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

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

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Fourth District

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Fifth District

November 15, 2011

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

13 November 15, 2011

SACHI A. HAMAI
EXECUTIVE OFFICER

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:

AMENDMENT NO. 5 TO LEASE NO. 14714
DEPARTMENT OF PUBLIC SOCIAL SERVICES
2910 WEST BEVERLY BOULEVARD, LOS ANGELES
(FIRST DISTRICT) (3 VOTES)

SUBJECT

The recommendation is for an amendment to terminate Lease No. 14714 between OPPIDAN, LLC and the County of Los Angeles.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the approval of the lease amendment is exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).

2. Approve the lease amendment and instruct the Chief Executive Officer to terminate the lease between OPPIDAN, LLC and the County of Los Angeles effective November 30, 2011.

3. Approve and instruct the Chief Executive Officer to sell to OPPIDAN, LLC all modular and executive office furniture located in the building except file cabinets and chairs, which will be retained by the County of Los Angeles and removed prior to November 30, 2011. As consideration for the sale of the furniture, the OPPIDAN, LLC has agreed to credit the County of Los Angeles rent for the month of November 2011 in the amount of $75,611.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Department of Public Social Services (DPSS) determined 12 months ago that DPSS would not renew the lease at this site when the lease terminates on February 19, 2012. The building sale is in escrow and the buyer wishes to occupy the building upon close of escrow. DPSS and OPPIDAN, LLC (Lessor) have mutually agreed to terminate the lease early, thus saving DPSS approximately $204,000 in rent payments for Fiscal Year (FY) 2011-12. With the sale of the building and moving staff to other DPSS facilities, the department could save approximately $907,332 annually, including parking costs and an additional $106,000 in utility costs for a total annual savings of approximately $1,013,332. This early cancellation recommendation is supportive of the DPSS effort to review space needs and consolidate staff/programs to create savings where possible, while ensuring services are maintained.

The 2910 West Beverly facility currently serves as a sub-office to the larger Exposition Park GAIN Region IV office located at 3833 South Vermont Avenue, Los Angeles. The 72 staff located at the 2910 West Beverly provides GAIN services to CalWORKs participants. DPSS identified available space at 3400 Aerojet, El Monte, to absorb Medi-Cal program outreach staff and were relocated several months ago. Of the remaining 72 staff housed at 2910 West Beverly, 66 will be relocated to available cubicles at the Exposition Park GAIN Region IV, which will enhance GAIN services already located at this site. The remaining six staff will be co-located at the Metro North District office located at 2601 Wilshire Boulevard, Los Angeles.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of the County of Los Angeles (County) operations to support the timely delivery of customer-oriented and efficient public services. In this case, the County is supporting this goal by providing an office that will co-locate, streamline, and improve support services and at the same time supporting the goal of fiscal sustainability through savings from rent, parking, and utility costs.

FISCAL IMPACT/FINANCING

Terminating the lease at 2910 West Beverly will result in FY 2011-12 lease term savings of $204,000 with a net County cost (NCC) impact of $18,000 and an annual savings of approximately $1,013,332 with an NCC impact of $91,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Lessor has signed Amendment No. 5 to Lease No. 14714 to mutually terminate the existing lease at 2910 West Beverly Boulevard, Los Angeles, effective upon the County vacating the property by November 30, 2011.

The County further confirms that it has agreed to sell all modular furniture and executive office furniture, excluding file cabinets and chairs in return for the Lessor agreeing to credit the County for the entire rent for the month of November 2011, in the amount of $75,611. DPSS consulted a County furniture vendor to confirm the value of the furniture and costs associated with dismantling, storage, and future re-installation. The determined value and disposition costs support the sale price of $75,611.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact to services provided to participants with the termination of this lease and relocation of DPSS staff. The offices that are absorbing staff are conveniently located near public transportation routes. DPSS concurs with the lease amendment recommendations.

ENVIRONMENTAL DOCUMENTATION

The Chief Executive Office has concluded that entering into the proposed amendment is exempt from the California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return two originals of the executed lease amendment and two certified copies of the Minute Order, and the adopted stamped Board letter to the Chief Executive Office, Real Estate Division 222 South Hill Street, Fourth Floor, Los Angeles, CA 90012.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:CMM
CEM:TS:ls

Attachments

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

BL-2910BeverlyBlvd

AMENDMENT NO.5 TO LEASE NO.14714
DEPARTMENT OF PUBLIC SOCIAL SERVICES
2910 WEST BEVERLY BOULEVARD, LOS ANGELES

This Amendment No. 5 to Lease No. 14714 ("Amendment") is made and entered into effective as of this 15th day of November ,2011 by and between OPPIDAN, LLC, a California limited liability company, ("Lessor"), and the COUNTY OF LOS ANGELES, a body politic and corporate, ("Lessee").

