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"

Board of Supervisors
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Fifth District

January 21, 2014

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

6 January 21, 2014

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 – DEPARTMENT OF MENTAL HEALTH
420- G3 SOUTH SAN PEDRO STREET, LOS ANGELES
332 SOUTH OMAR STREET (PARKING), LOS ANGELES
(FIRST DISTRICT)
(3 VOTES)

SUBJECT

A new eight-year lease for 18,993 square feet of office space and a 13,770 square foot parking lot for the Department of Mental Health's Prevention and Early Intervention Program, Homeless CalWORKs Families Project, Skid Row Families Assessment Team, and a Wellness Clinical Team.

IT IS RECOMMENDED THAT THE BOARD:

1. Consider the Negative Declaration together with the fact that no comments were received during the public review process, find that the project 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 and instruct the Chairman to sign the eight-year lease with LTL Commercial, LLC and Westchester Properties, LLC, (Landlord) for the occupancy of 18,993 square feet of office space located at 420-G3 South San Pedro Street and a 13,770 square foot parking lot located at 332 South Omar Street, Los Angeles, for the Department of Mental Health, for a maximum first year rental cost of $945,906. The rental and related costs are to be funded by Mental Health Service Act funds and by the Department of Public Social Services CalWORKs program funding.

3. Authorize the Internal Services Department, or the Landlord, at the direction of the Chief Executive Office, to acquire telephone, data, and low voltage systems at a cost not to exceed $605,500, which will be paid by the Department of Mental Health via lump sum payment.

4. Authorize the Chief Executive Officer and the Directors of Mental Health and Internal Services to implement the project. The lease will be effective upon approval by the Board, but the term and rent will commence upon completion of the improvements by the Landlord and acceptance by the County.

5. Authorize the Chief Executive Officer to exercise the two five-year renewal options by providing 60 days written notice to the Landlord prior to the end of the initial term, or the first option term.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Department of Mental Health's (DMH) Skid Row Management Team (SRMT) currently occupies 3,516 square feet of space at 420-G3 South San Pedro Street (the premises). DMH proposes to permanently relocate SRMT to 420-G3 South San Pedro Street, via a separate new lease. The relocation will allow DMH to permanently backfill the space with programs from the Downtown Mental Health Clinic located at 529 South Maple Avenue (DMHC).

The proposed lease will allow the DMH to permanently relocate its DMHC Prevention and Early Intervention (PEI) program, the Homeless CalWorks Families Project, (HCFP), the Skid Row Families Assessment Team (SRAT), and one Wellness Clinical Team from the DMHC. Relocation of the programs will allow DMH to reduce overcrowding at the Clinic and improve service.

The PEI program provides individual and group treatment to client's experiencing anxiety, mild and moderate depressive disorders, post-traumatic stress disorder, and related illnesses symptoms at an early stage. Early treatment reduces the probability of developing more chronic and serious mental illness.

The HCFP program aims to remove barriers to employment by providing individual and group mental health treatment, case management services to CalWorks Temporay Aid to Needy Families (TANF), including two special collaborative projects. The projects are the SRAT, created at the First District's direction, and one Wellness Clinical Team providing services to clients assessed in the maintenance stage of their recovery. Services provided include mental health assessment, crisis intervention, medication support, co-occurring disorder treatment, individual and group psychotherapy and collaborative mental health, and primary care.

The subject facility will be occupied by 43 DMH employees in commercial condominiums located on the ground floor of a multi-story loft building.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of process, structure, and operations to support efficient public services. The proposed lease supports this goal by delivering a facility that supports efficient public services. The space is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed lease will provide DMH the use of 18,993 square feet of office space and a 13,770 square foot parking lot at a maximum first year rental cost of $945,906 or $49.80 per square foot. This cost includes the annual office base and parking lot rent, the maximum annual reimbursement of the Tenant Improvement (TI), and change order allowances, if the entire amount is expended. The Landlord is responsible for all operational and building maintenance costs, except electricity costs.

Sufficient funding for the proposed lease is included in the Fiscal Year (FY) 2013-14 Rent Expense budget and will be charged back to DMH. DMH budgeted sufficient funding in its FY 2013-14 operating budget to cover the projected lease costs, which are funded under the Mental Health Services Act funds, and Department of Public Social Services funds. Attachment B is an overview of the lease costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease will provide office space for services and programs relocating from the DMHC location. The proposed lease includes the following provisions:

- An eight-year lease term commencing upon completion of the improvements by the Landlord and acceptance by the County.

- A modified full-service gross lease whereby the Landlord is responsible for janitorial, operational, and building maintenance of the facility. The County is responsible for electricity expenses.

- A base TI allowance of $284,895, or $15 per square foot, included in the base rental rate for improvement of the premises.

- A reimbursable TI allowance of $1,329,510, or $70 per square foot, and a change order allowance of $94,965 are included in the proposed lease, and are payable in lump sum or amortized over the five-year term at an annual interest rate of 8 percent.

- A cancellation provision allowing the County to cancel after the 60th month, upon 60 days prior written notice from the Chief Executive Office (CEO).

- Furniture will be purchased through the additional TI allowance, or by DMH through Internal Services Department Purchasing.

- Two five-year options to extend the lease at the same terms and conditions with 60 days prior written notice.

- Annual CPI rental increases capped at 4 percent per annum commencing on the 13th month of the term.

The CEO, Real Estate staff conducted a survey within the project area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the survey area that could suitably accommodate this requirement. Based upon said survey, staff has established that the base rental range for similar space and terms is between $28 and $42 per square foot per year on a full-service gross basis. Thus, the base annual rental rate of $30 full-service gross, for the proposed lease represents a rate within the market range for the area. In addition, the proposed facility provides a viable space to house DMH's programs within the service area. Attachment C shows County-owned or leased facilities in the proximity of the service area, and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has inspected the facility and found it seismically suitable for County occupancy. Construction of the TI's will be completed in compliance with building codes and the Americans with Disabilities Act.

