



FESIA A. DAVENPORT  
Acting Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

**DATE:** November 18, 2020  
**TIME:** 2:00 p.m. – 4:00 p.m.  
**LOCATION:** **TELECONFERENCE CALL-IN NUMBER: (415)655-0001**  
**TELECONFERENCE ID: 927075833**

To join via phone, dial 1(415) 655-0001, then press 927075833#, then press # when prompted for attendee number **\*\*IF DIALING IN PLEASE CALL IN AT 1:45 P.M. TO FACILITATE PARTICIPANT CHECK-IN\*\*.**

**YOU CAN ALSO JOIN THIS MEETING BY CLICKING ON THE FOLLOWING LINK:**

[Join meeting](#)

**DUE TO THE CLOSURE OF ALL COUNTY BUILDINGS, MEMBERS OF THE PUBLIC WILL NEED TO CALL IN TO PARTICIPATE IN THE MEETING.**

### **AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.  
Two (2) minutes are allowed for each item.

1. **Call to order – Rick Velasquez/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**  
**(5 minutes)**
  - A) Board Letter:  
BLANKET ORDER REQUISITION FOR COMPUTER EQUIPMENT AND SUPPLIES  
LACDA – Douglas Van Gelder, Information Technology Manager
  - B) Board Letter:  
PUBLIC HEARING ON PROPOSED POWER PURCHASE AGREEMENT (PPAs) FOR EXPANSION OF RENEWABLE ENERGY SYSTEMS AT TWO COUNTY FACILITIES  
ISD– Minh Le, ISD EES General Manager and  
Christie Carr, ISD Contract Manager

**CONTINUED ON PAGE 2**

- C) Board Letter:  
DELEGATED AUTHORITY TO CEO TO EXTEND THE TERM OF THE CONTRACT WITH INFORMATION AND REFERRAL FEDERATION OF LA COUNTY, INCORPORATED DBA 211 LA COUNTY FOR A MAXIMUM OF EIGHTEEN MONTHS AND INCREASE THE MAXIMUM CONTRACT SUM BY UP TO \$14,244,847  
CEO/SI – Emy Tzimoulis, Manager CEO, and  
Gevik Shahverdian, Senior Analyst CEO
- D) Board Letter:  
ADOPT A RESOLUTION OF THE BOARD OF SUPERVISORS APPROVING THE WEST CARSON ENHANCED INFRASTRUCTURE FINANCING PLAN  
CEO/ED – Robert Moran, CEO  
COUNTY COUNSEL – Michael Buennagel, Deputy County Counsel
- E) Board Letter:  
NEW SOLE SOURCE CONTRACT WITH YARDI FOR REAL ESTATE MANAGEMENT SYSTEM  
CEO/CIO/RE – Dean Aradema, Acting Manager, CEO  
DBH – Amy Caves, Deputy Director
- F) Board Letter:  
REQUEST APPROVAL OF SOLE SOURCE CONTRACT #20-001 WITH RUNBECK ELECTION SERVICES  
RR/CC – Dean C. Logan, Registrar-Recorder/County Clerk
- G) Board Letter:  
APPROVE A PROPOSED NEW FIFTEEN-YEAR LEASE OF THE DEPARTMENT OF PUBLIC SOCIAL SERVICES FOR THE USE OF OFFICE AND ON-SITE PARKING SPACES AT 20101 HAMILTON AVE., TORRANCE  
CEO/RE/DPSS – Michael Navarro, Chief Program Specialist
- H) Board Letter:  
APPROVE A TEN-YEAR LEASE OF THE DEPARTMENT OF PUBLIC SOCIAL SERVICES FOR THE USE OF OFFICE AND ON-SITE PARKING AT 588 ATLAS ST., MONTEREY PARK, CA  
CEO/RE/DPSS – Michael Navarro, Chief Program Specialist
- I) Board Letter:  
APPROVAL OF A PROPOSED TEN-YEAR LEASE TO REPLACE AN EXISTING LEASE TO PROVIDE DEPARTMENT OF PUBLIC HEALTH, DEPARTMENT OF PUBLIC SOCIAL SERVICES, AND DEPARTMENT OF CHILDREN AND FAMILY SERVICES CONTINUED USE OF OFFICE SPACE AND ON-SITE PARKING SPACES AT 9320 TELSTAR AVENUE, EL MONTE  
CEO/RE/DPH/DPSS/DCFS – Michael Navarro, Chief Program Specialist



- J) Board Letter:  
APPROVE A PROPOSED EIGHT-YEAR LEASE OF DEPARTMENT OF  
HEALTH SERVICES FOR THE USE OF EXISTING WAREHOUSE  
SPACE FOR OFFICE AND PARKING SPACES AT 10430 SLUSHER  
DRIVE, SANTA FE SPRINGS  
CEO/RE/DHS – Michael Navarro, Chief Program Specialist

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**  
(2 minutes each speaker)

5. **NOTICE OF CLOSED SESSION:**

CS-1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
(SUBDIVISION (d) of GOVERNMENT CODE SECTION 54956.9)

6. **Adjournment**

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**FUTURE AGENDA TOPICS**

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**CALENDAR LOOKAHEAD:**

None available.

## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020	
<b>BOARD MEETING</b>	12/15/2020	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	All Districts	
<b>DEPARTMENT</b>	Los Angeles County Development Authority (LACDA)	
<b>SUBJECT</b>	Blanket Order Requisition for computer equipment and supplies from Sterling Computers Corporation.	
<b>PROGRAM</b>	All Programs	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	N/A	
<b>COST &amp; FUNDING</b>	Total cost: \$745,000.00	Funding source: CARES Act and LACDA operating funds.
	TERMS (if applicable): Thirteen (13) Months	
	Explanation: No impact on the County General Fund. Funding for the amendment will include \$745,000 of CARES Act and LACDA operating funds.	
<b>PURPOSE OF REQUEST</b>	The blanket order requisition, which includes LACDA's standard terms and conditions, will allow LACDA purchase computer equipment for the purpose of allowing staff to telecommute more efficiently due to the COVID-19 pandemic crisis.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The LACDA requires to allow staff to telecommute more efficiently due to the COVID-19 pandemic crisis, and the computer equipment will be purchased as allowed under Section 6.2.4, Cooperative Agreements, in the LACDA's Procurement and Contracting Policies and Procedures Manual. Under this section, the LACDA can use the procurement conducted by a federal, state or local agency to enter into a contract for specified goods or services in compliance with 2 CFR §200.317 – §200.326. In addition, the U.S. Housing and Urban Development (HUD) has approved the use of GSA Federal Supply Schedule 70, Information Technology by State and Local Government Entities, including public housing agencies under the United States Housing Act of 1937.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: Douglas Van Gelder Information Technology Manager (626) 586-1727 <a href="mailto:Douglas.VanGelder@lacda.org">Douglas.VanGelder@lacda.org</a>	

December 15, 2020

Honorable Board of Commissioners  
Los Angeles County Development Authority  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Commissioners:

**BLANKET ORDER REQUISITION FOR COMPUTER EQUIPMENT AND SUPPLIES  
(ALL DISTRICTS) (3 VOTE)**

**CIO RECOMMENDATION: ( X ) APPROVE**

**SUBJECT**

This letter requests approval of a Blanket Order Requisition for purchase of computer equipment from Sterling Computers Corporation (Sterling), to provide telecommuting computer equipment hardware and supplies for the Los Angeles County Development Authority (LACDA).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that approval of a Blanket Order Requisition with Sterling is not subject to the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.
2. Authorize the Acting Executive Director, or his designee, to execute a Blanket Order Requisition and all related documents with Sterling for a term of 13 months, for computer hardware, supplies and warranty services, in the amount not to exceed \$745,000.
3. Authorize the Acting Executive Director, or his designee, upon his

determination and as necessary and appropriate under terms of the Blanket Order, to add or delete services within the approved blanket amount, and if necessary, terminate for convenience with Sterling.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The LACDA has received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding from the United States Department of Housing and Urban Development (HUD) and allocated funds to purchase computer equipment for the purpose of allowing staff to telecommute more efficiently due to the COVID-19 pandemic crisis. The computer equipment includes laptops, docking stations, backpacks, monitors, desktop wireless keyboard and mouse, privacy screen filters, printers, and cartridges, which LACDA has confirmed are eligible information technology expenses for CARES Act funding.

The LACDA is requesting Board authorization to execute a Blanket Order Requisition (Blanket Order) with Sterling, which allows the purchase of this computer equipment, supplies and warranty services with multiple delivery dates for a term of 13 months at negotiated pricing through the end of December 2021. LACDA's Procurement and Contracting policies requires Board authorization for procurements over \$100,000.

The Blanket Order will be used in lieu of a contract because it would take longer to negotiate and complete and would delay the purchase of the computer equipment. The necessary terms and conditions binding Sterling for the purchase and delivery of computer equipment can be fulfilled with the Blanket Order Terms and Conditions. LACDA Risk Management has reviewed the Blanket Order insurance requirements, and Sterling has agreed to provide insured endorsements, evidence of coverage and provide the liability coverage limits required. LACDA Risk Management determined that risk would be minimal, since there are no implementation services being provided and only includes commodity drop shipments of ordered computer equipment.

### **FISCAL IMPACT/FINANCING**

There is no impact on the County General Fund. The LACDA will use up to \$745,000 in HUD CARES Act funds and LACDA operating funds included in the LACDA's approved Fiscal Year (FY) 2020-2021 budget. Any funds not used in FY 2020-21 will be rolled over to a Blanket Order for FY 2021-22, and these funds will be included in the LACDA's annual budget approval process. The Blanket Order will have term of 13 months with a not to exceed amount of \$745,000.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Chief Information Office (CIO) has reviewed the Board letter and recommends approval. The CIO determined that because the recommended actions is only procuring commodity computer equipment and supplies, no formal CIO Analysis is required. The Blanket Order Terms and Conditions with Sterling has been reviewed by County Counsel and are attached.

## **ENVIRONMENTAL DOCUMENTATION**

The proposed activities are exempt from the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), because they involve activities that will not have a physical impact on or result in any physical changes to the environment. These activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

## **CONTRACTING PROCESS**

The computer equipment will be purchased as allowed under Section 6.2.4, Cooperative Agreements, in the LACDA's Procurement and Contracting Policies and Procedures Manual. Under this section, the LACDA is able to use the procurement conducted by a federal, state or local agency to enter into a contract for specified goods or services in compliance with 2 CFR §200.317 – §200.326. In addition, HUD has approved the use of GSA Federal Supply Schedule 70, Information Technology by State and Local Government Entities, including public housing agencies under the United States Housing Act of 1937.

The LACDA requested quotes from six authorized manufacturer resellers and received responses from two resellers. Sterling was awarded based on the lowest and most responsive quote, with a 2% savings to next cost received, and a 12% cost savings from retail manufacturer pricing.

## **IMPACT ON CURRENT SERVICES AND PROJECTS**

The proposed Blanket Order with Sterling will allow the LACDA to purchase computer equipment providing the necessary tools for staff to telecommute more efficiently during the COVID-19 pandemic and in the future.

Respectfully submitted,

Reviewed by:

EMILIO SALAS  
Acting Executive Director  
Los Angeles County Development Authority

WILLIAM S. KEHOE  
Chief Information Officer  
County of Los Angeles

ES:KT:mr

Attachment

# ATTACHMENT A

## LOS ANGELES COUNTY DEVELOPMENT AUTHORITY PURCHASE ORDER TERMS AND CONDITIONS

### 1. TERMINATION FOR IMPROPER CONSIDERATION

- A. The Los Angeles County Development Authority (LACDA) may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Agreement, if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County office, LACDA officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Agreement. In the event of such termination, the LACDA shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- B. The Contractor shall immediately report any attempt by a LACDA officer or employee to solicit such improper consideration. The report shall be made either to the manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- C. Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

### 2. TERMINATION FOR CONVENIENCE

This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the LACDA, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

- A. After receipt of a notice of termination and except as otherwise directed by the LACDA, the Contractor shall:
- B. Stop work under this Contract on the date and to the extent specified in such notice, and
- C. Complete performance of such part of the work as shall not have been terminated by such notice.
- D. All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Paragraph 8.41 – Record Retention and Inspection/Audit Settlement.

### 3. TERMINATION FOR CAUSE

This Agreement may be terminated by the Commission upon written notice to the Contractor for just cause (failure to perform satisfactorily) with no penalties incurred by the Commission upon termination or upon the occurrence of any of the following events in A, B, C or D:

- A. Should the Contractor fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of this Agreement in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor, and should the Contractor neglect or refuse to provide a means for satisfactory compliance with this Agreement and with the direction of the Commission within the time specified in such notice, the Commission shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
- B. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Agreement, or if the work to be done under this Agreement is abandoned for more than three days by the Contractor, then notice of deficiency thereof in writing will be served upon Contractor by the Commission. Should the Contractor fail to comply with the terms of this Agreement within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of Commission shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
- C. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
- D. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Agreement, or if the Contractor shall violate any of the covenants, contracts, or stipulations of this Agreement, the Commission shall thereupon have the right to terminate this Agreement by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Agreement shall, at the option of the Commission become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

### 4. INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the LACDA, County of Los Angeles (County), and its Special Districts, elected and appointed officers, employees, agents and volunteers ("LACDA Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees arising from the sole negligence or willful misconduct of the LACDA Indemnitees).

### 5. CONFIDENTIALITY

The Contractor shall maintain the confidential all reports and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, the LACDA policies concerning information technology security and the protection of confidential records and information.

### 6. ASSIGNMENT AND DELEGATION/MERGERS OR ACQUISITIONS

- A. The Contractor shall notify the LACDA of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the LACDA of pending acquisitions/mergers, then it should notify the LACDA of the actual acquisitions/mergers as soon as the law allows and provide to the LACDA the legal framework that restricted it from notifying the LACDA prior to the actual acquisitions/mergers.
- B. The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of the LACDA, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, the LACDA consent shall require a written amendment to the Contract, which is formally approved and executed by the Parties. Any payments by the LACDA to any approved delegate or assignee on any claim under this Contract shall be deductible, at the LACDA's sole discretion, against the claims, which the Contractor may have against the LACDA.
- C. Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the LACDA in accordance with applicable provisions of this Contract.
- D. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the LACDA's express prior written approval, shall be a material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, the LACDA shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by the Contractor.

### 7. LACDA'S QUALITY ASSURANCE PLAN

# ATTACHMENT A

The LACDA or its agent(s) will monitor the Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Agreement terms and conditions and performance standards. The Contractor deficiencies, which the LACDA determines are significant or continuing and that may place performance of the Agreement in jeopardy, if not corrected, will be reported to the Board of Commissioners (BOARD) and listed in the appropriate LACDA reports. The report to the BOARD will include improvement/corrective action measures taken by the LACDA and the Contractor. If improvement does not occur consistent with the corrective measure, the LACDA may terminate this Agreement, or impose other penalties as specified in this Agreement.

A. A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Contract to evaluate the performance of the Contractor. Based on the assessment of the performance review, as determined by the LACDA in its sole discretion, written notification will be given to the Contractor whether this Contract will be terminated at the end of the current year or will be continued into the next contract year.

## **8. COMPLIANCE WITH APPLICABLE LAWS**

In the performance of this Agreement, the Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

## **9. ACCESS AND RETENTION OF RECORDS**

A. The Contractor shall provide access to the LACDA, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions.

B. The Contractor is required to retain the aforementioned records for a period of five years after the Commission pays final payment and other pending matters are closed under this Agreement.

## **10. OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHTS**

The LACDA shall be the sole owner of all right, title and interest, in and to all plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the LACDA all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.

## **11. ENERGY EFFICIENCY**

The Contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this Agreement is performed.

## **12. CONTRACTOR'S WARRANTY OF ADHERENCE TO LACDA'S CHILD SUPPORT COMPLIANCE PROGRAM**

A. The Contractor acknowledges that the LACDA has established a goal of ensuring that all individuals who benefit financially from the LACDA through an Agreement, are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the LACDA and its taxpayers.

B. As required by LACDA Child Support Compliance Program and without limiting Contractor's duty under this Agreement to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall, during the term of this Agreement, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

## **13. TERMINATION FOR BREACH OF WARRANTY TO COMPLY WITH COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 15, "CONTRACTOR'S WARRANTY OF ADHERENCE TO Commission CHILD SUPPORT COMPLIANCE PROGRAM" shall constitute default under this Agreement. Without limiting the rights and remedies available to Commission's under any other provision of this Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which Commission may terminate this Agreement pursuant to Section 3 - "TERMINATION FOR CAUSE" and pursue debarment of Contractor, pursuant to Commission Policy.

## **14. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit I, Safely Surrendered Baby Law of this Contract. Additional information is available on at [www.babysafela.org](http://www.babysafela.org).

## **15. CONTRACTOR'S ACKNOWLEDGMENT OF LACDA'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the LACDA places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the LACDA's policy to encourage all LACDA Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in Exhibit I, in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. Information and posters for printing are available at [www.babysafela.org](http://www.babysafela.org).

## **16. CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE**

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification, Exhibit L, the LACDA seeks to ensure that all LACDA contractors which receive or raise charitable contributions comply with California law in order to protect the LACDA and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either Agreement termination or debarment proceedings, or both. (County Code Chapter 2.202)

## **17. CONTRACTOR RESPONSIBILITY AND DEBARMENT**

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Agreement. It is the LACDA's policy to conduct business only with responsible Contractors.

B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the LACDA acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the LACDA may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on LACDA contracts for a specified period of time, which generally will not to exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing Contracts the Contractor may have with the LACDA.

C. The LACDA may debar a contractor if the Board finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of an Agreement with the LACDA or a nonprofit corporation created by the LACDA, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform an Agreement with the LACDA, or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the LACDA or any other public entity.

# ATTACHMENT A

- D. If there is evidence that the Contractor may be subject to debarment, the LACDA will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the LACDA shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board. The Board shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The LACDA may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the LACDA.
- H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- I. These terms shall also apply to subcontractors of the LACDA Contractors.

## **18. COMPLIANCE WITH JURY SERVICE PROGRAM**

- This Agreement is subject to the provisions of the County ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Section 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.
- A. Unless the Contractor has demonstrated to the LACDA's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
- B. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has an Agreement with the LACDA, or a subcontract with a Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more LACDA contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the LACDA or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the LACDA under the Agreement, the subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the subcontract agreement.
- C. If the Contractor is not required to comply with the Jury Service Program when the Agreement commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the LACDA if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The LACDA may also require, at any time during the Agreement and at its sole discretion, that the Contractor demonstrate to the LACDA's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.
- D. The Contractor's violation of this sub-paragraph of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, LACDA may, in its sole discretion, terminate the Agreement and/or bar Contractor from the award of future LACDA contracts for a period of time consistent with the seriousness of the breach.

## **19. WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

The Contractor acknowledges that LACDA has established a goal of ensuring that all individuals and businesses that benefit financially from the LACDA through Agreement are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the LACDA and its taxpayers.

Unless the Contractor qualifies for an exemption or exclusion, the Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Agreement will maintain compliance, with Los Angeles County Code, Chapter 2.206.

## **20. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.49 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this Agreement. Without limiting the rights and remedies available to the LACDA under any other provision of this Agreement, failure of the Contractor to cure such default within 10 days of notice shall be grounds upon which LACDA may terminate this Agreement and/or pursue debarment of the Contractor, pursuant to County Code, Chapter 2.206.

## **21. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

## **22. RECYCLED BOND PAPER**



# ATTACHMENT A

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Agreement.

**23. CONSIDERATION OF HIRING GAIN-GROW PARTICIPANTS (IF APPLICABLE)**

A. Should the Contractor require additional or replacement personnel after the effective date of this Agreement, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services (DPSS) Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The LACDA will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: [GAINGROW@DPSS-LACOUNTY.GOV](mailto:GAINGROW@DPSS-LACOUNTY.GOV) and [BSERVICES@WDACS.LACOUNTY.GOV](mailto:BSERVICES@WDACS.LACOUNTY.GOV) and DPSS will refer qualified GAIN/GROW job candidates.

B. In the event that both laid-off LACDA and County employees shall be given first priority.

**24. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, AS AMENDED (IF APPLICABLE)**

A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this Agreement Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

**25. PROCUREMENT OF RECOVERED MATERIALS**

A. In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

B. Paragraph (a) of this clause shall apply to items purchased under this Agreement where: (1) the Contractor purchases in excess of \$10,000 of the item under this Agreement; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under an Agreement that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that Agreement.

**26. CONTRACTOR'S COMPLIANCE WITH LACDA'S SMOKE FREE POLICY AT ALL HOUSING DEVELOPMENT PROPERTIES (IF APPLICABLE)**

The Contractor represents that it will comply with LACDA's policy strictly prohibiting smoking on all LACDA's housing development properties, except at the South Bay Gardens Senior Housing Development located at 230 E. 130<sup>th</sup> Street, Los Angeles, CA 90061, where smoking is permitted only in a specified open area that is at least 25 feet away from a LACDA building and is clearly labeled as a "Smoking Designated Area." The Contractor acknowledges and understands that the LACDA's smoke free policy applies to all residents, guests, visitors, vendors, contractors, and staff.

**27. TIME OFF FOR VOTING**

The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every Contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Elections Code Section 14000.

**28. COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING**

The Contractor acknowledges that the LACDA has established a Zero Tolerance Human Trafficking Policy prohibiting contractors from engaging in human trafficking.

If a Contractor or member of the Contractor's staff is convicted of a human trafficking offense, the LACDA shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. The LACDA will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of the Contractor's staff pursuant to this paragraph shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

**29. INSURANCE (IF APPLICABLE)**

Without limiting the Contractor's duties to indemnify and defend as provided in this Contract, the Contractor shall procure and maintain, at the Contractor's sole expense, the insurance policies described herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be admitted and approved by the California Department of Insurance or must be included on the California Department

# ATTACHMENT A

of Insurance List of Approved Surplus Line Insurers (hereinafter "LASLI"). Such carriers must have a minimum rating of or equivalent to A:VIII in A.M. Best's Insurance Guide. The Contractor shall, concurrent with the execution of this Contract, deliver to the Commission certificates of insurance with original endorsements evidencing the insurance coverage required by this Contract. If original endorsements are not immediately available, such endorsements may be delivered subsequent to the execution of this Contract, but no later than thirty (30) days following execution of this Contract. The certificates and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. The Contractor shall provide Commission with certificates of insurance and applicable endorsements each year during the term of this Contract to evidence its annual compliance with the insurance requirements set forth herein. The Commission reserves the right to require complete certified copies of all policies at any time. Said insurance shall be in a form acceptable to the Commission and all deductible amounts must be provided in advance to the Commission for its approval. Any self-insurance program and self-insured retention must be separately approved by the Commission. In the event such insurance does provide for deductibles or self-insurance, the Contractor agrees that it will defend, indemnify and hold harmless the Commission, Housing Authority of the County of Los Angeles ("Housing Authority"), County of Los Angeles ("County"), and their elected and appointed officers, officials, representatives, employees, and agents in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each policy shall be endorsed to stipulate that the Commission be given at least thirty (30) days' written notice in advance of any cancellation or any reduction in limit(s) for any policy of insurance required herein. The Contractor shall give the Commission immediate notice of any insurance claim or loss which may be covered by insurance. The Contractor represents and warrants that the insurance coverage required herein will also be provided by any entities with which the Contractor contracts, as detailed below. All certificates of insurance and additional insured endorsements shall carry the name of the Contractor.

The insurance policies set forth herein shall be primary insurance and non-contributory with respect to the Commission. The insurance policies shall contain a waiver of subrogation for the benefit of the Commission. Failure on the part of the Contractor, and/or any entities with which the Contractor contracts, to procure or maintain the insurance coverage required herein may, upon the Commission's sole discretion, constitute a material breach of this Contract pursuant to which the Commission may immediately terminate this Contract and exercise all other rights and remedies set forth herein, at its sole and absolute discretion, and without waiving such default or limiting the rights or remedies of the Commission, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Commission shall be immediately repaid by the Contractor to the Commission upon demand including interest thereon at the default rate. In the event of such a breach, the Commission shall have the right, at its sole election, to participate in and control any insurance claim, adjustment, or dispute with the insurance carrier. The Contractor's failure to assert or delay in asserting any claim shall not diminish or impair the Commission's rights against the Contractor or the insurance carrier. When the Contractor, or any entity with which the Contractor contracts, is naming the Commission as an additional insured on the general liability insurance policy set forth below, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 11 85. In the alternative and in the Commission's sole and absolute discretion, it may accept both CG 20 10 10 01 and CG 20 37 10 01 in place of CG 20 10 11 85.

The following insurance policies shall be maintained by the Contractor and any entity with which the Contractor contracts for the duration of this Contract, unless otherwise set forth herein:

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) including coverage for bodily injury, personal injury, property damage, and contractual liability with limits of not less than the following:

General Aggregate .....	\$2,000,000
Products/Completed Operations Aggregate .....	\$2,000,000
Personal and Advertising Injury .....	\$1,000,000
Each Occurrence .....	\$1,000,000

The Commission, Housing Authority, County, and each of their elected and appointed officers, officials, representatives, employees, and agents (hereinafter collectively referred to as the "Public Agencies and their Agents"), shall be named as additional insureds for contractor's work on such policy.

- B. AUTOMOBILE LIABILITY INSURANCE (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired and/or non-owned autos, as each may be applicable.

- C. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance or qualified self-insurance satisfying requirements, which includes Employer's Liability coverage with limits of not less than \$1 million per accident. When applicable, insurance providing worker's compensation benefits, as required by the Labor Code of the State of California. This must include a waiver of subrogation in favor of the Public Agencies and their Agents. In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

Each Accident .....	\$1,000,000
Disease-policy limit .....	\$1,000,000
Disease-each employee .....	\$1,000,000

- D. PROFESSIONAL LIABILITY INSURANCE, when applicable, appropriate to the professional's profession in an amount not less than One Million Dollars (\$1,000,000) for each occurrence and Two Million Dollars (\$2,000,000) aggregate. Said insurance shall be maintained for the statutory period during which the professional maybe exposed to liability. If the Contractor is not providing professional services, then it is the responsibility of the Contractor to obtain separate written approval from Commission to eliminate this professional liability insurance requirement.

- E. POLLUTION LIABILITY INSURANCE, when applicable, including coverage for bodily injury, personal injury, death, property damages, and environmental damage with limits of not less than the following:

General Aggregate .....	\$2,000,000
Completed Operations .....	\$2,000,000
Each Occurrence .....	\$1,000,000

Said policy shall also include, but not be limited to: coverage for any and all remediation costs, including, but not limited to, brownfield restoration and clean-up costs, and coverage for the removal, repair, handling, and disposal of asbestos and/or lead containing materials where applicable. The Public Agencies and their Agents shall be covered as additional insureds on the pollution liability insurance policy. If the general liability insurance policy and/or the pollution liability insurance policy is written on a claims-made form, then said policy or policies shall also comply with all of the following requirements:

- (i) The retroactive date must be shown on the policy and must be before the date of this Contract or the beginning of the work or services that are the subject of this Contract;
- (ii) Insurance must be maintained and evidence of insurance must be provided for the duration of this Contract or for five (5) years after completion of the work or services that are the subject of this Contract, whichever is greater;
- (iii) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Contract, then the Contractor must purchase an extended period coverage for a minimum of five (5) years after completion of work or services that are the subject of this Contract;
- (iv) A copy of the claims reporting requirements must be submitted to the Commission for review; and

## ATTACHMENT A

- (v) If the work or services that are the subject of this Contract involve lead based paint or asbestos identification/remediation, then the Contractors Pollution Liability shall not contain any lead-based paint or asbestos exclusions.
- F. CRIME INSURANCE, when applicable, including, but not limited to, coverage against loss of money, employee theft/forgery, securities, inventory or other property, with limits in amounts not less than indicated below:
- |                               |             |
|-------------------------------|-------------|
| Employee Theft Coverage ..... | \$1,000,000 |
| Forgery Coverage.....         | \$1,000,000 |
| Client Coverage .....         | \$1,000,000 |

The Public Agencies and their Agents shall be named as loss payees on such policy.

- G. PRIVACY/NETWORK SECURITY (CYBER) LIABILITY INSURANCE, when applicable, providing protection for first and third party claims in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate. Such policy shall cover against liability, including, but not limited to, for (1) privacy breaches [liability arising from the loss or disclosure of confidential information no matter how it occurs]; (2) system breach; (3) denial or loss of service; (4) introduction, implantation, or spread of malicious software code; (5) unauthorized access to or use of computer systems with limits of \$5,000,000. Such policy shall not include any exclusions or restrictions for any of the following: (a) unencrypted devices/media, whether portable or not; (b) breaches that occur while confidential information is in the custody, care, protection, or control of a third party; (c) data recovery costs, including, but not limited to the costs to update, upgrade, repair, replace, improve, or maintain the computer system and anything related thereto; (d) coverage for corporations, limited liability companies, partnerships, or joint ventures; (e) geographical limitations on the policy, such as outside of the principal place of business; (f) payment card industry liability; or (g) costs of responding to government regulations.

The Contractor agrees that it will require all of the above mentioned insurance requirements be incorporated in its contract with any entity with which it contracts in relation to this Contract or in relation to the property or project that is the subject of this Contract.

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER</b>	11/18/2020
<b>BOARD MEETING</b>	11/24/2020
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>SD AFFECTED</b>	Supervisory District Five (5)
<b>DEPARTMENT</b>	Internal Services Department (ISD)
<b>SUBJECT</b>	PUBLIC HEARING ON PROPOSED POWER PURCHASE AGREEMENTS (PPAs) FOR EXPANSION OF RENEWABLE ENERGY SYSTEMS AT TWO COUNTY FACILITIES
<b>PROGRAM</b>	N/A
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: SunPower is the manufacturer of the two solar generation systems, and the contractor that installed the original systems, sole source agreements at these two sites would allow the County to expand the systems without risk of voiding warranties and adding any additional electrical and structural risks to the original systems. Under the proposed PPAs, the County would achieve discounted utility rates that will save the County approximately \$16.7 million in utility expenses over the PPAs term. The PPAs would furthermore protect the County against utility rate increases by locking in a fixed price for the duration of the agreements.
<b>DEADLINES/ TIME CONSTRAINTS</b>	The Federal Tax Code is providing Investment Tax Credits (ITC) for the installation of renewable power, and the value of the current ITC's will decrease after December 31, 2020. Therefore, the proposed agreements would need to be executed before this date to capture the ITC at the current rate. Additionally, participation is limited in capacity and will no longer be available to local governments once the aggregated capacity is reached.
<b>COST &amp; FUNDING</b>	Total cost: N/A      Funding source: N/A TERMS (if applicable): 25 years Explanation: To achieve the benefit of a discounted PPA rate, with the same fixed rate, for the life of the agreements and avoid utility rate increases from Southern California Edison.
<b>PURPOSE OF REQUEST</b>	1) Adopt a Resolution with a determination that the requirements of California Government Code section 4217.10 et seq. are duly met in the proposed Power Purchase Agreements (PPAs) for each of the two County of Los Angeles (County) facilities and 2) Delegate authority to the Director of ISD to (i) execute PPAs for two County facilities, including applicable amendments, and (ii) assign the PPAs including any ancillary license agreement(s) and other documents necessary for the operation and maintenance of the solar photovoltaic (PV) systems at the County facilities.
<b>BACKGROUND (include internal/external issues that may exist)</b>	On June 16, 2020, ISD provided notification to the Board outlining the potential expansion capabilities at two County-owned facilities and of its intent to enter into negotiations for new sole source Power Purchase Agreements with Solar Star LA County High Desert, LLC., a special purpose entity established by SunPower Systems Corporation. ISD has confirmed the expansion capabilities of the renewable energy solar PV systems at the County's High Desert Complex; 1) Camp Challenger and 2) Mira Loma Detention Center. ISD has completed a Cost/Benefit Analysis that concludes that under the PPA model for the two sites, the County is expected to save approximately \$16.7 million over 25 years. The County would strictly purchase the power generated by the expansion at rates lower than the rate of electricity than what the County would otherwise pay for, yielding savings to the County without a need for an upfront investment. As the solar projects generate lower cost energy, ISD will reduce the Services & Supplies appropriation in future fiscal year budget submittals for the Utilities budget based upon actual cost information.
<b>DEPT. CONTACTS</b>	<ul style="list-style-type: none"> <li>Minh Le, ISD EES General Manager, 323-267-2006, <a href="mailto:msle@isd.lacounty.gov">msle@isd.lacounty.gov</a></li> <li>Christie Carr, ISD Contract Manager, 323-267-3101, <a href="mailto:ccarr@isd.lacounty.gov">ccarr@isd.lacounty.gov</a></li> </ul>



SELWYN HOLLINS  
Director

## County of Los Angeles INTERNAL SERVICES DEPARTMENT

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Los Angeles, California 90063

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*"Trusted Partner and Provider of Choice"*

November 24, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**PUBLIC HEARING ON PROPOSED POWER PURCHASE AGREEMENTS  
FOR EXPANSION OF RENEWABLE ENERGY SYSTEMS  
AT TWO COUNTY FACILITIES  
(ALL DISTRICTS – 3 VOTES)**

**SUBJECT**

Adopt a Resolution with a determination that the requirements of California Government Code section 4217.10 *et seq.* are duly met in the proposed Power Purchase Agreements (PPAs) for each of the two County of Los Angeles (County) facilities and delegate authority to the Director of Internal Services for the execution of PPAs.

**IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING:**

1. **Public Hearing & Resolution.** After the public hearing, adopt the attached Resolution (Attachment 1) with a finding that (i) the anticipated cost to the County for electrical energy under the proposed PPAs will be less than the anticipated marginal cost to the County of energy that would have been consumed by the County in the absence of those purchases, and (ii) the difference, if any, between the fair rental value for the real property subject to the facility license agreement and the agreed rent is anticipated to be offset by below-market energy purchases or other benefits provided under the PPAs, pursuant to Government Code section 4217.12.
2. **PPA Delegated Authority.** Delegate authority to the Director of Internal Services Department (ISD), or his designee to (i) negotiate and execute PPAs for two County facilities, including applicable amendments, and (ii) assign the PPAs including any

ancillary license agreement(s) and other documents necessary for the operation and maintenance of the solar photovoltaic (PV) systems at the County facilities, with Solar Star LA County High Desert, LLC., a Special Purpose Entity (SPE) established by SunPower.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

On June 16, 2020, in compliance with Board Policy 5.100, Sole Source Contracts, ISD provided notification to the Board outlining the potential expansion capabilities at two County-owned facilities and of its intent to enter into negotiations for new sole source PPAs, with Solar Star LA County High Desert, LLC., a special purpose entity established by SunPower Systems Corporation (SunPower).

Since then, ISD has confirmed the expansion capabilities of the renewable energy solar PV systems at the County's High Desert Complex; 1) Camp Challenger and 2) Mira Loma Detention Center. The attached Cost/Benefit Analysis (Attachment 2) further details the costs and benefits of expanding the solar PV systems adjacent to the two sites. The Cost/Benefit Analysis (Analysis) concludes that under the PPA model for the two sites, the County is expected to save approximately \$248,000 in the first year, compared to the business-as-usual case, and approximately \$16.7 million over 25 years, of the proposed PPAs terms. The savings are expected to accelerate year over year as the PPAs are based on a fixed price per unit of electricity over the 25 years, whereas the electricity rates from Southern California Edison (SCE) are expected to increase at, or faster than, the rate of inflation. Additionally, in the last 5 years of the term, the County is expected to save approximately \$1 million or more per year. The Analysis uses a conservative 2% rate of inflation (SCE rates increased by an average of 7% in April 2020). The PPAs also prevents the County against future rate increases for electricity.

### **1. Public Hearing & Resolution**

The first recommended action is required to comply with California Government Code section 4217.10, *et seq*, which requires the Board to take the following actions:

- Hold a public hearing at a regularly scheduled meeting and public notice of which is given at least two weeks in advance;
- Find the anticipated cost to the County for electrical energy under the proposed PPAs will be less than the anticipated marginal cost to the County of energy that would have been consumed by the County in the absence of those purchases; and
- Find the difference, if any, between the fair rental value for the real property subject to the facility license agreement and the agreed rent is anticipated to be offset by below-market energy purchases or other benefits provided under the PPAs.

## **2. PPA Delegated Authority**

The second recommended action is required to allow ISD to execute PPAs that comport to the industry-wide delivery model, which is designed to qualify for certain Federal tax credits. The Federal Tax Code is offering a 26% Investment Tax Credits (ITC) for the installation of renewable power and is only available to private tax paying entities. By utilizing the PPA structure, the benefit of the ITC can be captured by the County. The ITC will lower the final purchase price of electricity for the County under the proposed PPAs.

The second recommended action is also required to obtain approval from the Board to delegate authority to ISD Director, or his designee, to execute applicable amendments, and assign PPAs including any ancillary license agreement(s) or other documents as necessary.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended actions support the County's Strategic Plan Strategy III.3 (Operational Effectiveness, Fiscal Responsibility, and Accountability) by developing and implementing a program that reduces the County's utilities budget through long term environmentally responsible projects. Furthermore, it is consistent with the County's adopted Sustainability Plan.

The recommended actions also support Strategic Plan Strategy II.3 (Environmental Sustainability) by providing a program that promotes clean energy production, and enhances health and sustainable practices in the County.

## **FISCAL IMPACT/FINANCING**

Under the proposed PPAs, the County would achieve the benefit of discounted PPA rates that will save the County approximately \$248,000 in utility expenses the first year of operation. The PPAs would furthermore protect the County against utility rate increases or inflation by locking in a fixed price for the duration of the agreements. Over the lifetime of the PPA, the Analysis (Attachment 2) details the Cumulative Net Savings to the County of \$16.7 million.

The expanded portion of the generation would be owned, operated and maintained by SunPower, and its Special Purpose Entity. The County would strictly purchase the power generated by the expansion at rates lower than the rate of electricity than what the County would otherwise pay for, yielding significant first year and lifetime savings to the County without a need for an upfront investment.

Pursuant to Gov. Code section 4217.12, the anticipated cost to the County for electrical energy under resultant PPAs would be less than the anticipated marginal cost to the County of energy that would have been consumed by the County in the absence of those purchases separately. SCE electricity costs for the two facilities would reduce as soon as the solar PV systems begin generating electricity.

As the solar PV system generate lower cost energy, ISD will reduce the Services & Supplies appropriation in future fiscal year budget submittals for the Utilities budget based upon actual cost information.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Required public hearing notice was given pursuant to the procedures and requirements set forth in California Government Code Sections 4217.10-4217.18.

In accordance with Board Policy 5.100, Sole Source Contracts, the Sole Source Checklist and Justification is attached (Attachment 3).

### **ENVIRONMENTAL DOCUMENTATION**

The proposed projects are not statutorily and categorically exempt from the provisions of the California Environmental Quality Act (CEQA), California Public Resources Code. Though, the proposed system expansion is designed to be entirely within the perimeter boundaries, prepared by SunPower in the 2010 Phase one Environmental Assessment Report (Attachment 4), established on the first solar generation system awarded to SunPower on August 25, 2011 at the County's High Desert Complex. This report served as the basis for the previous CEQA determination for the existing two MW system, built by SunPower, and the intent of the County and SunPower is to rely on this report for CEQA determination to confirm the environmental conditions have not changed, which would result in an additional cost savings to the County of approximately \$40,000.

The updated CEQA Environmental Assessment Report is not expected to be started until next calendar year and will be required for the project to gain permits to begin construction.

### **CONTRACTING PROCESS**

As a result of a competitive solicitation, on August 25, 2011 SunPower was awarded a contract to manufacture two solar generation systems at the County's High Desert Complex located in Lancaster, California. The County owns and has operated the two solar generation systems, which are physically congruent next to each other within the



boundary of one solar field. Each system is separate and supplies PV energy to different County facilities (1 MW to Health Services and Sheriff's Department and 1 MW to Probation Department's Camp Challenger facility). Both systems were procured utilizing Qualified Energy Conservation Bond financing and have a 20 year term at 1% interest which the County received incentives for the first 5 years of operation from the California Solar Initiative program.

SunPower has since approached the County with an opportunity to expand each of the existing one megawatt systems by an additional four megawatts without the need for any additional County funding. Once each of the systems are expanded, the overall solar field would then total approximately 10 megawatts. This expansion would result in a large amount of excess generation in relation to the existing onsite electrical load of the facilities served by the existing solar generation. SunPower has proposed that the County participate in SCE's Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff. With the passing of AB 512, the RES-BCT program has expanded, under which SCE now has a tariff that allows public agencies to generate electricity at one site, known as a Generation Account (the two proposed County sites), and create bill credits for surplus electricity not used at the two proposed County sites. As such, this program will allow the County to generate clean renewable power at the County's High Desert Complex and then credit that generation to the energy consumed at other County facilities, effectively lowering the County's utility expenses. It is important to note, that the RES-BCT tariff is limited in capacity and will no longer be available to local governments once the aggregated capacity is reached.

On June 16, 2020, ISD provided notification to the Board of its intent to enter into negotiations for new sole source PPAs with SunPower and its, SPE.

During the development and negotiations of the proposed PPAs, ISD worked closely with labor organizations to ensure this project supports the development of good paying jobs and standards for journeymen and apprenticeships as well as safety certification. As such, the County negotiated inclusion of the County's Local and Targeted Worker Hire Policy requirements to facilitate the hiring of Local and Targeted workers into each PPA. The PPAs include a mandatory hiring goal of at least 30% of total California Construction Labor Hours worked be performed by a qualified Local Resident and at least 10% of total California Construction Labor Hours worked on the proposed projects shall be performed by County residents classified as a Targeted Worker. The PPA defines the scope of duties for electrical work and includes the mounting of solar panels and stipulates that a minimum of 60% of all Journeyman Wireman shall be graduates of a Joint Labor Management State of California Approved Electrical Apprenticeship Training Program. Furthermore, all Apprentices performing electrical work must be indentured in a State of California Approved Joint-Labor Management Apprenticeship Program. And importantly,

at least 10% jobsite electrical workers shall be OSHA 30-hour General Industry Safety and Health Certified. These labor supportive terms of the agreement will help bring good paying local jobs to the region and help in the economic recovery underway. SunPower will submit a Local and Targeted Worker Hire Status Report monthly to the County on such hiring.

The County also negotiated fixed PPA electricity rates per kWh, at the same rate, for the 25-year term of each agreement.

Given that SunPower is the manufacturer of the two solar generation systems, and the contractor that installed the original systems, sole source agreements at these two sites would allow the County to expand the systems without risk of voiding warranties and adding any additional electrical and structural risks to the original systems. The systems both currently have a 10-25-year warranty on all equipment and additional Operations and Maintenance (O&M) warranties from the commercial operational date of installation, May 23<sup>rd</sup>, 2012. The proposed new PPAs will not only expand the solar generation systems at each of the two sites, but they will also provide the new solar photovoltaic systems with warranties (equipment and O&M) for the 25 year term of the PPAs, with no added cost to the County.

The CEO has approved the Sole Source Contract Checklist (Attachment 3) and recommendations.

Upon final approval by County Counsel and your Board, ISD will notify the Board upon execution of the two PPAs.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The SCE RES-BCT tariff has a limited capacity. Once the generation capacity limits are reached, participation will be closed to future participants. The Federal Tax Code is also offering ITC for the installation of renewable power, and the value of the current ITC's will decrease after December 31, 2020. Therefore, the proposed agreements would need to be executed before this date in order to capture the ITC at the current rate.

Given the long term nature of the PPAs, ISD has coordinated with the relevant departments as well as the County's CEO's office to ensure that there are no long term plans that would impair the County from completing the terms of the agreements.

Installation at the two County facilities is expected to take place in December 2021 and will involve heavy equipment and construction/installation personnel. ISD will be working

with SunPower and the affected Departments during construction, and there is no disruption to County services anticipated.

## **CONCLUSION**

The proposed projects for installing, operating, and maintaining solar PV systems on the two County facilities would reduce the County's utilities budget with no upfront capital expenditure.

Further, electricity produced by these projects would be at known and consistent prices or costs, which would serve as a financial hedge for the County against rising electricity prices in the future.

Further, these projects would decrease the production of greenhouse gases and air pollution in the region.

Finally, the financial risk to the County of not meeting the terms of the PPA over the 25-year period of the contract is small when compared to the anticipated savings for the County.

Please return an adopted copy of this letter and a signed original of the Resolution to the Director of the Internal Services Department.

Respectfully submitted,

SELWN HOLLINS  
Director

SH:MO:CC:ct

### Attachments

c: Executive Office, Board of Supervisors  
Chief Executive Officer  
County Counsel

**RESOLUTION ON PROPOSED POWER PURCHASE AGREEMENTS FOR  
EXPANSION OF RENEWABLE ENERGY SYSTEMS AT TWO COUNTY FACILITIES**

**WHEREAS**, the California legislature seeks to encourage the implementation of energy projects at public facilities through legislation designed to provide the greatest possible flexibility to public agencies in structuring agreements for alternative energy projects (Government Code sections 4217.10, *et seq.*);

**WHEREAS**, Government Code section 4217.10, *et seq.*, authorizes agencies such as the County of Los Angeles ("County") to develop energy conservation, cogeneration, and alternate energy sources at facilities owned by such public agencies;

**WHEREAS**, on June 16, 2020, Internal Services Department (ISD) notified the Board of Supervisors ("Board") of its intent to negotiate Power Purchase Agreements (PPAs) with SunPower Corporation, Systems (SunPower) for the expansion of the renewable energy systems at the County's High Desert Complex.

**WHEREAS**, Section 4217.12 of the California Government Code authorizes the County to enter into a contract for energy conservation systems on terms the Board determines are in the best interests of the County; and

**NOW THEREFORE, BE IT RESOLVED** that based on staff reports, public comment, and the administrative record as a whole, and pursuant to Government Code section 4217.12, the Board finds that the anticipated cost to the County for electrical energy under the proposed Power Purchase Agreements will be less than the anticipated marginal cost to the County of energy that would have been consumed by the County in the absence of those purchases;

**BE IT FURTHER RESOLVED** that the Board finds the difference, if any, between the fair rental value for the real property subject to the facility license agreement and the agreed rent is anticipated to be offset by below-market energy purchases or other benefits provided under the Power Purchase Agreements;

**BE IT FURTHER RESOLVED** that the Board received public comment on the proposed project at its regularly scheduled Public Hearing Meeting on November 24, 2020, prior to consideration of this resolution;

**BE IT FURTHER RESOLVED** that based on staff reports reviewed by the Board, public comment and the administrative record as a whole, the Board finds it is in the best interest of the County to enter into Power Purchase Agreements subsequent to adoption of this resolution; and

**BE IT FINALLY RESOLVED** that the Director of ISD, or his designee, is authorized to enter into Power Purchase Agreements for the expansion of the renewable energy systems at two County facilities on behalf of the County and to take all steps necessary to execute and implement agreements and to take any actions deemed necessary to best protect the interest of the County.

**ATTACHMENT 1**

The foregoing resolution was adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 2020  
by the Board of Supervisors of the County of Los Angeles.

CELIA ZAVALA

Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_

Executive Officer

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By \_\_\_\_\_

Deputy County Counsel

### Cost / Benefit Analysis

ISD reviewed the modeled savings and validated assumptions that impact the financial projections of the Power Purchase Agreements. We compared the existing system installed with one that includes the expanded system and modeled the economic impact in each of the next 25 years. The fixed PPA purchase price of 5.98 cents per kWh is less than bill credits that the County receives which in the first year will be about 6.5 cents per kWh. While half a penny per kWh may not sound like a lot, given the system size, the economic returns are large. Furthermore, the expanded system creates additional value to the existing site because it offsets some of the retail rate of electricity which is closer to 12.5 cents per kWh up at those sites. The net benefit is a blend of the bill credit utilizing the RES-BCT tariff and the direct benefit of offsetting retail electricity usage at the site and totals about \$248,000 in the first year of operation. As the PPA price is fixed, it's benefit grows over time when expected inflation is factored in. In the last 5 years of the agreement, the County is expected to save nearly or more than \$1 million annually. Over the life of the expanded solar system, the County is expected to save an additional \$16.7 million over what would be saved by just the existing system alone.

Very conservative assumptions were made in order to ensure that savings will be realized in a wide range of future market conditions. The most impactful assumption in any long term economic model is the assumed rate of inflation as it has compounding effects. We chose to model a 2% inflation for electricity that would otherwise be purchased from the local utility. We believe that this is a conservative assumption given the recent history of rate increases. Southern California Edison rates went up by an average of 7% in April 2020 and is expected to continue to increase in future years as the costs associated with wildfire mitigation and liability as well as grid modernization accelerates. Filings by SCE to the California Public Utilities Commission and the Federal Energy Regulatory Commission point to increased future ratepayer costs that are likely to be higher than 2% per year.

Furthermore, in consultation with CEO Real Estate, the land lease value per year in the area surrounding the proposed solar site is approximately \$XX per acre per year. Since the solar site is anticipated to require approximately 40 acres, the land lease value of such real property is approximately \$XX per year. Therefore, development of this site as a solar site is economically advantageous for the County.

In summary, the analysis supports the Board's finding that the anticipated cost to the County for electrical energy under the proposed PPAs will be less than the anticipated marginal cost to the County of energy that would have been consumed by the County in the absence of those purchases. Finally, the financial benefit of the energy savings are projected to be greater than the fair market lease value of this undeveloped parcel so the Board should also find that the fair rental value for the real property subject to the facility license agreement and the agreed rent is anticipated to be offset by below-market energy purchases or other benefits provided under the PPAs. These two requirements for the Board are set forth in California Government Code section 4217.10.

**Table 1 Financial benefit of an expanded solar system versus business as usual**

Existing Systems (2) 1 MW solar arrays	Year 1 solar generation (kWh) (actual partial year)	2,514,836
	Cumulative solar generation over system life (kWh)	142,256,891
	Economic value to the County Year 1	<b>\$ 27,740</b>
	Net cumulative Economic Value to the County over system lifetime	<b>\$ 4,588,665</b>
Expanded System (2) 4 MW solar arrays	Incremental solar generation in Year 1 (kWh)	22,993,958
	Cumulative solar generation over system life of the expanded system (kWh)	541,644,547
	Incremental economic value to the County in Year 1	<b>\$ 248,129</b>
	Net cumulative Economic Value to the County above value of the existing systems	<b>\$ 16,694,550</b>

## **SOLE SOURCE CHECKLIST**

### *JUSTIFICATION FOR SOLE SOURCE POWER PURCHASE AGREEMENTS FOR THE HIGH DESERT SITES (2)*

On June 16, 2020, in compliance with Board Policy 5.100, Sole Source Contracts, the Internal Services Department (ISD), provided notification to the Board of its intent to enter into negotiations for new sole source Power Purchase Agreements (PPAs), with SunPower Corporation, Systems (SunPower) for the expansion of the renewable energy systems at the County's High Desert Complex 1) Camp Challenger and 2) Mira Loma Detention Center.

### **BACKGROUND**

On August 25, 2011 SunPower was competitively awarded a contract to construct two solar generation systems at the County's High Desert Complex located in Lancaster, California. The County has owned and operated the two solar generation systems, which are physically congruent next to each other within the boundary of one solar field. Each system is separate and supplies photovoltaic energy to different County facilities (1 MW to Health Services and Sheriff's Department and 1 MW to Probation Department's Camp Challenger facility). Both systems were procured utilizing Qualified Energy Conservation Bond (QECB) financing and have a twenty-year term at one percent interest which the County received incentives for the first five years of operation from the California Solar Initiative program.

### **JUSTIFICATION FOR SOLE SOURCE AGREEMENTS**

Given that SunPower is the manufacturer of the two solar generation systems, and the contractor that installed the original systems, sole source agreements at these two sites would allow the County to expand the systems without risk of voiding warranties and adding any additional electrical and structural risks to the original systems. The systems both currently have a 10-25-year warranty on all equipment and additional Operations and Maintenance (O&M) warranties from the commercial operational date of installation, May 23<sup>rd</sup>, 2012. The proposed new PPAs will not only expand the solar generation systems at each of the two sites, but they will also provide the new solar photovoltaic systems with warranties (equipment and O&M) for the 25 year term of the PPAs, with no added cost to the County. The proposed system expansion is designed to be entirely within the perimeter boundaries established by SunPower in the 2010/11 Phase Environmental Assessment Report. This report served as the basis for the previous California Environmental Quality Act (CEQA) determination for the existing 2 MW system, built by SunPower, and the intent of the County and SunPower is to rely on this report in a refreshed CEQA determination to confirm the environmental conditions have not changed, which would result in a cost savings to the County of approximately \$40,000.



Additionally, the County can expand each of the existing 1MW systems by an additional 4MW without the need for any additional County funding. This potential expansion would result in a large amount of excess generation allowing County to participate in Southern California Edison's (SCE) Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff to export energy and receive generation credits for one, or more, off-site facilities belonging to the same local government. This special tariff is only available to governments. The expanded portion of the generation would be owned, operated and maintained by SunPower, and its special purpose entity (financier); the County would strictly purchase the power generated by the expansion at rates lower than the rate of electricity that the County would otherwise pay for, yielding significant first year and lifetime savings to the County without a need for an upfront investment. The SCE RES-BCT tariff has a limited capacity. Once the generation capacity limits are reached, participation will be closed to future participants.

The Federal Tax Code is also offering Investment Tax Credits (ITC) for the installation of renewable power. ITC's have the effect of lowering the final purchasing price of the power purchased under a PPAs. The value of the current ITC's will decrease after December 31, 2020, and an agreement needs to be executed before this date in order to capture the ITC at the current rate. The PPA would furthermore insulate the County against utility rate increases or inflation by locking in a fixed price for the duration of the agreement. In April 2020, SCE raised utility rates an average of 7% across the board and commercial customers like the County, saw a higher rate increase, reflecting increased costs due to wildfire mitigation and increased natural gas costs. The long-term savings of locking in attractive rates is very significant.

Under the proposed PPAs, the County would achieve the benefit of discounted Power Purchase Agreement (PPA) rates, **reducing the County's electrical utility costs which are estimated to be \$16.7 Million over the lifetime of the 25-year agreements and a first year of operation savings of \$248,000.** The anticipated cost to the County for electrical energy under resultant Power Purchase Agreements would be less than the anticipated marginal cost to the County of energy that would have been consumed by the County in the absence of those purchases, pursuant to Gov. Code section 4217.12.

## SOLE SOURCE CHECKLIST

Department Name: Internal Services Department

New Sole Source Contract



Sole Source Amendment to Existing Contract

Date Existing Contract First Approved:

10/28/20

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS Identify applicable justification and provide documentation for each checked item.
<input type="checkbox"/>	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>"Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist."</i>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input type="checkbox"/>	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
<input type="checkbox"/>	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/ system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
<input checked="" type="checkbox"/>	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input checked="" type="checkbox"/>	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

Anthony Baker

Digitally signed by Anthony Baker  
DN: cn=Anthony Baker, o=co, email=abaker@co.lacounty.gov, c=US  
Date: 2020.10.28 13:51:51 -0700

Chief Executive Office

10/28/20

Date



LANCASTER SOLAR ENERGY SITE  
MIRA LOMA COMPLEX  
W. AVENUE I, LANCASTER, CA 93536  
PHASE I ENVIRONMENTAL SITE ASSESSMENT

County of Los Angeles  
Department of Public Works

February 2010  
(Rev. 3)

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**LANCASTER SOLAR ENERGY SITE**  
**ADJACENT TO MIRA LOMA DETENTION CENTER**  
**W. AVENUE I, LANCASTER, CA 93536**

**PHASE I ENVIRONMENTAL SITE ASSESSMENT**

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*Prepared for:*

**COUNTY OF LOS ANGELES**  
DEPARTMENT OF PUBLIC WORKS

*Prepared by:*

**PARSONS**

**February 2010 (Rev. 3)**

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# TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS .....	V
EXECUTIVE SUMMARY .....	ES-1
 SECTION 1 INTRODUCTION .....	 1-1
SECTION 2 SITE DESCRIPTION .....	2-1
2.1 Location .....	2-1
2.2 Site and Vicinity Characteristics .....	2-2
2.2.1 General Setting .....	2-2
2.2.2 Geologic Setting .....	2-2
2.2.3 Adjoining Properties .....	2-4
2.2.4 Hydrologic Setting .....	2-6
2.2.5 Oil and Gas Issues .....	2-6
2.3 General Description of Structures/Improvements to Property .....	2-6
2.4 Scope of Survey Area .....	2-6
2.5 Current Land Use .....	2-6
SECTION 3 HISTORY OF SITE USES .....	3-1
3.1 Site Background .....	3-1
3.2 Sanborn Fire Insurance Maps .....	3-2
3.3 Historical Aerial Photographs .....	3-2
3.4 Historical City Directories .....	3-2
3.5 Historical Topographic Maps .....	3-3
SECTION 4 SITE RECONNAISSANCE .....	4-1
4.1 Methodology .....	4-1
4.1.1 Records Review .....	4-1
4.1.2 Site Inspection .....	4-1
4.1.3 Personal Interviews .....	4-1
4.1.4 Sampling .....	4-2
4.2 Site Description .....	4-2
4.3 Storage of Chemicals or Hazardous Materials .....	4-3
4.3.1 Hazardous and Petroleum Waste .....	4-4
4.4 Storage Tanks .....	4-4
4.4.1 Aboveground Storage Tanks .....	4-4
4.4.2 Underground Storage Tanks .....	4-4
4.4.3 Pipelines, Hydrant Fueling and Transfer Systems .....	4-5
4.5 Asbestos .....	4-5
4.6 Radon .....	4-5
4.7 Lead-based Paint .....	4-5
4.8 Polychlorinated Biphenyls .....	4-5
4.9 Evidence of Environmental Concern .....	4-5



## TABLE OF CONTENTS (continued)

4.9.1	Stained Soil, Pavement and Concrete.....	4-5
4.9.2	Stressed and Protected Vegetation.....	4-5
4.9.3	Air Quality.....	4-5
4.10	Mechanical Systems and utilities.....	4-5
4.11	Wells.....	4-5
4.12	Wastewater Treatment, Collection and Discharge .....	4-6
4.13	Oil/Water Separators .....	4-6
4.14	Pesticides .....	4-6
4.15	Medical or Biohazardous Waste.....	4-6
4.16	Ordnance.....	4-6
4.17	Radioactive Waste .....	4-6
4.18	Solid Waste Disposal .....	4-6
4.19	Ponds and Lagoons .....	4-6
4.20	Septic Systems.....	4-6
4.21	Pits and Depressions .....	4-6
4.22	Floor Drains, Sumps and Clarifiers.....	4-6
4.23	Groundwater.....	4-6
4.24	Drinking Water Quality.....	4-6
4.25	Cultural Resources .....	4-7
4.26	Wetlands and Floodplains .....	4-7
4.27	Threatened and Endangered Species.....	4-7
<b>SECTION 5 ADJACENT PROPERTIES.....</b>		<b>5-1</b>
5.1	Land Uses .....	5-1
5.1.1	Surveyed Properties .....	5-1
5.2	Storage of Chemicals or Hazardous Materials .....	5-2
5.2.1	Hazardous and Petroleum Waste.....	5-3
5.3	Storage Tanks .....	5-3
5.3.1	Aboveground Storage Tanks.....	5-3
5.3.2	Underground Storage Tanks .....	5-3
5.3.3	Pipelines, Hydrant Fueling and Transfer Systems.....	5-5
5.4	Asbestos.....	5-5
5.5	Radon.....	5-5
5.6	Lead-based Paint .....	5-5
5.7	Polychlorinated Biphenyls .....	5-5
5.8	Evidence of Environmental Concern .....	5-5
5.8.1	Stained Soil, Pavement and Concrete.....	5-5
5.8.2	Stressed and Protected Vegetation.....	5-5
5.8.3	Air Quality .....	5-5
5.9	Mechanical Systems and Utilities.....	5-5
5.10	Wells.....	5-6
5.11	Wastewater Treatment, Collection and Discharge .....	5-6
5.12	Oil/Water Separators .....	5-6
5.13	Pesticides .....	5-6
5.14	Medical or Biohazardous Waste.....	5-6
5.15	Ordnance.....	5-6

## TABLE OF CONTENTS (continued)

5.16	Radioactive Waste .....	5-6
5.17	Solid Waste Disposal .....	5-6
5.18	Ponds and Lagoons .....	5-6
5.19	Septic Systems.....	5-7
5.20	Pits and Depressions .....	5-7
5.21	Floor Drains, Sumps and Clarifiers.....	5-7
5.22	Groundwater.....	5-7
5.23	Drinking Water Quality.....	5-7
5.24	Cultural Resources.....	5-7
5.25	Wetlands and Floodplains .....	5-7
5.26	Threatened and Endangered Species.....	5-7
5.27	Prime and Unique Farmlands.....	5-7
SECTION 6 RECORDS REVIEW .....		6-1
6.1	Environmental Lien Report Review .....	6-3
6.2	Agency Records Review .....	6-3
SECTION 7 DATA GAPS.....		7-1
SECTION 8 CONCLUSIONS .....		8-1
SECTION 9 RECOMMENDATIONS .....		9-1
SECTION 10 SPECIAL TERMS AND CONDITIONS.....		10-1
10.1	Limitations and Exceptions of Assessment .....	10-1
10.2	Limiting Conditions and Methodology Used .....	10-1
SECTION 11 STATEMENT OF INDEPENDENCE .....		11-1
SECTION 12 STATEMENT OF QUALIFICATIONS.....		12-1
SECTION 13 SIGNATORY .....		13-1

## TABLE OF CONTENTS (continued)

### APPENDICES

---

APPENDIX A	HISTORICAL AERIAL PHOTOGRAPHS
APPENDIX B	CITY DIRECTORY SEARCH
APPENDIX C	HISTORICAL TOPOGRAPHIC MAPS
APPENDIX D	SITE PHOTOGRAPHS
APPENDIX E	TRACK INFO SERVICES RADIUS REPORT
APPENDIX F	REFERENCES
APPENDIX G	VISUAL SITE INSPECTION FORMS
APPENDIX H	INTERVIEW QUESTIONNAIRES
APPENDIX I	CHAIN OF TITLE REPORT



## TABLE OF CONTENTS (continued)

### LIST OF FIGURES

---

Figure 2-1. Vicinity Map .....	2-1
Figure 2-2. Aerial View of Subject Property .....	2-2
Figure 2-3. USGS Topographic Map of the Subject Property .....	2-3
Figure 2-4. Parcel Map of Subject Property .....	2-4
Figure 2-5. Aerial View of Adjoining Properties .....	2-5
Figure 4-1. Features on the Subject Property .....	4-6

### LIST OF TABLES

---

Table 2-1. Summary of Adjoining Properties .....	2-5
Table 3-1. Chronology of the Subject Property .....	3-1
Table 3-2. Past Site Use Based on Aerial Photographs .....	3-2
Table 3-3. Property Listings from Historical City Directories .....	3-3
Table 4-1. Personnel Interviewed .....	4-2
Table 4-2. Sensitive Species Documented Near the Subject Property .....	4-7
Table 5-1. Properties Adjacent to the Subject Property .....	5-1
Table 5-2. Underground Storage Tanks in the Area of the Subject Property .....	5-4
Table 5-3. Leaking Underground Storage Tanks in the Project Area .....	5-4
Table 6-1. Federal Environmental Databases .....	6-1
Table 6-2. State of California Environmental Databases .....	6-2
Table 6-3. Government Records/Agencies for NEPA Data .....	6-2
Table 8-1. Subject Property Facility Matrix .....	8-2

## ABBREVIATIONS AND ACRONYMS

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ACM	asbestos containing material
AOC	Area of Concern
APN	Assessor's Parcel Number
AST	aboveground storage tanks
ASTM	American Society for Testing and Materials
ACERCLA	Comprehensive Environmental Response, Compensation and Liability Act
CERCLIS	Comprehensive Environmental Response, Compensation and Liability Information System
CERFA	Community Environmental Response Facility Act
CESQG	Conditionally Exempt Small Quantity Generator(s)
CFR	Code of Federal Regulations
CORRACTS	Corrective Action Report
CSP-LAC	California State Prison, Los Angeles County
DERA	Defense Environmental Restoration Account
DTSC	California Department of Toxic Substances Control
EPA	(United States) Environmental Protection Agency
EPIC	Environmental Photographic Interpretation Center
ERNS	Emergency Response Notification System
FCC	Federal Communications Commission
FEMA	Federal Emergency Management Agency
ft	feet
FUDS	Formerly Used Defense Sites
HazMat	hazardous material(s)
HazWaste	hazardous waste(s)
ICE	Immigration and Customs Enforcement
LAC	Los Angeles County
LBP	lead-based paint
LQG	large quantity generator(s)
LUST	leaking underground storage tank
mg/l	milligram(s) per liter
MRZ	Mineral Resource Zone
NEPA	National Environmental Policy Act
NFRAP	No Further Remedial Action Planned
NPL	National Priorities List
NWI	National Wetlands Inventory
PCB	polychlorinated biphenyls
pCi/L	picoCuries per liter
P.E.	Professional Engineer
RCRA	Resource Conservation and Recovery Act
REC	Recognized Environmental Condition(s)
SAP	Satellite Accumulation Point
SQG	small quantity generator(s)
TIS	Track Info Services

## ABBREVIATIONS AND ACRONYMS (continued)

TSDf	treatment, storage and disposal facility
U.S.C.	United States Code
USACE	United States Army Corps of Engineers
USEPA	(United States) Environmental Protection Agency
USGS	United States Geological Survey
UST	underground storage tank

## EXECUTIVE SUMMARY

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### INTRODUCTION

This Phase I Environmental Site Assessment has been prepared to document the physical condition of publicly-owned land that is being considered for construction and operation of a solar energy facility in the city of Lancaster, Los Angeles County. The subject property is located on Assessor's Parcel No. 3203-014-901 which contains vacant undeveloped land east and southeast of the County of Los Angeles Mira Loma Detention Center at the corner of West Avenue I and 60<sup>th</sup> Street West.

