



County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

September 11, 2007

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

Dear Supervisors:

AGREEMENTS RELATED TO THE OPERATIONS OF TWO COUNTY EMPLOYEE CHILD CARE PROGRAMS (ALL AFFECTED) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Chief Executive Officer (CEO) to enter into a partnership with the City of Los Angeles through June 30, 2010, related to the operation of the Van Nuys Civic Child Development Center. The terms of this partnership are defined in the attached Memorandum of Understanding (MOU) and include acceptance of \$15,000 per year for three years to support the operation of this County employee child care center and to extend priority for enrollment in this child care center to employees of the City.
2. Direct the CEO to negotiate and execute a license agreement with the University of Southern California (USC), School for Early Childhood Education for USC's use of a classroom at the County Kid's Place employee child care center located at 2916 South Hope Street, Los Angeles. Authorize the license revenue to be placed in an account to be administered by the CEO and used for the following purposes: a) to support the center's facility maintenance; b) to establish a scholarship program to assist lower paid County employees in enrolling in the center; and c) to retain a qualified teaching staff at the center.
3. Find that the license of surplus County property identified at the County Kid's Place employee child care center is exempt from the California Environmental Quality Act (CEQA) pursuant to Class 1 of the County's Environmental Document Reporting Procedures and Guidelines.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Los Angeles County has established 11 child care centers to facilitate County employees' access to high quality, affordable, and conveniently located child care services. Operators of the employee child care centers are selected through a request for proposal process. The employee child care facilities are made available on a rent free basis to the successful bidders, and parent fees are used to support the day to day operations of these programs. The actions recommended in this motion will maximize the opportunities afforded to two of the County employee child care centers.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Adoption of the proposed recommendations are consistent with Goals 2 (Workforce Excellence) and 5 (Child and Family Well-Being) of the County Strategic Plan. Various studies have demonstrated that employees who have access to high quality child care services that are affordable and dependable, have strong attendance records as well as increased productivity and commitment to their employer. Research has also documented that young children who participate in high quality child care and development services arrive at elementary school ready to learn.

FISCAL IMPACT/FINANCING

Entering into the proposed agreements will provide new revenue streams to support the operations of two County employee child care programs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Van Nuys Civic Child Development Center

Attachment I is an agreement that has been developed and endorsed by appropriate representatives of the City and County. The MOU is effective upon execution by both parties and shall be continuous through June 30, 2010. According to the terms, the City agrees to contribute \$15,000 per year to the operations of the Van Nuys Civic Child Development Center, and to identify a representative to serve on the Van Nuys Civic Child Development Center Advisory Committee. In return, City employees will have priority for enrollment in the program over the general public, and will pay the City and County sponsored rates for their child care services.

County Kid's Place

With your Board's approval, an agreement substantially similar to Attachment II will be finalized between USC, School for Early Childhood Education, and CEO, with notification to the County of Los Angeles Department of Health Services (DHS).

The proposal to enter into a Non-Exclusive License Agreement with USC, School for Early Childhood Education has been reviewed and endorsed by the following stakeholders:

- Knowledge Learning Corporation, the current program operator;
- Community Care Licensing Division of the California Department of Social Services, the regulating entity; and
- DHS, proprietor of the facility.

In addition, a representative of the Head Start Bureau, Region IX, Administration for Children and Families has approved use of the facility for the USC Head Start program.

Revenue realized from the license will be deposited in an account managed by the CEO, with input from the County Kid's Place Advisory Committee, and used to support the County Kid's Place program in three specific areas:

- Supplement facility maintenance to ensure that the environment is clean, safe, and appropriate for use by young children. This will provide some financial relief to the H. Claude Hudson Comprehensive Health Center, the County facility responsible for maintenance of the child care center.
- Create a scholarship fund so that lower income employees can access child care services at County Kid's Place. Even though fees at all County employee child care centers are close to countywide averages, they represent a substantial portion of an entry level employee's income.
- In June 2008, award staff retention stipends to those teaching staff at County Kid's Place who have worked nine months or longer at this center, and have completed at least one three semester unit college course related to child development, or leading to an Associate of Arts or Bachelor of Arts degree in child development or closely allied field.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Van Nuys Civic Child Development Center

The Van Nuys Civic Child Development Center is located in the Van Nuys Civic Center and began serving children in January 2006. The City has a sizable workforce in the area and has been supportive of the program throughout its development. In addition to supporting day to day operating costs, this contribution will make it possible for the center to establish a scholarship fund to assist lower paid City and County employees in enrolling in the center. The scholarship fund will be managed by the Van Nuys Civic Child Development Center Advisory Committee.

