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
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May 15, 2012

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
18 May 15, 2012
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. 2 TO LEASE NO. 73293**
**ALTERNATE PUBLIC DEFENDER**
**3655 TORRANCE BOULEVARD, TORRANCE**
**(FOURTH DISTRICT) (3 VOTES)**

## SUBJECT

This recommendation is for a five-year lease amendment for 3,763 rentable square feet for the Alternate Public Defender to provide continued use of existing office space and 14 parking spaces.

## IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed amendment is categorically 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, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).

2. Approve and instruct the Chairman to sign the five-year amendment with Omnis International, LLC (Lessor) for the continued occupancy of 3,763 rentable square feet of office located at 3655 Torrance Boulevard, Torrance, and 14 parking spaces for the Alternate Public Defender at an annual rental cost of $79,023. The rental costs are net County cost.

3. Authorize the Chief Executive Officer and the Alternate Public Defender to implement the amendment which shall become effective upon approval by your Board.

## PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since April 2001, the Alternate Public Defender (APD) has occupied office space at the subject facility. The proposed lease amendment agreement will allow the APD to continue its operation of the Torrance branch office for an additional five years. The current lease expired August 29, 2011, and is currently on a month-to-month holdover basis. The APD has requested a new lease be executed for the uninterrupted continuance of their operations at the facility.

The office houses attorneys, investigator(s) and clerical staff that provide direct legal services and counsel to indigent persons that the Public Defender is unable to represent due to a conflict of interest or unavailability for court proceedings at the nearby Torrance Courthouse. In addition, the lease will continue to operate a video conferencing area and related conference room with staff offices to support this operation which accounts for the multiple suites numbers at the location and higher than typical ration of employees to square footage as further outlined in Attachment A.

### Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services. In this case, the County of Los Angeles (County) is supporting the goal by providing office space in the community it serves to increase effectiveness and enhance customer service by providing responsive services to the public.

## FISCAL IMPACT/FINANCING

The proposed extension will provide the APD uninterrupted use of 3,763 square feet of office space at the fixed monthly rent of $6,585.25 per month, or $79,023 annually. In addition, a base tenant improvement allowance of $7 per square foot, or $26,341, was negotiated for new carpet and paint within the County's office space.

| 3655 Torrance Blvd., Torrance | Existing Lease Amendment No. 1 | Proposed Lease Amendment No. 2 | Change |
|---|---|---|---|
| Area (square feet) | 3,763 | 3,763 | None |
| Term | (8/29/2006-8/28/2011) currently month-to-month | Five years upon Board adoption | +Five years |
| Annual Rent | $81,283 ($21.60/sq.ft.) | $79,023 ($21/sq.ft.) | -$2,260 (-$.60/sq.ft.) |
| TI Allowance | N/A | $26,341 ($7/sq.ft.) | +$26,341 (+$7/sq.ft.) |
| Cancellation | County may cancel any time after 30 months with 90 days notice | County may cancel any time after 30 months with 90 days notice | None |
| Parking (included) | 14 | 14 | None |
| Option to Renew | None | None | None |
| Rental Adjustment | None | None | None |

This is a full-service lease whereby the Lessor is responsible for all operating costs associated with the County's occupancy. The rental rate of $1.75/$21 per square foot per month/year will be fixed through the extended term of the lease. Parking is included in the rental rate.

Sufficient funding for the proposed lease costs is included in the proposed Fiscal Year (FY) 2012-13 Rent Expense budget and will be billed back to APD. APD has sufficient funding in its FY 2012-13 proposed operating budget to cover the projected lease costs.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease amendment contains the following provisions:

- Commencement of five-year term upon approval by your Board.
- A full-service gross basis with the Lessor responsible for all operating and maintenance costs.
- A TI allowance of $7 per square foot for new carpet and paint included in the rent.
- A cancellation provision allowing the County to cancel any time after 30 months with 90 days prior written notice and payment of a cancellation fee equal to the unamortized balance of the TI costs.