Notification letters advising of the proposed lease have been sent to the City of Los Angeles pursuant to Government Code Sections 25352 and 65402.

ENVIRONMENTAL DOCUMENTATION

The CEO has made an initial study of environmental factors and has concluded that this Project will have no significant impact on the environment and no adverse effect on the wildlife resources. Accordingly, a Negative Declaration has been prepared and a notice posted at the site as required by the California Environmental Quality Act 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 enclosed. No comments to the Negative Declaration were received. A fee must be paid to the State Department of Fish and Game when certain notices are filed with the Registrar-Recorder/County Clerk. The County is exempt from paying this fee when the Board finds that a project will have no impact on wildlife resources.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

CONCLUSION

It is requested that the Executive Office, 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 at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further Processing.

Respectfully submitted,

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR:CMM
CEM:KW:gw

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Internal Services
Mental Health

ATTACHMENT A

DEPARTMENT OF MENTAL HEALTH
420-G3 SOUTH SAN PEDRO STREET, LOS ANGELES
332 SOUTH OMAR STREET, LOS ANGELES
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] **No, 441 sq. ft. per person per program needs of separate client lobbies and multiple interview and group rooms.**		X	
2.		**Capital**			
	A	Is it a substantial net County cost (NCC) program?		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 C?	X		
	G	Was build-to-suit or capital project considered?		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?			
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. __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]	X		
	F	Has growth projection been considered in space request?			X
	G	Has the Dept. of Public Works completed seismic review/approval?			X
		[1]As approved by the Board of Supervisors 11/17/98			
		[2]If not, why not?			

FISCAL IMPACT/FINANCING
OVERVIEW OF THE PROPOSED LEASE

Proposed Lease	**420-G3 South San Pedro Street , Los Angeles** **332 South Omar Street, Los Angeles**
Area (Square Feet)	18,993 rentable square feet
Term (years)	Eight-years, commencing upon Board approval and County's acceptance of the TI.
Annual Base Rent	$535,603 ($28.20 per sq. ft. annually)
Annual TI Reimbursement [1]	$344,303 ($18.13 per sq. ft.)
Annual Parking Lot Rent	$66,000 ($3.47 per sq. ft.)
Maximum Annual Lease Cost [2]	$945,906 ($49.80 per sq. ft. annually)
Base TI Allowance	$284,895 ($20 per sq. ft. included in the base rent)
Additional TI Allowance	$1,329,510 ($70 per sq. ft.)
Change Order Allowance	$94,965 ($5 per sq. ft.)
Cancellation	Any time after the 60th month upon 270 days prior written notice
Options to Renew	Two 5-year options
Rental adjustment	Fixed 3 percent per annum

(1) $1,424,475 represents the maximum amount of reimbursable TI and Change Order funds available for this project. If this entire amount is expended and amortized over 60 months at the proposed rate of 8 percent, the annual TI reimbursement will be $344,303 ($18.13 per sq. ft. annually).

(2) Includes annual base rent, and annual reimbursement of TI and change order allowances.

ATTACHMENT C

DEPARTMENT OF MENTAL HEALTH
SPACE SEARCH WITHIN A ONE-MILE PARAMETER OF
529 SOUTH MAPLE AVENUE, LOS ANGELES

	FACILITY NAME	ADDRESS	SQUARE GROSS	FEET NET	OWNERSHIP	SQUARE FEET AVAILABLE
A405	BOS/ARTS COMMISSION-WILSHIRE-BIXEL BUILDING	1055 WILSHIRE BLVD SUITE 800, LOS ANGELES 90017	7873	7479	LEASED	NONE
5266	METROPOLITAN COURTHOUSE	1945 S HILL ST, LOS ANGELES 90007	303433	136422	STATE OF CALIFORNIA	NONE
A675	DA-METRO COURT/DCFS METRO NORTH/ERCP/CALL CTR	1933 S BROADWAY, LOS ANGELES 90007	148483	141059	LEASED	NONE
A216	DPSS-APPEALS & STATE HEARINGS	811 WILSHIRE BLVD, LOS ANGELES 90017	4512	4286	LEASED	NONE
5546	PH-CENTRAL PUBLIC HEALTH CENTER	241 N FIGUEROA ST, LOS ANGELES 90012	60924	34748	OWNED	NONE
5456	HEALTH SERVICES ADMINISTRATION BUILDING	313 N FIGUEROA ST, LOS ANGELES 90012	221359	134851	OWNED	NONE
3155	PERFORMING ARTS CTR-DE LISA BLDG/THE ANNEX	301 N GRAND AVE, LOS ANGELES 90012	27582	17978	OWNED	NONE
0155	STANLEY MOSK COURTHOUSE	111 N HILL ST, LOS ANGELES 90012	794459	489254	STATE OF CALIFORNIA	NONE
0181	KENNETH HAHN HALL OF ADMINISTRATION	500 W TEMPLE ST, LOS ANGELES 90012-2713	958090	557268	OWNED	NONE
A159	DISTRICT ATTORNEY-FIGUEROA PLAZA	201 N FIGUEROA ST, LOS ANGELES 90012	87810	83420	LEASED	NONE
A429	CAO-REAL ESTATE DIVISION/ SERVICE INTEGRATION	222 S HILL ST, LOS ANGELES 90012	30905	27158	LEASED	NONE
A627	COUNTY ADMIN OFFICES-LA WORLD TRADE CTR	350 S FIGUEROA ST, LOS ANGELES 90071	52516	49890	LEASED	NONE
A632	PUBLIC DEFENDER-PIAS ET. AL.	312 S HILL ST GRAND CENTRAL MARKET, LOS ANGELES 90012-3503	9782	9293	LEASED	NONE
0156	HALL OF RECORDS	320 W TEMPLE ST, LOS ANGELES 90012	438096	254220	OWNED	NONE
3154	CLARA SHORTRIDGE FOLTZ CRIMINAL JUSTICE CENTR	210 W TEMPLE ST, LOS ANGELES 90012	1036283	516275	STATE OF CALIFORNIA	NONE
A588	SHERIFF'S AB 109 PAROLE COMPLIANCE TEAM	301 S CENTRAL AVE, LOS ANGELES 90013	3100	2945	LEASED	NONE
Y013	DPSS-CIVIC CENTER DISTRICT/GROW CENTER OFFICE	813 E 4TH PL, LOS ANGELES 90013	39956	25158	OWNED	NONE
A218	MENTAL HEALTH-SKID ROW MANAGEMENT TEAM	420 S SAN PEDRO ST, LOS ANGELES 90013	3516	3340	LEASED	NONE
B426	DMH-ADULT SYSTEMS OF CARE-FSP	426 S SAN PEDRO ST, LOS ANGELES 90013	6500	6175	LEASED	NONE
B446	DHS-SKID ROW CLINIC	512 S SAN PEDRO ST, LOS ANGELES 90013	20628	19597	LEASED	NONE
B447	DMH-PROJECT 50 (OFFICE ONLY)	521 S SAN PEDRO ST, LOS ANGELES 90013	2540	2413	LEASED	NONE
5979	CENTRAL ARRAIGNMENT COURTHOUSE	429 BAUCHET ST, LOS ANGELES 90012	83692	46440	OWNED	NONE