County Kid's Place

County Kid's Place has been operating at 2916 South Hope Street, Los Angeles, on the campus of the H. Claude Hudson Comprehensive Health Center since 1992. While the program has maintained steady enrollment in its infant and toddler programs, it has struggled to reach full enrollment in its preschool program. As a result, one preschool classroom has not been fully utilized.

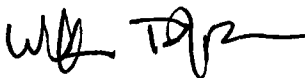
USC, School for Early Childhood Education recently lost the lease for one of its federally funded Head Start sites that was operating in the same neighborhood as County Kid's Place. Access to a classroom at County Kid's Place is attractive to USC because it remains accessible to families who are enrolled in the USC Head Start program, and the facility is licensed by the Community Care Licensing Division of the California Department of Social Services.

The proposed license agreement with USC will maximize the use of the child care facility, providing needed subsidized child care services to community residents. In addition, the license revenue will enhance the operations of the employee child care program by supporting: a) facility maintenance; b) a scholarship program to assist lower paid employees in accessing services at the center; and c) innovative efforts to retain qualified teaching staff at the center.

CONCLUSION

With your Board's approval, these agreements will be executed expeditiously, so as to support the provision of high quality services to families in the Van Nuys and USC communities.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:BY
KH:KMS:ak

Attachments (2)

c: County Counsel

**MEMORANDUM OF UNDERSTANDING
BETWEEN
COUNTY OF LOS ANGELES AND CITY OF LOS ANGELES
FOR
VAN NUYS CIVIC CENTER CHILD DEVELOPMENT CENTER**

[Agreement No. _____ of City Contracts]

This Memorandum of Understanding, hereinafter "MOU," is entered into this _____ day of _____, 2007, by the County of Los Angeles, hereinafter "County," and the City of Los Angeles, by and through its Commission for Children, Youth and Their Families, hereinafter "City."

Whereas, the County contracted with Child Care Resource Center, hereinafter "Center Operator," for the operation of the Van Nuys Civic Center Child Development Center located at 14350 Sylvan Street, Van Nuys, California, hereinafter "Center;" and

Whereas, the Center is located in proximity to the Superior Court of California, County of Los Angeles, Van Nuys Branch building, hereinafter "Superior Court," the Superior Court administers the funds received from the various government agencies that use the Center, and the Superior Court makes disbursements to the Center Operator for eligible costs; and

Whereas, on September 24, 2004, the Los Angeles City Council expressed its desire to identify funding to support Valley City employees in accessing quality child care at or near their workplace (Council File Number 04-1919); and

Whereas, the City of Los Angeles subsequently appropriated \$15,000 in Fiscal Year 2007-2008 to ensure that City of Los Angeles employees had access to child care at the Center (Council File Number 05-0600); and

Whereas, the \$15,000 in appropriated funds are to be used to support the utility, janitorial, maintenance, and scholarship program costs at the Center; and

Whereas, the City of Los Angeles will endeavor to appropriate up to \$15,000 in General Fund or eligible grant fund annually for up to an additional two (2) years to continue to provide child care for City employees at the Center, subject to the availability of funds; and

Whereas, this MOU defines the responsibilities of the County and the City related to the support of the Center.

Now, therefore, in consideration of the mutual benefits to be derived by the County and the City, it is agreed as follows:

1. COUNTY OBLIGATIONS

- a. The County agrees to provide the facility, located at 14350 Sylvan Street, Van Nuys, California, for the Center Operator to use rent-free for the provision of child care services at the Center.
- b. The County agrees to conduct an appropriate solicitation to procure a contractor to operate the Center upon the termination of the agreement between the County and the Center Operator or any future Center operators procured pursuant to this Section.
- c. The County agrees to ensure that County contributions totaling at least \$60,000 per year are available each year for three (3) years, beginning Fiscal Year 2007-2008, to cover the costs of utilities, regular janitorial services, and maintenance of the Center, and, as funds are available, to support a need-based scholarship program.
- d. Provided the City has made its annual monetary contribution and met all other obligations as set forth in Section 2 below, the County agrees to ensure that City employees receive the same priority enrollment and reduced tuition rates that the County employees receive at the Center during the term of this MOU.

