WILLIAM T FUJIOKA
Chief Executive Officer

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

"To Enrich Lives Through Effective And Caring Service"

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Fourth District

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Fifth District

September 10, 2013

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

13 September 10, 2013

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, California 90012

Dear Supervisors:

EIGHT-YEAR LEASE AGREEMENT - PUBLIC LIBRARY
25950 THE OLD ROAD, STEVENSON RANCH
APPROVE STEVENSON RANCH LIBRARY PROJECT
AND APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NO. 77602
FIFTH DISTRICT
(4 VOTES)

SUBJECT

Approval of the recommended actions will allow Public Library to lease available commercial space, implement tenant improvements for the proposed Stevenson Ranch Library Project and related appropriation adjustment.

IT IS RECOMMENDED THAT THE BOARD:

1. Consider and adopt the Negative Declaration together with the fact that no comments were received during the public review process; find that the proposed Stevenson Ranch Library will not have a significant effect on the environment; find that the Negative Declaration reflects the independent judgment of the County of Los Angeles to approve the Negative Declaration; find that the Project will have no adverse effect on wildlife resources; and authorize the Chief Executive Office to complete and file a Certificate of Fee Exemption for the Project.

2. Approve the eight-year lease agreement with Valencia Marketplace II, LLC, rent commencement to be on May 1, 2014 or upon occupancy, whichever occurs earlier, for 12,000 rentable square feet of space at 25950 The Old Road, Stevenson Ranch, for a maximum first year rental amount of $269,289, which includes: an initial annual base rent of $180,000, plus first year payment of operating expense rent estimated to be $89,289 for the Stevenson Ranch Library. The rental cost is

entirely funded by Fifth District net County cost.

3. Authorize and instruct the Chief Executive officer, or his designee, to execute the lease agreement upon recordation of the Amendment to the Declaration of Restrictions and Grant of Easements for the shopping center, or Board approval, the latter of the two.

4. Approve the Stevenson Ranch Public Library Project, with a total Project budget of $4,500,000 funded by net County cost.

5. Approve the appropriation adjustment transferring $10,597,000 from Library's Stevenson Ranch's Developer Fee Budget (BM1) into Library's Operating Budget (Services and Supplies) to fund operational expenses of the proposed Stevenson Ranch Library.

6. Authorize Internal Services Department to deliver the tenant improvements using a combination of in-house and Board-approved Job Order Contract program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow Public Library to lease available commercial space and implement tenant improvements for the proposed Stevenson Ranch Library (Project).

The current population and future growth projections of the County's unincorporated area of Stevenson Ranch, and surrounding communities, indicate a need to provide library services to local residents outside the City of Santa Clarita limits. Currently, local residents must rely on bookmobile service or use libraries owned by the City of Santa Clarita, the nearest full-service library in the area.

A real estate investigation resulted in available leased facilities, no unavailable land or available buildings to purchase, and no suitable County owned facilities. Public Library recently completed a library needs assessment survey in unincorporated Stevenson Ranch that clearly shows a desperate need for library service in these communities. Based on the needs assessment, Public Library is recommending entering into the proposed lease agreement (Attachment A).

The proposed 12,000 square-foot library will include a large reading area for adults; teen center for middle and high school students; a children's area with Family Place; an 80-seat community meeting room; group study rooms; express checkout service machines; public access computers; public access WiFi; public restrooms; and an opening day collection of approximately 60,000 books, and other library materials. These interior improvements will be implemented as part of the tenant improvements scope of work.

The establishment of a library in Stevenson Ranch is consistent with the Public Library's long-range facility planning and will meet the service needs of the local population.

The design services will be completed through Internal Services Department's (ISD) as-needed architectural-engineering consultant, and the improvements will be implemented through a combination of ISD in-house crafts staff and Job Order Contract (JOC) program. It is anticipated that the library services will be available beginning the first quarter of 2015.

Implementation of Strategic Plan Goals

The estimated proposed Project cost totals $19,500,000: $4,500,000 for tenant improvements, including telephone and data low voltage systems; $1,000,000 for books and library materials;

$1,000,000 for furniture, fixtures, and equipment; $3,000,000 for eight-year rent expense and contingency; and $10,000,000 for eight-year operating costs.

FISCAL IMPACT/FINANCING

The estimated proposed Project cost is $4,500,000 and is fully funded by net County cost. Sufficient appropriation is available in the Fiscal Year 2013-14 Capital Project/Refurbishment Budget for Stevenson Ranch Public Library Project (Capital Project No. 77602) to fully fund the tenant improvements. The proposed Project Schedule and Budget Summary are detailed in Attachment C.

Operating Budget Impact

The eight-year rent expense, contingency, and operating costs are estimated $13,000,000; the one-time cost for books and library materials, furniture, fixtures, and equipment are estimated $2,000,000 funded by $10,597,000 with Public Library Developer Fees, and $4,403,000 with Library Operating Budget.

Approval of the attached appropriation adjustment (Attachment B) will transfer $10,597,000 from Public Library's Developer Fee Budget (BM1) into Public Library's Operating Budget (Services and Supplies) to fund operational expenses of the Public Library. The three 5-year optional lease extensions and associated operating costs will be funded by property taxes that have been collected in the Fifth District unincorporated areas for County Public Library.

The annual base lease cost for the proposed Project will initially be $269,289, which includes $180,000 in base rent and $24,480 in Additional Rent, which consists of Common Area Expenses passed through based on the County's occupancy of 1.6 percent of the entire center. Additionally, the Additional Rent provision of the lease requires the County to reimburse the Landlord in a lump sum for its share of property taxes and insurance annually and certain center maintenance costs, i.e. parking lot slurry sealing/striping of the lot approximately every three years and as-needed roof replacement, which expenses are estimated to be $64,809 annually.

The annual rent under the lease will be a $17.04 per square-foot Triple Net lease comprised of an annual Base Rent of $15 per square-foot, which will be adjusted annually at a rate of 2 percent, and Additional Rent for common area expenses at a rate of $0.17 per square-foot, which is adjusted annually at a rate not to exceed 5 percent based on actual costs, plus lump sum reimbursement of property taxes and insurance and certain maintenance costs estimated to be $64,809 annually.

It is anticipated that the new library will begin operation in the first quarter of 2015 and the funding for the annual operating costs will be required at that time. The annual operating budget for the Stevenson Ranch Public Library is estimated $1,250,000 based on the current staffing, support, facility maintenance, and other operating costs that will be required.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease agreement provides 12,000 rentable square feet of library space and adequate off-street parking spaces. The lease contains the following provisions:

a. The eight-year term of the lease beginning upon payment of rent, May 1, 2014.

b. A monthly base rent of $15,000 or $180,000 annually, and monthly Common Area Expense of

$2,040 or $24,480 annually, plus annual lump sum reimbursement of property taxes and insurance and certain maintenance costs estimated to be $64,800 annually.

c. The Landlord will provide parking which is sufficient to meet the parking needs of the department and patrons.

d. The lease is on a Triple Net lease whereby the Landlord will be responsible for all Common Area maintenance, but the County and other tenants reimburse the Landlord for such costs based on their proportionate share of occupancy of the shopping center. The County must pay for its metered electricity consumption, janitorial and building maintenance costs.

e. The County has three 5-year options to renew the lease under the same terms, conditions and rental rate.

CEO Real Estate staff surveyed Stevenson Ranch, and the surrounding area to determine the market rate of comparable sites. The base rental range, including parking for similar property in the area is between $26.00 and $35.00 per square-foot per year modified full-service. Thus, the base annual rent of $15 per square-foot for the base lease cost is at the lower end of the market rate for this area. Attachment E shows County-owned and leased facilities within the search area for these programs and none are available to house these programs.

The Department of Public Works was not required to inspect this facility as it was built in 2003 and meets current standards for the County's occupancy.

Prior to the execution of this lease, it is necessary for an Amendment to the Declaration of Restrictions and Grant of Easements for the shopping center to be recorded that allows a public library use within the shopping center.

ENVIRONMENTAL DOCUMENTATION

The Chief Executive Office has made an initial study of environmental factors and has concluded that the proposed Project will have no significant impact on the environment and no adverse effect on the wildlife resources. A Negative Declaration (Attachment F) has been prepared and a notice posted at the site as required by the California Environmental Quality Act (CEQA) and the California Administrative Code, Section 15072. Copies of the completed Study, the resulting Negative Declaration, and the Notice of Preparation of Negative Declaration as posted are attached. No comments to the Negative Declaration were received.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will provide the necessary space to establish a library to serve the unincorporated Stevenson Ranch area of Los Angeles County.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return four originals of the executed lease, two certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division for further processing; one adopted copy of the Board letter to CEO Facilities and Asset Management Division; CEO Real Estate Division; Public Library; and ISD.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SHK:DJT
DM:AC:zu

Enclosures

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

ATTACHMENT A

EIGHT-YEAR LEASE AGREEMENT - PUBLIC LIBRARY
25950 THE OLD ROAD, STEVENSON RANCH
APPROVE STEVENSON RANCH LIBRARY PROJECT
AND APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NO. 77602
FIFTH DISTRICT
(4 VOTES)

LEASE AGREEMENT
(See Enclosure)

COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

THIS LEASE is entered into as of the 10th day of September, 2013 between VALENCIA MARKETPLACE II ("Landlord"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant") or ("County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease.

1.1 Defined Terms Relating to the Lease:

(a) Landlord's Address for Notice:

5743 Corsa Avenue, Suite 200
Westlake Village, CA 91362

(b) Tenant's Address for Notice:

Board of Supervisors
Kenneth Hahn Hall of Administration,
Room 383
500 West Temple Street
Los Angeles, California 90012

With a copy to:

Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

(c) Premises:

Approximately 12,000 rentable square feet in the Shopping Center (defined below) more particularly described as 25950 The Old Road, Stevenson Ranch, California, 91381 as shown on Exhibit F attached hereto.

78030

(d) Building:

The building in which the Premises is located.

(e) Shopping Center:

The Shopping Center known as Valencia Marketplace, located at the corner of The Old Road and McBean Parkway and more fully described in Exhibit B attached hereto (the "Property");

(f) Common Area:

The Common Area is that area within the Shopping Center which is neither occupied by buildings nor devoted permanently to the exclusive use of a particular tenant, except that areas containing pylon signs and buildings or structures which are used with respect to the operation of the Common Area shall be deemed to be part of the Common Area.

(g) Term:

Lease shall commence upon execution of the parties; however, Rent Commencement Date shall be May 1, 2014 or upon occupancy, whichever occurs earlier ("Rent Commencement Date").Lease shall terminate at midnight on the day before the eighth (8th) anniversary of the Rent Commencement Date ("Termination Date"), unless otherwise subject to termination by some other provision within the Lease. The phrase "Term of this Lease" or "the Term hereof," or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.

(h) Rent Commencement Date:

May 1, 2014 or upon Tenant occupancy, whichever occurs earlier.

(i) Irrevocable Offer Expiration Date:

October 1, 2013.

(j) Rent:

(i) Base Rent: $15,000.00 per month Base Rent (based upon a rental rate of $1.25 per rentable square foot). Base Rent is adjustable only as provided in Section 5(a).

(ii) Additional Rent: Which includes Common Area Expenses, estimated at $2,040.00 per month (based upon an expense rate of $0.17 per rentable square foot), as further defined in Section 5: Rent.. In addition, the "Lump Sum" expenses portion

of Common Area Expenses, as defined below, shall be payable when incurred and after Landlord has provided Tenant an invoice for such amounts. "Lump Sum" expenses shall mean Tenant's share of: Parking lot slurry seal/stripping; Insurance-property; Insurance-liability; Property tax-Improvements; and Property tax-Common Area.

(k) Rentable Square Feet in the Premises:

Approximately 12,000

(l) Use:

Public Library and Meeting Room Use, subject to rules and regulations as set forth in the Covenants and Conditions of Restrictions as supplemented and may be amended from time to time (the "CC&R's").

(m) Department Use:

Public Library

(n) Parking Spaces:

Employee parking for Tenant shall be in the rear of the building and Tenant parking in common with Valencia Marketplace Center uses based on mutual consent of Tenant and Landlord. Tenant, at its expense, will install a sign post to identify the employee parking area at the rear of the building. Parking is further addressed at Section 21.

(o) Normal Working Hours:

Tenant may operate a four to seven day a week work schedule based on service needs and working hours may vary from day to day, except that tenant will not operate on New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days said holidays are actually observed) and such other holidays as are generally recognized by the County of Los Angeles.

(p) Asbestos Report:

Not Applicable; built in 2003.

1.2 <u>Defined Terms Relating to Tenant's Work Letter</u>:

Tenant to perform all Tenant Improvements pursuant to Exhibit C attached hereto.

1.3 Exhibits to Lease:

Exhibit A - Floor Plan
Exhibit B - Legal Description
Exhibit C - Tenant's Work Letter
Exhibit D - Commencement-Date-Memorandum
Exhibit E -
Exhibit F - Shopping Center Site Plan
Exhibit G - Shopping Center Sign Criteria
Exhibit H - Rules and Regulations
Exhibit I - Subordination Agreement
Exhibit J - Estoppel Certificate
Exhibit K - Request for Notice
Exhibit L - Payment Voucher
Exhibit M - Community Business Enterprise Form
Exhibit N - County's Work Letter Insurance Requirements

2. PREMISES.

(a) Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto.

3. COMMON AREAS.

(a) Use of Common Areas. Tenant and its employees and invitees shall have the non-exclusive license to use the Common Areas during the Lease Term, for parking and for pedestrian and vehicular access in and to the Shopping Center in common with Landlord and with other persons authorized by Landlord from time to time to use such areas, subject to such reasonable rules and regulations relating to such use as Landlord may from time to time establish.

(b) Landlord will at all times during the term of this Lease have the sole and exclusive control of Common Areas, and from time to time during the term hereof restrain any use or occupancy thereof except as authorized by the rules and regulations for the use of such areas established by Landlord from time to time, so long as such restraints are reasonably necessary. The rights of Tenant to the Common Areas will at all times be subject to the rights of Landlord, the other tenants of Landlord, and the other owners of stores in the Shopping Center to use the same in common with Tenant, Tenant shall keep Common Areas free and clear of any obstructions created or permitted by Tenant or directly resulting from Tenant's operation. If in the opinion of Landlord, unauthorized persons are using any portion of Common Area by reason of the presence of Tenant in the Shopping Center, upon demand of Landlord, Tenant shall limit such unauthorized use by appropriate measures. Nothing herein will affect the right of Landlord at any time to remove any unauthorized persons from the Common Areas or to prohibit the use of any said areas by unauthorized persons.