The subject area was surveyed to determine if there were any environmental concerns resulting from the storage, use, release, and disposal of hazardous substances and petroleum products and their derivatives. The environmental site assessment establishes a baseline for use by the County of Los Angeles in making decisions concerning real property transactions. Although primarily a management tool, an environmental site assessment assists the County in meeting its obligations under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42, United States Code (U.S.C.) Section 9620(h)(1), as amended by the Community Environmental Response Facilitation Act (CERFA) (Public Law 102-426).

This environmental site assessment was based on information obtained through record searches, a visual site inspection, and interviews. The records searches included a review of available government agency records including environmental restoration and compliance reports, records, audits, and inspections. The environmental site assessment also includes an evaluation of the environmental conditions of properties immediately adjacent to or relatively near the subject parcels that could pose environmental concerns and/or affect the subject property.

### PROPERTY FINDINGS

The findings for the various environmental factors considered in this environmental site assessment for the subject property are presented below.

#### *Hazardous Substances*

There are no known hazardous materials, petroleum products, hazardous wastes or petroleum wastes currently stored at the subject property. Although the subject property is within the boundaries of one of three airfields within the Polaris Flight Academy site which is in the California Department of Toxic Substances Control (DTSC) Site Cleanup Program, there is no data to indicate that hazardous substances were released at the subject property. Obvious signs of contamination from hazardous materials and petroleum products were not observed.

#### *Storage Tanks*

There are no known aboveground storage tanks (AST) or below-ground/underground storage tanks (UST) on the subject property.

#### *Pesticides*

Evidence of bulk storage of pesticides and other similar chemicals was not identified for the subject property. Past use of pesticides and fertilizers typical of commercial applications most likely occurred, and continues to occur, on adjoining properties. Residual concentrations of these constituents would not be expected be harmful to human health.

#### *Medical/Biohazardous Waste*

No onsite disposal of medical/biohazardous waste was identified for the subject property.

#### *Radioactive Materials and Waste*

No evidence of radioactive material use or disposal was identified for the subject property.

### *Solid Waste Disposal*

Limited onsite disposal of construction materials/waste and domestic trash was observed on subject property.

### *Groundwater*

No onsite groundwater monitoring wells were identified for the subject property.

### *Wastewater Treatment, Collection, and Discharge*

No onsite septic systems or leach fields were identified for the subject property. Stormwater that could fall on the subject property, including storm drain discharge from the adjoining properties, during a rain event would be absorbed in the area and surrounding soils.

### *Drinking Water Quality*

There are no drinking water facilities on the subject property.

### *Asbestos*

Evidence of asbestos was not identified on the subject property.

### *Polychlorinated Biphenyls*

Evidence of polychlorinated biphenyls (PCB) was not identified on the subject property.

### *Radon*

All of Los Angeles County is categorized by the U.S. Environmental Protection Agency (EPA) as Zone 2 for radon. Zone 2 counties have a predicted average indoor radon screening level of between 2 and 4 picoCuries per liter of air (pCi/L), which indicates a moderate potential for radon occurrence. The EPA action level for indoor airborne radon is 4 pCi/L. Radon is not an issue of concern for this environmental site assessment because the proposed solar energy facility would not include continually occupied buildings.

### *Lead-Based Paint*

Lead-based paint (LBP) may be present at the subject property on painted surfaces of discarded construction materials and a former outdoor loading dock.

### *Cultural Resources*

The subject property does not have any documented prehistoric archaeological sites or cultural sites.

### *Wetlands and Floodplains*

Based on the database search report, there are no federal jurisdictional wetlands identified within 0.5 mile of the subject property. The subject property is located within the 500-year floodplain.

### *Threatened and Endangered Species*

Based on the limited and marginal biological habitat, Federal- or State-listed threatened or endangered species would not be expected to inhabit the subject property.

## **ADJACENT PROPERTY FINDINGS**

There is one small quantity hazardous waste generator (High Desert Hospital) within one mile of the subject property. There are no National Priority List (NPL) sites, proposed NPL sites, NPL liens or delisted NPL sites within one mile of the subject property. There are no other CERCLA-listed or RCRA sites within 0.5 mile of the subject property. In 2003, there was one leaking underground storage tank reported within 0.5 mile of the site at Mira Loma Detention Center. This leak has been cleaned up and no further action is required. In addition:

- Medical/biohazardous waste is generated at the adjacent High Desert Hospital. Radioactive material was formerly used at the adjacent property, High Desert Hospital.

- On the adjoining properties, LBP is expected to be present on buildings that were coated with LBP before this type of paint was prohibited from use.
- Groundwater wells are located on the adjoining property at the Mira Loma Detention Center.
- The presence of asbestos containing material (ACM) at the Mira Loma Detention Center is based on age of building and typical construction materials used at the time of construction.
- The use or presence of PCB on the adjoining property is based on the presence of pole-mounted transformers that have not been replaced.
- Drinking water at adjoining facilities is provided by groundwater drawn from the local aquifer.

## RECOMMENDED ACTIONS

It is recommended that the following actions be taken prior to use of the property:

- 1) Construction materials deposited on the subject property (i.e., any painted surfaces, trailer and former loading dock) should be sampled for lead-based paint. In the event that lead-based paint is detected, all removal and disposal should be conducted in accordance with applicable regulatory requirements.
- 2) Subsurface soil sampling should be conducted in representative areas of the subject property to investigate the potential presence of residual petroleum hydrocarbons and heavy metals. This is because of the absence of previous studies for this property, accessibility of the site from the road, and the potential for migration of heavy metals released at the California State Prison, Los Angeles County approximately 0.39 miles southwest of the subject property.
- 3) Because of the liquefaction hazard potential, a site-specific geotechnical investigation should be conducted to ascertain the geologic and soil stability of the subject property.

# SECTION 1

## INTRODUCTION

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This Phase I Environmental Site Assessment has been prepared to document the physical condition of publicly-owned land that is being considered for construction and operation of a solar energy facility in the city of Lancaster, Los Angeles County. This assessment collects into a single document all available information to establish a baseline for use by the County of Los Angeles in making decisions regarding real property transactions that concern the properties specified in this document.

As a management tool, this Phase I Environmental Site Assessment assists the County of Los Angeles in meeting its obligations under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as amended by the Community Environmental Response Facilitation Act (CERFA). On November 1, 2005 the United States Environmental Protection Agency (EPA) published a new rule for conducting "all appropriate inquiries" (AAI) under CERCLA. The standard, effective November 1, 2006, replaces American Society for Testing and Materials (ASTM) Phase I Site Assessment Process Standard E 1527-00 (the "2000 ASTM Standard") as the primary environmental due diligence document in real estate acquisitions. EPA was mandated to develop the standard pursuant to amendments to CERCLA in 2002 that provided the "bona fide prospective purchaser" and "contiguous property owner" defenses to CERCLA liability. The ASTM 1527-05 standard meets the AAI criteria. This Phase I Environmental Site Assessment follows the ASTM 1527-05 standard.

The purpose of the Phase I Environmental Site Assessment is to identify recognized environmental conditions (REC), defined as the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of release of any hazardous substance or petroleum products into structures on the property or into the ground, groundwater or surface water of the property.

An environmental site assessment may be divided into phases. A Phase I environmental site assessment involves determination of baseline environmental conditions for the subject property. This includes, but is not limited to, records searches and interviews with knowledgeable personnel. Suspect sites and areas of concern (AOC) are noted and recorded in the environmental site assessment report. Based on these findings, the Phase I environmental site assessment indicates the presence or likely presence of hazardous substances or petroleum products or their derivatives for the subject properties. Typically, a Phase II environmental site assessment includes sampling of suspect contaminated media as part of the continuing investigation of the site.

This Phase I environmental site assessment will assist the County of Los Angeles to:

- Develop sufficient information to assess health and safety risks on the property surveyed and determine what actions are necessary to protect human health and the environment prior to a real property transaction;
- Document and obtain regulatory concurrence on uncontaminated property as required and defined under CERCLA 120(h)(4);
- Support notice, when required under Section 120(h)(1) of CERCLA, of the type, quantity, and time frame of any storage, release, or disposal of hazardous substances or petroleum substances or their derivatives on the property;
- Identify data gaps concerning environmental contamination;
- Define potential environmental liabilities associated with real property transactions; and,

- Aid in determining possible effects on property valuation from any contamination or concerns identified.

The information presented in this environmental site assessment was obtained through record searches, a visual site inspection, and interviews. The records searches included a review of available government agency records to include environmental restoration and compliance reports, records, audits, and inspections:

- Appendix A contains historical aerial photographs of the site and its surrounding area.
- Appendix B contains the results of city directory searches.
- Appendix C contains historical topographic maps.
- Appendix D contains site photographs taken during the visual site inspection on December 22, 2009.
- Appendix E contains the environmental database search results.
- References used in this environmental site assessment are provided in Appendix F.
- Appendix G contains visual site inspection forms.
- Appendix H contains interview questionnaires.
- Appendix I contains the environmental chain of title report.

The environmental site assessment also includes an evaluation of environmental conditions of properties immediately adjacent to or relatively near the subject property that could pose an environmental concern and/or affect the subject property. The visual site inspection of adjacent properties was conducted by perimeter access with limited direct access onto the properties.

Per the findings of the Phase I environmental site assessment, a Phase II environmental site assessment may be required if the property requires further evaluation and additional investigations may be conducted. This may include soil and groundwater sampling, or building material assessments (asbestos or lead-based paint surveys).

The scope of work for this Phase I environmental site assessment did not specifically include sampling and analysis; therefore no independent soil or groundwater or other sampling and analyses were conducted.



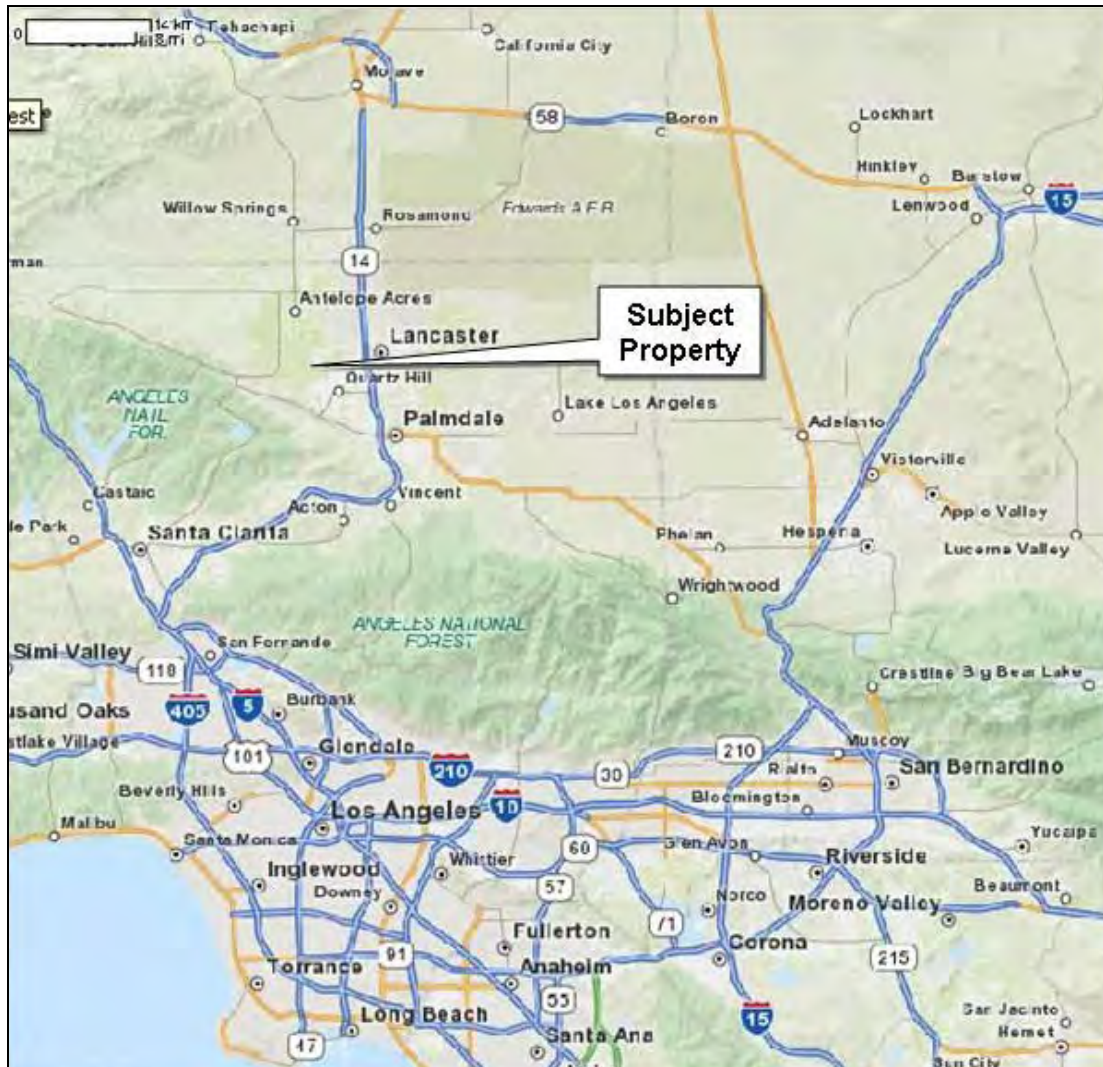
## SECTION 2

### SITE DESCRIPTION

#### 2.1 LOCATION

The proposed site for the solar energy facility ("subject property") is located in the city of Lancaster in Los Angeles County approximately 75 miles north of downtown Los Angeles, and approximately 2.5 miles west of the Antelope Valley Freeway (State Route 14) as shown on Figure 2-1.

Figure 2-1. Vicinity Map



Source: modified from Mapquest

The subject property is located on the south side of West Avenue I between 60<sup>th</sup> Street West and 50<sup>th</sup> Street West as shown on Figure 2-2. Because it is currently vacant, the subject property does not have an address. Although the size of the proposed solar energy facility and its specific layout have not been determined at this time, the subject property evaluated in this report is approximately 65 acres in size.

## 2.2 SITE AND VICINITY CHARACTERISTICS

### 2.2.1 General Setting

The general setting of the subject property is a low-density area characterized by isolated areas of rural development (City of Lancaster, 2007). The subject property is located on an approximate one-square mile block of public facilities (Figure 2-2).

The subject property is located approximately 2,342 feet above sea level at latitude 34° 42' 2" north and longitude 118° 13' 47" west. Topography in the vicinity of the subject property is generally flat (Figure 2-3).

The subject property is owned by the County of Los Angeles and is designated as Assessor's Parcel Number (APN) 3203-014-901. The parcel map for the subject property is provided on Figure 2-4.

Figure 2-2. Aerial View of Subject Property



Source: modified from Google Earth (2009)

### 2.2.2 Geologic Setting

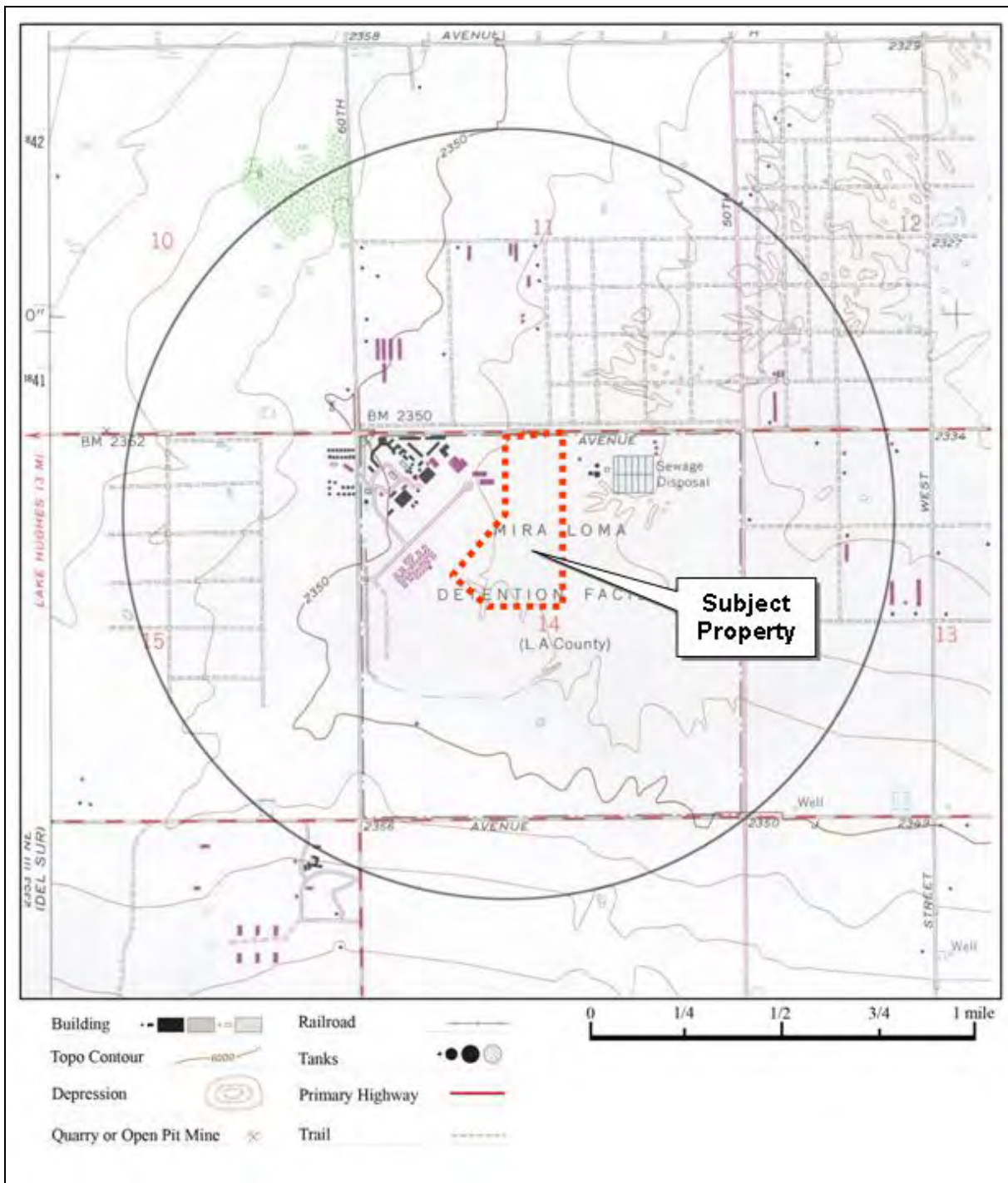
The site is located in the USGS Lancaster West quadrangle within the Mojave Desert Geomorphic Province. The Lancaster West Quadrangle is situated primarily within alluvial sedimentary deposits of Tertiary and Quaternary age. The desert soil on the subject property is the Pond-Tray-Oban Association which is generally stable and well drained. These soils are found in basins north of Lancaster, containing slight to moderate amounts of soluble salts and alkali. These soils are formed in alluvium derived from granitic rock, and have slopes of 0 to 2 percent. Soils of this association are characterized by poor topsoil, slow permeability, high water-holding capacity for irrigation, and low to high shrink-swell potential. Depth to bedrock is 5 feet or greater (City of Lancaster, 2007). Soils on the subject property are expected to have a low to moderate shrink/swell potential; a ground fissure is possibly found on the northern portion of the subject property and a sinkhole may be present directly north of the property. Fissures are typically associated with faults or groundwater withdrawal which can result in cracking of the ground surface (City of Lancaster, 2007). In addition, the subject property is located in an area of potential liquefaction hazard based primarily on occurrence of groundwater in major alluvial deposits (City of Lancaster, 2007).

The subject property in Lancaster is not located in an area of active or mapped earthquake faults nor is it within an Alquist-Priolo Special Studies Zone. Seismic activity of the Lancaster area can result from its proximity to the "active" San Andreas Fault located to the southwest (City of Lancaster, 2007).

Portions of Lancaster, including land within the subject property, are classified as a Mineral Resource Zone (MRZ) that encompasses the Palmdale Production-consumption (P-C) region, a market area of sand and gravel mineral commodity. The subject property is located within the MRZ-1 and MRZ-3 resource areas. The MRZ-1 indicates an area that contains no resources while the MRZ-3 classification indicates potentially significant mineral deposits although it is not considered likely that the Lancaster area has large, valuable mineral and aggregate deposits (City of Lancaster, 2007).

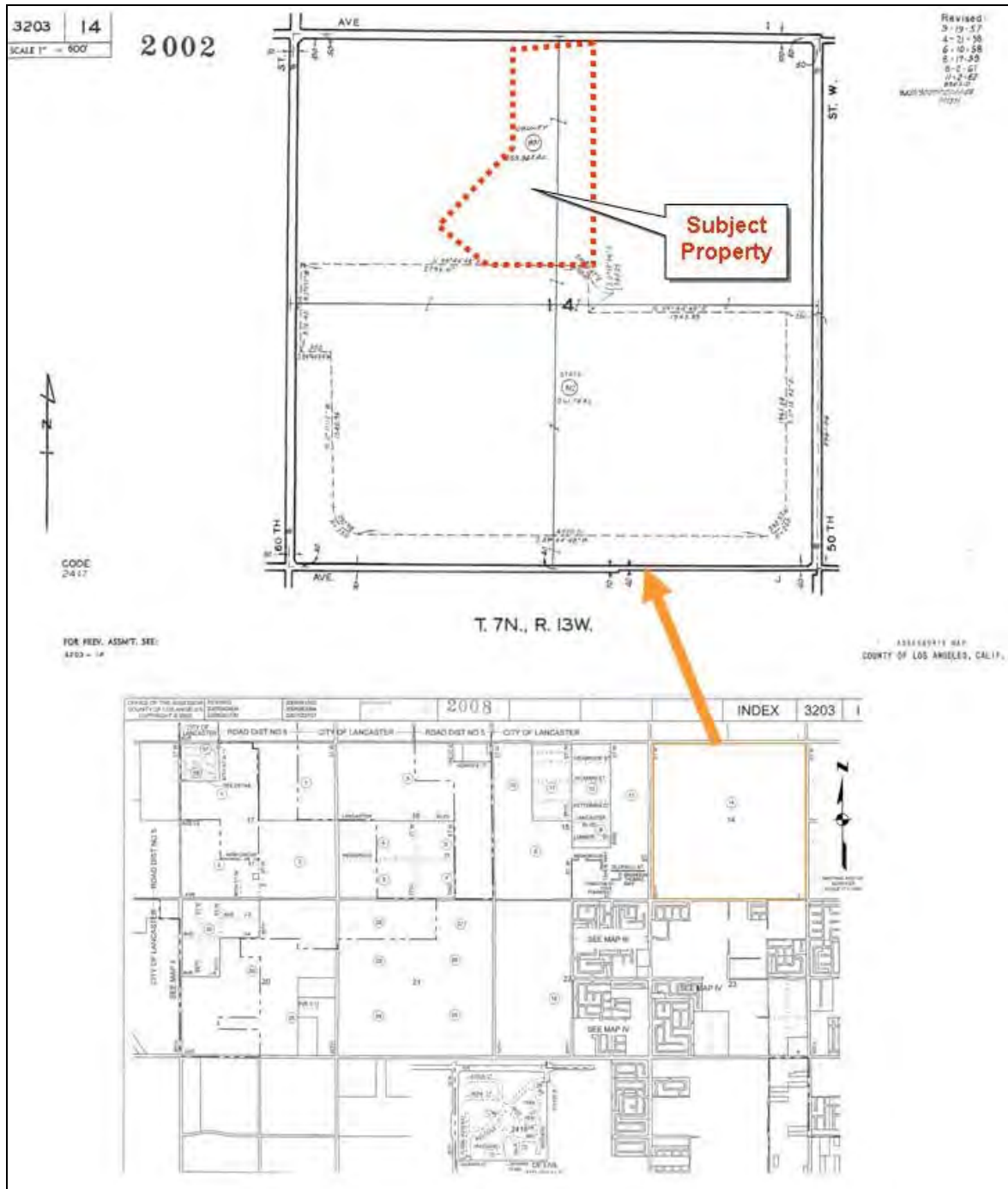


Figure 2-3. USGS Topographic Map of the Subject Property



Source: modified from USGS Lancaster West topographic map (1974)

Figure 2-4. Parcel Map of Subject Property



Source: County of Los Angeles, 2009

### 2.2.3 Adjoining Properties

The subject property is surrounded by public and institutional facilities as shown on Figure 2-5. The northern half of the block is owned by the County of Los Angeles which operates the Mira Loma Detention Center, High Desert Hospital, probation camps and animal shelter. The southern half of the block is owned by the State of California which operates the California State Prison, Los Angeles County. Institutional facilities adjoining the subject property are summarized in Table 2-1.

Figure 2-5. Aerial View of Adjoining Properties



LAC = Los Angeles County  
Source: modified from Google Earth (2009)

Table 2-1. Summary of Adjoining Properties

Facility and Address	Functional Description	Year of Construction
Mira Loma Detention Center 45100 N. 60 <sup>th</sup> Street W. Lancaster, CA 93536	Operated by the County of Los Angeles Sheriff's Department, Mira Loma Detention Center is contracted by the U.S. Department of Homeland Security (Immigration and Naturalization Service) to house illegal immigrants until their immigration case is decided. The facility functions as a regular County jail with the exception that individuals housed are identified as detainees. These detainees live in barrack-style housing that hold up to 60 detainees per barrack. The facility also includes federal courtrooms used for deportation hearings, former military hangars and World War II era buildings constructed in the 1940s. The capacity of the facility is 1,200 detainees; approximately 800 detainees are presently housed.	1954 (Mira Loma Custody Facility)
High Desert Health System 44900 N. 60 <sup>th</sup> St. W. Lancaster, CA 93536	Operated by Los Angeles County Health Services, the 28-bed High Desert Health System is a Multi-Service Ambulatory Care Center providing outpatient services with an Ambulatory Surgical Center as part of its primary care clinic.	1961



Table 2-1. Summary of Adjoining Properties (Cont'd)

Facility and Address	Functional Description	Year of Construction
Challenger Memorial Youth Center (Probation Camps) 5300 W. Avenue I Lancaster, CA 93536	Camps Jarvis, McNair, Onizuka, Scobee, Resnik, and Smith are operated by the County of Los Angeles Probation Department.	1970s – 1980s
Lancaster Shelter 5210 W. Avenue I Lancaster, CA 93536	The Lancaster Animal Shelter is operated by the Los Angeles County Department of Animal Care & Control.	(unknown)
California State Prison, Los Angeles County (CSP-LAC) 44750 60 <sup>th</sup> St. W Lancaster, CA 93536	The mission of CSP-LAC is to be a Reception Center for short term housing and provide secure long-term housing and services for men who have been convicted of felonies and are classified as minimum, high-medium and maximum custody inmates. CSP-LAC was opened February 1993, and covers 262 acres and houses approximately 4,700 inmates.	1991

### 2.2.4 Hydrologic Setting

The subject property is located in the Antelope Valley Groundwater Basin. Groundwater flow is generally north and northeasterly from the San Gabriel Mountains toward the Rosamond and Rogers Dry Lakes. The water table is approximately 60 feet below ground surface (City of Lancaster, 2007).

### 2.2.5 Oil and Gas Issues

There are no oil and gas wells on the subject property or within the immediate area. The subject property is not located within an oil field. The nearest oil and gas wells, COMCO Goode 1 and the Antelope Valley Oil Co, Inc. Del Sur 1, were approximately 1.5 mile south, both of which are plugged and abandoned dry holes (California Department of Conservation, 2009a). The subject property is not located above any known oil fields.

## 2.3 GENERAL DESCRIPTION OF STRUCTURES/IMPROVEMENTS TO PROPERTY

The subject property is vacant, undeveloped land east and southeast of the County of Los Angeles Mira Loma Detention Center at the corner of West Avenue I and 60<sup>th</sup> Street West. There are no physical improvements on the subject property (with the exception of dirt roads through the property, remnants of airfield pavement, an outdoor loading dock, and possible abandoned, buried electrical conduit). While the institutional facilities that surround the subject property are fenced, the subject property is not fenced. Additional information on the description of the property is provided in Section 4, *Site Reconnaissance*.

## 2.4 SCOPE OF SURVEY AREA

This environmental site assessment is based on information available for, and the visual site inspection of, the subject property and the property immediately adjacent to the subject property. Information regarding property within approximately 1 mile of the subject property with potential environmental concerns is also presented. The results of the survey for the subject properties and the adjacent properties are discussed in Section 4, *Site Reconnaissance*.

## 2.5 CURRENT LAND USE

The subject property is currently not in use with the exception of storage for trash dumpsters and construction materials/waste along the immediate perimeter of the Mira Loma Detention Center. Activity on the site is limited to patrols by Sheriff's Department personnel who drive along the dirt roads. The subject property is not used by any operations on the adjoining properties.

## SECTION 3

### HISTORY OF SITE USES

#### 3.1 SITE BACKGROUND

This property was first used as a pilot training academy and airfield as early as 1941 after the land was purchased from the heirs of B.F. Carter who came to the Antelope Valley from Wisconsin (Gardiner, 2002). The site history for the subject property was evaluated based on an environmental chain of title report (provided in Appendix I) and other sources. A chronology of the subject property is provided on Table 3-1.

**Table 3-1. Chronology of the Subject Property**

Timeframe	History
1941	The privately-owned Polaris Flight Academy – War Eagle Field and its aircraft hangars are constructed at 60 <sup>th</sup> Street and Avenue I to train British Royal Air Force pilots and Canadian Air Cadets during World War II. After the bombing of Pearl Harbor, the United States Army Air Force Cadets also began training at the field under contract to the flight academy.
1942	Defense Plant Corporation (Plancor) acquired 1,600 acres and all improvements associated with the Polaris Flight Academy who in turn leased the site from Plancor to train pilots for the U.S. Government.
1944	Polaris Flight Academy changes its name to the Mira Loma Flight Academy.
1945	War Eagle Field closes at the end of World War II.
1945 - 1954	Vacant.
1948	In a grant deed, the land is sold by the Reconstruction Finance Corporation <sup>1</sup> and the United States of America to the State of California.
1954	Los Angeles County Sheriff's Department and the Los Angeles County Department of Hospitals opens the Mira Loma Custody Facility for inmates with tuberculosis. Subject property remains vacant.
1979	Mira Loma Custody Facility closes.
1983	Mira Loma Custody Facility re-opens due to jail overcrowding and is expanded to include female inmates.
1986	The Mira Loma prison expands in size to accommodate population increases.
1993	Mira Loma Custody Facility closes due to County budget cuts.
1994	In a final order of condemnation, the State of California grants the land to the County of Los Angeles.

<sup>1</sup> The Reconstruction Finance Corporation was an independent agency of the United States government chartered during the administration of Herbert Hoover in 1932. The agency provided financial aid to state and local governments and made loans to banks, railroads, farm mortgage associations, and other businesses. The loans were nearly all repaid. It was continued by the New Deal and played a major role in handling the Great Depression in the United States and setting up the relief programs that were taken over by the New Deal in 1933. The Reconstruction Finance Corporation was abolished as an independent agency by act of Congress in 1953, transferred to the Department of the Treasury in 1954, and totally disbanded in 1957.

**Table 3-1. Chronology of the Subject Property (cont'd)**

Timeframe	History
1997 to present	Mira Loma Custody Facility re-opens when Los Angeles Sheriff's Department enters into a contract with the U.S. Immigration and Naturalization Service <sup>2</sup> to house federal detainees awaiting deportation hearings. Two of the original hangars and other WWII-era buildings are still in use. Subject property remains vacant.

Source: LASD, 2009; Banks Environmental Data, 2009; City of Lancaster, 2007; USACE, 1998

## 3.2 SANBORN FIRE INSURANCE MAPS

Fire insurance maps covering the subject property are not available (TIS, 2009c).

## 3.3 HISTORICAL AERIAL PHOTOGRAPHS

Available historical aerial photographs from seven prior years were reviewed (Appendix A). Based on the historical aerial photographs, use of the property has changed over the years from an airfield to unoccupied land. A summary of land use based on aerial photographs is provided in Table 3-2.

**Table 3-2. Past Site Use Based on Aerial Photographs**

Year of Aerial Photo	Undeveloped Land South of 5816 W. Avenue I, Lancaster, CA
1942	Active airfield with two main paved runways in a southwest-northeast diagonal alignment; possible taxiways along the outer limits of the site.
1953	Vacant with vegetation over the former runways and sewage treatment ponds northeast of the subject property
(after 1961)	Vacant with dirt roads across the open area
1968	Vacant with approximately nine criss-crossing dirt roads (Mira Loma Detention Center not yet constructed)
1989	Vacant with three main dirt roads
1994	Vacant with three main dirt roads (similar to 1989)
2002	Vacant with three main dirt roads (similar to 1994)

## 3.4 HISTORICAL CITY DIRECTORIES

A database search of city directories published from 1957 through 2009 was reviewed. There were no gas stations, cleaners, automotive shops or other occupants of potential environmental concern located on the subject street, within the vicinity of the 5816 W. Avenue I address used for the search. Based on the listings in historical city directories, use of the property is characterized as institutional with former residential and business entities as shown in Table 3-3. The historical city directory search is provided in Appendix B.

<sup>2</sup> The Immigration and Naturalization Service has been incorporated into the U.S. Department of Homeland Security and is now called Immigration and Customs Enforcement (ICE)



**Table 3-3. Property Listings from Historical City Directories**

<b>Year</b>	<b>Published Listings for Nearest Address to 5816 W. Avenue I, Lancaster, CA</b>	<b>Listing Address</b>
1957	(No listing for this address)	(Highest address is 4752 W. Avenue I)
1961	County Animal Shelter	5210 W. Avenue I
1966	Antelope Valley Dog Pound	5210 W. Avenue I
	J. Towner	6846 W. Avenue I
1970	Los Angeles County Dog Pound	5210 W. Avenue I
	John C. Towner	6846 W. Avenue I
1974	Los Angeles County Animal Control	5210 W. Avenue I
	Hanks Place	7344 W. Avenue I
1979	Los Angeles County Animal Care	5210 W. Avenue I
	Pepes Bar & Grill	7344 W. Avenue I
1984	Los Angeles County Animal Care	5210 W. Avenue I
	Los Angeles County Probation Camp	5700 W. Avenue I
1989	Superior Air Handlne	5300 W. Avenue I
	Los Angeles County Probation Camp	5700 W. Avenue I
1994	Morrison Custom Management	5300 W. Avenue I
1999	Morrison Custom Management	5300 W. Avenue I
2004	Morrison Custom Management	5300 W. Avenue I
2009	Morrison Custom Management	5300 W. Avenue I

Source: TIS, 2009c. Based on city directories published by Luskey's, B&G Publications, and Haines

### 3.5 HISTORICAL TOPOGRAPHIC MAPS

Historical topographic maps compiled in 1974 and 1958 indicate that a sewage treatment plant was once located to the east/northeast of the subject property where the County animal shelter is now located. Historical topographic maps are included in Appendix C.

## SECTION 4

# SITE RECONNAISSANCE

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This section describes the methodology for site reconnaissance and the findings for the subject property. Findings for adjacent properties are provided in Section 5.

### 4.1 METHODOLOGY

The environmental site assessment followed a methodical process in which available information was analyzed and conclusions were drawn about the condition of the subject property. Real property records, and land use maps were reviewed to identify historical land uses and obtain relevant information about the condition of the subject property. Areas of the property where industrial processes occurred; solid and hazardous wastes were stored, disposed, or released; and hazardous materials or petroleum or its derivatives were stored or used were of special interest and received the closest scrutiny. Available CERCLA and RCRA studies and field investigations were reviewed to identify areas where the presence (or absence) of contamination has been confirmed. Available records from various organizations, as well as environmental audits or surveys, were reviewed to identify any other areas of concern. Finally, the property owner and a former employee were interviewed, and a physical inspection of the property was conducted to identify any additional evidence of possible environmental concern(s), such as staining or distressed vegetation that might indicate contamination.

#### 4.1.1 *Records Review*

The records review included an environmental database review as well as other federal and state supplemental environmental databases that were also searched. These databases include information such as permitted facilities handling hazardous materials, criminal cases involving environmental issues, and remedial action reports. Additional detail on the records review is provided in Section 5.

#### 4.1.2 *Site Inspection*

A visual site inspection of the two parcels and adjacent properties was conducted on December 22, 2009. Participants in the inspection were:

- Elvira Gaddi, P.E. (Parsons); and,
- Rosemarie Crisologo (Parsons).

The purpose of the physical inspection was to determine or confirm the presence or absence of recognized environmental conditions, such as unusual odors, stained soils, stressed vegetation, or other indications of potential contamination. In addition, a photographic documentation of the site was conducted. Photographs of the subject property are presented in Appendix D. Completed visual site inspection forms are included in this report in Appendix G.

#### 4.1.3 *Personal Interviews*

Interviews with personnel knowledgeable about the subject property were conducted. Only one person, Mr. Milt Stark, was available who is knowledgeable about historic operations of the subject property. Interviews were limited to staff at adjoining properties and County of Los Angeles Department of Public Works personnel familiar with the project. The interviews were conducted in person or over the phone with the aid of a questionnaire, which consisted of questions regarding the knowledge of the history of the area, and potential environmental issues associated with the property, including the use, storage, and handling of hazardous materials at the subject site. Personnel unavailable during the survey were given questionnaires to complete. Table 4-1 provides a list of individuals interviewed regarding the subject properties. Appendix H provides copies of completed questionnaires.

Table 4-1. Personnel Interviewed

Name	Title	Organization
Mr. Milt Stark	Historian	West Antelope Valley Historical Society
Mr. Tom Higgins	Electrical Supervisor (Acting Manager)	Los Angeles County Department of Health Services High Desert Hospital
Mr. Dennis Allen	Facilities Service Bureau Complex Manager II	County of Los Angeles Sheriff's Department Mira Loma Detention Center
Mr. Miguel Loayza, P.E.	Project Manager	County of Los Angeles Department of Public Works Project Management Division II
Ms. Cynthia Alexander <sup>a</sup>	Operations	Los Angeles County Probation Department
Mr. Daniel Ubario <sup>a</sup>	Supervisor	Los Angeles County Department of Animal Care & Control - Lancaster Shelter
Lt. Michael Stratman <sup>a</sup>	Public Information Officer	State of California Department of Corrections and Rehabilitation – California State Prison, Los Angeles County

<sup>a</sup> Information based on limited telephone interview only (questionnaire has not been returned at this time).

**Interview with Current Property Owner.** The subject property is not in use by any of the adjoining tenants. Representatives of the current property owner, County of Los Angeles, indicate that there is no knowledge of any previous contamination or past practices that may have resulted in contamination on the subject property.

**Interview with Last Known Tenant.** The last known tenant that actively may have used the subject property would have been operators of the Polaris Flight Academy or Mira Loma Flight Academy which utilized runways and taxiways from 1941 to 1945. No such persons were located during the course of this study. Mr. Milt Stark of the West Antelope Valley Historical Society, who worked at the California Vocational Institution (now Mira Loma Detention Facility) in early 1946, was interviewed and indicated that he has no knowledge of any previous contamination or past practices that may have resulted in contamination on the subject property.

**Interviews with Government Officials.** Government officials from the County of Los Angeles Health Services Department, Sheriff's Department, Department of Public Works, Probation Department, Department of Animal Care & Control and the State of California Department of Corrections and Rehabilitation (California State Prison, Los Angeles County) were interviewed and have no knowledge of any previous contamination or past practices that may have resulted in contamination on the subject property.

#### 4.1.4 Sampling

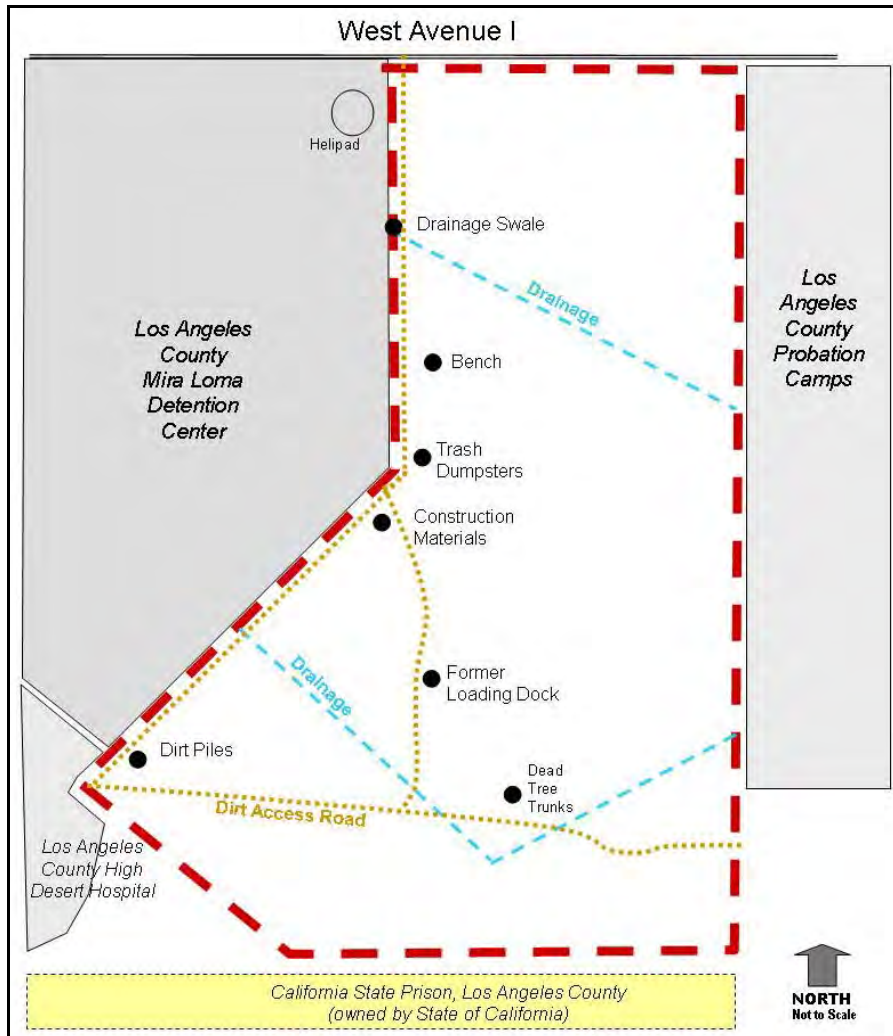
Sampling and analysis of environmental media were not part of the scope of work for this Phase I environmental site assessment. Therefore, samples of environmental media with potential for contamination, such as soil and/or groundwater, were not collected as part of this investigation.

## 4.2 SITE DESCRIPTION

The subject property is located in the northern central portion of the County of Los Angeles property along West Avenue I between 60<sup>th</sup> Street West and 50<sup>th</sup> Street West (Figure 2-2). At the time of the visual site inspection on December 22, 2009, the subject property was not fenced. The subject property is located between two secure facilities (Mira Loma Detention Center and the probation camps) and is visible from sentry towers at the Mira Loma Detention Center. Although the area is not directly used by surrounding institutional operations, the Sheriff's Department maintains patrol over the area and will request that persons leave the area.

An unpaved dirt road provides access to a northeastern entry point to the Mira Loma Detention Center and its eastern perimeter. Dirt roads are present within the subject property as shown on Figure 4-1.

**Figure 4-1. Features on the Subject Property**



An unpaved storm water drainageway is found at the northwestern boundary of the subject property. Drainage swales are present on either side of the dirt road. The drainage appears to run across the property to the probation camps at the northeastern side of the subject property. Four steel posts and a discarded, modern concrete park bench are found south of the drainage swale.

The ground surface of the subject property is covered with dirt and contains typical ruderal and desert scrub vegetation dominated by tumbleweed. No Joshua tree or other desert woodland species are found on the subject property (with the exception of dead tree trunks as shown on Figure 4-1). Vegetation has grown around extensive areas of broken asphalt paving material found consistently throughout the entire subject property.

Discarded construction materials, including strips

of steel plating (for road surfaces), are found near the dirt road. Steel plates such as these are used by Sheriff's Department personnel for driving over soft areas of the subject property. Further along the road on the interior of the subject property, remnants of a former loading dock are present. The dock structure is constructed of painted steel and wood. The steel members of the loading dock are placed in a soil embankment.

Remnants of dead tree stumps (possibly Joshua trees) are found at the southern-central portion of the subject property. A drainageway has formed across the lower portion of the subject property (this drainage is also not paved or otherwise improved). Dirt mounds have been placed at the southwestern edge of the subject property. Vegetation and deteriorating asphalt paving are consistently present on the southern side of the subject property. Photographs of the subject property are provided in Appendix D.

### 4.3 STORAGE OF CHEMICALS OR HAZARDOUS MATERIALS

The following section discusses the findings for hazardous substances (hazardous materials and hazardous wastes) and petroleum products (both new and used petroleum products) for the subject property.

Hazardous substances include hazardous materials, hazardous wastes, photochemicals, PCBs, and air pollutants. Although not meeting the definition of hazardous substances, petroleum products and their wastes are included in the discussions in this section. Interviews with persons knowledgeable about the subject property provide the basis for most of the historical information, as well as technical reports that were reviewed for this study.

Interviews with persons knowledgeable about the subject property have indicated that the storage and/or use of hazardous materials generally did not occur on this property, with the exception of possible limited storage associated with past uses as an airfield. Based on aerial photos taken in 1942 (Appendix A), any hazardous materials would have primarily been confined to the hangars.

During the visual site inspection of the subject site, obvious signs of contamination from hazardous materials and petroleum products (visible stains on the ground and/or stressed vegetation) were not observed on the subject property. Storage of chemicals was not evident during the visual site inspection.

Chemicals or hazardous materials from past uses would not be considered a concern unless a release of hazardous materials causing contamination of a structure or the environment had occurred. Available data indicated that hazardous materials and/or petroleum-based products have not been released at the subject property to cause contamination of the surrounding environment.

#### ***4.3.1 Hazardous and Petroleum Waste***

According to available data and interviews conducted with persons knowledgeable about the subject property, hazardous and petroleum wastes were not stored at the subject property. It is possible that hazardous and petroleum products may have been stored at the former War Eagle Field but such storage is presumed to have occurred at or closer to the airplane hangars west of the subject property. Although there is a potential for past leaks and/or spills at the former War Eagle Field, aviation fuel is highly volatile. Any residual contamination from a past fuel leak or spill is unlikely. No records of any crashes associated with the War Eagle Field were found during this study.

As part of its Site Cleanup Program, the State of California Department of Toxic Substances Control (DTSC) identifies the subject property as one of three former airfields that comprise the Polaris Flight Academy site. As of July 1, 2005, the DTSC cleanup status of this site is "Inactive - Needs Evaluation". Although the DTSC classified the site as a Formerly Used Defense Site (FUDS), the U.S. Army Corps of Engineers (USACE) has issued a categorical exclusion and ineligible finding for the Polaris Flight Academy site because it was a Defense Plant Corporation site that was never owned or operated by the U.S. Department of Defense (USACE, 1998). Based on this finding, any cleanup of the site is not eligible for funding under the Defense Environmental Restoration Account (DERA). Although ineligible for remediation in the FUDS program, there are no previous studies available to indicate whether this site is contaminated or not.

There are no current activities conducted on the subject property that would be expected to generate hazardous and petroleum wastes. There are no recycling centers or gasoline stations on the subject property. In addition, available data and the site reconnaissance have indicated that there are currently no hazardous waste storage facilities on the subject property. During the visual site inspection of the subject site, obvious signs of contamination from hazardous and petroleum waste (visible stains on the ground and/or stressed vegetation) were not observed.

### **4.4 STORAGE TANKS**

#### ***4.4.1 Aboveground Storage Tanks***

There were no aboveground storage tanks or evidence of past aboveground storage tanks observed on the subject property.

#### ***4.4.2 Underground Storage Tanks***

There were no underground storage tanks or evidence of past underground storage tanks observed on the subject property.

#### **4.4.3 Pipelines, Hydrant Fueling and Transfer Systems**

There were no pipelines, hydrant fueling or transfer systems or evidence of past structures of this type observed on the subject property.

### **4.5 ASBESTOS**

The subject property does not contain any buildings or structures that would have been constructed with asbestos.

### **4.6 RADON**

All of Los Angeles County is categorized by the U.S. Environmental Protection Agency as Zone 2 for radon (USEPA, 2009). Zone 2 counties have a predicted average indoor radon screening level of between 2 and 4 picoCuries per liter of air (pCi/L), which indicates a moderate potential for radon occurrence. The EPA action level for indoor airborne radon is 4 pCi/L.

The radon potential of the subject property is not considered to be an environmental or health concern at this time because the proposed use of the property is not expected to include construction of occupied buildings.

### **4.7 LEAD-BASED PAINT**

There are no buildings on the subject property. Painted surfaces on the subject property include the discarded construction materials such as steel plates and the former loading dock. Old surfaces such as these may contain lead-based paint.

### **4.8 POLYCHLORINATED BIPHENYLS**

There are no transformers or electrical equipment on the subject property. For this reason, polychlorinated biphenyls (PCB) would not be present on the subject property. No visible signs of leakage or spills were observed.

### **4.9 EVIDENCE OF ENVIRONMENTAL CONCERN**

#### **4.9.1 Stained Soil, Pavement and Concrete**

No evidence of stained soil, pavement or concrete was observed at the subject property.

#### **4.9.2 Stressed and Protected Vegetation**

No evidence of stressed or protected vegetation was observed at the subject property.

#### **4.9.3 Air Quality**

There were no unusual odors detected at the subject property.

### **4.10 MECHANICAL SYSTEMS AND UTILITIES**

Mechanical systems associated with natural gas, water, wastewater, communication system and air conditioning were not observed on the subject property. Based on the presence of metal poles that could have functioned as airfield light poles, buried mechanical systems associated with electrical power may be present on the subject property.

No evidence of electrical, water and gas lines or shut off valves were observed on the subject property.

### **4.11 WELLS**

There were no wells observed on the subject property. The nearest wells include Los Angeles County Department of Public Works water extraction wells approximately 0.75 mile southeast of the subject property (USGS, 2003).



## 4.12 WASTEWATER TREATMENT, COLLECTION AND DISCHARGE

No onsite septic systems or leach fields were identified on the subject property. Storm water that could fall on the subject property during a rain event would be absorbed into surrounding soils or travel as sheet flow into drainageways that traverse the site.

## 4.13 OIL/WATER SEPARATORS

There are no known oil/water separators on the subject property.

## 4.14 PESTICIDES

Evidence of bulk storage of pesticides and other similar chemicals was not identified for the subject property. There is no evidence of past agricultural use of the property prior to its former use as a training airfield during World War II. The routine application of pesticides and herbicides on the subject property may have occurred prior to the airfield. Residual pesticide and other constituents may be present in the soil on the property as a result of past application. The concentration of these constituents on the site would not be expected to be harmful to human health.

## 4.15 MEDICAL OR BIOHAZARDOUS WASTE

No onsite disposal of medical/biohazardous waste was identified or observed at the subject property.

## 4.16 ORDNANCE

No evidence of ordnance use or disposal was identified at the subject property.

## 4.17 RADIOACTIVE WASTE

No evidence of radioactive material use or disposal was identified for the subject property.

## 4.18 SOLID WASTE DISPOSAL

Limited onsite disposal of solid waste was identified at the subject property. Solid waste on the subject property is limited to construction materials or waste, dead tree trunks and other structures as described in Section 4.2. Domestic, wind-blown trash was also observed on the subject property.

## 4.19 PONDS AND LAGOONS

No ponds or lagoons were identified at the subject property.

## 4.20 SEPTIC SYSTEMS

No evidence of any onsite septic systems was identified on the subject property.

## 4.21 PITS AND DEPRESSIONS

No evidence of pits or depressions was identified on the subject property, with the exception of the drainage swales.

## 4.22 FLOOR DRAINS, SUMPS AND CLARIFIERS

The subject property does not contain any No evidence of floor drains, sumps or clarifiers were identified at the subject property.

## 4.23 GROUNDWATER

No onsite groundwater monitoring wells were identified on the subject property.

## 4.24 DRINKING WATER QUALITY

No drinking water wells or drinking water systems were identified on the subject property. Drinking water for the subject property is not available at this time.

## 4.25 CULTURAL RESOURCES

Based on relevant documents, there are currently no documented prehistoric archaeological sites or cultural sites on the subject property. There are no sites listed on the subject property that are listed on the National Register of Historic Places, California Register of Historical Resources, or the California Historical Resources Information System. The subject property does not contain any properties designated as California Historical Landmarks or Points of Historical Interest. There are no historic landmarks within one half mile of the subject property (TIS, 2009b). The project site has not recently been subject to a cultural resources survey.

War Eagle Field, located at 60<sup>th</sup> Street East and West Avenue I, and which overlays a portion of the subject property, is designated as a Historic California Post by the California State Military Museum (California State Military Department, 2009).

## 4.26 WETLANDS AND FLOODPLAINS

There are no federal jurisdictional wetlands identified on and within 0.5 mile of the subject property. The southeastern portion of the subject property is located within the designated 500-year floodplain (TIS, 2009b).

## 4.27 THREATENED AND ENDANGERED SPECIES

There are no Federally- and State-listed endangered species that have been previously recorded on the subject property or in the project area. Based on the limited and marginal biological habitat, Federal- or State-listed threatened or endangered species would not be expected to inhabit the subject property. Five special status species (without Federal or State listing) have been documented in the immediate area as summarized on Table 4-2.

**Table 4-2. Sensitive Species Documented Near the Subject Property**

Common ( <i>Scientific</i> ) Name	Remarks
Alkali mariposa lily ( <i>Calochortus striatus</i> )	The habitat for this rare, bulbiferous perennial is chaparral, chenopod scrub and alkali meadows; it prefers saline/alkaline soil conditions and can go years without flowering. An Area of Critical Environmental Concern for this species has been designated approximately 0.25 mile south/southeast of the site within California State Prison, Los Angeles County property. This species is on the California Native Plant Society (CNPS) List 1B, has not State status, and is a federal Species of Concern.
Parry's spineflower ( <i>Chorizanthe parryi</i> var. <i>parryi</i> )	The habitat for this rare, bulbiferous perennial is chaparral, chenopod scrub and alkali meadows; it prefers saline/alkaline soil conditions and can go years without flowering. An Area of Critical Environmental Concern for this species has been designated approximately 0.25 mile south/southeast of the site within California State Prison, Los Angeles County property. This species is on the CNPS List 1B, has not State status, and is a federal Species of Concern.
Silvery legless lizard ( <i>Anniella pulchra pulchra</i> )	Found in sandy or loose loamy soils in a wide variety of habitats including sparse vegetation in deserts. Documented occurrences of this lizard within Lancaster city limits occurred in 1988 and 2005. The silvery legless lizard is adapted for burrowing which requires soils with a high fraction of sand. A 2-mile diameter circular Area of Critical Environmental Concern has been designated for this species and encompasses the entire subject property. This species has no federal status and is a state Species of Special Concern.
Ferruginous hawk ( <i>Buteo regalis</i> )	Ferruginous hawks winter in open habitats and may forage over non-native grasslands occasionally utilizing plowed fields in the winter. This species has no federal status and is a state Species of Special Concern.



**Table 4-2. Sensitive Species Documented Near the Subject Property (Cont'd)**

Common ( <i>Scientific</i> ) Name	Remarks
Burrowing owl ( <i>Athene cunicularia</i> )	This small owl favors flat, open grassland and sparse shrubland ecosystems, typically characterized by absence of tree canopy. Burrowing owls in California are found in association with ground squirrels and often use their burrows for shelter and nesting. The nesting season for this species is from February 1 to August 31. This species has been recorded south and northwest of the subject property. This species has no federal status and is a state Species of Special Concern.

Source: City of Lancaster, 2007

## SECTION 5

### ADJACENT PROPERTIES

As a result of CERCLA Section 120(h) as amended, a requirement exists to inspect properties adjacent (contiguous) to the subject properties, to the extent permitted by owners and operators of such property. Therefore, a visual survey from property boundaries or public access roadways was conducted on properties adjacent to the subject property. In addition, a review was performed of all reasonably obtainable federal, state, and local government records of each contiguous property where there has been a possible disposal and/or release of any hazardous substance or petroleum products or their derivatives, or that is likely to cause or contribute to a release or threatened release of any hazardous substance or petroleum derivative on the real property. A search of existing environmental databases for all properties within one mile of the subject properties was conducted (see Appendix E, *Environmental Database Report*). This section presents the findings of the adjacent property data collection, a summary of the findings of the environmental database report and the visual site inspection. The methodology for evaluating adjacent properties and interviews conducted are as described in Section 4.1.

#### 5.1 LAND USES

Table 5-1 provides a general description of properties directly adjacent to the subject property.

**Table 5-1. Properties Adjacent to the Subject Property**

Direction	Description of Adjoining Properties
North	Vacant Land (north of Avenue I)
South	California State Prison, Los Angeles County
West	County of Los Angeles Mira Loma Detention Center and High Desert Hospital
East	County of Los Angeles Probation Camps

##### 5.1.1 Surveyed Properties

A limited visual inspection of the adjacent properties outside of the subject property boundaries was conducted on December 22, 2009. Section 4.1.3, *Personal Interviews*, provides a listing of individuals who were interviewed for this environmental site assessment. The visual inspection of adjoining properties was limited to the Mira Loma Detention Center and the High Desert Hospital.