2. CITY OBLIGATIONS

- a. Contingent upon the availability and appropriation of funding, the City agrees to contribute \$15,000 from Fiscal Year 2007-2008 to support the utility, janitorial, maintenance, and need-based scholarship program costs of the Van Nuys Civic Center Child Development Center.
- b. Contingent upon the availability and appropriation of funding, the City agrees to contribute \$15,000 in general funds or eligible grant funds on an annual basis for up to an additional two (2) fiscal years to support the utility, janitorial, maintenance and need-based scholarship program costs of the Center.
- c. The City of Los Angeles shall forward funds, as appropriated, to the Superior Court of California, County of Los Angeles, by August 1st of the initial year and of each fiscal year thereafter that funds may be appropriated, beginning in Fiscal Year 2007-2008 (July 1, 2007-June 30, 2008) or upon execution of this MOU, whichever is later.
- d. Funds shall be made payable to the "County of Los Angeles Superior Court" as payee and mailed to the addressee as follows:

Lisa Rizzo
Chief Executive Office
Service Integration Branch
222 South Hill Street, 5th Floor
Los Angeles, CA 90012

- e. The City shall designate a representative to serve on the Center Advisory Committee.
 - 1) The Advisory Committee, comprised of representatives of each of the sponsoring entities, including the County Department of Children and Family Services, Department of Public Social Services, District Attorney's Office, Probation Department, Office of the Public Defender, Superior Court, the Third Supervisorial District, and the Chief Executive Office, Service Integration Branch, shall meet at least quarterly to review the operation of the Center.
 - 2) The Advisory Committee will monitor the following areas:
 - a) Selection of the operator of the Center.
 - b) Recruitment and enrollment issues, if any.
 - c) Center program, policies and procedures.
 - d) Center user fees.
 - e) Overall performance of the Center Operator.
 - f) The annual contract monitoring process.
 - g) Issues between the Center Operator and the County or the Superior Court.
 - h) Parent user issues with the Center Operator.
 - i) Accreditation and licensing status.
 - j) Review of annual parent survey.
 - k) Maintenance and repairs to the Center.
 - l) Annual facility maintenance budget to be paid by sponsor contributions.
 - m) Facility related expenses and fund balance of the Superior Court Trust Account.
 - n) Annual sponsor contributions from the sponsoring entities to the Superior Court Trust account.
 - o) Disbursements from the Superior Court Trust account for scholarships or related activities.
 - 3) The Advisory Committee will meet regularly with and provide guidance to the Center Operator.
 - 4) The Advisory Committee will establish guidelines for the administration of the Scholarship Fund that allows for the awarding of a limited number of partial scholarships to eligible low-income employee families.
 - a) The Advisory Committee will define low-income families for the purpose of this MOU, and will re-evaluate such definition annually. Family income will be verified by application and paycheck stubs.
 - b) The scholarship amounts will be determined by the Advisory Committee and will be applied consistently to successful low-income applicants.

- c) The duration of the subsidy will be for one (1) year. Families may reapply by providing updated financial information.

3. TERM OF MOU

The term of this MOU shall be continuous through June 30, 2010, commencing upon execution by both parties, unless sooner terminated or extended, in whole or in part, as provided in this MOU.

4. MUTUAL INDEMNIFICATION

- a. Each of the parties to this MOU is a public entity as defined by Section 895 of the California Government Code. Pursuant to the provisions of that Code, the parties agree that each will assume the full liability imposed by law upon it or any of its officers, agencies or employees for injury or damage caused by its negligent or wrongful acts or omissions occurring in the performance of this MOU to the same extent that such liability would be imposed in the absence of Section 895.2 of the Code. Each party further agrees for itself, its officers, agencies, employees, contractors, consultants, licensees, invitees, tenants and volunteers to indemnify and hold harmless the other from any and all liability, actual or alleged, including court costs and reasonable attorney's fees, which may arise from the acts or omissions of the indemnitor or its aforesaid affiliates of any tier.
- b. In the event that third-party loss is attributable to the negligence or wrongful acts or omissions of both parties, the ultimate financial responsibility of each party shall be proportionate to its percentage of fault as determined by mutual agreement between the parties or by a court of competent jurisdiction. The provisions of California Civil Code Section 2778 regarding interpretation of indemnity agreements are made a part hereof as if fully set forth herein.

5. ASSIGNMENT, DELEGATION, AND SUBCONTRACTING

A party shall not assign its rights and/or subcontract, or otherwise delegate, its duties under this MOU, either in whole or in part, without the prior written consent of the other party. Any unapproved assignment, subcontract, or delegation shall be null and void and may result in termination of this MOU.

6. AUTHORIZATION WARRANTY

The City represents and warrants that the person executing this MOU for the City is an authorized agent who has actual authority to bind the City to each and every term, condition, and obligation of this MOU and that all requirements of the City have been fulfilled to provide such actual authority.