(c) Landlord may (i) make changes at any time from time to time in the size, shape, location, number and extent of the Common Areas of any of them, and/or (ii) designate new building areas or change the size, location or configuration of any existing building area without Tenant's approval or consent, except that Landlord shall not change the Tenant's Premises, and no such change shall entitle Tenant to any abatement of rent. Landlord shall have the right time to time to establish, modify and enforce reasonable rules and regulations with respect to the Shopping Center, its Common Areas and any improvements located therein.

(d) Landlord, directly or by contract shall operate, manage, equip, light, repair, replace, clean and maintain the Common Areas in such manner as Landlord may determine to be appropriate in its sole discretion. Landlord may temporarily close any Common Area for repairs or alterations, to prevent a dedication thereof or the accrual of prescriptive rights therein, or for any other reason deemed sufficient by Landlord.

(e) Landlord shall at all times during the Term of this Lease have the sole and exclusive control of the automobile parking areas, driveways, entrances and exits and the sidewalks and pedestrian passageways and other Common Areas, and may at any time and from time to time during the Term hereof restrain any use or occupancy thereof except as authorized by the rules and regulations for the use of such areas established by Landlord from time to time. The rights of Tenant in and to the Common Areas shall at all times be subject to the rights of Landlord, the other tenants of Landlord and the other owners of stores in the Shopping Center to use the same in common with Tenant, and Tenant shall keep said areas free and clear of any obstructions created or permitted by Tenant or resulting from Tenant's operation. If in the opinion of Landlord, unauthorized persons are using any of said areas by reason of the presence of Tenant in the Shopping Center, upon demand of Landlord, Tenant, shall restrain such unauthorized use by appropriate proceedings. Nothing herein shall affect the right of Landlord at any time to remove any such unauthorized person from the Common Areas or to prohibit the use of any said areas by unauthorized persons.

(f) Tenant hereby waives any and all claims and causes of action resulting directly or indirectly from Landlord's exercise of any of its rights, reservations, licenses or easements as provided in this Lease, including, by way of example, but without limitation, claims for business interference, lost profits, damage to or loss of personal property, loss of benefit of the Lease or the Premises, or otherwise resulting from or related to any such change in the Premises or the Shopping Center as provided in this Lease.

(g) Landlord Representations. Landlord represents, to the best of its knowledge, at the time of execution of this Lease, to Tenant that (i) the Common Areas, (including electrical, mechanical, plumbing, gas, and fire/life safety systems in the Common Areas and similar building service systems) comply with all current laws, codes, and ordinances, including the Americans With Disabilities Act, and are in reasonable good working order and condition; (ii) the Common Areas comply with all covenants, conditions, restrictions and underwriter's requirements; (iii) the Common Areas are free of the presence of any Hazardous Materials (as hereinafter defined); and (iv) Landlord has not

received any notice from any governmental agency that the Common Areas are in violation of any law or regulation.

4. COMMENCEMENT AND EXPIRATION DATES

(a) Term. The initial term shall be from the Rent Commencement Date to the Termination Date, as those terms are defined in section 1.1. Within 30 days of determining the Rent Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Rent Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit D. Tenant will be entitled to possession of the Premises upon mutual execution of the Lease and approval of the Lease by the County's Board of Supervisors, for the purpose of installing Tenant Improvements, Tenant's furniture, fixtures and equipment in the Premises. Such early occupancy shall be subject to all provisions herein but will not advance the Rent Commencement or Termination Date. Tenant will not pay Rent for such early occupancy period. Landlord and Tenant agree that the shell and core of the Premises are complete and in compliance with all applicable laws and codes in effect as of the date of construction, and that all of the Premises systems are operational to the extent necessary to service the Premises.

(b) Options to Extend.

Terms of Options. Provided that no Landlord Default (as defined herein) or other material Default has occurred and continuing under the Lease at the time an option is exercised, Tenant will have three (3) options to renew this Lease for an additional period of sixty (60) months each (respectively, the "First Extension Term," the "Second Extension Term," and "Third Extension Term", and collectively, the "Extension Term(s)").

Exercise of Option. Tenant shall exercise any option to extend this Lease by giving Landlord written notice no later than six (6) months prior to the end of the initial Term, or the First Extension Term or Second Extension Term, as applicable.

Terms and Conditions of Extension Terms. The Extension Terms shall be on all the terms and conditions of this Lease, including the increases in Rent as provided in Section 5, below.

5. RENT.

The first full calendar month's Rent shall be due and payable on the Rent Commencement Date in the total amount shown in Section 1.1(j) hereof. A monthly installment in the same amount, subject to the adjustments described herein below, shall be due and payable without demand on or before the first day of each calendar month succeeding the Rent Commencement Date during the Term, except that Rent for any fractional calendar month at the commencement or end of the Term shall be prorated on a daily basis, provided that Landlord shall file a payment voucher, attached hereto as Exhibit L, with the Library of the County of Los Angeles (the "County") for the monthly Rent prior to

the Rent Commencement Date for the initial month(s) of the Term up to and including April, and annually thereafter in April for the ensuing 12 months.

(a) On each anniversary of the Rent Commencement Date (an "Adjustment Date"), the monthly Base Rent for the Premises will increase by an amount equal to two percent (2.%) of the Base Rent then in effect. For example, on the first Adjustment Date, the Base Rent will increase by $300.00 (2 % X $15,000.00). Accordingly, the new Base Rent will then be equal to $15,300.00 ($15,000.00 + $300.00). On the second Adjustment Date, the Base Rent will increase by $ 306.00 (2% X $15,300.00). Accordingly, the new Base Rent will then be equal to $15,606.00 ($15,300.00 + $306.00).

(b) On each Adjustment Date, Tenant's percentage share of the Common Area Expenses (determined on an aggregate basis as opposed to a line item basis), excluding those Common Area Expenses it pays as Lump Sum as defined in Section 1.1(j), shall not increase by more than 5% cumulatively per annum over the amount charged in the first full Lease. The Lump Sum expenses will be the Tenant's proportionate share of actual expenses and not subject to the five percent (5%) limitation. Tenant's proportionate share shall be the amount which is a fraction (or expressed as a percentage), the numerator of which is the Rentable Square Footage of the Premises and the denominator of which is the total Rentable Square Footage of all of the buildings in the Shopping Center. Notwithstanding the foregoing, in the event any tenant in the Shopping Center pays real estate taxes directly, maintains its own building insurance, or pays other expenses directly, or in the event any particular expense should be attributed to fewer than all tenants of the Shopping Center, then the Landlord may exclude the square footage of such tenant from the total rentable Square footage of the Shopping Center for the purposes of calculating Tenant's proportionate share of such expenses.

(c) Common Area Expenses. Tenant shall pay to Landlord, as Additional Rent, in the manner and at the time set forth in this section, Tenant's pro rata share, as defined above, of all operating costs and expenses incurred by Landlord in the operation, management, equipment, maintenance, repair, and replacement of the buildings, improvements, and Common Areas within the Shopping Center during the Term of this Lease. Such costs and expenses shall include, without limiting the generality of the foregoing, management; all replacements, repairs, and painting; all foundation, subflooring, exterior and bearing wall repairs and replacements; building repair and painting; utility and utility line repair and replacement; pest control; maintenance and replacement of landscaping and irrigation; repairing, resurfacing, and repaving of parking areas; bumpers, monument, and directional signs and other markers; cleaning, sweeping, steam cleaning, tenant and Common Area trash removal; security services; lighting, including exterior building lighting, canopy lighting or architectural feature lighting; fixture repair and replacement; fire protection; cost of public liability, property damage, fire and extended coverage, earthquake, terrorism, vandalism, rental loss, and any other insurance maintained by Landlord for the benefit of the Shopping Center; all real estate taxes on the Shopping Center and personal property taxes; all utility costs, Tenant's prorata share of any individual services or utilities which are jointly metered with any other tenants, materials, supplies, equipment and tools, depreciation of equipment, machinery and tools;

costs associated with governmental requirements including permits, licenses, certifications and inspections, holiday decorations, costs of maintenance and repair of public art located in the Common Area; Shopping Center promotional costs, and similar services (provided nothing herein contained shall be deemed a representation or requirement that any such services shall be maintained); environmental protection expense; and an Administrative Fee equal to fifteen percent (15%) of all of the foregoing costs and expenses to cover Landlord's administrative and overhead expenses. Landlord may cause any or all of said services to be provided by an independent contractor or contractors. If any costs or expenses which Tenant would otherwise be required to pay under this Lease as Common Area Expenses, real estate taxes, or insurance are payable as assessments under the CC&R's, then Tenant shall pay its pro rata share of such assessments as Common Area Expenses. (All of the above operating costs, expenses and Landlord's administrative and overhead expense are herein called "Common Area Expenses").

(d) Payment of Additional Rent. By April 1 of the commencement of each calendar year of this Lease, Landlord may give Tenant an estimate of Tenant's pro rata share of all of the items of Additional Rent (including Common Area Expenses) for the ensuing year. Tenant shall pay such estimated amount to Landlord in equal monthly installments, in advance, on the first day of each calendar month, without prior notice, demand, offset or deduction, as part of the same check with which Tenant pays the Monthly Rent. If Landlord so estimates, Landlord shall furnish to Tenant a statement showing the actual costs incurred by Landlord for the previous calendar year for the operation and maintenance of the Shopping Center during such year indicating any additional amounts due from Tenant or credit due from Landlord. Tenant shall, within thirty (30) days of receipt of such statement, make any payment necessary. If Landlord elects not to so estimate, Tenant shall pay its share of such Additional Rent at such intervals as Landlord may elect to bill Tenant. Landlord's failure to submit statements as called for herein shall not be deemed to be a waiver of Tenant's requirement to pay sums as herein provided.

6. USES.

The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose. Tenant agrees to comply with all terms and provisions of the Declaration of Covenants, Conditions and Restrictions and amendments thereto recorded with respect to the Shopping Center and the Rules and Regulations set forth in Exhibit H attached hereto and incorporated herein by this reference.

7. HOLDOVER.

If Tenant holds the Premises after the expiration of the Term hereof, such holding over shall, in the absence of a written agreement on the subject, be deemed to have created a tenancy from month to month, terminable on thirty (30) days' written notice by either party to the other, at a Rent rate equal to 125% of the Base Rent paid by Tenant to Landlord during the full month preceding the expiration of the Lease, and otherwise subject to all terms of this Lease, including the payment of additional Rent, and all other charges payable by Tenant hereunder. Neither acceptance of Rent nor of anything contained in

this subparagraph shall be construed as an express or implied consent to such holding over, nor affect Landlord's right to recovery of possession as a consequence of holding over. If Tenant fails to surrender the Premises upon the termination of this Lease, Tenant shall indemnify and hold harmless Landlord from loss or liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant arising out of such failure.

8. COMPLIANCE WITH LAW.

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the Term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, shall, at its sole cost, at all times cause the Common Area to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon the Common Area during the Term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises. The costs and expenses incurred by Landlord in performance of these obligations shall constitute "Common Area Expenses," as defined in Section 5.

9. DAMAGE OR DESTRUCTION.

(a) Damage. In the event any portion of the Building is damaged by fire or any other cause rendering the Building either totally, or a material portion thereof, inaccessible or unusable and the Building may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days, then Landlord shall promptly, at Landlord's expense, so long as Landlord has received sufficient insurance proceeds, repair such damage to the Building, except for the improvements required to be made by Tenant pursuant to the Work Letter, and this Lease shall continue in full force and effect. If all or any portion of the Building shall be made untenantable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. The failure to repair as required hereunder shall be a Material Default hereunder. Rent shall abate to the extent that the Building are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Building.

(b) Tenant Termination Right. In the event any portion of the Building is damaged by fire or any other cause rendering the Building either totally, or a material portion thereof, inaccessible or unusable and the Building can not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days for any reason, then Tenant may terminate this Lease by giving written notice within ten days after notice from Landlord specifying such time period of repair; and this Lease shall terminate and the Rent shall be abated from the date the Building became untenantable.

(c) Damage In Last Year. Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than 30 days after such destruction, in which case (a) Landlord shall have no obligation to restore the Premises, (b) Landlord may retain all insurance proceeds relating to such destruction, and (c) this Lease shall terminate as of the date which is 30 days after such written notice of termination.

(d) Default By Landlord. If Landlord is required to repair and restore the Building as provided for in this Section and Landlord should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Tenant may, subject to the notice and cure provisions set forth in Section 14, (a) declare a default hereunder, or (b) perform or cause to be performed the restoration work and deduct the cost thereof, from the Base Rent next due as a charge against the Landlord.

10. REPAIRS AND MAINTENANCE.

(a) Landlord Obligations. Landlord shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed the structural elements of the Building, exterior walls of the Building (excluding windows and doors)..

(b) Tenant Obligations. Without limiting Landlord's Obligations as stated above at subsection (a), Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. Tenant, at its sole cost and expense, shall also perform all maintenance and repairs to the Building, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Tenant's repair obligations include, without limitation, repairs to the following of the Building: (1) the floor covering;(2) interior partitions; (3) doors; (4) all non-structural walls; (5) electrical including electrical panel to wall outlets and lights, (6) HVAC, (7) any plumbing; (8) fire/life safety systems; (9) signage; and (10) roof. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld or delayed; (b) be at least equal in quality, value and utility to the original work or installation; and (c) be in accordance with all laws. The Landlord grants the Tenant the right to use County resources including Public Library and Internal Services Department (ISD) staff to complete any required maintenance or repairs.

(c) Tenant's Right to Repair. If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Premises structure and/or the Premises systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, then, if such failure continues after Tenant has given

Landlord five (5) days' notice of Tenant's intent to proceed to take the required action if Landlord does not commence the repair or maintenance within such time, Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Premises to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action. If not reimbursed by Landlord within ten days, Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 14.

11. SERVICES AND UTILITIES.

Tenant agrees to pay when due all charges for Tenant's consumption of electricity, gas, and water on the Premises. The costs and expenses incurred by Landlord for these utility services for the Common Area shall constitute "Common Area Expenses," as defined in Section 5.c., above.

12. LANDLORD ACCESS.

Tenant shall permit Landlord and its agents to enter the Premises upon prior written notice for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Premises, Rent shall be prorated based upon the percentage of the Premises rendered untenantable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency.