Based on the visual site inspection and environmental database report, there is little to no evidence of storage, release, or disposal of hazardous substances or petroleum and its derivatives on properties adjacent to the subject site. A discussion of the adjacent properties is presented below:

- Directly north of the subject property is primarily vacant land and limited residences along West Avenue I. There may have been past agricultural activities on this land.
- Directly south of the subject property is the California State Prison, Los Angeles County operated by the State of California Department of Corrections and Rehabilitation. This property is completely fenced. The State does not use the subject property.
- East of the subject property is the Challenger Youth Memorial Center and probation camps operated by the Los Angeles County Probation Department. This property is completely fenced. The County Probation Department does not use the subject property.
- West of the subject property is the Mira Loma Detention Center operated by the Los Angeles County Sheriff's Department. This property is completely fenced with the exception of a dirt access and perimeter road that surrounds the facility. The County Sheriff's Department does not

use the subject property other than to patrol or view it from sentry towers along the perimeter. The Sheriff's Department is the only agency that conducts patrols of the property.

Based on the environmental database report, there is one small quantity hazardous waste generator within one-quarter mile of the subject property (High Desert Hospital).

The Butler Oil Company, located at 3301 E. Avenue I approximately 9 miles east of the subject property, is a used oil transfer and storage facility that accepts offsite waste. This site was previously used for fuel storage and distribution; however the fuel tanks have been out of use since 2004. Butler Oil Company employs one tanker truck and has one 10,295-gallon above ground tank and one 550-gallon above ground tank used for storage of used oil. This site is a permitted hazardous waste facility. The cleanup status of this site is "Evaluation Needed" (Envirostor, 2010).

There are no NPL sites, proposed NPL sites, NPL liens or delisted NPL sites within one mile of the subject property. There are no other CERCLA-listed or RCRA sites within 0.5 mile of the subject property or within the zip code 93536.

## 5.2 STORAGE OF CHEMICALS OR HAZARDOUS MATERIALS

The following section discusses the findings for hazardous substances (hazardous materials and hazardous wastes) and petroleum products (both new and used petroleum products) for adjacent properties based on the background and investigative methodologies previously described in Section 4.3.

Interviews with persons knowledgeable about the subject property have indicated that the storage and/or use of hazardous materials generally did not occur on this property in the past, with the following exceptions:

- There is a potential for storage and use of chemicals and hazardous materials at the adjoining property at Mira Loma Detention Center which was in use as an airfield and flight training academy from 1941 to 1945. As such, there would be a potential for leaks or spills to have occurred. Aviation fuel is highly volatile and residual contamination is unlikely. There are no records of any crashes at the War Eagle Field.
- Past operations at the High Desert Hospital involved the use of chemicals, hazardous materials and radioactive materials. There may have been storage, handling and disposal of photochemical solutions associated with development of medical x-rays.

During the visual site inspection of the adjoining properties, obvious signs of contamination from hazardous materials and petroleum products (visible stains on the ground and/or stressed vegetation) were not observed. Storage of chemicals at the adjoining properties is limited to small quantities of paints, household cleaning supplies and maintenance products as follows:

- At Mira Loma Detention Center, automotive repair is conducted in Building 3644 (hangar). Sodium hypochlorite tablets are stored for the chlorination system at the water treatment plant. Paint, lamps, tubes and waste batteries are picked up for disposal by an outside contractor.
- Current operations at the High Desert Hospital involve the use of chemicals and hazardous materials for the sewage lift station, outpatient laboratory and emergency generator. Degreasers used at the facility are limited to 16-ounce spray cans.

Chemicals or hazardous materials from past uses would not be considered a concern unless a release of hazardous materials causing contamination of a structure or the environment had occurred. Available data indicated that releases of hazardous materials and/or petroleum-based products to cause potential contamination of the surrounding environment is limited to the following incidents:

- In 1991, on-site contamination by heavy metals was reported at the California State Prison in Lancaster. An excavation of the site took place on July 12, 1991 and the excavation report by Kleinfelder recommended No Further Action. The California Department of Toxic Substances Control recommended that a Preliminary Endangerment Assessment be prepared to address illegal disposal of contaminated soil that was removed from the site and dumped on a firing range (TIS, 2009a). There is no information available to indicate that this study was prepared.

- In 1993, approximately 300 pounds of sodium trichlorosilane, a cleaning solvent, was released at the California State Prison in Lancaster and cleaned up by prison personnel. A vapor cloud formed and one inmate was taken to the hospital (TIS, 2009a).
- In 2005, an underground 2-inch natural gas line was struck with a backhoe resulting in a fire and release of an unknown amount of natural gas approximately 1.6 mile southwest of the subject property at 58<sup>th</sup> Street West and Avenue J-14. The fire was extinguished and the release was secured (TIS, 2009a).
- In 2005, twenty acres of land at Avenue J and 50<sup>th</sup> Street West (approximately 0.9 mile southeast of the subject property) was investigated as part of a study for the Lancaster Elementary School. No contamination was found and the California DTSC made a determination of No Action Required (TIS, 2009a; Envirostor, 2010).

### 5.2.1 Hazardous and Petroleum Waste

According to available data and interviews conducted with persons knowledgeable about the subject area, hazardous and petroleum wastes are generated at the Mira Loma Detention Center as part of the automotive maintenance conducted at the hangars. Activities conducted in Hangar 3640 are managed by the County of Los Angeles Internal Services Department. Current activities conducted on the adjoining properties would not be expected to generate hazardous and petroleum wastes that are not properly managed in accordance with applicable requirements.

During the visual site inspection of the adjoining properties, obvious signs of contamination from hazardous and petroleum waste (visible stains on the ground and/or stressed vegetation) were not observed. Biohazardous wastes from the High Desert Hospital are stored in 30-gallon plastic containers in a designated fenced holding area on the southeastern side of the property.

While it is presumed that underground petroleum storage tanks at adjacent properties have been retrofitted with double-walled tanks, it is not known if any historic gas stations may have had leaking underground fuel storage tanks that have resulted in contamination extending beneath the subject property. Any subsurface leaks of petroleum products, primarily from any historical gas station(s) located at a higher or equal elevation to the subject property, that have not been reported may pose a contamination issue primarily for groundwater. Groundwater beneath the subject property is expected to be found at a depth of 60 feet below ground surface.

## 5.3 STORAGE TANKS

### 5.3.1 Aboveground Storage Tanks

There are four aboveground storage tanks within 0.5 mile of the subject property:

- An aboveground storage tank with secondary containment is located at the helipad located at the northeastern section of the Mira Loma Detention Center.
- A 10,000-gallon elevated water storage tank is located along 60<sup>th</sup> Street West at the Mira Loma Detention Center.
- A 400,000-gallon concrete water reservoir is located along 60<sup>th</sup> Street West at the Mira Loma Detention Center.
- An aboveground liquid oxygen storage tank is located at High Desert Hospital.

### 5.3.2 Underground Storage Tanks

Underground petroleum storage tanks are required to be retrofitted with double-walled tanks in accordance with UST regulations (Title 23, Div. 3, Chap. 16) as administered by the California Water Resources Control Board. There are three locations with underground storage tanks within one half mile of the subject property: Mira Loma Detention Center; High Desert Hospital; and, California State Prison-Los Angeles County (Table 5-2). Other underground storage tanks in the area are located to the southeast as summarized on Table 5-2.

There were three leaking underground storage tanks reported from the vicinity of the subject property. The incident at Mira Loma Detention Center is closed while cleanup sites further southeast of the subject property are still active. These sites are summarized on Table 5-3.

**Table 5-2. Underground Storage Tanks in the Area of the Subject Property**

No.	Description of Tank(s)	Owner	Address	Distance from Subject Property	Status
1	One 8,031-gallon split tank (unleaded and diesel) for gas station	Los Angeles County Sheriff's Department	Mira Loma Detention Center 45100 N. 60 <sup>th</sup> Street West Lancaster, CA 93534	0.42 mile west	Permitted; has been upgraded. Tank is fiberglass, double-walled, with Phase 1 vapor recovery system.
2	One 4,300-gallon diesel	Los Angeles County Department of Health Services	High Desert Hospital 44900 N. 60 <sup>th</sup> Street West Lancaster, CA 93536	0.22 mile southwest	Permitted; has been upgraded. Tank is double-walled; used for emergency power supply.
3	One 2,500-gallon diesel	State of California	California State Prison, Los Angeles County 44750 60 <sup>th</sup> Street West Lancaster, CA 93536	0.43 mile south	Permitted. One 10,000-gallon gasoline UST and one 4,000-gallon diesel UST were removed in March 2008. Facility also has four secondary containment UST holding tanks for accidental spillage.
4	One 4,000-gallon diesel	Verizon California	42727 N. 50 <sup>th</sup> Street West Palmdale, CA 93550	2.78 miles southeast	Two USTs removed (1968 and 1992), replaced with one UST in 1991, and permitted.
5	One 12,000-gallon unleaded; One 6,000-gallon premium; and one 6,000 diesel.	Minute Service Dairy, Inc.	41940 N. 50 <sup>th</sup> Street West Palmdale, CA 93550	3.82 miles southeast	Three USTs removed in 1997, replaced in 1998, and permitted.

UST = underground storage tank

Source: TIS, 2009a; Higgins, 2009; Allen, 2009; Geotracker, 2010

**Table 5-3. Leaking Underground Storage Tanks in the Project Area**

No.	Owner	Address	Distance from Subject Property	Status
1	Sheriff's Department – Mira Loma Detention Center	45100 N. 60 <sup>th</sup> Street West Lancaster, CA 93534	0.42 mile west	LUST Cleanup Site; Case Closed/No Further Action Letter (Sept 2003)
2	Mobil Oil Corporation S/S #18-DX9	2343 W. Avenue J Lancaster, CA 93536	~3.4 miles southeast	LUST Cleanup Site; Open – Site Assessment (March 2008)
3	Los Angeles County Sheriff's Department	Lancaster Station 1010 W. Avenue J Lancaster, CA 93534	~4.63 miles southeast	LUST Cleanup Site; Gasoline Leak Reported on July 22, 1993; Open – Site Assessment (July 26, 1993)

LUST = leaking underground storage tank

Source: TIS, 2009a; Envirostor, 2010; Geotracker, 2010

### 5.3.3 *Pipelines, Hydrant Fueling and Transfer Systems*

There were no pipelines, hydrant fueling or transfer systems or evidence of past structures of this type observed on the adjoining properties.

## 5.4 ASBESTOS

The use or presence of asbestos containing material (ACM) at the adjoining properties was suspected based on personnel interviews due to age of buildings and typical construction materials in the buildings. At Mira Loma Detention Center, asbestos may be expected in 9-inch x 9-inch vinyl floor tiles in the maintenance building, although this flooring may have been covered (encapsulated). Also at the Mira Loma Detention Center, asbestos may be present on underground steam lines that are located in tunnels.

## 5.5 RADON

All of Los Angeles County is categorized by the U.S. Environmental Protection Agency as Zone 2 for radon (USEPA, 2009). Zone 2 counties have a predicted average indoor radon screening level of between 2 and 4 picoCuries per liter of air (pCi/L), which indicates a moderate potential for radon occurrence. The EPA action level for indoor airborne radon is 4 pCi/L. Buildings in adjoining properties have not been tested for radon levels.

## 5.6 LEAD-BASED PAINT

The presence of lead-based paint at the adjoining properties was suspected based on personnel interviews due to age of buildings and typical construction materials in the buildings. At Mira Loma Detention Center, most of the original buildings have been repainted and any lead-based paint has never been abated.

## 5.7 POLYCHLORINATED BIPHENYLS

Polychlorinated biphenyls (PCB) may be present in electrical transformers and in the ballasts of fluorescent light fixtures in any of the original buildings at Mira Loma Detention Center. Leaks or spills from light ballasts were not observed. Depending on the age of the buildings, light ballasts may utilize PCB-containing dielectric fluid and mercury-containing fluorescent bulbs may also be present.

Pole-mounted transformers that may contain PCB may be present at the northwestern corner of the Mira Loma Detention Center. Some of these buildings at the Mira Loma Detention Center have had modifications. Non PCB-type transformers are in use at the High Desert Hospital.

## 5.8 EVIDENCE OF ENVIRONMENTAL CONCERN

### 5.8.1 *Stained Soil, Pavement and Concrete*

No evidence of stained soil, pavement or concrete was observed at the adjoining properties.

### 5.8.2 *Stressed and Protected Vegetation*

No evidence of stressed vegetation was observed at the adjoining properties.

### 5.8.3 *Air Quality*

There were no unusual odors detected at properties adjoining the subject property.

## 5.9 MECHANICAL SYSTEMS AND UTILITIES

Mechanical systems associated with electrical power, natural gas, and water were observed at the adjoining properties.

Electricity is provided to the Mira Loma Detention Center and High Desert Hospital by Southern California Edison from a substation located on Avenue I.

The hangars and trailers at Mira Loma Detention Center are heated by natural gas, while the main buildings are heated with a steam system. There is no natural gas system at High Desert Hospital which uses steam generated onsite.

Groundwater is the principal source of water at Mira Loma Detention Center and High Desert Hospital.

## 5.10 WELLS

Water wells are located on the Mira Loma Detention Center property along 60<sup>th</sup> Street West. The nearest wells include Los Angeles County Department of Public Works water extraction wells approximately 0.75 mile southeast of the subject property (USGS, 2003).

## 5.11 WASTEWATER TREATMENT, COLLECTION AND DISCHARGE

No onsite septic systems or leach fields were identified on the adjoining properties. Wastewater is transported via trunk sewers to the County of Los Angeles Sanitation District water reclamation plant. Storm water that could fall on the adjoining properties during a rain event would be absorbed into surrounding soils or nearby storm drains.

## 5.12 OIL/WATER SEPARATORS

There are no known oil/water separators on the adjoining properties at Mira Loma Detention Center and High Desert Hospital.

## 5.13 PESTICIDES

Evidence of bulk storage of pesticides and other similar chemicals was not identified for the adjoining properties. While there is no evidence of past agricultural use prior to the former uses described in Table 3-2, the routine application of pesticides and herbicides on the adjoining properties most likely occurred in the past. Residual pesticide and other constituents may be present in the soil on the property as a result of past application. The concentration of these constituents on the site would not be expected to be harmful to human health.

Pest control is provided to adjoining properties by an outside contractor. No storage of pesticides or associated chemicals occurs on the adjoining properties.

## 5.14 MEDICAL OR BIOHAZARDOUS WASTE

No onsite disposal of medical/biohazardous waste was identified or observed at the Mira Loma Detention Center. Biohazardous wastes from the High Desert Hospital are stored in 30-gallon plastic containers in a designated fenced holding area on the southeastern side of the property.

## 5.15 ORDNANCE

No evidence of ordnance use or disposal was identified at the adjoining properties.

## 5.16 RADIOACTIVE WASTE

No radioactive material use or disposal occurs at the High Desert Hospital at this time. Radioactive material was previously generated and stored at High Desert Hospital as part of the former nuclear medicine facility.

## 5.17 SOLID WASTE DISPOSAL

Solid waste is stored at the adjoining properties in trash receptacles and bins which are hauled away by licensed haulers.

## 5.18 PONDS AND LAGOONS

No ponds or lagoons were identified at the adjoining properties.



### 5.19 SEPTIC SYSTEMS

No evidence of any onsite septic systems was identified on the adjoining properties.

### 5.20 PITS AND DEPRESSIONS

No evidence of pits or depressions was identified on the adjoining properties except for drainage swales.

### 5.21 FLOOR DRAINS, SUMPS AND CLARIFIERS

No evidence of sumps or clarifiers were identified at the adjoining properties.

### 5.22 GROUNDWATER

Onsite groundwater wells are located at the Mira Loma Detention Center property.

### 5.23 DRINKING WATER QUALITY

At the time of the site inspection, drinking water for the Mira Loma Detention Center was being provided by the onsite water supply system which is fed by groundwater. Groundwater drawn from the upper aquifer of the Antelope Valley basin is considered to be of good quality with dissolved solids concentrations of 200 to 800 milligrams per liter (mg/l). Water quality generally meets the maximum concentration limits of 1,000 mg/l per Title 22 of the State Code of Regulations (City of Lancaster, 2007).

### 5.24 CULTURAL RESOURCES

Based on a preliminary assessment, there are currently no documented prehistoric archaeological sites or cultural sites on the adjoining properties. These properties have not been subject to a recent cultural resources investigation.

### 5.25 WETLANDS AND FLOODPLAINS

There are three wetlands located 0.15 mile east, 0.26 mile southeast, and 0.29 mile south of the subject property (TIS, 2009b). The wetlands are mapped within the Los Angeles County Challenger Youth Center (probation camps) and at the California State Prison, Los Angeles County.

### 5.26 THREATENED AND ENDANGERED SPECIES

There are no Federally- and State-listed endangered species that have been previously recorded on any of the adjoining properties. Based on the limited biological habitat available on the institutional properties that surround the subject property, Federal- or State-listed threatened or endangered species would not be expected to inhabit these areas. Five special status species (without Federal or State listing) have been documented in the immediate area as summarized on Table 4-2.

### 5.27 PRIME AND UNIQUE FARMLANDS

The adjoining properties are not classified as Prime or Unique Farmland. The adjoining properties are classified as Urban and Built-Up Land (California Department of Conservation, 2009b) indicative of the institutional facilities that compose this land. There is no agricultural production on or near the adjoining properties.



## SECTION 6

### RECORDS REVIEW

Parsons retained the services of an environmental database company to search applicable regulatory agency lists and standard environmental record sources to identify locations of potential concern. A database report was acquired in support of this environmental site assessment in December 2009. Tables 6-1 and 6-2 provide a listing of environmental databases utilized by the environmental database company. The complete environmental database search report is provided in Appendix E.

In addition to the above databases, other federal and state supplemental environmental databases were also searched. These databases include information such as permitted facilities handling PCBs, criminal cases involving environmental issues, and remedial action reports.

According to the environmental database report, a few nearby facilities and sites have been identified to have been previously contaminated from industrial activities. In addition, the report identified hazardous waste generators and sites containing USTs.

In addition to the environmental database search, government records relevant to National Environmental Policy Act (NEPA) data were also searched by the environmental database company. Table 6-3 provides a summary of NEPA related government records reviewed.

**Table 6-1. Federal Environmental Databases**

Database	Database Information
National Priorities List (NPL)	The NPL, also known as the Superfund list, is a subset of the Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS) database. The NPL database identifies over 1,200 sites for priority cleanup under the Superfund Program. NPL sites may encompass relatively large areas. As a result, the environmental database company provides polygon coverage for over 1,000 NPL site boundaries produced by the EPA Environmental Photographic Interpretation Center (EPIC) and regional EPA offices.
Proposed NPL	This database contains sites/facilities which are proposed to be placed on the NPL (refer to the NPL database).
Comprehensive Environmental Response, Compensation and Liability Information System (CERCLIS)	The CERCLIS database contains data on potentially hazardous waste sites that have been reported to the EPA by states, municipalities, private companies, and private persons. Notification to the EPA is pursuant to Section 103 of CERCLA. The CERCLIS database contains sites that are either proposed to or on the NPL and sites that are in the screening and assessment phase for possible inclusion on the NPL.
CERCLIS-No Further Remedial Action Planned (CERCLIS-NFRAP)	Beginning in February 1995, CERCLIS sites designated NFRAP have been removed from the CERCLIS database. NFRAP sites may be sites where, following an initial investigation, no contamination was found, contamination was removed quickly without the need for the site to be placed on the NPL, or the contamination was not serious enough to require federal Superfund action or NPL consideration. EPA has removed approximately 25,000 NFRAP sites to lift the unintended barriers to the redevelopment of these priorities and has archived these as historical records so the EPA does not needlessly repeat the investigations in the future. This policy change is part of the EPA's Brownfields Redevelopment Program to help cities, states, private investors and affected citizens to promote economic redevelopment of unproductive urban sites.

**Table 6-1. Federal Environmental Databases (Cont'd)**

Database	Database Information
Corrective Action Report (CORRACTS)	The CORRACTS database identifies hazardous waste handlers with RCRA corrective action activity. The database shows which nationally defined corrective action core events have occurred for every handler that has currently or previously had corrective action activity.
Federal RCRA Generators List	This database includes selective information on sites which generate, transport, store, treat and/or dispose of hazardous waste as defined by the Resource Conservation and Recovery Act (RCRA). Conditionally exempt small quantity generators (CESQG) generate less than 100 kg of hazardous waste, or less than 1 kg of acutely hazardous waste per month. Small quantity generators (SQG) generate between 100 kg and 1,000 kg of hazardous waste per month. Large quantity generators (LQG) generate over 1,000 kg of hazardous waste or over 1 kg of acutely hazardous waste per month. Transporters are individuals or entities that move hazardous waste from the generator off-site to a facility that can recycle, treat, store, or dispose of the waste. TSDFs treat, store, or dispose of the waste.
Emergency Response Notification System (ERNS)	The ERNS is an EPA national computer database system that is used to store information on the sudden and/or accidental release of hazardous substances, including petroleum, into the environment. The ERNS reporting system contains preliminary information on specific releases, including the spill location, the substance released, and the responsible party. The ERNS report only includes releases from 1988 to the last quarterly update.

**Table 6-2. State of California Environmental Databases**

Database	Database Information
UST/AST	The UST/AST is a database identifying underground and aboveground storage tanks in the State of California. This database is maintained by the State Water Resources Control Board Leaking Underground Storage Tank Information System.

**Table 6-3. Government Records/Agencies for NEPA Data**

Database/Agency	Database/Records Information
Natural Areas Map	This database contains information on natural areas (officially designated wilderness areas, wildlife preserves, sanctuaries, refuges, wild and scenic rivers, fish and wildlife, threatened and endangered species, and critical habitat data.
National Register of Historic Places	This database contains the official federal list of districts, sites, buildings, structures, and objects significant in American history, architecture, archaeology, engineering, and culture.
Federal Emergency Management Agency (FEMA)	This agency provides information on flood zones.
National Wetlands Inventory (NWI)	This database provides a listing of areas designated as wetlands.
Federal Communications Commission (FCC)	This agency provides information on antenna towers and/or supporting structures, such as cellular towers.

The following available studies, investigations, reports, and records were reviewed in preparing this environmental site assessment:

- Track Info Services Environmental FirstSearch™ Report (Radius Report). Target Property: Mira Loma Detention Center, 5816 West Avenue I, Lancaster, CA 93536. Job Number 442230. Prepared for Parsons. December 8, 2009.

This document contains a summary of environmental databases that were searched for relevant information on hazardous materials management and releases at the subject properties and at sites listed in prescribed environmental databases. Databases searched included a review of local agency records.

In addition to the above document, various sites on the Internet were also accessed to obtain relevant and applicable data. These sites include, but were not limited to, regulatory and other Internet sites.

## **6.1 ENVIRONMENTAL LIEN REPORT REVIEW**

No environmental liens or other limitation on activity or use were found recorded at Los Angeles County, California Public Records Office affecting the subject property asset effective from October 18, 1948 to December 17, 2009 (Banks Environmental Data, 2009).

## **6.2 AGENCY RECORDS REVIEW**

Databases searched as part of the Track Info Services records review included a review of local agency records.

## SECTION 7

### DATA GAPS

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The environmental site assessment presents available information on the environmental condition of the subject property and adjacent properties in a single document. Where data gaps existed in the available information, the environmental site assessment identifies those particular data gaps. As a result, sampling and analysis field efforts may be necessary to bridge identified data gaps. The environmental site assessment may be periodically updated by the County of Los Angeles to reflect the most current information and data. This Phase I environmental site assessment identified the following data gaps:

- The current property owner does not have any knowledge of past activities and practices at the subject property because it has not been in direct use by any of the adjoining entities or operations. There are no past employees who were identified with prior business on the subject property that could be interviewed for this assessment.
- It is also not known to the current owner if petroleum handling and storage may have occurred on the vacant subject property. This property was formerly used as part of an aviation training academy, and it is not known with certainty if there had been previous airplane crashes or spills/leaks of aviation fuel. The current owner has no knowledge of these activities because these activities pre-date ownership of the parcel. There is no site plan for the layout of any fueling operations that may have occurred during the 1941 to 1945 timeframe.
- The geologic and soil stability of the subject property is not known because a site-specific geotechnical investigation has not been conducted at this time.
- The presence of soil or groundwater contamination on or beneath the subject property is not known because a sampling for constituents of concern has not been conducted.
- The extent of further evaluation needed for the former Polaris Flight Academy site, an inactive site in the California Department of Toxic Substances Control Site Cleanup Program, is not known at this time.
- The final resolution concerning the need for a Preliminary Endangerment Assessment that was to have been prepared to address illegal disposal of contaminated soil that was removed from California State Prison in 1991 is not known.
- Government officials representing several of the adjoining properties have not completed the interview questionnaire.

Regulatory compliance issues include violations or potential violations of federal, state, or local laws and regulations that occurred on or near the subject property. There have been no regulatory compliance issues identified for the subject property.

## SECTION 8

# CONCLUSIONS

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This Phase I Environmental Site Assessment has been prepared in conformance with the scope and limitations of ASTM Practice E 1527-05 for property located on the south side of West Avenue I between 60<sup>th</sup> Street West and 50<sup>th</sup> Street West in the city of Lancaster, Los Angeles County, California. This assessment has revealed no evidence of recognized environmental conditions in connection with the property with the exception of the following:

- Although no visual signs of contamination from the adjoining properties was observed or reported in the environmental database, there may be a possibility that hazardous substances and/or petroleum products may have been disposed of on or near the site based on the historical use for airfield operations, accessibility of the site (not fenced), and heavy metal contamination at the adjacent property to the south. Without any prior soil testing, it is not possible to conclusively determine that the site is not contaminated by substances such as petroleum hydrocarbons and/or heavy metals.
- Based on the findings of the December 2009 visual site inspection, lead-based paint may be present on painted surfaces of the discarded materials found on the subject property (i.e., former loading dock and construction materials).
- Based on the absence of buildings on the subject property and the findings of the December 2009 visual site inspection, asbestos containing material, and polychlorinated biphenyls are not likely to be present on the subject property. These materials may be present on the adjoining properties but would not likely pose a health hazard at the subject property.

Table 8-1 provides a summary of all environmental findings for the subject property. Information concerning the presence of natural, mineral, or economic resources pertaining to the subject property was not identified through documents/records reviews, personnel interviews, or the site reconnaissance.

Table 8-1. Subject Property Facility Matrix

Subject Property	Facility Type and Size	Year of Constr	Non-Standard Utilities <sup>1</sup>	Hazardous/Petroleum Substances <sup>2</sup>	Storage Tanks <sup>3</sup>	Radon, PCB, and ACM <sup>4</sup>	LBP <sup>5</sup>	Visual Site Inspection Findings <sup>6</sup>
Un-developed site located between the Mira Loma Detention Center and Probation Camps along Ave I between 60 <sup>th</sup> St. West and 50 <sup>th</sup> St. West	Proposed Solar Energy Facility  ~65 acres	War Eagle Field constr in 1941	NA	No Evidence	NA	Radon – Zone 2, PCB and ACM not expected	On painted surfaces of discarded constr materials and former loading dock	No Evidence

NA Not applicable

<sup>1</sup> Non-Standard Utilities – Locations served by oil/water separators or alternate systems for wastewater treatment.

<sup>2</sup> Hazardous/Petroleum Substances: HazMat-Sites where hazardous materials were stored, used, or released/spilled; Pesticides-Sites where pesticides were stored, mixed, or offered for retail sale; Medical-Sites where medical supplies were stored or used; Photochemical-Sites where photochemicals were stored or used; Ionizing Radiation-Sites where source of ionizing radiation (e.g., an x-ray machine) was used/stored in the facility; Ordnance-Sites where explosive ordnance was stored or activities involving ordnance occurred; HazWaste Satellite Accumulation Point (SAP)-Hazardous waste generator/satellite accumulation point (can accumulate up to 55 gallons); HazWaste Storage- Less-than 90-day accumulation (can accumulate indefinite quantity for up to 90 days); Petroleum-Sites that use/store petroleum products or recovered/used petroleum stored, generated, or collected.

<sup>3</sup> Storage Tanks – none known or observed

<sup>4</sup> Radon, PCB, or ACM: Radon- located in area designated as Zone 2 for radon (2 - 4 pCi/L); PCB- fluorescent light fixtures observed; ACM - Known and/or suspect ACM may be present non-friable ceiling and floor tiles.

<sup>5</sup> LBP – painted surfaces.

<sup>6</sup> Visual Site Inspection Findings – Observation of obvious signs of contamination and/or environmental concern/issues.

## SECTION 9

# RECOMMENDATIONS

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Based on the ASTM 1527-05 standard definition of a recognized environmental condition and the conclusions of this Phase I environmental site assessment, recognized environmental conditions have not been confirmed in relation to the subject property. However, the following issues are considered potential recognized environmental conditions requiring further action:

1. Construction materials deposited on the subject property (i.e., any painted surfaces, trailer and former loading dock) should be sampled for lead-based paint. In the event that lead-based paint is detected, all removal and disposal should be conducted in accordance with applicable regulatory requirements.
2. Subsurface soil sampling should be conducted in representative areas of the subject property to investigate the potential presence of residual petroleum hydrocarbons and heavy metals. This is because of the absence of previous studies for this property, accessibility of the site from the road, and the potential for migration of heavy metals released at the California State Prison, Los Angeles County located approximately 0.39 miles southwest of the subject property.
3. Because of the potential liquefaction hazard, a site-specific geotechnical investigation should be conducted to ascertain the geologic and soil stability of the subject property.

Per the findings above, it is recommended that further investigations for lead-based paint, residual petroleum hydrocarbons and heavy metals be planned and conducted before construction to determine presence of these hazardous materials at the subject property.

## SECTION 10

### SPECIAL TERMS AND CONDITIONS

---

This Phase I environmental site assessment has been prepared for the exclusive use of the County of Los Angeles Department of Public Works.

#### 10.1 LIMITATIONS AND EXCEPTIONS OF ASSESSMENT

This Phase I Environmental Site Assessment has been prepared in conformance with the scope and limitations of ASTM Practice E 1527-05.

#### 10.2 LIMITING CONDITIONS AND METHODOLOGY USED

This investigation and report is based upon data and information obtained during the site visit performed by Parsons personnel for the properties identified herein and is based solely upon the condition of the properties on the date of site reconnaissance, supplemented by information and data obtained by Parsons from other sources and as described herein. Any subsurface sampling or sampling of hazardous materials was specifically excluded from this Phase I environmental site assessment. For this reason, no inspection or opinion is included regarding the confirmed existence or absence of asbestos-containing materials, lead-based paint or other contamination on the site.

The evaluation and conclusions contained in this report have been prepared in light of the expertise and experience of Parsons. However, in evaluating the property, Parsons has relied in good faith upon representations and information furnished by individuals noted in the report with respect to operations and existing property conditions and the historical uses of the property to the extent that they have not been contradicted by data from other sources. Accordingly, Parsons accepts no responsibility for any deficiency, misstatements, omissions, misrepresentations, or fraudulent acts of persons interviewed. In addition, Parsons will not accept liability for any loss, injury, damage or claim arising directly or indirectly from any use or reliance on this report.

This assessment included a visual investigation for the site and surrounding areas, a historical review of the site, interviews with tenants of adjoining properties, contacts with regulatory agencies, and obtaining of various documentation and records pertinent to the site. Because the site is currently vacant and not used by adjoining tenants, there are no current tenants that were interviewed for this study.

Parsons has performed this work, made finding and proposed recommendations described in this report in accordance with the ASTM Standard Practice for Environmental Site Assessments E 1527-05. This warranty stands in lieu of all other warranties, expressed or implied. While this report can be used as a guide, it must be understood that it is neither a rejection nor endorsement of the property.



## SECTION 11

# STATEMENT OF INDEPENDENCE

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Parsons is an employee-owned company and is not affiliated with any financial institutions. Parsons is retained as an independent contractor to provide objective, impartial investigation and analytical services regarding environmentally regulated hazardous or toxic materials.

Parsons has no present or contemplated future ownership interest or financial interest in the real estate that is the subject of this Phase I Environmental Site Assessment. Parsons has no personal interest with respect to the subject matter of the Environmental Site Assessment or the parties involved, and Parsons has no relationship with the property or the owners thereof which would prevent an independent analysis of the environmental or other conditions of these properties.

## SECTION 12

# STATEMENT OF QUALIFICATIONS

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This Phase I Environmental Site Assessment was prepared by Parsons employees Ms. Elvira V. Gaddi, P.E. and Ms. Rosemarie Crisologo.


We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental Professional as defined in 312.10 of 40 CFR 312. We have the specific qualifications based on education, training and experience to assess a property of the nature, history and setting of the site. We have developed and performed the all appropriate inquiries in conformance with the standards set forth in 40 CFR Part 312.

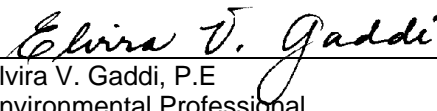
## SECTION 13

### SIGNATORY

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Parsons has conducted this Phase I Environmental Site Assessment on behalf of the County of Los Angeles Department of Public Works and has reviewed all appropriate records made available, and conducted visual site inspections of the property described below following an analysis of information during the record search. The information contained within the survey report is based on records made available and, to the best of Parsons knowledge, is correct and current as of February 2010.

Prepared by:  02/22/2010  
Rosemarie Crisologo  
Environmental Scientist  
Parsons  
Date

Reviewed by:  02/22/2010  
Elvira V. Gaddi, P.E.  
Environmental Professional  
Parsons  
Date

#### SUBJECT PROPERTY

The subject property addressed in this Phase I Environmental Site Assessment consists of approximately 65 acres of vacant land south of West Avenue I between 60<sup>th</sup> Street West and 50<sup>th</sup> Street West, Lancaster, CA 93536. Figure 2-2 provides a site map of the subject property.

## APPENDIX A HISTORICAL AERIAL PHOTOGRAPHS





# Track Info Services, LLC

Historical Aerial Photo

Site: 5816 West Avenue I, Lancaster, CA 93536

Photo Year: 2002



Job Number: 442230

Original Scale of Photo: 1:40,000

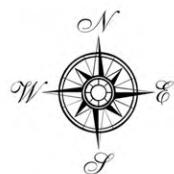
Approximate Scale of This Image: 1 in equals 375 ft

Coverage Area Approximately 1/4 Mile Radius From Subject Site

 ≈ 375 ft

Copyright: Track Info Services, LLC





# Track Info Services, LLC

Historical Aerial Photo

Site: 5816 West Avenue I, Lancaster, CA 93536

Photo Year: 1994



Job Number: 442230

Original Scale of Photo: 1:40,000

Approximate Scale of This Image: 1 in equals 375 ft

Coverage Area Approximately 1/4 Mile Radius From Subject Site

 ≈ 375 ft

Copyright: Track Info Services, LLC





# Track Info Services, LLC

Historical Aerial Photo

Site: 5816 West Avenue I, Lancaster, CA 93536

Photo Year: 1989



Job Number: 442230

Original Scale of Photo: 1:40,000

Approximate Scale of This Image: 1 in equals 375 ft

Coverage Area Approximately 1/4 Mile Radius From Subject Site

 ≈ 375 ft

Copyright: Track Info Services, LLC





# Track Info Services, LLC

Historical Aerial Photo

Site: 5816 West Avenue I, Lancaster, CA 93536

Photo Year: 1968



Job Number: 442230

Original Scale of Photo: 1:24,000

Approximate Scale of This Image: 1 in equals 375 ft

Coverage Area Approximately 1/4 Mile Radius From Subject Site

 ≈ 375 ft

Copyright: Track Info Services, LLC





Photograph of Mira Loma and High Desert Hospital (after 1961)





# Track Info Services, LLC

Historical Aerial Photo

Site: 5816 West Avenue I, Lancaster, CA 93536

Photo Year: 1953



Job Number: 442230

Original Scale of Photo: 1:20,000

Approximate Scale of This Image: 1 in equals 375 ft

Coverage Area Approximately 1/4 Mile Radius From Subject Site

 ≈ 375 ft

Copyright: Track Info Services, LLC



Photograph of War Eagle Field (January 1942)

## APPENDIX B CITY DIRECTORY SEARCH

## Track Info Services City Directory Report



**Prepared for: R Crisologo – Parsons**

**Client Job No/Name: 442230**

**TIS Log No: 49029**

**Target Address:**

5816 W. Avenue I  
Lancaster, CA 93536

December 14, 2009

### DISCLAIMER

The information contained in this report has been obtained from publicly available sources and other secondary sources of information produced by entities other than Track Info Services, LLC (Track Info Services). Although great care has been taken by Track Info Services in compiling and checking the information contained in this report to insure it is current and accurate, Track Info Services disclaims any and all liability for any errors, omissions, or inaccuracies in such information and data, whether attributable to inadvertence or otherwise, and for any consequences arising therefrom. The data provided hereunder neither purports to be nor constitutes legal or medical advice. It is further understood that Track Info Services makes no responsibility with respect to our customer's, its employees', clients', or customers' use thereof. Track Info Services shall not be liable for any special, consequential, or exemplary damages resulting in whole or in part, from customers' use of the data. Liability on the part of Track Info Services, LLC (Track Info Services) is limited to the monetary value paid for this report. The report is valid only for the geographical parameters specified on the cover page of this report, and any alteration or deviation from this description will require a new report. This report does not constitute a legal or licensed opinion.

## Track Info Services City Directory Report

Addresses of Potential Concern: A summary of gas stations, cleaners, automotive shops, and other address occupants of potential environmental concern located on the subject street, within the vicinity of the target address. The addresses listed are included in the body of the report.

YEAR	ADDRESS	OCCUPANT
		No additional Addresses of Potential Concern identified on this street



## Track Info Services City Directory Report

<b>2009</b> Haines: West San Fernando Valley p. 77		
5300 W. Avenue I Morrison Custom Management	<b>5816 W. Avenue I</b> Address not listed	7362 W. Avenue I Trombley F
<b>2004</b> Haines: West San Fernando Valley p. 70		
5300 W. Avenue I Morrison Custom Management	<b>5816 W. Avenue I</b> Address not listed	7362 W. Avenue I Trombley F
<b>1999</b> Haines: West San Fernando Valley p. 50		
5300 W. Avenue I Morrison Custom Management	<b>5816 W. Avenue I</b> Address not listed	5700 W. Avenue I No response
<b>1994</b> Haines: West San Fernando Valley p. 42		
5300 W. Avenue I Morrison Cstm Mng	<b>5816 W. Avenue I</b> Address not listed	5700 W. Avenue I No response
<b>1989</b> Haines: Los Angeles North Suburban p. 53		
5300 W. Avenue I Superior Air Hndlne	<b>5816 W. Avenue I</b> Address not listed	5700 W. Avenue I LA Co Prbtn Camp
<b>1984</b> Haines: Los Angeles North Suburban p. 45		
5210 W. Avenue I LA Co Anml Care	<b>5816 W. Avenue I</b> Address not listed	5700 W. Avenue I LA Co Prbtn Camp
<b>1979</b> Haines: Los Angeles North Suburban p. 55		
5210 W. Avenue I LA Co Anml Care	<b>5816 W. Avenue I</b> Address not listed	7344 W. Avenue I Pepes Bar & Grill
<b>1974</b> Haines: Los Angeles North Suburban p. 69		
5210 W. Avenue I LA Co Animal Contrl	<b>5816 W. Avenue I</b> Address not listed	7344 W. Avenue I Hanks Place

## Track Info Services City Directory Report

<b>1970</b> B & G Publications: Lancaster-Palmdale p. 8		
5210 W. Avenue I LA Cnty Dog Pound	<b>5816 W. Avenue I</b> Address not listed	6846 W. Avenue I Towner John C
<b>1966</b> B & G Publications: Lancaster-Palmdale p. 6		
5210 W. Avenue I AV Dog Pound	<b>5816 W. Avenue I</b> Address not listed	6846 W. Avenue I Towner J
<b>1961</b> Luskey's: Lancaster-Palmdale p. 6		
5210 W. Avenue I Cou Animal Shelter	<b>5816 W. Avenue I</b> Address not listed	5832 W. Avenue I Vacant
<b>1957</b> Luskey's: Lancaster-Palmdale p. 6		
4752 W. Avenue I No Return	<b>5816 W. Avenue I</b> Address not listed	W. Avenue I Highest listing this street is 4752
Earlier Directory or street reference was not found.		

### Notes:

- Target address is in bold, the next lowest address on the same side of the street is to the left and the next highest address on the same side of the street is to the right.
- The next lowest and highest addresses are the closest listed for the same side of the street as the target and may or may not be adjacent. They are the closest listed in the source consulted.
- Occupant names and statements such as 'Vacant', 'No info' and 'Under constr' are verbatim.
- Occupant names are listed once per address although they may be listed multiple times in the directory.
- A forward slash between names indicates multiple companies listed under same main company.
- Previous refers to source and entries listed above what is being read.
- The source used is cited in the row above referenced address and occupant.

## APPENDIX C HISTORICAL TOPOGRAPHIC MAPS



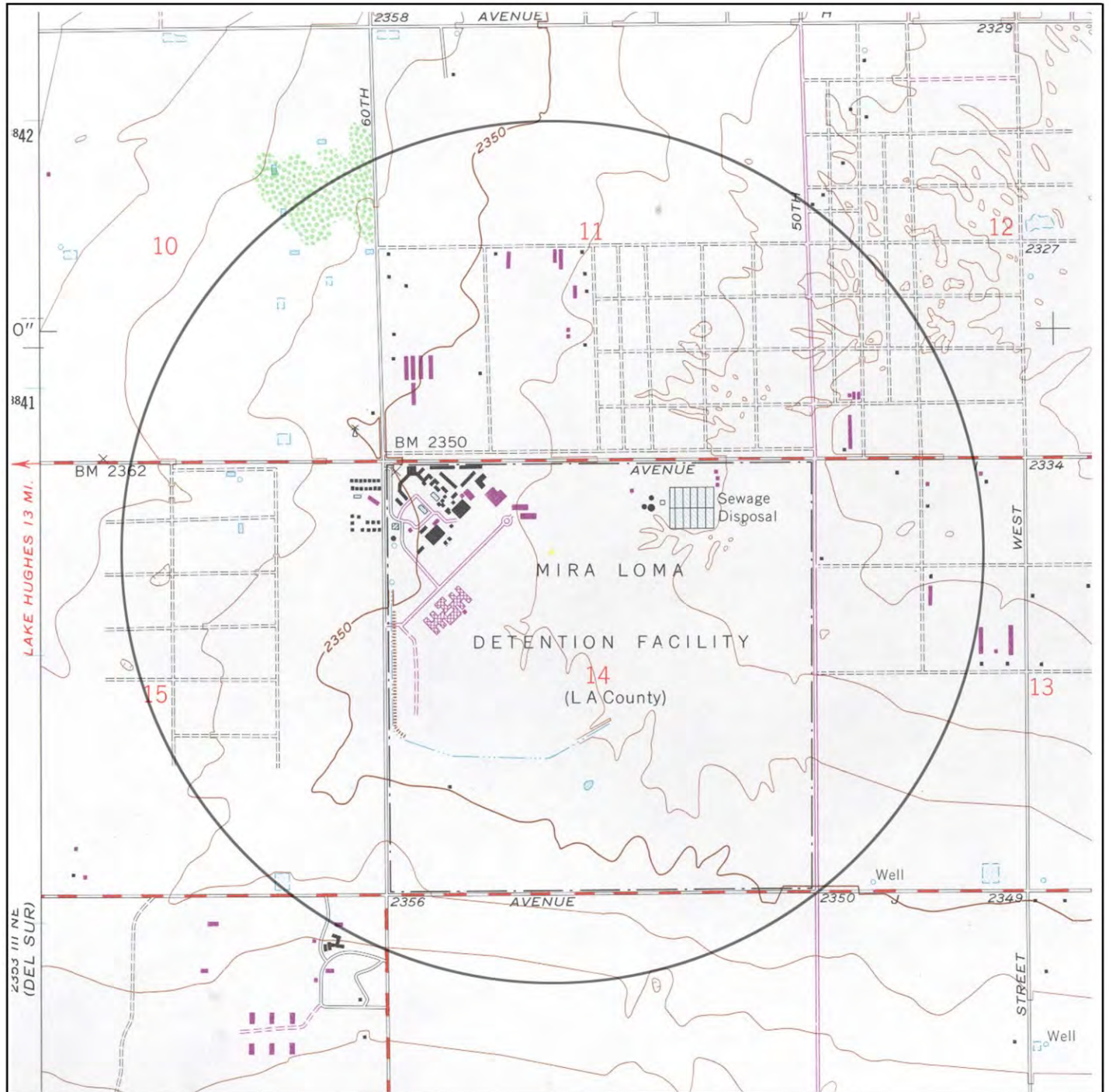






# Track Info Services, LLC





Historical Topographic Map

Site: 5816 West Avenue I, Lancaster, CA 93536

Quadrangle Year: 1974



Building   
Topo Contour   
Depression   
Quarry or Open Pit Mine 

Railroad   
Tanks   
Primary Highway   
Trail 

0 1/4 1/2 3/4 1 mile

Job Number: 442230  
Original Scale of Full Topo: 1:24,000  
Quadrangle Name: Lancaster West, CA



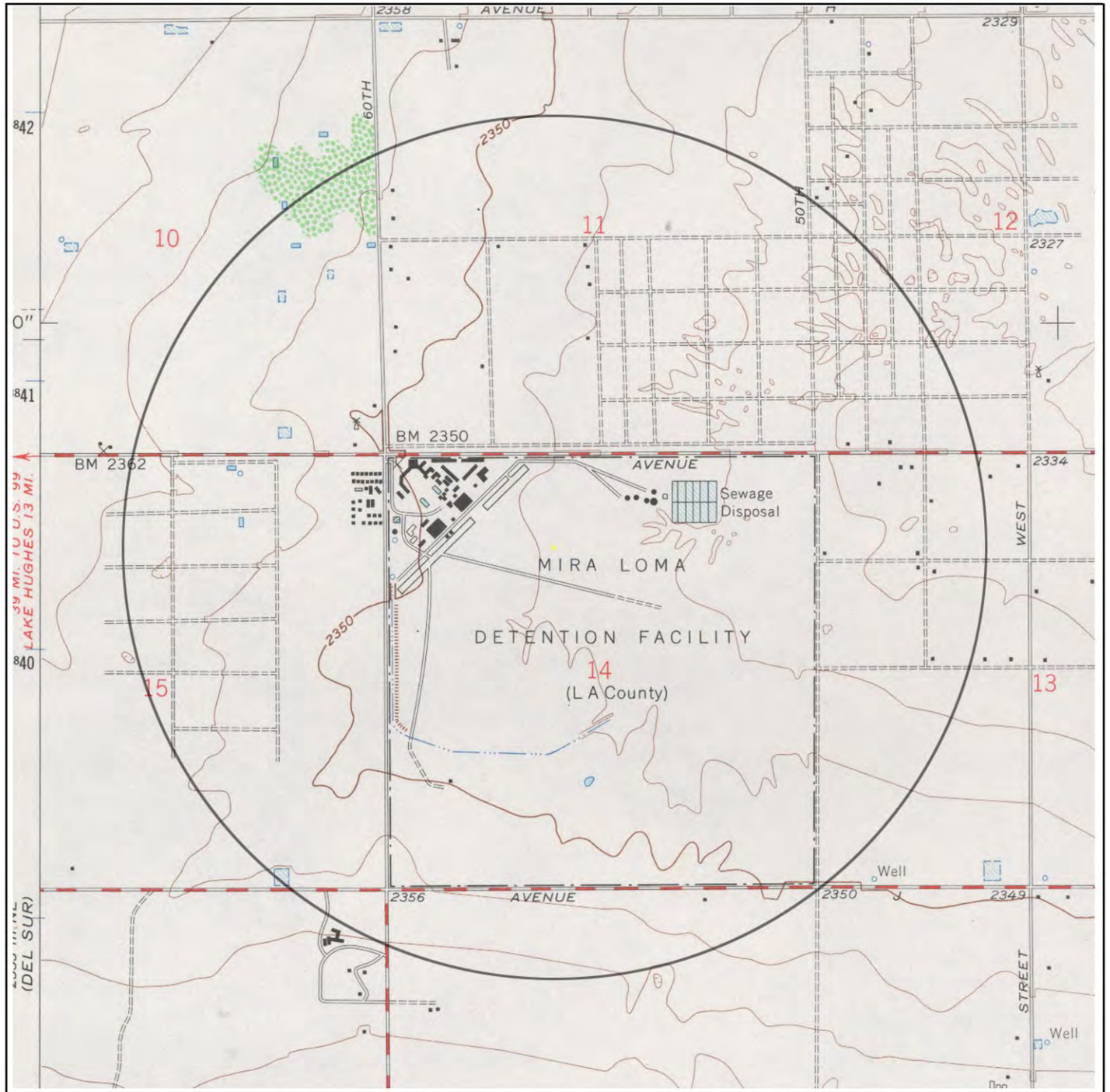


# Track Info Services, LLC

Historical Topographic Map

Site: 5816 West Avenue I, Lancaster, CA 93536

Quadrangle Year: 1958



- Building
- Topo Contour
- Depression
- Quarry or Open Pit Mine

- Railroad
- Tanks
- Primary Highway
- Trail



Job Number: 442230  
Original Scale of Full Topo: 1:24,000  
Quadrangle Name: Lancaster West, CA

## APPENDIX D SITE PHOTOGRAPHS







Photo 1. Subject Property Looking Northwest at Mira Loma Detention Center



Photo 2. Subject Property Looking East at County Probation Camps



Photo 3. Subject Property Looking East at County Probation Camps





Photo 4. Subject Property Looking Southwest at County High Desert Hospital



Photo 5. Typical Broken Asphaltic Concrete Surface Material on Subject Property





Photo 6. Drainage Structures on Perimeter of Subject Property Looking South  
at Mira Loma Detention Center Eastern Fence





Photo 7. Drainage Swale on Northwest Portion of Subject Property



Photo 8. Drainage Swale on Northwest Portion of Subject Property





Photo 9. Drainage Swale on Northwest Portion of Subject Property



Photo 10. Concrete/Wood Bench and Four Metal Posts on Subject Property



Photo 11. Dumpster Storage Area on Subject Property





Photo 12. Discarded Construction Materials on Subject Property





Photo 13a. Former Loading Area on Subject Property



Photo 13b. Former Loading Area on Subject Property





Photo 14. Ground Surface of Subject Property



Photo 15. Pole Stands on Subject Property





Photo 16. Pole Stands on Subject Property



Photo 17. Discarded Materials on Subject Property





Photo 18. Tree Trunks on Subject Property



Photo 19. Ground Surface of Subject Property



Photo 20. Unpaved Access Road on Subject Property (looking west)





Photo 21. Disposal of Construction Materials and Waste on Subject Property  
East of Mira Loma Detention Center



Photo 22. Storage of Construction Materials on Subject Property  
East of Mira Loma Detention Center





Photo 23. Disposal of Construction Materials and Waste on Subject Property  
East of Mira Loma Detention Center



Photo 24. Adjacent Property (West of Subject Property), View of Helipad and Tank at Mira Loma Detention Center





Photo 25. Adjacent Property, View of Hazardous Wastes Storage Area at High Desert Hospital



Photo 26. Adjacent Property, View of Hazardous Wastes Storage Area at High Desert Hospital



Photo 27. Adjacent Property, View of Liquid Oxygen Tank at High Desert Hospital





## APPENDIX E

### TRACK INFO SERVICES RADIUS REPORT



**TRACK ► INFO SERVICES, LLC**

# **Environmental FirstSearch™ Report**

Target Property: Mira Loma Detention Center

**5816 WEST AVENUE I**

**LANCASTER CA 93536**

Job Number: 442230

**PREPARED FOR:**

Parsons

100 W. Walnut St

Pasadena, CA 91124

(626) 440-6048

12-08-09



*Tel: (866) 664-9981*

*Fax: (818) 249-4227*

***Environmental FirstSearch  
Site Information Report***

**Request Date:** 12-08-09  
**Requestor Name:** Parsons - R Crisologo  
**Standard:** ASTM-05

**Search Type:** AREA  
0.11 sq mile(s)  
**Job Number:** 442230  
**Filtered Report**

**Target Site:** 5816 WEST AVENUE I  
LANCASTER CA 93536

***Demographics***

<b>Sites:</b> 12	<b>Non-Geocoded:</b> 6	<b>Population:</b> NA
<b>Radon:</b> 0.6 PCI/L		

***Site Location***

	<u>Degrees (Decimal)</u>	<u>Degrees (Min/Sec)</u>	<u>UTMs</u>
<b>Longitude:</b>	-118.229693	-118:13:47	<b>Easting:</b> 387375.75
<b>Latitude:</b>	34.700684	34:42:2	<b>Northing:</b> 3840342.319
			<b>Zone:</b> 11

***Comment***

**Comment:**

***Additional Requests/Services***

**Adjacent ZIP Codes:** 0 Mile(s)

**Services:**

ZIP		ST	Dist/Dir	Sel
Code	City Name			

	Requested?	Date
Sanborns	No	
Aerial Photographs	Yes	12-08-09
Historical Topos	Yes	12-08-09
City Directories	Yes	12-08-09
Title Search/Env Liens	Yes	12-08-09
Municipal Reports	No	
Online Topos	No	

# Environmental FirstSearch Search Summary Report

**Target Site:** 5816 WEST AVENUE I  
LANCASTER CA 93536

## FirstSearch Summary

Database	Sel	Updated	Radius	Site	1/8	1/4	1/2	1/2>	ZIP	TOTALS
NPL	Y	09-11-09	1.00	0	0	0	0	0	0	0
NPL Delisted	Y	09-11-09	0.50	0	0	0	0	-	0	0
CERCLIS	Y	10-01-09	0.50	0	0	0	0	-	0	0
NFRAP	Y	10-01-09	0.50	0	0	0	0	-	0	0
RCRA COR ACT	Y	10-14-09	1.00	0	0	0	0	0	0	0
RCRA TSD	Y	10-14-09	0.50	0	0	0	0	-	0	0
RCRA GEN	Y	10-14-09	0.25	0	0	1	-	-	0	1
RCRA NLR	Y	10-14-09	0.12	0	0	-	-	-	0	0
Federal IC / EC	Y	10-01-09	0.25	0	0	0	-	-	0	0
ERNS	Y	09-13-09	0.12	0	0	-	-	-	2	2
Tribal Lands	Y	12-01-05	1.00	0	0	0	0	0	0	0
State/Tribal Sites	Y	01-16-09	1.00	0	0	0	1	1	1	3
State Spills 90	Y	05-22-09	0.12	0	0	-	-	-	0	0
State/Tribal SWL	Y	04-27-09	0.50	0	0	0	0	-	0	0
State/Tribal LUST	Y	04-28-09	0.50	0	0	0	1	-	1	2
State/Tribal UST/AST	Y	05-13-09	0.25	0	0	1	-	-	2	3
State/Tribal EC	Y	NA	0.25	0	0	0	-	-	0	0
State/Tribal IC	Y	08-05-09	0.25	0	0	0	-	-	0	0
State/Tribal VCP	Y	01-16-09	0.50	0	0	0	0	-	0	0
State/Tribal Brownfields	Y	NA	0.50	0	0	0	0	-	0	0
State Permits	Y	08-19-09	0.25	0	0	1	-	-	0	1
State Other	Y	05-05-09	0.25	0	0	0	-	-	0	0
FI Map Coverage	Y	10-30-09	0.12	0	0	-	-	-	0	0
- TOTALS -				0	0	3	2	1	6	12

### Notice of Disclaimer

Due to the limitations, constraints, inaccuracies and incompleteness of government information and computer mapping data currently available to TRACK Info Services, certain conventions have been utilized in preparing the locations of all federal, state and local agency sites residing in TRACK Info Services's databases. All EPA NPL and state landfill sites are depicted by a rectangle approximating their location and size. The boundaries of the rectangles represent the eastern and western most longitudes; the northern and southern most latitudes. As such, the mapped areas may exceed the actual areas and do not represent the actual boundaries of these properties. All other sites are depicted by a point representing their approximate address location and make no attempt to represent the actual areas of the associated property. Actual boundaries and locations of individual properties can be found in the files residing at the agency responsible for such information.

### Waiver of Liability

Although TRACK Info Services uses its best efforts to research the actual location of each site, TRACK Info Services does not and can not warrant the accuracy of these sites with regard to exact location and size. All authorized users of TRACK Info Services's services proceeding are signifying an understanding of TRACK Info Services's searching and mapping conventions, and agree to waive any and all liability claims associated with search and map results showing incomplete and or inaccurate site locations.





## **HISTORICAL FIRE INSURANCE MAPS**

### **NO MAPS AVAILABLE**

**12-08-09**

**442230**

**5816 WEST AVENUE I**

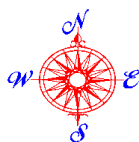
**LANCASTER CA 93536**

A search of FirstSearch Technology Corporation's proprietary database of historical fire insurance map availability confirmed that there are NO MAPS AVAILABLE for the Subject Location as shown above.

FirstSearch Technology Corporation's proprietary database of historical fire insurance map availability represents abstracted information from the Sanborn® Map Company obtained through online access to the U.S. Library of Congress via local libraries.

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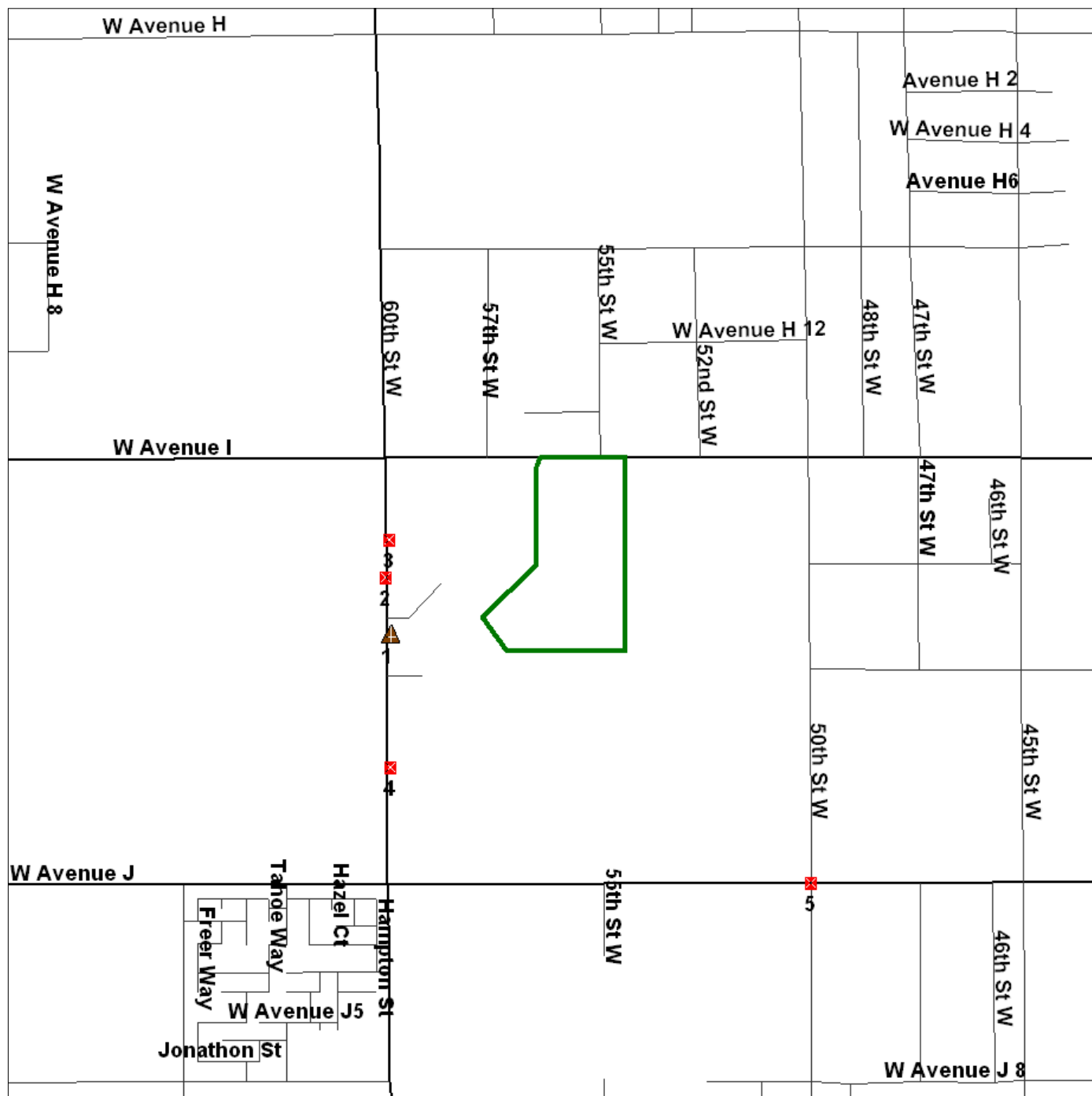


# Environmental FirstSearch

1 Mile Radius from Area  
Single Map:

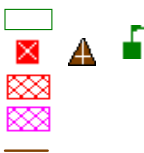


**5816 WEST AVENUE I , LANCASTER CA 93536**

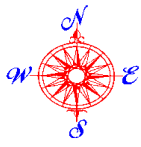


Source: U.S. Census TIGER Files

Area Polygon .....  
Identified Site, Multiple Sites, Receptor .....  
NPL, DELNPL, Brownfield, Solid Waste Landfill (SWL), Hazardous Waste  
Triballand.....  
Railroads .....