The Chief Executive Office (CEO) Real Estate staff conducted a survey within the search area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically, nor are there any County-owned or leased facilities available for this program. Based upon said survey, staff has established that the rental range for similar office space is between $17.40 and $36.60 per square foot per year on a full-service gross basis, excluding parking. Thus, the annual rent of $21 per square foot per year full-service, including parking, for the proposed lease represents a rate within the market range for the area. Attachment B shows County-owned or leased facilities in the proximity of the service area and there are no suitable County-owned or leased facilities available for the program.

The leased premises and related common areas were assessed in regards to ADA accessibility compliance. A report identifying barriers to accessibility has been completed and provided to the CEO and the department. Pursuant to the report, the CEO, APD, and the Lessor are engaged in a collaborative effort to address the removal of barriers to improve accessibility to program, services, and activities.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

## ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this project is exempt from California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

## IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease amendment will adequately provide the necessary office space for this County requirement. APD concurs with the proposed recommendation.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors, return three originals of the executed amendment, two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:CMM
CEM:NCH:ls

Attachments

c: Executive Office
County Counsel
Auditor-Controller
Alternate Public Defender

3655Torrance-APD.BL

Attachment A

# ALTERNATE PUBLIC DEFENDER
# 3655 TORRANCE BOULEVARD, TORRANCE
## Asset Management Principles Compliance Form[1]

| | | | Yes | No | N/A |
|---|---|---|---|---|---|
| 1. | **Occupancy** | | | | |
| | A | Does lease consolidate administrative functions?[2] | | | X |
| | B | Does lease co-locate with other functions to better serve clients?[2] **The Public Defender is also located in the building on a separate floor.** | X | | |
| | C | Does this lease centralize business support functions?[2] | | | X |
| | D | Does this lease meet the guideline of 200 sq. ft of space per person?[2] **Larger space per person is required to house lawyers, support staff and the video conference needs of this program. Ratio = approximately 300sf per person.** | X | | |
| 2. | **Capital** | | | | |
| | A | Is it a substantial net County cost (NCC) program? **100% NCC** | X | | |
| | B | Is this a long term County program? | X | | |
| | C | If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy? | | X | |
| | D | If no, are there any suitable County-owned facilities available? **No, see E below.** | | X | |
| | E | If yes, why is lease being recommended over occupancy in County-owned space? **There is insufficient space at the Torrance Courthouse to accommodate this group.** | | | X |
| | F | Is Building Description Report attached as Attachment B? | X | | |
| | G | Was build-to-suit or capital project considered? **Space requirement does not meet requirement to consider these types of projects.** | | X | |
| 3. | **Portfolio Management** | | | | |
| | A | Did department utilize CEO Space Request Evaluation (SRE)? | X | | |
| | B | Was the space need justified? | X | | |
| | C | If a renewal lease, was co-location with other County departments considered? | X | | |
| | D | Why was this program not co-located? | | | |
| | | 1. ____ The program clientele requires a "stand alone" facility. | | | |
| | | 2. ___ No suitable County occupied properties in project area. | | | |
| | | 3. ___ No County-owned facilities available for the project. | | | |
| | | 4. ___ Could not get City clearance or approval. | | | |
| | | 5. _X_ The Program is being co-located. | | | |
| | E | Is lease a full service lease?[2] | X | | |
| | F | Has growth projection been considered in space request? | X | | |
| | G | Has the Dept. of Public Works completed seismic review/approval? | X | | |

[1]As approved by the Board of Supervisors 11/17/98

[2]If not, why not?