WHEREAS, the Oswin Company, a Partnership, ("Oswin") as previous owner of the property located at 2910 West Beverly Boulevard, Los Angeles, and more particularly described in exhibit A to this Amendment ("Property"), and Lessee entered into a Lease bearing No. 14714 dated March 14, 1969, whereby Oswin leased to Lessee approximately 42,288 gross square feet of office space together with 78,039 gross square feet of parking space for a term beginning September 1, 1970, and ending August 31, 1995 for use by the Department of Public Social Services ("Lease");

WHEREAS, Oswin and Lessee entered into Amendment No. 1 to Lease No. 14714 on August 22, 1995 to extend the lease term to August 31, 1996 and thereafter the parties entered into an Amendment No. 2 to Lease No. 14714 on October 29, 1996 to extend the lease term to August 31, 1999; and, thereafter entered into Amendment No. 3 to Lease No. 14714 on December 21, 1999 and Lessee exercised the option therein to further extend the Lease term to begin December 21, 1999 and end December 21, 2006; and Lessee has held over with Lessor's consent continuing the terms of the Lease and the Lessee's right to exercise the option to extend the term, and thereafter the parties entered into Amendment No. 4 to Lease No. 14714 on February 12, 2007 and Lessee exercised the option therein to further extend the Lease term to begin February 12, 2007 and end February 19, 2012

WHEREAS, Lessor purchased the Property from Oswin in October 2000 subject to the Lease;

WHEREAS, Lessor and Lessee now desires to terminate the Lease early on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the rents, covenants and agreements herein contained, and intending to be legally bound, Lessor and Lessee hereby covenant and

agree the following amendments to the Lease, as amended, are effective upon the date first above written:

1. CANCELLATION. Paragraph 30, of the Lease is deleted in its entirety and in its place shall be substituted the following:

"The Lessor and Lessee hereby mutually agree that the County will not exercise its Option No. 3 (as provided by Paragraph 32 of the Lease) to renew the Lease for a period of five years and the parties mutually agree that the Lease shall terminate effective at 11:59 pm on November 30, 2011, notwithstanding any provision of the Lease to the contrary.

2. VACATING PREMISES. Lessee plans to commence staff relocations on October 28, 2011, and will completely vacate the Premises by 11:59 pm on November 30, 2011.

3. INTERPRETATION Lessee has agreed to sell to the Lessor all modular and executive office furniture located in the Building, on October 17, 2011 except the file cabinets and chairs which will be retained by the Lessee and removed prior to 11:59 pm the November 30, 2011. As consideration for the sale of the aforementioned furniture, the Lessor has agreed to credit the Lessee for rent for the month of November1-30, 2011, totaling $75,611.71.

Either party may elect to record this Amendment to evidence the termination of the Lease pursuant to section 1 above.

Title to the furniture being sold will automatically pass to Lessor upon termination of the Lease pursuant to section 1 above, without further action on the part of either party.

If there are any inconsistencies, variances or differences between any provision of the Lease and a provision of this Amendment, the provisions of this Amendment will prevail and control. The Lease, as earlier amended and as amended by this Amendment, is ratified, confirmed and approved. The terms "include" and "including" are not limiting and include the concept of "including but not limited to."

Signature page follows.

IN WITNESS WHEREOF, the Lessor has executed this Amendment or caused it to be executed, and the County of Los Angeles by order of its Board of Supervisors, has caused this Amendment to be executed on its behalf by the Mayor of said Board and attested by the Clerk thereof the day, month, and year first above written.

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

LANDLORD
By: Oppidan .LLC

By Sancam Inc. Managing Member, a California corporation,

By_____
Mark Gabay, President

COUNTY OF LOS ANGELES
a body politic and corporate

By: Mike Antonovich
Mayor, Los Angeles County

ATTEST:

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

By: LaChelle Smitherman
Deputy

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

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

By LaChelle Smitherman
Deputy

APPROVED AS TO FORM:
Andrea Sheridan Ordin
County Counsel

By:_____
Amy M. Caves
Senior Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

13 NOV 15 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

147714 Supplement No. 5

Exhibit A

The Property is situated in the County of Los Angeles, City of Los Angeles, State of California, and is described as follows:

THAT PORTION OF DIVISION "A" OF LOT 3 IN BLOCK 26 OF HANCOCK'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2 PAGE 209 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF BEVERLY BOULEVARD (FORMERLY FIRST STREET) AND OCCIDENTAL BOULEVARD; THENCE SOUTHERLY ALONG THE WESTERLY LINE OF SAID OCCIDENTAL BOULEVARD 210.00 FEET; THENCE WESTERLY PARALLEL WITH THE SOUTHERLY LINE OF SAID BEVERLY BOULEVARD 166.05 FEET, MORE OR LESS, TO THE EASTERLY LINE OF FRED F. WHEELER'S TRACT, AS PER MAP RECORDED IN BOOK 2 PAGE 77 OF MAPS, IN THE OFFICE OF SAID RECORDER; THENCE NORTHERLY ALONG SAID EASTERLY LINE OF FRED F. WHEELER'S TRACT, 210.00 FEET TO THE SOUTHERLY LINE OF SAID BEVERLY BOULEVARD; THENCE EASTERLY ALONG SAID BEVERLY BOULEVARD 165.79 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.