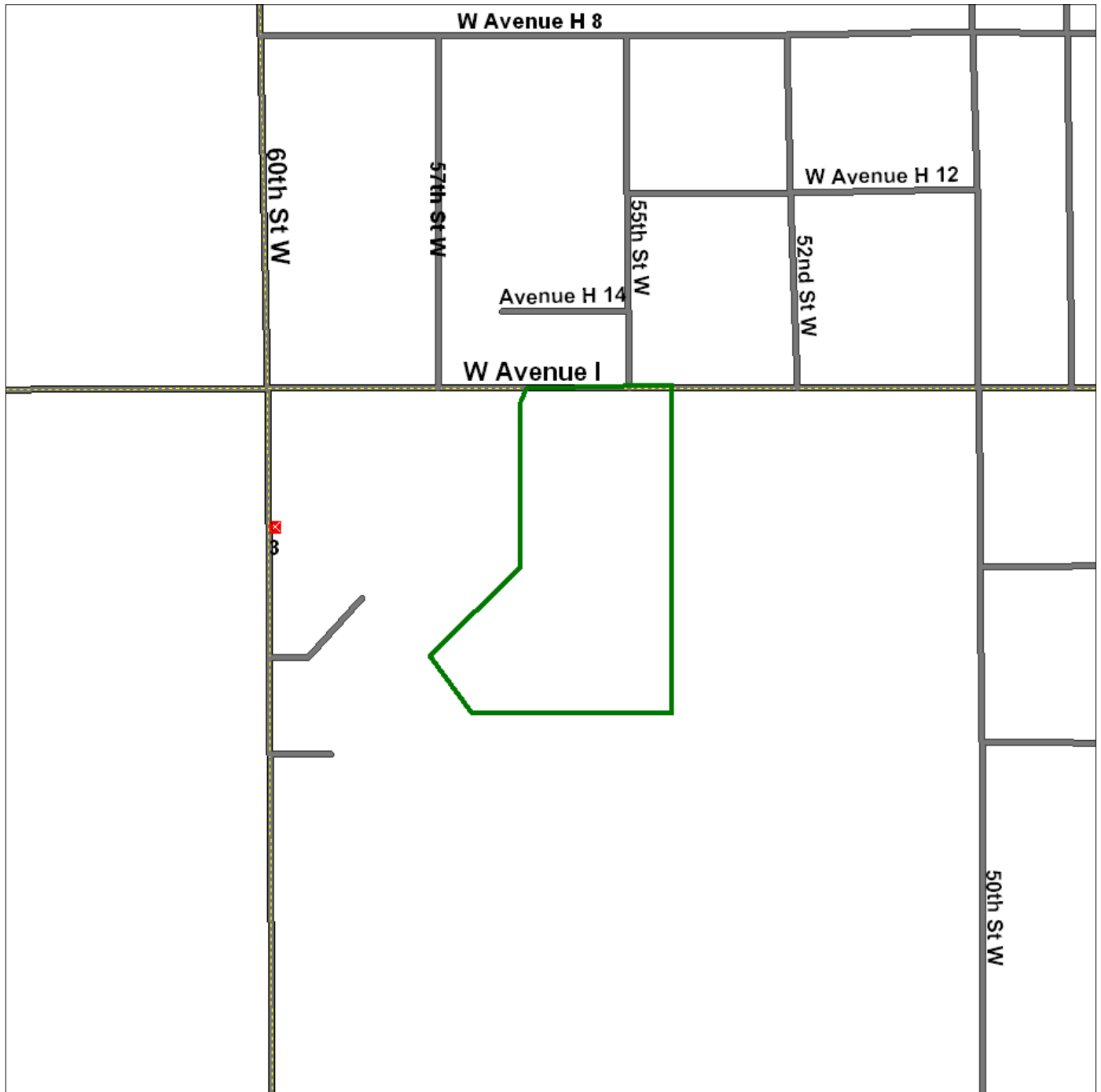


# Environmental FirstSearch

.5 Mile Radius from Area  
ASTM-05: Multiple Databases

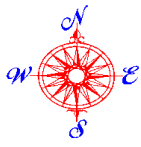


**5816 WEST AVENUE I , LANCASTER CA 93536**



Source: U.S. Census TIGER Files

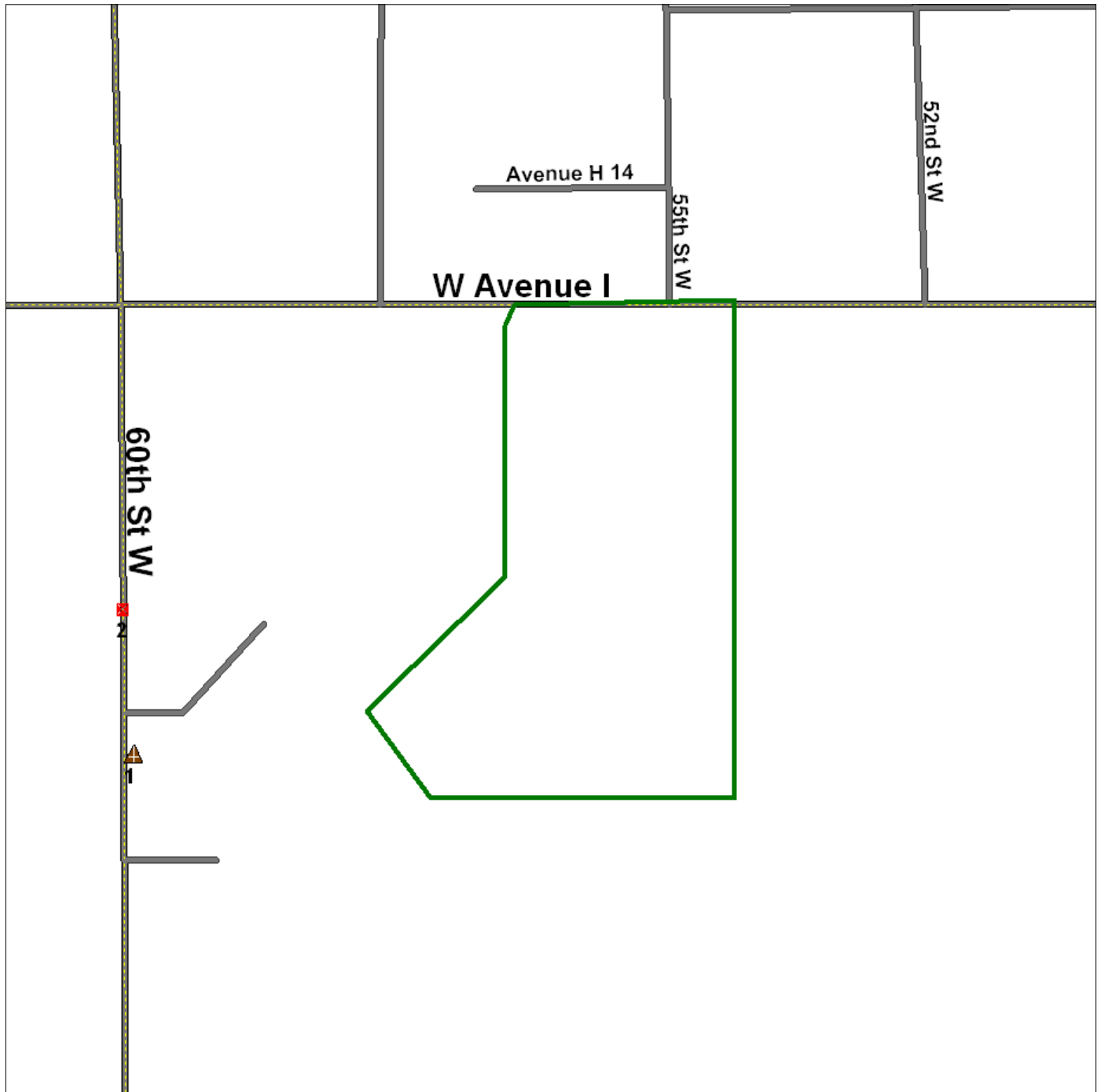
Area Polygon .....		
Identified Site, Multiple Sites, Receptor .....		
NPL, DELNPL, Brownfield, Solid Waste Landfill (SWL), Hazardous Waste .....		
Triballand.....		
Railroads .....		



**Environmental FirstSearch**  
.25 Mile Radius from Area  
ASTM-05: RCRA GEN, UST, PERMITS, OTHER



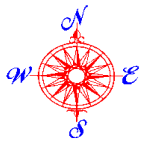
**5816 WEST AVENUE I , LANCASTER CA 93536**



Source: U.S. Census TIGER Files

Area Polygon .....	
Identified Site, Multiple Sites, Receptor .....	
NPL, DELNPL, Brownfield, Solid Waste Landfill (SWL), Hazardous Waste	
Triballand.....	
Railroads .....	

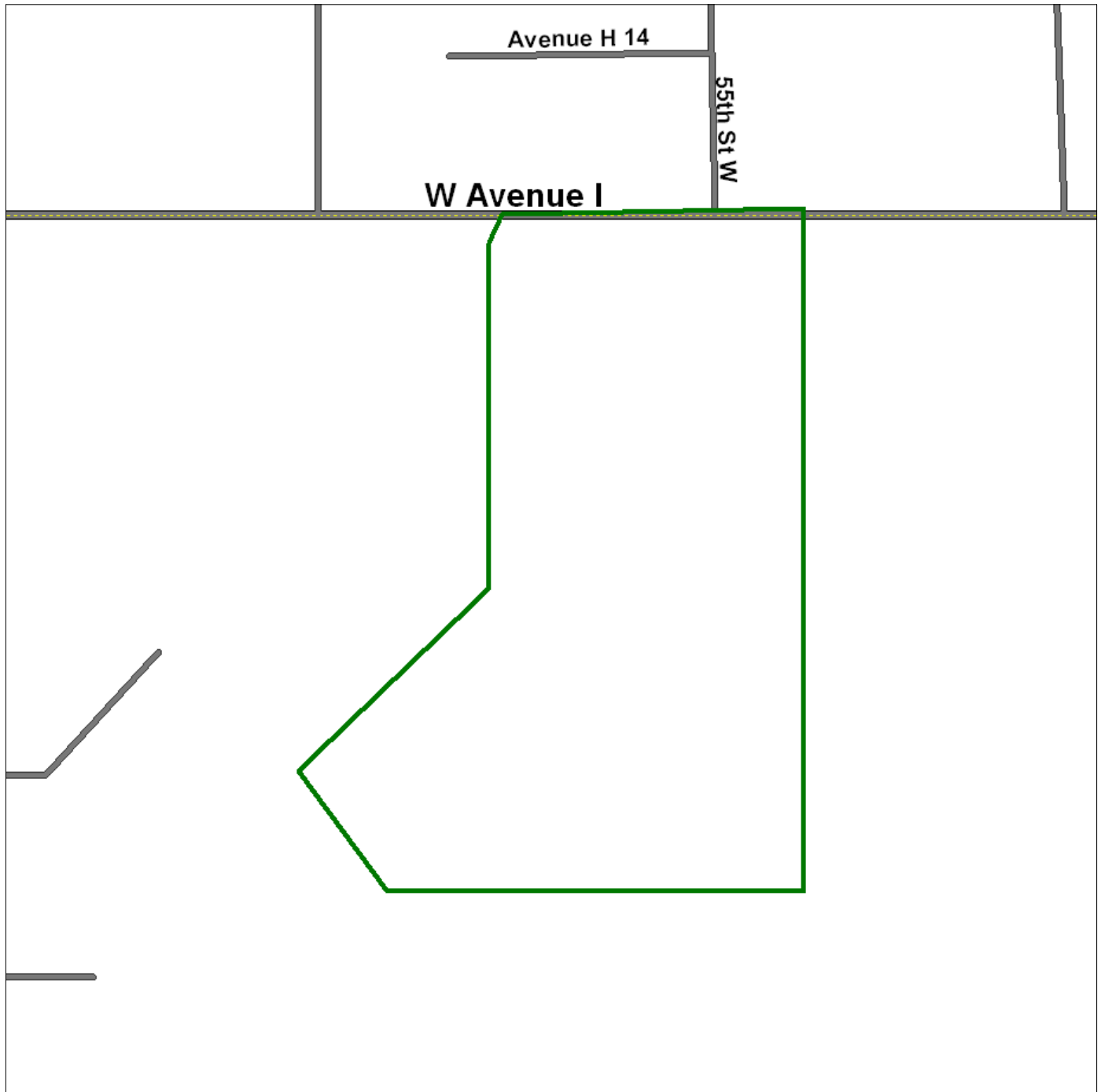




**Environmental FirstSearch**  
.12 Mile Radius from Area  
ASTM-05: SPILLS90, ERNS, RCRANLR, FIMAP



**5816 WEST AVENUE I , LANCASTER CA 93536**



*Source: U.S. Census TIGER Files*

Area Polygon .....		
Identified Site, Multiple Sites, Receptor .....		
NPL, DELNPL, Brownfield, Solid Waste Landfill (SWL), Hazardous Waste .....		
Triballand.....		
Railroads .....		

***Environmental FirstSearch  
Sites Summary Report***

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

**TOTAL:** 12      **GEOCODED:** 6      **NON GEOCODED:** 6      **SELECTED:** 12

<b>Page No.</b>	<b>DB Type</b>	<b>Site Name/ID/Status</b>	<b>Address</b>	<b>Dist/Dir</b>	<b>Map ID</b>
<i>1</i>	<i>UST</i>	<i>LA CO DHS HIGH DESERT HOSPITAL LACO010000/NOT REPORTED</i>	<i>44900 N 60TH ST WEST LANCASTER CA 93536</i>	<i>0.22 SW</i>	<i>1</i>
<i>3</i>	<i>RCRAGN</i>	<i>LA HEALTH SVC MIRA LOMA HOSPITAL CAD074130014/SGN</i>	<i>44900 N 60TH STREET WEST LANCASTER CA 93536</i>	<i>0.22 SW</i>	<i>1</i>
<i>4</i>	<i>PERMITS</i>	<i>LACO SHERIFF S DEPT/MIRA LOMA CAL000094727/INACTIVE</i>	<i>45100 60TH ST LANCASTER CA 93536</i>	<i>0.24 NW</i>	<i>2</i>
<i>5</i>	<i>LUST</i>	<i>LA CO SHERIFFS DEPT MIRA LOMA T0603799275/COMPLETED - CASE CLO</i>	<i>45100 N 60TH ST W LANCASTER CA 93535</i>	<i>0.28 NW</i>	<i>3</i>
<i>6</i>	<i>STATE</i>	<i>CALIFORNIA STATE PRISON LA COUNTY CAL19920001/PRELIMINARY ENDANGER</i>	<i>44750 60TH STREET WEST LANCASTER CA 93534</i>	<i>0.39 SW</i>	<i>4</i>
<i>8</i>	<i>STATE</i>	<i>LANCASTER ELEMENTARY SCHOOL CAL19650034/NO FURTHER ACTION FO</i>	<i>AVENUE J/50TH STREET WEST LANCASTER CA 93536</i>	<i>0.70 SE</i>	<i>5</i>

***Environmental FirstSearch  
Sites Summary Report***

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

**TOTAL:** 12      **GEOCODED:** 6      **NON GEOCODED:** 6      **SELECTED:** 12

Page No.	DB Type	Site Name/ID/Status	Address	Dist/Dir	Map ID
9	LUST	UNKNOWN T0603700244/COMPLETED - CASE CLO	20544 AVE J-12 E LANCASTER CA 93536	NON GC	
10	UST	VERIZON CALIFORNIA LACO012070/NOT REPORTED	42727 N 50TH ST WEST PALMDALE CA 93536	NON GC	
13	UST	MINUTE SERVICE DAIRY INC LACO009625/NOT REPORTED	41940 N 50TH ST WEST PALMDALE CA 93536	NON GC	
18	STATE	MIDDLE SCHOOL SITE NO. 24 CAL19650038/NO FURTHER ACTION FO	AVENUE H-8/40TH STREET WEST LANCASTER CA 93536	NON GC	
19	ERNS	NRC-770480/PIPELINE	58TH ST WEST LOT NUMBER 138 LANCASTER CA 93536	NON GC	
22	ERNS	UNKNOWN 346229/FIXED FACILITY	CALIFORNIA STATE PRISON LANCASTER CA 93536	NON GC	

# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

**SEARCH ID:** 5      **DIST/DIR:** 0.22 SW      **MAP ID:** 1

<b>NAME:</b>	LA CO DHS HIGH DESERT HOSPITAL	<b>REV:</b>	05/02/09
<b>ADDRESS:</b>	44900 N 60TH ST WEST	<b>ID1:</b>	LAC0010000
	LANCASTER CA 93536	<b>ID2:</b>	THOMAS GUIDE 4014F6
	LOS ANGELES	<b>STATUS:</b>	NOT REPORTED
<b>CONTACT:</b>	RONALD LININGER	<b>PHONE:</b>	6619458237

According to the Los Angeles County Department of Public Works the following information is current as of 05/02/09

### GENERAL INFORMATION REGARDING SITE

<b>Tax Accessors Parcel /s:</b>	3203 / 014 / 902
<b>File Number:</b>	009856
<b>File Name:</b>	LA CO DHS HIGH DESERT HOSPITAL
<b>Property Owner Name and Type:</b>	LA CO DEPT OF HEALTH SERVICES / COUNTY AGENCY
<b>Property Owner Address:</b>	313 N FIGUEROA ST LOS ANGELES, CA 90012
<b>Tank Owner Name and Type:</b>	HIGH DESERT HOSPITAL / COUNTY AGENCY
<b>Tank Owner Address:</b>	44900 N 60TH ST WEST LANCASTER, CA 93536
<b>Tank Owner Phone:</b>	/

### PERMIT INFORMATION

<b>Permit Number and Category:</b>	00001182T / TANK
<b>Permit Type and Date:</b>	UST OPERATING PERMIT / 19600101
<b>Permit Expiration Date:</b>	19650101
<b>Permit Status:</b>	REM
<b>Fee Exempt:</b>	Yes
<b>Penalty Date/s:</b>	/
<b>Suspension Date and Reason:</b>	/

### PERMIT INFORMATION

<b>Permit Number and Category:</b>	0000T1182 / TANK
<b>Permit Type and Date:</b>	UST OPERATING PERMIT / 19900627
<b>Permit Expiration Date:</b>	20090630
<b>Permit Status:</b>	PERM
<b>Fee Exempt:</b>	No
<b>Penalty Date/s:</b>	/
<b>Suspension Date and Reason:</b>	/

### SPECIFIC TANK INFORMATION FOR TANK NUMBER: 00001

<b>Unique Tank Number:</b>	000028004
<b>Status:</b>	Removed
<b>Installation Date:</b>	19840101
<b>Owner Number:</b>	1
<b>Capacity:</b>	0000001000
<b>Content:</b>	
<b>J Fuel Type:</b>	DIESEL
<b>CAS Number:</b>	
<b>Product or Waste in Tank (?):</b>	PRODUCT

### SPECIFIC TANK INFORMATION FOR TANK NUMBER: 00002

<b>Unique Tank Number:</b>	000028005
<b>Status:</b>	Permanent
<b>Installation Date:</b>	19870820
<b>Owner Number:</b>	01
<b>Capacity:</b>	0000004000
<b>Content:</b>	
<b>J Fuel Type:</b>	DIESEL
<b>CAS Number:</b>	
<b>Product or Waste in Tank (?):</b>	PRODUCT

- Continued on next page -

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

**SEARCH ID:** 5                      **DIST/DIR:** 0.22 SW                      **MAP ID:** 1

<b>NAME:</b> LA CO DHS HIGH DESERT HOSPITAL <b>ADDRESS:</b> 44900 N 60TH ST WEST LANCASTER CA 93536 LOS ANGELES <b>CONTACT:</b> RONALD LININGER	<b>REV:</b> 05/02/09 <b>ID1:</b> LACO010000 <b>ID2:</b> THOMAS GUIDE 4014F6 <b>STATUS:</b> NOT REPORTED <b>PHONE:</b> 6619458237
---	--

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00001

**Application Closing Number:** 000063778  
**Date Tank Closed:** 19930617  
**Last Used Date:** 19930617  
**Remaining Quantity:** 0000000000  
**Inert Fill:** NO  
**Removal Application Number:** 000063778

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00002

**Application Closing Number:**  
**Date Tank Closed:**  
**Last Used Date:**  
**Remaining Quantity:** 0000000000  
**Inert Fill:**  
**Removal Application Number:**

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00001

**Manufacturer:** UNKNOWN  
**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**  
**Last Update:** 19930728  
**Last Operator:** E274419

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00002

**Manufacturer:** OWENS CORNING  
**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**  
**Last Update:** 20080214  
**Last Operator:** E288422



***Environmental FirstSearch  
Site Detail Report***

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

RCRAGN

<b>SEARCH ID:</b> 1	<b>DIST/DIR:</b> 0.22 SW	<b>MAP ID:</b> 1
---------------------	--------------------------	------------------

**NAME:** LA HEALTH SVC MIRA LOMA HOSPITAL  
**ADDRESS:** 44900 N 60TH STREET WEST  
LANCASTER CA 93534  
LOS ANGELES  
**CONTACT:**

**REV:** 10/14/09  
**ID1:** CAD074130014  
**ID2:**  
**STATUS:** SGN  
**PHONE:**

**SITE INFORMATION**

**CONTACT INFORMATION:** ENVIRONMENTAL MANAGER  
44900 N 60TH STREET WEST  
LANCASTER CA 93534

**PHONE:** 2139747881

**UNIVERSE INFORMATION:**

**NAIC INFORMATION**

62211 - GENERAL MEDICAL AND SURGICAL HOSPITALS

**ENFORCEMENT INFORMATION:**

**VIOLATION INFORMATION:**

# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

### PERMITS

**SEARCH ID:** 4                      **DIST/DIR:** 0.24 NW                      **MAP ID:** 2

<b>NAME:</b> LACO SHERIFF S DEPT/MIRA LOMA <b>ADDRESS:</b> 45100 60TH ST LANCASTER CA 93536 Los Angeles <b>CONTACT:</b>	<b>REV:</b> 04/16/08 <b>ID1:</b> CAL000094727 <b>ID2:</b> <b>STATUS:</b> INACTIVE <b>PHONE:</b>
---	---

**THE CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL HAZARDOUS WASTE MANIFEST INVENTORY (HWMI) SITE INFORMATION FROM THE CA EPA AND DTSC HAZARDOUS WASTE TRACKING SYSTEM (HWTS) :**

<b>Date Record was Created:</b>	9/17/1992
<b>Inactivity Date:</b>	6/30/2007
<b>Facility Mail Name:</b>	
<b>Facility Mailing Address:</b>	1000 S FREMONT AVE BLDG A-9, EAST 5TH FLR, ALHAMBRA, CA 91803-0000
<b>Owner Name:</b>	LA CNTY SHERIFFS DEPT
<b>Owner Address:</b>	1000 S FREMONT AVE BLDG A-9, EAST 5TH FLR, ALHAMBRA, CA 91803-0000
<b>Contact Name:</b>	DIRECTOR-FACILITIES SRVC
<b>Contact Address:</b>	1000 S FREMONT AVE, ALHAMBRA, CA 91803-0000
<b>Contact Phone:</b>	6263003030

**HWMI WASTE TYPE AND TONNAGE INFORMATION BY YEAR 1993-1999:**

1999 Waste Type:	Asbestos containing waste
1999 Total Tonnage:	8.428
1998 Waste Type:	Waste oil and mixed oil
1998 Total Tonnage:	1.1467
1997 Waste Type:	Tank bottom waste
1997 Total Tonnage:	1.5846
1996 Waste Type:	Aqueous solution with total organic residues less than 10 percent
1996 Total Tonnage:	0.4587
1995 Waste Type:	
1995 Total Tonnage:	
1994 Waste Type:	
1994 Total Tonnage:	
1993 Waste Type:	
1993 Total Tonnage:	

**HWMI WASTE TYPE AND TONNAGE INFORMATION BY YEAR 2000-2008:**

2008 Waste Type:	Asbestos containing waste
2008 Total Tonnage:	5.2
2007 Waste Type:	Asbestos containing waste
2007 Total Tonnage:	266.3248
2006 Waste Type:	Tank bottom waste
2006 Total Tonnage:	0.41
2005 Waste Type:	Asbestos containing waste
2005 Total Tonnage:	0.02
2004 Waste Type:	Unspecified organic liquid mixture
2004 Total Tonnage:	0.2
2003 Waste Type:	
2003 Total Tonnage:	
2002 Waste Type:	Asbestos containing waste
2002 Total Tonnage:	0.02
2001 Waste Type:	Asbestos containing waste
2001 Total Tonnage:	0.3
2000 Waste Type:	
2000 Total Tonnage:	

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

LUST

**SEARCH ID:** 6                      **DIST/DIR:** 0.28 NW                      **MAP ID:** 3

<b>NAME:</b> LA CO SHERIFFS DEPT MIRA LOMA	<b>REV:</b> 04/28/09
<b>ADDRESS:</b> 45100 N 60TH ST W	<b>ID1:</b> T0603799275
LANCASTER CA 93535	<b>ID2:</b>
LOS ANGELES	<b>STATUS:</b> COMPLETED - CASE CLOSED
<b>CONTACT:</b>	<b>PHONE:</b>

**RELEASE DATA FROM THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD LUSTIS DATABASE**

*Please note that some data previously provided by the State Water Resources Control Board in the LUSTIS database is not currently being provided by the agency in the most recent edition. Incidents that occurred after the year 2000 may not have much information. Field headers with blank information following after should be interpreted as unreported by the agency.*

**LEAD AGENCY:** LOS ANGELES COUNTY  
**REGIONAL BOARD CASE NUMBER:**  
**LOCAL AGENCY:** LOS ANGELES COUNTY  
**LOCAL CASE NUMBER:**  
**RESPONSIBLE PARTY:**  
**ADDRESS OF RESPONSIBLE PARTY:**  
**SITE OPERATOR:**  
**WATER SYSTEM:**

**CASE TYPE:** LUST Cleanup Site  
**POTENTIAL CONTAMINANTS OF CONCERN:**  
**POTENTIAL MEDIA AFFECTED:**  
**LEAK CAUSE:**  
**LEAK SOURCE:**  
**HOW LEAK WAS DISCOVERED:**  
**DATE DISCOVERED (blank if not reported):**  
**HOW LEAK WAS STOPPED:**  
**STOP DATE (blank if not reported):**  
**STATUS:** Completed - Case Closed  
**STATUS DATE:** 2003-09-09 00:00:00  
**ABATEMENT METHOD (please note that not all code translations have been provided by the reporting agency):**  
**ENFORCEMENT TYPE (please note that not all code translations have been provided by the reporting agency):**  
**DATE OF ENFORCEMENT (blank if not reported):**  
**SITE HISTORY (blank if not reported):**

**ACTION TYPE (blank if not reported):** ENFORCEMENT  
**DATE (blank if not reported):** 2002-04-03  
**ACTION (blank if not reported):** Staff Letter

**ACTION TYPE (blank if not reported):** ENFORCEMENT  
**DATE (blank if not reported):** 2003-09-09  
**ACTION (blank if not reported):** Closure/No Further Action Letter

# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

STATE

**SEARCH ID:** 2                      **DIST/DIR:** 0.39 SW                      **MAP ID:** 4

<b>NAME:</b> CALIFORNIA STATE PRISON LA COUNTY SITE <b>ADDRESS:</b> 44750 60TH STREET WEST LANCASTER CA 93534 Los Angeles <b>CONTACT:</b>	<b>REV:</b> 07/03/00 <b>ID1:</b> CAL19920001 <b>ID2:</b> <b>STATUS:</b> PRELIMINARY ENDANGERMENT ASSES <b>PHONE:</b>
---	--

**OTHER SITE NAMES (blank below = not reported by agency)**

**OTHER SITE NAMES (blank below = not reported by agency)**

CALIFORNIA DEPARTMENT OF CORRECTIONS

**GENERAL SITE INFORMATION**

<b>File Name (if different than site name):</b>	CALIFORNIA STATE PRISON LA COUNTY SITE
<b>Status:</b>	PRELIMINARY ENDANGERMENT ASSESSMENT REQUIRED (PEAR)
<b>AWP Site Type:</b>	N/A
<b>NPL Site:</b>	
<b>Fund:</b>	
<b>Status Date:</b>	10021991
<b>Lead:</b>	
<b>Staff:</b>	JABRAHAM
<b>Senior Supervisor:</b>	MMONROY
<b>DTSC Region and RWQCB :</b>	3 / BURBANK
<b>Branch:</b>	SOUTHERN CA. - A
<b>RWQCB:</b>	
<b>Site Access:</b>	
<b>On Cortese List:</b>	
<b>Groundwater Contamination:</b>	
<b>Haz Ranking Score:</b>	
<b>Haz Ranking Score:</b>	
<b>Number of Sources Contributing to Contamination at the Site:</b>	0

**PROJECTED ACTIVITIES (blank below = not reported by agency)**

<b>Activity:</b>	(SS)
<b>Activity Status:</b>	PRELIMINARY ENDANGERMENT ASSESSMENT REQUIRED
<b>Completion Due Date:</b>	
<b>Revised Completion Due Date:</b>	
<b>Date Activity Actually Completed:</b>	10021991
<b>Yards of Solids Removed:</b>	0
<b>Yards of Solids Treated:</b>	0
<b>Gallons of Liquid Removed:</b>	0
<b>Gallons of Liquid Treated:</b>	0

**DTSC COMMENTS REGARDING THIS SITE (blank below = not reported by agency)**

DATE	COMMENT
09191991	Excavation Report done by Kleinfelder - recommending NFA
<b>DATE</b>	<b>COMMENT</b>
10021991	The site was contaminated with heavy metals. The Dept of
<b>DATE</b>	<b>COMMENT</b>
10021991	Correction took place an excavation on July 12, 1991 at the
<b>DATE</b>	<b>COMMENT</b>
10021991	site. DTSC recommends a high priority PEA because of the

- Continued on next page -

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

STATE

**SEARCH ID:** 2                      **DIST/DIR:** 0.39 SW                      **MAP ID:** 4

**NAME:** CALIFORNIA STATE PRISON LA COUNTY SITE  
**ADDRESS:** 44750 60TH STREET WEST  
LANCASTER CA 93534  
Los Angeles  
**CONTACT:**

**REV:** 07/03/00  
**ID1:** CAL19920001  
**ID2:**  
**STATUS:** PRELIMINARY ENDANGERMENT ASSES  
**PHONE:**

DATE	COMMENT
10021991	on-site contamination.
02091995	PEA required letter sent, meeting requested to discuss PEA
02091995	and illegal disposal of contaminated soil that was removed
02091995	from site and dumped on firing range.
02151995	Contacts: Wendel Francisco (805) 729-2000, x7123
02151995	Environmental Specialist
02151995	Larry Hood
02151995	Associate Warden of Business Services
02231995	Received letter requesting PEA to be sent to Sacramento.
02241995	Letter sent to Ms Wanda Nelsen, Proj Dir, DOC, Sacramento
02241995	requesting PEA.



***Environmental FirstSearch  
Site Detail Report***

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

STATE

**SEARCH ID:** 3                      **DIST/DIR:** 0.70 SE                      **MAP ID:** 5

<b>NAME:</b> LANCASTER ELEMENTARY SCHOOL	<b>REV:</b> 07/18/05
<b>ADDRESS:</b> AVENUE J/50TH STREET WEST	<b>ID1:</b> CAL19650034
LANCASTER CA 93536	<b>ID2:</b>
LOS ANGELES	<b>STATUS:</b> NO FURTHER ACTION FOR DTSC
<b>CONTACT:</b>	<b>PHONE:</b>

**OTHER SITE NAMES (blank below = not reported by agency)**  
LANCASTER ELEMENTARY SCHOOL

**GENERAL SITE INFORMATION**  
**File Name (if different than site name):**

<b>Status:</b>	NO FURTHER ACTION FOR DTSC
<b>AWP Site Type:</b>	PROPOSED SCHOOL SITE PROPERTY
<b>NPL Site:</b>	U
<b>Fund:</b>	
<b>Status Date:</b>	01072005
<b>Lead:</b>	DEPT OF TOXIC SUBSTANCES CONTROL
<b>Staff:</b>	LZAREMBA
<b>DTSC Region and RWQCB :</b>	GLENDALE
<b>Branch:</b>	SCHOOL EVALUATION
<b>RWQCB:</b>	
<b>Site Access:</b>	
<b>Groundwater Contamination:</b>	
<b>Number of Sources Contributing to Contamination at the Site:</b>	

**OTHER AGENCY ID NUMBERS (blank below = not reported by agency)**  
**ID SOURCE NAME, and VALUE:** CALSTARS CODE 304483-11

**BACKGROUND INFORMATION (blank below = not reported by agency)**  
The site is undeveloped, native land. No buildings are located onsite and no utilities currently service the site.

**DTSC COMMENTS REGARDING THIS SITE (blank below = not reported by agency)**  
**Comments Date:** 01072005  
: DTSC reviewed a Phase I Environmental Assessment and has made a No Action determination for this Site.

***Environmental FirstSearch  
Site Detail Report***

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

**LUST**

**SEARCH ID:** 12

**DIST/DIR:** NON GC

**MAP ID:**

**NAME:** UNKNOWN  
**ADDRESS:** 20544 AVE J-12 E  
LANCASTER CA 93536  
LOS ANGELES

**REV:** 04/28/09  
**ID1:** T0603700244  
**ID2:**  
**STATUS:** COMPLETED - CASE CLOSED  
**PHONE:**

**CONTACT:**

**RELEASE DATA FROM THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD LUSTIS DATABASE**

*Please note that some data previously provided by the State Water Resources Control Board in the LUSTIS database is not currently being provided by the agency in the most recent edition. Incidents that occurred after the year 2000 may not have much information. Field headers with blank information following after should be interpreted as unreported by the agency.*

**LEAD AGENCY:** LOS ANGELES COUNTY  
**REGIONAL BOARD CASE NUMBER:**  
**LOCAL AGENCY:** LOS ANGELES COUNTY  
**LOCAL CASE NUMBER:**  
**RESPONSIBLE PARTY:**  
**ADDRESS OF RESPONSIBLE PARTY:**  
**SITE OPERATOR:**  
**WATER SYSTEM:**

**CASE TYPE:** LUST Cleanup Site  
**POTENTIAL CONTAMINANTS OF CONCERN:**  
**POTENTIAL MEDIA AFFECTED:** Soil  
**LEAK CAUSE:**  
**LEAK SOURCE:**  
**HOW LEAK WAS DISCOVERED:**  
**DATE DISCOVERED (blank if not reported):**  
**HOW LEAK WAS STOPPED:**  
**STOP DATE (blank if not reported):**  
**STATUS:** Completed - Case Closed  
**STATUS DATE:** 1990-03-07 00:00:00

**ABATEMENT METHOD (please note that not all code translations have been provided by the reporting agency):**  
**ENFORCEMENT TYPE (please note that not all code translations have been provided by the reporting agency):**  
**DATE OF ENFORCEMENT (blank if not reported):**  
**SITE HISTORY (blank if not reported):**

**ACTION TYPE (blank if not reported):** Other  
**DATE (blank if not reported):** 1950-01-01  
**ACTION (blank if not reported):** Leak Reported

# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

**SEARCH ID:** 11

**DIST/DIR:** NON GC

**MAP ID:**

**NAME:** VERIZON CALIFORNIA  
**ADDRESS:** 42727 N 50TH ST WEST  
PALMDALE CA 93550  
LOS ANGELES  
**CONTACT:** ENVIRONMENTAL AFFAIRS

**REV:** 05/02/09  
**ID1:** LACO012070  
**ID2:** THOMAS GUIDE 4104H4  
**STATUS:** NOT REPORTED  
**PHONE:** 8003318891

According to the Los Angeles County Department of Public Works the following information is current as of 05/02/09

### GENERAL INFORMATION REGARDING SITE

**Tax Accessors Parcel /s:** 3102 / 026 / 800  
**File Number:** 012171  
**File Name:** VERIZON CALIFORNIA  
**Property Owner Name and Type:** GTE CALIFORNIA INC / CORPORATION  
**Property Owner Address:** 1 GTE PL THOUSAND OAKS, CA 91362  
**Tank Owner Name and Type:** GTE CALIFORNIA INC / CORPORATION  
**Tank Owner Address:** ATTN ENVIRONMENTAL AFFAIRS P O BOX 725 CHINO, CA 91708  
**Tank Owner Phone:** 800/3318891

### PERMIT INFORMATION

**Permit Number and Category:** 00000266A / TANK  
**Permit Type and Date:** ADD ADDITIONAL TANK / 19860404  
**Permit Expiration Date:** 19910404  
**Permit Status:** REM  
**Fee Exempt:** Yes  
**Penalty Date/s:** /  
**Suspension Date and Reason:** /

### PERMIT INFORMATION

**Permit Number and Category:** 00001626B / TANK  
**Permit Type and Date:** CLOSURE-BY REMOVAL / 19860616  
**Permit Expiration Date:** 19910616  
**Permit Status:** REM  
**Fee Exempt:** Yes  
**Penalty Date/s:** /  
**Suspension Date and Reason:** /

### PERMIT INFORMATION

**Permit Number and Category:** 00001669B / TANK  
**Permit Type and Date:** CLOSURE-BY REMOVAL / 19860625  
**Permit Expiration Date:** 19910625  
**Permit Status:** REM  
**Fee Exempt:** Yes  
**Penalty Date/s:** /  
**Suspension Date and Reason:** /

### PERMIT INFORMATION

**Permit Number and Category:** 00003985T / TANK  
**Permit Type and Date:** UST OPERATING PERMIT / 19920430  
**Permit Expiration Date:** 20090630  
**Permit Status:** PERM  
**Fee Exempt:** No  
**Penalty Date/s:** /  
**Suspension Date and Reason:** /

### SPECIFIC TANK INFORMATION FOR TANK NUMBER: 00001

**Unique Tank Number:** 000020714  
**Status:** Removed  
**Installation Date:** 19920514

- Continued on next page -

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

<b>SEARCH ID:</b> 11	<b>DIST/DIR:</b> NON GC	<b>MAP ID:</b>
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<b>NAME:</b> VERIZON CALIFORNIA <b>ADDRESS:</b> 42727 N 50TH ST WEST PALMDALE CA 93550 LOS ANGELES <b>CONTACT:</b> ENVIRONMENTAL AFFAIRS	<b>REV:</b> 05/02/09 <b>ID1:</b> LACO012070 <b>ID2:</b> THOMAS GUIDE 4104H4 <b>STATUS:</b> NOT REPORTED <b>PHONE:</b> 8003318891
--	--

**Owner Number:** 1  
**Capacity:** 0000005000  
**Content:**  
**J Fuel Type:** DIESEL  
**CAS Number:**  
**Product or Waste in Tank (?):** PRODUCT

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00002

**Unique Tank Number:** 000030561  
**Status:** Removed  
**Installation Date:** 19680101  
**Owner Number:** UNKNOWN  
**Capacity:** 0000001000  
**Content:**  
**J Fuel Type:** DIESEL  
**CAS Number:**  
**Product or Waste in Tank (?):** PRODUCT

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00003

**Unique Tank Number:** 000030701  
**Status:** Permanent  
**Installation Date:** 19950101  
**Owner Number:** 3  
**Capacity:** 0000004000  
**Content:**  
**J Fuel Type:** DIESEL  
**CAS Number:**  
**Product or Waste in Tank (?):** PRODUCT

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00001

**Application Closing Number:** 000116401  
**Date Tank Closed:** 19950126  
**Last Used Date:** 19950126  
**Remaining Quantity:** 0000000000  
**Inert Fill:** NO  
**Removal Application Number:** 000116401

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00002

**Application Closing Number:** 000112613  
**Date Tank Closed:** 19860625  
**Last Used Date:** 19860625  
**Remaining Quantity:** 0000000000  
**Inert Fill:** NO  
**Removal Application Number:** 000112613

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00003

**Application Closing Number:**  
**Date Tank Closed:**  
**Last Used Date:**  
**Remaining Quantity:** 0000000000  
**Inert Fill:**  
**Removal Application Number:**

- Continued on next page -

# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

**SEARCH ID:** 11

**DIST/DIR:** NON GC

**MAP ID:**

**NAME:** VERIZON CALIFORNIA

**ADDRESS:** 42727 N 50TH ST WEST

PALMDALE CA 93550

LOS ANGELES

**CONTACT:** ENVIRONMENTAL AFFAIRS

**REV:** 05/02/09

**ID1:** LACO012070

**ID2:** THOMAS GUIDE 4104H4

**STATUS:** NOT REPORTED

**PHONE:** 8003318891

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00001

**Manufacturer:** JOORS

**Construction Type Description:**

**Construction Material Description:**

**Construction Lining Description:**

**Piping Type Description:**

**Piping Construction Description:**

**Piping Material Description:**

**Piping Leak Detection Description:**

**Leak Detection System 1:**

**Leak Detection System 2:**

**Last Update:** 19950613

**Last Operator:** E240573

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00002

**Manufacturer:** UNKNOWN

**Construction Type Description:**

**Construction Material Description:**

**Construction Lining Description:**

**Piping Type Description:**

**Piping Construction Description:**

**Piping Material Description:**

**Piping Leak Detection Description:**

**Leak Detection System 1:**

**Leak Detection System 2:**

**Last Update:** 19941031

**Last Operator:** E288439

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00003

**Manufacturer:** JOOR

**Construction Type Description:**

**Construction Material Description:**

**Construction Lining Description:**

**Piping Type Description:**

**Piping Construction Description:**

**Piping Material Description:** ENVIROFLEX

**Piping Leak Detection Description:**

**Leak Detection System 1:**

**Leak Detection System 2:**

**Last Update:** 20090113

**Last Operator:** E288422



# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

<b>SEARCH ID:</b> 10	<b>DIST/DIR:</b> NON GC	<b>MAP ID:</b>
<b>NAME:</b> MINUTE SERVICE DAIRY INC	<b>REV:</b> 05/02/09	
<b>ADDRESS:</b> 41940 N 50TH ST WEST	<b>ID1:</b> LACO009625	
PALMDALE CA 93550	<b>ID2:</b> THOMAS GUIDE 4104H6	
LOS ANGELES	<b>STATUS:</b> NOT REPORTED	
<b>CONTACT:</b> JOHN BORG	<b>PHONE:</b> 6619433814	

According to the Los Angeles County Department of Public Works the following information is current as of 05/02/09

**GENERAL INFORMATION REGARDING SITE**

Tax Accessors Parcel /s:	3101 / 017 / 016
File Number:	009452
File Name:	MINUTE SERVICE DAIRY INC
Property Owner Name and Type:	MSD / CORPORATION
Property Owner Address:	41940 N 50TH ST WEST QUARTZ HILL, CA 93536
Tank Owner Name and Type:	MSD / CORPORATION
Tank Owner Address:	41940 N 50TH ST WEST QUARTZ HILL, CA 93536
Tank Owner Phone:	805/9433814

**PERMIT INFORMATION**

Permit Number and Category:	00000346H / TANK
Permit Type and Date:	CLOSURE BY REMOVAL / 19920613
Permit Expiration Date:	19970613
Permit Status:	REM
Fee Exempt:	No
Penalty Date/s:	/
Suspension Date and Reason:	/

**PERMIT INFORMATION**

Permit Number and Category:	00000628T / TANK
Permit Type and Date:	UST OPERATING PERMIT / 19900503
Permit Expiration Date:	20090630
Permit Status:	PERM
Fee Exempt:	No
Penalty Date/s:	/
Suspension Date and Reason:	/

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00001

Unique Tank Number:	000011524
Status:	Removed
Installation Date:	19690101
Owner Number:	1
Capacity:	0000009940
Content:	
J Fuel Type:	LEADED GASOLINE
CAS Number:	
Product or Waste in Tank (?):	PRODUCT

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00002

Unique Tank Number:	000011525
Status:	Removed
Installation Date:	19690101
Owner Number:	UNKNOWN
Capacity:	0000009940
Content:	
J Fuel Type:	REGULAR UNLEADED GASOLINE
CAS Number:	
Product or Waste in Tank (?):	PRODUCT

- Continued on next page -

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

**SEARCH ID:** 10                      **DIST/DIR:** NON GC                      **MAP ID:**

<b>NAME:</b> MINUTE SERVICE DAIRY INC <b>ADDRESS:</b> 41940 N 50TH ST WEST PALMDALE CA 93550 LOS ANGELES <b>CONTACT:</b> JOHN BORG	<b>REV:</b> 05/02/09 <b>ID1:</b> LACO009625 <b>ID2:</b> THOMAS GUIDE 4104H6 <b>STATUS:</b> NOT REPORTED <b>PHONE:</b> 6619433814
--	--

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00003

Unique Tank Number: 000011526  
Status: Removed  
Installation Date: 19690101  
Owner Number: UNKNOWN  
Capacity: 0000008000  
Content:  
J Fuel Type: PREMIUM UNLEADED GASOLINE  
CAS Number:  
Product or Waste in Tank (?): PRODUCT

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00004

Unique Tank Number: 000033861  
Status: Permanent  
Installation Date: 19970520  
Owner Number: 1  
Capacity: 0000012000  
Content:  
J Fuel Type: REGULAR UNLEADED GASOLINE  
CAS Number:  
Product or Waste in Tank (?): PRODUCT

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00005

Unique Tank Number: 000033862  
Status: Permanent  
Installation Date: 19970520  
Owner Number: 2  
Capacity: 0000006000  
Content:  
J Fuel Type: PREMIUM UNLEADED GASOLINE  
CAS Number:  
Product or Waste in Tank (?): PRODUCT

**SPECIFIC TANK INFORMATION FOR TANK NUMBER:** 00006

Unique Tank Number: 000033863  
Status: Permanent  
Installation Date: 19970520  
Owner Number: 5  
Capacity: 0000006000  
Content:  
J Fuel Type: DIESEL  
CAS Number:  
Product or Waste in Tank (?): PRODUCT

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00001

Application Closing Number: 000191535  
Date Tank Closed: 19970827  
Last Used Date: 19970827  
Remaining Quantity: 0000000000  
Inert Fill: NO  
Removal Application Number: 000191535

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00002

- Continued on next page -

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

<b>SEARCH ID:</b> 10	<b>DIST/DIR:</b> NON GC	<b>MAP ID:</b>
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<b>NAME:</b> MINUTE SERVICE DAIRY INC <b>ADDRESS:</b> 41940 N 50TH ST WEST PALMDALE CA 93550 LOS ANGELES <b>CONTACT:</b> JOHN BORG	<b>REV:</b> 05/02/09 <b>ID1:</b> LACO009625 <b>ID2:</b> THOMAS GUIDE 4104H6 <b>STATUS:</b> NOT REPORTED <b>PHONE:</b> 6619433814
--	--

**Application Closing Number:** 000191535  
**Date Tank Closed:** 19970827  
**Last Used Date:** 19970827  
**Remaining Quantity:** 0000000000  
**Inert Fill:** NO  
**Removal Application Number:** 000191535

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00003

**Application Closing Number:** 000191535  
**Date Tank Closed:** 19970827  
**Last Used Date:** 19970827  
**Remaining Quantity:** 0000000000  
**Inert Fill:** NO  
**Removal Application Number:** 000191535

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00004

**Application Closing Number:**  
**Date Tank Closed:**  
**Last Used Date:**  
**Remaining Quantity:** 0000000000  
**Inert Fill:**  
**Removal Application Number:**

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00005

**Application Closing Number:**  
**Date Tank Closed:**  
**Last Used Date:**  
**Remaining Quantity:** 0000000000  
**Inert Fill:**  
**Removal Application Number:**

**TANK CLOSING and REMOVAL INFORMATION (if applicable) FOR TANK :** 00006

**Application Closing Number:**  
**Date Tank Closed:**  
**Last Used Date:**  
**Remaining Quantity:** 0000000000  
**Inert Fill:**  
**Removal Application Number:**

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00001

**Manufacturer:** UNKNOWN  
**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**  
**Last Update:** 19980302  
**Last Operator:** E240573

- Continued on next page -

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

**SEARCH ID:** 10

**DIST/DIR:** NON GC

**MAP ID:**

**NAME:** MINUTE SERVICE DAIRY INC  
**ADDRESS:** 41940 N 50TH ST WEST  
PALMDALE CA 93550  
LOS ANGELES  
**CONTACT:** JOHN BORG

**REV:** 05/02/09  
**ID1:** LACO009625  
**ID2:** THOMAS GUIDE 4104H6  
**STATUS:** NOT REPORTED  
**PHONE:** 6619433814

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00002

**Manufacturer:** UNKNOWN  
**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**  
**Last Update:** 19980302  
**Last Operator:** E240573

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00003

**Manufacturer:** UNKNOWN  
**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**  
**Last Update:** 19980302  
**Last Operator:** E240573

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00004

**Manufacturer:** MODERN WELDING  
**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**  
**Last Update:** 20080109  
**Last Operator:** E288422

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00005

**Manufacturer:** MODERN WELDING  
**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**

- Continued on next page -

***Environmental FirstSearch  
Site Detail Report***

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

UST

**SEARCH ID:** 10

**DIST/DIR:** NON GC

**MAP ID:**

**NAME:** MINUTE SERVICE DAIRY INC  
**ADDRESS:** 41940 N 50TH ST WEST  
PALMDALE CA 93550  
LOS ANGELES  
**CONTACT:** JOHN BORG

**REV:** 05/02/09  
**ID1:** LACO009625  
**ID2:** THOMAS GUIDE 4104H6  
**STATUS:** NOT REPORTED  
**PHONE:** 6619433814

**Last Update:** 20080109  
**Last Operator:** E288422

**TANK and PIPING MATERIALS (if applicable) FOR TANK :** 00006  
**Manufacturer:** MODERN WELDING

**Construction Type Description:**  
**Construction Material Description:**  
**Construction Lining Description:**  
**Piping Type Description:**  
**Piping Construction Description:**  
**Piping Material Description:**  
**Piping Leak Detection Description:**  
**Leak Detection System 1:**  
**Leak Detection System 2:**  
**Last Update:** 20080109  
**Last Operator:** E288422



**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

STATE

**SEARCH ID:** 9

**DIST/DIR:** NON GC

**MAP ID:**

**NAME:** MIDDLE SCHOOL SITE NO. 24  
**ADDRESS:** AVENUE H-8/40TH STREET WEST  
LANCASTER CA 93536  
LOS ANGELES

**REV:** 07/18/05  
**ID1:** CAL19650038  
**ID2:**  
**STATUS:** NO FURTHER ACTION FOR DTSC  
**PHONE:**

**OTHER SITE NAMES (blank below = not reported by agency)**

MIDDLE SCHOOL SITE NO. 24

**GENERAL SITE INFORMATION**

**File Name (if different than site name):**

**Status:** NO FURTHER ACTION FOR DTSC  
**AWP Site Type:** PROPOSED SCHOOL SITE PROPERTY  
**NPL Site:** U  
**Fund:**  
**Status Date:** 03252004  
**Lead:** DEPT OF TOXIC SUBSTANCES CONTROL  
**Staff:** JJONES  
**DTSC Region and RWQCB :** GLENDALE  
**Branch:** SCHOOL EVALUATION  
**RWQCB:**  
**Site Access:**  
**Groundwater Contamination:**  
**Number of Sources Contributing to Contamination at the Site:**

**OTHER AGENCY ID NUMBERS (blank below = not reported by agency)**

**ID SOURCE NAME, and VALUE:** CALSTARS CODE 304443-11

**BACKGROUND INFORMATION (blank below = not reported by agency)**

The property consists of vacant undeveloped land. No roads, buildings, utilities, wells, or other such improvements are located on the property. Aerial photographs and topographic maps indicate that the property historically consisted of vacant undeveloped land vegetated with native desert vegetation from at least 1952 to 1994. Surrounding properties consist of vacant land.

**PROJECTED ACTIVITIES (blank below = not reported by agency)**

**Activity:** PHASE I - CALMORTGAGE AND SCHOOL SITE PROPERTIES  
**Activity Status:** NO FURTHER ACTION FOR DTSC  
**Completion Due Date:**  
**Revised Completion Due Date:**  
**Date Activity Actually Completed:** 03252004  
**Yards of Solids Removed:**  
**Yards of Solids Treated:**  
**Gallons of Liquid Removed:**  
**Gallons of Liquid Treated:**

**DTSC COMMENTS REGARDING THIS SITE (blank below = not reported by agency)**

**Comments Date:** 03252004

: DTSC reviewed a Phase I Environmental Assessment and has made a No Action determination for this Site.

# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

ERNS

**SEARCH ID:** 8 **DIST/DIR:** NON GC **MAP ID:**

<b>NAME:</b> <b>ADDRESS:</b> 58TH ST WEST LOT NUMBER 138 AVE J 14 LANCASTER CA LOS ANGELES <b>CONTACT:</b> N/A	<b>REV:</b> 12/31/05 <b>ID1:</b> NRC-770480 <b>ID2:</b> <b>STATUS:</b> PIPELINE <b>PHONE:</b>
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**SITE INFORMATION**

THIS INFORMATION WAS OBTAINED FROM THE NATIONAL RESPONSE CENTER

<b>DATE RECEIVED:</b>	8/26/2005 3:55:56 PM	<b>DATE COMPLETE:</b>
8/26/2005 4:00:21 PM		
<b>CALL TAKER:</b>	REC7955	<b>CALL TYPE:</b> INC

**RESPONSIBLE PARTY:** N/A  
**PHONE 1:**  
**PHONE 2:**  
**PHONE 3:**

**RESPONSIBLE COMPANY:** WILCOX AND WILCOX CONSTRUCTION COMPANY  
**ORGANIZATION TYPE:** PRIVATE ENTERPRISE

**ADDRESS:** CA

**SOURCE:** TELEPHONE

**INCIDENT INFORMATION**

**INCIDENT DESCRIPTION:** AN UNDERGROUND 2 INCH NATURAL GAS LINE WAS STRUCK WITH A BACK HOE RESULTING IN A FIRE AND A RELEASE OF NATURAL GAS.

<b>INCIDENT TYPE:</b>	PIPELINE	<b>INCIDENT CAUSE:</b>	OPERATOR ERROR
<b>INCIDENT DATE:</b>	8/26/2005 11:10:00 AM	<b>INCIDENT DATE DESC:</b>	
OCCURRED			

<b>DISTANCE FROM CITY:</b>	<b>DISTANCE UNITS:</b>
<b>DIRECTION FROM CITY:</b>	<b>LOCATION SECTION:</b>
<b>LOCATION TOWNSHIP:</b>	<b>LOCATION RANGE:</b>

<b>AIRCRAFT TYPE:</b> <b>AIRCRAFT ID:</b> <b>AIRCRAFT FUEL CAPACITY UNITS:</b> <b>AIRCRAFT FUEL ON BOARD UNITS:</b> <b>AIRCRAFT HANGER:</b> <b>ROAD MILE MARKER:</b> <b>TYPE OF FIXED OBJECT:</b> <b>GENERATING CAPACITY:</b> <b>NPDES:</b> <b>PIPELINE TYPE:</b> OTHER <b>PIPELINE ABOVE GROUND:</b> BELOW <b>PIPELINE COVERED:</b> UNKNOWN <b>LOCATION SUBDIVISION:</b> <b>TYPE VEHICLE INVOLVED:</b> <b>DEVICE OPERATIONAL:</b> YES	<b>AIRCRAFT MODEL:</b> <b>AIRCRAFT FUEL CAPACITY:</b> <b>AIRCRAFT FUEL ON BOARD:</b> <b>AIRCRAFT SPOT NUMBER:</b> <b>AIRCRAFT RUNWAY NUM:</b> <b>BUILDING ID:</b> <b>POWER GEN FACILITY:</b> UNKNOWN <b>TYPE OF FUEL:</b> <b>NPDES COMPLIANCE:</b> UNKNOWN <b>DOT REGULATED:</b> UNKNOWN <b>EXPOSED UNDERWATER:</b> NO <b>GRADE CROSSING:</b> NO <b>RAILROAD MILEPOST:</b> <b>CROSSING DEVICE TYPE:</b>  <b>BRAKE FAILURE:</b> NO
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<b>DOT CROSSING NUMBER:</b>	<b>BRAKE FAILURE:</b> NO
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- Continued on next page -

# Environmental FirstSearch

## Site Detail Report

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

### ERNS

**SEARCH ID:** 8                      **DIST/DIR:** NON GC                      **MAP ID:**

<b>NAME:</b> <b>ADDRESS:</b> 58TH ST WEST LOT NUMBER 138 AVE J 14 LANCASTER CA LOS ANGELES <b>CONTACT:</b> N/A	<b>REV:</b> 12/31/05 <b>ID1:</b> NRC-770480 <b>ID2:</b> <b>STATUS:</b> PIPELINE <b>PHONE:</b>
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<b>TANK ABOVE GROUND:</b> <b>TANK REGULATED:</b> <b>TANK ID:</b> <b>CAPACITY OF TANK UNITS:</b> <b>ACTUAL AMOUNT UNITS:</b> <b>PLATFORM LETTER:</b> <b>LOCATION BLOCK ID:</b>	ABOVE UNKNOWN	<b>TRANSPORTABLE CONTAINER:</b> UNKNOWN <b>TANK REGULATED BY:</b> <b>CAPACITY OF TANK:</b> <b>ACTUAL AMOUNT:</b> <b>PLATFORM RIG NAME:</b> <b>LOCATION AREA ID:</b>
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**DESCRIPTION OF TANK:**

<b>OCSG NUMBER:</b> <b>STATE LEASE NUMBER:</b> <b>BERTH SLIP NUMBER:</b> <b>INITIAL CONT RELEASE NUM:</b> <b>ALLISION:</b> <b>STRUCTURE NAME:</b> <b>AIRBAG DEPLOYED:</b> <b>SERVICE DISRUPT TIME:</b> <b>TRANSIT BUS FLAG:</b> <b>CR END DATE:</b>	NO	<b>OCSF NUMBER:</b> <b>PIER DOCK NUMBER:</b> <b>CONTIN RELEASE TYPE:</b> <b>CONT RELEASE PERMIT:</b> <b>TYPE OF STRUCTURE:</b> <b>STRUCT OPERATIONAL:</b> UNKNOWN <b>DATE NORMAL SERVICE:</b> <b>SERVICE DISRUPT UNITS:</b> <b>CR BEGIN DATE:</b> <b>CR CHANGE DATE:</b>
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<b>FIRE INVOLVED:</b> <b>ANY EVACUATIONS:</b> <b>WHO EVACUATED:</b> <b>ANY INJURIES:</b> <b>NUMBER HOSPITALIZED:</b> <b>NUMBER FATALITIES:</b> <b>DAMAGE AMOUNT:</b> <b>AIR CORRIDOR DESC:</b> <b>WATERWAY CLOSED:</b> <b>WATERWAY CLOSURE TIME:</b> <b>ROAD DESC:</b> <b>CLOSURE DIRECTION:</b>	YES NO  NO   NO  NO  NO  NO	<b>FIRE EXTINGUISHED:</b> YES <b>NUMBER EVACUATED:</b> <b>RADIUS OF EVACUATION:</b> <b>NUMBER INJURED:</b> <b>ANY FATALITIES:</b> NO <b>ANY DAMAGES:</b> YES <b>AIR CORRIDOR CLOSED:</b> NO <b>AIR CLOSURE TIME:</b> <b>WATERWAY DESC:</b> <b>ROAD CLOSED:</b> NO <b>ROAD CLOSURE TIME:</b> <b>MAJOR ARTERY:</b> NO
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<b>TRACK CLOSED:</b> <b>TRACK CLOSURE TIME:</b> <b>MEDIUM DESC:</b> <b>BODY OF WATER:</b> <b>NEAREST RIVER MILE MARK:</b> <b>EST DUR OF RELEASE:</b> <b>TRACK CLOSE DIR:</b> <b>ST AGENCY RPT NUM:</b> <b>WEATHER CONDITIONS:</b> <b>WIND SPEED:</b> <b>WATER SUPPLY CONTAM:</b> <b>SHEEN COLOR:</b> <b>SHEEN ODOR DESCRIPTION:</b> <b>CURRENT SPEED:</b> <b>WATER TEMPERATURE:</b>	NO  AIR      CLEAR  UNKNOWN	<b>TRACK DESC:</b> <b>MEDIA INTEREST:</b> <b>ADDTL MEDIUM INFO:</b> <b>TRIBUTARY OF:</b> <b>RELEASE SECURED:</b> YES <b>RELEASE RATE:</b> <b>ST AGENCY ON SCENE:</b> <b>OTHER AGENCY NOTIFIED:</b> <b>AIR TEMPERATURE:</b> <b>WIND DIRECTION:</b> <b>SHEEN SIZE:</b> <b>DIR OF SHEEN TRAVEL:</b> <b>WAVE CONDITION:</b> <b>CURRENT DIRECTION:</b>
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**DESC OF REMEDIAL ACTION:** EXTINGUISHED THE FIRE AND SECURED THE RELEASE

**EMPL FATALITY:**                      **PASS FATALITY:**

- Continued on next page -

***Environmental FirstSearch  
Site Detail Report***

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

**ERNS**

<b>SEARCH ID:</b> 8	<b>DIST/DIR:</b> NON GC	<b>MAP ID:</b>
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<b>NAME:</b> <b>ADDRESS:</b> 58TH ST WEST LOT NUMBER 138 AVE J 14 LANCASTER CA LOS ANGELES <b>CONTACT:</b> N/A	<b>REV:</b> 12/31/05 <b>ID1:</b> NRC-770480 <b>ID2:</b> <b>STATUS:</b> PIPELINE <b>PHONE:</b>
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<b>COMMUNITY IMPACT:</b>	NO	<b>WIND SPEED UNITS:</b>
<b>EMPLOYEE INJURIES:</b>		<b>PASSENGER INJURIES:</b>
<b>OCCUPANT FATALITY:</b>		<b>CURRENT SPEED UNITS:</b>
<b>ROAD CLOSURE UNITS:</b>		<b>TRACK CLOSURE UNITS:</b>
<b>SHEEN SIZE UNITS:</b>		<b>STATE AGENCY NOTIFIED:</b>
<b>FED AGENCY NOTIFIED:</b>		<b>NEAREST RIVER MILE MARK:</b>
<b>SHEEN SIZE LENGTH:</b>		<b>SHEEN SIZE LENGTH UNITS:</b>
<b>SHEEN SIZE WIDTH:</b>		<b>SHEEN SIZE WIDTH UNITS:</b>
<b>OFFSHORE:</b>	N	<b>DURATION UNIT:</b>
<b>RELEASE RATE UNIT:</b>		<b>RELEASE RATE RATE:</b>

**ADDITIONAL INFO:** NONE

**MATERIAL INFORMATION**

<b>CHRIS CODE:</b>	ONG	<b>CASE NUMBER:</b>	000000-00-0
<b>UN NUMBER:</b>		<b>REACHED WATER:</b>	NO
<b>NAME OF MATERIAL:</b>	NATURAL GAS		
<b>AMOUNT OF MATERIAL:</b>	0 UNKNOWN AMOUNT		
<b>AMOUNT IN WATER:</b>			

**OTHER MATERIAL INFORMATION**

**MOBILE DETAILS INFORMATION**

**TRAIN INFORMATION**

**VESSEL INFORMATION**

**Environmental FirstSearch**  
**Site Detail Report**

**Target Property:** 5816 WEST AVENUE I  
LANCASTER CA 93536

**JOB:** 442230

ERNS

**SEARCH ID:** 7

**DIST/DIR:** NON GC

**MAP ID:**

**NAME:** UNKNOWN  
**ADDRESS:** CALIFORNIA STATE PRISON  
LANCASTER CA 93534  
LOS ANGELES  
**CONTACT:**

**REV:** 10/8/1993  
**ID1:** 346229  
**ID2:**  
**STATUS:** FIXED FACILITY  
**PHONE:**

**SPILL INFORMATION**

**DATE OF SPILL:** 10/8/1993      **TIME OF SPILL:** 0910

**PRODUCT RELEASED (1):** SODIUM TRICHLOROSILANE  
**QUANTITY (1):** 300  
**UNITS (1):** LBS

**PRODUCT RELEASED (2):**  
**QUANTITY (2):**  
**UNITS (2):**

**PRODUCT RELEASED (3):**  
**QUANTITY (3):**  
**UNITS (3):**

**MEDIUM/MEDIA AFFECTED**

<b>AIR:</b>	NO	<b>GROUNDWATER:</b>	NO
<b>LAND:</b>	NO	<b>FIXED FACILITY:</b>	NO
<b>WATER:</b>	YES	<b>OTHER:</b>	NO
<b>WATERBODY AFFECTED BY RELEASE:</b>			

**CAUSE OF RELEASE**

<b>DUMPING:</b>	NO	<b>EQUIPMENT FAILURE:</b>	NO
<b>NATURAL PHENOMENON:</b>	NO	<b>OPERATOR ERROR:</b>	NO
<b>OTHER CAUSE:</b>	NO	<b>TRANSP. ACCIDENT:</b>	NO
<b>UNKNOWN:</b>	NO		

**ACTIONS TAKEN:** CLEANUP BY PRISON PERSONNEL

**RELEASE DETECTION:** MIXED CHEMICALS AND CAUSED VAPOR CLOUD, 1 INMATE TAKEN TO HOSP.

**MISC. NOTES:** WILL NOTIFY TWC

**DISCHARGER INFORMATION**

**DISCHARGER ID:** 346229  
**TYPE OF DISCHARGER:** UNKNOWN  
**NAME OF DISCHARGER:** UNKNOWN  
**ADDRESS:**

**DUN and BRADSTREET :**



## Environmental FirstSearch Descriptions

**NPL: EPA NATIONAL PRIORITY LIST** - The National Priorities List is a list of the worst hazardous waste sites that have been identified by Superfund. Sites are only put on the list after they have been scored using the Hazard Ranking System (HRS), and have been subjected to public comment. Any site on the NPL is eligible for cleanup using Superfund Trust money.