ORIGINAL FILED

OCT 28 2013

LOS ANGELES, COUNTY CLERK

DATE POSTED – October 28, 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
MiguelCovarrubias	(213) 974-4164

3. Date Information Form Submitted – October 28, 2013

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

5. Address of Facility Involved – 420-G3 South San Pedro Street
   Los Angeles, California 90013

6. Description of Project - The leasing of office space in an existing commercial building to be used by the County of Los Angeles, Department of Mental Health Services for offices providing services to area residents.

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

NEGATIVE DECLARATION

I. Location and Description of the Project

The proposed project is for the County of Los Angeles to lease facilities at 420-G3 South San Pedro Street, Los Angeles, California, which will be used by the Department Mental Health Services for offices providing services to area residents. The facilities, located in the Second Supervisorial District approximately 1 mile from the Los Angeles Civic Center, include 20,000 square feet of office space. The County shall have use of approximately 43 off-street parking spaces for Mental Health staff and 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.

NEGATIVE DECLARATION

Department Name: Mental Health Services
Project: Wellness/PEI Center and
Skid Row CalWork Families Assessment Team

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, Department of Mental Health Services providing services to area residents.

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

420-G3 South San Pedro Street
Los Angeles, CA 90013

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 October 28, 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.

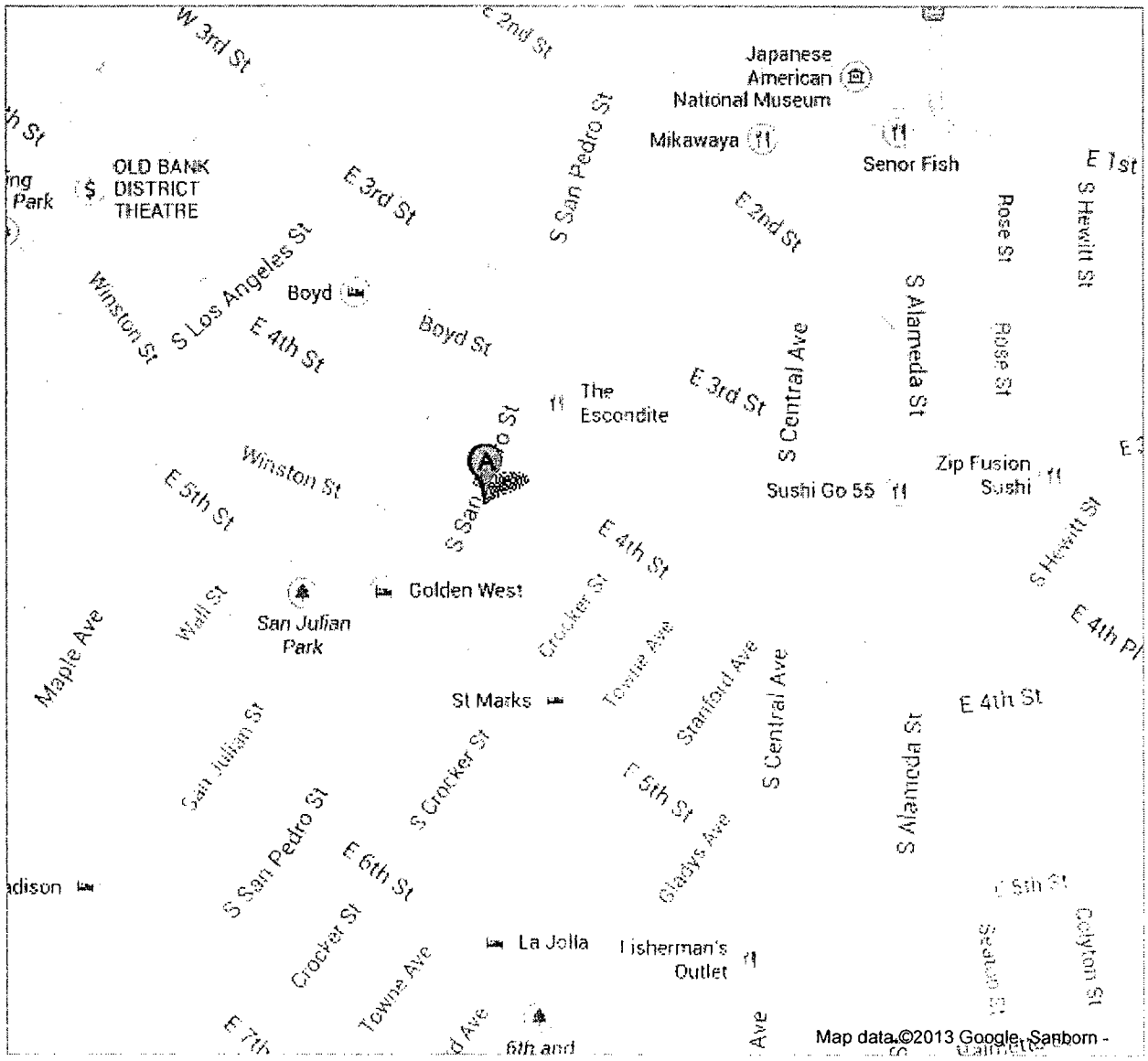
5. Mitigation Measures Included in Project

None required.

