the other and the truth and accuracy of which shall constitute a condition precedent to each parties' obligations hereunder. Each of the following representations and warranties shall be deemed to have been remade as of the Lease Execution Date.

7.1 Power. Each party has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transactions contemplated hereby.

7.2 Requisite Action. All requisite action has been taken by each party in connection with entering into this Agreement and the instruments referenced herein and, by the Lease Execution Date, all such necessary action will have been taken to authorize the consummation of the transactions contemplated by this Agreement. By the Lease Execution Date, no additional consent of any person or entity, judicial or administrative body, governmental authority or other party shall be required for each party to consummate the transactions contemplated by this Agreement.

7.3 Individual Authority. The individuals on behalf of each party executing this Agreement and the instruments referenced herein, have the legal power, right and actual authority to bind their respective party to the terms and conditions hereof and thereof.

7.4 Validity. This Agreement and all documents required hereby to be executed by each party are and shall be valid, legally binding obligations of and enforceable against each party in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium laws or similar laws or equitable principles affecting or limiting the rights of contracting parties generally.

8. Indemnification.

8.1.1 County shall defend, indemnify, and hold Owner free and harmless from and against any and all liabilities, damages, claims, costs and expenses (including without limitation, attorneys' fees, legal expenses and consultants' fees) to the extent arising from the negligence or willful misconduct of the County or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

8.1.2 The Owner shall defend, indemnify, and hold County and County's Special Districts, elected and appointed officers, agents and employees free and harmless from and against any and all liabilities, damages, claims, costs and expenses (including without limitation, attorneys' fees, legal expenses and consultants' fees) to the extent arising from the negligence or willful misconduct of the Owner or its officers, employees or agents relating to the performance of its obligations under the terms of this Agreement.

8.1.3 The indemnity provided each party by this section shall survive the Lease Execution Date.

9 General Provisions.

9.1 Delegation of Authority. The County hereby delegates to its Chief Executive Officer or his designee, the authority to issue any and all approvals required by this Agreement and to execute any and all instruments necessary to consummate the lease transaction contemplated hereby.

9.2 Survival of Covenants. The covenants, agreements, representations and warranties made herein are intended to survive the Lease Execution Date.

9.3 Entire Agreement. This Agreement (including the exhibits attached hereto and the documents referenced herein) contains the entire agreement between the parties hereto with respect to the subject matter hereof and no addition or modification of any term or provision shall be effective unless set forth in writing, signed by both Owner and County.

9.4 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same Agreement. Signatures to this Agreement transmitted by scan/email shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original of this Agreement with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Agreement, it being expressly agreed that each party to this Agreement shall be bound by its own scanned/emailed signature and shall accept the scanned/emailed signature of the other party to this Agreement.

9.5 California Law. This Agreement has been made and entered into in the State of California, and shall be construed in accordance with the internal laws thereof.

9.6 Waivers. No waiver by either party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision.

9.7 Captions. The section and paragraph numbers and captions appearing in this

Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or paragraphs of this Agreement nor in any way affect this Agreement.

9.8 Interpretation. Unless the context of this Agreement clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

9.9 Severability. In the event any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be severed from this Agreement and the remaining parts hereof shall remain in full force and effect as fully as though such invalid, illegal or unenforceable portion had never been part of this Agreement; provided that the remaining Agreement can be reasonably and equitably enforced.

9.10 Binding Effect. The provisions of this Agreement shall be binding upon the parties hereto and their respective successors-in-interest.

9.11 No Presumption Re: Drafter. The parties acknowledge and agree that the terms and provisions of this Agreement have been negotiated and discussed between the parties and their attorneys, and this Agreement reflects their mutual agreement regarding the same. Because of the nature of such negotiations and discussions, it would be inappropriate to deem any party to be the drafter of this Agreement, and therefore, no presumption for or against validity or as to any interpretation hereof, based upon the identity of the drafter shall be applicable in interpreting or enforcing this Agreement.

9.12 Assistance of Counsel. Each party hereto either had the assistance of counsel or had counsel available to it, in the negotiation for, and the execution of, this Agreement, and all related documents.

10. DESIGN WORK

10.1 Promptly following the date of this Agreement, Owner shall perform all design work on the Project up to the point of commencement of construction, including without limitation the schematic design, design development, and construction design and project specifications in CSI Master Spec format for the Project (collectively, the "Design Work") in accordance with: (a) the specifications set forth in the Request for Proposals as amended by the County on March 24, 2014 (including without limitation Exhibits F- M thereto), (b) the Proposal submitted by Owner to County and dated April 29, 2014 (as modified on July 23, 2014), and (c) the provisions of this Agreement. County has reviewed and accepted Owner's Proposal and agrees that the program, geometry, and aesthetic design of the Proposal will be the basis of design (but will follow the quality and materials required by the specifications), notwithstanding any conflicting

provisions in the Request for Proposal or preceding sentence.

10.2 Owner has retained or will retain SVA Architects, Inc. as the architect for the Project (the "Architect"). Architect has retained or will retain the engineering consultants for the Project (the "Engineer"), excluding the geotechnical engineer, Earth Systems, who will be retained by Owner. All plans and drawings and specifications prepared by the Architect and the Engineer pursuant to this Agreement shall be deemed part of the Design Work. All Design Work shall become the sole property of County upon approval of the completed Design Work and payment under this Agreement by County. The parties agree that the County shall have the right to use the Design Work in connection with future projects (each, a "Future Reuse"), provided that the County shall indemnify and hold harmless the Owner and the Architect from and against any and all claims and liability arising out of or related to such Future Reuse.