A Superfund site is any land in the United States that has been contaminated by hazardous waste and identified by the Environmental Protection Agency (EPA) as a candidate for cleanup because it poses a risk to human health and/or the environment.

FINAL - Currently on the Final NPL

PROPOSED - Proposed for NPL

**NPL DELISTED: EPA NATIONAL PRIORITY LIST Subset** - Database of delisted NPL sites. The National Oil and Hazardous Substances Pollution Contingency Plan (NCP) establishes the criteria that the EPA uses to delete sites from the NPL. In accordance with 40 CFR 300.425.(e), sites may be deleted from the NPL where no further response is appropriate.

DELISTED - Deleted from the Final NPL

**CERCLIS: EPA COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY INFORMATION SYSTEM (CERCLIS)**- CERCLIS is a database of potential and confirmed hazardous waste sites at which the EPA Superfund program has some involvement. It contains sites that are either proposed to be or are on the National Priorities List (NPL) as well as sites that are in the screening and assessment phase for possible inclusion on the NPL.

PART OF NPL- Site is part of NPL site

DELETED - Deleted from the Final NPL

FINAL - Currently on the Final NPL

NOT PROPOSED - Not on the NPL

NOT VALID - Not Valid Site or Incident

PROPOSED - Proposed for NPL

REMOVED - Removed from Proposed NPL

SCAN PLAN - Pre-proposal Site

WITHDRAWN - Withdrawn

**NFRAP: EPA COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY INFORMATION SYSTEM ARCHIVED SITES** - database of Archive designated CERCLA sites that, to the best of EPA's knowledge, assessment has been completed and has determined no further steps will be taken to list this site on the National Priorities List (NPL). This decision does not necessarily mean that there is no hazard associated with a given site; it only means that, based upon available information, the location is not judged to be a potential NPL site.

NFRAP – No Further Remedial Action Plan

P - Site is part of NPL site

D - Deleted from the Final NPL

F - Currently on the Final NPL

N - Not on the NPL

O - Not Valid Site or Incident

P - Proposed for NPL

R - Removed from Proposed NPL

S - Pre-proposal Site

W – Withdrawn

**RCRA COR ACT: EPA RESOURCE CONSERVATION AND RECOVERY INFORMATION SYSTEM SITES** - Database of hazardous waste information contained in the Resource Conservation and Recovery Act Information (RCRAInfo), a national program management and inventory system about hazardous waste handlers. In general, all generators, transporters, treaters, storers, and disposers of hazardous waste are required to provide information about their activities to state environmental agencies. These agencies, in turn pass on the information to regional and national EPA offices. This regulation is governed by the Resource Conservation and Recovery Act (RCRA), as amended by the Hazardous and Solid Waste Amendments of 1984.

RCRAInfo facilities that have reported violations and subject to corrective actions.

**RCRA TSD: EPA RESOURCE CONSERVATION AND RECOVERY INFORMATION SYSTEM**

**TREATMENT, STORAGE, and DISPOSAL FACILITIES.** - Database of hazardous waste information contained in the Resource Conservation and Recovery Act Information (RCRAInfo), a national program management and inventory system about hazardous waste handlers. In general, all generators, transporters, treaters, storers, and disposers of hazardous waste are required to provide information about their activities to state environmental agencies. These agencies, in turn pass on the information to regional and national EPA offices. This regulation is governed by the Resource Conservation and Recovery Act (RCRA), as amended by the Hazardous and Solid Waste Amendments of 1984.

Facilities that treat, store, dispose, or incinerate hazardous waste.

**RCRA GEN: EPA RESOURCE CONSERVATION AND RECOVERY INFORMATION SYSTEM GENERATORS** - Database of hazardous waste information contained in the Resource Conservation and Recovery Act Information (RCRAInfo), a national program management and inventory system about hazardous waste handlers. In general, all generators, transporters, treaters, storers, and disposers of hazardous waste are required to provide information about their activities to state environmental agencies. These agencies, in turn pass on the information to regional and national EPA offices. This regulation is governed by the Resource Conservation and Recovery Act (RCRA), as amended by the Hazardous and Solid Waste Amendments of 1984. Facilities that generate or transport hazardous waste or meet other RCRA requirements.

LGN - Large Quantity Generators

SGN - Small Quantity Generators

VGN – Conditionally Exempt Generator.

Included are RAATS (RCRA Administrative Action Tracking System) and CMEL (Compliance Monitoring & Enforcement List) facilities.

**RCRA NLR: EPA RESOURCE CONSERVATION AND RECOVERY INFORMATION SYSTEM SITES** - Database of hazardous waste information contained in the Resource Conservation and Recovery Act Information (RCRAInfo), a national program management and inventory system about hazardous waste handlers. In general, all generators, transporters, treaters, storers, and disposers of hazardous waste are required to provide information about their activities to state environmental agencies. These agencies, in turn pass on the information to regional and national EPA offices. This regulation is governed by the Resource Conservation and Recovery Act (RCRA), as amended by the Hazardous and Solid Waste Amendments of 1984.

Facilities not currently classified by the EPA but are still included in the RCRAInfo database. Reasons for non classification:

Failure to report in a timely matter.

No longer in business.

No longer in business at the listed address.

No longer generating hazardous waste materials in quantities which require reporting.

**Federal IC / EC: EPA BROWNFIELD MANAGEMENT SYSTEM (BMS)** - database designed to assist EPA in collecting, tracking, and updating information, as well as reporting on the major activities and accomplishments of the various Brownfield grant Programs.

**FEDERAL ENGINEERING AND INSTITUTIONAL CONTROLS-** Superfund sites that have either an engineering or an institutional control. The data includes the control and the media contaminated.

**ERNS: EPA/NRC EMERGENCY RESPONSE NOTIFICATION SYSTEM (ERNS)** - Database of incidents reported to the National Response Center. These incidents include chemical spills, accidents involving chemicals (such as fires or explosions), oil spills, transportation accidents that involve oil or chemicals, releases of radioactive materials, sightings of oil sheens on bodies of water, terrorist incidents involving chemicals, incidents where illegally dumped chemicals have been found, and drills intended to prepare responders to handle these kinds of incidents. Data since January 2001 has been received from the National Response System database as the EPA no longer maintains this data.

**Tribal Lands: DOI/BIA INDIAN LANDS OF THE UNITED STATES** - Database of areas with boundaries established by treaty, statute, and (or) executive or court order, recognized by the Federal Government as territory in which American Indian tribes have primary governmental authority. The Indian Lands of the United States map layer shows areas of 640 acres or more, administered by the Bureau of Indian Affairs. Included are Federally-administered lands within a reservation which may or may not be considered part of the reservation.

**State/Tribal Sites: CA EPA SMBRPD / CAL SITES-** The California Department of Toxic Substances Control (DTSC) has developed an electronic database system with information about sites that are known to be contaminated with hazardous substances as well as information on uncharacterized properties where further studies may reveal problems. The Site Mitigation and Brownfields Reuse Program Database (SMBRPD), also known as CalSites, is used primarily by DTSC's staff as an informational tool to evaluate and track activities at

properties that may have been affected by the release of hazardous substances. The SMBRPD displays information in six categories. The categories are:

1. CalSites Properties (CS)
  2. School Property Evaluation Program Properties (SCH)
  3. Voluntary Cleanup Program Properties (VCP)
  4. Unconfirmed Properties Needing Further Evaluation (RFE)
- Please Note: FirstSearch Reports list the above sites as DB Type (STATE).
5. Unconfirmed Properties Referred to Another Local or State Agency (REF)
  6. Properties where a No Further Action Determination has been made (NFA)

Please Note: FirstSearch Reports list the above sites as DB Type (OTHER).

Each Category contains information on properties based upon the type of work taking place at the site. For example, the CalSites database is now one of the six categories within SMPBRD and contains only confirmed sites considered as posing the greatest threat to the public and/or the potential public school sites will be found within the School Property Evaluation Program, and those properties undergoing voluntary investigation and/or cleanup are in the Voluntary Cleanup Program.

CORTESE LIST-Pursuant to Government Code Section 65962.5, the Hazardous Waste and Substances Sites List has been compiled by Cal/EPA, Hazardous Materials Data Management Program. The CAL EPA Dept. of Toxic Substances Control compiles information from subsets of the following databases to make up the CORTESE list:

1. The Dept. of Toxic Substances Control; contaminated or potentially contaminated hazardous waste sites listed in the CAL Sites database. Formerly known as ASPIS are included (CALSITES formerly known as ASPIS).
2. The California State Water Resources Control Board; listing of Leaking Underground Storage Tanks are included (LTANK)
3. The California Integrated Waste Management Board; Sanitary Landfills which have evidence of groundwater contamination or known migration of hazardous materials (formerly WB-LF, now AB 3750).

Note: Track Info Services collects each of the above data sets individually and lists them separately in the following First Search categories in order to provide more current and comprehensive information: CALSITES: SPL, LTANK: LUST, WB-LF: SWL

**State Spills 90:** *CA EPA* SLIC REGIONS 1 - 9- The California Regional Water Quality Control Boards maintain report of sites that have records of spills, leaks, investigation, and cleanups.

**State/Tribal SWL:** *CA IWMB/SWRCB/COUNTY* SWIS SOLID WASTE INFORMATION SYSTEM-The California Integrated Waste Management Board maintains a database on solid waste facilities, operations, and disposal sites throughout the state of California. The types of facilities found in this database include landfills, transfer stations, material recovery facilities, composting sites, transformation facilities, waste tire sites, and closed disposal sites. For more information on individual sites call the number listed in the source field..

Please Note: This database contains poor site location information for many sites in the First Search reports; therefore, it may not be possible to locate or plot some sites in First Search reports.

WMUDS-The State Water Resources Control Board maintained the Waste Management Unit Database System (WMUDS). It is no longer updated. It tracked management units for several regulatory programs related to waste management and its potential impact on groundwater. Two of these programs (SWAT & TPCA) are no longer on-going regulatory programs as described below. Chapter 15 (SC15) is still an on-going regulatory program and information is updated periodically but not to the WMUDS database. The WMUDS System contains information from the following agency databases: Facility, Waste Management Unit (WMU), Waste Discharger System (WDS), SWAT, Chapter 15, TPCA, RCRA, Inspections, Violations, and Enforcement's.

Note: This database contains poor site location information for many sites in the First Search reports; therefore, it may not be possible to locate or plot some sites in First Search reports.

ORANGE COUNTY LANDFILLS LIST- A list maintained by the Orange County Health Department.

**State/Tribal LUST:** *CA SWRCB/COUNTY* LUSTIS- The State Water Resources Control Board maintains a database of sites with confirmed or unconfirmed leaking underground storage tanks. Information for this database is collected from the states regional boards quarterly and integrated with this database.

SAN DIEGO COUNTY LEAKING TANKS- The San Diego County Department of Environmental Health maintains a database of sites with confirmed or unconfirmed leaking underground storage tanks within its HE17/58 database. For more information on a specific file call the HazMat Duty Specialist at phone number listed in the source information field.

**State/Tribal UST/AST:** *CA EPA/COUNTY/CITY* ABOVEGROUND STORAGE TANKS LISTING-The Above Ground Petroleum Storage Act became State Law effective January 1, 1990. In general, the law requires owners or operators of AST's with petroleum products to file a storage statement and pay a fee by July 1, 1990 and every two years thereafter, take specific action to prevent spills, and in certain instances implement a

groundwater monitoring program. This law does not apply to that portion of a tank facility associated with the production oil and regulated by the State Division of Oil and Gas of the Dept. of Conservation.

**SWEEPS / FIDS STATE REGISTERED UNDERGROUND STORAGE TANKS-** Until 1994 the State Water Resources Control Board maintained a database of registered underground storage tanks statewide referred to as the SWEEPS System. The SWEEPS UST information was integrated with the CAL EPA's Facility Index System database (FIDS) which is a master index of information from numerous California agency environmental databases. That was last updated in 1994. Track Info Services included the UST information from the FIDS database in its First Search reports for historical purposes to help its clients identify where tanks may possibly have existed. For more information on specific sites from individual paper files archived at the State Water Resources Control Board call the number listed with the source information.

**INDIAN LANDS UNDERGROUND STORAGE TANKS LIST-** A listing of underground storage tanks currently on Indian Lands under federal jurisdiction. California Indian Land USTS are administered by US EPA Region 9.

**CUPA DATABASES & SOURCES-** Definition of a CUPA: A Certified Unified Program Agency (CUPA) is a local agency that has been certified by the CAL EPA to implement six state environmental programs within the local agency's jurisdiction. These can be a county, city, or JPA (Joint Powers Authority). This program was established under the amendments to the California Health and Safety Code made by SB 1082 in 1994.

A Participating Agency (PA) is a local agency that has been designated by the local CUPA to administer one or more Unified Programs within their jurisdiction on behalf of the CUPA. A Designated Agency (DA) is an agency that has not been certified by the CUPA but is the responsible local agency that would implement the six unified programs until they are certified.

Please Note: Track Info Services, LLC collects and maintains information regarding Underground Storage Tanks from majority of the CUPAS and Participating Agencies in the State of California. These agencies typically do not maintain nor release such information on a uniform or consistent schedule; therefore, currency of the data may vary. Please look at the details on a specific site with a UST record in the First Search Report to determine the actual currency date of the record as provided by the relevant agency. Numerous efforts are made on a regular basis to obtain updated records.

**State/Tribal IC: CA EPA DEED-RESTRICTED SITES LISTING-** The California EPA's Department of Toxic Substances Control Board maintains a list of deed-restricted sites, properties where the DTSC has placed limits or requirements on the future use of the property due to varying levels of cleanup possible, practical or necessary at the site.

**State/Tribal VCP: CA EPA SMBRPD / CAL SITES-** The California Department of Toxic Substances Control (DTSC) has developed an electronic database system with information about sites that are known to be contaminated with hazardous substances as well as information on uncharacterized properties where further studies may reveal problems. The Site Mitigation and Brownfields Reuse Program Database (SMBRPD), also known as CalSites, is used primarily by DTSC's staff as an informational tool to evaluate and track activities at properties that may have been affected by the release of hazardous substances.

The SMBRPD displays information in six categories. The categories are:

1. CalSites Properties (CS)
2. School Property Evaluation Program Properties (SCH)
3. Voluntary Cleanup Program Properties (VCP)
4. Unconfirmed Properties Needing Further Evaluation (RFE)
5. Unconfirmed Properties Referred to Another Local or State Agency (REF)
6. Properties where a No Further Action Determination has been made (NFA)

Please Note: FirstSearch Reports list the above sites as DB Type VC. Each Category contains information on properties based upon the type of work taking place at the site. The VC category contains only those properties undergoing voluntary investigation and/or cleanup and which are listed in the Voluntary Cleanup Program.

**RADON: NTIS NATIONAL RADON DATABASE -** EPA radon data from 1990-1991 national radon project collected for a variety of zip codes across the United States.

**State Permits: CA COUNTY SAN DIEGO COUNTY HE17 PERMITS-** The HE17/58 database tracks establishments issued permits and the status of their permits in relation to compliance with federal, state, and local regulations that the County oversees. It tracks if a site is a hazardous waste generator, TSD, gas station, has underground tanks, violations, or unauthorized releases. For more information on a specific file call the HazMat Duty Specialist at the phone number listed in the source information field.

**SAN BERNARDINO COUNTY HAZARDOUS MATERIALS PERMITS-** Handlers and Generators Permit Information Maintained by the Hazardous Materials Division.

**State Other: US DOJ NATIONAL CLANDESTINE LABORATORY REGISTER -** Database of addresses

of some locations where law enforcement agencies reported they found chemicals or other items that indicated the presence of either clandestine drug laboratories or dumpsites. In most cases, the source of the entries is not the U.S. Department of Justice ("the Department"), and the Department has not verified the entry and does not guarantee its accuracy. All sites that are included in this data set will have an id that starts with NCLR.

**State Other: CA EPA/COUNTY SMBRPD / CAL SITES-** The California Department of Toxic Substances Control (DTSC) has developed an electronic database system with information about sites that are known to be contaminated with hazardous substances as well as information on uncharacterized properties where further studies may reveal problems. The Site Mitigation and Brownfields Reuse Program Database (SMBRPD), also known as CalSites, is used primarily by DTSC's staff as an informational tool to evaluate and track activities at properties that may have been affected by the release of hazardous substances.

The SMBRPD displays information in six categories. The categories are:

1. CalSites Properties (CS)
2. School Property Evaluation Program Properties (SCH)
3. Voluntary Cleanup Program Properties (VCP)
4. Unconfirmed Properties Needing Further Evaluation (RFE)
- Please Note: FirstSearch Reports list the above sites as DB Type (STATE).
5. Unconfirmed Properties Referred to Another Local or State Agency (REF)
6. Properties where a No Further Action Determination has been made (NFA)

Please Note: FirstSearch Reports list the above sites as DB Type (OTHER).

Each Category contains information on properties based upon the type of work taking place at the site. For example, the CalSites database is now one of the six categories within SMPBRD and contains only confirmed sites considered as posing the greatest threat to the public and/or the potential public school sites will be found within the School Property Evaluation Program, and those properties undergoing voluntary investigation and/or cleanup are in the Voluntary Cleanup Program.

**LA COUNTY SITE MITIGATION COMPLAINT CONTROL LOG-** The County of Los Angeles Public Health Investigation Compliant Control Log.

**ORANGE COUNTY INDUSTRIAL SITE CLEANUPS-** List maintained by the Orange County Environmental Health Agency.

**RIVERSIDE COUNTY WASTE GENERATORS-**A list of facilities in Riverside County which generate hazardous waste.

**SACRAMENTO COUNTY MASTER HAZMAT LIST-**Master list of facilities within Sacramento County with potentially hazardous materials.

**SACRAMENTO COUNTY TOXIC SITE CLEANUPS-**A list of sites where unauthorized releases of potentially hazardous materials have occurred.

**FI Map Coverage: PROPRIETARY FIRE INSURANCE MAP AVAILABILITY -** Database of historical fire insurance map availability.



## APPENDIX F REFERENCES



## APPENDIX F

## REFERENCES

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## APPENDIX G VISUAL SITE INSPECTION FORMS





## **EBS VISUAL SITE INSPECTION CHECKLIST**

### **PHASE 1 ENVIRONMENTAL SITE ASSESSMENT**

Mira Loma Detention Facility Solar Plant (Lancaster, CA)

### **VISUAL SITE INSPECTION (VSI) CHECKLIST**

Site:	Proposed Location of Mira Loma Detention Facility Solar Plant
Date of VSI:	22 December 2009
Persons Performing VSI:	Elvira Gaddi / Rosemarie Crisologo
<b>A. Describe the property (describe general condition, note building numbers, etc.)</b> Property is vacant and covered with sandy soil & typical desert vegetation	
<b>B. Any overhead power lines on the site.</b> No overhead power lines on site but on adjoining properties	
<b>C. Any presence of stressed vegetation within a reasonable distance of a building or in the general area of buildings? Note location and possible source of stressed vegetation.</b> No buildings on site. Vegetation does not appear stressed. Some dead Joshua trees observed at southern portion of property. <b>Any presence of protected vegetation?</b> None recognized	
<b>D. Any stains on the facility structure, ground or pavement? Note location and possible source of staining.</b> No staining observed.	

## **EBS VISUAL SITE INSPECTION CHECKLIST**

**E. Any unusual odors? Note location and possible source of odor(s).**

*No unusual odors observed.*

**F. Any improper storage or use of petroleum products, chemicals or wastes?**

*Prior storage or use of petroleum products and chemicals not observed on site.*

**G. Presence of indiscriminate solid waste dumping on property? Note type and location of solid waste.**

*No indiscriminate solid waste dumping observed on site. Only occasional windblown trash observed on site.*

**H. Note the presence or potential presence of:**

**Medical/biohazardous waste**

*None observed*

**Radioactive waste (labeled "radioactive")**

*None observed*

**PCB-containing equipment (transformers)**

*None observed*

**Unexploded ordnance**

*None observed*

## EBS VISUAL SITE INSPECTION CHECKLIST

- I. Buildings: List building number and inspect exterior of buildings. Note the following: peeling paint, potential asbestos containing materials, presence of hazardous material, presence of hazardous wastes.

*No buildings on site*

- J. Describe the nature and location of any observed interior construction materials on the property that, based upon U.S. Environmental Protection Agency (EPA) and Occupational Safety and Health Administration (OSHA) guidance documents, may be friable presumed asbestos-containing materials (ACM).

*None observed*

- K. Note any structures attached to or located near the building that does or may have housed the following:

Storage tank (UST or AST). Note possible contents, size, and condition, look for UST vent pipes or fill ports.

*No USTs observed*

Describe or list each identified large aboveground storage tank (AST) or underground storage tank (UST) that is on the property (except water tanks), and identify observed exterior tanks on adjacent parcels that may present a significant environmental risk if a release were to occur.

*Not applicable*

Septic Tank

- *Not applicable*

Equipment Maintenance Site (Describe equipment and contents)

- *Not applicable*

Oil/Water Separator (Note if operating, overflowing, plugged, condition)

- *Not applicable*

## EBS VISUAL SITE INSPECTION CHECKLIST

L. Any indications that the facility or general area may be of historical or cultural importance.

Part of the site may have been part of the  
Naval Eagle Airfield, later renamed Mira Loma Airfield

M. Potential habitat for threatened or endangered species.

No

N. Evidence of unusual geologic or floodplain conditions? Presence of wetlands?

None

O. Area with potential mineral resource value?

No

P. Any potential seen for soil, groundwater, surface water, sediment or soil vapor contamination based on a release of hazardous substances?

No

Q. Identify hazardous substances used (i.e., raw materials, operating supplies, oil-containing equipment), generated, and/or released (i.e., air emissions, waste water discharges) on the property in significant quantities.

None identified



## EBS VISUAL SITE INSPECTION CHECKLIST

R. Any other indications of potential presence of hazardous substances of regulatory concern

No

S. Filled areas?

No

T. Identify the suppliers of water, fuels, electricity, and sewerage disposal, and any on-site source of water or waste disposal.

Water - from wells on adjacent facility

Electricity - from SCE substation on adjacent property

U. Describe any other unusual conditions.

Evidence of asphaltic concrete under soil from previous airfield operations

## EBS VISUAL SITE INSPECTION CHECKLIST

### PHASE 1 ENVIRONMENTAL SITE ASSESSMENT

Mira Loma Detention Facility Solar Plant (Lancaster, CA)

### VISUAL SITE INSPECTION (VSI) CHECKLIST

<b>Site:</b>	Vacant Property East of Mira Loma Detention Fac.
<b>Date of VSI:</b>	December 22, 2009
<b>Persons Performing VSI:</b>	Rosemarie Crisologo
<b>A. Describe the property (describe general condition, note building numbers, etc.)</b>	
Subject property is undeveloped / unoccupied and characterized by unpaved access roads and some disposed / stored construction materials. Generally shows signs of human disturbance. No buildings are present on subject property. Structures observed on the subject property: former truck loading ramp, metal posts, double (sitting) bench, discarded construction materials and wheeled trailer, trash dumpster yard and drainage swale.	
<b>B. Any overhead power lines on the site.</b>	
No overhead power lines on subject property.	
<b>C. Any presence of stressed vegetation within a reasonable distance of a building or in the general area of buildings? Note location and possible source of stressed vegetation.</b>	
No stressed vegetation observed on subject property (Desert scrub vegetation disturbed by former airfield and vehicle access roads)	
<b>Any presence of protected vegetation?</b>	
No protected vegetation observed on subject property.	
<b>D. Any stains on the facility structure, ground or pavement? Note location and possible source of staining.</b>	
No stains observed on subject property.	



## **EBS VISUAL SITE INSPECTION CHECKLIST**

**E. Any unusual odors? Note location and possible source of odor(s).**

*No odors detected on subject property.*

**F. Any improper storage or use of petroleum products, chemicals or wastes?**

*No improper storage or use on subject property.*

**G. Presence of indiscriminate solid waste dumping on property? Note type and location of solid waste.**

*Limited disposal of construction materials on subject property.  
Solid waste observed consisted of glass, cans, food wrappers  
and other wind-blown trash. Several large, decaying  
tree trunks observed.*

**H. Note the presence or potential presence of:**

**Medical/biohazardous waste**

*None*

**Radioactive waste (labeled "radioactive")**

*None*

**PCB-containing equipment (transformers)**

*None*

**Unexploded ordnance**

*None*

## EBS VISUAL SITE INSPECTION CHECKLIST

- I. Buildings: List building number and inspect exterior of buildings. Note the following: peeling paint, potential asbestos containing materials, presence of hazardous material, presence of hazardous wastes.

No buildings on subject property. Adjoining properties at MLDF and High Desert Hospital may contain LBP + ACM in older bldgs.

- J. Describe the nature and location of any observed interior construction materials on the property that, based upon U.S. Environmental Protection Agency (EPA) and Occupational Safety and Health Administration (OSHA) guidance documents, may be friable presumed asbestos-containing materials (ACM).

Interiors of older bldgs on adjoining properties were not inspected.

- K. Note any structures attached to or located near the building that does or may have housed the following:

Storage tank (UST or AST). Note possible contents, size, and condition, look for UST vent pipes or fill ports.

No storage tanks on subject property.

Describe or list each identified large aboveground storage tank (AST) or underground storage tank (UST) that is on the property (except water tanks), and identify observed exterior tanks on adjacent parcels that may present a significant environmental risk if a release were to occur.

Adjacent parcels: unleaded & diesel USTs at MLDF gas station  
diesel UST for emergency generator at MLDF  
4,300 gal diesel UST @ High Desert Hospital  
for emergency generator  
AST at MLDF helipad

Septic Tank

- None

Equipment Maintenance Site (Describe equipment and contents)

- Vehicle maint. conducted off-site for MLDF
- High Desert Hosp. - maintenance limited to use of 16 oz. degreasers in cans

Oil/Water Separator (Note if operating, overflowing, plugged, condition)

- None



## EBS VISUAL SITE INSPECTION CHECKLIST

- L. Any indications that the facility or general area may be of historical or cultural importance.

Deteriorating asphalt paving found consistently throughout the subject property may indicate remnants of former airfield (War Eagle Field) used in early 1940s.

- M. Potential habitat for threatened or endangered species.

Subject property is developed/ruderal vegetation but there are records of four sensitive species in the immediate area (none of these species are listed as threatened or endangered under FESA or CESA).

- N. Evidence of unusual geologic or floodplain conditions? Presence of wetlands?

No flooding evident; drainage channel (natural bottom) traverses subject property

- O. Area with potential mineral resource value?

(Subject property designated as MRZ per Lancaster 2020 General Plan MEA)

- P. Any potential seen for soil, groundwater, surface water, sediment or soil vapor contamination based on a release of hazardous substances?

Potential unknown; prior release of hazardous substances not known on subject property.

- Q. Identify hazardous substances used (i.e., raw materials, operating supplies, oil-containing equipment), generated, and/or released (i.e., air emissions, waste water discharges) on the property in significant quantities.

No hazardous substances known to have been released onto the subject property in significant quantities.

## EBS VISUAL SITE INSPECTION CHECKLIST

R. Any other indications of potential presence of hazardous substances of regulatory concern?

None on subject property.

S. Filled areas?

Possible isolated areas of fill.

T. Identify the suppliers of water, fuels, electricity, and sewerage disposal, and any on-site source of water or waste disposal.

Water - groundwater; chlorination system along 60<sup>th</sup> St W  
Fuel - local suppliers  
Electricity - So Cal Edison  
Sewer - LA County Sanitation District

U. Describe any other unusual conditions.

Broken asphalt/rock pavement pieces found on ground surface throughout most of the subject property.

## APPENDIX H INTERVIEW QUESTIONNAIRES





# INTERVIEW QUESTIONNAIRE

## PHASE 1 ENVIRONMENTAL SITE ASSESSMENT INTERVIEW QUESTIONNAIRE

Name of Interviewee: *Milt Stark* Organization/Affiliation: *West Antelope Valley Historical Society*

Property Address: **Undeveloped Land south of 5816 West Avenue I, Lancaster, CA 93536 APN No. 3203-014-901**



Position or Responsibility:

Tel. No.: *(661) 945-5369*

Fax No.:

E-Mail: *oms61121@verizon.net*

Interview conducted by: *Rosemarie Crisologo*

Date of Interview:

	QUESTION	YES	NO
1.	Is any adjoining property used for industrial purposes? Specify:		X
2.	Did you observe evidence or do you have prior knowledge that the property has been used for industrial purposes in the past? Specify:		X

# INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
3.	Did you observe evidence or do you have prior knowledge that adjoining properties have been used for industrial purposes in the past?  Specify:		X
4.	Is any adjoining property used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility? <i>AIR FIELD + STATE HAD GASOLINE OIL</i> Identify which one: <i>CLEANING MATERIALS</i>	X	
5.	Did you observe evidence or do you have any prior knowledge that the property has been used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility? <i>I REMEMBER A SEWAGE TREATMENT PLANT NEAR AVE I BUT I DO NOT KNOW</i> Identify which one: <i>ON WHICH PROPERTY IT WAS ON.</i>	X	
6.	Did you observe evidence or do you have any prior knowledge that adjoining property has been used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility? <i>AIR FIELD AND STATE HAD GASOLINE PUMPS +</i> Identify which one: <i>STATE DID PHOTO DEVELOPING</i>	X	
7.	Are any damaged or discarded automotive or industrial batteries, pesticides, paints, or other chemicals in individual containers of greater than 5 gallons in volume or 50 gallons in the aggregate currently stored on or used at the property or at the facility?		X
8.	Did you observe evidence or do you have any prior knowledge that any damaged or discarded automotive or industrial batteries, pesticides, paints or other chemicals in individual containers of greater than 5 gallons in volume or 50 gallons in the aggregate have previously been stored on or used at the property or at the facility?		X
9.	Are any industrial drums (typically 55 gallons) or sacks of chemicals currently located on the property or at the facility?		UNKNOWN
10.	Did you observe evidence or do you have knowledge that any industrial drums (typically 55 gallons) or sacks of chemicals currently located on the property or at the facility?		X
11.	Did you observe evidence or do you have knowledge that fill dirt that originated from a contaminated site has been brought onto the property?		X
12.	Did you observe evidence or do you have knowledge that fill dirt that originated from a contaminated site has been brought onto the property?		X

## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
13.	Did you observe evidence or do you have knowledge that fill dirt that is of an unknown origin has been brought onto the property?		X
14.	Did you observe evidence or do you have knowledge that any pits, ponds, or lagoons in connection with waste treatment or waste disposal have previously been located on the property?	SEE	#5
15.	Did you observe evidence or do you have knowledge that any stained soil has previously been on the property?		X
16.	Are any registered or unregistered storage tanks (aboveground or underground) currently located on the property?		UNK.
17.	Did you observe evidence or do you have knowledge that any registered or unregistered storage tanks (aboveground or underground) have been previously located on the property?		X
18.	Are any vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground currently located on the property or adjacent to any structure located on the property?		X
19.	Did you observe evidence or do you have knowledge that any vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground have been previously located on the property or adjacent to any structure located on the property?		X
20.	Do you have knowledge of environmental liens or notification from government agencies relating to past or recurrent violation of environmental laws with respect to the property or any facility located on the property?		X
21.	Have you been informed of the past existence of hazardous substances or petroleum products with respect to the property or any facility located on the property?		X
22.	Have you been informed of the current existence of hazardous substances or petroleum products with respect to the property or any facility located on the property?		X
23.	Have you been informed of the past existence of environmental violations with respect to the property or any facility located on the property?		X
24.	Have you been informed of the current existence of environmental violations with respect to the property or any facility located on the property?		X
25.	Do you have knowledge of any environmental site assessment of the property or facility that indicated the presence of hazardous substances or petroleum products on, or contamination of, the property or recommended further assessment of the property?		X
26.	Do you have any knowledge of any past, threatened, or pending lawsuits or administrative proceedings concerning a release or threatened release of any hazardous substance or petroleum product involving the property?		X
27.	Does the property discharge waste water on or adjacent to the property, other than stormwater into a stormwater system?		UNK.




## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
28.	Does the property discharge waste water on or adjacent to the property, other than stormwater into a sanitary sewer system?		UNK
29.	Did you observe evidence or do you have any prior knowledge that any hazardous substances or petroleum products, unidentified waste materials, tires, automotive or industrial batteries, or any other waste materials have been dumped above grade, buried, and/or burned on the property?		X
30.	Do any records exist indicating the presence of polychlorinated biphenyls (PCBs) for a transformer, capacitor, or any hydraulic equipment?		UNK
31.	Do you have any knowledge of any asbestos-containing materials or presumed asbestos-containing materials on any facility located on the property?		X
32.	Do you have any knowledge of any lead-based paint or presumed lead-based paint on any facility located on the property?		X

Thank you for your assistance in completing this questionnaire. Please return your completed form electronically to [rosemarie.crisologo@parsons.com](mailto:rosemarie.crisologo@parsons.com), or via fax to (626) 440-6200, or it may be mailed to Rosemarie Crisologo, Parsons, 100 W. Walnut St., Pasadena, CA 91124.

# INTERVIEW QUESTIONNAIRE

## PHASE 1 ENVIRONMENTAL SITE ASSESSMENT INTERVIEW QUESTIONNAIRE

Name of Interviewee: <u>TOM HIGGINS</u>		Organization/Affiliation: <u>DHS HDHS L.A. County</u>	
Property Address: <b>Undeveloped Land south of 5816 West Avenue I, Lancaster, CA 93536 APN No. 3203-014-901</b>			
			
Position or Responsibility: <u>ELEC. SUP. (ACTING MANAGER)</u>			
Tel. No.: <u>661-945-8237</u>		Fax No.: <u>661-945-8561</u>	
		E-Mail: <u>T.HIGGINS@DHS.LACOUNTY.GOV</u>	
Interview conducted by:		Date of Interview:	
	<b>QUESTION</b>	<b>YES</b>	<b>NO</b>
1.	Is any adjoining property used for industrial purposes? Specify:		X
2.	Did you observe evidence or do you have prior knowledge that the property has been used for industrial purposes in the past? Specify:		X



## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
3.	Did you observe evidence or do you have prior knowledge that adjoining properties have been used for industrial purposes in the past?  Specify:		X
4.	Is any adjoining property used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility?  Identify which one: VST - Sheriff Fac.	X	
5.	Did you observe evidence or do you have any prior knowledge that the property has been used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility?  Identify which one:		X
6.	Did you observe evidence or do you have any prior knowledge that adjoining property has been used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility?  Identify which one:		X
7.	Are any damaged or discarded automotive or industrial batteries, pesticides, paints, or other chemicals in individual containers of greater than 5 gallons in volume or 50 gallons in the aggregate currently stored on or used at the property or at the facility?		X
8.	Did you observe evidence or do you have any prior knowledge that any damaged or discarded automotive or industrial batteries, pesticides, paints or other chemicals in individual containers of greater than 5 gallons in volume or 50 gallons in the aggregate have previously been stored on or used at the property or at the facility?		X
9.	Are any industrial drums (typically 55 gallons) or sacks of chemicals currently located on the property or at the facility?		X
10.	Did you observe evidence or do you have knowledge that any industrial drums (typically 55 gallons) or sacks of chemicals currently located on the property or at the facility?		X
11.	Did you observe evidence or do you have knowledge that fill dirt that originated from a contaminated site has been brought onto the property?		X
12.	Did you observe evidence or do you have knowledge that fill dirt that originated from a contaminated site has been brought onto the property?		X



## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
13.	Did you observe evidence or do you have knowledge that fill dirt that is of an unknown origin has been brought onto the property?		X
14.	Did you observe evidence or do you have knowledge that any pits, ponds, or lagoons in connection with waste treatment or waste disposal have previously been located on the property?		X
15.	Did you observe evidence or do you have knowledge that any stained soil has previously been on the property?		X
16.	Are any registered or unregistered storage tanks (aboveground or underground) currently located on the property?	X	
17.	Did you observe evidence or do you have knowledge that any registered or unregistered storage tanks (aboveground or underground) have been previously located on the property?		X
18.	Are any vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground currently located on the property or adjacent to any structure located on the property?		X
19.	Did you observe evidence or do you have knowledge that any vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground have been previously located on the property or adjacent to any structure located on the property?		X
20.	Do you have knowledge of environmental liens or notification from government agencies relating to past or recurrent violation of environmental laws with respect to the property or any facility located on the property?		X
21.	Have you been informed of the past existence of hazardous substances or petroleum products with respect to the property or any facility located on the property?		X
22.	Have you been informed of the current existence of hazardous substances or petroleum products with respect to the property or any facility located on the property?		X
23.	Have you been informed of the past existence of environmental violations with respect to the property or any facility located on the property?		X
24.	Have you been informed of the current existence of environmental violations with respect to the property or any facility located on the property?		X
25.	Do you have knowledge of any environmental site assessment of the property or facility that indicated the presence of hazardous substances or petroleum products on, or contamination of, the property or recommended further assessment of the property?		X
26.	Do you have any knowledge of any past, threatened, or pending lawsuits or administrative proceedings concerning a release or threatened release of any hazardous substance or petroleum product involving the property?		X
27.	Does the property discharge waste water on or adjacent to the property, other than stormwater into a stormwater system?		X

## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
28.	Does the property discharge waste water on or adjacent to the property, other than stormwater into a sanitary sewer system?		X
29.	Did you observe evidence or do you have any prior knowledge that any hazardous substances or petroleum products, unidentified waste materials, tires, automotive or industrial batteries, or any other waste materials have been dumped above grade, buried, and/or burned on the property?		X
30.	Do any records exist indicating the presence of polychlorinated biphenyls (PCBs) for a transformer, capacitor, or any hydraulic equipment?		X
31.	Do you have any knowledge of any asbestos-containing materials or presumed asbestos-containing materials on any facility located on the property?	X	
32.	Do you have any knowledge of any lead-based paint or presumed lead-based paint on any facility located on the property?	X	

Thank you for your assistance in completing this questionnaire. Please return your completed form electronically to [rosemarie.crisologo@parsons.com](mailto:rosemarie.crisologo@parsons.com) , or via fax to (626) 440-6200, or it may be mailed to Rosemarie Crisologo, Parsons, 100 W. Walnut St., Pasadena, CA 91124.



# INTERVIEW QUESTIONNAIRE

## PHASE 1 ENVIRONMENTAL SITE ASSESSMENT INTERVIEW QUESTIONNAIRE

Name of Interviewee: <b>DENNIS ALLEN</b>		Organization/Affiliation: <b>SHERIFF / FSR Complex MyIR</b>	
Property Address: <b>Undeveloped Land south of 5816 West Avenue I, Lancaster, CA 93536 APN No. 3203-014-901</b>			
Position or Responsibility:			
Tel. No.: <b>661-949-3810</b>	Fax No.: <b>323-415-4777</b>	E-Mail: <b>DRA11EN@LASD.org</b>	
Interview conducted by:		Date of Interview:	
	QUESTION	YES	NO
1.	Is any adjoining property used for industrial purposes? Specify:		✓
2.	Did you observe evidence or do you have prior knowledge that the property has been used for industrial purposes in the past? Specify:		✓

## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
3.	Did you observe evidence or do you have prior knowledge that adjoining properties have been used for industrial purposes in the past?  Specify:		✓
4.	Is any adjoining property used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility?  Identify which one:		✓
5.	Did you observe evidence or do you have any prior knowledge that the property has been used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility?  Identify which one:		✓
6.	Did you observe evidence or do you have any prior knowledge that adjoining property has been used as a gasoline station, motor repair facility, commercial printing facility, dry cleaners, photo developing laboratory, junkyard, or landfill or as a waste treatment, storage, disposal, processing, or recycling facility?  Identify which one:		✓
7.	Are any damaged or discarded automotive or industrial batteries, pesticides, paints, or other chemicals in individual containers of greater than 5 gallons in volume or 50 gallons in the aggregate currently stored on or used at the property or at the facility?		✓
8.	Did you observe evidence or do you have any prior knowledge that any damaged or discarded automotive or industrial batteries, pesticides, paints or other chemicals in individual containers of greater than 5 gallons in volume or 50 gallons in the aggregate have previously been stored on or used at the property or at the facility?		✓
9.	Are any industrial drums (typically 55 gallons) or sacks of chemicals currently located on the property or at the facility?		✓
10.	Did you observe evidence or do you have knowledge that any industrial drums (typically 55 gallons) or sacks of chemicals currently located on the property or at the facility?		✓
11.	Did you observe evidence or do you have knowledge that fill dirt that originated from a contaminated site has been brought onto the property?		✓
12.	Did you observe evidence or do you have knowledge that fill dirt that originated from a contaminated site has been brought onto the property?		✓

## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
13.	Did you observe evidence or do you have knowledge that fill dirt that is of an unknown origin has been brought onto the property?		<input checked="" type="checkbox"/>
14.	Did you observe evidence or do you have knowledge that any pits, ponds, or lagoons in connection with waste treatment or waste disposal have previously been located on the property?		<input checked="" type="checkbox"/>
15.	Did you observe evidence or do you have knowledge that any stained soil has previously been on the property?		<input checked="" type="checkbox"/>
16.	Are any registered or unregistered storage tanks (aboveground or underground) currently located on the property?		<input checked="" type="checkbox"/>
17.	Did you observe evidence or do you have knowledge that any registered or unregistered storage tanks (aboveground or underground) have been previously located on the property?		<input checked="" type="checkbox"/>
18.	Are any vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground currently located on the property or adjacent to any structure located on the property?		<input checked="" type="checkbox"/>
19.	Did you observe evidence or do you have knowledge that any vent pipes, fill pipes, or access ways indicating a fill pipe protruding from the ground have been previously located on the property or adjacent to any structure located on the property?		<input checked="" type="checkbox"/>
20.	Do you have knowledge of environmental liens or notification from government agencies relating to past or recurrent violation of environmental laws with respect to the property or any facility located on the property?		<input checked="" type="checkbox"/>
21.	Have you been informed of the past existence of hazardous substances or petroleum products with respect to the property or any facility located on the property?		<input checked="" type="checkbox"/>
22.	Have you been informed of the current existence of hazardous substances or petroleum products with respect to the property or any facility located on the property?		<input checked="" type="checkbox"/>
23.	Have you been informed of the past existence of environmental violations with respect to the property or any facility located on the property?		<input checked="" type="checkbox"/>
24.	Have you been informed of the current existence of environmental violations with respect to the property or any facility located on the property?		<input checked="" type="checkbox"/>
25.	Do you have knowledge of any environmental site assessment of the property or facility that indicated the presence of hazardous substances or petroleum products on, or contamination of, the property or recommended further assessment of the property?		<input checked="" type="checkbox"/>
26.	Do you have any knowledge of any past, threatened, or pending lawsuits or administrative proceedings concerning a release or threatened release of any hazardous substance or petroleum product involving the property?		<input checked="" type="checkbox"/>
27.	Does the property discharge waste water on or adjacent to the property, other than stormwater into a stormwater system?		<input checked="" type="checkbox"/>

## INTERVIEW QUESTIONNAIRE

	QUESTION	YES	NO
28.	Does the property discharge waste water on or adjacent to the property, other than stormwater into a sanitary sewer system?		<input checked="" type="checkbox"/>
29.	Did you observe evidence or do you have any prior knowledge that any hazardous substances or petroleum products, unidentified waste materials, tires, automotive or industrial batteries, or any other waste materials have been dumped above grade, buried, and/or burned on the property?		<input checked="" type="checkbox"/>
30.	Do any records exist indicating the presence of polychlorinated biphenyls (PCBs) for a transformer, capacitor, or any hydraulic equipment?		<input checked="" type="checkbox"/>
31.	Do you have any knowledge of any asbestos-containing materials or presumed asbestos-containing materials on any facility located on the property?		<input checked="" type="checkbox"/>
32.	Do you have any knowledge of any lead-based paint or presumed lead-based paint on any facility located on the property?		<input checked="" type="checkbox"/>

Thank you for your assistance in completing this questionnaire. Please return your completed form electronically to [rosemarie.crisologo@parsons.com](mailto:rosemarie.crisologo@parsons.com) , or via fax to (626) 440-6200, or it may be mailed to Rosemarie Crisologo, Parsons, 100 W. Walnut St., Pasadena, CA 91124.



## APPENDIX I CHAIN OF TITLE REPORT





## Environmental Chain of Title

**December 17, 2009**

### CLIENT

**Parsons  
Attn: R. Crisologo  
100 W Walnut St.  
Pasadena, CA 91124**

### SITE

**5816 West Avenue I  
Los Angeles, CA 93536  
Los Angeles County**

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**Project #: ES60324**



## **HISTORICAL OWNERSHIP REPORT**

### **PROPERTY DESCRIPTION**

**LEGAL DESCRIPTION:** That portion of Section 14, Township 7 North, Range 13 West, in the County of Los Angeles, State of California, described in Exhibit A-6, attached to Quitclaim Deed recorded August 1, 2007, as Document No. 20071824220, and identified on the Map of the Tax Assessor of said County as Parcel No. 3203-014-901.

**SUBJECT PARCEL** 3203-014-901  
**NUMBER:**

### **TITLE TABLE**

<b>DATE</b>	<b>DOCUMENT TYPE</b>	<b>GRANTOR (Seller/Lessor)</b>	<b>GRANTEE (Buyer/Lessee)</b>	<b>PARCEL or LOT #</b>	<b>BOOK/PAGE REFERENCE:</b>
08/01/2007	Quitclaim Deed	Los Angeles County Public Works Financing Authority	County of Los Angeles	3203-014-901	Document No. 20071824220
11/04/1997	Quitclaim Deed	Los Angeles County Courthouse Corporation	County of Los Angeles	3203-014-901	Document No. 97-1757051
11/04/1997	Quitclaim Deed	Los Angeles County Capital Asset Leasing Corporation	County of Los Angeles	3203-014-901	Document No. 97-1757049
07/26/1994	Final Order of Condemnation	The State of California	County of Los Angeles	3203-014-901	Document No. 94-1386137
10/18/1948	Grant Deed	Reconstruction Finance Corporation and USA	The State of California	3203-014-901	Document No. 2604



## **HISTORICAL OWNERSHIP REPORT**

### **TITLE RESEARCH NOTES**

Notes:

ASTM Notes: ASTM E 1527-05, on Historical Use Information requires a review of “*Reasonably Ascertainable standard historical sources.*”

“Reasonably Ascertainable means information that is publicly available, obtainable from a source with reasonable time and cost constraints, and practically reviewable.”

This task requires reviewing only as many of the standard historical sources as are necessary, and that are reasonably ascertainable and likely to be useful.

Banks Environmental Data, Inc. has determined that the ASTM E 1527-05, Section 8.3.4.4 requirements (as it pertains to methods and locations of research) have been met for the subject property searched in this report.

Environmental Liens: No environmental liens or activity/use limitations (AUL's) identified.

---

### **RESOURCES & LIMITATIONS**

Banks Environmental Data, Inc. (Banks) has completed your request for an Environmental Chain of Title search for the above site. The information in this report has been produced from a limited search of the public land records and/or real property deed records of the county and state for a 60 year period up through the indicated date as shown on this report. This limited search includes only the recorded deeds and most easements and surface leases affecting the ownership history of the subject property. This report is being provided for use only as a limited part of an overall Phase I Environmental Site Assessment as performed by a qualified Environmental Engineer/Consultant as specified in the ASTM Standard E 1527-05 and as specified in the Comprehensive Environmental Response, Compensation and Liabilities Act of 1980, as amended, and may not be relied upon for any other purpose.

This report is not to be considered an Abstract, a Title Commitment, Title Opinion, Title Guaranty, or a representation of the legal status of the property. The information presented is simply a report of instruments filed of record pertaining to the above property and was obtained from the county public records. No guaranty as to the integrity or correctness of said records is implied.

## HISTORICAL OWNERSHIP REPORT

### GLOSSARY

There are certain terms used in Chain of Title searches, which may require clarification. This glossary is designed to provide definitions for some of the most common terms.

<b>1. ENVIRONMENTAL LIEN:</b>	The Environmental Lien is a record of a document/instrument filed by the City, County, State or Federal Government that prevents the conveyance of a property because of severe environmental problems existing on the premises.
<b>2. BREAK IN CHAIN:</b>	<p>There may appear to be a break in the chain of title as indicated when the sequential tracing of ownership fails. An example of a break would be: <i>Smith to Jones. . . Jones to Wilson. . . White to Black</i>. The missing link is from Wilson to White. There are several possible reasons for this occurrence.</p> <ul style="list-style-type: none"> <li>• Due to the size or other physical characteristics of the property, there could be multiple owners at any time when tracing the history of the ownership of the property.</li> <li>• There could be an "easement title" over some portion of the property, allowing for use of that portion for a specific purpose.</li> <li>• There could be a "multi-percentage interest" in the property, with concurrent multiple owners making up 100% of the fee title. Then, a percentage owner deeds out his particular interest or a percentage of this interest to one or more parties. This causes a perceived break in the chain.</li> </ul>
<b>3. EASEMENT:</b>	An easement is the right to enter and use another person's property: a non-possessor right to use another person's real property. Traditionally easements are granted to utility companies and other service organizations or as a right of access to another property.
<b>4. MULTIPLE OWNERS:</b>	<p>When "others" or "et al" appears on the report in the owner category, it indicates multiple ownership of a single parcel, with too many names to record in summary. It is frequently used to denote more than a single owner. If the owners are a married couple, both names may appear on the report or may be denoted by "et ux".</p> <p>The term "owners" is usually used to indicate owners of multiple parcels, all recorded under a document that covers the multiple parcels.</p>
<b>5. MULTIPLE PARCELS:</b>	Some properties are created by combining several adjoining parcels into one large parcel. When this occurs; there might be several different owners until the time of unification of the property. Sometimes the ownership appears to be cloudy until each owner conveys his/her interest to the single owner of the new larger parcel.

#### DISCLAIMER

The information contained in this report has been obtained from publicly available sources and other secondary sources of information produced by entities other than Banks Environmental Data, Inc (Banks). Although great care has been taken by Banks in compiling and checking the information contained in this report to insure that it is current and accurate, Banks disclaims any and all liability for any errors, omissions, or inaccuracies in such information and data, whether attributable to inadvertence or otherwise, and for any consequences arising there from. The data provided hereunder neither purports to be nor constitutes legal or medical advice. It is further understood that Banks makes no representations or warranties of any kind. Including, but not limited to, the warranties of fitness for a particular purpose of merchantability, nor any such representations or warranties to be implied with respect to the data furnished, and banks assumes no responsibility with respect to our customer's, its employees', clients', or customers' use thereof. Banks shall not be liable for any special, consequential, or exemplary damages resulting in whole or in part, from customer's use of the data. Liability on the part of Banks is limited to the monetary value paid for this report. The report is valid only for the geographical parameters specified on the cover page of this report, and any alteration or deviation from this description will require a new report. This report does not constitute a legal or licensed opinion.



This page is part of your document - DO NOT DISCARD



20071824220

Pages:  
030



Recorded/Filed in Official Records  
Recorder's Office, Los Angeles County,  
California

Fee: 0.00

Tax: 0.00

Other: 0.00

Total: 0.00

08/01/07 AT 04:32PM

999378 200708010020074 Counter

TITLE(S) : DEED



LEAD SHEET

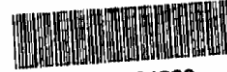
Assessor's Identification Number (AIN)

To be completed by Examiner OR Title Company in black ink.

Number of AIN's Shown

THIS FORM IS NOT TO BE DUPLICATED

08/01/07



20071824220

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Harriet M. Welch, Esq.  
Squire, Sanders & Dempsey LLP  
555 S. Flower St., 31st Fl.  
Los Angeles, California 90071-2300

(Space Above This Line For Recorders Use Only)

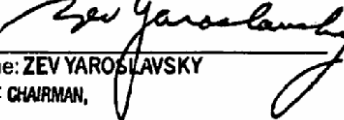
### QUITCLAIM DEED

The undersigned declares that no documentary transfer tax is payable. This Quitclaim Deed is exempt pursuant to Section 4.60.050 of the Los Angeles County Code, adopted pursuant to Part 6.7 (commencing with Section 11901) of Division 2 of the California Revenue and Taxation Code. A portion of the real property is located in the Cities of Downey, Lancaster, Long Beach, Los Angeles, Norwalk, Pomona and Temple City, Los Angeles County.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the LOS ANGELES COUNTY PUBLIC WORKS FINANCING AUTHORITY, a California nonprofit public benefit corporation (the "Authority"), does hereby remise, release and forever quitclaim to the COUNTY OF LOS ANGELES, a political subdivision of the State of California (the "County"), all of its right, title and interest in and to that certain real property located in the Cities of Downey, Lancaster, Long Beach, Los Angeles, Norwalk, Pomona and Temple City, County of Los Angeles, State of California, all as more particularly described at Exhibit "A" attached hereto, pursuant to the terms of that certain Sublease and Option to Purchase, dated as of November 1, 1997, between the County and the Authority, as amended by that certain Amendment Number One to Sublease and Option to Purchase, each pertaining to the Authority's Lease Revenue Refunding Bonds (1997 Master Refunding Project) Series A.

Dated: JUL 19 2007

LOS ANGELES COUNTY PUBLIC  
WORKS FINANCING AUTHORITY

By:   
Name: ZEV YAROSLAVSKY  
Title: CHAIRMAN,

Attest:   
By:   
Deputy

3

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF Los Angeles )

On July 19, 2007, before me, Angie Montes, Notary Public,  
personally appeared Adela Guzman personally known to me ~~(or proved to me on the~~  
~~basis of satisfactory evidence)~~ to be the person(s) whose name(s) is/are subscribed to  
the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted,  
executed the instrument.

WITNESS my hand and official seal.



Angie Montes  
Notary's Signature

4

# CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within deed or grant to the County of Los Angeles, a political subdivision of the State of California, is hereby accepted under the authority of the Resolution of the Board of Supervisors of said County adopted on November 14, 2006, and the grantee consents to the recordation of said deed or grant by its duly authorized officer.

Dated: JUL 19 2007

COUNTY OF LOS ANGELES



[SEAL]

By: *Zev Yaroslavsky*  
Name: ZEV YAROSLAVSKY  
Title: CHAIRMAN, BOARD OF SUPERVISORS

Attest:

By: *[Signature]*  
Deputy

5

**Exhibit A To Quitclaim Deed**

**LEGAL DESCRIPTION OF PROPERTY**

**Table of Contents**

- Exhibit A-1: Pitchess Honor Rancho Laundry Expansion Site**
- Exhibit A-2: Pitchess Honor Rancho Visitor's Center**
- Exhibit A-3: Temple City Sheriff's Station**
- Exhibit A-4: Pomona Municipal Courthouse**
- Exhibit A-5: LAC/USC Medical Center**
- Exhibit A-6: Mira Loma Facility**
- Exhibit A-7: County Recorder's Building**
- Exhibit A-8: Pitchess Honor Rancho Medium Security-North Facility**
- Exhibit A-9: Vehicle Maintenance Facility**
- Exhibit A-10: Men's Central Jail Expansion Parking Structure**
- Exhibit A-11: Van Nuys Courthouse**
- Exhibit A-12: Hollywood Courthouse**
- Exhibit A-13: Long Beach Health Center**
- Exhibit A-14: Library Facility**

LOSANGELES/239455.4

11

**EXHIBIT A-6**  
**LEGAL DESCRIPTION OF MIRA LOMA FACILITY**

**MIRA LOMA FACILITY:**

SECTION 14, TOWNSHIP 7 NORTH, RANGE 13, WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE INTEREST IN THE NORTHERLY 30 FEET OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 14, WHICH WAS CONVEYED TO THE COUNTY OF LOS ANGELES, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, BY DEED RECORDED FEBRUARY 15, 1922 IN BOOK 898 PAGE 160, OFFICIAL RECORDS.

ALSO EXCEPT THE NORTH 25 FEET OF THE NORTHEAST QUARTER OF SAID SECTION 14, CONVEYED TO THE COUNTY OF LOS ANGELES, BY DEED RECORDED MARCH 23, 1901 IN BOOK 1447 PAGE 31 OF DEEDS.

ALSO EXCEPT THE INTEREST IN THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 14, WHICH WAS CONVEYED TO THE COUNTY OF LOS ANGELES, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, BY DEED RECORDED JANUARY 9, 1922 IN BOOK 731 PAGE 252, OFFICIAL RECORDS.

ALSO EXCEPT THE INTEREST IN THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 14, WHICH WAS CONVEYED TO THE COUNTY OF LOS ANGELES, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, BY DEED RECORDED FEBRUARY 15, 1922 IN BOOK 901 PAGE 97, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL URANIUM, THORIUM AND OTHER MINERALS, AS EXCEPTED BY RECONSTRUCTION FINANCE CORPORATION AND UNITED STATES OF AMERICA, ACTING BY AND THRU WAR ASSETS ADMINISTRATION, RECORDED OCTOBER 18, 1948 AS INSTRUMENT NOS. 2604 AND 2606.

ALSO EXCEPT THAT PORTION OF SECTION 14, TOWNSHIP 7 NORTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF THE NORTHERLY 50 FEET OF SAID SECTION, WITH THE WESTERLY LINE OF THE EASTERLY 1300 FEET OF SAID SECTION; THENCE SOUTHERLY ALONG SAID WESTERLY LINE, 380.00 FEET TO THE SOUTHERLY LINE OF THE NORTHERLY 430 FEET OF SECTION; THENCE EASTERLY ALONG SAID LAST MENTIONED SOUTHERLY LINE, 879.00 FEET TO THE WESTERLY LINE OF THE EASTERLY 403 FEET OF SAID SECTION; THENCE SOUTHERLY ALONG SAID LAST MENTIONED WESTERLY LINE, 2283.00 FEET TO THE SOUTHERLY LINE OF THE NORTHERLY 2713 FEET OF SAID SECTION; THENCE WESTERLY ALONG SAID LAST MENTIONED SOUTHERLY LINE, 1770.00 FEET TO THE WESTERLY LINE OF THE EASTERLY 2173 FEET OF SAID SECTION; THENCE NORTHERLY ALONG SAID LAST MENTIONED WESTERLY LINE, 2663.00 FEET TO SAID FIRST MENTIONED SOUTHERLY



12

LINE; THENCE EASTERLY ALONG SAID FIRST MENTIONED SOUTHERLY LINE, 873.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ALL URANIUM, THORIUM AND OTHER MINERALS, AS EXCEPTED BY RECONSTRUCTION FINANCE CORPORATION AND UNITED STATES OF AMERICA, ACTING BY AND THRU WAR ASSETS ADMINISTRATION, RECORDED OCTOBER 18, 1948 AS INSTRUMENT NOS. 2604 AND 2606.



