County of Los Angeles
CHIEF EXECUTIVE OFFICE
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Chief Executive Officer

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December 18, 2012

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

11 December 18, 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. 1 TO LEASE NO. 74118
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
4513 EAST COMPTON BOULEVARD, COMPTON
(SECOND DISTRICT) (3 VOTES)

SUBJECT

This is a replacement Board letter for Item No. 12 of December 4, 2012. The recommendation is a six-year lease extension, with a cancellation right after 24 months, for the Department of Community and Senior Services to provide continued use of existing office space and 18 parking spaces.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the lease 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 the Board, on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).

2. Approve and instruct the Chairman to sign the amendment for a six-year lease extension with Steven Wuo (Lessor), for the continued occupancy of 4,436 square feet and 18 parking spaces for the Department of Community and Senior Services located at 4513 East Compton Boulevard, Compton, at an annual first year rent not to exceed $65,762, which is 100 percent net County cost.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since October 1984, the Department of Community and Senior Services (DCSS) has occupied 4,436 square feet of office/community center located at 4513 East Compton Boulevard, Compton. The East Rancho Dominquez Service Center (Service Center) houses approximately 17 staff, who provides job training, welfare rights, senior employment, food pantry, and educational workshops to an approximate 100,000 senior population living in close proximity to the Service Center.

A cancellation right after the 24th month of the lease term has been negotiated in this extension. DCSS is being relocated to the County-owned East Rancho Dominguez Park Complex (Complex) upon completion of an expansion to the Complex building which is anticipated to be completed in late 2014 or early 2015.

The lease expired on August 31, 2012, and has been on a month-to-month holdover while the Landlord and the County completed lease extension negotiations.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of 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/community center that will streamline and improve support services. This proposed lease amendment complies with the Strategic Asset Management Principles, as shown in Attachment A.

FISCAL IMPACT/FINANCING

The cost for the first year of this lease amendment shall not exceed $65,762 based on the terms and conditions of the lease which has annual CPI adjustments of 2.5 percent over the six-year term. The program is 100 percent net County cost.

4513 E. COMPTON BLVD.	EXISTING LEASE NO. 74118	LEASE RENEWAL	CHANGE
Area	4,436 square feet	4,436 square feet	None
Term	08/01/2007 – 08/31/2012 Month-to-Month 09/01/2012	Upon Board approval, for a 6-year term	New 6-year term
Annual Base Rent	$62,762	$65,762	+$3,000
Parking	18 spaces	18 spaces	None
Cancellation	County may cancel any time after 36th month upon 90 days prior written notice	County may cancel any time after 24th month upon 90 days prior written notice	County may cancel any time after 24th month upon 90 days prior written notice
Option to Renew	None	None	None
Rental Adjustment	Fixed increase of 3 percent of rent annually	Annual adjustments of 2.5 percent	Annual adjustments of 2.5 percent (-0.5)

Sufficient funding for the proposed lease extension is included in the Fiscal Year 2012-13 Rent Expense budget and will be charged back to DCSS.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed extension provides approximately 4,436 rentable square feet of office/community center space located at 4513 East Compton Boulevard, Compton. The lease and lease amendment contain the following provisions.

- The extension commences upon Board approval, and ends six years thereafter.
- The Lessor, at his sole cost, is providing tenant improvements to meet the Americans with Disabilities Act accessibility requirements identified in a review by the County.
- The County pays all utilities, interior maintenance, and janitorial service. The Lessor provides all exterior maintenance.
- The County has the right to cancel any time after the 24th month of the extension term, by giving 90 days prior written notice.

The Chief Executive Office (CEO) Real Estate staff surveyed the County for alternative sites as requested by DCSS. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically. Additionally, CEO Real Estate staff surveyed the County areas that best could service the need of the department to determine the market rate of comparable sites. Based upon said survey, staff has established that the base rental range, including parking, for similar property is between $15 and $24 per square foot per year modified full-service. Thus, the base annual rent of $14.82, including parking, per square foot for the base lease cost is below the market range. Attachment B shows County-owned and leased facilities within the search area for this program and a building is being expanded to house this program after improvements are completed.

The Department of Public Works previously inspected this facility for seismic compliance and concluded the facility met the requirements for County occupancy.

An ADA assessment was conducted and minor corrections are being completed by the Lessor to make the Premises ADA compliant.

NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease extension continues to provide the necessary office/community center space for this County requirement. DCSS concurs with the proposed lease extension.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, 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
Community and Senior Services
Parks and Recreation

BL 4513 Compton Blvd 1 DCSS

Attachment A

DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
4513 EAST COMPTON BOULEVARD, COMPTON
Asset Management Principles Compliance Form[1]

			Yes	No	N/A
1.	**Occupancy**				
	A	Does lease consolidate administrative functions?			X
	B	Does lease co-locate with other functions to better serve clients?[2]	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] **Lease does not meet 200 sq ft per person guidelines since the facility is used for a Community Center.**		X	
2.	**Capital**				
	A	Is it a substantial net County cost (NCC) program? **100 percent 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?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment B?	X		
	G	Was build-to-suit or capital project considered? **The size of the service center does not require a build-to-suit. However, this program is programed for future relocation to a site that is being expanded. There is a cancellation any time after the 24th month of the lease renewal to accommodate the planned relocation.**		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? **Program is being co-located within 36 months to the East Rancho Dominguez Park.**			
		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. ____ The Program is being co-located.			
	E	Is lease a full service lease?[2] **Lessor negotiated in original lease to pay exterior maintenance, taxes and insurance. County pays interior maintenance, utilities and janitorial.**		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

SPACE SEARCH, THREE-MILE RADIUS OF 4513 EAST COMPTON BOULEVARD, COMPTON DEPARTMENT OF COMMUNITY AND SENIOR SERVICES

LACO	FACILITY NAME	ADDRESS	SQ. FT. GROSS	SQ. FT. NET	OWNERSHIP	SQ. FT. AVAIL
6467	AG COMM/WTS MEAS- SOUTH	11012 GARFIELD AVE, SOUTH GATE	21,902	15,325	OWNED	NONE
4238	ANIMAL CONTROL #! ADMINSTRATIVE BUILDING	11258 GARFIELD AVE., DOWNEY 90242	8,449	2,772	OWNED	NONE
6723	PUBIC LIBRARY LYNWOOD	11320 BULLIS RD., LYNWOOD	11,722	10,396	OWNED	NONE
X349	LYNWOOD REGIONAL JUSTICE CENTER COURTHOUSE	11701 S ALAMEDA ST., LYNWOOD	62,078	53,480	FINANCED	NONE
X351	CENTURY DETENTION – DETENTION ADMINISTRATION	11705 S ALAMEDA ST., LYNWOOD 90262	20,706	17,600	FINANCED	NONE
0980	PUBLIC LIBRARY –HOLLYALE	12000 GARFIELD AVE., SOUTH GATE 90280	5,530	4,440	LEASED	NONE
1204	HEALTH SERVICES- ADMISTRATION BUILDING 307/308	12817 DAHLIA AVE., DOWNEY 90242	26,475	17,125	OWNEDD	NONE
1203	PUBLIC HEALTH FACILITIES BUILDING 300/302	12838 ERICKSON AVE., DOWNEY 90242	19,757	12,170	OWNED	NONE
C500	DPSS SOUTH FAMILY AP/ SPECIAL DISTRICT OFFICES	17600 A/B/SANTA FE AVE., RANCHO DOMINGUEZ 90221	133,000	103,324	LEASED	NONE
6420	COMPTON COURTHOUSE	200 W COMPTON BLVD., COMPTON 90220	576,467	205,939	FINANCED	NONE
X169	DPSS COMPTON AP DISTRICT OFFICE	211 E ALONDRA BLVD., COMPTON	48,135	38,777	OWNED	NONE
3037	MONA-DIRECTORS BUILDING COMFORT STATION	2291 E 121ST., COMPTON 90222	829	296	OWNED	NONE
5982	PUBLIC LIBRARY- COMPTON	240 W COMPTON BLVD, COMPTON	43,842	15,830	OWNED	NONE
A620	PUBLIC LIBRARY EAST RANCHO DOMINGUEZ LIBRARY	4205 E COMPTON BLVD., EAST COMPTON 90221	5,000	4,529	LEASED	NONE
F325	PW-FLOOD IMPERIAL YARD OFFICE	5525 E IMPERIAL HWY., SOUTH GATE 90280	4,800	2,340	PERMIT	NONE
A350	ASSESSOR LONG BEACH REGIONAL OFFICE	5898 CHERRY AVE., LONG BEACH 90808	12,450	6,991	OWNED	NONE
X998	LOS PADRINOS JUVENILE COURTHOUSE	7281 E QUILL DR., DOWNEY 90242	47,231	24,470	OWNED	NONE
A136	FIRE-PARAMOUNT HAZARDOUS MATERIALS DIV OFFICE	7300 E ALONDRA BLVD., PARAMOUNT 90723	1,928	1,830	LEASED	NONE
A755	PUBLIC LIBRARY ADMINISTRATION HDQS	7400 E IMPERIAL HWY., DOWNEY 90242	68,000	55,733	FINANCED	NONE
0600	DOWNEY COURTHOUSE	7500 E IMPERIAL HWY., DOWNEY 90242	103,502	78,996	FINANCED	NONE
3385	RANCHO-HOSPITAL OFFICE BUILDING 500	7601 IMPERIAL HWY., DOWNEY 90242	139,789	63,850	FINANCED	NONE
1100	PUBLIC SAFETY HDQTRS/ HEALTH SVCS BUREAU	7601 IMPERIAL HWY., DOWNEY 90242	15,482	9,221	OWNED	NONE
X238	RANCHO SUPPORT SERVICES ADMINISTARTION BLDG.	7601 IMPERIAL HWY., DOWNEY 90242	66,200	56,002	FINANCED	NONE
1100	PUBLIC SAFETY HDQS HEALTH SVCS BUREAU	7601 IMPERIAL HWY., DOWNEY 90242	51,114	9,221	OWNED	NONE
0370	COMPTON AIRPORT ADMIN BUILDING	901 W ALONDRA BLVD., COMPTON 90220	2,880	2,592	OWNED	NONE