13. TENANT DEFAULT.

(a) Default. The occurrence of any one or more of the following events (a "Tenant Default") shall constitute a Material Default and breach of this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of ten days after written notice to Tenant;

(ii) The failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of five (5) days after written notice from Landlord specifying in detail the nature of the Tenant Default; provided, however, if more than fifteen (15) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences

such cure within said fifteen (15) day period and thereafter diligently prosecutes such cure to completion.

(b) No Effect on Indemnity. Nothing in this Article 13 or Article 14 shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

14. LANDLORD REMEDIES.

In the event of any Tenant Default, Landlord may exercise one or more of the following remedies:

(a) Landlord shall have the remedy provided in Civil Code Section 1951.4. Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover from Tenant the rent as it becomes due and any other amounts necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom. Landlord may sue monthly, annually or after such equal or unequal periods as Landlord desires for amounts due under this subparagraph (a). Tenant acknowledges that its right to assign or sublease is subject only to reasonable conditions. The right to collect rent as it becomes due shall terminate upon the termination by Landlord of Tenant's right to possession of the Premises. Tenant's right to possession shall not be terminated unless and until Landlord delivers to Tenant written notice thereof.

(b) Landlord, either as an alternative or subsequent to exercising the remedies set forth in paragraph 14(a), above, may terminate Tenant's right to possession of the Premises by and upon delivery to Tenant of written notice of termination. Landlord may then immediately reenter the Premises and take possession thereof pursuant to legal proceedings and remove all persons and property from the Premises. Such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant. No notice of termination shall be necessary in the event that Tenant has abandoned the Premises. In the event that Landlord elects to terminate Tenant's right of possession, Landlord may recover all of the following:

(i) The worth at the time of the award of any obligation which has accrued prior to the date of termination; and

(ii) The worth at the time of the award of the amount by which the unpaid rent and additional charges which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Tenant proves could have been reasonably avoided; and

(iii) The worth at the time of the award of the amount by which the unpaid rent and additional charges for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided.

(c) As used in Subsections (b) (i) and (b) (ii) above, the "worth at the time of award" is computed by allowing interest at the rate of ten percent (10%) per annum. As used in Subsection (b) (iii) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(d) Landlord may recover from Tenant, and Tenant shall pay to Landlord upon demand, such expenses as Landlord may incur in recovering possession of the Premises, placing the same in good order and condition and altering or repairing the same for reletting, all other expenses including attorney's fees and commissions and charges incurred by Landlord in reletting same or exercising any remedy provided herein or as a result of any default by Tenant hereunder, and any other amount necessary to compensate Landlord for all the detriment proximately caused by the Tenant's failure to perform Tenant obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

(e) Landlord may exercise any other remedy or right now or hereafter available to Landlord against a defaulting Tenant under the laws of the governing jurisdiction and not otherwise specifically reserved herein.

(f) The acceptance by Landlord of any partial payment of Rent or other amounts due hereunder after breach by Tenant will not constitute a waiver of such breach, unless a written statement to that effect signed by Landlord has been delivered to Tenant.

15. LANDLORD DEFAULT.

(a) Remedies. In addition to the provisions for Landlord's default provided by Sections 9, 10, 20, and 21(b), Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant; provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such fifteen (15) day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within fifteen (15) days of a notice from Tenant to Landlord of Tenant's intent to exercise its remedies hereunder, then Tenant shall have the right, at its option, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein: (i) to remedy such default or breach and deduct the costs thereof (including but not limited to attorneys' fees) plus interest at the rate of ten (10%) per annum from the installments of Rent next falling due; (ii) to pursue the remedy of specific performance; (iii) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Rent next coming due; and/or (iv) to terminate this Lease.

(b) Waiver. Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

(c) Emergency. Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially and adversely affect the operation of Tenant's business in the Premises.

16. ASSIGNMENT AND SUBLETTING.

There is no right to assign or sublease this Lease. However, in the event that this area is annexed by the City of Santa Clarita, Tenant would have the right (subject to Landlord's approval) to sublease the space to the City of Santa Clarita so long as the use remains a public library. In the event of annexation, the County shall also have the right to continue the Lease so long as the use remains a public library.

17. ALTERATIONS AND ADDITIONS.

(a) Landlord Consent. Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria: (1) complies with all Laws; (2) is not visible from the exterior of the Premises; (3) will not materially affect the systems or structure of the Premises; and (4) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Shopping Center. If Landlord fails to respond in writing within 30 days of such request, Landlord shall be deemed to approve the Alterations.

(b) End of Term. Any Alterations not removed by Tenant, at Landlord's option, shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

18. CONDEMNATION.

(a) Controlling Terms. If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor, either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

(b) Total Taking. If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

(c) Partial Taking. If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within 30 days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than 30 days nor later than 90 days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within 30 days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Rent shall be equitably abated.

(d) Restoration. Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within 90 days after Landlord so notifies Tenant, this Lease shall continue in effect. All obligations of Tenant under this Lease shall remain in effect, except that Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

(e) Award. The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

(f) Waiver of Statute. Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the superior court to terminate this Lease in the event of a partial taking of the Premises.

19. INDEMNIFICATION.

(a) Tenant's Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Shopping Center or Premises as a result of any negligent act, omission or willful misconduct of Tenant or its employees, or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant

responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees. Nothing in this Lease shall be construed to waive, limit, or supersede any of the Tenant's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to section 3864 of the Labor Code.

(b) Landlord's Indemnity. Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Shopping Center or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

20. INSURANCE.

(a) Landlord's Insurance. During the term of this Lease, Landlord shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates); and (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value. Insurance proceeds shall be payable to Landlord and Tenant as their interests may appear and be utilized for repair and restoration of the Premises.

(ii) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of $5,000,000; (2) products/completed operations aggregate of $2,000,000; and (3) personal and advertising injury of $1,000,000.

(iii) Failure by Landlord to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

(b) Tenant's Insurance. During the term of this Lease, Tenant shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Tenant's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage

(and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates); and (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value. Insurance proceeds shall be payable to Landlord and Tenant as their interests may appear and be utilized for repair and restoration such Property.

(ii) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of $5,000,000; (2) products/completed operations aggregate of $2,000,000; and (3) personal and advertising injury of $1,000,000.

(iii) Failure by Tenant to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

(iv) Notwithstanding the provisions of this Section 20(b), Tenant's obligations to maintain insurance may be satisfied by self-insurance provided Tenant delivers to Landlord in advance a letter of undertaking or reasonable evidence of such self-insurance. Tenant may elect to self-insure against any or all of the risks, or any portion thereof, against which Tenant is required to insure pursuant to this Lease provided Tenant is then occupying the Premises.

(c) Insurance Requirements. All insurance policies required to be maintained by Landlord under this Lease shall be issued by insurance companies which have a Best's Rating of "AVII" or better and which are qualified to do business in the State of California. All liability and property damage and other casualty policies of Landlord shall be written as primary policies, not contributing with, and not in excess of coverage which Tenant may carry.

(d) Certificates. Landlord shall deliver to Tenant on the Commencement Date of this Lease and thereafter at least 15 days prior to expiration of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates shall include the address of the leased premises and must document that each party has named the other as an additional insured (or its equivalent) on its general liability and property insurance policy, and that Tenant has been named a loss payee on Landlord's commercial property insurance policy, as required. Further, all certificates shall expressly provide that no less than 30 days' prior written notice shall be given to Tenant in the event of material change to, expiration or cancellation of the coverages or policies evidenced by the certificates.

(e) Waiver of Subrogation. Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Landlord shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Tenant.

21. PARKING.

(a) Tenant's Rights. Tenant will have parking rights, as referenced in Section 1.1(n) and hereinafter, without charge for the Term of this Lease.

(b) Non Exclusive Use. Tenant acknowledges that no parking spaces are for the exclusive use of Tenant, but rather, all parking spaces are to be used on a non exclusive first come, first served basis by other tenants, occupants, licenses, invitees and permittees of the Shopping Center.

(c) Tenant and its employees shall park their vehicles only in those portions of the Common Areas from time to time designated for that purpose by Landlord. Tenant agrees to assume responsibility for compliance by its employees with the parking provisions contained herein. Moreover, Landlord may at any time prohibit all employees from parking on the Common Areas, other than the designated staff parking area as designated by Landlord.

(d) In the event Landlord elects to limit or control parking by customers or invitees of the Shopping Center, whether by validation or parking tickets or any other method of assessment, Tenant agrees to participate in such validation or assessment program under such reasonable rules and regulations as are from time to time established by Landlord and applied uniformly to all tenants with respect thereto.

22. ENVIRONMENTAL MATTERS

Hazardous Materials. Tenant shall not cause nor permit, nor allow any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Shopping Center or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders,

decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Shopping Center or the Common Areas.

23. ESTOPPEL CERTIFICATES.

Tenant shall, within 30 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document II attached hereto and incorporated herein by this reference but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS.

Tenant shall make improvements pursuant to Work Letter attached at Exhibit C as attached hereto.

25. LIENS.

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

26. SUBORDINATION AND MORTGAGES

(a) Subordination and Non-Disturbance. Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Shopping Center; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit I attached hereto and incorporated herein by this reference, and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein.

(b) Existing Deeds of Trust. The beneficiary under any existing deed of trust affecting the Shopping Center shall provide a written agreement to Tenant in the form of Exhibit I, attached hereto and incorporated herein by this reference within 30 days after the execution of this Lease.

(c) Request for Notice. Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the Property in the form of Document III attached hereto and incorporated herein by this reference.

(d) Notice of Default. If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notice of default served upon Landlord hereunder which could permit Tenant to terminate this Lease and an additional ten (10) days within which to cure such default.

27. SURRENDER OF POSSESSION.

At the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall, at its sole cost and expense, promptly and peacefully surrender the Premises to Landlord in a "vanilla shell" condition. Tenant shall remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture), unless otherwise agreed to by Landlord.

28. SIGNAGE.

Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances. Subject to Landlord's approval, and compliance with Shopping Center Sign Criteria, the CC&R's and applicable laws, Tenant shall be permitted to install signage on the exterior of the Premises at Tenant's sole cost and expense. Landlord will permit Tenant to install interior ceiling suspended signage at Tenant's sole cost and expense, so long as Tenant agrees to remove such signage upon Lease termination.

29. QUIET ENJOYMENT.

So long as Tenant is not in default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

30. GENERAL

(a) Headings. Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

(b) Successors and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

(c) Entire Agreement. This Lease (and the Landlord's Work Letter and Supplemental Lease Documents) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the

covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

(d) Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

(e) Notices. All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

(f) Governing Law and Forum. This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

(g) Waivers. No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

(h) Time of Essence. Time is of the essence for the performance of all of the obligations specified hereunder.

(i) Consent. Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

(j) Community Business Enterprises. Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit M, attached hereto and incorporated herein by this reference.

31. AUTHORITY.

Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is

binding upon Tenant in accordance with its terms. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Officer of the County or his designee (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

32. ACKNOWLEDGMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

(a) Consideration of GAIN Program Participants. Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment, openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

(b) Notice of Prohibition as set forth in California Government Code Sections 5950 et seq. The Government Code prohibits the Landlord from offering or selling its interest in this Lease through Bond proceeds and the remedies set forth in that law in the event that the Landlord violates such law are available to the Tenant, with attorney's fees therein. This prohibition extends to the successors and assigns of the Landlord per State law.

(c) Solicitation of Consideration. It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord with the implication, suggestion or statement that the landlord's provision of the consideration may secure more favorable treatment for the landlord in the award of the Lease or that landlord's failure to provide such consideration may negatively affect the County's consideration of the landlord's offer to lease. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the landlord's submission being eliminated from consideration.

33. IRREVOCABLE OFFER.

In consideration for the time and expense that Tenant will invest, including but not limited to, preliminary space planning, legal review, and preparation and noticing requirements for consideration by the Board of Supervisors in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

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

LANDLORD:
Valencia Marketplace II, LLC,
a California limited liability company

By its Authorized Agent

By: _____
Vincent S. Giuliano
Its: Managing Member

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By: _____
Chairman, Board of Supervisors

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:

JOHN F. KRATTLI
County Counsel

By: _____
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

13 SEP 10 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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78030