10.2.1 Owner agrees to retain the services of the Library Consultant (Linda Demmers) that prepared the Building Program to assist the architect with interpretation of the Building Program concepts into the Design Work and to provide assistance and coordination with the furniture, fixtures, and equipment for the Library.

10.3 Preparation and Approval of Working Drawings. Within ten (10) days of the date of execution of this Agreement by the parties, Owner shall instruct the Architect to commence preparation of Working Drawings and project specifications for the Project (the "Working Drawings"), which shall comply with all applicable laws, be capable of physical measurement and construction, contain all such information as may be required for the construction of the Project and the preparation of the Engineering Drawings (as defined below), and contain all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times. Owner shall provide County the Working Drawings, or such portion as has from time to time been submitted, for review. Owner shall be solely responsible for insuring that the Working Drawings fully comply with all applicable building codes and are free from errors or omissions on the part of the Architect.

10.4 Preparation and Approval of Engineering Drawings. Owner shall cause the Architect to coordinate all engineering drawings prepared by the Engineer, showing complete mechanical, electrical, plumbing, and HVAC plans ("Engineering Drawings") to be integrated into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for County's review.

10.5 Integration of Working Drawings and Engineering Drawings into Final Plans. After County has approved the Engineering Drawings, Owner shall cause the Architect to integrate the approved Working Drawings with the approved

Engineering Drawings (collectively "Final Plans") and deliver five (5) sets of the Final Plans to County. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the construction, layout, improvement and finish of the Project, including without limitation electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements) and power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and all other Project Improvements. In addition to the five (5) sets of final plans and specifications the Landlord shall submit the drawings on CDs in Auto CAD R 13.dwg (or current later version) format and PDF format with one complete set of mylar transparencies of drawings and one complete set of specifications on CD in both Word and PDF format.

10.6 The Owner shall schedule a meeting with the County at the completion of each of the design milestones listed below to present and submit the required documents to the County for review. The County shall have 5 business days upon receipt of the documents to review and provide input to the Owner.

- Schematic Design
- Design Development
- Construction Design Docs (50%)
- Construction Design Docs & Specifications (90%)
- Construction Design Docs & Specifications (100%)

In order to meet the schedule, the Architect and Engineer may continue working on the design documents pending the County's input, provided that such work will be done at Owner's sole risk and any delay that may result from work performed prior to receipt of County input shall in no event be deemed a County Delay for purposes of calculating any deadline hereunder; provided, however, that if County's input changes previously approved program or design elements, then such changes to previously approved program or design elements will be deemed a County Delay.

10.7 Permits. Owner shall secure the approval of governmental authorities, and all permits required by governmental authorities having jurisdiction over such approvals and permits for the Project Improvements, promptly after approval of the Final Plans applicable to the Project Improvements, or any portion thereof. To the extent reasonably possible, County will cooperate with Owner in expediting permits.

10.8 Design and Construction Schedule. Within thirty (30) days after the date of execution of this Agreement by the parties, Owner shall submit to County a

detailed design and construction schedule for the Project (subject to approval by County which approval shall not be unreasonably withheld) setting forth the dates for specific completion of the project benchmarks set forth in section 1.3 hereof including, but not limited to, completion of Working Drawings and Project Specifications, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of construction contract, construction commencement, projected date for Substantial Completion (as defined in the Lease) no later than August 1, 2016 and other similar dates, subject to time extensions for delays caused by the County ("County Delays") or events outside the control or responsibility of Owner, as will be more specifically set forth in the Lease.

10.9 Approval of Plans by County. Approval by County shall not be deemed to be a representation by County as to the adequacy or correctness of the design of the Project Improvements.

10.10 Non-Exercise of Option. In the event that the County does not exercise its Option to lease hereunder, the Owner shall be entitled to retain the full amount of the Option Price as compensation for both the Option and the cost of the Design Work. The parties hereby expressly agree that the Option Price is fair and adequate consideration for both the Option and the Design Work and that Owner shall have no right to any additional compensation for the Design Work.

/ / / SIGNATURE PAGE FOLLOWS / / / /

IN WITNESS WHEREOF, Owner has executed this Agreement or caused it to be duly executed and this Agreement has been executed on behalf of the County of Los Angeles by the Chair of the Los Angeles County Board of Supervisors on the day, month, and year first above written.