Attachment B

# ALTERNATE PUBLIC DEFENDER
# SPACE SEARCH – 1 MILE RADIUS FROM TORRANCE COURTHOUSE

| LACO | FACILITY NAME | ADDRESS | SQUARE GROSS | FEET NET | OWNERSHIP | SQ. FT. AVAILABLE |
|---|---|---|---|---|---|---|
| A414 | DCFS-TORRANCE (SPA 8) | 2325 CRENSHAW BLVD, TORRANCE 90501 | 60,804 | 57,764 | LEASED | NONE |
| A646 | MENTAL HEALTH-TIES | 21081 S WESTERN AVE, TORRANCE 90501 | 3,668 | 3,485 | LEASED | NONE |
| A655 | ALT PD & PUB DEFENDER-TORRANCE BRANCH OFFICES | 3655 TORRANCE BLVD, TORRANCE 90503 | 8,106 | 4,968 | LEASED | NONE |
| A655 | ALT PD & PUB DEFENDER-TORRANCE BRANCH OFFICES | 3655 TORRANCE BLVD, TORRANCE 90503 | 3,763 | 3,650 | LEASED | NONE |
| T825 | TORRANCE COURT-STEPHEN E O'NEIL JURY ASSEMBLY | 825 MAPLE AVE, TORRANCE 90503-5058 | 2,874 | 2,874 | STATE OF CALIFORNIA | NONE |
| 5177 | TORRANCE COURTHOUSE | 825 MAPLE AVE, TORRANCE 90503-5058 | 155,368 | 93,674 | STATE OF CA AND COUNTY LA (PARTIAL) | NONE |
| 5043 | TORRANCE COURTHOUSE-ANNEX | 3221 TORRANCE BLVD, TORRANCE 90503 | 16,996 | 12,831 | STATE OF CA AND COUNTY LA (PARTIAL) | NONE |
| T019 | TORRANCE COURTHOUSE-TRAFFIC DIVISION | 3221 TORRANCE BLVD, TORRANCE 90503 | 2,891 | 2,891 | STATE OF CALIFORNIA | NONE |
| 0921 | HS-OLD TORRANCE PUBLIC HEALTH CENTER (CLOSED) | 2300 W CARSON ST, TORRANCE 90501 | 11,306 | 6,036 | OWNED | 6,036 |

**AMENDMENT NO. 2 TO LEASE NO. 73293**
**ALTERNATE PUBLIC DEFENDER**
**3655 TORRANCE BOULEVARD, TORRANCE**

THIS AMENDMENT NO. 2 TO LEASE NO. 73293 ("Amendment " or "Amendment No. 2") is made, entered and dated as of this 15th day of May, 2012, by and between OMNIS INTERNATIONAL, LLC, a California limited liability company ("Lessor") and the COUNTY OF LOS ANGELES, a body corporate and politic ("Lessee").

**RECITALS:**

WHEREAS, Lease No. 73293 (the "Lease") was executed by and between Lessor and Lessee on April 3, 2001, whereby the Lessor leased to Lessee those certain premises containing approximately 2,888 rentable square feet of office space in a building located at 3655 Torrance Boulevard, Suite 490, Torrance, for a term of five years, and;

WHEREAS, Lessor and Lessee extended the Lease term, leased an additional 875 square feet of office space in suite 440 for a total of 3,763 rentable square feet, and amended the Lease under Amendment No. 1 to Lease 73293 on August 29th, 2006, and;

WHEREAS, Lessor and Lessee further desire to extend the Lease Term and amend the Lease under Amendment No. 2 to Lease No. 73293, and;

WHEREAS, the terms of this Amendment No. 2 shall not become effective until such time that said Amendment is executed by all the parties herein.

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements herein contained, Lessor and Lessee hereby covenant and agree to amend the Lease as follows:

1. **EXTENSION OF THE LEASE TERM:** Lessor and Lessee acknowledge that Lessee's lease of the Premises is on a month-to-month tenancy as of August 29, 2011, pursuant to the Holdover provision of Paragraph 6 of the Lease. Notwithstanding anything to the contrary in the Lease, Paragraph 2 of Lease No. 73292 is hereby amended to extend the Lease term for an additional five (5) years commencing upon the full execution of this Amendment No. 2 ("Extension Commencement Date"). The period of time commencing on the Extension Commencement Date and terminating on the last day of the fifth year following the Commencement Date shall be referred to herein as the "Extension Term."