EXHIBIT A

FLOOR PLAN

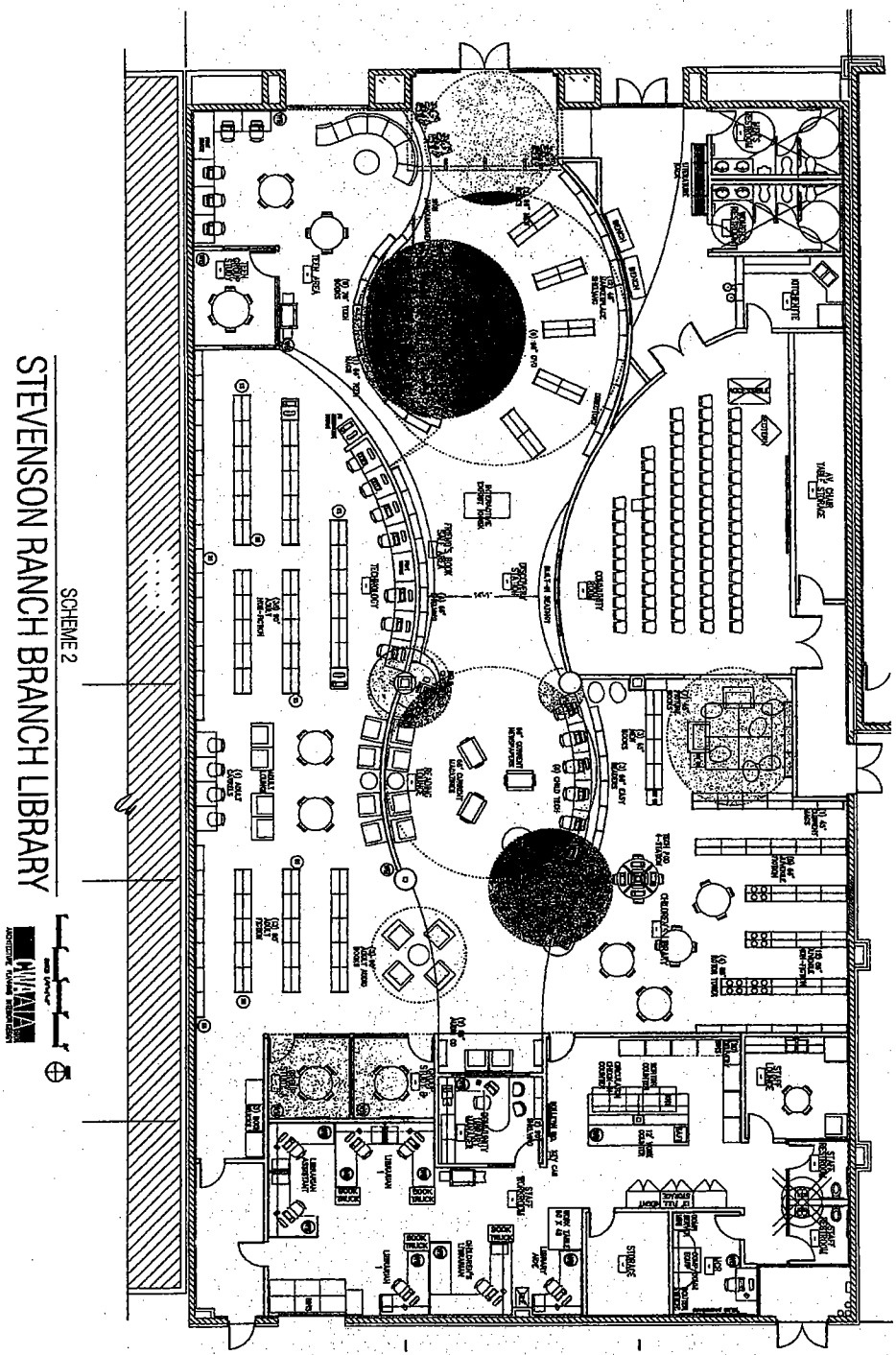

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

1) VALENCIA MARKETPLACE SHOPPING CENTER
2) VALENCIA, CALIFORNIA

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, PER MAP RECORDED IN BOOK 1 PAGES 521 AND 522, OF PATENTS, RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF PARCEL 3 OF PARCEL MAP NO. 10822 AS SHOWN ON MAP FILED IN BOOK 109 PAGES 90, 91, AMD 92, OF PAEL MAPS, RECORDS OF SAID COUNTY SAID CORNER BEING THE NORTHEASTERLY LINE OF THE OLD ROAD AS SHOWN ON LAST SAID MAP; THENCE ALONG SAID NORTHEASTERLY LINE NORTH 14 DEGREES 15 MINUTES 25 SECONDS WEST 32.21 FEET TO THE TRUE POINT OF BEGINNING AT THE NORTHWESTERLY CORNER OF PARCEL 13-5E AS DESCRIBED IN DEED FROM THE NEWHALL LAND AND FARMING COMPANY (A CALIFORNIA LIMITED PARTNERSHIP) TO THE COUNTY OF LOS ANGELES RECORDED NOVEMBER 13, 1991 AS INSTRUMENT NO. 91-1792152 OF OFFICIAL RECORDS, RECORDS OF SAID COUNTY; THENCE

1. ALONG SAID NORTHEASTERLY LINE AND ITS NORTHWESTERLY PROLONGATION NORTH 14 DEGREES 15 MINUTES 25 SECONDS WEST 1927.23 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 2950.00 FEET; THENCE

2. ALONG THE SIDELINE OF PROPOSED THE OLD ROAD AND NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07 DEGREES 43 MINUTES 57 SECONDS AN ARC DISTANCE OF 398.12 FEET TO THE BEGINNING OF A TANGENT REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 3050.00 FEET; THENCE

3. NORTHWESTERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 09 DEGREES 16 MINUTES 52 SECONDS AN ARC DISTANCE OF 494.06 FEET; THENCE

4. TANGENT TO SAID CURVE NORTH 15 DEGREES 48 MINUTES 20 SECONDS WEST 995.94 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 1950.00 FEET; THENCE

5. NORTHWESTERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 03 DEGREES 13 MINUTES 19 SECONDS AN ARC DISTANCE OF 109.66

FEET TO THE BEGINNING OF A TANGENT REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 2050.00 FEET; THENCE

6. NORTHWESTERLY ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 06 DEGREES 11 MINUTES 44 SECONDS AND ARC DISTANCE EOF 221.67 FEET; THENCE

7. TANGENT TO SAID CURVE NORTH 18 DEGREES 46 MINUTES 45 SECONDS WEST 190.72 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY HAVING A RADIUS OF 27.00 FEET AND TANGENT AT ITS NORTHEASTERLY TERMINUS TO THAT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 1900.00 FEET IN THE SOUTHERLY LINE OF MCBEAN PARKWAY THE CENTERLINE OF WHICH IS SHOWN ON MAP OF TRACT NO. 33698 FILED IN BOOK 11114 PAGES 12 TO 49 OF MAPS, RECORDS OF SAID COUNTY AND ON MAP OF TRACT NO. 41159 FILED IN BOOK 985 PAGES 81 TO 87, INCLUSIVE, OF SAID MAPS; THENCE

8. NORTHERLY ALONG LAST SAID CURVE AND LEAVING SAID SIDELINE OF PROPOSED THE OLD ROAD THROUGH A CENTRAL ANGLE OF 87 DEGREES 22 MINUTES 45 SECONDS AN ARC DISTANCE OF 41.18 FEET TO A POINT ON SAID SOUTHERLY LINE OF MCBEAN PARKWAY, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 21 DEGREES 24 MINUTES 00 SECONDS WEST; THENCE

9. NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE OF MCBEAN PARKWAY AND ALONG LAST SAID CURVE THROUGH A CENTRAL ANGLE OF 10 DEGREES 15 MINUTES 20 SECONDS AN ARC DISTANCE OF 340.09 FEET; THENCE

10. TANGENT TO THE LAST SAID CURVE NORTH 78 DEGREES 50 MINUTES 59 SECONDS EAST 40.44 FEET TO THE WESTERLY LINE OF THE LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA RECORDED MARCH 18, 1969 AS INSTRUMENT NO. 3187 IN BOOK D4311 PAGE 508 OF OFFICIAL RECORDS, RECORDS OF SAID COUNTY; THENCE

11. ALONG SAID WESTERLY LINE SOUTH 11 DEGREES 08 MINUTES 59 SECONDS EAST 9.69 FEET;

12. NORTH 78 DEGREES 51 MINUTES 47 SECONDS EAST 230.01 FEET;

13. SOUTH 16 DEGREES 59 MINUTES 32 SECONDS EAST 392.06 FEET;

14. SOUTH 11 DEGREES 59 MINUTES 25 SECONDS EAST 470.02 FEET;

15. SOUTH 42 DEGREES 06 MINUTES 19 SECONDS EAST 239.07 FEET;

16. SOUTH 03 DEGREES 05 MINUTES 05 SECONDS EAST 429.33 FEET;

17. SOUTH 10 DEGREES 37 MINUTES 42 SECONDS EAST 409.98 FEET;

18. SOUTH 19 DEGREES 17 MINUTES 51 SECONDS EAST 1017.80 FEET;

19. SOUTH 34 DEGREES 46 MINUTES 51 SECONDS EAST 125.08 FEET;

20. SOUTH 16 DEGREES 58 MINUTES 14 SECONDS EAST 780.08 FEET TO THE WESTERLY LINE OF PARCEL 13-5 DESCRIBED IN SAID DEED FROM NEWHALL LAND AND FARMING COMPANY (A CALIFORNIA LIMITED PARTNERSHIP) TO THE COUNTY OF LOS ANGELES; THENCE

21. ALONG LAST SAID WESTERLY LINE SOUTH 14 DEGREES 49 MINUTES 43 SECONDS EAST 441.79 FEET TO THE NORTHERLY LINE OF PARCEL 13-5E OF SAID INSTRUMENT RECORDED NOVEMBER 13, 1991; THENCE

22. ALONG SAID NORTHERLY LINE SOUTH 75 DEGREES 45 MINUTES 05 SECONDS WEST 513.55 FEET;

23. SOUTH 46 DEGREES 47 MINUTES 26 SECONDS WEST 158.04 FEET; AND

24. SOUTH 69 DEGREES 15 MINUTES 45 SECONDS WEST 164.50 FEET TO THE TRUE POINT CONTAINING 68.5 ACRES, MORE OR LESS.

THE PORTION OF THIS LEGAL DESCRIPTION ALONG THE EASTERLY SIDE OF PROPOSED THE OLD ROAD IS SUBJECT TO FINAL ALIGNMENT APPROVAL BY COUNTY OF LOS ANGELES BY THE RECORDING OF PARCEL MAP NO. 8676.

EXHIBIT C

TENANT'S WORK LETTER

I. LANDLORD'S WORK

A. Tenant takes the Premises in its "as-is" condition.

II. TENANT'S WORK

A. General.

1. All work required to complete and place the Premises in finished condition for opening of business (except for Landlord's Work) shall be performed by Tenant at Tenant's sole cost and expense with all due diligence, which work shall hereinafter be referred to as "Tenant's Work".

2. All design and construction work shall comply with all applicable statutes, ordinances, regulations, laws and codes, and Landlord's design criteria for Tenant's Work previously delivered to Tenant.

3. All permits, licenses and approvals for Tenant's Work shall be obtained by Tenant or its contractor prior to the commencement of construction and shall be posted in a prominent place within the Premises as required by the agency issuing the permit.

4. Landlord's written approval shall be obtained by Tenant prior to the undertaking of any construction work which deviates from Tenant's Drawings and Specifications (defined below), as approved by Landlord, or the undertaking of any modifications whatsoever to Landlord's building shell and/or utilities and other work not explicitly shown on said Drawings and Specifications or included as Landlord's Work in this Exhibit "C". Landlord's approval of the foregoing shall not constitute the assumption of any responsibility by Landlord for the accuracy or sufficiency thereof, and Tenant shall be solely responsible therefor.

5. All contractors engaged by Tenant shall be bondable, licensed contractors, possessing good labor relations, capable of performing quality workmanship and working in harmony with Landlord's general contractor and other contractors on the job. All work shall be coordinated with the general project work. Landlord acknowledges Tenant's right to use County resources, including but not limited to Public Library and Internal Services Department (ISD) staff, to complete any aspect of the tenant improvements.

6. Where conflict exists between applicable building codes, utility regulations, statutes, ordinances, other regulatory requirements, and Landlord's requirements as set forth herein, the more stringent of the requirements shall govern.

7. Tenant shall inspect, verify and coordinate all field conditions pertaining to the Premises from time to time prior to the start of its store design work, through its construction, including its fixture and merchandise. Tenant shall advise Landlord immediately of any discrepancies with respect to Landlord's drawings. Any adjustments to the work arising from field conditions, not apparent on Tenant's drawings and other building documents, shall require the prior written approval of Landlord.

8. Landlord reserves the right to require changes in Tenant's Work when necessary by reason of code requirements or building facility necessity, field conditions, or directives of governmental authorities having jurisdiction over the Premises, or directives of Landlord's insurance underwriters.

B. Public Safety. Tenant shall confine the construction work to within the Premises as much as possible and shall work in an orderly manner removing trash and debris from the project on a daily basis. At no time will pipes, wires, boards or other construction materials cross public areas where harm could be caused to the public. The requirements of "Occupational Safety and Health Administration" (OSHA) prepared by the Department of Labor will govern. If Tenant fails to comply with these requirements, Landlord will cause remedial action as deemed necessary by Landlord to protect the public. All costs of said remedial action shall be charged to Tenant and shall become Tenant's responsibility.

C. Tenant Damage to Construction. Tenant will be required to furnish the necessary ramps, coverings, etc., to protect Landlord's facilities and adjoining premises from damage. All costs to repair damage to Landlord's facilities and to adjoining premises will be at the expense of Tenant. Actual repair work may be accomplished by Landlord at Landlord's option.

D. Turnover of Premises to Tenant by Landlord. Tenant shall be responsible for:

1. H.V.A.C. It shall be the responsibility of Tenant to pay for heating and/or cooling, if used, during the installation of Tenant's Work.

2. Electricity/Water, Etc. Tenant's permanent electric service, where possible, shall be used to provide power for Tenant's Work. Meters shall be installed prior to Tenant's Work, and Tenant shall pay for service and water and all utilities consumed. Work performed with temporary electric service will be at Tenant's expense.

E. Drawings and Specifications.

1. Tenant shall prepare and submit to Landlord for approval an interior completion plan, design drawings, working drawings and specifications necessary to complete "Tenant's Work" under this Exhibit "C" ("Drawings and Specifications"). As soon as practicable, but no later than fifteen (15) days, after receipt of such Drawings and Specifications, Landlord shall return to Tenant such Drawings and Specifications with its suggested modifications and/or approval, which shall not be unreasonably withheld. If, upon receipt of Landlord's modified Drawings and Specifications, Tenant wishes to take

exception thereto, Tenant may do so within ten (10) days from the date on which Tenant receives Landlord's modified Drawings and Specifications.

2. Upon Landlord's approval in all respects of all such Drawings and Specifications, Tenant shall cause Tenant's Work to be completed and installed or such installations or alterations to be performed, as the case may be, in accordance with the Drawings and Specifications approved by Landlord, and no substantial deviation from said Drawings and Specifications shall be made without Landlord's prior written approval. Tenant shall obtain all necessary permits in connection with the installation of such Tenant improvements and the performance of such work prior to the commencement of any work.

3. If Tenant's Work entails any structural changes to the Premises, Tenant shall submit detailed structural plans, and Landlord's review of such plans shall be at Tenant's expense, provided that such expense shall not exceed One Thousand Dollars ($1,000.00). Moreover, Tenant shall not be permitted to commence any Tenant's Work until all plans applicable thereto have been approved in writing by Landlord; Landlord shall approve in writing or state its issues as soon as practical, but in no event later than fifteen (15) days.

4. At any time during the Lease Term, any and all modifications to the Premises requiring alterations to the architectural, mechanical, electrical, fire protection or structural systems will require Tenant to supply detailed Working Drawings and appropriate calculations covering those modifications to Landlord for written approval. Interior painting, wall covering, signage, carpeting and placement of movable trade fixtures are considered normal maintenance items and do not require Landlord approvals, but otherwise meet the requirements of this Exhibit. All other alterations require Landlord's written approval.

5. Landlord's approval or inspection of any of Tenant's plans, shop drawings, etc., so submitted is made for identification purposes only and neither Landlord, nor its agents, servants or employees shall have any liability in any respect to any inadequacies, deficiencies, errors or omissions or non-complying features contained in any or all of Tenant's preliminary plans or final plans or Landlord's comments in respect to same.