OWNER
Griffin/Swinerton, a joint venture

By: Griffin Structures, Inc., a California corporation

By: _____
Roger Torriero
Its: CEO/President

By: Swinerton Builders, a California corporation

By: _____
Gary Rafferty
Its: COO/President

ATTEST:

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

By: _____
Deputy

COUNTY OF LOS ANGELES
A body politic and corporate

By: _____
Chairman, Board of Supervisors

APPROVED AS TO FORM:

RICHARD D. WEISS
Acting County Counsel

By: _____
Amy M. Caves
Senior Deputy

EXHIBIT LIST

EXHIBIT "A"

LEGAL DESCRIPTION

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 3 AND 4 OF PARCEL MAP NO: 1150, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED IN MAP BOOK NO. 26, PAGE 44 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO THE NORTHERLY 340 FEET OF LOT 52 OF TRACT MAP NO. 11760, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RECORDED IN MAP BOOK NO. 216 PAGES 1, 2, 3, & 4. FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

SAID LAND IS ALSO DESCRIBED AS LOT 1 IN THAT CERTAIN AND BY CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT, CC NO. 101,163, A CERTIFIED COPY OF WHICH IS RECORDED SEPTEMBER 16, 1992, AS INSTRUMENT NO. 92-1722234, OF OFFICIAL RECORDS.

APN: 3101-013-058

Plotted Easement

EXHIBIT "B"

FORM OF LEASE

COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

THIS LEASE is entered into as of the_____ day of_____, 201_ between _____ ("Landlord"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

(a) Landlord's Address for Notice: _____
_____
_____

(b) Tenant's Address for Notice: _____
Chief Executive Office
7th Floor
500 West Temple Street
Los Angeles, California 90012
Attention: Dawn McDivitt
Fax Number: (213) 626-7827

_____
With a copy to:
County of Los Angeles Public Library
7400 East Imperial highway
Downey, California 90242
Attention: County Librarian
Fax Number: (562) 803-3032

(c) Premises: Approximately rentable square feet comprising the entire Building (defined below), together with adjacent parking, and underlying Property as shown on Exhibit A attached hereto.

(d) Building: The building located at _____ which is located upon the real property described more particularly in Exhibit B attached hereto (the "Property");

(e) Term: Nine years commencing upon execution of this Lease by the County (the "Commencement Date"), with payment of rent to commence on the first day of the first month following the date of Tenant's Acceptance of the Premises as

defined in Section 4(a) (the "Rent Commencement Date"); and terminating at midnight on the day before the 9th anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.

(f) Basic Rent: $_____ per year

(g) Rentable Square Feet in the Premises: _____

(h) Use: Public library, community meeting room, general office use, or for any other lawful purposes.

(i) Initial Departmental Use: Library_____

(j) Parking Spaces: _____

(k) Normal Working Hours: Tenant may operate a four to seven day a week work schedule based on service needs and working hours may vary from day to day, except Tenant does not anticipate operating on New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.

1.2 RESERVED.

1.3 Exhibits to Lease: Exhibit A - Floor Plan of Premises
Exhibit B- Legal Description of Property

	Exhibit C – Rent Commencement Date Memorandum and Confirmation of Lease Terms Exhibit D - HVAC Standards
1.4 Supplemental Lease Documents: (delivered to Landlord and made a part hereof by this reference):	Document I: Subordination, Non-disturbance and Attornment Agreement Document II: Tenant Estoppel Certificate Document III: Community Business Enterprises Form

2. PREMISES

(a) Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto.

3. COMMENCEMENT AND EXPIRATION DATES

(a) Term. The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Rent Commencement Date, Landlord and Tenant shall acknowledge in writing the Rent Commencement Date by executing the Rent Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C. The Rent Commencement Date shall be the first day of the first month following the date of Tenant's Acceptance of the Premises. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are Substantially Complete, Tenant has inspected the Premises and Tenant has accepted the Premises. The term "Substantially Complete" or "Substantial Completion" as used in this Lease shall mean compliance with all of the following: (1) the shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises; (2) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease, including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises; (3) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent; (4) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and (5) Telecommunication systems shall be completely operational.

(b) Termination Right. If the Rent Commencement Date has not occurred within _____ days from the Commencement Date, Tenant may thereafter, at any time before the Rent Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder.

4. RENTThe first annual rent payment shall be due and payable within 30 days of the Rent Commencement Date in the total amount shown in Section 1(i) hereof. An annual rent payment in the same amount shall be due and payable without demand on or within ten days of each anniversary of the Commencement Date during the Term, provided that Landlord shall file a payment voucher with the County of Los Angeles (the "County") Public Library for the annual Rent prior to the Rent Commencement Date for the initial year of the Term and annually thereafter for the ensuing 12 months.

5. USES. The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose; however, Landlord shall not unreasonably withhold its consent to a change of use.

6. HOLDOVER. If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from Landlord or thirty (30) days written notice from the Chief Executive Officer of Tenant at the last annual Basic Rent payable under this Lease plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

7. COMPLIANCE WITH LAW. Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

8. DAMAGE OR DESTRUCTION.

(a) Damage. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made untenantable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises tenantable again using standard working methods. The failure to do so shall be a material Default hereunder. Basic Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

(b) Tenant Termination Right. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving written notice within ten (10) days after notice from Landlord specifying such time period of repair; and this Lease shall terminate and the Basic Rent shall be abated from the date the Premises became untenantable. In the event that Tenant does not elect to terminate this Lease, Landlord shall

promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided insurance proceeds are available to repair the damages.

(c) Damage In Last Year. Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than thirty (30) days after such destruction, in which case (a) Landlord shall have no obligation to restore the Premises, (b) Landlord may retain all insurance proceeds relating to such destruction, and (c) this Lease shall terminate as of the date which is thirty (30) days after such written notice of termination..

