HOUSING AUTHORITY
of the County of Los Angeles
Administrative Office
2 Coral Circle • Monterey Park, CA 91755
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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

December 5, 2006

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

THREE-YEAR NON-EXCLUSIVE LICENSE AGREEMENT FOR SECTION 8 PROGRAM ADMINISTRATIVE HEARINGS AT 42011 4TH STREET WEST, LANCASTER (5)
(3 Vote)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that entering into a three-year Non-Exclusive License Agreement to provide 487 square feet of administrative hearing space for the Section 8 Program at the Michael D. Antonovich Superior Courthouse, located at 42011 4th Street West in the City of Lancaster, is exempt from the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activity will not have the potential for causing a significant effect on the environment.

2. Approve the three-year Non-Exclusive License Agreement with the County of Los Angeles, presented in substantially final form, for the purposes described above; and authorize the Executive Director to execute the Non-Exclusive License Agreement, to be effective following approval as to form by County Counsel and execution by all parties.

3. Authorize the Executive Director to use a maximum of $22,880 in Section 8 Earned Administrative Fees, for the purposes described above, of which $5,607 is included in the Housing Authority's approved 2006-2007 Fiscal Year Budget and the remainder will be requested through the annual budget process.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The Section 8 Program has experienced rapid growth in the Antelope Valley over the past 10 years, resulting in the overcrowding of both staff and clients at the current facility. The proposed agreement will enable the North County Section 8 Program office to relocate its administrative hearings to a more spacious and appropriate setting at the Michael D. Antonovich Superior Courthouse.

FISCAL IMPACT/FINANCING:

There is a positive impact on the County general fund from the leasing of the Michael D. Antonovich Superior Courthouse at a cost of $623 per month, or a total of $22,880 over the three-year term. This includes fixed rent increases of two percent per year.

The Housing Authority will use funds included in the approved 2006-2007 budget for the initial nine months of rental costs and will request funds through the annual budget process for the remaining term.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The proposed non-exclusive license agreement with the County provides non-exclusive use of 487 square feet of Section 8 Program administrative hearing space. The Non-Exclusive License Agreement contains the following provisions:

- The License begins with approval as to form by County Counsel and execution by all parties at a monthly rent of $623.
- The space is fully improved and furnished and there are no additional costs to the Housing Authority.
- The Section 8 Program administrative hearing space will be occupied two days per week during normal Courthouse operating hours.
- A cancellation provision is provided for the Housing Authority and the County by giving the other party 30 days written notice.

The Housing Authority has followed the principles of the Los Angeles County Strategic Asset Management Plan and the Real Property Acquisition Policy, and has worked closely with the Chief Administrative Office in developing the proposed Non-Exclusive License Agreement.

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On October 25, 2006, the Housing Commission recommended approval of the Non-Exclusive License Agreement. It will be effective following approval as to form by County Counsel and execution by all parties.

ENVIRONMENTAL DOCUMENTATION

Pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (a)(3)(iii), this project is excluded from the National Environmental Policy Act (NEPA), because it involves activities that will not alter existing environmental conditions. It is also exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES:

The Non-Exclusive License Agreement will facilitate the delivery of programs and services to the County of Los Angeles.

Respectfully submitted,

Bobbette A. Glover
for CARLOS JACKSON
Executive Director

Attachment: 1

NON –EXCLUSIVE LICENSE AGREEMENT

THIS NON-EXCLUSIVE LICENSE AGREEMENT ("License"), is made and entered into this _____ day of _____, 2006,

BY AND BETWEEN **COUNTY OF LOS ANGELES,** a body corporate and politic, hereinafter referred to as "County,"

AND **HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES,** a public body corporate and politic, hereinafter referred to as "Licensee,"

RECITALS:

County is the owner of certain real property located at 42011 4th Street West, Lancaster, California, and is authorized to license use of the property pursuant to Government Code §§ 25537 and 26227; and

Licensee is desirous of using on a nonexclusive basis, a portion only of said real property which is not required exclusively for County use.

In consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto and each of them do agree as follows:

1. **LICENSED AREA**

1.01 County hereby provides a non-exclusive License to Licensee and Licensee hereby agrees to the use upon the terms and conditions hereinafter set forth, of approximately 487 square feet of office space in Rooms 3540B and 3530, situated within the County courthouse, located at 42011 4th Street West, Lancaster, California (the "Licensed Area").

1.02 The Licensed Area shall be used only two (2) days per week by Licensee during the Courthouse's normal operating hours by the Licensee to conduct Section 8 fraud hearings and such other purposes as are related thereto.

1.03 Licensee shall make no alterations or improvements to the Licensed Area.

1.04 In the event that Licensee makes any alterations or improvements in violation of Section 1.03 of this License, County may immediately and without prior notice to Licensee exercise any or all of following options:

(a) Require Licensee to immediately remove all alterations and improvements and restore the Licensed Area to its pre-existing condition;

(b) Remove the alterations or improvements and charge Licensee for the cost of such removal;

(c) Notify Licensee of County's intent to retain any and all improvements installed by Licensee in violation of Section 1.03 upon termination of the License; and/or

(d) Terminate the License and require Licensee to vacate the Licensed Area immediately.

1.05 Licensee acknowledges personal inspection of the Licensed Area and the surrounding area and evaluation of the extent to which the physical condition thereof will affect the License. Licensee accepts the Licensed Area in its present physical condition and agrees to make no demands upon County for any improvements or alterations thereof.

1.06 Licensee hereby acknowledges the title of County and/or any other public agencies having jurisdiction thereover, in and to the Licensed Area and covenants and agrees never to assail, contest or resist said title.

2. TERM

2.01 The term of the License shall be for a period of three (3) years commencing upon full execution of this License by the County and Licensee.

2.02 Either party shall have the option of terminating this License at will upon giving the other party notice in writing at least thirty (30) days in advance of such termination. Notwithstanding the foregoing provision, this License may be immediately canceled in the event of an emergency or unsafe condition.

3. PAYMENT

3.01 Licensee shall pay County for the use granted herein at the rate of Six Hundred Twenty Three Dollars ($623.00) per month, payable in advance. Payments shall be payable on the first (1st) day of each and every month of the term hereof and shall be made by check or draft issued and payable to the County of Los Angeles, and mailed or otherwise delivered to the County of Los Angeles, Auditor-Controller, Administrative Services, Room 410, 500 West Temple Street, Los Angeles, CA 90012, Attention: Franchise/Concessions Section.

3.02 Commencing with the first (1st) anniversary of the License term, and for each successive one (1) year period thereafter, the payment amount set forth in Paragraph 3.01 shall be subject to an annual two percent (2%) compounded adjustment.

4. OPERATING RESPONSIBILITIES

4.01 Compliance with Law. Licensee's operations in and use of the Licensed Area shall conform to and abide by all County ordinances and all State and Federal laws and regulations insofar as the same or any of them are applicable; and where permits and/or licenses are required for Licensee's specific use of the Licensed Area, the same must be first obtained from the regulatory agency having jurisdiction thereover. County shall maintain the Licensed Area in compliance with all applicable County ordinances and State and Federal laws and regulations.

4.02 Signs. Licensee shall not post signs or advertising matter upon the Licensed Area or improvements thereon unless prior approval therefor is obtained from the County, whose approval shall not be unreasonably withheld.

4.03 Sanitation. No offensive matter or refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain on the Licensed Area, and Licensee shall prevent any accumulation thereof from occurring. Licensee shall pay all charges which may be made for the removal thereof.

4.04 Maintenance. County shall be responsible for maintaining the Licensed Area in a clean and sanitary condition.

4.05 Security Devices. The Licensee shall be responsible for securing the Licensed Area during the period of Licensee's usage as defined in Section 1.02 of this License.