F. Tenant Improvements.

All work to be performed by Tenant is herein referred to as "Tenant's Work". Without limiting the generality of the foregoing, unless otherwise specifically stated in Section I of this Exhibit "C" as part of Landlord's Work, the term "Tenant's Work" includes the following:

1. Storefront: Tenant shall furnish and install at its cost all additional storefront construction not provided by Landlord per Exhibit "C" to this Lease including, but not limited to, application of finish and decorating material on the interior side of the "storefront".

2. Floors: Tenant shall furnish and install all interior floor coverings and finishes and be responsible for preparation of floor surfaces except for the restroom floor. All exposed concrete floors shall have a sealant applied. Carpeting and/or other quality floors, such as glazed or unglazed pavers or wood parquet, shall be used in all public areas except in such instances where other types of floor covering materials are specifically approved by Landlord. Vinyl tile is generally not considered an acceptable finish material in public areas. Additional restroom(s), kitchen(s) and storage areas shall have thresholds at the doors in such a manner as will not permit the passage of water or other liquids to the adjacent tenant space.

3. Walls: Tenant shall furnish and install all partitions and doors other than for restrooms and all interior wall finish materials including, but not limited to, Tenant's sales area, stock area, restroom, fitting rooms, etc. Inasmuch as Landlord's demising walls have not been designed for Tenant's superimposed fixture loads and/or any unusual wall decor, Tenant shall structurally reinforce the existing walls as required and approved by Landlord, to accommodate any additional superimposed loading required by Tenant's design. Any combustible materials applied to the demising partitions shall receive a U.L. labeled fire retardant coating. Tenant spaces with unusual sound and/or odor problems shall have sound and odor absorbent wall installed and in such a manner which will not permit the passage of sound and/or odors through the wall(s) to the adjacent space(s).

4. Ceilings: Tenant shall furnish and install all additional interior ceiling finish materials not provided by Landlord.

5. Utilities: Tenant shall make provision for separate metering of applicable utilities, all telephone service equipment within the Premises in accordance with local utility requirements. Tenant shall be responsible for speaker wires for any stereo system and/or phone system. Tenant's utility service requirements in excess of that provided by Landlord shall be furnished and installed at Tenant's expense.

6. Special Equipment: Tenant shall provide and install at Tenant's cost any and all additional mechanical equipment, curbs, supports, etc., including, but not limited to, swamp cooler or additional H.V.A.C., additional plumbing, elevators, conveyors, etc., related to the operation of Tenant's business, and located within the Premises. Tenant shall provide fire extinguishers as required by code.

7. Fixtures and Furniture: Tenant shall furnish and install all new furniture, trade fixtures, shelving and other work necessary for its operation within the Premises.

8. Material and Warranties: Tenant shall use only new, first-class materials in the completion of Tenant's Work. All work and equipment shall be warranted for a minimum of one (1) year from installation and shall comply with all applicable codes.

9. Roof Work: Tenant agrees that all venting, opening, sealing, waterproofing or any altering of the roof shall be performed by Landlord's roofing contractor at Tenant's expense, or as otherwise agreed to in writing by Landlord, and that,

when completed, Tenant shall furnish to Landlord a certificate from Landlord's roofing contractor that all such alterations approved by Landlord have been completed in accordance with the plans and specifications therefor approved by Landlord.

10. Kitchen Areas: All commercial kitchen areas shall have installed proper range hoods and insulated exhaust ducts. Waste lines shall have grease interceptors, make-up air system, fire extinguishing system for all cooking exhaust hoods and fire extinguishers. All kitchen exhaust fans shall be of up blast type.

11. Storefront Signage: In accordance with Exhibit "G" to the Lease.

12. Other Work: Tenant shall be responsible for all other work that is not listed as "Landlord's Work".

G. Insurance.

Tenant shall secure, pay for and maintain, or self-insure or cause its contractor(s) to secure, pay for and maintain during Tenant's Work construction, for the fixture and merchandise of the Premises, including any modification performed by Tenant during the Lease Term, the following insurance in the following amounts, which shall be endorsed in all policies to include Landlord and its beneficiaries, employees and agents as insured parties, and which shall provide in all policies that Landlord shall be given thirty (30) days' prior written notice of any alteration or termination of coverage in the amounts as set forth below, and such insurance as may from time to time be required from city, county, state or federal laws, codes, regulations or authorities, together with such other insurance as is reasonably necessary or appropriate under the circumstances:

1. Tenant and Tenant's general contractor and subcontractor(s) required minimum coverages and limits of liability:

(a) Worker's Compensation as required by state law and Employer's Liability Insurance with limits of not less than Five Hundred Thousand Dollars ($500,000.00) and any insurance required by any employee benefit acts or other statutes applicable where the work is to be performed as will protect the contractor and subcontractors from any and all liability under the aforementioned acts.

(b) Commercial General Liability Insurance (including Contractor's Protective Liability) with a combined single limit (bodily injury and property damage) of not less than Two Million Dollars ($2,000,000.00) per occurrence and in the aggregate. Such insurance shall provide for explosion, collapse and underground coverage and contractual liability coverage and shall insure the general contractor and/or subcontractors against any and all claims for personal injury, including death resulting therefrom, and damage to the property of others and arising from his operations under the contract, whether such operations are performed by the general contractor, subcontractors or any of their subcontractors, or by anyone directly or indirectly employed by any of them. Such insurance policy shall include (i) a products/completed operations endorsement; (ii) endorsements deleting the employee exclusion on personal injury and the liquor liability exclusion; and (iii) a cross-liability

endorsement or a severability of interest clause. Such insurance shall be primary and Landlord's insurance shall be excess insurance only.

(c) Comprehensive Automobile Liability Insurance, including the ownership, maintenance and operation of any automotive equipment, owned, hired and non-owned in an amount not less than Two Million Dollars ($2,000,000.00) combined single limit (bodily injury and property damage) per occurrence and in the aggregate. Such insurance shall insure the general contractor and/or subcontractors against any and all claims for bodily injury, including death resulting therefrom, and damage to the property of others arising from his operations under the contract, whether such operations are performed by the general contractor, subcontractor or any of their subcontractors, or by anyone directly employed by any of them.

(d) Builder's Risk Insurance - Completed Value Builder's Risk Damage Insurance Coverage. Tenant shall provide an "All Physical Loss" Builder's Risk insurance policy on the work to be performed for Tenant in the Premises as it relates to the Building within which the Premises are located. The policy shall include as insureds Tenant, its contractor and subcontractors, and Landlord, as their respective interests may appear within the Premises and within one hundred feet (100') thereof. The amount of insurance to be provided shall be one hundred percent (100%) replacement cost.

2. All such insurance policies required under this Exhibit, except as noted above, shall include Landlord, Landlord's agents and beneficiaries, Landlord's on-site representatives, Landlord's architect, and Landlord's general contractor, as additional insureds; except Worker's Compensation Insurance, which shall contain an endorsement waiving all rights of subrogation against Landlord, Landlord's architect and Landlord's general contractor, Landlord's agents and beneficiaries.

3. The insurance required under this Exhibit shall be in addition to any and all insurance required to be provided by Tenant pursuant to the Lease.

4. The Tenant has the right to hire certain contractors pursuant to public bidding requirements. The Los Angeles County Internal Services Department has its own insurance provisions provided hereto at Exhibit N. These standard County insurance requirements will be required by each contractor and subcontractor performing work on behalf of the County. Additionally, the County shall require any contractor doing work on its behalf to add Landlord and Landlord's management company to be added onto any policy as additional insureds.

H. Trash Removal.

During the construction, the fixture and merchandise stocking of the Premises, Tenant shall provide trash removal at areas designated by Landlord. It shall be the responsibility of Tenant and Tenant's contractors to remove all trash and debris from the Premises on a daily basis and to break down all boxes and place all such trash and debris in the containers supplied for that purpose. Tenant shall have the right to have a roll away dumpster for the duration of construction in the rear of the Premises, at Tenant's sole

cost. Tenant will remove trash on an as needed basis. Tenant shall remove the dumpster from the Property at the completion of construction.

I. At Completion of Tenant's Work.

Tenant will provide Landlord with the following within thirty (30) days following store opening:

1. A Certificate of Occupancy (C of O) prior to opening for business.

2. Unconditional Waivers of Liens and Sworn Statements in such form as may be required by Landlord from all persons performing labor and/or supplying materials in connection with such work showing that all parties have been paid in full. County resources are excluded from this requirement.

3. "As-Built" Drawings of all permanent Tenant Work performed.

EXHIBIT D

COMMENCEMENT DATE MEMORANDUM OF LEASE TERMS

Landlord and Tenant hereby acknowledge as follow:

1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date").

2) Tenant has accepted possession of the Premises and now occupies the same;

3) The Lease commenced on _____ ("Effective Date").

4) The payment of Rent commenced on_____("Rent Commencement Date")

5) The Premises contain 12,000 rentable square feet of space; and

For clarification and the purpose of calculating future rental rate adjustments:

3) Basic Rent per month is $15,000 Base Rent and Operating Expenses

IN WITNESS WHEREOF, this memorandum is executed this _____ day of _____, 2013.

Tenant:	Landlord:
COUNTY OF LOS ANGELES a body politic and corporate	VALENCIA MARKETPLACE II, LLC, a California limited liability company
By: _____ Name: Its: Director of Real Estate Division	By: _____ Name: Vincent S. Giuliano Its: Managing Member

EXHIBIT E

Premises are delivered in “as is” condition.

EXHIBIT F

SHOPPING CENTER SITE PLAN

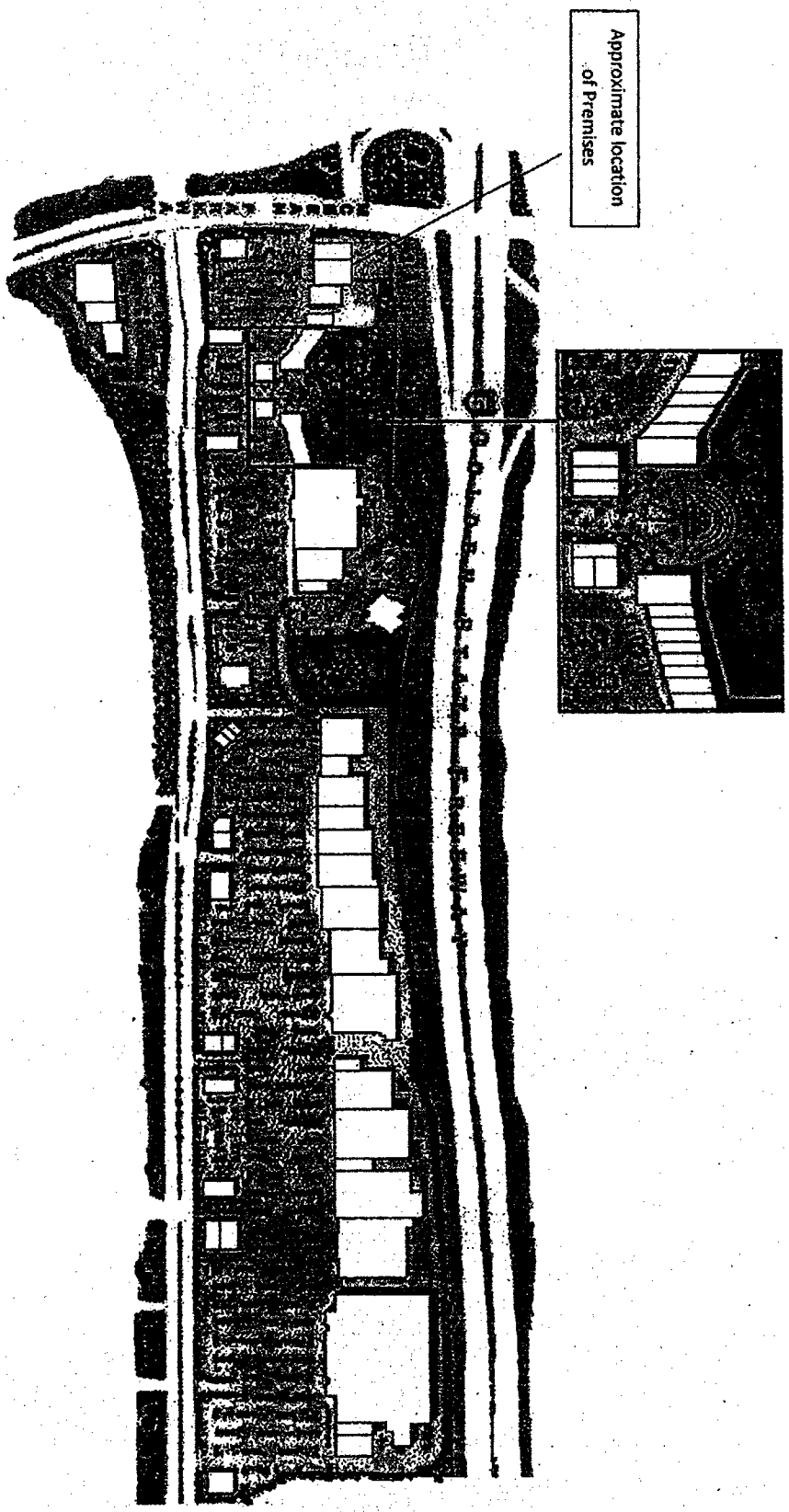

EXHIBIT G

(SIGN CRITERIA)

These criteria have been established for the purpose of assuring an outstanding shopping center, and for the mutual benefit of all tenants as well as nearby homeowners. Conformance will be strictly enforced; and any installed non-conforming or unapproved signs must be brought into conformance at the expense of the tenant.

A. GENERAL REQUIREMENTS

1. Each tenant shall submit or cause to be submitted to the Project Architect, before fabrication, at least four (4) copies of detailed drawings indicating the location, size, layout, design and color of the proposed signs, including all lettering and/or graphics.

2. All permits for signs and their installation shall be obtained by the tenant or tenant's representative prior to installation.

3. Tenant shall be responsible for the fulfillment of all requirements and specifications.

4. All signs shall be constructed and installed at Tenant's expense.

5. All signs shall be reviewed by the Project Architect for conformance with these criteria and overall sign quality. Approval or disapproval of sign submittals based on esthetics of design shall remain the sole right of the Project Architect.