Date	Real Property Agent	Telephone
October 28, 2013	Miguel Covarrubias	(213) 974-4164

To see all the details that are visible on the screen, use the "Print" link next to the map.

Google



INITIAL STUDY

I. Location and Description of Project

The proposed leased premises are located at 420-G3 South San Pedro Street, Los Angeles located in the Second Supervisorial District approximately 1 mile east of the Los Angeles Civic Center and 7 blocks south of the 101 Freeway. (See attached map)

The building to be used is owned by LTL, LLC and is intended for use as office space providing mental health services to area residents. Located 43 exclusive off-street parking spaces for the County's use and ample public parking located on the surface streets surrounding the area.

This project consists of leasing this facility for 8 years for occupancy by the Department of Mental Health. It is anticipated that an average of 43 employees will be occupying the premises with the maximum employee occupancy anticipated to be 40 per day. In addition to the employees, it is anticipated that an average of 40 members of the public will be visiting the facility daily. No expansion of existing premises will occur for this project and no alterations, except for interior furnishings, will be performed for this project.

II. Compatibility with General Plan

This project site is currently designated as commercial office use in the City of Los Angeles General Plan and zoned COCL. The proposed project would be consistent with these designations.

III. Environmental Setting

The project site is located in an area of commercial type facilities. The site includes approximately 96,250 square feet of developed property. The site is located on San Pedro Street between 4th Street on the north and 5th Street on the South.

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 will be necessary.

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

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 public benefit purposes. The County's use is in conformance with uses approved by the City 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.

O. No increased energy consumption is anticipated by the County's use of the premises.

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:

A. None Required.

VI. Initial Study Preparation

This study was prepared by Miguel Covarrubias of the Los Angeles County Chief Executive Office, Real Estate Division. This study was completed on October 28, 2013.

COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

DEPARTMENT: MENTAL HELATH, as Tenant

LANDLORD: LTL COMMERCIAL, LLC, a California Limited Liability Company and WESTCHESTER PROPERTIES, LLC, a California Limited Liability Company

78108

420-G3 SOUTH SAN PEDRO STREET
332 SOUTH OMAR STREET
LOS ANGELES, CALIFORNIA

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COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

THIS LEASE is entered into as of the 21st day of January, 2014 between LTL COMMERCIAL, LLC and WINCHESTER PROPERTIES, LLC ("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:	LTL COMMERCIAL, LLC and WESTCHESTER PROPERTIES, LLC 333 South Central Avenue, 2nd Floor Los Angeles, CA 90013
(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 Fax Number: (213) 217-4971
(c) Premises:	Premises A (Office): Approximately 18,993 rentable square feet in the Building (defined below) in the space known as 420-G3 South San Pedro Street as shown on Exhibit A attached hereto. Premises B (Parking Lots): Approximately 13,770 square foot Parking Lots (defined below) in the space known as 332 South Omar Street as shown on Exhibit A attached hereto.
(d) Building:	The building located at 420-G3 South San Pedro Street, Los Angeles, and parking lot located at 332 South San Pedro Street and which is located upon the real property described more particularly in Exhibit B

78108

	attached hereto (the "Property");
(e) Term:	Eight (8) years commencing Tenant's Acceptance of the Premises as defined in Section 4(a) (the "Commencement Date"); and terminating at midnight on the day before the 8th anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, 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.
(f) Projected Commencement Date:	March 1, 2014
(g) Irrevocable Offer Expiration Date:	February 1, 2014
(h) Basic Rent:	$44,633.55 per month (which is based upon a rental rate of $2.35 per rentable square foot (adjustable only as provided in Sections 2(b) and 5 hereof.)
(i) Parking Lot Rent:	$5,500 per month Parking rent shall be combined with Basic Rent in one initial monthly payment of $50,133.55 (Base Rent).
(j) Early Termination Notice Date:	At any time after the 60th month.
(k) Rentable Square Feet in the Premises:	18,993 office space and 13,770 parking lot.
(l) Use:	General office use, parking or for any other lawful purposes not incompatible with other uses in the Building and Parking Lot.
(m) Initial Departmental Use:	Mental Health
(n) Parking Spaces:	55
(o) Normal Working Hours:	7:00 a.m. to 7:00 p.m., Monday through Friday and 9:00 a.m. to 2:00 p.m. Saturday, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days

such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.

(p) Asbestos Report: A report dated _____ prepared by __N/A___, a licensed California Asbestos contractor.

1.2 Defined Terms Relating to Landlord's Work Letter:

(a) Base Tenant Improvement Allowance: $284,895 ($15 per RSF)

(b) Additional Tenant Improvement Allowance: $1,329,510 ($70 per RSF)

(c) Maximum Change Order Allowance: $94,965 ($5 per RSF)

(d) Additional Tenant Improvement and Change Order Amortization Rate: 8 % per annum

(e) Basic Rent Reduction: N/A

(f) Tenant's Work Letter Representative: Miguel Covarrubias or an assigned staff person of the Chief executive Office-Real Estate Division.

(g) Landlord's Work Letter Representative: Juan Guerra or and assigned representative of the Landlord.

(h) Landlord's Address for Work Letter Notice: See Section 1.1(a)

(i) Tenant's Address for Workletter 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
Fax Number: (213) 217-4971

1.3 Exhibits to Lease:	Exhibit A - Floor Plan of Premises Exhibit B- Legal Description of Property Exhibit C - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit D - HVAC Standards Exhibit E - Cleaning and Maintenance Schedule
1.4 Landlord's Work Letter: (Executed concurrently with this Lease and made a part hereof by this reference):	Landlord's Work Letter Addendum A: Base Building Improvements Addendum B: Tenant Improvements
1.5 Supplemental Lease Documents: (Delivered to Landlord and made a part hereof by this reference):	Document I: Subordination, Non-disturbance and Attornment Agreement Document II: Tenant Estoppel Certificate Document III: Community Business Enterprises Form Document IV: Memorandum of Lease Document V: Request for Notice

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.