(d) Default By Landlord. If Landlord is required to repair and restore the Premises as provided for in this Section and Landlord should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Tenant may (a) declare a default hereunder or (b) perform or cause to be performed the restoration work and deduct the cost thereof plus interest thereon at ten percent (10%) per annum, from the Basic Rent next due as a charge against the Landlord.

9. REPAIRS AND MAINTENANCE.

(a) Landlord Representations. Landlord represents to Tenant that (i) the Premises and the Building (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including the Americans With Disabilities Act; and are in reasonably good working order and condition; (ii) the Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirements; and (iii) the Premises, and Building are free of the presence of any Hazardous Materials (as hereinafter defined) and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building that the Premises and the Building contain no asbestos containing materials. Landlord will furthermore provide a one-year warranty from the rent commencement date for the building and all project improvements.

(b) Maintenance Obligations Once the warranty period has expired, Tenant shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed: (i) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intrabuilding network cable (ii) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building (iii) the Common Areas; and (iv) exterior windows of the Building. Tenant, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Tenant's repair obligations include, without limitation, repairs to: (1) the floor covering (if such floor covering is carpeting it shall be replaced as needed); (2) interior partitions; (3) doors; (4) the interior side of demising walls (which shall be repainted as needed) and (5) signage.

10. SERVICES AND UTILITIES.

Landlord shall furnish the following services and utilities to the Premises:

(a) HVAC. Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit D attached hereto.

(b) Electricity. Landlord shall furnish to the Premises the amount of electric current provided for in the Working Drawings but in any event not less than seven (7) watts of electric current (connected load) per square foot of Rentable Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or subpanels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

(c) Elevators

N/A

(d) Water. Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

(e) Janitorial. To be provided by Tenant at its sole cost.

(f) Access. Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and the Property on a seven (7) day per week, twenty-four (24) hour per day basis.

(g) Payment

Tenant shall directly pay for all gas, heat, light, power and sewer charges, telephone service and all other services and utilities supplied to the Premises, together with any taxes thereon. Landlord shall not be liable to Tenant for interruption in or curtailment of any utility service, except to the extent such interruption or curtailment is due to Landlord's negligence or intentional misconduct

11. LANDLORD ACCESS. Tenant shall permit Landlord and its agents to enter the Premises upon prior written notice for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or Premises, Basic Rent shall be prorated based upon the percentage of the Premises or Building rendered untenantable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency.

12. TENANT DEFAULT.

(a) Default. The occurrence of any one or more of the following events (a "Default") shall constitute a material default and breach of this Lease by Tenant:

(i) the failure by Tenant to make any payment of Basic Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of ten (10) days after written notice to Tenant;

(ii) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

(b) Termination. Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

(c) No Effect on Indemnity. Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

13. LANDLORD DEFAULT.

(a) Remedies. In addition to the provisions for Landlord's default provided by Sections 9(d), 10(c) 19 and 20(b), Landlord shall be in default in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10(c)) ; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such five (5) day period, Landlord shall not be deemed to be in default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the default by Landlord ("Landlord Default") is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein: (i) to remedy such default or breach and deduct the costs thereof (including but not limited to attorneys' fees) plus interest at the rate of ten (10%) per annum from the installments of Basic Rent next falling due; (ii) to pursue the remedy of specific performance; (iii) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Basic Rent next coming due; or (iv) to terminate this Lease.

(b) Waiver. Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

(c) Emergency. Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially and adversely affect the operation of Tenant's business in the Premises.

14. ASSIGNMENT AND SUBLETTING. Tenant may not assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior written consent, which consent may not unreasonably be withheld.

15. ALTERATIONS AND ADDITIONS.

. Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria: (1) complies with all Laws; (2) is not visible from the exterior of the Building; and (3) will not materially affect the systems or structure of the Building. If Landlord

fails to respond in writing within thirty (30) days of such request, Landlord shall be deemed to approve the Alterations.

16. CONDEMNATION.

(a) Controlling Terms. If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor, either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

(b) Total Taking. If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

(c) Partial Taking. If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated.

(d) Restoration. Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, this Lease shall continue in effect. All obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

(e) Award. The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

(f) Waiver of StatuteLandlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the superior court to terminate this Lease in the event of a partial taking of the Premises.

17. INDEMNIFICATION.

INDEMNIFICATION AND INSURANCE REQUIREMENTS: During the term of this Lease, and following acceptance of the building by Lessee, the following indemnification and insurance requirements shall be in effect.

A. INDEMNIFICATION

The Lessor shall indemnify, defend and hold harmless the Lessee from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Lessor's construction, repair, maintenance and other acts and omissions arising from and/or relating to the Lessor's ownership of the Premises.

The Lessee shall indemnify, defend and hold harmless the Lessor, from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Lessee's repair, maintenance and other acts and omissions arising from and/or relating to the Lessee's use of the Premises.

B. GENERAL INSURANCE PROVISIONS - LESSOR REQUIREMENTS

Without limiting the Lessor's indemnification of Lessee and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Lessor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Lessor pursuant to this Lease. The Lessee in no way warrants that the Required Insurance is sufficient to protect the Lessor for liabilities which may arise from or relate to this Lease.