6. Tenant's sign contractor to be responsible to obtain all require approvals.

B. GENERAL SPECIFICATIONS

1. Tenant signs will be internally illuminated individual channel letters – Minimum 24 GA. G.I. metal with 1/8" plastic face (no cross-over neon or wiring permitted). Metal channels shall be painted to match plastic so it appears to be a solid letter.

2. No audible, flashing or animated signs will be permitted.

3. Sign must be within dimensioned limits as indicated on the attached drawings.

4. All styles of letter shall be subject to Project Architect approval.

5. Tenant shall be responsible for the installation and maintenance of all signs.

6. Under-canopy sign shall be required and shall comply with attached exhibit.

7. Signs for tenant stores with lease spaces of 5,000 sq.ft. or less shall have a maximum letter height of 2'0".

8. Signs for tenant stores with lease space between 5,000 and 10,000 s.f. shall have a maximum letter height of 3'0".

9. Specialty stores with lease space of more than 10,000 sq.ft. signs shall have a maximum letter height of 5'0".

10. "In-line" storefront signs shall not exceed 3 square feet per 1 lineal foot of the storefront. Maximum letter height to be 4'0".

11. Sign shall be centered on storefronts unless prior approvals are obtained from the Project Architect.

12. Maximum height permitted for free-standing signs shall be as follows: Monument sign (see attached exhibit). Pylon signs not permitted.

13. Tenant's sign Contractor shall repair any damage to any work caused by his work.

14. Tenant shall be fully responsible for the operations of the tenant's sign contractors.

C. CONSTRUCTION REQUIREMENTS

1. Letter fastening and clips are to be concealed and made of galvanized stainless aluminum, brass or bronze metal. Letters may be attached by approved adhesives.

2. No labels will be permitted on the exposed surface of signs, except those required by local ordinance which shall be placed in an inconspicuous location.

3. Tenants shall have identification signs designed in a manner compatible with and complimentary to adjacent and facing storefronts and the overall design concept of the center.

4. Design, layout and materials for tenant signs shall conform in all respects with the sign design drawings included in these criteria. The

maximum and minimum height for letters in the body of the sign shall be as indicated in these documents.

5. All penetrations of the building structure required for sign installation shall be sealed in a watertight condition and shall be patched to match adjacent finish.

6. All copy shall be of Individual Channel Letters. All electrodes shall terminate at bottom of letter. All housing shall be of PK type; transformers shall not be visible from parking lot areas.

D. MISCELLANEOUS REQUIREMENTS

1. Each tenant shall be permitted to place upon each entrance of its demised premises not more than 288 square inches of gold leaf or decal application lettering not to exceed twelve inches (12") in height, indicating hours of business, emergency telephone numbers, etc. Basis of area measurement shall be a rectangle containing all lettering.

2. Except as provided herein, no advertising placards, banners, pennants, names, insignia, trademarks, or other descriptive material, shall be affixed or maintained upon the glass panes and supports of the show windows and doors, or upon the exterior walls of buildings without the written previous approval of the landlord and additional approval from the County of Los Angeles.

3. Each tenant who has a non-customer door for receiving merchandise may have uniformly applied on said door in location, as directed by the Project Architect, in 2" high block letters, the tenant's name and address. Where more than one tenant uses the same door, each name and address shall be applied. Color of letters shall be approved by Project Architect.

4. Contractors installing signs are to be state registered contractors and are to have a current city business license. All work shall be done in accordance with the governing agency's minimum standards. Tenants shall obtain all necessary permits.

E. MAJOR TENANTS

The provisions of this Exhibit, except as otherwise expressly provided in this Exhibit, shall not be applicable to the identification signs of "Major Tenants" that may be located in the shopping center, it being understood and agreed that these occupants may have their usual identification signs on their buildings, as the same exist from time to time on similar buildings operated by them; provided, however, there shall be no rooftop signs which are flashing, moving or audible and provided said sign is architecturally compatible and has been approved by the Project Architect. See attached drawings for Major Tenant's signage.

RECOMMENDED COPY STYLES AND COLORS

FACE COLORS		RETURNS	TRIM CAP	ILLUMINATION
Yellow	#2465 #2016 15mm6500	.630 Aluminum	Painted	
Green	#2030 #2108	5" deep, paint	same color	White Neon
Orange	#2564 #2119	same color as	as face	30ma
Red	#2283 #2662 #2157	face colors	colors	
Brown	ALL SHADES			
Blue	#2648 #2051			
Turquoise	#2308			
Rust	ALL SHADES			
White	#7328 #7420			
Ivory	#2146			

Color Reference Indicate Rohm & Haas Plexiglas

EXHIBIT H

RULES AND REGULATIONS

1. No sidewalks, entrances, passages, courts, vestibules, stairways, corridors, or halls shall be obstructed or encumbered by Tenant or used for any purpose other than ingress or egress to and from the Premises and Tenant shall further, at Tenant's own expense, keep the sidewalks and curbs directly in front of the Premises clean and free from rubbish.

2. Water and wash closets and other plumbing fixtures shall not be used for any other purposes other than those for which they were constructed, and no sweepings, rubbish, rags or other substance shall be thrown therein. All damages resulting from any misuse of the fixtures shall be borne by Tenant to the extent Tenant or Tenant's servants, employees, agents, visitors, or licensees shall have caused the same.

3. Tenant shall not make or permit to be made, any unseemly or disturbing noises or disturb or interfere with occupants of the Shopping Center or neighboring buildings or premises or those having business with them whether by the use of any musical instrument, radio, television set, talking machine, unusual noise, whistling, singing, or in any other way. Tenant shall not throw anything out of the doors, windows, skylights or down the passageways.

4. Neither Tenant nor any of Tenant's servants, employees, agents, visitors or licensees shall at anytime bring or keep upon the Premises any inflammable, combustible or explosive fluid, chemical or substance.

5. The Premises shall not be used for lodging or sleeping or for any immoral or illegal purpose.

6. All loading and unloading of goods shall be done only at such areas, and through such entrances as may be designated for such purposes by Landlord.

7. The delivery or shipping of merchandise, supplies and fixtures to and from the Premises shall be subject to such rules and regulations as in the judgment of the Landlord are necessary for the proper operation of the Shopping Center.

8. No aerial or antenna shall be erected on the roof or exterior walls or on the grounds of the Premises without first obtaining, in each instance, the written consent of Landlord. Any aerial or antenna so installed without written consent shall be subject to removal without notice at anytime.

9. Tenant shall not maintain or permit the installation or maintenance of any awning, shade or canopy on the building without the prior consent of Landlord.

10. Tenant shall keep all exterior and interior display windows clean at all times.

11. Tenant and Tenant's employees and/or agents shall not solicit business in the parking or other Common Areas, nor shall Tenant distribute any handbills or other advertising matter in automobiles parked in the parking area or in other Common Areas.

12. All garbage and refuse shall be placed by Tenant in the containers at the location prepared by Landlord for refuse collection, in the manner and at the times and places specified by Landlord. Tenant shall not burn any trash or garbage of any kind in or about the leased Premises or the Shopping Center. All cardboard boxes must be "broken down" prior to being placed in the trash container. All Styrofoam chips must be bagged or otherwise contained prior to placement in the trash container so as not to constitute a nuisance. Pallets may not be disposed of in the trash bins or enclosures. It is the Tenant's responsibility to dispose of pallets by alternative means. Except when removed for immediate temporary use, or for use within a building, all trash bins shall remain within trash enclosures at all times. Enclosure doors shall remain closed when not in active use. No un-containerized liquids shall be poured or placed into a trash bin. Should any garbage or refuse not be deposited in the manner specified by Landlord. Landlord may, after three (3) hours verbal notice to Tenant, take whatever action necessary to correct the infraction at Tenant's expense.

13. No awnings or other projections shall be attached to the outside walls of the Building without the prior written consent of Landlord. No hanging planters, television sets or other objects shall be attached to or suspended from ceilings without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises, without the prior written consent of Landlord. Landlord will permit Tenant to install interior suspended signage at Tenant's expense and Tenant agrees to remove such signage upon lease termination.

14. No tenant shall mark, paint, drill into, or in any way deface any part of the exterior of the Building.

15. No animals of any kind shall be brought into, or kept in or about the Premises and unless the premises shall be designed for food and beverage service, no cooking shall be done or permitted by the tenant of the Premises except that the preparation of coffee, tea, hot chocolate and similar items for the tenant and its employees and business visitors shall be permitted. No tenant shall cause or permit any unusual or objectionable odors to escape from the Premises. Landlord will permit the Tenant to bring animals into the Premises in conjunction with periodic public programs. Notwithstanding the foregoing, nothing herein shall restrict the Tenant from occasionally bringing in animals in conjunction with story time or summer reading programs.

16. Landlord reserves the right to exclude or expel from the Shopping Center any person who, in the judgment of Landlord is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Shopping Center.

17. No tenant shall occupy or permit any portion of his Premises to be occupied as an office for a public stenographic or typist, or for the manufacture or sale of narcotics in any form, or as a medical office, or as a barber shop, manicure shop or employment agency without the express written consent of Landlord. No tenant shall engage or pay any employees on the Premises except those actually working for such tenant of the Premises nor advertise for laborers giving an address at the Premises. The Premises shall not be used for lodging or sleeping or for any immoral or illegal purposes.

18. No tenant shall throw anything out of doors or onto the parking lot and Common Areas. The outside areas immediately adjoining the Premises shall be kept clean and free from dirt and rubbish by the Tenant to the satisfaction of Landlord, and Tenant shall not place or permit any obstruction or materials in such areas. No exterior storage shall be allowed.

19. No tenant shall at any time bring or keep upon the Premises any flammable, combustible, or explosive fluid, chemical or substance. The tenant shall not do or permit anything to be done in the Premises, or bring or keep anything herein, which shall in any way increase the rate of the fire insurance on the Building or on the property kept therein, or obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or conflict with the regulations of the Fire Department or the Fire laws, or with any insurance policy upon the Shopping Center or any part thereof, or with any rules and ordinances established by the Board of Health or other governmental authority.

20. No security devices of any kind shall be installed in, adjacent to, or shall be visible from the Premises storefront. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made in existing locks or the mechanism thereof without Landlord's written approval. Each tenant must, upon the termination of this tenancy, restore to Landlord all keys of stores, offices, and toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys so furnished, such tenant shall pay to Landlord the cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such change. Landlord will permit Tenant to install exit alarms on emergency exit panic bars in the public areas of the Premises. Notwithstanding the foregoing, nothing herein shall prevent the Tenant from installing exit alarms on the emergency exits in the public areas of the library to deter theft of library materials.

21. Any persons employed by any tenant to do janitor work, shall, while in the Building and outside of the Premises, be subject to all rules and regulations contained herein, and the tenant shall be responsible for all acts of such persons.

22. Canvassing, soliciting and peddling in the Shopping Center are prohibited and each tenant shall cooperate to prevent the same.

23. No air conditioning unit or other similar apparatus shall be installed or used by any tenant without the written consent of Landlord.

24. Landlord will direct electricians as to where and how telephone or telegraph wires are to be introduced. No boring or cutting for wires or stringing of wires will be allowed without written consent of Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

25. Landlord reserves the exclusive right to regulate and control the use of all parking ramps and areas, pedestrian walkways, plaza and other public areas forming a part of the Shopping Center. Landlord does not hereby assume any responsibility to provide security in and around these areas and tenant assumes all responsibility for the protection of the property and person of tenant, its agents and invitees from the acts of third persons.

26. Tenant shall be entitled to park in common with other tenants of Landlord. Tenant agrees not to overburden the parking facilities and agrees to cooperate with Landlord and other tenants in the use of parking facilities. Landlord reserves the right in its absolute discretion to determine whether parking facilities are becoming crowded and, in such event, to allocate parking spaces among tenant and other tenants. There will be no assigned parking. Parking stalls shall be used solely for temporary parking purposes and shall not be used for the storage, repair or maintenance of any items, including, but not limited to, vehicles, trailers or recreational vehicles business machinery or personal or business materials except that Tenant may park one County vehicle in the identified staff parking area at any time. Storage shall be defined as remaining on the Premises for forty-eight (48) hours. Notwithstanding the foregoing, the Tenant may have a Tenant vehicle stationed at the library which can remain in the Shopping Center overnight and/or on weekends and holidays. Landlord shall have the right to designate areas where such vehicles can be parked.

27. Truck wells shall be used solely for temporary and immediate loading and unloading purposes. Parking or storage of items within truck well areas is strictly prohibited. Truck well doors shall remain closed when not in active use. No use of truck wells shall be allowed which causes vehicles waiting use thereof to park or wait excessively on a public street. Truck wells shall be kept neat and free of debris at all times.

28. Tenant shall use at Tenant's cost such pest extermination contractor as Landlord may direct and at such intervals as Landlord may require. Notwithstanding the foregoing, the County may use its own extermination contractor.

29. Tenant agrees to comply with all such rules and regulations upon notice from Landlord. Should Tenant not abide by these Rules and Regulations, Landlord may serve a three (3) day notice to correct deficiencies. If Tenant has not corrected deficiencies by the end of the notice period, Tenant will be in default of the Lease.

30. Landlord reserves the right to amend or supplement the foregoing rules and regulations and to adopt and promulgate additional rules and regulations applicable to the

Shopping Center or any portion thereof. Notice of such rules and regulations and amendments and supplements thereto, if any, shall be given to the Tenant.

31. ADVERTISING SIGNS:

Tenant shall not place, maintain nor permit to be placed or maintained on any exterior portions of the Premises or on the interior side of or immediately adjacent to any glass door, wall, window of the Premises any sign, decoration, placard, lettering, insignia, trade-mark, bunting, banner or advertising matter of any kind, without first obtaining the written approval of Landlord as to type, size, and location.

Tenant shall not (a) install in, on, or about the Premises any exterior lighting, plumbing fixtures, shades, or similar devices, or (b) use, in, on, or about the Premises any advertising medium which may be heard or experienced outside thereof, such as flashing lights, flashlights, loudspeakers, phonograph records, or radio broadcasts without first having obtained Landlord's written consent.

Tenant shall, at its own expense, maintain and keep in good condition and repair all signs and advertising devices which is permitted to maintain under this Lease and shall pay for all charges required to keep them in good condition and repair. Tenant shall, on the expiration or earlier termination of this Lease, at its own expense, remove all such signs and advertising devices and repair any damage caused by such removal.