97 1757051

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
4:01 PM NOV 04 1997

RECORDING REQUEST BY

WHEN RECORDED MAIL TO  
NAME County of Los Angeles  
TREASURER and Tax  
ADDRESS Collector  
500 W Temple St  
CITY, STATE RM 437  
LOS ANGELES CA 90012

ATTN: PUBLIC FINANCE

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

QUITCLAIM DEED

FREE LG

RECORDING REQUESTED BY  
AND WHEN RECORDED MAY TO:

County of Los Angeles  
Hall of Administration  
500 West Temple Street  
Room 432  
Los Angeles, California 90012  
Attention: Treasurer and Tax Collector

This space for Recorder's use

### QUITCLAIM DEED

<sup>REGISTER</sup>  
The undersigned declares that no documentary transfer tax is payable. This Quitclaim Deed is exempt pursuant to Section 4.60.060 of the Los Angeles County Code, adopted pursuant to Part 6.7 (commencing with Section 11901) of Division 2 of the California Revenue and Taxation Code. The real property is located in the City of Los Angeles.

APN's:

320<sup>25</sup> 014-981

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the LOS ANGELES COUNTY COURTHOUSE CORPORATION, a California nonprofit public benefit corporation, does hereby remise, release and forever quitclaim to the COUNTY OF LOS ANGELES, a political subdivision of the State of California, all of its right, title and interest in and to that certain real property located in the City of Los Angeles, County of Los Angeles, State of California, as more particularly described at Exhibit "A" attached hereto.

Dated: November 4, 1997.

LOS ANGELES COUNTY COURTHOUSE  
CORPORATION, a California nonprofit public  
benefit corporation

By: *Zelda Ann Parzer*  
Name: Zelda Ann Parzer  
Title: President

ATTEST:

By: *Abdullah Iqbal*  
Assistant Secretary

97 1757051

00000-000000-000000

③

7135584-414

State of California )  
County of Los Angeles )

On NOV 24, 1997, before me, the undersigned, personally appeared Edna M. Garcia and Raul M. Garcia, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Edna M. Garcia (Seal)



97 1757051

EXHIBIT 'A'  
LEGAL DESCRIPTION OF REAL PROPERTY

97 1757051

EXHIBIT 'A'



Order No: 7435574 -X52

## DESCRIPTION

*Vm Ways Construct*

THAT PORTION OF BLOCK 31 OF TRACT NO. 1200, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 19 PAGE 35 OF MAPS. IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE NORTHWESTERLY CORNER OF LOT 21, SAID BLOCK; THENCE EASTERLY ALONG THE NORTHERLY LINES OF LOTS 21 TO 28 INCLUSIVE OF SAID BLOCK, TO THE NORTHEASTERLY CORNER OF SAID LOT 28; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LAST MENTIONED LOT TO THE SOUTHEASTERLY CORNER OF SAID LAST MENTIONED LOT; THENCE SOUTHERLY IN A DIRECT LINE TO THE NORTHEASTERLY CORNER OF LOT 29, SAID BLOCK; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LAST MENTIONED LOT TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 15 FEET, TANGENT TO SAID LAST MENTIONED EASTERLY LINE AND TANGENT TO THE NORTHERLY LINE OF THE SOUTHERLY 2 FEET OF SAID LAST MENTIONED LOT; THENCE SOUTHWESTERLY ALONG SAID CURVE TO SAID LAST MENTIONED NORTHERLY LINE; THENCE WESTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE AND ITS WESTERLY PROLONGATION TO THE WESTERLY LINE OF LOT 32, SAID BLOCK; THENCE NORTHERLY ALONG SAID WESTERLY LINE TO THE NORTHWESTERLY CORNER OF SAID LAST MENTIONED LOT; THENCE NORTHERLY IN A DIRECT LINE TO THE SOUTHWESTERLY CORNER OF SAID LOT 21; THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID LAST MENTIONED LOT TO THE POINT OF BEGINNING.

97 1757051

Description - 11/04/97

Order No: 1135571 -X52

## DESCRIPTION

*Hollywood CA 90028*

## PARCEL 1:

THE WESTERLY HALF OF LOT 6, OF THE BROKAM TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1, PAGE 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE EASTERLY 69.50 FEET OF THE SOUTHERLY 81.00 FEET.

## PARCEL 2:

THAT PORTION OF LOT 5 OF BROKAM TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1, PAGE 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY CORNER OF THE WESTERLY 139.5 FEET OF LOT 6, OF SAID BROKAM TRACT; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID LOT 6, A DISTANCE OF 139.5 FEET TO THE NORTHWESTERLY CORNER THEREOF; THENCE NORTH 19 DEGREES 22 MINUTES 51 SECONDS EAST, ALONG THE WESTERLY LINE OF SAID LOT 5, A DISTANCE OF 30.43 FEET; THENCE SOUTH 83 DEGREES 33 MINUTES 24 SECONDS EAST, A DISTANCE OF 77.96 FEET; THENCE EASTERLY ALONG A TANGENT CURVE, CONCAVE NORTHERLY AND HAVING A RADIUS OF 526.00 FEET, THROUGH AN ANGLE OF 5 DEGREES 39 MINUTES 42 SECONDS, ARC DISTANCE OF 51.98 FEET TO A POINT ON THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID WESTERLY 139.5 FEET OF LOT 6; A DISTANCE ALONG SAID NORTHERLY PROLONGATION, 15.59 FEET NORTHERLY, FROM SAID NORTHEASTERLY CORNER OF THE WESTERLY 139.5 FEET OF LOT 6; THENCE SOUTHERLY ALONG SAID NORTHERLY PROLONGATION, A DISTANCE OF 15.59 FEET TO THE POINT OF BEGINNING.

## PARCEL 3:

THE EAST 69.50 FEET OF THE SOUTH 81.00 FEET OF THE WEST HALF OF LOT 6 OF THE BROKAM TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1 PAGE 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

97 1757051

DESCRIBED - 11/04/97

RECORDING REQUEST BY

97 1757049

WHEN RECORDED MAIL TO  
NAME County of Los Angeles  
TREASURER and Tax  
MAILING ADDRESS Collector  
ADDRESS 500 W Temple St  
CITY, STATE RM 437  
ZIP CODE LOS ANGELES CA 90012

RECORDED/FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
4:01 PM NOV 04 1997

ATTN: PUBLIC FINANCE

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

FREE 014

Quitclaim DEED



State of California )  
County of Los Angeles )

On October 20<sup>th</sup> 1997, before me, the undersigned, personally appeared Benita A. Gonsky and                     , personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature *[Signature]* (Seal)



State of California )  
County of Los Angeles )

On October 29, 1997, before me, the undersigned, personally appeared Karen Wilson and                     , personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose names is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature *[Signature]* (Seal)



97 1757049

EXHIBIT "A"  
LEGAL DESCRIPTION OF REAL PROPERTY

97 1757049

EXHIBIT "A"



EXHIBIT "A"  
Legal Description of Real Property

LACLE-PSEC PROPERTY

PETER J. PITCHESS HONOR RANCHO  
LAUNDRY EXPANSION SITE:

THAT PORTION OF THE RANCHO SAN FRANCISCO, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 1, PAGES 521 AND 522, OF PATENTS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

COMMENCING AT THE NORTHEASTERLY TERMINUS OF THAT CERTAIN COURSE OF SOUTH 41°04'05" WEST 2551.70 FEET IN THE SOUTHEASTERLY BOUNDARY OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN DEED TO COUNTY OF LOS ANGELES, RECORDED AS DOCUMENT NO. 463, ON JULY 20, 1939, IN BOOK 16806, PAGE 1, OF OFFICIAL RECORDS, IN THE OFFICE OF SAID RECORDER, FOR THE PURPOSE OF THIS DESCRIPTION, SAID CERTAIN COURSE HAS A BEARING OF SOUTH 41°04'05" WEST; THENCE NORTH 63°55'55" WEST 3995.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 15°00'00" WEST 255.00 FEET; THENCE SOUTH 75°00'00" WEST 240.00 FEET; THENCE SOUTH 15°00'00" EAST 255.00 FEET; THENCE NORTH 75°00'00" EAST 240.00 FEET TO SAID TRUE POINT OF BEGINNING.

PETER J. PITCHESS HONOR RANCHO  
VISITORS CENTER:

THAT PORTION OF RANCHO SAN FRANCISCO, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 1, PAGES 521 AND 522, OF PATENTS, IN THE OFFICE OF THE REGISTRAR-RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

COMMENCING AT A POINT IN THAT CERTAIN COURSE OF SOUTH 32°38'40" EAST 524.16 FEET IN THE NORTHEASTERLY BOUNDARY OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN DEED TO STATE OF CALIFORNIA, FOR PUBLIC HIGHWAY, RECORDED ON JULY 12, 1949, IN BOOK 30519, PAGE 228, OF OFFICIAL RECORDS, IN THE OFFICE OF SAID REGISTRAR-RECORDER, DISTANT SOUTH 32°38'40" EAST ALONG SAID CERTAIN COURSE 480.00 FEET FROM THE NORTHWESTERLY TERMINUS OF SAID CERTAIN COURSE; THENCE NORTH 55°50'41" EAST 70.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 55°50'41" EAST 1,100.00 FEET; THENCE NORTH 34°09'19" WEST 690.00 FEET; THENCE SOUTH 55°50'41" WEST

EXHIBIT "A"  
Page 1 of 10

97 1757049

1,100.00 FEET; THENCE SOUTH 34°09'19" EAST 690.00 FEET TO SAID TRUE POINT OF BEGINNING.

TEMPLE CITY SHERIFF'S STATION:

THAT PORTION OF LOTS 36 AND 45, TRACT NO. 3623, IN THE CITY OF TEMPLE CITY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 40, PAGE 53, OF MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

COMMENCING AT A POINT IN THAT CERTAIN COURSE OF NORTH 0°11'11" EAST 449.24 FEET IN THE WESTERLY BOUNDARY OF PARCEL 1, AS SHOWN ON MAP FILED IN BOOK 62, PAGES 51 AND 52, OF PARCEL MAPS, IN THE OFFICE OF SAID RECORDER, DISTANT SOUTH 0°12'35" WEST THEREON 130.30 FEET FROM THE MOST NORTHERLY NORTHWESTERLY CORNER OF SAID PARCEL; THENCE NORTH 89°47'25" WEST 79.50 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 89°47'25" WEST 30.30 FEET; THENCE SOUTH 0°12'35" WEST 21.00 FEET; THENCE SOUTH 80°25'11" WEST 26.50 FEET; THENCE SOUTH 9°34'49" EAST 5.70 FEET; THENCE SOUTH 80°25'11" WEST 39.0 FEET TO THE WESTERLY BOUNDARY OF SAID LOT 45; THENCE SOUTHERLY ALONG SAID WESTERLY BOUNDARY TO THE SOUTHERLY TERMINUS OF THAT CERTAIN 1350 FOOT RADIUS CURVE IN SAID WESTERLY BOUNDARY; THENCE SOUTH 9°42'04" EAST ALONG SAID WESTERLY BOUNDARY AND THE WESTERLY LINE OF SAID LOT 36 A DISTANCE OF 99.50 FEET; THENCE NORTH 80°25'11" EAST 65.50 FEET; THENCE NORTH 9°34'49" WEST 98.70 FEET; THENCE SOUTH 89°47'25" EAST 14.30 FEET; THENCE NORTH 0°12'35" EAST 5.70 FEET; THENCE SOUTH 89°47'25" EAST 5.00 FEET; THENCE NORTH 0°12'35" EAST 34.00 FEET; THENCE SOUTH 89°47'25" EAST 6.80 FEET TO A LINE WHICH BEARS SOUTH 0°12'35" EAST AND WHICH PASSES THRU SAID TRUE POINT OF BEGINNING; THENCE NORTH 0°12'35" EAST 5.70 FEET TO SAID TRUE POINT OF BEGINNING.

97 1757049

EXHIBIT "A"  
Page 2 of 10

LACC PROPERTY

POMONA MUNICIPAL COURTHOUSE:

LOTS 1 TO 4 INCLUSIVE, WM. H. COOK'S RE-SUBDIVISION OF BLOCK 81, TOWN OF POMONA, IN THE CITY OF POMONA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 43, PAGE 13, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, THOSE PORTIONS OF LOTS 5 TO 8 INCLUSIVE, SAID WM. H. COOK'S RE-SUBDIVISION OF BLOCK 81, AND THAT PORTION OF THAT CERTAIN 20 FOOT ALLEY, NOW VACATED, AS SHOWN ON SAID MAP, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY CORNER OF SAID LOT 4; THENCE SOUTHERLY ALONG THE WESTERLY LINE, AND ITS SOUTHERLY PROLONGATION, OF SAID LOT 4 TO THE NORTHERLY BOUNDARY OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS EXHIBIT L IN DEED TO FIRST INTERSTATE BANK OF CALIFORNIA, RECORDED ON NOVEMBER 26, 1985, AS OFFICIAL RECORDS DOCUMENT NO. 85-1405334, IN THE OFFICE OF SAID RECORDER; THENCE IN A GENERAL EASTERLY DIRECTION ALONG SAID NORTHERLY BOUNDARY TO THE EASTERLY LINE OF SAID LOT 8; THENCE NORTHERLY ALONG SAID EASTERLY LINE AND ITS NORTHERLY PROLONGATION TO THE NORTHEASTERLY CORNER OF SAID LOT 1; THENCE WESTERLY ALONG THE NORTHERLY LINES OF SAID LOTS 1 TO 4 INCLUSIVE TO THE POINT OF BEGINNING.

97 1757049

EXHIBIT "A"  
Page 3 of 10

AUTHORITY PROPERTY

LOS ANGELES COUNTY + U.S.C. MEDICAL CENTER:

THAT PORTION OF MARENGO TERRACE, SHEET 2, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 13, PAGE 21, OF MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

COMMENCING AT A POINT IN THE CENTER LINE OF CUMMINGS STREET, FORMERLY PLYMOUTH STREET, AS SAID CENTER LINE IS SHOWN ON SAID MAP, DISTANT NORTH 28°00'00" EAST THEREON 478.20 FEET FROM THE CENTER LINE OF MARENGO STREET, AS SAID LAST MENTIONED CENTER LINE IS SHOWN ON SAID MAP; THENCE NORTH 62°00'00" WEST 168.85 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 28°10'14" EAST 36.79 FEET; THENCE NORTH 61°49'46" WEST 23.74 FEET; THENCE NORTH 28°10'14" EAST 35.88 FEET; THENCE NORTH 61°49'46" WEST 24.34 FEET; THENCE NORTH 28°10'14" EAST 10.42 FEET; THENCE NORTH 61°49'46" WEST 11.83 FEET; THENCE SOUTH 28°10'14" WEST 10.42 FEET; THENCE NORTH 61°49'46" WEST 82.89 FEET; THENCE SOUTH 28°10'14" WEST 84.45 FEET; THENCE SOUTH 61°49'46" EAST 35.50 FEET; THENCE NORTH 28°10'14" EAST 11.78 FEET; THENCE SOUTH 61°49'46" EAST 48.17 FEET; THENCE SOUTH 28°10'14" WEST 11.78 FEET; THENCE SOUTH 61°49'46" EAST 23.67 FEET; THENCE NORTH 28°10'14" EAST 11.78 FEET; THENCE SOUTH 61°49'46" EAST 35.50 FEET TO SAID TRUE POINT OF BEGINNING.

97 1757049

EXHIBIT "A"  
Page 4 of 10

Map of Lower Facility:

SECTION 14, TOWNSHIP 7 NORTH, RANGE 13, WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE INTEREST IN THE NORTHERLY 30 FEET OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 14, WHICH WAS CONVEYED TO THE COUNTY OF LOS ANGELES, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, BY DEED RECORDED FEBRUARY 15, 1922 IN BOOK 898 PAGE 160, OFFICIAL RECORDS.

ALSO EXCEPT THE NORTH 25 FEET OF THE NORTHEAST QUARTER OF SAID SECTION 14, CONVEYED TO THE COUNTY OF LOS ANGELES, BY DEED RECORDED MARCH 23, 1901 IN BOOK 1447 PAGE 31 OF DEEDS.

ALSO EXCEPT THE INTEREST IN THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 14, WHICH WAS CONVEYED TO THE COUNTY OF LOS ANGELES, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, BY DEED RECORDED JANUARY 9, 1922 IN BOOK 731 PAGE 252, OFFICIAL RECORDS.

ALSO EXCEPT THE INTEREST IN THE SOUTHERLY 5 FEET OF THE NORTHERLY 30 FEET OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 14, WHICH WAS CONVEYED TO THE COUNTY OF LOS ANGELES, FOR PUBLIC ROAD AND HIGHWAY PURPOSES, BY DEED RECORDED FEBRUARY 15, 1922 IN BOOK 901 PAGE 97, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL URANIUM, THORIUM AND OTHER MINERALS, AS EXCEPTED BY RECONSTRUCTION FINANCE CORPORATION AND UNITED STATES OF AMERICA, ACTING BY AND THROUGH WAS ASSETS ADMINISTRATION, RECORDED OCTOBER 18, 1948 AS INSTRUMENT NOS. 2604 AND 2606.

ALSO EXCEPT THAT PORTION OF SECTION 14, TOWNSHIP 7 NORTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF THE NORTHERLY 50 FEET OF SAID SECTION, WITH THE WESTERLY LINE OF THE EASTERLY 1300 FEET OF SAID SECTION; THENCE SOUTHERLY ALONG SAID WESTERLY LINE, 380.00 FEET TO THE SOUTHERLY LINE OF THE NORTHERLY 430 FEET OF SECTION; THENCE EASTERLY ALONG SAID LAST MENTIONED SOUTHERLY LINE, 879.00 FEET TO THE WESTERLY LINE OF THE EASTERLY 403 FEET OF SAID SECTION; THENCE SOUTHERLY ALONG SAID LAST MENTIONED WESTERLY LINE, 1283.00 FEET TO THE SOUTHERLY LINE OF THE NORTHERLY 2713 FEET OF SAID SECTION; THENCE WESTERLY ALONG SAID LAST MENTIONED SOUTHERLY LINE, 1770.00 FEET TO THE WESTERLY LINE OF THE EASTERLY 2173 FEET OF SAID SECTION; THENCE NORTHERLY ALONG SAID LAST MENTIONED WESTERLY LINE, 2463.00 FEET TO SAID FIRST MENTIONED SOUTHERLY LINE; THENCE EASTERLY ALONG SAID FIRST MENTIONED SOUTHERLY LINE, 873.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT "A"  
Page 5 of 10

97 1757049

EXCEPT THEREFROM ALL URANIUM, THORIUM AND OTHER MINERALS, AS EXCEPTED BY  
RECONSTRUCTION FINANCE CORPORATION AND UNITED STATES OF AMERICA, ACTING  
BY AND THROUGH WAR ASSETS ADMINISTRATION, RECORDED OCTOBER 18, 1948 AS  
INSTRUMENT NOS. 2604 AND 2606.

97 1757049

EXHIBIT "A"  
Page 6 of 10



PARCEL 1A:

County Recorder's Building:

PARCEL 1 OF PARCEL MAP NO. 14941, IN THE CITY OF NORWALK, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 170, PAGES 58 AND 59 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION THEREOF WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHERLY TERMINUS OF THAT COURSE IN THE COMMON BOUNDARY OF SAID PARCEL 1 AND PARCEL 2 OF SAID PARCEL MAP NO. 14941, SHOWN ON SAID PARCEL MAP NO. 14941, AS HAVING A BEARING AND DISTANCE OF "NORTH 0° 22' 23" WEST 481.00 FEET"; THENCE ALONG SAID COMMON BOUNDARY NORTH 89° 37' 37" EAST 439.90 FEET; THENCE CONTINUING ALONG SAID COMMON BOUNDARY, SOUTH 0° 22' 23" EAST 442.92 FEET TO A POINT IN THE SOUTHERLY BOUNDARY OF SAID PARCEL 1; THENCE ALONG SAID SOUTHERLY BOUNDARY, SOUTH 74° 20' 39" WEST 818.84 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 25.00 FEET; THENCE NORTHWESTERLY 39.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89° 59' 41" TO THE WESTERLY LINE OF SAID PARCEL 1; THENCE NORTH 15° 39' 40" WEST 202.04 FEET ALONG SAID WESTERLY LINE TO THE BEGINNING OF CURVE, CONCAVE EASTERLY, HAVING A RADIUS OF 968.00 FEET; THENCE NORTHERLY ALONG SAID CURVE AND SAID WESTERLY LINE THROUGH A CENTRAL ANGLE OF 27° 44' 23"; THENCE LEAVING SAID WESTERLY LINE NORTH 89° 37' 37" EAST 449.22 FEET; THENCE SOUTH 00° 22' 23" EAST 7.37 FEET; THENCE NORTH 89° 37' 37" EAST 33.70 FEET TO THE POINT OF BEGINNING.

SAID LAND IS A PORTION OF THE LAND SHOWN AND DELINEATED AS PROPOSED PARCEL 1 ON LOT LINE ADJUSTMENT NO. 14, APPROVED BY CERTIFICATE OF COMPLIANCE OF THE CITY OF NORWALK, RECORDED MAY 23, 1986 AS INSTRUMENT NO. 88-643260, OFFICIAL RECORDS.

ALSO EXCEPT ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, LYING BELOW THE DEPTH OF 500 FEET, WITHOUT HOWEVER, THE RIGHT TO DRILL OR MINE THROUGH THE SURFACE THEREOF AS RESERVED BY STATE OF CALIFORNIA IN AGREEMENT RECORDED IN BOOK D3880, PAGE 134, OFFICIAL RECORDS AND MODIFIED BY AGREEMENT RECORDED JANUARY 5, 1970 AS INSTRUMENT NO. 2216.

PARCEL 1B:

RECIPROCAL EASEMENTS, AS PER THAT CERTAIN "RECIPROCAL EASEMENT AGREEMENT" BY AND BETWEEN BECHTEL INVESTMENT, INC. AND NORWALK II ASSOCIATES LIMITED AS PER DOCUMENT RECORDED JUNE 20, 1989 AS INSTRUMENT NO. 89-982357 AND AS AMENDED BY A DOCUMENT RECORDED SEPTEMBER 19, 1989 AS INSTRUMENT NO. 89-1506609, AND AS FURTHER AMENDED BY THAT CERTAIN "SECOND AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT," RECORDED

97 1757049

EXHIBIT "A"  
Page 7 of 10

OCTOBER 30, 1991 AS INSTRUMENT NO. 91-1717688, ALL OF OFFICIAL RECORDS OF SAID COUNTY OVER:

PARCEL 2 OF PARCEL MAP NO. 14941, IN THE CITY OF NORWALK, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 170, PAGES 58 AND 59 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF PARCEL OF SAID PARCEL 1 MAP NO. 14941, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHERLY TERMINUS OF THAT COURSE IN THE COMMON BOUNDARY OF SAID PARCEL 1 AND PARCEL 2 OF SAID PARCEL MAP NO. 14941, SHOWN ON SAID PARCEL MAP NO. 14941, AS HAVING A BEARING AND DISTANCE OF NORTH 0° 22' 23" WEST 481.00 FEET; THENCE ALONG SAID COMMON BOUNDARY NORTH 89° 37' 37" EAST 439.90 FEET; THENCE CONTINUING ALONG SAID COMMON BOUNDARY, SOUTH 0° 22' 23" EAST 442.92 FEET TO A POINT IN THE SOUTHERLY BOUNDARY OF SAID PARCEL 1; THENCE ALONG SAID SOUTHERLY BOUNDARY, SOUTH 74° 20' 39" WEST 609.84 FEET; THENCE LEAVING SAID SOUTHERLY BOUNDARY, NORTH 15° 39' 21" WEST 35.53 FEET; THENCE NORTH 0° 22' 23" WEST 189.25 FEET; THENCE NORTH 89° 37' 37" EAST 124.04 FEET; THENCE NORTH 0° 22' 23" WEST 380.14 FEET; THENCE NORTH 89° 37' 37" EAST 33.70 FEET TO THE POINT OF BEGINNING.

Parcel 2A:

That portion of Parcel 1 of Parcel Map No. 14941, in the City of Norwalk, in the County of Los Angeles, State of California, as per map recorded in Book 170, Pages 58 and 59 of Parcel Maps, in the office of the County Recorder of said County, more particularly described as follows:

Beginning at the Southerly terminus of that course in the common boundary of said Parcel 1 and Parcel 2 of said Parcel Map No. 14941, shown on said Parcel Map No. 14941, as having a bearing and distance of "North 0° 22' 23" West 481.00 feet"; thence South 89° 37' 37" West 33.70 feet to the true point of beginning; thence South 00° 22' 23" East 380.14 feet, South 89° 37' 37" West 124.04 feet, South 00° 22' 23" East 189.25 feet and South 15° 39' 21" East 35.53 feet to a point in the Southerly boundary of said Parcel 1; thence along said Southerly boundary, South 74° 20' 39" West 247.84 feet along said Northerly line to the beginning of a tangent curve, concave Northeasterly, having a radius of 25.00 feet; thence Northwesterly 39.27 feet along said curve through a central angle of 89° 59' 41" to the Westerly line of said Parcel 1; thence North 15° 39' 40" West 202.04 feet along said Westerly line to the beginning of curve, concave Easterly, having a radius of 968.00 feet; thence Northerly along said curve and said Westerly line through a central angle of 27° 44' 23"; thence leaving said Westerly line North 89° 37' 37" East 449.22 feet; thence South 00° 22' 23" East 7.37 feet to the true point of beginning.

97 1757049

EXHIBIT "A"  
Page 8 of 10

Said land is a portion of the land shown and delineated as Proposed Parcel 1 on Lot Line Adjustment No. 14, approved by Certificate of Compliance of The City of Norwalk, recorded May 23, 1986 as Instrument No. 86-643260, Official Records.

ALSO EXCEPT all deposits of minerals, including oil and gas, lying below the depth of 500 feet, without however, the right to drill or mine through the surface thereof as reserved by State of California in agreement recorded in Book D3880, Page 134, Official Records and modified by agreement recorded January 5, 1970 as Instrument NO. 2216.

**PARCEL 2B:**

Reciprocal easements, as per that certain "Reciprocal Easement Agreement" by and between Bechtel Investment, Inc. and Norwalk II Associates Limited as per document recorded June 20, 1989 as Instrument No. 89-982357 and as amended by a document recorded September 19, 1989 as Instrument No. 89-1506609, and as further amended by that certain "Second Amendment to Reciprocal Easement Agreement" recorded October 30, 1991 as Instrument No. 91-1717688, all of Official Records of said County over:

Parcel 2 of Parcel Map No. 14941, in the City of Norwalk, in the County of Los Angeles, State of California, as per map recorded in Book 170, Pages 58 and 59 of Parcel Maps, in the office of the County Recorder of said County, and that portion of parcel of said parcel 1 map No. 14941, within the following described boundaries:

Beginning at the Southerly terminus of that course in the common boundary of said Parcel 1 and Parcel 2 of said Parcel Map No. 14941, shown on said Parcel Map No. 14941, as having a bearing and distance of "North 0° 22' 23" West 481.00 feet"; thence along said common boundary North 89° 37' 37" East 439.90 feet; thence continuing along said common boundary, South 0° 22' 23" East 442.95 feet to a point in the Southerly boundary of said Parcel 1; thence along said Southerly boundary, South 74° 20' 39" West 609.84 feet; thence leaving said Southerly boundary, North 15° 39' 21" West 35.53 feet; thence North 0° 22' 23" West 189.25 feet; thence North 89° 37' 37" East 124.04 feet; thence North 0° 22' 23" West 380.14 feet; thence North 89° 37' 37" East 33.70 feet to the point of beginning.

**97 1757049**

**EXHIBIT "A"**  
Page 9 of 10

PARCEL A:

THAT PORTION OF PARCEL 3 OF PARCEL MAP NO. 23030, IN THE CITY OF NORWALK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 253 PAGES 93, 94 AND 95 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

SAID LAND IS A PORTION OF THE LAND SHOWN AND DELINEATED AS PROPOSED PARCEL 1 ON LOT LINE ADJUSTMENT NO. 14, APPROVED BY CERTIFICATE OF COMPLAINT OF THE CITY OF NORWALK, RECORDED MAY 23, 1986 AS INSTRUMENT NO. 86-643260.

ALSO EXCEPT THEREFROM ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, LYING BELOW THE DEPTH OF 500 FEET, WITHOUT HOWEVER, THE RIGHT TO DRILL OR MINE THROUGH THE SURFACE THEREOF, AS RESERVED BY STATE OF CALIFORNIA, IN AGREEMENT RECORDED IN BOOK D-3880 PAGE 134, OFFICIAL RECORDS, AND MODIFIED BY AGREEMENT RECORDED JANUARY 5, 1970 AS INSTRUMENT NO. 2216.

PARCEL B:

RECIPROCAL EASEMENTS, AS PER THAT CERTAIN "RECIPROCAL EASEMENT AGREEMENT", BY AND BETWEEN RECHTEL INVESTMENT, INC. AND NORWALK II ASSOCIATES LIMITED, AS EPR DOCUMENT RECORDED JUNE 20, 1989 AS INSTRUMENT NO. 89-982357 AND AS AMENDED BY A DOCUMENT RECORDED SEPTEMBER 19, 1989 AS INSTRUMENT NO. 89-1506609, AND AS FURTHER AMENDED BY THAT CERTAIN "SECOND AMENDMENT TO RECIPROCAL EASEMENT AGREEMENT", RECORDED OCTOBER 30 1991 AS INSTRUMENT NO. 91-1717688, RECORDS OF SAID COUNTY, OVER:

PARCEL 2 OF PARCEL MAP NO. 14941, IN THE CITY OF NORWALK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 170 PAGES 58 AND 59 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND THAT PORTION OF PARCEL OF SAID PARCEL 1 PARCEL NO. 14941, WITHIN THE FOLLOWING DESCRIBED BOUNDARIES:

BEGINNING AT THE SOUTHERLY TERMINUS OF THAT COURSE IN THE COMMON BOUNDARY OF SAID PARCEL 1 AND PARCEL 2 OF SAID PARCEL MAP NO. 14941, SHOWN ON SAID PARCEL MAP NO. 14941, AS HAVING A BEARING AND DISTANCE OF "NORTH 0 DEGREES 22 MINUTES 23 SECONDS WEST 481.00 FEET"; THENCE ALONG SAID COMMON BOUNDARY, NORTH 89 DEGREES 37 MINUTES 37 SECONDS EAST 439.90 FEET; THENCE CONTINUING ALONG SAID COMMON BOUNDARY, SOUTH 0 DEGREES 22 MINUTES 23 SECONDS EAST 442.92 FEET TO A POINT IN THE SOUTHERLY BOUNDARY OF SAID PARCEL 1; THENCE ALONG SAID SOUTHERLY BOUNDARY, SOUTH 74 DEGREES 20 MINUTES 39 SECONDS WEST 609.84 FEET; THENCE LEAVING SAID SOUTHERLY BOUNDARY, NORTH 15 DEGREES 39 MINUTES 21 SECONDS WEST 35.53 FEET; THENCE NORTH 0 DEGREES 22 MINUTES 23 SECONDS WEST 189.25 FEET; THENCE NORTH 89 DEGREES 37 MINUTES 37 SECONDS EAST 124.04 FEET; THENCE NORTH 0 DEGREES 22 MINUTES 23 SECONDS WEST 380.14 FEET; THENCE NORTH 89 DEGREES 37 MINUTES 37 SECONDS EAST 33.70 FEET TO THE POINT OF BEGINNING.

97 1757049

EXHIBIT "A"  
Page 10 of 10

RECORDING REQUEST BY

WHEN RECORDED MAIL TO

NAME **ROBERT H. FRANCIS**  
MAILING ADDRESS **300 S. SPRING ST  
5TH FLOOR**  
CITY, STATE **LOS ANGELES, CA**  
ZIP CODE **90013-1204**

94 1386137  
RECORDED FILED IN OFFICIAL RECORDS  
RECORDER'S OFFICE  
LOS ANGELES COUNTY  
CALIFORNIA  
1 MIN. 2 PM JUL 26 1994  
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FREE **D**

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

TITLE(S)

FINAL ORDER OF CONDEMNATION

JUL 26 1994

PAGE 1 OF 9

1 DANIEL E. LUNGREN, Attorney General  
2 of the State of California  
3 ROBERT H. FRANCIS, State Bar No. 37912  
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5 Deputy Attorneys General  
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7 Los Angeles, California 90013-1204  
8 Telephone: (213) 897-2136  
9 Attorneys for Plaintiff  
10 State of California

FILED

LOS ANGELES SUPERIOR COURT

JUL 20 1994

EDWARD M. KRITZMAN, CLERK

BY K. GEORGE, DEPUTY

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
12 FOR THE COUNTY OF LOS ANGELES

13 THE STATE OF CALIFORNIA, acting ) CASE NO. BC 000884  
14 by and through the State Public )  
15 Works Board, ) FINAL ORDER OF CONDEMNATION  
16 Plaintiff, ) (Parcels 8066, 8660, 8661,  
17 v. ) 8662, 8663)  
18 COUNTY OF LOS ANGELES, et al., )  
19 Defendants. )

20 IT APPEARING THAT pursuant to the Stipulated  
21 Interlocutory Judgment on Parcels 8066, 8660, 8661, 8662, and  
22 8663, and Order Thereon, heretofore filed on June 10, 1994,  
23 affecting certain real property described in the amended  
24 complaint in eminent domain on file herein as Parcels 8066, 8660,  
25 8661, 8662, and 8663, the plaintiff, State of California, acting  
26 by and through the State Public Works Board, has paid the total  
27 amount of compensation and all sums required by said Judgment and  
28 Order, and by law, within the time provided by law.

It further appearing all acts required of the plaintiff  
have been duly done and performed and plaintiff is now entitled

1.

JUL 26 1994



1 to a Final Order of Condemnation.

2 NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND  
3 DECREED the real property hereinafter described and any and all  
4 improvements thereon be, and the same are, hereby condemned to  
5 the plaintiff, State of California, acting by and through the  
6 State Public Works Board, the following estates in real property,  
7 to wit: Parcel 8066 (fee simple absolute); Parcel 8660 (right-  
8 of-way easement); Parcel 8661 (temporary construction staging  
9 area easement); Parcel 8662 (sanitary sewer easement and  
10 temporary construction easement); Parcel 8663 (electrical  
11 easement); for the public uses and purposes set forth in the  
12 amended complaint in eminent domain, to wit: for the use of the  
13 Department of Corrections of the State of California, for the  
14 California State Prison, Los Angeles County, Lancaster,  
15 California, (Mira Loma Site); that the plaintiff is hereby  
16 declared to be sole owner of the real property hereinafter  
17 described and any and all improvements thereon; that the said  
18 real property situate, lying and being in the County of Los  
19 Angeles, State of California, hereby vests in the plaintiff, the  
20 State of California, acting by and through the State Public Works  
21 Board; and a description of the parcels of real property which  
22 are the subject of this Final Order of Condemnation are as  
23 follows:

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PARCEL 8066

At that certain real property situate in the County of Los Angeles, State of California, and being a portion of Section 14, Township 7 North, Range 13 West, San Bernardino Meridian; said real property being more particularly described as follows:

Commencing at the southeast corner of said Section 14; thence along the easterly line of said Section North 00°12'42" West 2,561.06 feet to a point thereon; thence leaving said line South 89°44'48" West 351.00 feet to the true point of beginning for this description; said point being 350.00 feet perpendicularly distant from said easterly line; thence from said true point of beginning parallel to last said line South 00°12'42" East 1,961.24 feet; thence tangent to the preceding course along the arc of a curve to the right having a radius of 250.00 feet and a central angle of 89°57'30", an arc distance of 392.52 feet to a point that is northerly of and 350.00 feet perpendicularly distant from the southerly line of said Section 14; thence tangent to the preceding curve and parallel to last said line South 89°44'48" West 4,020.01 feet; thence tangent to the preceding course along the arc of a curve to the right having a radius of 250.00 feet and a central angle of 90°03'55", an arc distance of 392.98 feet to a point that is easterly of and 400.00 feet perpendicularly distant from the westerly line of said Section 14; thence tangent to the preceding curve and parallel to last said line North 00°11'17" West 1,540.96 feet; thence South 89°44'54" West 300.00 feet to a point that is easterly of and 100.00 feet perpendicularly distant from said westerly line; thence parallel to last said line North 00°11'17" West 876.48 feet; thence North 89°44'48" East 2,796.67 feet; thence South 45°13'47" East 108.06 feet; thence South 00°12'56" East 380.25 feet; thence North 89°44'48" East 1,945.89 feet; to the true point of beginning and containing 261.75 acres, more or less.

JUL 26 1994

PARCEL 8660

A permanent easement and right of way to construct, operate, maintain and from time to time at any time reconstruct, modify, alter, enlarge, add to, remove and replace facilities for the transport or conduction of water, sewage, natural gas or electricity and a roadway for ingress and egress including, but not limited to, the construction of a pipeline, a bridge and all appurtenances thereto, said easement being situate in the City of Lancaster, County of Los Angeles, State of California, and being a portion of Section 14, Township 7 North, Range 13 West, San Bernardino Meridian; said easement being a strip of land 60 feet in width, lying 30 feet on each side of the following described centerline:

BEGINNING at a point on the North line of Avenue "J", a City road, from which point the Southeast corner of said Section 14 bears S 0° 15' 12" E 50.00 feet to a point on the South line of said Section 14; and along last said line and the centerline of said Avenue "J" N 89° 44' 48" E 2,622.56 feet; thence from said point of beginning N 0° 15' 12" W 300.00 feet to the northerly terminus of the herein described strip of land and a point on the South line of the lands of the proposed California State Prison, Los Angeles at Lancaster that is distant thereon S 89° 44' 48" W 2,023.00 feet from the southwesterly point of curvature of a 250.00 foot radius curve located in the Southeast portion of said lands; said strip of land being fully contiguous with said South line of said lands at its northerly terminus and the said northerly line of Avenue "J" at its southerly terminus.

PARCEL 8661

PARCEL 1

Beginning at a point in the East line of the Southeast 1/4 of Section 14, Township 7 North, Range 13 West, San Bernardino Meridian 2,561.06 feet North 0° 12' 24" West of the Southeast corner of said section. Thence South 89° 44' 36" West 450.00 feet along the Northerly line of the lands of the proposed California State Prison, Los Angeles County at Lancaster, California to the True Point of Beginning. Thence from said Point of Beginning South 89° 44' 36" West 1,845.89 feet to a point in the Northerly line of said Prison Lands. Thence departing said line the following courses: North 0° 12' 42" West, 380.25 feet; North 45° 15' 24" West, 30.22 feet; North 89° 44' 36" East, 71.45 feet; North 0° 12' 42" West, 55.00 feet; North 0° 15' 12" West, 502.24 feet; North 89° 56' 45" East, 1,786.26 feet; South 0° 12' 42" East, 951.45 feet to the POINT OF BEGINNING.

JUL 26 1994

PARCEL 2

Beginning at a point in the East line of the Southeast 1/4 of Section 14, Township 7 North, Range 13 West, San Bernardino Meridian 2,561.06 feet North 0° 12' 42" West of the Southeast corner of said section. Thence South 89° 44' 36" West 50.00 feet to a point on the westerly right of way line of 50th Street which is the TRUE POINT OF BEGINNING.

Thence South 89° 44' 36" West, 400.00 feet; thence North 0° 12' 42" West, 125.00 feet; thence North 89° 44' 36" East, 400.00 feet; thence South 0° 12' 42" East, 125.00 feet to the POINT OF BEGINNING.

PARCEL 8662

A permanent easement and right of way to construct, operate, maintain and, from time to time at any time, reconstruct, modify, alter, enlarge, add to, remove and replace facilities for the transport or conduction of water and sewage, natural gas or electricity and all appurtenances thereto, said easement being situate in the City of Lancaster, County of Los Angeles, State of California, and being a portion of Section 14, Township 7 North, Range 13 West, San Bernardino Meridian; said easement being a strip of land 15 feet in width, lying 7.50 feet on each side of the following described centerline:

BEGINNING AT A POINT FROM WHICH THE NORTHEAST CORNER OF THE LANDS OF THE CALIFORNIA STATE PRISON BEARS SOUTH 89° 47' 16" WEST 7.50 FEET AND NORTH 00° 12' 41" WEST 90.36 FEET, SAID POINT BEING ALSO SOUTH 58° 36' 17" WEST 400.35 FEET FROM THE EAST ONE-QUARTER CORNER OF SAID SECTION 14; THENCE FROM SAID POINT OF BEGINNING NORTH 00° 12' 41" WEST 410.00 FEET; THENCE NORTH 03° 31' 01" EAST 400.00 FEET; THENCE NORTH 00° 00' 04" EAST 1997.19 FEET; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 75.00 FEET AND A CENTRAL ANGLE OF 21° 09' 49", SAID CURVE BEING SUBTENDED BY A CHORD BEARING NORTH 10° 34' 59" EAST 27.55 FEET TO THE POINT OF ENDING, SAID POINT BEING ON THE SOUTH LINE OF A 100 FOOT WIDE CITY ROAD KNOWN AS AVENUE "A" SAID POINT ALSO BEARS SOUTH 89° 30' 32" WEST 303.79 FEET AND SOUTH 00° 29' 28" EAST 50.00 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 14.

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JUL 26 1994

TOGETHER WITH A TEMPORARY CONSTRUCTION EASEMENT OVER A STRIP OF  
LAND 25 FEET IN WIDTH LYING ADJACENT TO AND EASTERN OF THE EAST LINE  
OF THE HEREINABOVE DESCRIBED STRIP OF LAND.

PARCEL 8663

A permanent easement and right of way to construct, operate, maintain and from  
time to time at any time reconstruct, modify, alter, enlarge, add to, remove and  
replace facilities for the transport or conduction of natural gas or electricity  
including, but not limited to, the construction of pipelines, conduits, a bridge  
and all appurtenances thereto, said easement being situate in the City of  
Lancaster, County of Los Angeles, State of California, and being a portion of  
Section 14, Township 7 North, Range 13 West, San Bernardino Meridian; said ease-  
ment being a strip of land 25.00 feet in width, lying 12.50 feet on each side of  
the following described centerline:

BEGINNING at a point on the North line of Avenue "J", a City road, from which  
point the Southeast corner of said Section 14 bears S 0° 15' 12" E 50.00 feet  
to a point on the South line of said Section 14; and along last said line and  
the centerline of said Avenue "J" N 89° 44' 48" E 2,814.56 feet; thence from  
said point of beginning N 0° 15' 12" W 300.00 feet to the northerly terminus  
of the herein described strip of land and a point on the South line of the  
lands of the proposed California State Prison, Los Angeles at Lancaster that  
is distant thereon S 89° 44' 48" W 2,215.00 feet from the southwesterly point  
of curvature of a 250.00 foot radius curve located in the southeast portion of  
said lands; said strip of land being fully contiguous with said South line of  
prison lands and at its northerly terminus and the said Northerly line of  
Avenue "J" at its southerly terminus.

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JUL 26 1994

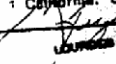
1 IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that upon  
2 recordation of a certified copy of this Final Order of  
3 Condemnation with the County Recorder of the County of Los  
4 Angeles, State of California, the estates in real property to  
5 said parcels heretofore described and any and all improvements  
6 thereon, free and clear of all taxes and assessments, shall vest  
7 in the State of California, acting by and through the State  
8 Public Works Board, plaintiff above-named, and its successors and  
9 assigns.

10  
11 IT IS SO ORDERED.

12  
13 DATED: 2-16-14.

  
BARNETT M. COOPERMAN  
JUDGE OF THE SUPERIOR COURT

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18 THE DOCUMENT TO WHICH THIS CERTIFICATE IS  
19 ATTACHED IS A FULL, TRUE, AND CORRECT COPY  
20 OF THE ORIGINAL WITH FILE AND OF RECORD IN  
21 MY OFFICE. JUL 26 1994

22 ATTEST  
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JUL 26 1994  
Clerk of the Superior  
County of Los Angeles  
By  Louise Meyer



**DECLARATION OF SERVICE BY MAIL**

Case Name: State v. County of Los Angeles, et al.,  
Case No.: BC000884

I, Debra Martin, declare:

I am over the age of 18 years and not a party to the within action. My business address is 300 S. Spring Street, Los Angeles, California 90013, in the County of Los Angeles.

I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal service that same day in the ordinary course of business.

On July 1, 1994, at my place of business, at Los Angeles, California, the attached

**FINAL ORDER OF CONDEMNATION**

was placed for collection and deposit in the United States Postal Service at the Office of the Attorney General, 300 S. Spring Street, Los Angeles, California 90013, in a sealed envelope, postage fully prepaid, addressed to:

DENNIS DEWITT  
PRINCIPAL DEPUTY COUNTY COUNSEL  
648 HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET  
LOS ANGELES, CA 90012

and that envelope was placed for mailing on that date following ordinary business practices.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and this declaration was executed at Los Angeles, California on July 1, 1994.

  
DEBRA MARTIN  
Declarant

JUL 26 1994



## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020	
<b>BOARD MEETING</b>	12/8/2020	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	All 5 Districts	
<b>DEPARTMENT</b>	Chief Executive Office	
<b>SUBJECT</b>	DELEGATE AUTHORITY TO ACTING CHIEF EXECUTIVE OFFICER TO EXTEND THE TERM OF THE CONTRACT WITH INFORMATION AND REFERRAL FEDERATION OF LOS ANGELES COUNTY, INCORPORATED DBA 211 LA COUNTY FOR A MAXIMUM OF 18 MONTHS AND INCREASE THE MAXIMUM CONTRACT SUM BY UP TO \$14,244,847.	
<b>PROGRAM</b>	Information and Referral Services Program	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	Approval is needed on or by December 8, 2020	
<b>COST &amp; FUNDING</b>	Total cost: \$ 21,883,337	Funding source: Various funding sources provided by participating departments (DPSS, WDACS, DCFS, DHS, DPH, DMH, CEO)
	TERMS (if applicable): The term of the current contract is set to expire on December 31, 2021. Upon approval of the above delegated authority, CEO will execute an amendment to extend the contract for up to a maximum of 18 months. All other terms from the original agreement shall remain in effect.	
	Explanation:	
<b>PURPOSE OF REQUEST</b>	To extend the contract for up to 18 months and increase its cost.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	An increase to the disaster services budget of the Agreement is being requested to ensure these services will not be interrupted. The extension period is being requested to ensure that the County has sufficient time to conclude the ongoing Request for Proposals process and award a new multi-year I&R contract.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: <ul style="list-style-type: none"> <li>• Emy Tzimoulis, Manager CEO, 213-974-4603, <a href="mailto:etzimoulis@ceo.lacounty.gov">etzimoulis@ceo.lacounty.gov</a></li> <li>• Gevik Shahverdian, Senior Analyst, 213-974-1334, <a href="mailto:gshahverdian@ceo.lacounty.gov">gshahverdian@ceo.lacounty.gov</a></li> </ul>	



# 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>

FESIA A. DAVENPORT  
Acting Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

December 8, 2020

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:

**DELEGATE AUTHORITY TO THE ACTING CHIEF EXECUTIVE OFFICER TO  
EXTEND THE TERM OF THE CONTRACT WITH INFORMATION AND REFERRAL  
FEDERATION OF LOS ANGELES COUNTY, INCORPORATED DBA  
211 LA COUNTY, FOR A MAXIMUM OF 18 MONTHS, AND INCREASE THE  
MAXIMUM CONTRACT SUM BY UP TO \$14,244,847  
(ALL DISTRICTS - 3 VOTES)**

## **SUBJECT**

Authorize the Acting Chief Executive Officer (CEO), or her designee, to extend the County's current Information and Referral (I&R) Services agreement (Agreement) with 211 LA County for an initial three-month period (January 1, 2022 through March 31, 2022), with an option for month-to-month extensions, if needed (April 1, 2022 through June 30, 2023). Also, authorize the Acting CEO to increase the contract sum for the extension period, and to augment the current disaster services budget of the Agreement.

## **IT IS RECOMMENDED THAT THE BOARD:**

1. Delegate authority to the Acting CEO, or her designee, to execute an amendment to increase the total contract sum of the Agreement by an additional \$75,000 for disaster services, as needed, throughout the term of the Agreement.
2. Delegate authority to the Acting CEO, or her designee, to execute an amendment to extend the term of the Agreement for an initial period of three months from January 1, 2022 through March 31, 2022, with an option to extend month-to-month, if needed, through June 30, 2023. The cost for the maximum 18 months of this

extension is \$14,169,847. Approval of the two recommended actions will result in a total increase of \$14,244,847 to the contract, increasing the maximum contract sum to \$36,128,184.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

### **Disaster Services**

211 LA County, among other general I&R services, assists in providing critical and timely disaster response and recovery information to residents, as needed. Due to the long-lasting COVID-19 pandemic and the pervasive wildfire season that now threatens Los Angeles County year-round, an increase to the disaster services budget of the Agreement is being requested to ensure these services will not be interrupted.

In coordination with the CEO Office of Emergency Management (OEM), 211 LA County helps disseminate important updates from response organizations, such as disaster location, evacuation areas, emergency assistance from community-based organizations, and more. During the transition to recovery after any disaster, 211 LA County assists the County in collecting important data from impacted residents, such as survivor contact information, insurance status, impacts to jobs and businesses, and other details that are needed by the County in order to pursue State and Federal assistance.

### **Extension of the Agreement**

The CEO is preparing a Request for Proposals (RFP) to be released in the second quarter of Fiscal Year (FY) 2020-21. The RFP will be used to solicit a new, multi-year I&R services contract to replace the existing contract before it expires on December 31, 2021. The extension period is being requested to ensure that the County has sufficient time to complete contract negotiations with the selected proposer.

Approval of the recommended actions will ensure that critical I&R services are not interrupted while the CEO completes the solicitation process to award a new multi-year contract for I&R services.

### **211 LA County Contract**

On December 3, 2019, the Board of Supervisors (Board) authorized the CEO to execute the Agreement with 211 LA County for a total maximum contract sum of \$18,674,208. The Agreement provides health and human services, and general and specialized I&R services through the 2-1-1 dialing code. The current Agreement will expire on December 31, 2021.

Services rendered include:

1. Ensuring callers are directly connected to a service provider who can address their needs (*warm hand-offs*) on all crisis, abuse, and neglect calls, including those for the departments of Children and Family Services (DCFS) Child Abuse Hotline; Workforce Development, Aging and Community Services (WDACS) Elder Abuse Hotline; Mental Health (DMH) ACCESS Hotline; and the Safely Surrendered Baby Hotline.
2. Assisting residents with unincorporated community services/code enforcement requests and conducting similar *warm hand-offs* to appropriate departmental representatives.
3. Providing I&R Program services to constituents seeking assistance through the America's Job Centers of California, Area Agency on Aging, and LA Found Hotlines, all funded by WDACS.
4. Making emergency information and resources available to the public whenever the County's Emergency Operations Center is activated, or a significant emergency is impacting the County.
5. Delivering services through special projects, such as: DCFS' Family Reunification Housing Subsidy Initiative; DCFS' Early Education Enrollment and Care Coordination; WDACS' Anti-Hate Campaign; CEO's Homeless Initiative Countywide Outreach System; DMH's Community Schools Initiative; CEO's Census 2020; and CEO's Coronavirus Public Health Emergency.

The Board delegated authority to the CEO to execute amendments to the Agreement and increase the contract sum by up to 10 percent of the original contract maximum. On January 29, 2020, the CEO executed Amendment Number One to update WDACS' Anti-Hate Campaign and add the Census 2020 special project, which increased the maximum contract sum to \$18,957,875. On March 17, 2020, the CEO executed Amendment Number Two to add the COVID-19 Public Health Emergency special project (COVID-19 Special Project), which increased the maximum contract sum to \$20,108,689. On June 11, 2020, the CEO executed Amendment Number Three to extend the COVID-19 Special Project, which increased the maximum contract sum to \$20,541,629.

On September 1, 2020, the CEO exercised the delegated authority from the Board to approve a Board letter authorizing an increase of \$1,341,708 to the total contract sum. The CEO then executed Amendment Number Four to further extend the COVID-19 Special Project, which increased the maximum contract sum to \$21,883,337.



### **Implementation of Strategic Plan Goals**

The recommended action is consistent with all three goal areas of the County Strategic Plan: Goal No. 1 - *Make Investments That Transform Lives*: We will aggressively address society's most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges – one person at a time; Goal No. 2 - *Foster Vibrant and Resilient Communities*: Our investments in the lives of County residents are sustainable only when grounded in strong communities. We want to be the hub of a network of public-private partnering entities supporting vibrant communities; and Goal No. 3 - *Realize Tomorrow's Government Today*: Our increasingly dynamic and complex environment challenges our collective abilities to respond to public needs and expectations. We want to be an innovative, flexible, effective, and transparent partner focused on public service and advancing the common good.

### **FISCAL IMPACT/FINANCING**

The six participating County departments and the CEO have agreed to continue funding the additional 18-month extension period of the 211 LA County Agreement for a contract sum of \$14,169,847. This would be at the same cost of the current contract. The additional funding for CEO OEM is included in CEO's FY 2020-21 Final Adopted Budget. Both increases would result in a total increase of \$14,244,847 to the contract, increasing the maximum contract sum to \$36,128,184. The attachment details the County's allocation of funding per contract year, per participating department, for core I&R services, as well as the special projects of the Agreement.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Section 26227 of the Government Code, the Board may appropriate and fund programs deemed by the Board to be necessary to meet the social needs of the population of the County, including but not limited to, the areas of health, law enforcement, public safety, rehabilitation, welfare, education, legal services; and the needs of financially, physically, mentally challenged, and aged persons.

In 1980, the Board adopted the first contract with 211 LA County (then known as Info Line) to provide I&R Program services to all County residents. On October 16, 2003, the California's Public Utilities Commission designated 211 LA County as the sole provider of 2-1-1 I&R Program services to the County.

The Honorable Board of Supervisors  
December 8, 2020  
Page 5

**IMPACT ON CURRENT SERVICES**

All I&R services provided under the current contract will continue without interruption or changes. All crisis services, such as Elder Abuse, Child Abuse, and Mental Health crisis needs will continue to be provided twenty-four (24) hours a day, seven (7) days a week.

Respectfully submitted,

FESIA A. DAVENPORT  
Acting Chief Executive Officer

FAD:JMN:TJM  
EDT:GS:km

Enclosure

c: Executive Office, Board of Supervisors  
County Counsel  
Children and Family Services  
Health Services  
Mental Health  
Public Health  
Public Social Services  
Workforce Development, Aging and Community Services

## PRICING SCHEDULE

<i>Core I&amp;R Services Participating Departments</i>	<i>Year 1 (2020)</i>	<i>Year 2 (2021)</i>	<i>Year 3 (2022)</i>	<i>Year 4 (2023)</i>	<i>Total</i>
Chief Executive Office - Countywide Emergency Hotline	\$ 63,158	\$ 75,000	\$ 31,579	\$ 31,579	\$ 201,316
Chief Executive Office - Unincorporated Help Line	\$ 197,131	\$ 197,131	\$ 197,131	\$ 98,566	\$ 689,959
Department of Children and Family Services	\$ 242,836	\$ 242,836	\$ 242,836	\$ 121,418	\$ 849,926
Workforce Development, Aging and Community Services	\$ 1,174,520	\$ 1,174,520	\$ 1,174,520	\$ 587,260	\$ 4,110,820
Department of Mental Health	\$ 242,836	\$ 242,836	\$ 242,836	\$ 121,418	\$ 849,926
Department of Health Services	\$ 242,836	\$ 242,836	\$ 242,836	\$ 121,418	\$ 849,926
Department of Public Health	\$ 242,836	\$ 242,836	\$ 242,836	\$ 121,418	\$ 849,926
Department of Public Social Services	\$ 5,222,958	\$ 5,222,958	\$ 5,222,958	\$ 2,611,479	\$ 18,280,353
Total	\$ 7,629,111	\$ 7,640,953	\$ 7,597,532	\$ 3,814,556	\$ 26,682,152

<i>Special Projects</i>	<i>Year 1 (2020)</i>	<i>Year 2 (2021)</i>	<i>Year 3 (2022)</i>	<i>Year 4 (2023)</i>	<i>Total</i>
DCFS - Early Education Enrollment and Care Coordination	\$ 232,179	\$ 232,179	\$ 232,179	\$ 116,090	\$ 812,627
DCFS - Family Reunification Housing Subsidy Initiative	\$ 224,598	\$ 224,598	\$ 224,598	\$ 112,299	\$ 786,093
WDACS - Anti-Hate Campaign	\$ 314,244	\$ 321,729	\$ 321,729	\$ 160,865	\$ 1,118,567
CEO - Homeless Initiative Countywide Outreach System	\$ 60,000	\$ 60,000	\$ 60,000	\$ 30,000	\$ 210,000
DMH - Community Schools Initiative	\$ 992,084	\$ 1,000,000	\$ 1,000,000	\$ 500,000	\$ 3,492,084
CEO - Census 2020	\$ 101,200	\$ 0	\$ 0	\$ 0	\$ 101,200
CEO - Coronavirus Public Health Emergency	\$ 2,925,462	\$ 0	\$ 0	\$ 0	\$ 2,925,462
Total	\$ 4,849,767	\$ 1,838,506	\$ 1,838,506	\$ 919,253	\$ 9,446,032

<b>Grand Total</b>	<b>\$ 12,478,878</b>	<b>\$ 9,479,459</b>	<b>\$ 9,436,038</b>	<b>\$ 4,733,809</b>	<b>\$ 36,128,184</b>
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## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020	
<b>BOARD MEETING</b>	12/8/2020	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	Second	
<b>DEPARTMENT</b>	CEO	
<b>SUBJECT</b>	West Carson Enhanced Infrastructure Financing District (EIFD)	
<b>PROGRAM</b>	Economic Development	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>		
<b>COST &amp; FUNDING</b>	Total benefit: \$15 million (present value) over 50-years	Funding source: County share of future property tax growth
	TERMS (if applicable): County to contribute 90% of its share of future property tax increment for funding a defined list of infrastructure projects	
	Explanation: County GF will receive a long-term benefit from the growth in assessed values due to development projects	
<b>PURPOSE OF REQUEST</b>	Approve resolution authorizing the County contribution of 90% of its share of future property tax increment to the West Carson EIFD	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The EIFD, in a County unincorporated area, will spur transit oriented development, assist in the expansion of the Lundquist Institute and development of the BioTech Park on the HUCLA campus, and provide a 20 percent set aside for affordable housing	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: • Robert Moran, CEO, 974-1130, <a href="mailto:rmoran@ceo.lacounty.gov">rmoran@ceo.lacounty.gov</a> • Michael Buennagel, County Counsel, 974-1833, <a href="mailto:mbuennagel@counsel.lacounty.gov">mbuennagel@counsel.lacounty.gov</a>	

December 8, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**ADOPT A RESOLUTION OF THE BOARD OF SUPERVISORS APPROVING THE  
WEST CARSON ENHANCED INFRASTRUCTURE FINANCING DISTRICT  
INFRASTRUCTURE FINANCING PLAN  
(SECOND DISTRICT - 3 VOTES)**

**SUBJECT**

West Carson Enhanced Infrastructure Financing District

**IT IS RECOMMENDED THAT THE BOARD:**

Approve a Resolution to authorize the County contribution of incremental property tax to the West Carson Enhanced Infrastructure Financing District and approve the District's Infrastructure Financing Plan.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the West Carson Enhanced Infrastructure Financing District ("EIFD") is to finance \$136 million of much needed infrastructure projects in the County unincorporated area of West Carson. The infrastructure projects will support job growth, transit connections, and affordable housing. The expansion of the Lundquist Institute and development of the BioTech park on the HUCLA will also benefit from the EIFD, as it will assist in creating connections to the surrounding community to support a vibrant transit-oriented district.

Projects include new: streetscape, green streets, pedestrian improvements, community center, site remediation, open space, BioTech park landscaping, utilities, and parking. In addition, up to 20 percent of the tax increment allocated to the EIFD will be deposited

into the Affordable Housing Trust Fund to help fund regional and Countywide affordable housing projects.

The completion of the proposed infrastructure projects will spur development consistent with the West Carson Transit Oriented Development Specific Plan. The Plan was adopted in October 2019 after a multi-year process involving local stakeholders. Anticipated future development is expected to include: 938 single family units and 2,636 multi-family residential units; 950,000 square feet of commercial development; 1.5 million square feet of industrial/flex space; and 375,000 square feet of Tech Park/Incubator space.