A. Evidence of Coverage and Notice to Lessee

- Certificate(s) of insurance coverage (Certificate) satisfactory to Lessee, and a copy of an Additional Insured endorsement confirming Lessee and its Agents (defined below) has been given Insured status under the Lessor's General Liability policy, shall be delivered to Lessee at the address shown below and provided prior to the start day of this Lease.

- Renewal Certificates shall be provided to Lessee not less than 10 days prior to Lessor's policy expiration dates. The Lessee reserves the right to obtain complete, certified copies of any required Lessor insurance policies at any time.

- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the

Certificate shall match the name of the Lessor identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty five thousand ($25,000.00) dollars, and list any Lessee required endorsement forms.

- Neither the Lessee's failure to obtain, nor the Lessee's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Lessor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

- Certificates and copies of any required endorsements, notices of cancellation shall be delivered to:

Chief Executive Office
7th Floor
500 West Temple Street
Los Angeles, California 90012
Attention: Dawn McDivitt

County of Los Angeles Public Library
7400 East Imperial highway
Downey, California 90242

Attention: County Librarian Lessor also shall promptly notify Lessee of any third party claim or suit filed against Lessor which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Lessor and/or Lessee.

B. Additional Insured Status and Scope of Coverage

The Lessee, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively Lessee and its Agents), shall be provided additional insured status under Lessor's General Liability policy with respect to liability arising from or connected with the Lessor's acts, errors, and omissions arising from and/or relating to the Lessor's operations on and/or its ownership of the premises. Lessee's additional insured status shall apply with respect to liability and defense of suits arising out of the Lessor's acts or omissions, whether such liability is attributable to the Lessor or to the Lessee. The full policy limits and scope of protection also shall apply to the Lessee as an additional insured, even if they exceed the Lessee's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

C. Cancellation of or Changes in Insurance

Lessor shall provide County with, or Lessor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Agreement

D. Failure to Maintain Insurance

Lessor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease, upon which County immediately may withhold payments due to Lessor. County, at its sole discretion, may obtain damages from Lessor resulting from said breach.

E. Insurer Financial Ratings.

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Lessee, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Lessee.

F. Lessor's Insurance Shall Be Primary

Lessor's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to all other sources of coverage available to Lessee. Any Lessor maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Lessee coverage.

G. Waiver of Subrogation

To the fullest extent permitted by law, the Lessor hereby waives its and its insurer(s) rights of recovery against Lessee under all required insurance policies for any loss arising from or related to this Lease. The Lessor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

F. Deductibles and Self-Insured Retentions (SIRs)

Lessor's policies shall not obligate the Lessee to pay any portion of any Lessor deductible or SIR. The Lessee retains the right to require Lessor to reduce or

eliminate policy deductibles and SIRs as respects the Lessee, or to provide a bond guaranteeing Lessor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

H. Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Lessor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

I. Application of Excess Liability Coverage

Lessor may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

J. Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

K. Lessee Review and Approval of Insurance Requirements

The Lessee reserves the right to review and adjust the Required Insurance provisions, conditioned upon Lessee's determination of changes in risk exposures.

III. INSURANCE COVERAGE TYPES AND LIMITS

A. Lessor Requirements (Occupancy Period): After the construction is completed, Lessor shall provide and maintain the following programs of insurance coverage:

(1) **Commercial General Liability Insurance** providing scope of coverage equivalent to ISO policy form CG 00 01, naming Lessee and its Agents as an additional insured, with limits of not less than:

General Aggregate:	$ 2 million
Products/Completed Operations Aggregate:	$ 2 million
Personal and Advertising Injury:	$ 1 million
Each Occurrence:	$ 1 million

(2) **Commercial Property Insurance.** Such coverage shall:

- Provide coverage for Lessee's property and any improvements and betterments; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.

- Be written for the full replacement cost of the property, with a deductible no greater than $250,000 or 5% of the property value, whichever is less. Insurance proceeds shall be payable to the Lessee and Lessor as their interests may appear.

B. **Lessor Requirements (Construction Period):** During the period of construction, Lessor shall provide and maintain the following programs of insurance coverage:

- **Builder's Risk Course of Construction Insurance.** Such coverage shall insure against damage from perils covered by the Causes-of-Loss Special Form (ISO form CP 10 30). This insurance shall be endorsed to include earthquake, flood, ordinance or law coverage, coverage for temporary offsite storage, debris removal, pollutant cleanup and removal, testing, preservation of property, excavation costs, landscaping, shrubs and plants, and full collapse coverage during construction, without restricting collapse coverage to specified perils. Such insurance shall be extended to include boiler & machinery coverage for air conditioning, heating and other equipment during testing. This insurance shall be written on a completed-value basis and cover the entire value of the construction project, including Lessor furnished materials and equipment, against loss or damage until completion and acceptance by the Lessee and the Lessor if required. Such coverage shall provide a per occurrence deductible of no greater than ten percent (10%) of the value insured for earthquake, and five percent (5%) of the value insured for all other perils.

- **General Liability Insurance.** Such coverage shall be written on ISO policy form CG 00 01 or its equivalent, naming Lessor as an additional insured, with limits of not less than:

General Aggregate:	$ 4 million
Products/Completed Operations Aggregate:	$ 4 million
Personal and Advertising Injury:	$ 2 million
Each Occurrence:	$ 2 million

The Products/Completed Operations coverage shall continue to be maintained in the amount indicated above for at least two (2) years from the date the Project is completed and accepted by the Lessee and the Lessor if required.