(b) Tenant shall have the right within 90 days of approval of this Lease by the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable/usable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI Z65.1-1996, as promulgated by the Building Owners and Management Association ("BOMA") International except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, Tenant shall have the right to adjust such square footage and reduce the Basic Rent in Section 1 accomplished by the mutual execution of a memorandum of understanding between the Landlord and the Tenant. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no adjustment made to either the square footage or the Basic Rent in the event the measured square footage exceeds the amount represented by Landlord. Should Landlord and Tenant not agree with respect to the results of the measurement conducted pursuant to this subsection (b) Landlord shall appoint an independent firm or person who is experienced in making such measurements whose determination with respect to which measurement is correct shall be final and binding upon the parties. Landlord and Tenant shall share equally in the fees of such firm.

3. COMMON AREAS. Tenant may use the following areas ("Common Areas") in common with Landlord and other tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-

discriminatory rules and regulations regarding the use of the Common Areas established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

(a) Term. The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within 30 days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C. The Commencement Date shall begin 30 days after Tenant's Acceptance of the Premises. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are Substantially Complete, Tenant has inspected the Premises and Tenant has accepted the Premises. The term "Substantially Complete" or "Substantial Completion" as used in this Lease shall mean compliance with all of the following: (1) the shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises; (2) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease, including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises; (3) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent; (4) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and (5) if Landlord is responsible for the installation of telecommunication systems, then such systems shall be completely operational.

(b) Termination Right. If the Commencement Date has not occurred within 60 days from the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays as provided in Landlord's Work Letter, which has been executed concurrently herewith, Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder.

(c) Early Possession. Tenant shall be entitled to possession of the Premises not less than 30 days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Such early occupancy shall be subject to all provisions hereof but shall not advance the Termination Date, and Tenant shall not pay Basic Rent for such early occupancy period.

(d) Early Termination. Tenant shall have the right to terminate this Lease at any time after the Early Termination Notice Date, as defined in Section 1, by giving Landlord not less than 60 days prior written notice executed by the Chief Executive Officer of Tenant.

5. RENT. Tenant shall pay Landlord the Base Rent stated in Section 1 during the Term hereof within 15 days after a claim therefor for each such month has been filed by Landlord with the Auditor of the County of Los Angeles (the "County") prior to the first day of each month.

Base Rent for any partial month shall be prorated in proportion to the number of days in such month.

Beyond year 1of the Term, the rental rate shall be adjusted as defined herein:

(a) Rental Adjustment: For each successive twelve (12) months of the original Term of this Lease and in the event Tenant exercises its Option pursuant to Section 33 hereof for each successive twelve (12) month period thereafter, the annual rental as set forth in Paragraph 1.1 hereof shall be subject to adjustment. From and after the first anniversary date of the first day of the first full calendar month following the commencement of this Lease and every twelve months thereafter, the rent shall be adjusted in accordance with the CPI formula set forth in this Section 5. The "Base Index" shall be the Index published for the month the lease commences.

(b) CPI Formula: The method for computing the annual rental adjustment shall be by reference to the Consumer Price Index for all Urban Consumers for the Los Angeles-Anaheim-Riverside area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84 = 100), herein referred to as the "Index".

The rental adjustment for the Base Rent for the first anniversary of the Lease Term shall be calculated by multiplying the Landlord's Initial Base Rent of $50,133.55 by a fraction, the numerator being the New Index and the denominator being the Base Index. The New Index is the Index published for the month immediately preceding the month the adjustment is to be effective, and the Base Index is the Index published for the month the Lease commences. Then, on all subsequent years' anniversaries, the rental adjustment for Basic Rent shall be calculated by multiplying the prior year's Adjusted Base Rent, by a fraction, the numerator being the New Index and the denominator being the prior year's Index.

The formula shall be illustrated as follows:

First Anniversary Lease Year's calculation

(New Index ÷ Base Index) X $50,133.55 (Initial Base Rent) = New Adjusted Base Rent

Each Lease Year's Anniversary Thereafter:

(New Index ÷ Prior Year's Index) X Prior Year's Adjust Base Rent = New Adjusted Base Rent

If the Index is changed so that the base year of the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United State Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised. In the event the parties are unable to agree upon a substitute index (if the original Index is discontinued without a replacement) then upon demand by either party, the matter shall be submitted to arbitration for the purpose of determining an alternate method of computing the rent adjustment based upon the increase in the cost of living.

(c) General Provisions:

(i) In no event shall the annual rent adjustment based upon the CPI formula result in an annual increase greater than four percent (4%) per year of the New Adjusted Base Rent.

(i) In no event shall the New Adjusted Base Rent be adjusted by the CPI formula to result in a lower annual rent than was payable during the previous year of the Lease.

6. USES. The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose; however, Landlord shall not unreasonably withhold its consent to a change of use.

7. HOLDOVER. If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term of this Lease, such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant at the last monthly Basic Rent payable under this Lease (as such Basic Rent may be adjusted from time to time in accordance with this Lease) plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

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, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord 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.

9. DAMAGE OR DESTRUCTION.

(a) Damage. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises 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, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises 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. Landlord shall promptly, but in any event within ten days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises tenantable again using standard working methods. The failure to do so shall be a material default hereunder. Basic Rent shall abate to the extent that the Premises 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 Premises.

(b) Tenant Termination Right. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises will 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 Basic Rent shall be abated from the date the Premises became untenantable. In the event that Tenant does not elect to terminate this Lease, Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises.

(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 Premises 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 (a) declare a default hereunder, or (b) perform or cause to be performed the restoration work and deduct the cost thereof plus interest thereon at ten percent (10%) per annum, from the Basic Rent next due as a charge against the Landlord.