4.06 Utilities. The County shall be responsible for payment of all utilities necessary for the operation of the Licensed Area, excluding communication, audio, video, data and internet lines, equipment or access ("Data Lines"). Licensee will be responsible for paying for any Data Lines that may be needed. County shall provide access to the building in which the Licensed Area is located for installation of Data Lines upon receipt and approval of plans.

4.07 Examination of Licensed Area. Licensee shall permit authorized representatives of the County to enter the Licensed Area for the purpose of determining whether the authorized activities are being conducted in compliance with the terms of this License, or for any other purpose incidental to the performance of the duties required by the Los Angeles County Code.

5. HOLD HARMLESS AND INDEMNIFICATION

Licensee agrees to indemnify, defend, save and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents, the Los Angeles Superior Court, the California Judicial Council and the California Administrative Office of the Courts, their elected and appointed officers, employees and agents, from and against any and all liability, expense (including defense costs and legal fees), and claims for damages of any nature whatsoever, including, but not limited to, bodily injury,

death, personal injury, or property damage arising from or connected with Licensee's, and its members, agents and invitees', operations on and use of the Licensed Area and the attraction caused by their operations on and use of the Licensed Area which attracts third parties and members of the general public to the Licensed Area, including any Workers' Compensation suit, liability, or expense, arising from or connected with services performed on behalf of Licensee by any person pursuant to this License.

County shall indemnify, defend and hold harmless Licensee, Community Development Commission of the County of Los Angeles, and their directors, agents, officers and employees from and against any and all claims, liability, demands, causes of action, losses and expense, including reasonable defense costs, attorneys' fees and legal fees (collectively, "Claims"), including, but not limited to Claims for bodily injury, death, property damage, or workers' compensation due to the negligent acts or omissions of the County.

6. **INSURANCE**

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

(a) General Liability Insurance (written on ISO policy form CG 00 01 or its equivalent) and endorsed to name County as an additional insured, with limits of not less than the following:

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

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

(c) Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California and for which Licensee is responsible, and including Employers' Liability coverage with limits of not less than the following:

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

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

It is acknowledged and understood by the County that the Licensee has Self-Insured Retention of $500,000. For this Self-Insured Retention the County cannot be named an additional insured. Therefore, all requirements that the County be named as an additional insured are waived except as to the Licensee's excess coverage.

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

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

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

6.06 Self Insurance. County acknowledges that the Licensee is self-insured for the first Five Hundred Thousand Dollars ($500,000) of any claim or loss.

7. FAILURE TO PROCURE INSURANCE

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

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

8. TRANSFERS

Licensee acknowledges that the rights conferred herein are personal to Licensee and do not operate to confer on or vest in Licensee any title, interest, or estate in the Licensed Area or any part thereof, and therefore, Licensee shall not assign, hypothecate or mortgage the Licensed Area or any portion thereof, by, through, or pursuant to this License.

9. NONDISCRIMINATION

Licensee certifies and agrees that all persons employed by Licensee and/or by the affiliates, subsidiaries, or holding companies thereof are and shall be treated equally without regard to or because of race, ancestry, national origin, or sex, and in compliance with all Federal and State laws prohibiting discrimination in employment, including but not limited to the Federal Civil Rights Act of 1964; the Unruh Civil Rights Act; the Cartwright Act; the State Fair Employment Practices Act; and the Americans with Disabilities Act.

10. DEFAULT

Licensee agrees that if default shall be made in any of the covenants and agreements herein contained to be kept by Licensee, County may forthwith revoke and terminate this License, in addition to any of the County's other rights and remedies provided at law and in equity.

11. WAIVER

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

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

12. SURRENDER

Upon expiration of the term hereof or cancellation thereof as herein provided, Licensee shall peaceably vacate the premises and deliver the Licensed Area to County in reasonably good condition.