- **Automobile Liability.** Such coverage shall be written on ISO policy form CA 00 01 or its equivalent with limits of not less than $4 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Such insurance shall cover liability arising out of Lessor's or Lessor's contractor use of autos pursuant to this Lease, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

- **Professional Liability.** Such insurance shall cover liability arising from any error, omission, negligent, or wrongful act of the Lessor's contractor and/or licensed professional (i.e. architects, engineers, surveyors, etc.) with limits of not less than $ 2 million per claim and $ 4 million aggregate. The coverage shall also provide an extended two-year reporting period commencing upon expiration, termination or cancellation of the construction project.

- **Workers Compensation and Employers' Liability Insurance** or qualified self-insurance satisfying statutory requirements. Such coverage shall provide Employers' Liability coverage with limits of not less than $1 million per accident. Such policy shall be endorsed to waive subrogation against the Lessee for injury to the Lessor's or Lessor's contractor employees. If Lessor or Lessor's contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the Lessee as the Alternate Employer, and the endorsement form shall be modified to provide that Lessee will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision.

- **Asbestos Liability or Contractors Pollution Liability Insurance** is needed if construction requires remediation of asbestos or pollutants. Such insurance shall cover liability for personal injury and property damage arising from the release, discharge, escape, dispersal or emission of asbestos, whether gradual or sudden, and include coverage for the costs and expenses associated with voluntary clean-up, testing, monitoring and treatment of asbestos in compliance with governmental mandate or requests. If the asbestos or pollutant will be removed from the construction site, asbestos or pollution liability is also required under the Lessor's or Lessor's contractor Automobile Liability Insurance. Lessor or Lessor's contractor shall maintain limits of not less than $2 million for this project.

- **Performance Security Requirements.** Prior to the beginning of construction Lessor shall require its contractor to file surety bonds with the Lessee and the Lessor if required in the amounts and for the purposes noted below. All bonds shall be duly executed by a solvent surety company that is authorized by the State of California, is listed in the United States Department of the Treasury's Listing of Approved Sureties Treasury (Circular 570) and is satisfactory to the County, and it shall pay all premiums and costs thereof and incidental thereto (see www.fms.treas.gov/c570/).

  Each bond shall be signed by the Lessor's Contractor (as Principal) and the Surety.

  The Lessor's contractor shall give two surety bonds with good and sufficient sureties: the first in the sum of not less than 100% of the Project price to assure the payment of claims of material men supplying materials to Lessor's contractor, subcontractors, mechanics, and laborers employed by the Lessor's contractor on the Project, and the second in the sum of not less than 100% of the Project price to assure the faithful performance of the Project Contract.

  1. The "Materials and Labor Bond" (or "Payment Bond") shall be so conditioned as to inure to the benefit of persons furnishing materials for, or performing labor upon the Work. This bond shall be maintained by the Lessor's contractor in full force and effect until the Work is completed and accepted by the Lessee and the Lessor if required, and until all claims for materials, labor, and subcontracts are paid.

  2. The "Bond for Faithful Performance" shall be so conditioned as to assure the faithful performance by the Lessor's contractor of all Work under said Project contract within the time limits prescribed, including any maintenance and warranty provisions, in a manner that is satisfactory and acceptable to the Lessee and the Lessor if required; that all materials and workmanship supplied by Lessor's contractor will be free from original or developed defects, and that should original or developed defects, or

failures appear within a period of one year from the date of Acceptance of the Work by the Lessee and the Lessor if required, the Contractor shall, at Contractor's own expense, make good such defects and failures, and make all replacements and adjustments required, within a reasonable time after being notified by the Lessee to do so, and to the approval of the Lessor if required. This bond shall be maintained by the Lessor's contractor in full force and effect during the performance of the Project and for a period of one year after acceptance of the Work by the Lessee and the Lessor if required.

Should any surety or sureties upon said bonds or any of them become insufficient, or be deemed unsatisfactory by the Lessee or the Lessor, said Contractor shall replace said bond or bonds with good and sufficient sureties within ten (10) days after receiving notice from the Lessee or the Lessor that the surety or sureties are insufficient or unsatisfactory.

No further payment shall be deemed due, or will be made under this Contract until the new sureties shall qualify and be accepted by the Lessee and the Lessor.

18. PARKING.

. Tenant shall have the right to the number of exclusive reserved parking stalls set forth in Section 1 without charge for the Term of this Lease. No tandem parking shall be permitted and Tenant shall be entitled to full in/out privileges. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time.

19. ENVIRONMENTAL MATTERS

(a) Hazardous Materials. Tenant shall not cause nor permit, nor allow any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and

all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant or the Premises or Property.

(b) Landlord Indemnity. Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials on the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

20. ESTOPPEL CERTIFICATES. Tenant shall, within thirty (30) days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently herewith (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

21. PROJECT IMPROVEMENTS(a) Construction of Project Improvements. Prior to the Rent Commencement Date, at its sole cost, Landlord shall construct or cause to be constructed the turn-key Library project in accordance with Exhibits F-M of the RFP, in the manner set forth herein and in accordance with the Option Agreement and the approved plans and specifications approved by Tenant pursuant thereto. This work shall be referred to collectively herein as the "Project Improvements."