10. REPAIRS AND MAINTENANCE.

(a) Landlord Representations. Landlord represents to Tenant that (i) the Premises, the Building and all Common Areas, (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including use the Americans With Disabilities Act; and are in reasonable good working order and condition; (ii) the Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirements; (iii) the Premises, Building and 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 Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(b) 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: (i) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intrabuilding network cable (ii) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building (iii) the Common Areas; (iv) exterior windows of the Building; and (v) elevators serving the Building. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to: (1) the floor covering (if such floor covering is carpeting it shall be replaced as needed but not less often than after five years of use); (2) interior partitions; (3) doors; (4) the interior side of demising walls (which shall be repainted as needed but not less often than every five years); and (5) signage.

(c) Tenant Obligations. Without limiting Landlord's Obligations, 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. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by Tenant, 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.

(d) 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 Building structure and/or the Building 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, but in any event not later than five days after the giving of such notice, then 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 Building 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 plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within ten days, Tenant shall be entitled to deduct from Basic 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.

Landlord shall furnish the following services and utilities to the Premises:

(a) Heating, Ventilation and Air Conditioning. Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit D attached hereto.

(b) Electricity. Landlord shall furnish to the Premises the amount of electric current provided for in the Working Drawings (if applicable) but in any event not less than seven watts of electric current (connected load) per square foot of Rentable Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or subpanels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises. Tenant is responsible for electrical service costs.

(c) Elevators. Landlord shall furnish freight and passenger elevator services to the Premises during Normal Working Hours. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis, and, by prior arrangement with Landlord's building manager, freight elevator service.

(d) Water. Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

(e) Janitorial. Landlord shall provide janitorial service on five nights per week generally consistent with that furnished in comparable office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in Exhibit E attached hereto.

(f) Access. Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.

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 Building or Premises, Basic Rent shall be prorated based upon the percentage of the Premises or Building 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 Basic 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 30 days after written notice from Landlord specifying in detail the nature of the Tenant Default; provided, however, if more than 30 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

(b) Termination. Tenant agrees that if a Tenant Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

(c) No Effect on Indemnity. Nothing in this Article 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 DEFAULT.

(a) Remedies. In addition to the provisions for Landlord's default provided by Sections 9(d), 10(c) 19 and 20(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 days after the giving of written notice

with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10(c)) ; provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five 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 Defaultis 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 the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, 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 Basic 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 Basic 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.

15. ASSIGNMENT AND SUBLETTING. Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent: provided, however, that no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16. 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 or Building; (3) will not materially affect the systems or structure of the Building; and (4) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building. 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 shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

17. 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 Basic 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 Basic 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.

18. 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 Building 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 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 Building 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.

19. 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. Landlord shall carry insurance on any furniture and furnishings which will become the property of Tenant at the expiration of the Term and on all modular furniture installed in the Premises. 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) 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.

(c) 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.

(d) 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.

20. PARKING.

(a) Tenant's Rights. Tenant shall have the right to the number of exclusive reserved parking stalls set forth in Section 1 without charge for the Term of this Lease. No tandem parking shall be permitted and Tenant shall be entitled to full in/out privileges. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all other parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building.

(b) Remedies. Landlord acknowledges that it is a material term of this Lease that Tenant receive all of the Parking Spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the Parking Spaces required above are not available to Tenant, (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation) Tenant may (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective 30 days thereafter or (b) deduct from the Basic Rent thereafter accruing hereunder an amount each month equal to the Basic Rent times the percentage of Parking Spaces not so provided times 1.5 but such deduction from Basic Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%).

(b) Relocation. Landlord may relocate the Tenant's parking to a mutually agreed location with similar amenities and within two blocks of 420-G3 South San Pedro Street, Los Angeles at Landlords cost.

21. ENVIRONMENTAL MATTERS

(a) 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 Building 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 Building or the Common Areas.

(b) Landlord Indemnity. Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

22. 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 in the Supplemental Lease Documents delivered to Landlord concurrently herewith (properly completed) 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.

23. TENANT IMPROVEMENTS. Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in the Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.

24. 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.

25. 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 Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith 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 Building shall provide a written agreement to Tenant in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith 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 V in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

(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.

26. SURRENDER OF POSSESSION. Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) 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).

27. SIGNAGE. Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.

28. 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.

29. 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) Brokers. Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. Tenant shall receive from Landlord or Landlord's broker, within ten (10) days after the execution of this Lease, an amount equal to 50% of all commissions due to Landlord's broker as a result of the execution of this Lease.

(d) 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.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

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

(j) 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.

(k) Community Business Enterprises. Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Document III in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

(l) Memorandum of Lease. If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Document IV in the Supplemental Lease Documents delivered to Landlord concurrently herewith, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

30. 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 its delegee (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice 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.

31. 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) 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.

(c) Landlord Assignment.

(i) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Basic Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.

(ii) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.

(iii) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of the California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (collateralized mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.

(iv) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County may impose damages in an amount equal to the greater of (a) $500,000 or (b) 10% of the aggregate principal portion of all rental payments payable by the County during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid

amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

(v) Landlord shall give the County notice and a copy of each Security Agreement and any other instrument relating thereto (including, but not limited to, instruments providing for the payment of Basic Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.

(vi) Landlord shall not furnish any information concerning County or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or entity, except with County's prior written consent. Landlord shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section.

(vii) The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.

32. 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 for presentation to the Tenant Real Estate Management Commission of Los Angeles County 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.

33. OPTION TO EXTEND.

(a) Terms of Option Provided that no material default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have two options to renew this Lease for two additional periods of five years each (each, an "Option Term").

(b) Exercise of Option Tenant must exercise its option to extend this Lease, if it elects to do so, by giving Landlord written notice of its intent to do so by Chief Executive Office letter no later than 60 days prior to the end of the initial Term, or first option term, as the case may be.