7. AMENDMENTS

No variation, modification, change, or amendment of this MOU shall be binding upon any party unless such variation, modification, change, or amendment is in writing and duly authorized and executed by all parties. The MOU shall not be amended or modified by oral agreements or understandings among the parties or by any acts or conduct of the parties.

8. INDEPENDENT CONTRACTOR STATUS

This MOU is between the County and the City and is not intended, and shall not be construed to create the relationship of employee, agent, servant, partnership, joint venture, or association, as between the County and the City. The employees and agents of one party shall not be construed to be employees and agents of the other party.

9. NOTICES

All notices or demands required or permitted to be given or made under this MOU shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties at the following addresses and to the attention of the person named. Addresses and persons to be notified may be changed by either party giving ten (10) calendar days prior written notice thereof to the other party.

Notices to County shall be addressed as follows:

Lisa Rizzo
Chief Executive Office
Service Integration Branch
222 South Hill Street, 5th Floor
Los Angeles, CA 90012

Notices to City shall be addressed as follows:

Rafael López - Executive Director
Commission for Children, Youth and Their Families
200 N. Spring Street – Room 2225
Los Angeles, CA 90012

10. TERMINATION

Either party may terminate this MOU, provided that a written termination notice is submitted to the other party not less than thirty (30) calendar days prior to the requested termination.

11. VALIDITY

If any provision of this MOU or the application thereof to any person or circumstance is held invalid, the remainder of this MOU and the application of such provision to other persons or circumstances shall not be affected thereby.

12. WAIVER

No waiver by the parties of any breach of any provision of this MOU shall constitute a waiver of any other breach or of such provision. Failure of the parties to enforce at any time, or from time to time, any provision of this MOU shall not be construed as a waiver thereof. The rights and remedies set forth in this MOU shall not be exclusive and are in addition to any other rights and remedies provided by law.

13. GOVERNING LAW

This MOU shall be governed by, and construed in accordance with, the laws of the State of California. The parties agree and consent to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this MOU and further agree and consent that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

14. ENTIRE AGREEMENT

This MOU constitutes the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this MOU. No change to the MOU shall be valid unless prepared pursuant to Section 7, Amendments, and executed by both parties.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this MOU to be subscribed on its behalf by the Chief Executive Officer, and the City of Los Angeles has caused this MOU to be subscribed on its behalf by its duly authorized officer, the day and year first above written.

COUNTY OF LOS ANGELES

By _____
William T Fujioka
Chief Executive Officer

Date _____

CITY OF LOS ANGELES

By _____
Rafael López
Interim Executive Director
Commission for Children, Youth and
Their Families

Date _____

APPROVED AS TO FORM:
Raymond G. Fortner, Jr.
County Counsel

Rockard J. Delgadillo, City Attorney

By _____
Michele Jackson
Deputy County Counsel

By _____
Assistant/Deputy City Attorney

Date _____

Date _____

ATTEST:
Frank T. Martinez, City Clerk

By _____
Deputy City Clerk

Date _____

NON-EXCLUSIVE LICENSE AGREEMENT

THIS NON-EXCLUSIVE LICENSE AGREEMENT ("License") is made and entered into this _____ day of _____, 2007,

BY AND BETWEEN

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

AND

UNIVERSITY OF SOUTHERN CALIFORNIA, hereinafter referred to as "Licensee."

RECITALS:

County is the owner of certain real property located at 2916 South Hope Street, Los Angeles, California, and is authorized to license use of the property pursuant to Gov. Code 25537 and/or 26227; and

Licensee is desirous of using on a non-exclusive 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 for the use of one modular trailer classroom as depicted in Exhibit A; the common area, including the kitchen, bathroom, and playground area; the use of two unreserved parking spaces for staff; and temporary parking for pick up and drop off of children at the County Kid's Place employee child care center, located at 2916 South Hope Street, Los Angeles (the "Licensed Area").

1.02 The Licensed Area shall be used only by the Licensee for the purpose of providing child care services and such other purposes as are related thereto.