AMENDMENT NO.1 TO LEASE NO.74118
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES
4513 EAST COMPTON BLVD., COMPTON

This Amendment No. 1 to Lease No. 74118 ("Amendment") is made and entered into effective as of this 18th day of December ,2012 by and between Steven Wuo, ("Lessor"), and the COUNTY OF LOS ANGELES, a body politic and corporate, ("Lessee").

Whereas, Lessor, successor in interest to Edwin F. Nishikawa Trust, as owner of the property located at 4513 East Compton Boulevard, Compton, ("Property"), and Lessee entered into that certain lease and agreement No. 74118 dated August 6, 2002, and five year option to renew dated July 31, 2007 ("Lease') for approximately 4,436 gross square feet of building ending August 31, 2012 for use by the Department Community and Senior Services ("DCSS");

Whereas, the Lease has continued through mutual holdover beginning September 1, 2012 ("Holdover Period");

Whereas, the parties now desire to amend said Lease to extend the term of the Lease beyond the Holdover Period termination date for an additional term of six years ("Second Lease Extension"), commencing upon approval by the Board of Supervisors, County of Los Angeles ("Board of Supervisors"), whichever occurs last.

NOW, THEREFORE, in consideration of the rents, covenants and agreements herein contained, and intended to be legally bound, Lessor and Lessee hereby covenant and agree the following amendments are effective upon the date above written:

1. TERM. Paragraph 2 Term, is amended to provide that the term of the Lease will expire six years after the date the Board of Supervisors of the County of Los Angeles has approved the extension of the term.

2. RENT. Paragraph 3 Rent, is deleted in its entirety and in its place shall be substituted the following:

> "Lessee shall continue to pay a monthly rent for the Premises in the amount of $5,480.20 per month, or $1.235 per square foot, ("Base Rent"). All rent payable under this Lease, as amended, shall be due and payable without demand on or before the first day of each calendar month, except that Rent for any fractional calendar month at the commencement or end of the Term shall be prorated on a daily basis. Lessor shall file a Payment Voucher annually therefore, during each month of June, with the Auditor of the County of Los Angeles (the "County"). The monthly Base Rent shall increase 2.5 percent annually over the prior year monthly Base Rent through the term of the Lease."

74118 Supplement No. 1

3. CANCELLATION. Paragraph 5 Cancellation is hereby deleted in its entirety and in its place hereby amended by adding the following:

"Lessee shall have a right to cancel during the lease term any time after the 24th month of the lease extension. Lessee must give Lessor not less than Ninety (90) days prior written notice of its intent to cancel"

4. Paragraph 30. Tenant Improvements shall be inserted as follows:

"30. TENANT IMPROVEMENTS Lessor will cause, at his sole cost and expense, to be constructed at the Premises, interior and exterior improvements, to begin by January 15, 2013 and to be completed within One Hundred Eighty (180) days as follows:

1) Comply with all Americans with Disabilities Act ("ADA") required upgrades to include but not restricted to enlarging one bathroom, installing railings around water fountains, and installing exterior parking signage.

2) Replace the concrete pad at the front entrance of the Premises, and expand wrought iron fencing and gate to enclose and secure front entrance.

Should Lessor fail to comply with completion of tenant improvements within 6 months of the commencement of lease extension County may perform such duties and subtract the cost of tenant improvements from the monthly rent.

Any expenditure by the Lessor, even if it benefits the Lessor, shall not be recovered by the Lessor, who shall solely bear the risk of loss for incurring such liabilities.

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 Chairman of said Board and attested by the Clerk thereof on the day, month, and year first above written.

LESSOR
By: STEVE WUO

By: _____

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 _____
Deputy

ATTESTED:

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

Deputy

LESSEE

COUNTY OF LOS ANGELES

By _____

Chairman, Board of Supervisors

APPROVED AS TO FORM:

JOHN F. KRATTLI
COUNTY COUNSEL

By _____:

Deputy

ADOPTED
BOARD OF SUPERVISORS

11 DEC 18 2012

SACHI A. HAMAI
EXECUTIVE OFFICER

74118

Supplement No. 1