(c) Terms and Conditions of Extension Term The Option Term shall be on all the terms and conditions of this Lease, except that Base Rent for each Option Term shall be the rate in effect hereof (adjustable only as provided in Section and 5 of this Lease) during the last year of the original Lease Term, or of the first Option Term, as the case may be).

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

LANDLORD:

LTL COMMERCIAL, LLC

By: _____
Name: _____
Its: _____

WESTCHESTER PROPERTIES, LLC

By: _____
Name: _____
Its: _____

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By: _____
Name: Don Knabe
Chair, Board of Supervisors

_____

ATTEST:

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

By: _____
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 _____
Deputy

APPROVED AS TO FORM:
John F. Krattli
County Counsel

By: _____
Deputy

ADOPTED
BOARD OF SUPERVISORS

6 JAN 21 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

78108

EXHIBIT A

FLOOR PLAN OF PREMISES

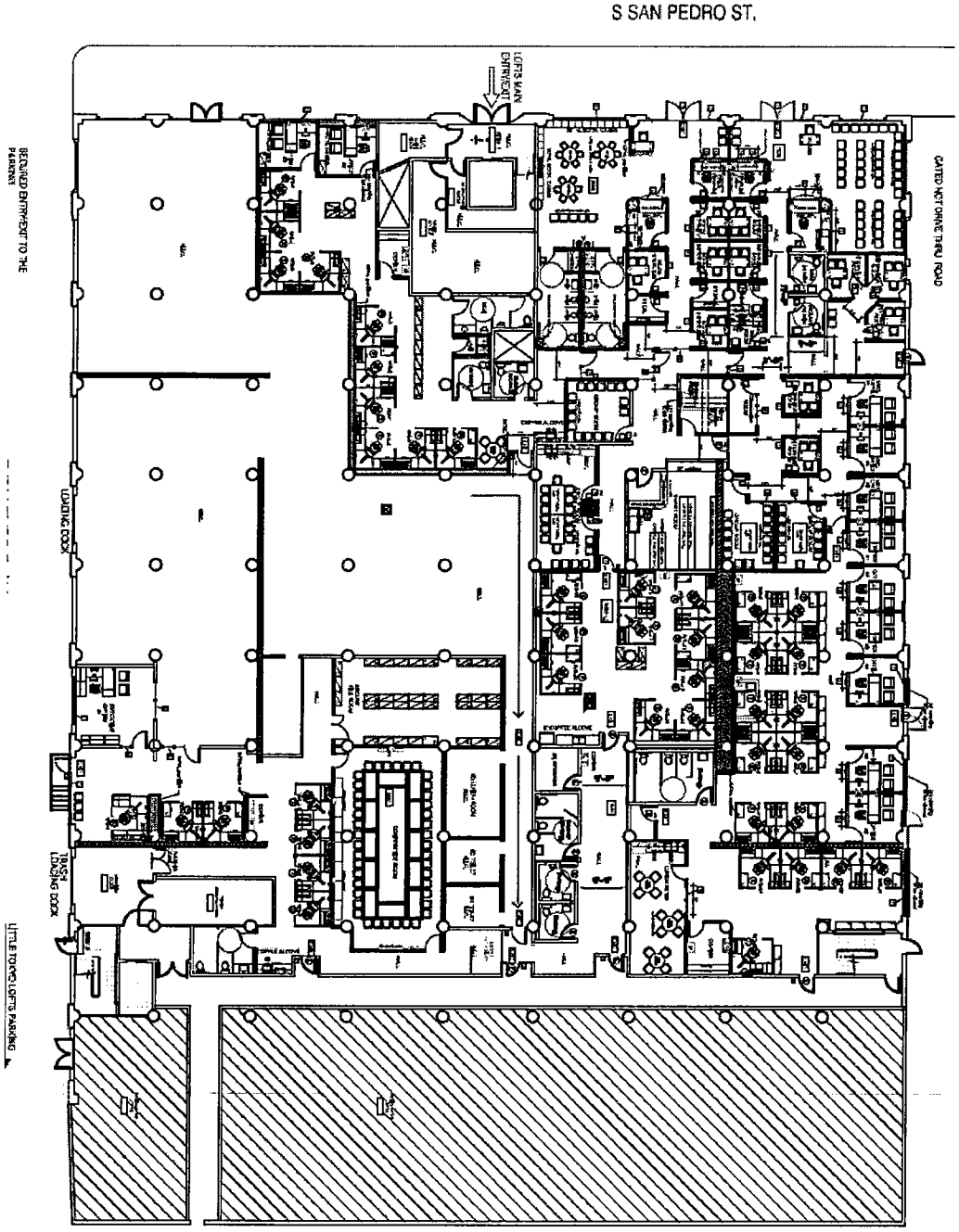

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

420-G3 South San Pedro Street:

PARCEL 1:

ALL THAT PORTION OF LOT "A" OF TRACT NO. 1133, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 18, PAGE 109 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHERLY OF A LINE BEGINNING AT A POINT IN THE WESTERLY LINE OF SAID LOT "A" DISTANT SOUTHERLY 211 FEET ALONG SAID WESTERLY LINE FROM THE NORTHWEST CORNER THEREOF AND RUNNING; THENCE SOUTH 67 DEGREES 38 MINUTES 30 SECONDS EAST, APPROXIMATELY 233.25 FEET TO THE EASTERLY LINE OF SAID LOT "A".

PARCEL 2:

AN EASEMENT OVER THE NORTH 20 FEET OF THAT PORTION OF SAID LOT "A", LYING IMMEDIATELY SOUTH OF AND ADJOINING THE LAND DESCRIBED IN PARCEL 1 ABOVE, TO BE USED IN CONJUNCTION WITH THE SOUTH 20 FEET OF THE LAND DESCRIBED IN SAID PARCEL 1, AS PRIVATE WAY AND FOR SPUR TRACT PURPOSES, AS CREATED BY THE INSTRUMENT RECORDED IN BOOK 1053, PAGE 271, OF OFFICIAL RECORDS OF SAID COUNTY.