(b) Cost of Project Improvements.All Project Improvements shall be performed at the sole expense of Landlord and shall be included in the annual Base Rent hereunder and are not reimbursable by Tenant other than as expressly provided herein. In the event of any early termination of the Lease by Tenant for any reason other than a Landlord Default, Tenant shall reimburse Landlord for any unamortized portion of the cost of the Project Improvements in a lump sum, payable to Landlord within 30 days of the effective date of such early termination.

(c) Bids. Landlord represents that, unless waived by Tenant in writing, any major contractors, subcontractors and materials providers providing labor and/or materials for the Project Improvements were or shall be selected only after at least three (3) bids have been solicited from responsible and qualified persons.

Compliance with Laws During Construction. Construction of the Project Improvements shall comply with all applicable laws and regulations and shall be subject to the general inspection of Tenant. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including, but not limited to, all provisions of the Labor Code of the State of California and the Americans With Disabilities Act ("ADA"). Under the provisions of the 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 workman 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, are filed with the Clerk of the Board of Supervisors and must be posted at the site.

(e) Compliance with Insurance Requirements During Construction. Landlord shall comply, and contractually require (and use diligent efforts to enforce such requirement), Landlord's General Contractor, any party to a Subcontract, and the Architect and Engineer to comply with the insurance requirements set forth in the Lease and all legal requirements in connection with the performance of all construction work on the Premises, including without limitation construction of the Project Improvements. Landlord shall not permit any construction work to be done on the Premises until Landlord shall have provided or caused to be provided to the Tenant original or certified copies of policies of insurance, together with appropriate endorsements, evidencing coverage for all insurance required to be maintained by Landlord pursuant to Section 19 of the Lease. Landlord shall ensure that such insurance is maintained at all times prior to the completion of construction of the Project Improvements and during the entire Construction Period. Landlord shall ensure that all premiums are paid, the insurance complies with all Insurance Requirements, and take all other actions necessary to keep such policies of insurance in effect until all work in connection with any construction on the Property shall have been completed.

(h) General Contractor's Bonds. Before commencing construction of any of the Project Improvements on the Premises, Landlord shall deliver, or cause its General Contractor to deliver, to the Tenant a performance bond or bonds and a labor and materials payment bond or bonds, issued by a surety authorized to do business in the State of California, guaranteeing full performance of the Landlord's General Contractor in connection with the construction of any Project Improvements in accordance with the Final Plans (as defined in the Option Agreement), and payment to all claimants for labor and materials used or reasonably required for use in the construction of the Project Improvements, in a form satisfactory to Tenant, in the amount of one hundred percent (100%) of the total Construction Budget, and with a surety approved by Tenant which approval shall not be unreasonably withheld or delayed. Such bonds shall name the Landlord and the Tenant as obligees. The term of each such bond shall commence on or before the commencement of construction. Each bond shall remain in effect until the date on which the bonded obligations are satisfied by the Landlord's General Contractor or by the surety's performance in accordance with the terms of the bonds. The performance-bonded obligations shall be deemed to be satisfied upon the date of issuance of a Certificate of Occupancy for the Premises. Each payment bond shall remain in effect until (a) the expiration of the period for filing a claim of lien or serving a stop notice as provided by law, provided that no claim of lien or stop notice has been filed or served, or (b) if a claim of lien is filed or a stop notice is served, (i) the expiration of the period for filing an action to foreclose such lien or enforce such stop notice, provided that no such action has been filed, (ii) the date upon which the Project Improvements are freed from the effect of such claim of lien or stop notice and any action brought to foreclose such lien or enforce such stop notice, or (iii) the date upon which all liens or stop notices are otherwise discharged.

Construction Meetings. During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise, at a time and place which is mutually convenient. An initial construction meeting shall be held within five (5) days of the Lease Commencement Date.

County Representative. During the course of construction the County reserves the right to assign a representative on a full time basis at the project site for the purposes of quality control and quality assurance

Tenant Improvement Costs Adjustment and Right to Audit. Within five (5) days of the issuance of a Certificate of Occupancy, or a final sign-off by the County of Los Angeles,

which ever occurs first, Landlord shall provide to Tenant a statement showing in reasonable detail the total of all costs of Project Improvements provided by Landlord hereunder. Upon approval of the statement by Tenant, payments by either party pursuant to the Lease and this Landlord's Work Letter shall be adjusted as appropriate, based upon such statement. Tenant shall have the right to audit these costs for a period of twenty-four (24) months from the date of acceptance by Tenant of the Premises. In the event the audit shows that Tenant is entitled to a reduction in payments to the Landlord under this Lease, Tenant shall provide Landlord with a copy of the audit summary and Landlord shall pay Tenant the amount of any over-payment made by Tenant within thirty (30) days and future payments shall be adjusted as appropriate based upon the audit results.

Conformed Plans. Within sixty (60) days after Substantial Completion of the Project Improvements and receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Landlord will provide five (5) sets of final plans and specifications. In addition, the Landlord shall submit the drawings on CDs in Auto CAD R 13.dwg (or current later version) format and PDF format with one complete set of mylar transparencies of drawings and one complete set of specifications on CD in both Word and PDF format.