### **FISCAL IMPACT/FINANCING**

Consistent with Board Policy for evaluating EIFDs, the CEO conducted a fiscal analysis of the EIFD. This analysis was presented to the County's Economic Development Policy Committee on November 12, 2018, and indicated the following:

- The County's contribution of 90 percent of its future share of General Fund tax increment in the project area will support the funding of the infrastructure projects;
- The completion of the infrastructure projects is expected to stimulate anticipated development consistent with the Specific Plan listed above;
- There is a cap on the County's contribution, and once the EIFD receives sufficient property tax increment to fully fund the \$136 million of infrastructure projects, any excess will be returned by the EIFD to the County General Fund; and
- Due to the estimated property tax increment generated by the development projects, there will be a positive net impact over the life of the EIFD to the County General Fund of approximately \$15 million (in 2020 dollars), which reflects the estimated growth in future property taxes due to the new development. In addition, up to \$46 million will be transferred to the County Affordable Housing Trust Fund, and annual maintenance of \$830,000 will be funded by the EIFD.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS/NEXT STEPS**

The law authorizing creation of EIFDs, California Government Code section 53398.50, *et seq* ("EIFD law"), took effect in 2015. The EIFD law was established to provide a tool to finance local infrastructure after the dissolution of redevelopment. EIFDs include: 1) a 45-year time limit after the first bond issuance; 2) the voluntary contribution of property



tax increment by affected taxing entities for tax increment financing (schools cannot contribute); 3) a cap on the County's contribution; and 4) governance of the EIFD by a separate Public Financing Authority, with members appointed by the County.

Because the project area is in County unincorporated area, the County will be the sole taxing entity participating in the EIFD. If approved, the County will begin participating in the EIFD and contribute 90 percent of its share of future property tax increment generated in the EIFD project area. In accordance with EIFD law, the EIFD's Public Financing Authority has been established, and includes three designated representatives of your Board and two members of the public appointed by your Board. The County will also have the right to review the EIFD's financial records and calculations to ensure the County does not contribute property tax increment more than the amount required to fund the \$136 million infrastructure projects.

The Infrastructure Financing Plan ("IFP") and attached resolution include the provisions necessary for the County to begin participating in the EIFD.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The Departments of Public Works, Regional Planning, and Parks and Recreation were participants in the planning of the EIFD and assisted in developing the list of infrastructure projects. Consistent with EIFD law, the projects also include \$830,000 for annual maintenance of the new public projects. Benefits of the projects include:

- up to \$46 million contribution to the Affordable Housing Trust Fund;
- 3,574 planned new housing units within the EIFD;
- 14,177 direct, indirect, and induced temporary construction-related jobs;
- 4,611 direct, permanent jobs;
- 3,499 additional indirect and induced permanent jobs;
- \$2.4 billion in economic output from construction;
- \$1.2 billion in annual ongoing economic output;
- infrastructure enhancements that will assist in the buildout of the Lundquist Institute and BioTech Park;
- improved circulation and enhanced access to public transportation; and
- new open spaces.

### **CONCLUSION**

The Honorable Board of Supervisors  
December 8, 2020  
Page 4

Upon Board approval, please return one signed copy of the Resolution and one stamped copy of the adopted Board letter to the Chief Executive Office, Economic Development Division for further processing.

Respectfully submitted,

FESIA DAVENPORT  
Acting Chief Executive Officer

JN:AC:JO  
RM:acn

Enclosures

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

**RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE COUNTY OF LOS ANGELES APPROVING THE INFRASTRUCTURE FINANCING PLAN  
FOR THE WEST CARSON ENHANCED INFRASTRUCTURE FINANCING DISTRICT**

**WHEREAS**, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (the "EIFD Law"), on May 12, 2020, the Board of Supervisors of the County of Los Angeles ("Board") initiated proceedings for the establishment of the West Carson Enhanced Infrastructure District ("District"); and

**WHEREAS**, the Public Financing Authority for the West Carson Enhanced Infrastructure Financing District ("Authority") directed the preparation of an Infrastructure Financing Plan ("IFP"), as authorized by the EIFD Law; and

**WHEREAS**, the Board has received and reviewed the proposed IFP for the District, which is attached hereto as Exhibit "A".

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Supervisors of the County of Los Angeles that:

1. Pursuant to the provisions of Sections 53398.68(a) and 53398.75(e)(1) of the EIFD Law, the proposed IFP for West Carson Enhanced Infrastructure Financing District is hereby approved.

2. In approving the IFP, the Board specifically acknowledges and approves the following:

a) Commitment and contribution to the District of 90% of the County's portion of the *ad valorem* property tax increment from within the boundaries of the District for the life of the District, subject to limits on tax increment contributions and time provided by law and this resolution;

b) The list of \$136.4 million in infrastructure projects and \$830,000 annual allowable maintenance costs listed in Table 2 of the IFP, including up to 20% contribution to the County's Affordable Housing Trust Fund;

c) A limit on the total number of dollars that the County will contribute to the District defined as the annual amount of the County contribution that is needed to pay bond payments, or otherwise fund the approved list of infrastructure projects. In the following fiscal year after the projects have been fully funded, and any year thereafter up to the time limit, any County contribution more than remaining bond payments shall be returned by the District to the County. The District shall provide the County an annual accounting of the status of the funding of the approved infrastructure projects, and notify the County when they have been fully funded, subject to County review

3. The County shall have the right to review the Authority's calculations, and the District's books and accounting records thereof, required in the IFP to determine if the tax increment revenue limit has been reached.

The foregoing resolution was on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which the Board so acts.

CELIA ZAVALA,  
Executive Officer  
Board of Supervisors of the  
County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM  
BY COUNTY COUNSEL

MARY C. WICKHAM  
COUNTY COUNSEL

By \_\_\_\_\_  
MICHAEL S. BUENNAGEL  
Deputy County Counsel

DRAFT



# Financing Critical Infrastructure

**West Carson TOD**

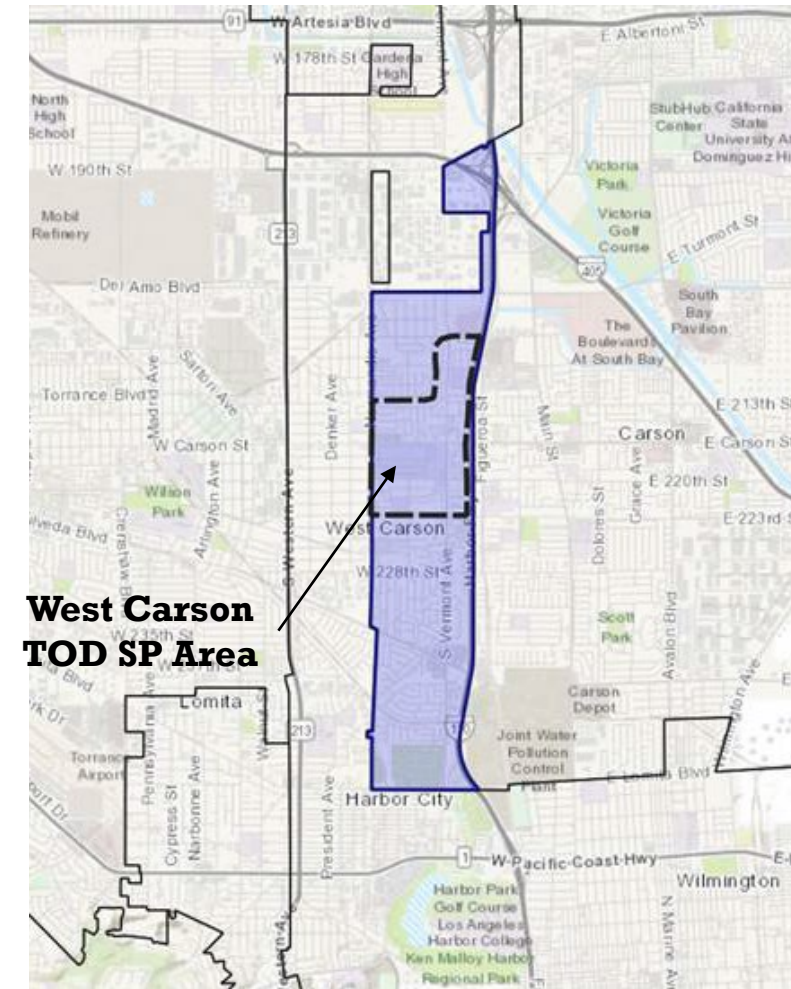
**Enhanced Infrastructure Financing District (EIFD)**

**EDPC Update**

*November 12, 2020*



# West Carson EIFD Overview



- ✓ West Carson Transit Oriented District Specific Plan (WCTODSP) adopted in October 2019:
  - Housing, commercial, industrial
  - Harbor-UCLA Medical Center Master Plan (HUCLA MP)
  - BioTech park
- ✓ \$136 million infrastructure investment needed to support new development:
  - Transit connections, streets, and circulation – create transit-oriented area
  - Open space and recreation – requested in public meetings
  - Utility upgrades, parking – support BioTech park job growth
- ✓ LA County – SCAG partnership on EIFD to help fulfill County goals
  - Fulfills Goal 12 of “Our County” sustainability plan – coordinated funding and partnerships
  - Connect new jobs, housing, and transit
  - Dedicated funding for LA County Affordable Housing Trust Fund
  - County projects to comply with prevailing wage, local/targeted worker policies, and CEQA environmental review



# EIFD Fiscal Impact

- ✓ Overall, EIFD demonstrates positive fiscal impact on County General Fund

Proposed Enhanced Infrastructure Financing District for					West Carson County Unincorporated								
Impact to County General Fund													
County Contribution / Development Scenarios													
Scenario		County Contribution	Projects Completed	Net to County (NPV)	Infrastructure Funding Requirement	Revenue in Excess of Debt Service	Total Available Funding	Infrastructure Funding Requirement	Infrastructure Funding Excess	County Share in Excess (NPV)	Total County Share (NPV)	20% L&M Set Aside (NPV)	Annual Maintenance (NPV)
1	Base Case	0%	0%	\$ 133,595,245	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 133,595,245	\$ -	\$ -
2	Expected EIFD	90%	100%	\$ 82,430,986	\$ 136,000,000	\$ 257,344,165	\$ 334,897,165	\$ 136,000,000	\$ 198,897,165	\$ 66,094,602	\$ 148,525,589	\$ 46,333,207	\$ 22,970,718
	Fiscal Impact of EIFD:										\$ 14,930,343	\$ 46,333,207	\$ 22,970,718

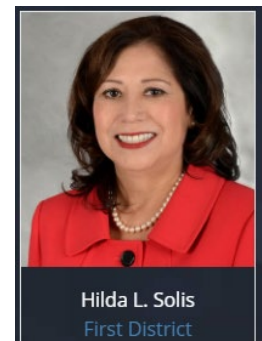
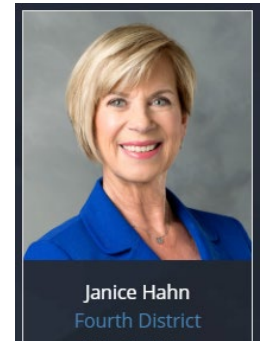
## Notes:

- Scenario 1 – No EIFD. Net to County \$ is from tax revenue for parcels within the proposed EIFD project area with Assessed Values projected at 2% annual growth. Net Present Value at 3%.
- Scenario 2 – County contributes 90% of its 30.5% share. Under this scenario, 100% of the EIFD projects will be completely funded by year 31. The County contribution to the EIFD will be limited to the amount necessary to cover outstanding bond payments in subsequent years. Excess funds will be returned to the County General Fund. Affordable Housing set-aside of 20% of total EIFD funds will go to the County Affordable Housing Trust. Annual maintenance costs of \$830,000 million for parks and broadband included.

# EIFD Oversight – Public Financing Authority

## Public Financing Authority (PFA):

- Government Code Section 53398.51.1
- Local public agency subject to Brown Act, California Public Records Act, Political Reform Act of 1974
- Governing board of the EIFD
- Membership – Supervisors Ridley-Thomas, Hahn, and Solis or representatives; Dan Rosenfeld and David Louie (public members)
- Drives the preparation and community outreach of the draft Infrastructure Financing Plan
- Annual review of Infrastructure Financing Plan, independent financial audit, public hearing by June 30
- Future meetings to approve financing of projects by majority vote



# Status and Next Steps

- ☑ Board of Supervisors Resolution of Intent to begin formation of EIFD – May 12, 2020
- ☑ Public Financing Authority Boardmembers appointed – July 2020
- ☐ Public Financing Authority holds 3 public hearings to receive feedback on the EIFD:
  - Sept 8 – Introduction / Public Meeting
  - Oct 20 – First Public Hearing (receive comments)
  - Dec 1 – Second Public Hearing (amend/adopt IFP)
  - **Dec 8 – BOS Resolution to adopt IFP and contribute tax increment to EIFD**
  - Jan 19 – Third Public Hearing (tentative – file protests)
- ☐ January 2021 – Resolution and ordinance to form EIFD



# Disclaimer

The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis.

Discussions or descriptions of potential financial tools that may be available to the City are included for informational purposes only and are not intended to be to be “advice” within the context of this Analysis.

Municipal Advisory activities are conducted through Kosmont Companies’ affiliate, Kosmont Transaction Services, which is Registered as a Municipal Advisor with the SEC and MSRB.



THANK YOU

Questions?

**Kosmont Companies**

1601 N. Sepulveda Blvd. #382 Manhattan Beach, CA 90266

Ph: (424) 297-1070 | Fax: (424) 286-4632

**[www.kosmont.com](http://www.kosmont.com)**

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020	
<b>BOARD MEETING</b>	12/8/2020	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	All Districts	
<b>DEPARTMENT</b>	CEO	
<b>SUBJECT</b>	SOLE SOURCE CONTRACT WITH YARDI SYSTEMS REAL ESTATE MANAGEMENT SOFTWARE AS A SERVICE	
<b>PROGRAM</b>	LACREMS (Los Angeles County Real Estate Management System)	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No CEO (Chief Executive Office), in conjunction with DBH (Dept of Beaches and Harbors), and the Chief Information Office, had determined that Yardi Systems is the best alternative to meet an emergent need.	
<b>DEADLINES/ TIME CONSTRAINTS</b>	Targeting Q2 FY2020-21 to initiate the effort due to urgent need	
<b>COST &amp; FUNDING</b>	Total cost:  \$12,180,399	Funding source:  The Project will be centrally funded for the first two years (implementation and contract year 1). DBH will self-fund their portion of the costs for the remaining years. The CEO will redirect existing CAMPS funding to offset charges and bill the balance to department users. The Auditor-Controller has reviewed the contract and determined that costs are fully billable.
	TERMS (if applicable): The contract has an initial term of six years from the effective date with two one-year renewal options.	
	Explanation: The total contract value, including two option years and pool/contingency funds, is \$12,180,399. The base contract includes implementation and licensing fees of \$8,039,190. The 2 option years include licensing fees of \$3,033,900. Pool dollars/contingency funds total \$1,107,309.	
<b>PURPOSE OF REQUEST</b>	This recommendation by the Chief Executive Office (CEO) seeks the Board's approval to execute a new Software as a Service (SaaS) contract with Yardi Systems for a comprehensive property management system known as the Los Angeles County Real Estate Management System (LACREMS),	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The CEO and DBH, as two of the County's largest users of real estate management software, have identified an immediate need to acquire a comprehensive, innovative, and productivity-enhancing real estate management system, with enhanced security features, robust reporting, data analytics, and the capability of interfacing directly with eCAPS. After exploring the options of expanding/modernizing the current systems, utilizing systems currently used by other County departments, and utilizing systems used by other local agencies, CEO, and DBH, in consultation with the Chief Information Office (CIO) and Internal Services Department (ISD), have determined that Yardi Systems is the best alternative to meet both departments' needs as it would prevent a lengthy and costly endeavor of individually updating the systems/processes used currently by both departments.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: Dean Aardema - Acting Manager, CEO - (213) 893-2471 - <a href="mailto:dardema@ceo.lacounty.gov">dardema@ceo.lacounty.gov</a> Amy Caves - Deputy Director, DBH - (424) 526-7773 - <a href="mailto:ACaves@bh.lacounty.gov">ACaves@bh.lacounty.gov</a>	





**William S. Kehoe**  
CHIEF INFORMATION OFFICER

# DRAFT

Attachment

## CIO ANALYSIS

BOARD AGENDA DATE:

12/8/2020

SUBJECT:

**APPROVAL TO EXECUTE A SOLE SOURCE CONTRACT WITH YARDI SYSTEMS FOR  
A REAL ESTATE MANAGEMENT SOFTWARE-AS-A-SERVICE SOLUTION**

CONTRACT TYPE:

☒ New Contract      ☒ Sole Source      ☐ Amendment to Contract #: Enter contract #.

SUMMARY:

**Description:** The Chief Executive Office – Real Estate Division (CEO-RED) is requesting Board approval to execute a sole source contract with Yardi Systems for a comprehensive property management system and related services. The Yardi System is a Software-as-a-Services Solution. The recommended contract has an initial term of six years, and the recommended action also authorizes the CEO to exercise, as needed, up to two one-year renewal options. Once fully implemented, the Yardi solution will result in the retirement of two legacy systems and multiple databases and manual processes.

Specifically, the CEO is requesting delegated authority to the Acting CEO, or her designee, to execute the contract with Yardi, as well as execute amendments to the contract, as needed, to exercise the two one-year options.

Also, the CEO is requesting delegated authority to the Acting CEO, to approve and execute amendments and change notices pursuant to the contract's provisions that authorize budget modifications, schedule of payment modifications, and adjustments to the scope, work tasks, and/or activities; and approve use of funds to be used as pool dollars.

After working with the Office of the CIO, County Counsel and the Internal Services Department (ISD) to explore various options, CEO-RED and Beaches and Harbors determined the Yardi solution is the best option to meet the County's business requirements. The Office of the CIO supports this decision. The Yardi system will be used initially by CEO Real Estate and the Beaches and Harbors, and later by other departments, to manage the County's real estate portfolio and track/maintain the County's inventory of all real estate assets.

APPROVAL TO EXECUTE A SOLE SOURCE CONTRACT WITH YARDI SYSTEMS FOR A REAL ESTATE MANAGEMENT SOFTWARE-AS-A-SERVICE SOLUTION

Contract Amount: \$8,039,190 for the initial 6-year term.

FINANCIAL ANALYSIS:

Contract costs:

Cost for initial six-year term:

Licensing, Maintenance & Services .....	\$	8,039,190
<b>Sub-total Contract Costs: .....</b>	<b>\$</b>	<b>8,039,190</b>

Cost for two option years:

Licensing, Maintenance & Services .....	\$	3,033,900
<b>Sub-total Contract Costs: .....</b>	<b>\$</b>	<b>3,033,900</b>

Other Costs:

Pool Dollars.....	\$	1,107,309
<b>Sub-total Contract Costs:.....</b>	<b>\$</b>	<b>1,107,309</b>

<b>Potential Total Contract Costs: .....</b>	<b>\$</b>	<b>12,180,399</b>
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Notes:

FUNDING FOR THE FIRST TWO FISCAL YEARS (20-21 AND 21-22) (\$2,122,226) WILL BE FUNDED FROM CEO EXISTING RESOURCES. FISCAL YEAR ONE (20-21) FUNDING WAS SECURED IN SUPPLEMENTAL BUDGET AND CEO WILL REQUEST FUNDING FOR FISCAL YEAR TWO IN THE NEXT RECOMMENDED BUDGET. FUNDING FOR FISCAL YEARS 22-23 THROUGH 28-29 (CONTRACT YEARS THREE THROUGH EIGHT) ARE PROJECTED TO BE \$10,058,173. THE CEO'S PORTION OF THOSE COSTS IS \$8,170,200. CEO INTENDS TO FUND SOME OF ITS PORTION OF THE PROJECT THROUGH SAVINGS FORM ITS EXISTING REAL ESTATE MANAGEMENT SYSTEM (CAMPS), WHICH WILL BE RETIRED. CEO IS ALSO APPLYING FOR A PIF GRANT AND ANY FUNDS AWARDED WILL BE USED TO REDUCE THE COSTS IN THE FISCAL YEAR THE FUNDS ARE RECEIVED. BEACHES AND HARBORS' PORTION IS \$1,887,973. BEACHES AND HARBORS INTENDS TO FUND ITS PORTION OF THE PROJECT THROUGH SAVINGS FROM ITS EXISTING REAL ESTATE MANAGEMENT SYSTEM (RE PORTFOLIO), WHICH WILL BE RETIRED, POTENTIAL BUDGET SAVINGS AND SURPLUS AMOUNTS.

APPROVAL TO EXECUTE A SOLE SOURCE CONTRACT WITH YARDI SYSTEMS FOR A REAL ESTATE  
MANAGEMENT SOFTWARE-AS-A-SERVICE SOLUTION

RISKS:

1. **Quality, Cost and Schedule** – as with any system implementation project, there are risks related to quality, cost and schedule.

- In order to address the sole source issue, CEO-RED and Beaches and Harbors worked very closely with the Office of the CIO, County Counsel and ISD to review its requirements, conduct an extensive market analysis of available products and determine that Yardi was the best available system. County Counsel and the Office of the CIO reviewed the Contract and Statement of Work (SOW) and made various recommendations, which were incorporated
- The departments mitigated the quality risks by developing a well-defined SOW with 50 individual deliverables, 21 key deliverables and appropriate deliverable acceptance criteria
- The SOW identifies the activities related to a fully managed software-as-a-service solution, such as installation, configuration, website support, documentation, training and testing
- The SOW outlines specific technical requirements such as a functional architecture, application architecture, data architecture and security design
- The SOW requires the contractor to develop a process to map and migrate data from the existing source systems to the new system
- The SOW requires the contractor to develop a training plan, test plan, go-live plan and contingency plan
- The SOW includes a well-defined Service Level Agreement, including a requirement of 99.9% system availability (with performance credits) and appropriate issue response times based on severity levels
- Additional protections for the County are outlined in the contract, including 10% holdbacks for each deliverable, dedicated contractor project manager, privacy/network cyber insurance (\$10 million), and modest liquidated damages and a defined dispute resolution procedure
- The cost risk has been mitigated by making this a fixed-cost, deliverables-based contract
- The schedule risk will need to be jointly addressed by the departments and Yardi by developing an aggressive, but attainable project implementation schedule as part of the required Project Control Document

2. **Information Security** – The Office of the County's Information Security Officer reviewed the security provisions and did not identify any concerns.

PREPARED BY:

\_\_\_\_\_  
HENRY BALTA, DEPUTY CHIEF INFORMATION OFFICER

\_\_\_\_\_  
DATE

APPROVED:

\_\_\_\_\_  
WILLIAM S. KEHOE, COUNTY CHIEF INFORMATION OFFICER

\_\_\_\_\_  
DATE

APPROVAL TO EXECUTE A SOLE SOURCE CONTRACT WITH YARDI SYSTEMS FOR A REAL ESTATE  
MANAGEMENT SOFTWARE-AS-A-SERVICE SOLUTION



# 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>

FESIA A. DAVENPORT  
Acting Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

December 8, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

## **APPROVAL TO EXECUTE SOLE SOURCE CONTRACT WITH YARDI SYSTEMS REAL ESTATE MANAGEMENT SOFTWARE AS A SERVICE**

**CIO RECOMMENDATION: APPROVE ( ), APPROVE WITH MODIFICATION ( ),  
DISAPPROVE ( )**

### **SUBJECT**

This recommendation by the Chief Executive Office (CEO) seeks the Board's approval to execute a new Software as a Service (SaaS) contract with Yardi Systems for a comprehensive property management system known as the Los Angeles County Real Estate Management System (LACREMS), which is commercially known as the Yardi Voyager Property Management & Accounting software program, and for related services (Enclosure A). The contract has an initial term of six years from the effective date. The recommended action also authorizes the CEO to exercise, as needed, up to two one-year renewal options. If all option years are exercised, the total term of this contract is for eight years, for a recommended total maximum contract sum of \$11,073,090 (including implementation cost) and an additional reserve of ten percent of \$1,107,309 in Pool Dollars, for a total amount of \$12,180,399. Once fully implemented, the new LACREMS SaaS solution will result in the eventual retirement of two legacy systems and multiple Microsoft Access databases.

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed contract with Yardi Systems, Inc. (Yardi Systems) for the Los Angeles County Real Estate Management System (LACREMS) and related services is not a project under the California Environmental Quality Act pursuant (CEQA), because the proposed actions are activities that are excluded from the definition of a project by Section 21065 of the Public Resources Code and Section 15378(b)(5) of the CEQA Guidelines, as the proposed actions to implement a new real estate

management system are administrative activities of government that will not result in direct or indirect physical changes in the environment.

1. Approve the award of the proposed contract with Yardi Systems, and delegate authority to the Acting Chief Executive Officer, or her designee, to execute the contract in substantially similar form, with Yardi Systems for a SaaS solution, for a maximum sum in the initial six-year term of \$8,039,190, as well as execute amendments to the contract, as needed, to exercise the two one-year option years, for a maximum sum of \$3,033,900 for the option years.
3. Delegate authority to the Acting Chief Executive Officer, or her designee, to approve and execute amendments and change notices pursuant to the contract's provisions that authorize budget modifications, schedule of payment modifications, and adjustments to scope, work tasks, and/or activities; and approve the use of an additional \$1,107,309 in reserves to be used as Pool Dollars for work in such amendments and change notices to ensure compliance with Federal, State, or County regulations, or to implement modifications, additions, system or process requirements/functionalities, additional interfaces or modules, and customizations or configurations to LACREMS as determined by the County.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The CEO and DBH, as two of the County's largest users of real estate management software, have identified an immediate need to acquire a comprehensive, innovative, and productivity-enhancing real estate management system, with enhanced security features, robust reporting, data analytics, and the capability of interfacing directly with eCAPS. After exploring the options of expanding/modernizing the current systems, utilizing systems currently used by other County departments, and utilizing systems used by other local agencies, CEO, and DBH, in consultation with the Chief Information Office (CIO) and Internal Services Department (ISD), have determined that Yardi Systems is the best alternative to meet both departments' needs as it would prevent a lengthy and costly endeavor of individually updating the systems/processes used currently by each department.

The CEO has identified weaknesses in the current processes and procedures that must be immediately corrected. The SaaS solution from Yardi Systems for LACREMS would provide CEO and DBH with the ability to better manage leases and other real estate functions. Yardi's SaaS solution includes:

- 1) Enhanced tracking of County-owned and leased space;
- 2) Increased transparency as departmental representatives will have system access including the ability to generate reports relative to their portfolios;
- 3) Integrated contract and payment documents in a single system;
- 4) Dashboards of various workflow processes;
- 5) Increased accountability with customizable system audit trails;

- 6) Automatic lessor and lessee notifications of important dates;
- 7) Automated real estate processes, including routine monthly payments and CPI related adjustments;
- 8) An integrated single system that will increase efficiency, improve decision making; improve reporting and act as a central financial repository for all lease data; and
- 9) A direct interface with eCAPS.

Yardi Systems is a global technology company that has set the standard for real estate software solutions and is considered a market leader in this industry. The vendor has extensive experience working with governmental and public agency clients, including in Los Angeles County. Your Board previously approved contracts with Yardi Systems as the governing board for the Los Angeles County Development Authority (LACDA). LACDA has contracted with Yardi Systems since 2007. Recently, on July 17, 2018, the Board awarded a competitively procured SaaS contract from Yardi Systems under LACDA to manage both public and Section 8 housing. Award of this contract will allow CEO and DBH to be on the same platform as LACDA for managing real estate and allow for consistent reporting to the Board.

DBH staff performed a market analysis which indicated that Yardi Systems is best positioned to quickly and cost effectively meet the County's current needs. Staff researched several alternative products and solutions, and Yardi Systems appeared to be the only vendor able to provide all the features and functionality to meet the complex and critical needs of the various County departments involved in real estate. Based on rates charged to other Yardi Systems subscribers that staff was able to contact, the County has received attractive and competitive rates. Yardi Systems also appears to have the features required to meet the County's needs.

Implementing Yardi Systems will eliminate the need for CEO and DBH to devote time, effort, and funds to modernize separate systems. CEO and DBH operate different systems with some overlapping functions, while the Auditor-Controller uses a series of Microsoft Access (Access) databases to help facilitate payments for the CEO. CEO currently uses County Assets Management Property System (CAMPS), a legacy system, with limited functionality, which was developed in-house by ISD. Throughout the years, CEO's real estate business needs have outgrown CAMPS' functionality. DBH has similar real estate management functions and has used a separate system called RE Portfolio for approximately the last ten years. Neither system, nor the Access databases, directly interface with eCAPS. The implementation of LACREMS will, in time, allow these systems/databases to be retired.

All County leased and owned assets should be maintained within the same system to allow for streamlining of costs and operational efficiencies. Sharing the same platform allows the County to leverage economies of scale to reduce costs associated with acquisition, licensing and training; as well as eliminating the costs of system and security upgrades, which will be borne by Yardi Systems. In addition, costs associated with



system enhancements for future functionality, and data conversion issues are all expected to be reduced with multiple departments utilizing the same system.

Finally, if the Board approves award of the proposed contract, CEO will continue use of Illuminous Enterprises, Inc. (Illuminous) through the ISD's Information Technology Support Services Master Agreement (ITSSMA) Work Order (WO) No. 10-3552. Illuminous has been assisting CEO Real Estate with its technical expertise in real estate management and software systems and will be needed for consistency purposes to assist the County during the implementation phase of LACREMS. ISD will extend the period of performance for 12 months through December 31, 2021, and increase the total maximum amount by \$ 299,000 to \$598,000. The WO currently expires on December 31, 2020, or when a maximum contract price of \$299,000 is met. In accordance with ITSSMA policies and procedures, notice to the Board is being provided for projects that exceed \$300,000.

### **Implementation of Strategic Plan Goals**

The system and services provided under the proposed Agreement support the County's Strategic Plan Goal III - Realize Tomorrow's Government Today, by providing vital real estate management services through an independent contractor to improve the quality, efficiency and effectiveness of Countywide owned and leased property management activities.

### **FISCAL IMPACT/FINANCING**

Yardi Systems' fiscal impact will be addressed in two groups - funding for Fiscal Year (FY) 2020-21 and FY 2021-22 and funding for FY 2022-23 through FY 2028-29. Financing has been separated to help address immediate departmental budget needs and provide CEO and DBH time to adapt their internal processes to bill out Yardi fees to users, retire existing real estate systems, and redirect existing funds. The Auditor-Controller has reviewed the Yardi Systems contract and determined that implementation and annual licensing/subscription costs are fully billable.

Funding for the first two fiscal years of the initial term will come from within existing CEO resources. FY 2020-21 funding was secured in Supplemental Budget and CEO FY 2021-22 funding (estimated at \$1,541,468) in the Rent Expense Budget as part of the recommended budget. FY 2020-21 and FY 2021-22 costs are projected to total \$2,122,226.

The licensing/subscription fees for FY 2022-23 through FY 2028-29 (contract years three through eight) are projected to be \$10,058,173. The CEO's projected portion of those costs is \$8,170,200, while DBH's projected portion is \$1,887,973. In addition, with the wind-down of CAMPS, following successful implementation of LACREMS, funds related to operating CAMPS will be used to offset Yardi charges prior to any departmental billings. DBH intends to fund its portion of the FY 2022-23 through FY 2028-29 costs of LACREMS, through savings from its existing real estate management software, which will

be retired and potential budget savings and surplus amounts. DBH may also be able to pass through certain expenses to its lessees for reimbursement, pursuant to their existing ground leases with the County.

The CEO is also applying for a Product Investment Fund (PIF) grant and any funds awarded will be used to reduce the costs in the fiscal year in which the monies are received.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Board may award contracts for a software system and services provided by an independent contractor or private firm, pursuant to Section 44.7 of the Los Angeles County Charter, Los Angeles County Code 2.121.250, and as authorized by Government Code 31000.8. In addition, Yardi Systems allows us to meet Government Accounting Standards Board (GASB) requirements under GASB 34.

The Yardi system has sufficient capability so that other departments with real estate functions can be added to the system in the future.

### **CONTRACTING PROCESS**

On December 16, 2019, the CEO sent the Board an Advance Notification of Intent to Enter into Negotiations for a Sole Source Contract with Yardi Systems, which estimated annual costs between \$3,000,000 and \$5,000,000. The Sole Source justification was based on the CEO and DBH's immediate need and best economic interest of the County to acquire a new enterprise real estate management system, with enhanced security features, robust data analytics and reporting, and the capability of interfacing directly with eCAPS. After exploring the options of expanding/modernizing the current system, utilizing systems currently used by other County departments, and utilizing systems used by other local agencies, CEO, in conjunction with DBH and consulting with the CIO, ISD, and County Counsel, has determined that Yardi is the best alternative to meet an emergent need and would prevent a lengthy and costly endeavor of updating existing systems to meet the required functionality needed by the County.

On January 14, 2020, CEO, DBH, and County Counsel initiated sole-source negotiations with Yardi, with participation from the Chief Information Office and ISD. This effort culminated in the proposed contract (Enclosure A).

The proposed contract is substantially similar to the LACDA contract with Yardi Systems the Board previously approved on July 17, 2018, with improvements in certain provisions to account for the larger contracted work. These improved terms include liquidated damages in the event of Yardi Systems' failure to timely deliver key deliverables by agreed-to dates, higher insurance limits for cybersecurity, service credits to the County should Yardi Systems not meet its service level requirements, and improved contract

damage limitations of twice the fees paid by the County in the prior year. The proposed contract also contains the latest applicable Board mandated provisions.

The Yardi Systems contract has been reviewed and approved as to form by County Counsel. The Chief Information Officer has reviewed this request and recommends approval. The CIO Analysis is enclosed.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of this contract will allow the CEO, DBH, and Auditor-Controller to greatly improve the management of County-owned/leased space and implement significantly improved controls and system security. The integration of contract and payment documents within a single system increases efficiency, improves decision making, and enhances accountability. Implementation of this contract will not have any adverse impact on services being provided.

### **CONCLUSION**

It is requested that the Executive Office of the Board of Supervisors return one certified copy of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division, at 320 West Temple Street, 7<sup>th</sup> Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,

Reviewed by:

FESIA A. DAVENPORT  
Acting Chief Executive Officer

WILLIAM S. KEHOE  
Chief Information Officer

FAD:JMN:DPH  
DL:DA:FZ:ls

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Beaches and Harbors  
Chief Information Office  
Internal Services

Enclosures

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020							
<b>BOARD MEETING</b>	12/8/2020							
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	(ALL DISTRICTS) (3 VOTES)							
<b>DEPARTMENT</b>	Registrar-Recorder/County-Clerk							
<b>SUBJECT</b>	REQUEST APPROVAL OF SOLE SOURCE CONTRACT #20-001 WITH RUNBECK ELECTION SERVICES							
<b>PROGRAM</b>	N/A							
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: Effective June 24, 2019, Runbeck and ESSVR entered into a contract whereby Runbeck acquired all of the assets of ESSVR's DIMS.net business operations in the State of California, including licensing of all versions of object code and associated source code of DIMS.net software currently licensed and deployed to county jurisdictions located within the State of California.  System license, maintenance and support services are required for the continued support of the Department's VIMS system as well as any future system enhancements which are legally mandated by HAVA and/or State of California law, regulation, or statute.							
<b>DEADLINES/ TIME CONSTRAINTS</b>	The current contract with Runbeck will expire on December 31, 2020. It is a critical continued need to secure this System license, maintenance for uninterrupted support services.							
<b>COST &amp; FUNDING</b>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">           Total cost:            \$3,149,151. Ten percent (10%) delegated authority may increase cost to no more than \$3,464,066.         </td><td style="width: 50%;">           Funding source:            Funding for FY 2020-21 services is included in the RR/CC's adopted budget. Funding for future fiscal years will be requested by the Department through the annual fiscal year budget process.         </td></tr> <tr> <td colspan="2">           TERMS (if applicable):            Term effective for a two (2) year Initial base term with two (2) optional one-year extensions for a maximum term of four (4) years. The contract provides Board delegated authority to the RR/CC, or designee, to (a) execute change orders for additional work for system enhancements and customizations with allocated pool dollars of no more than \$400,000 included as part of the maximum contract sum of \$3,149,151 and (b) execute changes to the maximum contract sum of \$3,149,151 including an increase of no more than ten percent (10%) total, or \$314,915, over the potential maximum contract sum.         </td></tr> <tr> <td colspan="2">           Explanation: N/A         </td></tr> </table>		Total cost: \$3,149,151. Ten percent (10%) delegated authority may increase cost to no more than \$3,464,066.	Funding source: Funding for FY 2020-21 services is included in the RR/CC's adopted budget. Funding for future fiscal years will be requested by the Department through the annual fiscal year budget process.	TERMS (if applicable): Term effective for a two (2) year Initial base term with two (2) optional one-year extensions for a maximum term of four (4) years. The contract provides Board delegated authority to the RR/CC, or designee, to (a) execute change orders for additional work for system enhancements and customizations with allocated pool dollars of no more than \$400,000 included as part of the maximum contract sum of \$3,149,151 and (b) execute changes to the maximum contract sum of \$3,149,151 including an increase of no more than ten percent (10%) total, or \$314,915, over the potential maximum contract sum.		Explanation: N/A	
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Explanation: N/A								
<b>PURPOSE OF REQUEST</b>	<p>System license, maintenance and support services are required for the continued support of the Department's VIMS system as well as any future system enhancements which are legally mandated by HAVA and/or State of California law, regulation, or statute. Additionally, the new agreement will provide an avenue for modifications that were covered in the Board Report presented in April 2020, beyond the current expiration of the current contract with Runbeck which will expire on December 31, 2020. In accordance to Board Policy 5.100 (Policy), the Department sent the Board notification of intent on June 15, 2020 to enter into a Sole Source contract with Runbeck. Negotiations for continued VIMS Maintenance and Support Services proceeded after the four (4) week notification period. However, the notification was not heard at Operations Cluster. RR/CC will enter into a Sole Source contract with Runbeck to ensure continued service delivery of services while the Department releases and completes a solicitation for a new replacement solution/system.</p> <p>The solicitation process will include release of a Request for Proposal, evaluation of submissions, and selection of the recommended contractor to the Board of Supervisors. Once approved by the BOS, time will be needed for a new system to be designed and developed for the Department and certified by the California Secretary of State.</p>							
<b>BACKGROUND (include internal/external issues that may exist)</b>	On October 30, 2018, your Board adopted a contract effective May 10, 2018 through June 30, 2019, with up to six (6) three-month optional renewals through December 31, 2020 to provide continued system license, maintenance services, and support of VIMS. On April 18, 2019, the Department amended the contract with ESSVR to exercise the optional renewals to extend the agreement through December 31, 2020.							
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: Dean C. Logan, Registrar-Recorder/County Clerk (562) 462-2716 dlogan@rrcc.lacounty.gov							



## Los Angeles County Registrar-Recorder/County Clerk

DEAN C. LOGAN  
Registrar-Recorder/County Clerk

December 8, 2020

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:

**REQUEST APPROVAL OF SOLE SOURCE CONTRACT #20-001 WITH  
RUNBECK ELECTION SERVICES  
(ALL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( )**

**SUBJECT**

The Department of Registrar-Recorder/County Clerk (Department) requests approval to execute Sole Source Contract #20-001 with Runbeck Election Services, Inc. (Runbeck) to provide Voter Information Management System (DIMS or System) Software, interfaces, and related support and maintenance services.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Delegate authority to the Registrar-Recorder/County Clerk (RR/CC), or designee, to execute a Sole Source Contract substantially similar to Attachment I effective for a period of two (2) years unless sooner extended or terminated in whole or in part, with two (2) one-year option terms, for an aggregate term of four (4) years. The contract sum over the contract term is \$3,149,151 which includes potential allocated pool dollars. The estimated cost breakdown is \$774,535 for Year 1; \$774,535 for Year 2; \$791,398 for Year 3; and \$808,683 for Year 4.
2. Delegate authority to the RR/CC, or designee, to negotiate and execute amendments to: (i) exercise option terms, (2) make changes to the Statement of Work as operationally necessary provided that County Counsel approval is obtained, and (3) to make any other necessary changes which do not materially alter any term or

condition of the Contract.

3. Delegate authority to the RR/CC, or designee, to execute change orders for additional work for system enhancements and customizations with allocated pool dollars of no more than \$400,000 included as part of the maximum contract sum of \$3,149,151 provided that approval from Chief Information Office and County Counsel is obtained.
4. Delegate authority to the RR/CC, or designee, to execute changes to the maximum contract sum of \$3,149,151 including an increase of no more than ten percent (10%) total, or \$314,915, over the potential maximum contract sum provided that approval from Chief Executive Office and County Counsel approval is obtained.
5. Delegate authority to the RR/CC, or designee, to terminate the Contract as necessary provided that County Counsel approval is obtained.

### **PURPOSE / JUSTIFICATION OF RECOMMENDED ACTION**

On January 30, 2007, your Board adopted a five (5) year contract with three (3) one-year extension options with Data Information Management Systems (DIMS), a wholly owned subsidiary, at the time, of Diebold Election Systems, Inc. for continued system licensing, maintenance and support services of the Department's election Voter Information Management System (VIMS) as well as any future system enhancements which were legally mandated by the Help America Vote Act (HAVA) and/or State of California law, regulation, or statute.

DIMS later became part of ESSVR, LLC (ESSVR), an Election Systems & Software LLC subsidiary. On May 5, 2015, your Board approved Amendment No. 8 that extended the base term of the DIMS contract until May 9, 2018.

On October 30, 2018, your Board adopted a contract effective May 10, 2018 through June 30, 2019, with up to six (6) three-month optional renewals through December 31, 2020 to provide continued system license, maintenance services, and support of VIMS. On April 18, 2019, the Department amended the contract with ESSVR to exercise the optional renewals to extend the agreement through December 31, 2020.

Effective June 24, 2019, Runbeck and ESSVR entered into a contract whereby Runbeck acquired all of the assets of ESSVR's DIMS.net business operations in the State of California, including licensing of all versions of object code and associated source code of DIMS.net software currently licensed and deployed to county jurisdictions located within the State of California. On September 13, 2019, the Department subsequently amended the contract with ESSVR to formally consent to the assignment and contract as well as recognize the acquisition by Runbeck.

System license, maintenance and support services are required for the continued support of the Department's VIMS system as well as any future system enhancements which are legally mandated by HAVA and/or State of California law, regulation, or statute. Additionally, the new contract will provide an avenue for modifications that were covered

in the Board Report presented in April 2020. The expiration of the current contract with Runbeck will be December 31, 2020. RR/CC will enter into a Sole Source contract with Runbeck to ensure continued service delivery of services while the Department releases and completes and releases a solicitation for a new replacement solution/system.

The solicitation process will include release of a Request for Proposal, evaluation of submissions, and selection of the recommended contractor to the Board of Supervisors. Once approved by the BOS, time will be needed for a new system to be designed and developed for the Department and certified by the California Secretary of State.

### **Implementation of Strategic Plan Goals**

This request supports the County Strategic Plan as follows:

**Goal No. III, Technology/Innovation:** Improve the use of technology so that Department personnel can work together efficiently to solve workplace challenges. The sole source Voter Registration System License and Support Services contract with Runbeck will provide the Department with software licenses as well as maintenance and support services to continue uninterrupted critical support of VIMS and the support of all Elections results.

### **FISCAL IMPACT / FINANCING**

The estimated cost of the recommended contract including pool dollars is \$3,149,151. If the ten percent (10%) delegated authority amount is utilized, the total contract cost will increase by \$314,915 to \$3,464,066. Funding for FY 2020-21 services is included in the RR/CC's adopted budget. Funding for future fiscal years will be requested by the Department through the annual fiscal year budget process.

### **FACTS AND PROVISIONS / LEGAL REQUIREMENTS**

The RR/CC has determined that provisions of the County's Living Wage Program (County Code Chapter 2.201) and of the County's Low-Cost Labor Resource Program (Board Policy 5.030) do not apply to this contract.

The contract contains Board required provision including those pertaining to consideration of qualified County employees targeted for layoff, as well as qualified GAIN/GROW participants for employment openings, compliance with Jury Duty Ordinance, Safely Surrendered Baby Law, and Child Support Compliance Programs. In addition, Runbeck is required to notify the County when the contract term is within six (6) months from expiration and when it has reached seventy-five percent (75%) of the authorized Contract Sum.

The contract contains certain applicable information technology provisions to protect the County. The Department believes the language negotiated is commercially reasonable and does not impose an unacceptable risk or burden to the County.



## **CONTRACTING PROCESS**

In accordance to Board Policy 5.100 (Policy), the Department sent the Board notification of intent (Attachment II) on June 15, 2020 to enter into a Sole Source contract with Runbeck. Negotiations for continued VIMS Maintenance and Support Services proceeded after the four (4) week notification period. However, the notification was not heard at Operations Cluster.

The required Sole Source Checklist (Attachment III) identifies the Department's need for a Sole Source contract with Runbeck.

The Chief Executive Office (CEO) has reviewed and recommends approval of this Board letter. CEO Risk Management Branch has reviewed and approved the insurance and indemnification provisions in the recommended sole source contract as to form. The Chief Information Office (CIO) recommends approval of this request. Because the new contract is for continued licensing, maintenance and support services, and no new technology is being implemented at this time, no formal CIO Analysis is required. However, the OCIO will review any change orders for technology enhancements that will be funded with Pool Dollars. Also, the County's Chief Information Security Office has validated that the Contract includes the latest approved Information Security and Privacy Requirements. County Counsel has reviewed this Board letter and approved as to form the attached Agreement.

## **IMPACT ON CURRENT SERVICES**

Your Board's approval of the noted actions will allow for RR/CC to continue uninterrupted critical support of VIMS and the support of all Elections results.

Respectfully submitted,

Reviewed by:

DEAN C. LOGAN  
Registrar-Recorder/County Clerk

WILLIAM S. KEHOE  
Chief Information Officer

DCL:DM:AN  
VW:jw

Attachments

c: Executive Office, Board of Supervisors  
Chief Executive Office  
County Counsel  
Chief Information Office



**DRAFT**

**CONTRACT #20-001**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**CONTRACTOR**

**FOR**

**VOTER REGISTRATION SYSTEM  
LICENSE AND SUPPORT SERVICES**

## TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
<b>RECITALS</b>		<b>2</b>
<b>1</b>	<b>APPLICABLE DOCUMENTS</b>	<b>2</b>
<b>2</b>	<b>DEFINITIONS</b>	<b>3</b>
2.1	Standard Definitions	3
<b>3</b>	<b>WORK</b>	<b>19</b>
<b>4</b>	<b>TERM OF CONTRACT</b>	<b>19</b>
<b>5</b>	<b>CONTRACT SUM</b>	<b>20</b>
5.1	Total Contract Sum	20
5.2	Notification of 75% of Total Contract Sum	20
5.3	No Payment for Services Provided Following Expiration-Termination of Contract	20
5.4	Invoices and Payments	21
5.5	Default Method of Payment: Direct Deposit or Electronic Funds Transfer	22
<b>6</b>	<b>ADMINISTRATION OF CONTRACT- COUNTY</b>	<b>23</b>
6.1	County Administration	23
6.2	County's Project Director	23
6.3	County's Project Manager	23
6.4	County's Contract Project Monitor	24
<b>7</b>	<b>ADMINISTRATION OF CONTRACT-CONTRACTOR</b>	<b>24</b>
7.1	Contractor Administration	24
7.2	Contractor's Project Manager	24
7.3	Approval of Contractor's Staff	24
7.4	Contractor's Staff Identification	24
7.5	Background and Security Investigations	25
7.6	Confidentiality	26
<b>8</b>	<b>STANDARD TERMS AND CONDITIONS</b>	<b>27</b>
8.1	Amendments and Change Orders	27
8.2	Assignment and Delegation/Mergers or Acquisitions	28
8.3	Authorization Warranty	29
8.4	Budget Reductions	29
8.5	Complaints	29
8.6	Compliance with Applicable Law	30
8.7	Compliance with Civil Rights Laws	31
8.8	Compliance with the County's Jury Service Program	31
8.9	Conflict of Interest	32
8.10	Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List	33
8.11	Consideration of Hiring GAIN-GROW Participants	33
8.12	Contractor Responsibility and Debarment	34
8.13	Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law	36
8.14	Contractor's Warranty of Adherence to County's Child Support Compliance Program	36
8.15	County's Quality Assurance Plan	37
8.16	Damage to County Facilities, Buildings or Grounds	37
8.17	Employment Eligibility Verification	38
8.18	Facsimile Representations	38

**SAMPLE CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
8.19	Fair Labor Standards .....	38
8.20	Force Majeure.....	39
8.21	Governing Law, Jurisdiction, and Venue.....	39
8.22	Independent Contractor Status .....	39
8.23	Indemnification.....	40
8.24	General Provisions for all Insurance Coverage.....	40
8.25	Insurance Coverage .....	45
8.26	Liquidated Damages.....	47
8.27	Most Favored Public Entity .....	48
8.28	Nondiscrimination and Affirmative Action.....	48
8.29	Non-Exclusivity .....	49
8.30	Notice of Delays.....	49
8.31	Notice of Disputes.....	49
8.32	Notice to Employees Regarding the Federal Earned Income Credit.....	50
8.33	Notice to Employees Regarding the Safely Surrendered Baby Law .....	50
8.34	Notices .....	50
8.35	Prohibition Against Inducement or Persuasion .....	50
8.36	Public Records Act .....	50
8.37	Publicity .....	51
8.38	Record Retention and Inspection-Audit Settlement .....	52
8.39	Recycled Bond Paper .....	53
8.40	Subcontracting.....	53
8.41	Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program.....	54
8.42	Termination for Convenience .....	54
8.43	Termination for Default .....	55
8.44	Termination for Improper Consideration .....	56
8.45	Termination for Insolvency.....	57
8.46	Termination for Non-Adherence of County Lobbyist Ordinance.....	57
8.47	Termination for Non-Appropriation of Funds.....	58
8.48	Validity .....	58
8.49	Waiver.....	58
8.50	Warranty Against Contingent Fees .....	58
8.51	Warranty of Compliance with County's Defaulted Property Tax Reduction Program .....	59
8.52	Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program .....	59
8.53	Time off for Voting .....	59
8.54	Compliance with County's Zero Tolerance Policy on Human Trafficking .....	59
8.55	Intentionally Omitted .....	60
8.56	Compliance with Fair Chance Employment Practices .....	60
8.57	Compliance with the County Policy of Equity.....	60
8.58	Prohibition from Participation in Future Solicitation(s).....	60
<b>9</b>	<b>UNIQUE TERMS AND CONDITIONS.....</b>	<b>61</b>
9.1	Ownership of Materials, Software and Copyright.....	61
9.2	Patent, Copyright and Trade Secret Indemnification .....	62

**SAMPLE CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
<b>10</b>	<b>SYSTEM OWNERSHIP AND LICENSE .....</b>	<b>63</b>
10.1	System Ownership.....	63
10.1.1	System Environment.....	63
10.1.2	System Data .....	63
10.2	License .....	63
10.2.1	License Grant .....	63
10.2.2	License Term .....	64
10.2.3	Scope of License .....	64
10.3	Source Code .....	65
<b>SIGNATURES</b>	<b>.....</b>	<b>66</b>

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## **APPENDICES**

- A Statement of Work
- B Pricing Schedule
- C Contractor's EEO Certification
- D County's Administration
- E Contractor's Administration
- F Contractor Acknowledgement and Confidentiality Agreement
- G Jury Service Ordinance
- H Safely Surrendered Baby Law
- I Source Code Escrow Contract
- J Intentionally Omitted
- K Information Security Requirements

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**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
RUNBECK ELECTION SERVICES, INC.  
FOR  
VOTER REGISTRATION SYSTEM  
LICENSE AND SUPPORT SERVICES**

This Contract ("Contract") made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between the County of Los Angeles ("County") and Runbeck Election Services, Inc. ("Contractor"). Contractor is located at 2800 South 36<sup>th</sup> Street, Phoenix, Arizona 85034-7237.

**RECITALS**

WHEREAS, the County may contract with private businesses for Voter Registration System License and Support Services when certain requirements are met under Government Code Section 31000 and delegate that authority under Government Code Section 23005; and

WHEREAS, the Contractor is a private firm specializing in providing Voter Registration System License and Support Services; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

**1 APPLICABLE DOCUMENTS**

- 1.1 Appendices A, B, C, D, E, F, G, H, I, J and K are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Appendices and Exhibits, or between Appendices and Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Contract and then to the Appendices and Exhibits according to the following priority.

**Standard Appendices:**

- |     |              |                                |
|-----|--------------|--------------------------------|
| 1.1 | Appendix A - | Statement of Work              |
| 1.2 | Appendix B - | Pricing Schedule               |
| 1.3 | Appendix C - | Contractor's EEO Certification |



- 1.4 Appendix D - County's Administration
- 1.5 Appendix E - Contractor's Administration
- 1.6 Appendix F - Contractor Acknowledgement and Confidentiality Agreement
- 1.7 Appendix G - Jury Service Ordinance
- 1.8 Appendix H - Safely Surrendered Baby Law
- 1.9 Appendix I - Source Code Escrow Contract
- 1.10 Appendix J - Intentionally Omitted
- 1.11 Appendix K - Information Security Requirements

This Contract constitutes the complete and exclusive statement of understanding between the parties, and supersedes all previous contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Paragraph 8.1 (Amendments) and signed by both parties.

## 2 DEFINITIONS

### 2.1 Standard Definitions:

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1.1 **Acceptance:** As used herein, the term shall mean County's written approval of any tasks, subtasks, deliverables, goods, services or other Work, including Acceptance Tests, provided by Contractor to County pursuant to this Contract.
- 2.1.2 **Agreement:** The agreement executed between County and Contractor. Included are all supplemental contracts amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work. This word contract may be used interchangeably with the word "Contract".
- 2.1.3 **Amendment:** As used herein, the term shall have the meaning specified in Paragraph 8.1 (Amendments and Change Notices).

- 2.1.4 **Annual Fees:** As used herein, the term shall mean the annual fees to be paid by County to Contractor commencing upon first anniversary of the Effective Date and shall include License Renewal Fees and Software Support Fees, as specified in Appendix B (Pricing Schedule).
- 2.1.5 **Application Modifications:** As used herein, the term shall mean Software Enhancements, Updates and any Replacement Product provided by Contractor to County under this Contract. Once accepted and approved by County, Application Modifications shall become part of, and be deemed, System Software for the purpose of this Contract.
- 2.1.6 **Application Programming Interface or API:** A set of subroutine definitions, protocols, and tools for building application software. In general terms, it is a set of clearly defined methods of communication between various software components.
- 2.1.7 **Application Software:** As used herein, the term shall mean all core application and all Application Modifications accepted and approved by County, and related Documentation, provided by Contractor pursuant to this Contract. This includes Contractor's DIMS software (also referred to herein as "Contractor's Software") for purposes of license only, and not ownership.
- 2.1.8 **Base Term:** As used herein shall mean the same as set forth in Section 4 (Term of Contract).
- 2.1.9 **Board of Supervisors or Board:** The Board of Supervisors of the County of Los Angeles acting as governing body.
- 2.1.10 **Business Day(s):** As used herein, the term, whether singular or plural, shall mean Monday through Friday, excluding County observed holidays, unless stated otherwise.
- 2.1.11 **Business Hour(s):** As used herein, the term, whether singular or plural, shall mean 7:00 a.m. to 5:00 p.m. PT during Business Days.
- 2.1.12 **Chief Executive Office or CEO:** As used herein, the terms shall mean County's Chief Executive Office.
- 2.1.13 **Change Notice:** As used herein, the term shall have the meaning given to such term in Paragraph 8.1 (Amendments and Change Notices).
- 2.1.14 **Change Order:** As used herein, the term shall mean the terms of any Optional Work agreed to by County and Contractor applicable to the provision of Software Enhancements and Customizations by Contractor, as specified in Appendix A (Statement of Work).

- 2.1.15 **Component(s):** As used herein, the term "Component(s)" shall mean, individually and collectively, each and every component of the System, including System Software, System Environment and System Data, irrespective of whether provided by County or Contractor.
- 2.1.16 **Conditional Voter Registration or CVR:** Refers to the fourteen (14) day period prior to Election Day through and including Election Day, an individual can go to the office of their county elections official to conditionally register to vote and vote a provisional ballot.
- 2.1.17 **Confidential Information:** As used herein, the term shall mean any data or information, in any format, and includes sensitive financial information, any County Data and any other information otherwise deemed confidential by County or by applicable Federal, State or local law, as further specified in Paragraph 7.6 (Confidentiality).
- Contract:** The agreement executed between County and Contractor. Included are all supplemental contracts amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work. This word contract may be used interchangeably with the word "Contract".
- 2.1.18 **Contract Deficiency Report:** This term as used herein shall have the same meaning as set forth in Section 4.3 (Contract Deficiency Report) of the Statement of Work.
- 2.1.19 **Contract Sum or Total Contract Sum:** As used herein, the term "Contract Sum" shall mean the total monetary amount payable by County to Contractor hereunder, as set forth in Paragraph 5.0 (Contract Sum). The Contract Sum shall not be adjusted for any costs or expenses whatsoever of Contractor, without written consent of County.
- 2.1.20 **Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into a Contract with the County to perform or execute the work covered by this contract.
- 2.1.21 **Contractor Project Manager:** The dedicated Project Manager designated by the Contractor to administer the agreement operations under this Contract. Individual responsible for the overall day to day project – overseeing the deployment of people, systems and processes needed for the successful implementation of Contractor's solution for County elections.

- 2.1.22 **Contractor Key Personnel:** As used herein, the term shall have the meaning specified in Paragraph 7.1 (Contractor Administration).
- 2.1.23 **Core Application Software Upgrades:** As used herein, the term shall mean periodic updates, revisions, or enhancements to Core Application Software.
- 2.1.24 **County:** The County of Los Angeles in the State of California.
- 2.1.25 **County Data:** As used herein, the term shall mean all data and information provided or owned by County, whether stored on-line or off-line, which will be used by Contractor for providing Work under this Contract.
- 2.1.26 **County Hardware:** As used herein, the term shall mean all County owned computers and other equipment that will be used in conjunction with any Contractor provided hardware as part of the system environment for the provision of Work pursuant to this Contract.
- 2.1.27 **County Contract Project Monitor:** Person with responsibility to oversee the day to day activities of this contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the contractor.
- 2.1.28 **County Key Personnel:** As used herein, the term shall have the meaning specified in Paragraph 6.1 (County's Administration).
- 2.1.29 **County's Project Administration:** As used herein, the term shall have the meaning specified in Paragraph 6.1 (County's Project Administration).
- 2.1.30 **County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this contract that cannot be resolved by the County's Project Manager.
- 2.1.31 **County Project Manager:** Person designated by County's Project Director to manage the operations under this contract.
- 2.1.32 **Critical Election Period:** The election period is defined as E-30 through E+20 for Countywide elections.
- 2.1.33 **Customizations:** As used herein, the term Customizations shall mean Solution Modifications and Application Program Interfaces, and related Documentation, which Contractor may provide upon County's request therefor in the form of Optional Work in accordance with Appendix A (Statement of Work).
- 2.1.34 **Data Information Management System or DIMS:** Refers to the RR/CC's system that manages all voter registration information.

- 2.1.35 **Day(s):** Whether capitalized or not, shall mean calendar day(s), not business or working days, unless otherwise specified.
- 2.1.36 **Debarment:** This term as used herein shall mean the process that precludes an existing contractor and/or proposer from: submitting a response to a County solicitation, being awarded a Contract, and/or performing Work on a County Contract.
- 2.1.37 **Declared Vote-by-Mail Voter or DVBM:** If an election precinct has two hundred and fifty (250) or less registered voters on the eighty-eighth (88<sup>th</sup>) day prior to an election, that precinct may be declared a Vote-by-Mail precinct by the elections official due to unavailability of voting locations and poll workers in small precincts. All voters in such designated precincts will automatically be sent a VBM ballot for that election.
- 2.1.38 **Deficiency or Deficiencies:** As used herein, the term, whether singular or plural, shall mean and include any defect(s) in the development, implementation, materials and/or workmanship; error(s), omission(s) and/or deviation(s) from published and/or mutually agreed upon standards; deviation(s) from any of the requirements or any County approved Deliverables or Specifications under the Contract; and/or other problems which result in the system, or any system component, not performing in compliance with the provisions of this Contract, including, but not limited to, the Specifications, System Requirements and System Performance Requirements.
- 2.1.39 **Deficiency Credits:** As used herein, the term shall mean credits or any other form of discount to be applied to the applicable Maintenance Fees for Contractor's failure to timely correct Deficiencies, as specified in Exhibit 5 (System Maintenance), Section 5.1 (Deficiency Credits).
- 2.1.40 **Deliverable or Deliverables:** As used herein, the terms, whether singular or plural, shall mean items and/or services provided or to be provided by Contractor under this Contract, including numbered Deliverable(s) in Appendix A (Statement of Work).
- 2.1.41 **Department or Department of Registrar-Recorder/County Clerk:** Department and staff responsible for the update and file maintenance of voter registration records and the conduct of elections in County. <https://www.lavote.net/>. Headquarters is located at 12400 Imperial Highway, Norwalk, California 90650.
- 2.1.42 **Director:** As used herein, the term "Director" shall mean the Project director of this Contract.