2. **RENT:** Effective upon execution of this Amendment No. 2 by the parties hereto, and for remainder of the Extension Term but not retroactively, Paragraph 3, RENT, is hereby deleted in its entirety and the following substituted therefor:



73293 Supplement No. 2

The Lessee hereby agrees to pay as rent for the Premises during the Extension Term, the sum of six thousand five hundred eighty-five and 25/100 dollars ($6,585.25) per month, i.e., one dollar and seventy five cents ($1.75) per rentable square foot per month, payable in advance by Auditor's General Warrant. Rental payments shall be payable within fifteen days (15) after the first day of each and every month of the Extended Term, provided Lessor has caused a claim therefor for each such month to be filed with the Auditor of the County of Los Angeles prior to the first day of each month.

4. **CANCELLATION:** Effective upon execution of this Amendment No. 2, Section 5, CANCELLATION, is hereby deleted in its entirety and the following is substituted therefor:

   Lessee shall have the right to cancel this Lease at or any time after the thirtieth (30th) month of the Extension Term by providing the Lessor not less than ninety (90) days prior written notice by Chief Executive Office letter. In the event of such cancellation, Lessee will pay a fee equal to the unamortized portion of verified tenant improvement expenses and brokerage commissions amortized at eight percent (8%) interest.

5. **TENANT IMPROVEMENTS:** Effective upon execution of this Amendment by the parties hereto, Lessor, within fifteen (15) days after receipt of a duly executed copy of this Lease, shall begin work on the Tenant Improvements per the forthcoming County plans and specifications (and as depicted in Exhibit A of the Lease), up to a maximum cost of $26,341, i.e., seven dollars and zero cents ($7.00) per rentable square foot, (the "Allowance"), such cost to be borne sole by the Lessor. Said work shall be completed no later than six (6) months from the date of this Amendment No. 2 is executed by the parties.

   Should the actual cost of said work be less than the amount of the Allowance, Landlord agrees to reimburse Lessee the difference up to a maximum of twenty percent (20%) of the maximum amount of the Allowance, i.e., five thousand two hundred sixty eight and zero cents ($5,268.00), in the form of rental abatement. Notwithstanding the foregoing, in no event shall less than eighty percent (80%) of the Allowance be use for tenant improvement construction work.

   In addition, Lessor shall at its sole cost mitigate the applicable Americans with Disabilities Act (ADA) barriers identified on the Barrier ID Removal Report referenced June 4, 2009, a copy of which has been provided the Lessor.

6. Each of the signatories for the Lessor personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Amendment No. 2 upon the terms and conditions stated herein and each agrees to indemnify and hold harmless Lessee from all damages, costs, and expenses, which result from a breach of this representation.

7. In the event of a conflict between the terms and conditions of this Amendment No. 2 and the terms and conditions of Lease, this Amendment No. 2 shall prevail.

All other terms and conditions of the Lease shall remain in full force and effect. IN WITNESS WHEREOF, the Lessor has executed this Amendment No. 2 to Lease No. 73293 or caused it to be duly authorized executed, and the County of Los Angeles by the order of the Board of Supervisors, has caused Amendment No. 2 to be executed on its behalf by the Chairman of said Board and attested by the Clerk thereof the day, month, and year first above written.

LESSOR
OMNIS INTERNATIONAL, LLC

By _____

Name: GARY CHIN

Title: MEMBER MANAGER

LESSEE

COUNTY OF LOS ANGELES
a body politic and corporate

By _____
Supervisor Zev Yaroslavsky
Chairman, Board of Supervisors

73293 Supplement No. 2

ATTEST:

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

By Sachelle Smitherman
Deputy

APPROVED AS TO FORM:
John F. Krattli
Acting County Counsel

By _____
Deputy Byron Shibata

3655Amend.2apd

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 Sachelle Smitherman
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

18 MAY 15 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER.