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
August 18, 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

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

"To Enrich Lives Through Effective And Caring Service"

Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only
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

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 evaluative 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.
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.

WTF:BC:SK
WLD:CM:kb

c: Executive Office
   County Counsel

Request for Extension Item 4 Update 10-2010 BrdMem
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.
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