EXHIBIT I

SUBORDINATION AGREEMENT

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT AND WHEN RECORDED MAIL TO:)
)
County of Los Angeles)
CHIEF EXECUTIVE OFFICE)
Real Estate Division)
222 South Hill Street, 3rd Floor)
Los Angeles, California 90012 **Space above for Recorder's Use**

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination, Non-Disturbance and Attornment Agreement ("Agreement") is entered into as of the _____ day of _____, 200__ by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), _____ ("Borrower") and _____, ("Lender").

Factual Background

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated _____ _____ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a Non-Disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The Lease shall be subject and subordinate to the lien of the Deed of Trust and to any renewals, modifications, consolidations, replacements and extensions of the Deed of Trust to the full extent of the principal sum secured by the Deed

of Trust including any interest except that if Tenant is granted any option to extend the term of the Lease, right of first offer to lease additional premises, option to purchase the Property, or right of first option to purchase the Property in the Lease such provisions shall not be affected or diminished by this subordination which is conditioned upon the agreement of Borrower and Lender in section 3 hereof.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-Disturbance. The Transfer of the Property or any enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby, or deprive Tenant of any other property rights granted in the Lease.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not (a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease including Borrower; or (b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease; or (c) be bound by any prepayment by Tenant of more than one month's installment of rent; or (d) be obligated for any security deposit not actually delivered to Purchaser; or (e) be bound by any modification or amendment of or to the Lease unless the amendment or modification shall have been approved in writing by the Lender.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: _____

_____

To Borrower: _____

_____

To Tenant: County of Los Angeles
Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

8. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one and the same instrument.

TENANT: COUNTY OF LOS ANGELES,
a body politic and corporate

APPROVED AS TO FORM

JOHN L. KRATTLI
County Counsel

By: _____
Deputy:

By: _____
Director of Real Estate

BORROWER:

By: _____
Name: _____
Title: _____

LENDER: [*Insert name of Lender*],
By: _____

EXHIBIT J

TENANT ESTOPPEL CERTIFICATE

To: _____
_____
_____
Attn: _____
Re: Date of Certificate: _____
Lease Dated: _____
Current Landlord: _____
Located at: _____
Premises: _____
Commencement Date of Term: _____
Expiration Date: _____
Current Rent: _____

County of Los Angeles ("Tenant") hereby certifies that as of the date hereof:

1. Tenant is the present owner and holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

(b) The current Rent is set forth above.

(c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Except as specified in the Lease, Tenant has no option or right to renew, extend or cancel the Lease.

(d) Except as specified in the Lease, Tenant has no option or right to lease additional space in the Premises or Building or to use any parking.

(e) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

(f) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession, except as expressly set forth in the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified, changed, altered or amended and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.

(c) The interest of Tenant in the Lease has not been assigned or encumbered. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

JOHN L. KRATTLI
County Counsel

By: _____
Deputy:

EXHIBIT K

REQUEST FOR NOTICE

REQUEST FOR NOTICE
RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
County of Los Angeles
CHIEF EXECUTIVE OFFICE
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

REQUEST FOR NOTICE
(UNDER SECTION 2924B CIVIL CODE)

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:
Date of Recording of Deed of Trust

Instrument Number of Deed of Trust
Trustor
Trustee
Beneficiary
be mailed to County of Los Angeles, Chief Executive Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Director of Real Estate.
"LENDER:

_____,
a _____
By:_____
SIGNEE'S NAME
Its: SIGNEE'S TITLE
(ALL SIGNATURES MUST BE ACKNOWLEDGED)
COUNTY OF _____ ss.
On this ____ day of _____, 20__, before me, _____
_____ a Notary Public in and for the State of California, personally appeared _____
_____ personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
WITNESS my hand and official seal
Signature_____
My commission expires _____.

EXHIBIT L

PAYMENT VOUCHER

County of Los Angeles Public Library

Budget & Fiscal Services

LEASE DEMAND

Library Address: Stevenson Ranch Library
25950 The Old Road
Stevenson Ranch, CA 91381

Remittance Address: J. G. Management
5743 Corsa Avenue, Suite 200
Westlaket Village, CA 91362

Period: _____

Amount: _____

Signature of Lessor:
(Do not type) _____

Title: _____

Please return the signed demand to:
County of Los Angeles Public Library
Budget and Fiscal Services - Lease Unit
7400 E. Imperial Hwy., Room 205
Downey, CA 90242

14DE001/41324/4422/RLIB/0W07

HOA.1002974.1

EXHIBIT M

COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of CBE participation. The information requested below is for statistical purposes only. On final analysis and consideration, leases will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

Firm Name	
Address	
Contact Name	
Telephone No.	
Total # of Employees	
Business Structure*	

*Corporation, Partnership, etc.

33.1 MINORITY/WOMEN PARTICIPATION IN FIRM

	OWNERS PARTNERS	ASSOCIATE PARTNERS	MANAGERS	STAFF	**TOTAL**
Black/African American					
Hispanic/Latin					
Asian American					
Portuguese American					
A. Indian/Alaskan					
All Others					
TOTAL					
Women*					

**Should be included in counts above and reported separately)*

33.2 PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

	TOTAL # OF OWNERS	% OF OWNERSHIP
Black/African American		
Hispanic/Latin American		
Asian American		
Portuguese American		

American Indian/Alaskan Native		
All Others		
TOTAL		
Women*		

**Should be included in counts above and reported separately*

33.3 CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

Is your firm currently certified as a minority owned business firm by the:

	yes	No	
State of California?			
City of Los Angeles?			
Federal Government?			

33.4 WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS FORM.

Initial here if applicable	Initial [signature]	

SIGNED: [signature]

TITLE: MANAGING MEMBER

DATE: 8-21-13

EXHIBIT N

COUNTY'S WORK LETTER INSURANCE REQUIREMENTS

76. Insurance Requirements

Without limiting the Contractor's indemnification of the County during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County, and such coverage shall be provided and maintained at the Contractor's own expense.

A. Evidence of Insurance

Prior to commencing services under this Contract, certificate(s) or other evidence of coverage satisfactory to the County, shall be delivered to:

Internal Services Department

1100 North Eastern Avenue

Los Angeles, CA 90063

Attn: FOS/Project Management

Such certificates or other evidence shall:

1. Specifically identify this Contract.
2. Clearly evidence all coverage required in this Contract.
3. Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the Certificate of Insurance.
4. Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles and its Special Districts, its officials, officers and employees as insured for all activities arising from this Contract.
5. Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or to require that the Contractor provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

B. Insurer Financial Ratings

Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A: VII, unless otherwise approved by the County.

C. Failure to Maintain Coverage

Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may

obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

D. Notification of Incidents, Claims or Suits

The Contractor shall report to the County:

1. Any accident or incident relating to services performed under this Contract that involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within one (1) day of occurrence.
2. Any third-party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
3. Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County Project Manager.
4. Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

E. Compensation for County Costs

In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

F. Insurance Coverage Requirements for Subcontractors

The Contractor shall ensure that any and all subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:

1. The Contractor providing evidence of insurance covering the activities of its subcontractors, or
2. The Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

G. Contractor Insurance Coverage Requirements

1. General Liability

General Liability insurance shall be written on ISO Policy Form CG 00 01, or its equivalent, with limits of not less than the following:

General Aggregate:	$2 million
Products/Completed Operations Aggregate:	$1 million
Personal and Advertising Injury:	$1 million

Each Occurrence: $1 million

2. Automobile Liability

The automobile liability insurance should be written on ISO policy form CA 00 01, or its equivalent, with a limit of liability of not less than $1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

3. Workers' Compensation and Employers' Liability

(a) The Workers' Compensation and Employers' liability insurance shall provide workers' compensation benefits, as required by the Labor Code of the State of California, or by any other state, and for which Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident: $1 million

Disease - policy limit: $1 million

Disease - each employee: $1 million

(b) Prior to the commencement of each work order all Sub-contractors shall submit proof of current Workers Compensation and Liability insurance.

4. **Builder's Risk Course of Construction Insurance**

Such coverage shall:

(a) Insure against damage from perils covered by the Causes-of-Loss Special Form (ISO form CP 10 30), and be endorsed to include earthquake, flood, ordinance or law coverage, coverage for temporary offsite storage, debris removal, pollutant cleanup and removal, preservation of property, excavation costs, landscaping, shrubs and plants and full collapse coverage during construction (without restricting collapse coverage to specified perils). Such insurance shall be extended to include boiler & machinery coverage for air conditioning, heating and other equipment during testing in the event Contractor is providing services requiring testing of such equipment.

ATTACHMENT B

EIGHT-YEAR LEASE AGREEMENT - PUBLIC LIBRARY
25950 THE OLD ROAD, STEVENSON RANCH
APPROVE STEVENSON RANCH LIBRARY PROJECT
AND APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NO. 77602
FIFTH DISTRICT
(4 VOTES)

APPROPRIATION ADJUSTMENT
(See Attachment)

PINK(1)

BA FORM 07022013

BOARD OF SUPERVISORS
OFFICIAL COPY

October 01, 2013
DEPT NO: 060

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR
FY 2013-14
4 - VOTES

SOURCES		USES	
PUBLIC LIBRARY DEVELOPER FEE AREA #1 BM1-PL-2000-55381 SERVICES & SUPPLIES **DECREASE APPROPRIATION**	10,597,000	**PUBLIC LIBRARY DEVELOPER FEE AREA #1** BM1-PL-6100-55381 OTHER FINANCING USES **INCREASE APPROPRIATION**	10,597,000
PUBLIC LIBRARY B06-PL-96-9911-41200 OPERATING TRANSFERS IN **INCREASE REVENUE**	10,597,000	**PUBLIC LIBRARY** B06-PL-2000-41200 SERVICES & SUPPLIES **INCREASE APPROPRIATION**	10,597,000
SOURCES TOTAL	21,194,000	**USES TOTAL**	21,194,000

JUSTIFICATION

Appropriation adjustment is necessary to fully fund the Stevenson Ranch Library operating costs for the term of the eight-year lease.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

18 SEP 10 2013

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

AUTHORIZED SIGNATURE ROCHELLE GOFF, MANAGER, CEO

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

☐ ACTION

☑ RECOMMENDATION

AUDITOR-CONTROLLER BY Karen Shitama

B.A. NO. 010 DATE Aug 28, 2013

☑ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER BY 8/28/13

DATE

SEND 3 COPIES TO THE AUDITOR-CONTROLLER

ATTACHMENT C

EIGHT-YEAR LEASE AGREEMENT - PUBLIC LIBRARY
25950 THE OLD ROAD, STEVENSON RANCH
APPROVE STEVENSON RANCH LIBRARY PROJECT
AND APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NO. 77602
FIFTH DISTRICT
(4 VOTES)

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date
Project Program	Completed
Design	
Award Design Contract	09/05/2013
Construction Document Submittal	04/08/2014
Jurisdictional Approval	05/12/2014
Construction	
Start Construction	06/10/2014
Substantial Completion	12/15/2014
Library Opening	02/16/2015
Project Acceptance	04/14/2015

II. PROJECT BUDGET SUMMARY

Budget Category	Board Approved Budget
Construction	
JOC Contract	$ 2,600,000
Change Orders	$ 300,000
Telecomm Equipment – Affixed to Building	$ 500,000
Design Services	$ 300,000
County Services*	$ 800,000
Subtotal	$ 4,500,000
Operating Cost (Eight Years)	$10,000,000
Rent (Eight Years)	$ 2,300,000
Furniture and Equipment	$ 1,000,000
Books and Materials	$ 1,000,000
Contingency	$ 700,000
Subtotal	$15,000,000
Total	$ 19,500000

*County Services include Project Management, Plan Check, Inspections, and contract administration, contract compliance monitoring.

ATTACHMENT D

PUBLIC LIBRARY
25950 The Old Road, Stevenson Ranch
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]			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] **This guideline is for office space use and a library requires large areas for public use and flow.**		X	
2.	**Capital**				
	A	Is it a substantial net County cost program? **100 percent net County cost**	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? **Construction of a new County owned library in Stevenson Ranch is not feasible at present time due to unavailable land or building sites.**		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. _X_ No suitable County occupied properties in project area.			
		3. _X_ 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] **No, In addition to paying Common Area costs, County pays for its metered electricity consumption and janitorial for the Premises area, as Landlord was unwilling to offer these services in the negotiations of the Lease.**		X	
	F	Has growth projection been considered in space request?			X
	G	Has the Dept. of Public Works completed seismic review/approval? **Building built in 2006, meets current standards.**		X	
		[1]As approved by the Board of Supervisors 11/17/98			
		[2]If not, why not?			