13. ENFORCEMENT

The County's Chief Administrative Officer shall be responsible for the enforcement of this License on behalf of County and shall be assisted therein by those officers, employees, or committees of County having duties in connection with the administration thereof.

14. COUNTY LOBBYIST ORDINANCE

Licensee is aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code, and certifies full compliance therewith. Failure to fully comply shall constitute a material breach upon which County may terminate or suspend this License.

15. NOTICES

Any notice required to be given under the terms of this License or any law applicable thereto may be placed in a sealed envelope, with postage paid, addressed to the person on whom it is to be served, and deposited in a post office, mailbox, sub post office, substation or mail chute, or other like facility regularly maintained by the United States Postal Service. The address to be used for any notice served by mail upon Licensee shall be:

Housing Authority of the County of Los Angeles
Attention: Executive Director
2 Coral Circle
Monterey Park, CA 91755

or such other place as may hereinafter be designated in writing to the County by Licensee. Notice served by mail upon County shall be addressed to:

Chief Administrative Officer
Real Estate Division - Property Management
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012

or such other place as may hereinafter be designated in writing to Licensee by the Chief Administrative Officer. Service by mail shall be deemed complete upon deposit in the above-mentioned manner.

16. REPAIR OF DAMAGE

Licensee shall, at Licensee's sole expense, be responsible for the cost of repairing any area of the building in which the Licensed Area is located, including the Licensed Area, which is damaged by Licensee or Licensee's agents, employees, invitees or visitors, including the repair of low voltage electronic, telecommunications, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Licensee. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by County, which approval shall not be unreasonably withheld or delayed, (b) be at least equal in quality, value and utility to the original work or installation, and (c) be in accordance with all laws.

17. DAMAGE OR DESTRUCTION

Should the Licensed Area or the building in which the Licensed Area is located, be damaged by fire, incidents of war, earthquake, or other violent action of the elements, the County shall have the option to terminate this License.

18. SOLICITATION OF CONSIDERATION

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

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

19. CONFLICT OF INTEREST

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

20. SIGNATURE AUTHENTICITY CLAUSE

The individual(s) executing this License hereby personally covenants, guarantees and warrants that he/she has the power and authority to obligate the Licensee to the terms and conditions in this License. Licensee shall sign this License before a Notary Public and return it to County for approval. Upon approval, a signed original will be mailed to Licensee.

21. TAXATION OF LICENSED AREA

21.01 The interest (as defined in California Revenue and Taxation Code Section 107) in the Licensed Area created by this License may be subject to property taxation if created. The party in whom the property interest is vested may be subject to the payment of the property taxes levied on the interest.

21.02 Licensee shall pay before delinquency all lawful taxes, assessments, fees or charges which at any time may be levied by the Federal, State, County, City, or any other tax or assessment-levying body upon the Licensed Area and any improvements located thereon.

21.03 If Licensee fails to pay any lawful taxes or assessments upon the Licensed Area which Licensee is obligated to pay, Licensee will be in default of the License.

21.04 County reserves the right to pay any such tax, assessment, fees or charges, and all monies so paid by County shall be repaid by Licensee to County upon demand. Licensee and County agree that this is a license and not a lease and no real estate interest is being conveyed herein.

22. INTERPRETATION

Unless the context of this License 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.

23. ENTIRE AGREEMENT

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

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IN WITNESS WHEREOF, Licensee has executed this License or caused it to be duly executed and County of Los Angeles, pursuant to Los Angeles County Code Chapter 2.08, has caused this License to be executed on its behalf by the Chief Administrative Officer of said County or his designee on the day, month and year first written above.

LICENSEE

HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

By_____
CARLOS JACKSON
Title Executive Director

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By:_____
Deputy

ATTEST:

CONNY B. McCORMACK
Registrar-Recorder/County Clerk

By_____
Deputy

COUNTY OF LOS ANGELES

DAVID E. JANSSEN
Chief Administrative Officer

By_____

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By_____
Senior Associate County Counsel

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