PARCEL 3:

THAT CERTAIN PARCEL OF LAND IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF BLOCK 8 OF WOLFSKILL ORCHARD TRACT, AS PER MAP RECORDED IN BOOK 30, PAGE 9, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHEASTERLY LINE OF SAID BLOCK 8, DISTANT THEREON NORTH 36 DEGREES 47 MINUTES 15 SECONDS EAST 100.00 FEET FROM THE MOST SOUTHERLY CORNER OF LOT 8 OF SAID BLOCK 8; THENCE NORTH 53 DEGREES 12 MINUTES 05 SECONDS WEST, 178.86 FEET TO THE NORTHWESTERLY LINE OF SAID BLOCK; THENCE ALONG SAID NORTHWESTERLY LINE, NORTH 19 DEGREES 50 MINUTES 30 SECONDS EAST, 61.33 FEET; NORTH 27 DEGREES 05 MINUTES 30 SECONDS EAST, 43.74 FEET AND NORTH 20 DEGREES 25 MINUTES 30 SECONDS EAST, 50.34 FEET TO A POINT ON THE NORTHWESTERLY PROLONGATION OF THE NORTHEASTERLY LINE OF LOT 17 IN SAID BLOCK 8; THENCE ALONG SAID PROLONGATION SOUTH 53 DEGREES 12 MINUTES 05 SECONDS EAST, 108.29 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 17; THENCE ALONG THE NORTHWESTERLY LINES OF LOTS 17, 16, 15 AND NORTHEASTERLY ONE-HALF OF LOT 14 IN SAID BLOCK 8,

SOUTH 36 DEGREES 47 MINUTES 15 SECONDS WEST, 87.53 FEET TO A LINE THAT DEFINES THE SOUTHWESTERLY BOUNDARY OF SAID NORTHEASTERLY ONE-HALF OF LOT 14; THENCE ALONG SAID BOUNDARY SOUTH 53 DEGREES 12 MINUTES 05 SECONDS EAST, 110.00 FEET TO THE SOUTHEASTERLY LINE OF SAID BLOCK 8; THENCE ALONG SAID SOUTHEASTERLY LINE, SOUTH 36 DEGREES 47 MINUTES 15 SECONDS WEST 62.55 FEET, TO THE POINT OF BEGINNING.

PARCEL 4:

LOT 15 AND THE NORTH HALF OF LOT 14, IN BLOCK 8 OF THE WOLFSKILL ORCHARD TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 30, PAGE 9 ET SEQ. OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 5:

LOTS 16 AND 17 IN BLOCK 8 OF THE WOLFSKILL ORCHARD TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 30, PAGE 9, MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

332 South Omar Street:

The land referred to is situated in the unincorporated area of the County of Los Angeles, State of California, and is described as follows:

Lots 9, 10, 11, 12, and 13 in Block 6 of Wolfskill Orchard Tract, in the County of Los Angeles, State of California, as per map recorded in Book 30, Pages 9 to 13, inclusive of Miscellaneous Records of said county.

EXHIBIT C

COMMENCEMENT DATE MEMORANDUM
AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain lease ("Lease") dated _____, 200_, between County of Los Angeles, a body politic and corporate ("Tenant"), and _____, a _____ ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at _____ ("Premises"),

Landlord and Tenant hereby acknowledge as follows:

(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 _____ ("Commencement Date");

(4) The Premises contain _____ rentable square feet of space; and

(5) Basic Rent per Month is _____.

IN WITNESS WHEREOF, this Memorandum is executed this ___day of_____, 20__.

"Tenant"	"Landlord"
COUNTY OF LOS ANGELES, a body politic and corporate By: _____ Name: _____ Its: _____	_____, a _____ By: _____ Name: _____ Its: _____

EXHIBIT D

HVAC STANDARDS

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

EXHIBIT E

CLEANING AND MAINTENANCE SCHEDULE

1. DAILY (Monday through Friday)

A. Carpets vacuumed.
B. Composition floors dust-mopped.
C. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
D. Waste baskets, other trash receptacles emptied.
E. Chairs and waste baskets returned to proper position.
F. Fingerprints removed from glass doors and partitions.
G. Drinking fountains cleaned, sanitized and polished.
H. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
I. Bulb and tube replacements, as required.
J. Graffiti expunged as needed within two (2) working days after notice by Tenant.
K. Floors washed as needed.
L. Kitchen/Lunchroom supplies replenished including paper supplies and soap.
M. Exclusive day porter service from ____ to ____ **(if provided by contract).**

2. WEEKLY

A. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
B. Window sills, ledges and wood paneling and molding dusted.

3. MONTHLY

A. Floors washed and waxed in uncarpeted office area.
B. High-reach areas, door frames and tops of partitions dusted.
C. Upholstered furniture vacuumed, plastic and leather furniture wiped.
D. Picture moldings and frames dusted.
E. Wall vents and ceiling vents vacuumed.
F. Carpet professionally spot cleaned as required to remove stains.
G. HVAC chiller water checked for bacteria, water conditioned as necessary.

4. QUARTERLY

A. Light fixtures cleaned and dusted, but not less frequently than Quarterly.
B. Wood furniture polished.
C. Draperies or mini-blinds cleaned as required, but not less frequently than Quarterly.
D. HVAC units serviced for preventative maintenance purposes, all filters changed.

5. SEMI-ANNUALLY

A. Windows washed as required inside and outside but not less frequently than twice annually.
B. All painted wall and door surfaces washed and stains removed.
C. All walls treated with vinyl covering washed and stains removed.

6. ANNUALLY

A. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.

B. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.

C. Touch-up paint all interior painted surfaces in a color and finish to match existing.

7. AS NEEDED

A. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.

B. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.

C. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning: (i) heavy traffic areas as needed with a minimum frequency of bi-monthly [six (6) times per year]; (ii) moderate traffic areas cleaned as needed with a minimum of once every six (6) months [two (2) times per year]; and (iii) clean light traffic areas a minimum of once per year. Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

D. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence"). The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute and Occurrence for the purpose of determining the frequency of this work.

8. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.