ATTACHMENT E

SPACE SEARCH – WITHIN AREA OF STEVENSON RANCH
25950 THE OLD ROAD STEVENSON RANCH PUBLIC LIBRARY

LACO	FACILITY NAME	ADDRESS	SQUARE FEET GROSS	SQUARE FEET NET	OWNERSHIP	SQUARE FEET AVAILABLE
4050	CAMP SCOTT-ADMINISTRATION BUILDING	28700 N BOUQUET CANYON RD, SAUGUS 91350	3625	2053	OWNED	NONE
T514	CAMP SCOTT-OFFICE TRAILER	28700 N BOUQUET CANYON RD, SAUGUS 91350	1581	1290	OWNED	NONE
3909	CAMP SCUDDER-ADMINISTRATION BUILDING	28750 N BOUQUET CANYON RD, SAUGUS 91350	4343	2487	OWNED	NONE
0117	PW ROAD-MOUNTAIN OPERATIONS SECTION OFFICE	35100 SAN FRANCISQUITO CANYON RD, SAUGUS 91350	480	432	PERMIT	NONE
0119	PW ROAD-MOUNTAIN OPERATIONS SECTION OFFICE	35100 SAN FRANCISQUITO CANYON RD, SAUGUS 91350	192	173	PERMIT	NONE
A341	DPSS-SANTA CLARITA BRANCH / LANCASTER AP DIST	27233 CAMP PLENTY RD, SANTA CLARITA 91351	8400	5610	LEASED	NONE
A526	PUB LIB-CANYON COUNTRY JO ANNE DARCY LIBRARY	18601 SOLEDAD CANYON RD, SANTA CLARITA 91351	12500	11250	PERMIT	NONE
0090	PW ROAD-DIV #553 MAINTENANCE YARD OFFICE	17931 SIERRA HWY, SANTA CLARITA 91351	820	738	OWNED	NONE
6121	ANIMAL CONTROL #6-OFFICE	31044 N CHARLEY CANYON RD, CASTAIC 91384	1962	857	OWNED	NONE
4687	PW ROAD-DIV #556 MAINT YD OFFICE	27624 W PARKER RD, CASTAIC 91384	576	441	OWNED	NONE
D143	DCSS-SANTA CLARITA VALLEY SERVICE CENTER	24271 SAN FERNANDO RD, NEWHALL 91321	11400	9120	LEASED	NONE
					LEASED	NONE
4490	HART-PARK HEADQUARTERS BUILDING	24151 SAN FERNANDO RD, SANTA CLARITA 91321	1646	897	OWNED	NONE
4284	HART-PARK OFFICE	24151 SAN FERNANDO RD, SANTA CLARITA 91321	662	464	OWNED	NONE
X151	HART-WEED CONTROL OFFICE	24151 SAN FERNANDO RD, SANTA CLARITA 91321	608	540	OWNED	NONE
X210	PLACERITA CANYON-MAINTENANCE OFFICE & STORAGE	19152 PLACERITA CANYON RD, NEWHALL 91321	300	291	GROUND LEASE	NONE
T592	SANTA CLARITA SENIOR CENTER-ANNEX	22900 MARKET ST, SANTA CLARITA 91321	1440	1296	OWNED	NONE
T593	SANTA CLARITA SENIOR CENTER-OFFICES	22900 MARKET ST, SANTA CLARITA 91321	1440	1296	PERMIT	NONE
X298	SANTA CLARITA VALLEY SENIOR CENTER	22900 MARKET ST, SANTA CLARITA 91321	9240	7920	OWNED	NONE
F371	PW FLOOD-PACOIMA DAM OFFICE	15300 N PACOIMA CANYON RD, NEWHALL 91321	598	538	OWNED	NONE
F381	PW FLOOD-PACOIMA DAM OFFICE	15300 N PACOIMA CANYON RD, NEWHALL 91321	980	882	OWNED	NONE
3315	PCHS DT CTR-COUNSELING OFFICE	29310 THE OLD RD, CASTAIC 91384	480	414	OWNED	NONE
0478	PCHS DT CTR-FIELD OFFICE / STORAGE BUILDING	29310 THE OLD RD, CASTAIC 91384	1870	1637	OWNED	NONE
1042	PCHS DT CTR-FOREMAN'S OFFICE	29310 THE OLD RD, CASTAIC 91384	174	104	OWNED	NONE
0515	PCHS DT CTR-GUARD HOUSE OFFICE	29310 THE OLD RD, CASTAIC 91384	240	221	OWNED	NONE
0465	PCHS DT CTR-HONOR RANCHO ADMINISTRATION BLDG	29310 THE OLD RD, CASTAIC 91384	2171	1517	OWNED	NONE
1935	PCHS DT CTR-LIBRARY	29310 THE OLD RD, CASTAIC 91384	4477	3861	OWNED	NONE
2570	PCHS DT CTR-MASONRY OFFICE	29310 THE OLD RD, CASTAIC 91384	288	246	OWNED	NONE
4792	PCHS DT CTR-MEDIUM SECURITY ADMINISTRATION	29310 THE OLD RD, CASTAIC 91384	25726	16719	OWNED	NONE
1036	PCHS DT CTR-MOTOR POOL OFFICE	29310 THE OLD RD, CASTAIC 91384	397	262	OWNED	NONE
4504	PCHS DT CTR-NURSERY OFFICE	29310 THE OLD RD, CASTAIC 91384	1629	1230	OWNED	NONE
X127	PCHS DT CTR-RANGE MASTER'S OFFICE	29310 THE OLD RD, CASTAIC 91384	665	362	OWNED	NONE
1936	PCHS DT CTR-REHABILITATION OFFICE	29310 THE OLD RD, CASTAIC 91384	4477	3823	OWNED	NONE
2444	PCHS DT CTR-TRUCK SCALE BUILDING	29310 THE OLD RD, CASTAIC 91384	54	40	OWNED	NONE
3733	PCHS DT CTR-WASTE DISPOSAL PLANT OFFICE	29310 THE OLD RD, CASTAIC 91384	760	266	OWNED	NONE
4085	PUBLIC LIBRARY-NEWHALL LIBRARY	22704 W 9TH ST, SANTA CLARITA 91321	4842	3432	OWNED	NONE
F487	PW FLOOD-SANTA CLARA MAINTENANCE CREW OFFICE	21014 GOLDEN TRIANGLE RD, SANTA CLARITA 91351	125	112	OWNED	NONE
A920	BOARD OF SUP-5TH DISTRICT FIELD OFFICE	23920 W VALENCIA BLVD, SANTA CLARITA 91355	1224	1026	LEASED	NONE
A524	DCFS-REGION VIII SANTA CLARITA SERVICES	28490 AVE STANFORD, SANTA CLARITA 91355	32743	29469	LEASED	NONE
5541	PUBLIC LIBRARY-VALENCIA LIBRARY	23743 W VALENCIA BLVD, SANTA CLARITA 91355	24144	19245	OWNED	NONE
5542	SANTA CLARITA ADMINISTRATIVE CENTER BUILDING	23757 W VALENCIA BLVD, SANTA CLARITA 91355	22767	20427	OWNED	NONE
5543	SANTA CLARITA COURTHOUSE	23747 W VALENCIA BLVD, SANTA CLARITA 91355	32950	17979	OWNED	NONE

ATTACHMENT F

EIGHT-YEAR LEASE AGREEMENT - PUBLIC LIBRARY
25950 THE OLD ROAD, STEVENSON RANCH
APPROVE STEVENSON RANCH LIBRARY PROJECT
AND APPROPRIATION ADJUSTMENT
CAPITAL PROJECT NO. 77602
FIFTH DISTRICT
(4 VOTES)

NEGATIVE DECLARATION
(See Enclosure)

DATE POSTED – August 2, 2013

NOTICE OF PREPARATION OF NEGATIVE DECLARATION

This notice is provided as required by the California Environmental quality Act and California Administrative Code Title 14 Division 6, Section 15072 (a) (2) B.

A Negative Declaration has been prepared for this site based on an Initial Study which consists of completion and signing of an Environmental Information Form showing background information as follows:

1. Name of Proponent - County of Los Angeles
   Chief Executive Office

2. Address/Phone No. - 222 South Hill Street, 3rd Floor
   Los Angeles, California 90012

Agent	Telephone
Thomas Shepos	(213) 974-4364

ORIGINAL FILED
AUG 20 2013
LOS ANGELES, COUNTY CLERK

3. Date Information Form Submitted – August 19. 2013

4. Agency Requiring Information Form - Los Angeles County
   Chief Executive Office
   Real Estate Division

5. Name of Proposal, if Applicable -

6. Address of Facility Involved – 25950 The Old Road
   Stevenson Ranch, CA 91381

Interested parties may obtain a copy of the Negative Declaration and the completed Environmental Information Form/Initial Study by contacting the Principal Real Property Agent indicated under 2 above and referring to the proposal by name or to the facility by address.

Si necesita informacion en espanol, por favor de comunicarse con Carlos Marquez, para asistencia en obtener una traduccion para el numero (213) 974-4163.

DATE POSTED – August 2, 2013

NOTICE OF PREPARATION OF NEGATIVE DECLARATION

This notice is provided as required by the California Environmental quality Act and California Administrative Code Title 14 Division 6, Section 15072 (a) (2) B.

A Negative Declaration has been prepared for this site based on an Initial Study which consists of completion and signing of an Environmental Information Form showing background information as follows:

1. Name of Proponent - County of Los Angeles
   Chief Executive Office

2. Address/Phone No. - 222 South Hill Street, 3rd Floor
   Los Angeles, California 90012

Agent	Telephone
Thomas Shepos	(213) 974-4364

3. Date Information Form Submitted – August 19, 2013

4. Agency Requiring Information Form - Los Angeles County
   Chief Executive Office

5. Address of Facility Involved – 25950 The Old Road
   Stevenson Ranch, CA 91381

6. Description of Project - The leasing of 12,000 square feet of open space in an existing building to be used by the County of Los Angeles, Public Library as a Library with a Meeting Room.

7. Finding for Negative Declaration - It has been determined that this project will not have a significant effect on the environment.

Interested parties may obtain a copy of the Negative Declaration and the completed Environmental Information Form/Initial Study by contacting the Real Property Agent indicated under 2. above and referring to the proposal by name or to the facility by address.

Si necesita informacion en espanol, por favor de comunicarse con el agente designado, para asistencia en obtener una traduccion.

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

EIGHT-YEAR LEASE

NEGATIVE DECLARATION

I. Location and Description of the Project

The proposed project is for the County of Los Angeles to lease a facility at 25950 The Old Road, Stevenson Ranch, California, 91381 which will be used by the Public Library (Library). Library will be using the space as a community library and meeting Room. The facility, located in the Fifth Supervisorial District, approximately 43.44 miles from the Los Angeles Civic Center, includes 12,000 square feet of library space. The Library shall have use of common area off-street parking spaces for staff in addition to available parking for visitors. The Landlord has no expansion plans beyond the scope of this project.

II. Finding of No Significant Effect

Based on the attached initial study, it has been determined that the project will not have a significant effect on the environment.

III. Mitigation Measures

None required.

ORIGINAL FILED
AUG 20 2013
LOS ANGELES, COUNTY CLERK

INITIAL STUDY

I. Location and Description of Project

These proposed leased premises are located at 25950 The Old Road, Stevenson Ranch, located in the Fifth Supervisorial District approximately 43.4 miles west of the Los Angeles Civic Center and .03 miles west of the 5 freeway. (See attached map)

The building to be used is owned by Valencia Marketplace II, LLC, and is intended for use as library space and meeting room. Located at the site are in-common off-street parking spaces for the Library and ample public parking is located within the on-site parking lot and surrounding common areas.

This project consists of leasing this facility for 8 years as a community library with meeting room. It is anticipated that an average of 9 employees will be occupying the premises with the maximum employee occupancy anticipated to be 11 per day. In addition to the employees, it is anticipated that there will be 212 members of the public visiting the facility daily. No expansion of existing premises will occur for this project and no exterior alterations (excluding those required to meet fire exiting codes). The interior tenant improvements and furnishings, will be performed for this project by the Lessee.

II. Compatibility with General Plan

This project site is currently designated as Regional Center Commercial in the City of Stevenson Ranch and zoned C-3-DP (unlimited Commercial Zone Development Plan). The proposed project would be consistent with these designations.

III. Environmental Setting

The project site is located in an area of a major shopping center. The site includes approximately 14 legal parcels which total 1,927,211 square feet or 44.24 acres of developed retail property, which includes 23 retail building totaling 716,218 rental square feet. The site is bordered by McBean Pkwy on the North, Valencia I Marketplace exists on the south and I 5 on the East sides of the property.

IV. Identification of Environmental Effects

A. The impact of the proposed project on existing land forms will be negligible as no reshaping of the soil nor excavation nor foundations, utility lines, sewer lines or water lines is anticipated.

B. The project will not conflict with adopted environmental plans and goals of the City of Stevenson Ranch.

C. The project will not have a substantial demonstrable negative aesthetic effect on the site. The existing facility will be continued to be maintained as part of the lease arrangement.

D. No rare or endangered species of animal or plant or the habitat of the species will be affected by the project. Nor will it interfere substantially with the movement of any resident fish or wildlife species or migratory fish or wildlife species.

E. The project will not breach published national, state or local standards relating to solid waste or litter control.

F. Development will not substantially degrade water quality, contaminate water supply, substantially degrade or deplete ground water resources, or interfere substantially with ground water recharge.

G. There are no known archeological sites existing at the project site.

H. The proposed project will not induce substantial growth or concentration of population.

I. The project will not cause a substantial increase to existing traffic. Nor will it affect the carrying capacity of the present street system. This is a government use of private property for legal services purposes. The County's use is in conformance with uses approved by Regional Planning in Unincorporated County of Los Angeles.

J. The project will not displace any persons from the site.

K. The project will not substantially increase the ambient noise levels to adjoining areas. Noise generated by the proposed County use does not exceed that previously experienced in the area when occupied by private tenants.

L. The proposed developed project will not cause flooding, erosion or siltation.

M. The project will not expose people or structures to major geologic hazards.

N. The project will not expend a sewer trunk line. All necessary utilities are available currently to the facility.

ORIGINAL FILED

AUG 20 2013

LOS ANGELES, COUNTY CLERK

O. No significant increased energy consumption is anticipated by the County's use of the premises as compared to previous uses.

P. The project will not disrupt or divide the physical arrangement of established community; nor will it conflict with established recreational, educational, religious or scientific uses of the area.

Q. No public health or safety hazard or potential public health or safety hazard will be created by this project.

R. The project will not violate any ambient air quality standard, contribute substantially to an existing or projected air quality violation, or expose sensitive receptors to substantial pollutant concentrations.

V. Discussions of Ways to Mitigate Significant Effects

The proposed project is not expected to create any significant effects on the environment. To mitigate any effects upon the surrounding community the following measures will be implemented:

None Required.

VI. Initial Study Preparation

This study was prepared by Thomas Shepos of the Los Angeles County Chief Executive Office, Real Estate Division.

This study was completed on August 02, 2013.

ORIGINAL FILED
AUG 20 2013
LOS ANGELES, COUNTY CLERK

NEGATIVE DECLARATION

Department Name: Library
Project: Community Library and Meeting Room

Pursuant to Section 15072, California Environmental Quality Act and California Administrative Code Title 14, Division 6

1. Description of Project

The leasing of existing office space in an existing commercial building to be used by the County of Los Angeles, Library Department as a community library and Meeting Room.

2. a. Location of Project (plot plan attached)

25950 The Old Road
Stevenson Ranch, CA 91381

ORIGINAL FILED
AUG 20 2013
LOS ANGELES, COUNTY CLERK

b. Name of Project Proponent

County of Los Angeles
Chief Executive Office
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012

3. Finding for Negative Declaration

It has been determined that this project will not have a significant effect on the environment based on information shown in the attached Environmental Information Form dated August 2, 2013 which constitutes the Initial Study of this project.

4. Initial Study

An Initial Study leading to this Negative Declaration has been prepared by the Chief Executive Office and is attached hereto.

5. Mitigation Measures Included in Project

None required.

Date	Principal Real Property Agent	Telephone
August 2, 2013	Thomas Shepos	(213) 974-4363