1.03 The County is providing the Licensed Area in an "as is" condition. Licensee shall be responsible for the installation and/or construction of tenant improvements, including a telephone system, if required (collectively, the "Tenant Improvements"), at its own and sole expense and at no cost to the County based on the preliminary site layout approved by the Chief Executive Office's Service Integration Branch to accommodate up to two staff members and children enrolled in licensee's child care program. Prior to commencing any Tenant Improvements, Licensee shall provide County with written notice of the proposed Tenants Improvements, together with plans and specifications. Licensee shall remove any Tenant Improvements upon the termination or expiration of this License, if requested to do so by the County. Licensee agrees to cooperate fully in the County's posting of notices of non-responsibility prior to the commencement of work on any Tenant Improvements. Licensee shall construct or cause to be constructed any and all Tenant

Improvements in conformity with all applicable rules and regulations of any federal, state, county, or municipal code or ordinance and pursuant to a valid building permit if required. In performing the work on any such Tenant Improvements, Licensee shall have the work performed in such a manner as not to obstruct access to the modular trailer in which the Licensed Area is located. All Tenant Improvements, fixtures, and equipment installed in the Licensed Area and remaining at the termination or expiration of the License shall become, at County's election, the property of County. However, Licensee may remove any Tenant Improvements, fixtures, or equipment installed by Licensee, provided Licensee repairs any damage to the Licensed Area caused by such removal. County shall have the right at all times to post and keep posted on the Licensed Area any notices permitted or required by law, or which County shall deem proper for the protection of County and the Licensed Area, and any other party having an interest therein, from liens, and Licensee shall give to County at least ten business days prior written notice of the expected commencement date of any work relating to the Tenant Improvements.

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 herein, 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 years commencing upon execution of this License by the County (the "Commencement Date"). Licensee shall have an option to renew this License for an additional two one-year period. Licensee shall notify the County in writing not less than 60 days prior to expiration of the term of Licensee's intention to exercise its option to renew.

2.02 Either party shall have the option of terminating this License at will upon giving the other party notice in writing. The County will endeavor but shall not be required to give at least 30 days advance notice of such termination. Notwithstanding the foregoing

provision, this License may be immediately cancelled in the event of an emergency or unsafe condition.

3. PAYMENT

Licensee shall pay County for the use granted herein the sum of ONE THOUSAND TWO HUNDRED DOLLARS (\$1,200.00) per month, payable in advance. Payments shall be payable on the first 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.

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 herein. 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 unless prior approval therefore 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 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 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 Worker's

Compensation suit, liability, or expense, arising from or connected with services performed on behalf of Licensee by any person pursuant to this License.

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 Executive 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 is to be given written notice by mail to County at least 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.

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.

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 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 Licensed Area and deliver the Licensed Area to County in reasonably good condition.

13. **ENFORCEMENT**

The County's Chief Executive 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 lease or accounting notice served by mail upon Licensee shall be:

Mr. Keith Brown
University Real Estate & Asset Management
3500 South Figueroa Street, Suite 202
Los Angeles, CA 90089-8009

or regarding any site issues upon Licensee shall be addressed to:

Ms. Joanna Williams
3716 South Hope Street, Suite 366
Los Angeles, CA 90089

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 Executive Office
Real Estate Division - Property Management
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012

with a copy to:

Ms. Kathy Malaske-Samu
Chief Executive Office
Service Integration Branch – Office of Child Care
222 South Hill Street, 5th Floor
Los Angeles, CA 90012

or such other place as may hereinafter be designated in writing to Licensee by the Chief Executive 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, 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. ACKNOWLEDGMENT OF INELIGIBILITY FOR RELOCATION ASSISTANCE

Licensee hereby disclaims any status as a "displaced person" as such is defined in Government Code Section 7260 and hereby acknowledges his/her ineligibility for relocation assistance as provided in Government Code Section 7260 through 7276, inclusive, as interpreted in Title 25, Chapter 6, Section 6034(b) (1) of the California Administrative Code upon the future cancellation or termination of this License.

21. 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.

22. TAXATION OF LICENSED AREA

22.01 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.

22.02 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.

22.03 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.

22.04 County reserves the right to pay any such tax, assessment, fee or charge, 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.

23. **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.

24. **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.

IN WITNESS WHEREOF, Licensee has executed this License or caused it to be duly executed and County of Los Angeles by order of its Board of Supervisors has caused this License to be executed on its behalf by the Chairman the day, month, and year first above written.

LICENSEE

UNIVERSITY OF SOUTHERN
CALIFORNIA

By: _____
Dennis F. Dougherty
Senior Vice President Finance
and Chief Financial Officer

ATTEST
SACHI A. HAMAI
Executive Officer, The Board of Supervisors

By: _____
Deputy

LICENSOR

COUNTY OF LOS ANGELES

By: _____
Zev Yaroslavsky
Chairman, County of Los Angeles

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Stephanie Brody
Senior Associate County Counsel