(e) Ownership of Project Improvements. All of the Project Improvements and any other improvements of every kind and nature whatsoever installed by Landlord in the Building or on the Premises shall be the property of Landlord upon installation or construction and throughout the Term of this Lease. Upon expiration of this Lease, all such improvements (including all fixtures, trade fixtures, and equipment) shall become County property, provided, however, that County shall have the right to require Landlord to remove all or any portion of such improvements at the expiration or other termination of the Lease term by giving written notice to Landlord in writing. Any Tenant equipment, furniture, and personal property existing on the Premises as of the Commencement Date or upon beneficial occupancy by Tenant shall remain the property of the Tenant.

22. LIENS. Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

23. SUBORDINATION AND MORTGAGES

(a) Subordination and Non-Disturbance. Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein.

(b) Existing Deeds of Trust. The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith within thirty (30) days after the execution of this Lease.

(c) Notice of Default. If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section , Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notice of Default served upon Landlord hereunder which could permit Tenant to terminate this Lease and an additional ten (10) days within which to cure such Default.

24. SURRENDER OF POSSESSION. Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

25. SIGNAGE. Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.

26. QUIET ENJOYMENT. So long as Tenant is not in material default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises during the Term of this Lease, subject to the terms and conditions of this Lease.

27. GENERAL

(a) Headings. Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

(b) Successors and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

(c) Brokers. Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. Tenant shall receive from Landlord or Landlord's broker, within ten (10) days after the execution of this Lease, an amount equal to 50% of all commissions due to Landlord's broker as a result of the execution of this Lease.

(d) Entire Agreement. This Lease (and the Exhibits hereto), together with the Option to Lease and Design Agreement dated ____, 2014 between the parties hereto, is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

(e) 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 the remaining provisions hereof shall nevertheless remain in full force and effect.

(f) Notices. All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified

mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

(g) Governing Law and Forum. This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

(h) Waivers. No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

(i) Time of Essence. Time is of the essence for the performance of all of the obligations specified hereunder.

(j) Consent. Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

(k) Community Business Enterprises Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Document IV in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

28. AUTHORITY. Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Officer of the County or its delegee (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

29. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

(a) Consideration of GAIN Program Participants. Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment, openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

(b) Solicitation of Consideration. It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord with the implication, suggestion or statement that the landlord's provision of the consideration may secure more favorable treatment for the landlord in the award of a lease or that landlord's failure to provide such consideration may negatively affect the County's consideration of the landlord's offer to lease. A landlord shall not offer 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 the award of a lease.

Landlord 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's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the landlord's submission being eliminated from consideration.

(c) Landlord Assignment.

(i) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Basic Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.

(ii) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.

(iii) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of the California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with collateralized mortgage backed securities ("CMBS") financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to, certificate of participation financing.

(iv) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County may impose damages in an amount equal to the greater of (a) $500,000 or (b) 10% of the

aggregate principal portion of all rental payments payable by the County during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

(v) Landlord shall give the County notice and a copy of each Security Agreement and any other instrument relating thereto (including, but not limited to, instruments providing for the payment of Basic Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.

(vi) Landlord shall not furnish any information concerning County or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or entity, except with County's prior written consent. Landlord shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section.

(vii) The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.

30. OPTION TO PURCHASE(a) Provided that no material default has occurred and is continuing under the Lease at the time of exercise, Tenant shall the exclusive option to purchase the Building, together with the Property on which it is located ("Purchase Option"). Tenant shall have the right to exercise the Purchase Option at any time after the Rent Commencement Date. Tenant shall provide notice of its intent to exercise the Purchase Option to Landlord by letter from Tenant's Chief Executive Office.

(b) The purchase price for the Building (and the Property on which it is located) shall be equal to the remaining unamortized portion of the total cost of the Project Improvements at the time of exercise of the Purchase Option, which the parties agree represents a fair market value for the Building and Property (the "Purchase Price"). The Purchase Price shall be payable in a lump sum concurrent with the closing of escrow.

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

LANDLORD:

_____

By: _____
Name: _____
Its: _____

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By: _____
Name: _____
Chairman, Board of Supervisors

_____

ATTEST:

Sachi A. Hamai
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

John F. Krattli
County Counsel

By: _____
Deputy

EXHIBIT A

FLOOR PLAN OF PREMISES

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

EXHIBIT C

COMMENCEMENT DATE MEMORANDUM
AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain lease ("Lease") dated _____, 201__, between County of Los Angeles, a body politic and corporate ("Tenant"), and _____, a _____ ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises comprising the entire building located at _____ ("Premises"),

Landlord and Tenant hereby acknowledge as follows:

(1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date");

(2) Tenant has accepted possession of the Premises and now occupies the same;

(3) The payment of rent under the Lease commenced on _____ ("Rent Commencement Date");

(4) The Premises contain _____ rentable square feet of space; and

(5) Basic Rent Per Year is _____.

IN WITNESS WHEREOF, this Memorandum is executed this ___day of _____, 201_.

"Tenant"	"Landlord"
COUNTY OF LOS ANGELES, a body politic and corporate By: _____ Name: _____ Its: _____	_____, a _____ By: _____ Name: _____ Its: _____

EXHIBIT D

HVAC STANDARDS

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

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COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

DEPARTMENT: _____, as Tenant

LANDLORD: _____, a _____

[_____address of premises_____]