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[CLICK HERE FOR CEO's REPORT DATED AUGUST 18, 2010](#)

[CLICK HERE FOR CEO's REPORT DATED OCTOBER 14, 2010](#)

[CLICK HERE FOR CEO's REPORT DATED FEBRUARY 25, 2011](#)



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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

WILLIAM T FUJIOKA
Chief Executive Officer

August 18, 2010

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

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

**REQUEST FOR EXTENSION OF REPORT FOR A TEN-YEAR GRATIS LEASE WITH
MOMENTUM LA, INC. TO OPERATE A BIOTECH INCUBATOR (ITEM NO. 4,
APRIL 20, 2010 AGENDA)**

On May 26, 2010, the Chief Executive Office (CEO) requested an extension to August 20, 2010, to report back for the Board's consideration a lease with Momentum LA Inc. (Momentum) for the gratis use of County space at the former LAC+USC General Hospital (Hospital) to establish a biotech incubator pilot program.

Due to the slow delivery of Momentum's business plan and the complexity of negotiations, we are respectfully requesting an extension of the due date for our report to October 4, 2010. This extension will allow the CEO additional time to evaluate and negotiate a business structure that would allow the County to participate in obtaining an equity interest or other identifiable revenue stream created by the start-up incubator companies at the time of success, without potential liability. The CEO is also working toward identifying the location and extent of tenant improvements that may be required by Momentum that must be consistent with the LAC+USC Medical Center's General Hospital Reuse and Protective Storage Plan. The CEO continues to work with Momentum and the appropriate County departments to verify that the scope and location of the proposed tenant improvements can be completed to conform to the Hospital's State Historical Preservation standards, and within Momentum's construction budget.

If you have any questions or need additional information, please let me know, or your staff may contact William Dawson at (213) 974-3078 or wdawson@ceo.lacounty.gov.

WTF:BC:SK
WLD:CM:kb

c: Executive Office
County Counsel

RequestforExtensionItem4.BrdMem2

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Executive Office



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

October 14, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka".

Board of Supervisors
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REQUEST FOR EXTENSION OF REPORT FOR A TEN-YEAR GRATIS LEASE WITH MOMENTUM LA, INC. TO OPERATE A BIOTECH INCUBATOR (ITEM NO. 4, APRIL 20, 2010 AGENDA)

On August 18, 2010, the Chief Executive Office (CEO) requested an extension to October 4, 2010, to report back for the Board's consideration of a lease with Momentum LA Inc. (Momentum) for the gratis use of County space at the former LAC+USC General Hospital (Hospital) to establish a biotech incubator pilot program.

Because of initial deficiencies in Momentum's business plan, which has delayed its completion, and the complexity of ongoing negotiations, we are respectfully requesting an extension of the due date for our next report to January 15, 2011. This extension will allow the CEO and County Counsel time to evaluate and complete negotiations of a business structure that will enable the County to participate in obtaining equity or other identifiable revenue streams created by the start-up incubator companies at the time of success, without potential liability. It is anticipated that royalty or warrant agreements will be used to secure the County's long-term goal in obtaining potential revenue streams from the start-up biotech companies.

As information, the CEO and Momentum have been able to agree on a substantial number of terms and conditions relating to the use of a portion of the second floor of the Hospital. In addition, the CEO and County Counsel have made progress towards developing a comprehensive contract with Momentum, which will include a detailed operating plan that defines benchmarks, a governance structure, and an educational component.

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Each Supervisor
October 14, 2010
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The CEO has enlisted the assistance of consultants who are specialized in the field of biotech development. These advisors include Dr. Mark Lieberman, who manages the business incubator program operated by the County's Community Development Commission. Dr. Lieberman has assembled a team of renowned experts in the biotech field, who include Dr. Kevin J. Scanlon, Dr. Ananth Natarajan, MD and Richard Morganstern. They have formed a small outside advisory committee to assist CEO staff with this complex transaction.

In addition, County Counsel has retained outside specialized legal counsel to assist in the development of Momentum's operating agreement, the compensation-related documentation, and ancillary documents to complete the proposed contract. It is anticipated that CEO staff will present the details of the transaction at the appropriate cluster group meeting upon its completion to provide the Board offices with the opportunity to discuss the matter in detail.

If you have any questions or need additional information, please let me know, or your staff may contact William Dawson at (213) 974-3078 or wdawson@ceo.lacounty.gov.

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WLD:CM:kb

c: Executive Office
County Counsel

RequestforExtensionItem4.Update 10-2010 BrdMem



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Fifth District

February 25, 2011

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: William T Fujioka
Chief Executive Officer

REPORT UPDATE FOR A TEN-YEAR GRATIS LEASE WITH MOMENTUM LA, INC. TO OPERATE A BIOTECH INCUBATOR (ITEM NO. 4, APRIL 20, 2010 AGENDA)

On October 14, 2010, the Chief Executive Office (CEO) requested an extension to January 15, 2011, to report back for your Board's consideration of a lease with Momentum LA Inc. (Momentum) for the gratis use of County space at the former LAC+USC General Hospital (Hospital) to establish a biotech incubator pilot program.

As previously reported, initial deficiencies in Momentum's business plan has delayed its completion, however, the recent addition of new information and data requested by the CEO in January 2011 has been provided by Momentum, rendering the business plan complete.

In light of this recent development, County Counsel, with the assistance of outside legal counsel is in the process of completing all of the transactional documents consisting of a lease, a purchase warrant agreement, and an incubator program agreement. These documents collectively will ensure the County's opportunity to participate in potential revenue streams of the start-up incubators, if they achieve success at some later time, and outline Momentum's responsibility to maintain and operate both the gratis space in the Hospital and the incubator program.

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The Honorable Board of Supervisors

March 2, 2011

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4. Scheduled an informational presentation to the RPC on March 23 about the Stonyvale community and preparation of the CSD.
5. Continued contact with the lead representatives from the County Departments of Public Health, Public Works, Fire, and the Sheriff; USFS; and the Stonyvale community.

Should you have any questions or concerns, please contact me or Mark Herwick of my staff at (213) 974-6423 or by email at mherwick@planning.lacounty.gov. Our office hours are 7:00 a.m. to 6:00 p.m., Monday through Thursday. We are closed on Fridays.

RJB:JS:MSH:msh

c: Chief Executive Officer, Attn. Rita Robinson
County Counsel
Executive Office, Board of Supervisors
Department of Public Health, Attn. Kenneth Murray
Department of Public Works, Attn. Marty Moreno
Fire Department, Attn. James Barger
Sheriff's Department, Attn. Capt. David Silversparre
USFS, Attn. Michael McIntyre
Edel Vizcarra, 5th District
Millie Jones, 5th District
Duncan Baird, Stonyvale community representative