- 2.1.43 **Disabling Device(s):** shall have the meaning specified in 4.1 (General Warranties).
- 2.1.44 **Disaster Recovery Plan:** Plan for how systems and processes would be put back in place in circumstances of massive loss. Example – loss of power or loss of data.
- 2.1.45 **Documentation:** As used herein, the term shall mean any and all written and electronic materials provided or made available by Contractor under this Contract, including, but not limited to, documentation relating to software specifications and functions, training course materials, Specifications including System Requirements, technical manuals, handbooks, flow charts, technical information, reference materials, user manuals, operating manuals, quick reference guides, FAQs, and all other instructions and reference materials relating to the capabilities, operation, installation and use of the system and/or applicable components.
- 2.1.46 **Downtime:** As used herein, the term shall mean shall have the meaning specified in Section 5.1 (Deficiency Credits). It is that period of time when the System or any System Component, due to any Deficiency, fails to function, and as a result, County is unable to utilize the system in accordance with the Specifications, including System Requirements and System Performance Requirements, and this Contract, as further specified in Exhibit 5 (System Maintenance).
- 2.1.47 **Due Date:** As used herein, the term shall mean the due date for the completion of any Deliverable in the Project Schedule or any Change Order.
- 2.1.48 **DXI:** DIMS.net eXternal Interface.
- 2.1.49 **E dates or E- or E+:** Refers to the number of days before the date of an election (E-) or the numbers of day after an election (E+).
- 2.1.50 **Effective Date:** As used herein shall mean the date identified in the Preamble to this Contract, which is the date as of which this Contract has been executed by an authorized representative of the Contractor and has been approved by the Board.
- 2.1.51 **Elections** (i.e., Federal, Statewide, and Local): A formal and organized process for electing a candidate.
- 2.1.52 **Election Period(s):** The election period is defined per election from the opening of the first Vote Center to the close of the last Vote Center.
- 2.1.53 **Election Plan:** A plan completed by the Contractor that accounts for each and every election task. As needed, the plan will be used as a management tool to ensure the

successful completion of all Tasks and Deliverables, according to mandated and time sensitive time frames.

- 2.1.54 **Election Tally System or ETS:** Refers to programmatically tallying election results for an election.
- 2.1.55 **Extension(s):** This term as used herein shall mean the same as set forth in Section 4 (Term of Contract).
- 2.1.56 **Federal Election:** Refers to the primary, general, or special election conducted to elect a President, Vice President, Member of the United States Senate or House of Representatives.
- 2.1.57 **Finalized Requirements:** A detailed documentation that describes the capabilities, features and functionalities of the deliverable/s, including the acceptance criteria approved by the County Project Director or County Project Manager or RR/CC.
- 2.1.58 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30<sup>th</sup>.
- 2.1.59 **Fixed Hourly Rate:** As used herein, the term shall mean the hourly rate, specified in Appendix B (Pricing Schedule), for Professional Services, including Consulting Services, Additional Training and Customizations, which Contractor may provide upon County's request therefor in the form of Optional Work in accordance with Appendix A (Statement of Work).
- 2.1.60 **General Election:** Occurs in November of even numbered years (i.e., 2020, 2022, 2024, etc.).
- 2.1.61 **Help Desk:** As used herein, the term shall mean Contractor's help desk for providing Support Services hereunder, as specified in Exhibit 5 (System Maintenance).
- 2.1.62 **Help Desk Status Report:** Refers to reports provided by Contractor containing the date problem was reported, the description, severity level, status, staff person assigned to resolve problem, and date problem resolved.
- 2.1.63 **Initial Term:** As used herein, the term shall have the meaning specified in Paragraph 4.1 (Contract Term).
- 2.1.64 **Interface(s):** As used herein, the term "Interfaces" shall mean the set of software mechanisms, consisting of Application Program Interfaces which may be provided by Contractor under this Contract, which allow the transfer of electronic data and/or software commands between computer systems, networks, applications or modules, and related Documentation.
- 2.1.65 **Issue Management Tracking Process:** Refers to the Contractor's tracking process where Departmental IT staff can



review the status and updates of the support requests made by RR/CC.

- 2.1.66 **License:** As used herein, the term "License" shall have the meaning specified in clause 10.2 (License) this Contract.
- 2.1.67 **License Fees:** As used herein, the term "License Fee(s)" shall mean the fees for the License to be paid by County to Contractor over the period of System Implementation and System Maintenance and Election Support services as specified in Appendix B (Pricing Schedule).
- 2.1.68 **License Renewal Fees:** As used herein, the term "License Renewal Fee(s)" shall mean the fees to be paid by County to Contractor for the renewal of the License commencing on the first anniversary of the Effective Date, as specified in Appendix B (Pricing Schedule).
- 2.1.69 **Local Election:** Refers to a municipal, county, or district election.
- 2.1.70 **Maintenance and Support Services:** As used herein shall mean the same as set forth in Exhibit 5 (System Maintenance).
- 2.1.71 **Maintenance Fees:** As used herein, the term shall mean the applicable fees to be paid by County to Contractor for System Maintenance pursuant to Appendix B (Pricing Schedule) and shall include any or all of the following: License Renewal Fees, Software Support Fees and/or System Support Fees.
- 2.1.72 **Maintenance Services:** As used herein, the term shall have the meaning specified in Exhibit 5 (System Maintenance). and shall comprise part of System Maintenance provided by Contractor under this Contract.
- 2.1.73 **Maximum Fixed Price:** As used herein, the term shall mean the maximum amount to be paid by County to Contractor for any Optional Work approved by County to be provided by Contractor in accordance with Appendix A (Statement of Work).
- 2.1.74 **Mass File:** A data set of all Permanent VBM voters who receive a mail ballot on a permanent basis. Also known as the Perm File.
- 2.1.75 **Mean Time to Resolution:** Time from notification of incident to resolution.
- 2.1.76 **Military or Overseas Voter:** Refers to a voter who is permanently or temporary residing out of the county for an election.
- 2.1.77 **National institute of Standards and Technology or NIST:** This term as used herein shall mean a non-regulatory Federal agency within the United States (U.S.) Department of

Commerce that works with industry to develop and apply technology, measurements, and standards and promotes U.S. innovation and industrial competitiveness.

- 2.1.78 **Non-Responsibility:** This term as used herein shall mean a finding by the County that a proposer is incapable of performing as a responsible County contractor, based on past performance history or other relevant documentation.
- 2.1.79 **Non-Responsive:** This term as used herein shall mean the failure of a proposer to comply with all solicitation requirements making the proposer ineligible for consideration in that specific proposal evaluation process.
- 2.1.80 **Option Term:** This term as used herein shall mean the same as set forth in Section 4 (Term of Contract).
- 2.1.81 **Optional Work:** As used herein, this term shall mean Software Enhancements and/or Professional Services, which may be provided by Contractor to County upon County's request and approval in accordance with Appendix A (Statement of Work).
- 2.1.82 **Party or Parties:** This term as used herein shall mean the same as set forth in the Recitals.
- 2.1.83 **Payment Schedule:** As used herein, the term shall mean prices for Deliverables, rates and other fees identified as Appendix B (Pricing Schedule) with all Schedules thereto.
- 2.1.84 **Permanent Vote-by-Mail Voter or PVBM:** Voters who have requested to receive a mail ballot for all elections in which they are eligible to vote.
- 2.1.85 **Personally, Identifiable Information or PII:** This term as used herein shall mean any information that identifies a person, including, but not limited to, name, address, email address, passwords, account numbers, social security numbers, credit card information, personal, financial, or healthcare information, personal preferences, demographic data, marketing data, credit data, or any other identification data. For the avoidance of doubt, Personally Identifiable Information shall include, but not be limited to, all "non-public personal information," as defined under the Gramm-Leach-Bliley Act (15 United States Code ("U.S.C.") §6801 et seq.
- 2.1.86 **Pool Dollars:** As used herein, the term "Pool Dollars" shall mean the maximum amount allocated under this Agreement for the provision by Contractor of Optional Work, including Software Enhancements and Professional Services approved by County in accordance with the terms of this Contract.
- 2.1.87 **Precinct:** This term as used herein shall mean a geographical area which contains 1,000 or fewer voters, established for

election administration functions. In California, a consolidated precinct is required to contain 1,000 or fewer poll voters. Regular precinct boundaries may change each election to "voting precinct" boundaries, depending on the jurisdictions holding elections and the resulting ballot types.

- 2.1.88 **Primary Election:** Occurs in March of even numbered years (i.e., 2020, 2022, 2024; etc.).
- 2.1.89 **Production Server:** As used herein, the term shall mean the primary Contractor provided system hardware used for all Work under this Contract.
- 2.1.90 **Professional Services:** As used herein, the term shall mean Consulting Services, Additional Training and/or Customizations, which Contractor may provide upon County's request therefor in the form of Optional Work in accordance with Appendix A (Statement of Work).
- 2.1.91 **Project Schedule:** As used herein, the term shall mean the agreed upon timeline for System Implementation Tasks, Subtasks and Deliverables specified in Appendix A (Statement of Work), as identified as Exhibit 4 (Project Schedule).
- 2.1.92 **Proprietary Rights:** As used herein, the term shall mean all legal and equitable rights, including all copyrights, patent rights, trade secrets, trademarks, confidential and proprietary information rights, moral rights and all rights and title in and to the structure, sequence and organization of a work of authorship, and all rights in and to any code, materials, pictures, interfaces, screen displays and audio visual displays and presentations.
- 2.1.93 **Registrar-Recorder/County Clerk:** As used herein, the term shall mean the Head of the Department of Registrar-Recorder/County Clerk of County of Los Angeles.
- 2.1.94 **Release Event(s):** As used herein, the term "Release Event(s)" shall mean any of the following:
1. A receiver, trustee, or similar officer is appointed for the business or property of Contractor; or
  2. Contractor files a petition in bankruptcy, files a petition seeking any reorganization (without confirming immediately in writing to the Customer that it will continue to maintain the Software in accordance with the terms of the Agreement or any applicable maintenance agreement), makes an arrangement, composition, or similar relief under any law regarding insolvency or relief for debtors, or makes an assignment for the benefit of creditors; or

3. Any Involuntary petition or proceeding under bankruptcy or insolvency laws is instituted against Contractor and not stayed, enjoined, or discharged within sixty (60) days; or
4. Contractor takes any corporate action authorizing any of the foregoing; or
5. Any similar or analogous proceedings or event to those in Sections one (1), two (2), or three (3) above occurs in respect of Contractor within any jurisdiction outside the United States of America; or
6. Contractor ceases to carry on its business or the part of its business which relates to the Software; or
7. Contractor or, where relevant, its agent, parent, subsidiary or associated company is in material breach of its obligations as to maintenance or modification of the Software under the Agreement or any maintenance agreement entered into in connection with the Software and has failed to remedy such default notified by the Customer to Contractor within a reasonable period.

2.1.95 **Release Notes Report:** As used herein, the term shall mean the document that detail the corrections, changes or enhancements made to any supported portion of the DIMS suite, this includes database, client, services or applications required by DIMSNet.

2.1.96 **Responsible:** As used herein shall mean a proposer that has conducted themselves in an acceptable manner as determined by the Board of Supervisors (see County Code 2.202.030) and has the financial and managerial ability to perform the required work.

2.1.97 **Responsive:** As used herein shall mean a proposal submitted to the County that complies with all solicitation requirements.

2.1.98 **Resolution Time:** As used herein, the term shall mean the period of time from County's notification of a Deficiency to Contractor to its correction in accordance with Exhibit 5 (System Maintenance).

2.1.99 **Response Time:** As used herein, the term shall mean the acceptable time period within which Contractor shall respond to County following County's report of any Deficiency, as set forth in Exhibit 5 (System Maintenance).

2.1.100 **Scheduled Elections:** Include the Primary and General Elections. The Primary Elections are scheduled in March of even numbered years. General Elections are scheduled in November of even numbered years.

2.1.101 **Scheduled Downtime:** Shall have the meaning set forth as defined in Exhibit 5 (System Maintenance).

- 2.1.102 **Sensitive Position:** A person with direct access to County PII data.
- 2.1.103 **Severity Level or SL:** As used herein, the terms shall mean the problem severity levels for correction of Deficiencies, as specified in Exhibit 5 (System Maintenance).
- 2.1.104 **Software Enhancements:** As used herein, the term shall mean Customizations and/or Additional Software, including Solution Modifications and Application Program Interfaces, which Contractor may provide upon County's request therefor in the form of Optional Work in accordance with Appendix A (Statement of Work).
- 2.1.105 **Software Support Fees:** As used herein, the term shall mean the annual fees to be paid by County to Contractor for System Maintenance regarding Application Software, as specified in Appendix B (Pricing Schedule).
- 2.1.106 **Solution Modifications:** As used herein, the term shall mean modifications to the Application Software, including system solution, and related Documentation, which Contractor may provide upon County's request therefor as Customizations in accordance with Appendix A (Statement of Work), which will update County's solution and shall become part of, and be deemed, System Software for the purpose of this Contract.
- 2.1.107 **Source Code:** As used herein, the term "Source Code" shall mean the source code for Application Software, to the extent available, developed for or licensed to County under this Agreement by Contractor, including Core Application and Application Modifications, together with all Documentation and other proprietary information related to such source code.
- 2.1.108 **Source Code Escrow Contract:** As used herein, the term "Source Code Escrow Contract" shall mean an agreement between Contractor and a third-party Source Code escrow agent, including all addenda, amendments and modifications thereto, for depositing the Source Code in accordance with Paragraph 10.3 (Source Code Escrow), incorporated herein by reference as Appendix I (Source Code Escrow Contract).
- 2.1.109 **Special Election:** An unscheduled election conducted as requested where the County is notified by the Board of Supervisors of the County or Governor, no later than sixty-one (61) days before a Special Election as to the services the County is to provide (Elections Code 10002). Special Elections are elections conducted when called, on as-needed basis.
- 2.1.110 **Specifications:** As used herein, the term shall mean any or all of the following, as applicable:

1. All System Performance Requirements and standards set forth in this Contract, including, but not limited to, requirements for system availability and system response time identified in Exhibit 5 (System Maintenance).
2. The Documentation, to the extent not inconsistent with any of the foregoing in this definition.
3. All specifications identified as such by Contractor, including, but not limited to, the Project Schedule and the Project Control Document, but only to the extent: (i) not inconsistent with any of the foregoing in this Paragraph; and (ii) acceptable to County in its sole discretion.
4. All system environment requirements and certifications provided by Contractor in accordance with this Contract with respect to the system.
5. All written and/or electronic materials furnished by or through Contractor regarding the Application Software or the system, including functionality, features, capacity, availability, response times, accuracy or any other performance or other system criteria or any element of the System or any system component.

2.1.111 **State:** As used herein, the term shall mean the State of California.

2.1.112 **Statement of Work or SOW:** The directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the contract services stated in Appendix A (Statement of Work).

2.1.113 **Statewide Election:** An election held throughout the State. "Uniform District Election Law" (UDEL) (also known as Local and Municipal Consolidated Election) - An election conducted in November of odd number years (i.e., 2021, 2023, 2025; etc.).

2.1.114 **Statewide Voter Registration Database:** A single, uniform, official, centralized, interactive computerized statewide voter registration list defined, maintained, and administered at the State level.

2.1.115 **Subcontract:** A contract by the contractor to employ a subcontractor to provide services to fulfill this contract.

2.1.116 **Subcontractor:** Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to contractor in furtherance of contractor's performance of this contract, at any tier, under oral or written contract.

- 2.1.117 **Support Hours:** 7:00 a.m. to 5:00 p.m. Pacific Local Time daily.
- 2.1.118 **Support Services:** As used herein, the term shall have the meaning specified in Exhibit 5 (System Maintenance) and shall comprise part of System Maintenance provided by Contractor under this Contract.
- 2.1.119 **System Availability:** As used herein, the term "System Availability" shall mean the percentage of time during any month of System Maintenance when the System does not experience any Downtime and all System Components available to County.
- 2.1.120 **System Data:** As used herein, the term "System Data" shall mean all County Data and external data, whether provided by County or Contractor during the term of this Contract.
- 2.1.121 **System Environment:** As used herein, the term "System Environment" shall mean System Hardware, System Network and Third-Party Software components provided by Contractor in accordance with Contractor's specifications or by Contractor.
- 2.1.122 **System Hardware:** As used herein, the term "System Hardware" shall mean the Production Server, Back-Up Server and other equipment provided by Contractor for the System and performance of Work pursuant to this Contract.
- 2.1.123 **System Performance Deficiency:** As used herein, the term shall mean failure by the system to meet any of the System Performance Requirements as specified in Exhibit 5 (System Maintenance).
- 2.1.124 **System Performance Requirements:** As used herein, the term shall mean the performance requirements for the system, including system availability, System Response Time and Back-up Server Hosting as specified in Exhibit 5 (System Maintenance).
- 2.1.125 **System Performance Warranty:** As used herein, the term shall mean Contractor's warranty to meet System Performance Requirements as specified in Exhibit 5 (System Maintenance).
- 2.1.126 **System Requirements:** As used herein, the term shall mean business, operational, technical and/or functional requirements relating to the operation or utilization of the system, as specified in Appendix A (Statement of Work).
- 2.1.127 **System Response Time:** As used herein, the term shall mean the time elapsed from the entry of a query at a workstation to the time the workstation fully displays the complete results, as may be further specified in Exhibit 5 (System Maintenance).
- 2.1.128 **System Software:** As used herein, the term shall mean Application Software and any Third-Party Software, and related



Documentation, provided under this Contract by Contractor in accordance with Contractor's specifications or by Contractor, as applicable, as further specified in Appendix A (Statement of Work), including Application Modifications, Solution Modifications, and Software Enhancements.

- 2.1.129 **System Support Fees:** As used herein, the term shall mean the monthly fees to be paid by County to Contractor for System Maintenance, as specified in Appendix B (Pricing Schedule).
- 2.1.130 **System Upgrade** shall have the meaning set forth in Section 5.2 (System Performance Requirements and Deficiencies).
- 2.1.131 **Task or task and Subtask or subtask:** As used herein, the terms, whether singular or plural, shall mean one of the areas of work to be performed under this Contract, including those identified as numbered Tasks and Subtasks in Appendix A (Statement of Work).
- 2.1.132 **Test Environment:** As used herein, the term shall mean the non-production System Environment set up by Contractor pursuant to Appendix A (Statement of Work) for Application Software implementation, System Tests and System Training.
- 2.1.133 **Update(s):** As used herein, the term, whether singular or plural, shall mean and include any additions to and/or replacements to the Application Software, available or made available subsequent to Final Acceptance, and shall include all Application Software performance and functionality enhancement releases, new Version Releases, System Software upgrades, improvements, interim updates, including fixes and patches, Deficiency corrections, and modifications to the Application Software, including those required for the System Software to remain in compliance with applicable Federal and State laws and regulations and the terms of this Contract, provided by Contractor in accordance with Exhibit 5 (System Maintenance) with all Schedules thereto.
- 2.1.134 **User(s) or user(s):** As used herein, the terms, whether singular or plural, shall mean any person or entity authorized by County of Los Angeles or Department of Registrar-Recorder/County Clerk to access or use the system pursuant to this Contract.
- 2.1.135 **User Acceptance Test:** As used herein, the term shall mean the System Test conducted in accordance with Appendix A (Statement of Work).
- 2.1.136 **Version Release:** As used herein, the term shall mean Contractor's Application Software major version upgrade which contains new software functionalities and features and/or system compatibilities, including any Replacement Product.

- 2.1.137 **Vote Center:** Refers to location where voters will have the freedom to cast a ballot in-person within their county instead of being tied to a single polling location. Vote centers look and feel like polling places but provide additional modern features to make voting easy and convenient. Vote centers are required to be operational (ten) 10 days prior to an election through election day as well as have the ability for a voter to vote in-person, drop off their ballot, get a replacement ballot, vote using an accessible voting machine, get help and voting material in multiple languages, register to vote or update their voter registration.
- 2.1.138 **Voter History:** Refers to the electronic record of each time a voter participates in a state or Federal election.
- 2.1.139 **Voter Information Management System or VIMS:** A software application system that automates voter registration and election management functions.
- 2.1.140 **VoteCal System:** Refers to California's Statewide Voter Registration Database.
- 2.1.141 **Voter Registration File:** Also known as Voter File or Voter Index File, as pursuant to Article 5 commencing with section 2180 of the California Election Code, is a file of all voter registration records in Los Angeles County. The file includes a variety of voter types: permanent, declared, military, overseas, foreign language voters, etc.
- 2.1.142 **Voter Registration System License and Support Services:** Refers to a voter registration and election management application that enables election officials to register voters and conduct elections from a central data store. This system allows for both single jurisdictions and states to manage elections from the same interface.
- 2.1.143 **Warranties:** As used herein, the term shall mean the warranties regarding Contractor's performance under the Contract, including the system, as specified in Exhibit 5 (System Maintenance). This definition does not limit or preclude any other warranties implied by law or equity into this Contract.
- 2.1.144 **Warranty Period:** As used herein, the term shall have the meaning set forth in Exhibit 5 (System Maintenance).
- 2.1.145 **Web or Web Services:** As used herein, the terms shall mean a software system designed to support interoperable computer interactions over a network.
- 2.1.146 **Web-Server Hosting:** As used herein, the term shall mean system operation at a physical location that houses the dedicated servers, hardware and networks for the DIMS and

provides direct Web access to the internet, as further specified in Appendix A (Statement of Work).

2.1.147 **Wide Area Network or WAN:** Refers to a collection of data network that covers a broad area (i.e., any telecommunications network that links across metropolitan, regional, national or international boundaries) using leased or privately-owned data links.

2.1.148 **Work:** As used herein, the term shall mean any and all tasks, subtasks, deliverables, goods, services and other work provided, or to be provided, by or on behalf of Contractor pursuant to this Contract, including system components, system implementation services, system maintenance and Optional Work.

### 3 WORK

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this contract, the same shall be deemed to be a gratuitous effort on the part of the contractor, and the contractor shall have no claim whatsoever against the County.

### 4 TERM OF CONTRACT

- 4.1 The term of this Contract shall be two (2) years commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the sole option to extend this Contract term for up to two (2) additional one (1) year periods, for a maximum total Contract term of four (4) years. Each such extension option may be exercised at the sole discretion of the County.

The County maintains a database that tracks/monitors contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

- 4.3 The Contractor shall notify Department when this Contract is within eight (8) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written (hard copy and e-mail) notification to Department at the Contracts and Grants Manager's address herein provided in Appendix D (County's Administration). County shall deliver written notice of any exercise of its option to extend to Contractor within six (6) months of the expiration of the term of the contract.

## 5 CONTRACT SUM

### 5.1 Total Contract Sum

5.1.1 The "Contract Sum" under this Contract shall be the total monetary amount payable by County to Contractor for supplying all Tasks, Subtasks, Deliverables, goods, services, and other Work specified under this Contract. The Contract Sum for this Contract, including all applicable taxes, authorized by County hereunder is Three Million One Hundred Forty-Nine Thousand One Hundred Fifty-One Dollars (\$3,149,151.00).

5.1.2 The fees and other applicable rates for the Term of the Contract are set forth in Appendix B (Pricing Schedule). Contractor's fees shall remain firm and fixed prices for the Term of the Contract. The RR/CC, or designee, at their sole discretion, may increase the Contract Sum up to a maximum of ten percent (10%) of the Contract Sum Three Hundred Fourteen Thousand Nine Hundred Fifteen Dollars (\$314,915.00) over the Term of the Contract, including any extensions thereof.

5.1.3 An Amendment to this Contract shall be prepared and executed by the Contractor and by the RR/CC or designee, provided County Counsel approval is obtained prior to execution of such Amendment.

5.1.4 The maximum Contract Sum shall not exceed Three Million Four Hundred Sixty-Four Thousand Sixty-Six Dollars (\$3,464,066.00).

### 5.2 Notification of 75% of Total Contract Sum

5.2.1 The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract sum under this Contract. Upon occurrence of this event, the Contractor shall send written (hard copy and e-mail) notification to Department at the Contract and Grants Manager's address herein provided in Appendix D (County's Administration).

### 5.3 No Payment for Services Provided Following Expiration-Termination of Contract

5.3.1 The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract, unless agreed to, in writing, by the parties. Should the Contractor receive any such payment it shall immediately notify County and shall immediately repay all such

funds to County. Payment by County for services rendered after expiration-termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

#### **5.4 Invoices and Payments**

5.4.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Appendix A (Statement of Work) and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in Appendix B (Pricing Schedule) and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.

5.4.2 The Contractor's invoices shall be priced in accordance with Appendix B (Pricing Schedule).

5.4.3 The Contractor's invoices shall contain the information set forth in Appendix A (Statement of Work) describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.

All invoices submitted by Contractor for payment must have the applicable Task/Deliverable Acceptance Certificate signed by Contractor's Project Director and County Project Director, or designee, prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval.

Early payment for annual and month-to-month periods for services during the term of this Contract shall be permitted without an attached Task/Deliverable Acceptance Certificate. However, if the Contractor is unable to fulfill any portion of the Contract services during the Term or the Contract is terminated by the County as referenced in Paragraphs 8.41 through 8.47 of the Contract, the Contractor will reimburse the County a prorated amount for any portion of the services not performed as outlined in, but not limited to, the Statement of Work, Pricing Schedule, and Amendment(s).

5.4.4 The Contractor shall submit the monthly invoices to the County by the 15<sup>th</sup> calendar day of the month following the month of service.

- 5.4.5 All invoices under this Contract shall be submitted electronically (via e-mail to the County) and by mail to the following addresses:

Department of Registrar-Recorder/County Clerk  
 Financial Services Section  
 12400 Imperial Highway  
 Room 7213  
 Norwalk, CA 90650  
[accountspayable@rrcc.lacounty.gov](mailto:accountspayable@rrcc.lacounty.gov)

**5.4.6 County Approval of Invoices**

All invoices submitted by the Contractor for payment must have the written approval of the County's Project Manager prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment for approved Deliverables will not be unreasonably withheld for thirty (30) days from submission.

**5.5 Default Method of Payment: Direct Deposit or Electronic Funds Transfer**

5.5.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under a contract with the County shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.5.2 The Contractor shall submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

5.5.3 Any provision of law, grant, or funding contract requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments.

5.5.4 At any time during the duration of the contract, a Contractor may submit a written request for an exemption to this requirement.

Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting

department(s), shall decide whether to approve exemption requests.

## **6 ADMINISTRATION OF CONTRACT - COUNTY**

### **6.1 County Administration**

6.1.1 A listing of all County Administration referenced in the following subparagraphs are designated in Appendix D (County's Administration). The County will notify the Contractor in writing of any change in the names or addresses shown.

### **6.2 County's Project Director**

6.2.1 The role of the County's Project Director may include:

6.2.1.1 Coordinating with Contractor and ensuring Contractor's performance of the Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and

6.2.1.2 Upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

### **6.3 County's Project Manager**

6.3.1 The role of the County's Project Manager is authorized to include:

6.3.1.1 Meeting with the Contractor's Project Manager on a regular basis; and

6.3.1.2 Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.



#### **6.4 County's Contract Project Monitor**

6.4.1 The role of the County's Project Monitor is to oversee the day-to-day administration of this Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby. The Project Monitor reports to the County's Project Manager.

### **7 ADMINISTRATION OF CONTRACT - CONTRACTOR**

#### **7.1 Contractor Administration**

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Appendix E (Contractor's Administration). The Contractor will notify the County in writing of any change in the names or addresses shown via a Change Notice with an updated Appendix E (Contractor's Administration) attached to a memo on company letterhead.

#### **7.2 Contractor's Project Manager**

7.2.1 The Contractor's Project Manager is designated in Appendix E (Contractor's Administration). The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.2.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall meet and coordinate with County's Project Manager and County's Contract Project Monitor on a regular basis.

#### **7.3 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

#### **7.4 Contractor's Staff Identification**

Contract shall provide, at Contractor's expense, all staff providing services at County facilities under this Contract with a photo identification badge.

All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense of the badging.

7.4.1 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked by a County

representative to leave a County facility if they do not have the proper County ID badge on their person and Contractor personnel must immediately comply with such request.

7.4.2 Contractor shall notify the County within one business day when staff is terminated from working under this Contract. Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has terminated employment with the Contractor.

7.4.3 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has been removed from working on the County's Contract.

## **7.5 Background and Security Investigations**

7.5.1 Each of Contractor's staff performing services under this Contract, who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation.

If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Contract. Contractor shall comply with County's request at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.5.2 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.5.3 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 shall not relieve Contractor of its obligation to

complete all work in accordance with the terms and conditions of this Contract.

## **7.6 Confidentiality**

- 7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply solely with this Paragraph 7.6, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under this Paragraph 7.6 shall be conducted by contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.4 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Appendix F.

## 8 STANDARD TERMS AND CONDITIONS

### 8.1 Amendments and Change Orders

- 8.1.1 For any change which affects the scope of work, term, contract sum, payments, or any term or condition included under this Contract, a mutually agreed upon amendment to the Contract shall be prepared and executed by the contractor and by RR/CC or designee.
- 8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the contractor and by RR/CC or designee.
- 8.1.3 The RR/CC or designee, with Board of Supervisors approval, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4 (Term of Contract). The contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the contractor and by RR/CC or designee.
- 8.1.4 The County reserves the right to initiate Change Orders that either (i) do not (a) affect the Contract Term or Contract Sum or payments and (b) materially alter the Contract. All such changes shall be executed with a Change Order to this Contract signed by the Contractor and by the County's Project Director (or either such party's designee); provided that any Change Order for Additional Work shall additionally require an additional Statement of Work, or amendment to the Statement of Work, and written approval of County's Chief Information Office and County Counsel. Should the Contractor's costs substantially increase due to an Amendment made pursuant to Paragraph 8.1.2, the parties will negotiate in good faith a Change Order to address those cost increases.
- 8.1.5 For any change which is clerical or administrative in nature and/or does not affect any term or condition of this Contract, a written Change Notice may be prepared and executed by the RR/CC or designee.

## **8.2 Assignment and Delegation/Mergers or Acquisitions**

8.2.1 The contractor shall notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the contractor is restricted from legally

notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.

8.2.2 The contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the contractor may have against the County.

8.2.3 Shareholders, partners, members, or other equity holders of contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.4 Any assumption, assignment, delegation, or takeover of any of the contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against contractor as it could pursue in the event of default by contractor.

### **8.3 Authorization Warranty**

The contractor represents and warrants that the person executing this Contract for the contractor is an authorized agent who has actual authority to bind the contractor to each and every term, condition, and obligation of this Contract and that all requirements of the contractor have been fulfilled to provide such actual authority.

### **8.4 Budget Reductions**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the contractor under this Contract shall also be reduced correspondingly. The County's notice to the contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the contractor shall continue to provide all of the services set forth in this Contract.

8.4.1 County hereby confirms it maintains sufficient funds to satisfy payment obligations to Contractor through the six (6) months from Contract Effective Date.

### **8.5 Complaints**

8.5.1 The contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

#### **8.5.2 Complaint Procedures**

8.5.2.1 Within thirty (30) business days after the Contract effective date, the contractor shall provide the County with the contractor's policy for receiving, investigating and responding to user complaints.

8.5.2.2 The County will review the contractor's policy and provide the contractor with approval of said plan or with requested changes.

8.5.2.3 If the County requests changes in the contractor's policy, the contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

- 8.5.2.4 If, at any time, the contractor wishes to change the contractor's policy, the contractor shall submit proposed changes to the County for approval before implementation.
- 8.5.2.5 The contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.5.2.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.2.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

## **8.6 Compliance with Applicable Law**

8.6.1 In the performance of this Contract, contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) shall be conducted by contractor and performed by counsel selected by contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement,



agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

## **8.7 Compliance with Civil Rights Laws**

The contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The contractor shall comply with Appendix C (Contractor's EEO Certification).

## **8.8 Compliance with the County's Jury Service Program**

### **8.8.1 Jury Service Program**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Appendix G and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy**

1. Unless the contractor has demonstrated to the County's satisfaction either that the contractor is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the contractor shall have and adhere to a written policy that provides that its Employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the contractor or that the contractor deducts from the Employee's regular pay the fees received for jury service.
2. For purposes of this paragraph, "contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one or more County contracts or

subcontracts. "Employee" means any California resident who is a full-time employee of the contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If the contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this paragraph. The provisions of this paragraph shall be inserted into any such subcontract contract and a copy of the Jury Service Program shall be attached to the contract.

3. If the contractor is not required to comply with the Jury Service Program when the Contract commences, the contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the contractor shall immediately notify the County if the contractor at any time either comes within the Jury Service Program's definition of "contractor" or if the contractor no longer qualifies for an exception to the Jury Service Program. In either event, the contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the contractor demonstrate, to the County's satisfaction that the contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that the contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 Conflict of Interest**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the contractor or have any other direct or indirect financial interest in

this Contract. No officer or employee of the contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

- 8.9.2 The contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The contractor warrants that it is not now aware of any facts that create a conflict of interest. If the contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph shall be a material breach of this Contract.

#### **8.10 Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List**

Should the contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

#### **8.11 Consideration of Hiring GAIN-GROW Participants**

- 8.11.1 Should the contractor require additional or replacement personnel after the effective date of this Contract, the contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the contractor will interview qualified candidates. The County will refer GAIN-GROW participants by job category to the contractor. Contractors shall report all job openings with job requirements to: [GAINGROW@DPSS.LACOUNTY.GOV](mailto:GAINGROW@DPSS.LACOUNTY.GOV) and [BSERVICES@WDACS.LACOUNTY.GOV](mailto:BSERVICES@WDACS.LACOUNTY.GOV) and DPSS will refer qualified GAIN/GROW job candidates.

- 8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **8.12 Contractor Responsibility and Debarment**

### **8.12.1 Responsible Contractor**

A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

### **8.12.2 Chapter 2.202 of the County Code**

The contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the contractor on this or other contracts which indicates that the contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the contractor may have with the County.

### **8.12.3 Non-responsible contractor**

The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the contractor has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County, 2) committed an act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, 3) committed an act or offense which indicates a lack of business integrity or business honesty, or 4) made or submitted a false claim against the County or any other public entity.

### **8.12.4 Contractor Hearing Board**

- 8.12.4.1 If there is evidence that the contractor may be subject to debarment, the Department will notify the contractor in writing of the evidence which is the basis for the proposed debarment and will advise the

contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The contractor and/or the contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.4.4 If a contractor has been debarred for a period longer than five (5) years, that contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.

8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the contractor has been debarred for a period longer than five (5) years; 2) the debarment

has been in effect for at least five (5) years; and 3) the request is in writing, states one or more of the

grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

- 8.12.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### 8.12.5 **Subcontractors of Contractor**

These terms shall also apply to subcontractors of County contractors.

### 8.13 **Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law**

The contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Appendix H, in a prominent position at the contractor's place of business. The contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. Information and posters for printing are available at [www.babysafela.org](http://www.babysafela.org).

### 8.14 **Contractor's Warranty of Adherence to County's Child Support Compliance Program**

- 8.14.1 The contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to

mitigate the economic burden otherwise imposed upon the County and its taxpayers.

- 8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the contractor's duty under this Contract to comply with all applicable provisions of law, the contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

### **8.15 County's Quality Assurance Plan**

The County or its agent(s) will monitor the contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate contractor performance database. The report to the Board will include improvement/corrective action measures taken by the County and the contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

### **8.16 Damage to County Facilities, Buildings or Grounds**

- 8.16.1 The contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the contractor or employees or agents of the contractor. Such repairs shall be made immediately after the contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2 If the contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the contractor by cash payment upon demand.



## **8.17 Employment Eligibility Verification**

8.17.1 The contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The contractor shall retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 The contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

## **8.18 Facsimile Representations**

The County and the contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on this Contract or Amendments, Change Orders and Change Notices prepared pursuant to Paragraph 8.1 (Amendments and Change Orders) and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to this Contract or Amendments, Change Orders and Change Notices to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

## **8.19 Fair Labor Standards**

The contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the contractor's employees for which the County may be found jointly or solely liable.

## **8.20 Force Majeure**

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events"). Notwithstanding the foregoing, the current COVID-19 pandemic is a known event and does not excuse Contractor's performance of its obligations hereunder.

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both contractor and such subcontractor, and without any fault or negligence of either of them. In such case, contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit contractor to meet the required performance schedule. As used in this subparagraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event contractor's failure to perform arises out of a force majeure event, contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

## **8.21 Governing Law, Jurisdiction, and Venue**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **8.22 Independent Contractor Status**

8.22.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the

contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the contractor.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the contractor and not employees of the County. The contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the contractor pursuant to this Contract.

8.22.4 The Contractor shall adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

## **8.23 Indemnification**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to Contractor's acts, failures, or omissions under this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees, and subject to the comparative negligence law of the state of California.

## **8.24 General Provisions for all Insurance Coverage**

8.24.1 Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is

sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

#### **8.24.2 Evidence of Coverage and Notice to County**

- 8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.
- 8.24.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required contractor and/or sub-contractor insurance policies at any time.
- 8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.
- 8.24.2.4 Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

- 8.24.2.5 Certificates and copies of any required endorsements shall be sent to:

Contracts Monitor  
 Department of Registrar-Recorder/County Clerk  
 Contracts and Grants Section  
 12400 Imperial Highway  
 Room 5115  
 Norwalk, CA 90650  
[contracts@rrcc.lacounty.gov](mailto:contracts@rrcc.lacounty.gov)

- 8.24.2.6 Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to contractor. Contractor also shall promptly notify County of any third party claim or suit filed against contractor or any of its subcontractors which arises from or relates to this Contract and could result in the filing of a claim or lawsuit against contractor and/or County.

#### 8.24.3 **Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) shall be provided additional insured status under contractor's General Liability policy with respect to liability arising out of contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the contractor's acts or omissions, whether such liability is attributable to the contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

#### 8.24.4 **Cancellation of or Changes in Insurance**

Contractor shall provide County with, or contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided

to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

#### **8.24.5 Failure to Maintain Insurance**

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to contractor, deduct the premium cost from sums due to contractor or pursue contractor reimbursement.

#### **8.24.6 Insurer Financial Ratings**

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

#### **8.24.7 Contractor's Insurance Shall Be Primary**

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any contractor coverage.

#### **8.24.8 Waivers of Subrogation**

To the fullest extent permitted by law, the contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

#### **8.24.9 Subcontractor Insurance Coverage Requirements**

Contractor shall include all subcontractors as insureds under contractor's own policies, or shall provide County with each subcontractor's separate evidence of insurance coverage.

Contractor shall be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and shall require that each subcontractor name the County and contractor as additional insureds on the subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any subcontractor request for modification of the Required Insurance.

#### **8.24.10 Deductibles and Self-Insured Retentions (SIRs)**

Contractor's policies shall not obligate the County to pay any portion of any contractor deductible or SIR. The County retains the right to require contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

#### **8.24.11 Claims Made Coverage**

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

#### **8.24.12 Application of Excess Liability Coverage**

Contractors may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

#### **8.24.13 Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

#### **8.24.14 Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The



County and its Agents shall be designated as an Additional Covered Party under any approved program.

#### 8.24.15 **County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

### 8.25 **Insurance Coverage**

- 8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

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

- 8.25.2 **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

- 8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self- insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

## **8.25.4 Unique Insurance Coverage**

### **8.25.4.1 Professional Liability-Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

### **8.25.4.2 Technology Errors & Omissions Insurance**

Insurance for liabilities arising from errors, omissions, or negligent acts in rendering or failing to render computer or information technology services and technology products. Coverage for violation of software copyright should be included. Technology services should at a minimum include (1) systems analysis; (2) systems programming; (3) data processing; (4) systems integration; (5) outsourcing including outsourcing development and design; (6) systems design, consulting, development and modification; (7) training services relating to computer software or hardware; (8) management, repair and maintenance of computer products, networks and systems; (9) marketing, selling, servicing, distributing, installing and maintaining computer hardware or software; (10) data entry, modification, verification, maintenance, storage, retrieval or preparation of data output, and any other services provided by the vendor with limits of not less than \$10 million.

### **8.25.4.3 Privacy/Network Security (Cyber) Liability**

Insurance coverage providing protection against liability for (1) privacy breaches [liability arising from the loss or disclosure of confidential information no matter how it occurs]; (2) system breach; (3) denial or loss of service; (4) introduction, implantation, or spread of malicious software code; (5) unauthorized access to or use of computer systems with limits of not less than \$2 million. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

## 8.26 Liquidated Damages

- 8.26.1 If, in the judgment of the RR/CC or designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the RR/CC, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the contractor from the County, will be forwarded to the Contractor by the RR/CC, or his/her designee, in a written notice describing the reasons for said action.
- 8.26.2 If the RR/CC or designee determines that there are material deficiencies in the performance of this Contract that the RR/CC, or designee, deems are correctable by the Contractor over a certain time span, the RR/CC, or designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the RR/CC or designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is five thousand dollars (\$5,000) per day per infraction up to a maximum cumulative amount of two hundred thousand (\$200,000) for all assessments of liquidated damages during the Contract term), and/or as specified in the Exhibit 3 (Performance Requirements Summary (PRS)) Chart Appendix A (Statement of Work Exhibits) hereunder, and that Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to Contractor; and/or (c) Upon giving five (5) days' notice to Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to Contractor from the County, as determined by the County.
- 8.26.3 The action noted in Paragraph 8.26.2 shall not be construed as a penalty, but as adjustment of payment to Contractor to recover the County cost due to the failure of Contractor to complete or comply with the provisions of this Contract.

- 8.26.4 This Paragraph shall not, in any manner, restrict or limit either party's right to damages for any breach of this Contract provided by law or as specified in the PRS or Paragraph 8.26.2, and shall not, in any manner, restrict or limit either party's right to terminate this Contract as agreed to herein.

## **8.27 Most Favored Public Entity**

If Contractor's prices decline or should the contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

## **8.28 Nondiscrimination and Affirmative Action**

- 8.28.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.28.2 Contractor shall certify to, and comply with, the provisions of Appendix C (Contractor's EEO Certification).
- 8.28.3 Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4 Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5 Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political

affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.28.6 Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.

8.28.7 If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

## **8.29 Non-Exclusivity**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Contract shall not restrict County from acquiring similar, equal or like goods and/or services from other entities or sources.

## **8.30 Notice of Delays**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

## **8.31 Notice of Disputes**

Subject to Section 8.21, Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute

between the County and Contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the RR/CC or designee shall resolve it.

### **8.32 Notice to Employees Regarding the Federal Earned Income Credit**

Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

### **8.33 Notice to Employees Regarding the Safely Surrendered Baby Law**

Contractor shall notify and provide to its employees and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Appendix H (Safely Surrendered Baby Law) of this Contract. Additional information is available at [www.babysafela.org](http://www.babysafela.org).

### **8.34 Notices**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Appendices E (County's Administration) and F (Contractor's Administration). Addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The RR/CC or designee shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

### **8.35 Prohibition Against Inducement or Persuasion**

Notwithstanding the above, Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

### **8.36 Public Records Act**

8.36.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection-Audit Settlement) of this Contract; as well as those documents

which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

- 8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

### **8.37 Publicity**

- 8.37.1 Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit Contractor from publishing its role under this Contract within the following conditions:

8.37.1.1 Contractor shall develop all publicity material in a professional manner; and

8.37.1.2 During the term of this Contract, Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

- 8.37.2 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37 (Publicity) shall apply.



### **8.38 Record Retention and Inspection-Audit Settlement**

8.38.1 Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.38.2 In the event that an audit of Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.38.3 Failure on the part of Contractor to comply with any of the provisions of this subparagraph 8.38 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.38.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to Contractor, then the difference shall be either: a) repaid by Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to

Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to Contractor, then the difference shall be paid to Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

### **8.39 Recycled Bond Paper**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

### **8.40 Subcontracting**

**8.40.1 The requirements of this Contract may not be subcontracted by Contractor without the advance written approval of the County.** Any attempt by Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

**8.40.2** If Contractor desires to subcontract, Contractor shall provide the following information promptly at the County's request:

**8.40.2.1** A description of the work to be performed by the subcontractor;

**8.40.2.2** A draft copy of the proposed subcontract; and

**8.40.2.3** Other pertinent information and/or certifications requested by the County.

**8.40.3** Contractor shall indemnify, defend, and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.

**8.40.4** Contractor shall remain fully responsible for all performances required of it under this Contract, including those that Contractor has determined to subcontract, notwithstanding the County's approval of Contractor's proposed subcontract.

**8.40.5** The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. Contractor is responsible to notify its subcontractors of this County right.

- 8.40.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8 Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. Before any subcontractor employee may perform any work hereunder, contractor shall ensure delivery of all such documents to:

Contracts Monitor  
 Department of Registrar-Recorder/County Clerk  
 12400 Imperial Highway  
 Contracts Section  
 Suite 5115  
 Norwalk, California 90650  
[contracts@rrcc.lacounty.gov](mailto:contracts@rrcc.lacounty.gov)

#### **8.41 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program**

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Paragraph 8.43 (Termination for Default) and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

#### **8.42 Termination for Convenience**

- 8.42.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Such termination may be effective no sooner than six (6) months after the effective date of the Contract. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon

which such termination becomes effective. The date upon which such termination becomes effective shall be no less than fifteen (15) days after the notice is sent.

8.42.2 After receipt of a notice of termination and except as otherwise directed by the County, Contractor shall:

8.42.2.1 Stop work under this Contract on the date and to the extent specified in such notice, and

8.42.2.2 Complete performance of such part of the work as shall not have been terminated by such notice.

8.42.2.3 Contractor shall be paid for all work performed through the effective date of termination.

8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of Contractor under this Contract shall be maintained by the contractor in accordance with Paragraph 8.38 (Record Retention and Inspection-Audit Settlement).

#### **8.43 Termination for Default**

8.43.1 The County may, by written notice to Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

8.43.1.1 Contractor has materially breached this Contract; or

8.43.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or

8.43.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. Contractor shall continue the

performance of this Contract to the extent not terminated under the provisions of this paragraph.

8.43.3 Except with respect to defaults of any subcontractor, Contractor shall not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without the fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.

8.43.4 If, after the County has given notice of termination under the provisions of Paragraph 8.43 (Termination for Default) it is determined by the County that Contractor was not in default under the provisions of Paragraph 8.43 (Termination for Default) or that the default was excusable under the provisions of subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).

8.43.5 The rights and remedies of the County provided in this Paragraph 8.43 (Termination for Default) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.44 Termination for Improper Consideration**

8.44.1 The County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to Contractor's performance

pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

- 8.44.2 Contractor shall immediately report any attempt by a County officer or employee 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 (800) 544-6861.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

#### **8.45 Termination for Insolvency**

- 8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- 8.45.1.1 Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

- 8.45.1.2 The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code;

- 8.45.1.3 The appointment of a Receiver or Trustee for Contractor; or

- 8.45.1.4 The execution by Contractor of a general assignment for the benefit of creditors.

- 8.45.2 The rights and remedies of the County provided in this Paragraph 8.45 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.46 Termination for Non-Adherence of County Lobbyist Ordinance**

Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of Contractor or any County Lobbyist or County Lobbying firm retained by Contractor to fully comply with the County's

Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

#### **8.47 Termination for Non-Appropriation of Funds**

Notwithstanding any other provision of this Contract, the County shall not be obligated for Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify Contractor in writing of any such non-allocation of funds at the earliest possible date.

#### **8.48 Validity**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

#### **8.49 Waiver**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this paragraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.50 Warranty Against Contingent Fees**

8.50.1 Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

8.50.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.



#### **8.51 Warranty of Compliance with County's Defaulted Property Tax Reduction Program**

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless contractor qualifies for an exemption or exclusion, contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

#### **8.52 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program**

Failure of contractor to maintain compliance with the requirements set forth in Paragraph 8.51 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of contractor, pursuant to County Code Chapter 2.206.

#### **8.53 Time Off for Voting**

Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

#### **8.54 Compliance with County's Zero Tolerance Policy on Human Trafficking**

Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking.

If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County shall require that Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Contractor's staff pursuant to this paragraph shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

#### **8.55 Intentionally Omitted**

#### **8.56 Compliance with Fair Chance Employment Practices**

Contractor shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

#### **8.57 Compliance with the County Policy of Equity**

Contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). Contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. Contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of Contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject Contractor to termination of contractual contracts as well as civil liability.

#### **8.58 Prohibition from Participation in Future Solicitation(s)**

A Proposer, or a Contractor or its subsidiary or Subcontractor ("Proposer/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has provided advice or consultation for the solicitation. A Proposer/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision shall result in the disqualification of the Contractor/Proposer from participation in the County solicitation or the termination or cancellation of any resultant County contract. This provision shall survive the expiration, or other termination of this Agreement.

## 9 UNIQUE TERMS AND CONDITIONS

### 9.1 Ownership of Materials, Software and Copyright

- 9.1.1 Contractor will provide the County with a non-exclusive, paid-up, royalty-free, non-transferable, non-assignable license in any copyright, in and to all Components of the system solution, Software Upgrades (i.e., County requested Customizations, Solution Modifications, and Software Enhancements), plans, diagrams, facilities, and tools and Documentation (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract or any other prior or other current agreements with County relating to the Project for the term of the Contract. For avoidance of doubt, Contractor is the sole owner of all right, title, and interest in its preexisting DIMS product as commercially available, including any copyright, patent, trade secret, and know-how rights therein as well as any Software Upgrades to the preexisting DIMS product. Notwithstanding anything herein which maybe read to the contrary, Contractor's rights to enhance, modify and update the DIMS product, and all know-how rights therein shall not be abridged, reduced or otherwise affected by this contract.
- 9.1.2 During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.1.3 Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material. For avoidance of doubt, Contractor retains its pre-existing right, title and interest in the commercially available version of its base DIMS product and need not mark the DIMS base software as "Proprietary" or "Confidential."
- 9.1.4 The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior

written consent of the Contractor except as might be required by applicable law or regulation. Notwithstanding the foregoing, Contractor hereby consents to AT&T, AWS, and Cherwell accessing Contractor data dictionaries for purpose of creating Interfaces and for authorized State election officials to access the County's instance of Contractor's System Software.

- 9.1.5 Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under subparagraph 9.1.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by subparagraph 9.1.3 or for any disclosure which the County is required to make under any state or federal law or order of court.
- 9.1.6 All the rights and obligations of this Paragraph 9.1 shall survive the expiration or termination of this Contract.

## **9.2 Patent, Copyright and Trade Secret Indemnification**

- 9.2.1 The Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the Contractor's work under this Contract. County shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure and shall support the Contractor's defense and settlement thereof.
- 9.2.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:
- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
  - Replace the questioned equipment, part, or software product with a County-approved non-questioned item; or
  - Modify the questioned equipment, part, or software in a County-approved manner so that it is free of claims, such approval not to be unreasonable withheld.

- 9.2.3 The Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by the Contractor, in a manner for which the questioned product was not designed nor intended.

## **10. SYSTEM OWNERSHIP AND LICENSE**

### **10.1 SYSTEM OWNERSHIP**

#### **10.1.1 SYSTEM ENVIRONMENT**

Contractor acknowledges that County owns all System Environment Components provided by County, including County Hardware; while Contractor, or the rightful owner, shall retain ownership of all System Environment Components provided by Contractor.

#### **10.1.2 SYSTEM DATA**

All County Data provided or made accessible by County to Contractor, is and shall remain the property of County. All System Data, expressly excluding County Data, provided by Contractor for the purpose of this Contract, is and shall remain the property of Contractor or any rightful third-party owner. This requirement supplements but does not replace the requirements of Appendix K (Information Security Requirements).

### **10.2 LICENSE**

#### **10.2.1 LICENSE GRANT**

Subject to Paragraphs 9.1 (Ownership of Materials, Software and Copyright) and 10.1 (System Ownership), Contractor hereby grants to County a non-exclusive, paid-up, royalty-free, non-transferable, non-assignable license to make full use and enjoyment of the products, services, Software Upgrades (i.e., County requested Customizations, Solution Modifications, and Software Enhancements), deliverables, including the System Software and Documentation as provided by Contractor under this or any other related agreement between the parties related to this Project for the term of the License described in Paragraph 10.2.2 (License Term) by all Users in accordance with the scope set forth in Paragraph 10.2.3 (Scope of License). Contractor shall also secure and convey a license of equivalent scope for the County to any necessary Third-Party Software provided by Contractor to fulfill its requirements hereunder. Notwithstanding the foregoing, upon mutual agreement of the parties, County may obtain its own license for any Component of Third-Party Software, the term and scope of which shall be subject to the terms of County's agreement with the provider of such Third-

Party Software. County can't access the source code unless the Release Events are met or as otherwise provided in the Source Code Escrow Appendix I (Source Code Escrow Contract).

#### **10.2.2 LICENSE TERM**

The License granted under this Contract shall commence upon the Effective Date and shall continue through the term of this Contract.

#### **10.2.3 SCOPE OF LICENSE**

For avoidance of doubt and without limitation of the grant provided under Paragraph 10.2.1, the License granted by Contractor under this Contract provides County with the following rights:

1. To use, install, integrate with other software, operate and execute during the term of the Contract, the System Software in the System Environment on an unlimited number of computers, servers, local area networks and wide area networks, including web connections and by an unlimited number of Users in the conduct of the business of County within the scope of the project under the Contract.
2. To use, modify, copy, translate and compile the Application Software after such time as one of the Release Conditions described in Paragraph 10.3.1 (Source Code Escrow Contract) has occurred which would permit County to use the Source Code as provided in this Paragraph 10.2 and Paragraph 10.3 (Source Code) below;
3. To use, modify, copy and display the Documentation as provided by Contractor, including, but not limited to, System and User manuals, as necessary or appropriate for County to enjoy and exercise fully the rights granted under this Contract and the License;
4. To permit third party access to the Application Software, the Documentation, or any part thereof, as necessary or appropriate for County to enjoy and exercise fully the rights granted under this Agreement and the License, including for the provision of System Maintenance Services, Application Modifications, Professional Services or other business use or support of the Application Software as contemplated by this Agreement; provided, however, without limiting County's rights under this Paragraph 10.2.3, County covenants and agrees that it shall not exercise any of the rights contained in this Paragraph 10.2.3(4) unless and until the occurrence of any one of the Release Conditions;

5. To reproduce and use a reasonable number of copies of the System Software provided by Contractor by County and permitted assignees, for archive and backup purposes;
6. During the term of the Contract, to use and test System Software, and specifically the Application Software, in the Test Environment, including for the purpose of building its own solutions or models, as mutually agreed to by the parties.
7. County will not remove, alter, or obscure any Contractor disclaimer notices, trademarks, copyright notices, or other ownership marks, if any, appearing in the Application Software or any of its screens.
8. County will not reverse engineer, reverse compile, decompile, or disassemble Contractor's Application Software object code.
9. County will not knowingly allow access to or permit the use of the Application Software for other than its intended lawful purpose.

### **10.3 SOURCE CODE**

#### **10.3.1 Source Code Escrow Contract**

Contractor shall maintain a Deposit Account Agreement for Escrow Material substantially similar to Appendix I (Source Code Escrow Contract) with a nationally recognized source code escrow provider for the duration of this Contract that provides the County rights and access as provided in that Appendix I (Source Code Escrow Contract) upon occurrence of any Release Event.



IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

COUNTY OF LOS ANGELES

RUNBECK ELECTION SERVICES,  
INC.

\_\_\_\_\_  
DEAN C. LOGAN  
Registrar-Recorder/County Clerk

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Tax Identification Number

DRAFT

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Deputy County Counsel

## **APPENDICES**

- A STATEMENT OF WORK
- B PRICING SCHEDULE
- C CONTRACTOR'S EEO CERTIFICATION
- D COUNTY'S ADMINISTRATION
- E CONTRACTOR'S ADMINISTRATION
- F CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G JURY SERVICE ORDINANCE
- H SAFELY SURRENDERED BABY LAW
- I SOURCE CODE ESCROW AGREEMENT
- J INTENTIONALLY OMITTED
- K INFORMATION SECURITY REQUIREMENTS

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# **APPENDIX A**

## **STATEMENT OF WORK**

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## TABLE OF CONTENTS

SECTION	TITLE	PAGE
1.0	PURPOSE AND BACKGROUND .....	1
2.0	TASKS AND DELIVERABLES .....	2
3.0	QUALITY CONTROL.....	11
4.0	QUALITY ASSURANCE PLAN .....	12
5.0	RESPONSIBILITIES.....	13
	<u>COUNTY</u>	
5.1	Personnel .....	13
5.2	Account Manager .....	13
	<u>CONTRACTOR</u>	
5.3	Personnel .....	14
5.4	Uniforms/Identification Badges .....	14
5.5	Materials and Equipment.....	15
5.6	Training .....	15
5.7	Contractor's Office.....	15
6.0	HOURS/DAYS OF WORK.....	15
7.0	WORK SCHEDULES.....	15
8.0	WORK.....	15
8.1	General.....	15
8.2	Approval of Work.....	16
8.3	Gratuitous Work .....	16
8.4	Unscheduled Work .....	16
9.0	GREEN INITIATIVES.....	16
10.0	PERFORMANCE REQUIREMENTS SUMMARY .....	17

## 1.0 PURPOSE AND BACKGROUND

### 1.1 PURPOSE

This Statement of Work (SOW) defines the work to be delivered by Contractor to County of Los Angeles (County) under the Contract. This document also incorporates by reference all Contractor obligations set forth in the body of the Contract. Capitalized terms used in this SOW shall have the meanings set forth in the body of the Contract, and if such terms are not defined in the Contract, they shall have the meaning set forth in this SOW.

Contractor shall provide Voter Information Management System (DIMS or System) Software, Interfaces, and related support and maintenance services to accomplish all of the Tasks and subtasks set forth in the Contract and in this SOW. Such services shall include the following:

- 1) Provide remote support and maintenance services for DIMS.
- 2) Develop, test, and implement software modifications and System enhancements to comply with legal requirements.
- 3) Provide existing Interfaces to systems identified by County to automate and facilitate information exchange, including, but not limited to a new Electronic Pollbook (E-Pollbook)/roster solution for real-time access to DIMS and/or VoteCal.
- 4) Provide professional consulting on technical subjects including, but not limited to, scripts, queries, application code, or technical infrastructure related to the DIMS Software.
- 5) Conduct training remotely at a mutually agreed upon date and time for database administration staff and end user whenever County requests such training.
- 6) Develop, where appropriate, both database-administration and end-user documentation whenever a new feature or function is implemented.
- 7) All deliverables shall have Finalized Requirements provided by the County. Scope, timeline, and pricing will be mutually agreed upon prior to the commencement of work.

The County is responsible for their environment within their own firewall including the accessibility to the application. All environment, infrastructure, hardware changes and other changes outside of the Contractors control are the sole responsibility of the County. If Contractor has to restore any application/product/service/connectivity that the County or Third-Party has changed, this will result in additional charges by the Contractor based on time and materials.

- Where regression automated test scripts are indicated throughout all documents, Contractor will provide, script and Documentation when available, upon request. When not available, County will provide Contractor with Finalized Requirements and Contractor will provide scope and quote based upon time and materials.

## 1.2 BACKGROUND

County is the nation's largest and most diverse election jurisdiction, serving over 8 million registered voters, providing assistance in ten (10) different languages and operating approximately 1,000 Vote Centers.

Specifically, the Department of Registrar-Recorder/County Clerk (Department) is responsible for the registration of voters, maintenance of voter files, precincting, vote by mail voting, petitions, and precinct officers/polls maintenance and the conduct of local, State, federal and special elections.

## 2.0 TASKS AND DELIVERABLES

TASK 1 – SUPPORT AND MAINTENANCE SERVICES

TASK 2 – SYSTEM INTERFACE PROGRAMMING AND EXECUTION

TASK 3 – EXTERNAL ACCESS PLAN AND CONFIGURATION

TASK 4 – CHANGE ORDER PROCESS

TASK 5 – ACCOUNT MANAGER

Contractor shall use the standard Department software set forth below when preparing Deliverables. Contractor shall provide Deliverables in a file format importable to the standard Department software. Department standard software is as follows:

- Microsoft Word 2013/2016 - Word Processing
- Microsoft Excel 2013/2016 - Spreadsheet
- Microsoft PowerPoint 2013/2016 - Project Presentations
- Visio Version 2013/2016 - Illustrations, Flowcharts, and Drawings
- Microsoft Project 2013/2016 - Project Manager
- Microsoft Teams 2016 – Project Team Meetings

### **TASK 1 - SUPPORT AND MAINTENANCE SERVICES**

#### **Subtask 1.1 – Core Application Software Upgrades**

Contractor shall provide periodic updates or revisions to DIMS.net System Core Application Software. These updates or revisions may be the result of State or federal election code requirements. In addition, the County may also require changes to Core Application Software to meet internal needs.

Contractor is required to distribute a Release Notes Report for all DIMS.net System Core Application Software upgrades. The Release Notes Report must contain:

- a. The Contractor Internal Tracking Number
- b. The name of the module(s) impacted by the change
- c. A description of the functionality included in the release
- d. A copy of all new complete test case(s)/test script(s) that were executed for a specific release by the contractor to test the Interface(s). Regression automated test scripts, when available, will be provided upon request.

### **Subtask 1.1 Deliverable:**

- 1.1.1 DIMS.net System Core Application Software Updates resulting from mandated California Election Code requirements as well as County's internal needs.
- 1.1.2 For each DIMS.net System Core Application Software upgrade, in addition to the Release Notes Report the Contractor shall provide a report that contains a complete list of all data flow and process logic diagrams, where available, and material to Contractor impacted, modified, deleted, or added in the upgrade no later than twenty-four (24) hours after the update is available to the County.
- 1.1.3 For each DIMS.net System Core Application Software upgrade, Contractor shall thoroughly test the readiness all new and existing impacted system screens, data flows, workflows, and exception processing, where applicable.
- 1.1.4 For each DIMS.net System Core Application Software upgrade, where mutually agreeable by the County and the Contractor, the Contractor shall provide training on all functional changes to the DIMS.net System screens, data flows, workflows, and exception processing where applicable.
- 1.1.5 For each DIMS.net System Core Application Software upgrade, Contractor shall provide the Release Notes Report and all associated test case(s)/test script(s) that were executed by the Contractor to test the Interface(s).
- 1.1.6 For each DIMS.net System Core Application Software upgrade release, Contractor shall provide remote support for installation of the DIMS.net System into County's test and production environments.

### **Subtask 1.2 – Help Desk Support**

Contractor shall establish a Help Desk and an Issue Management tracking process to manage and track any technical problems, issues, failures, deficiencies, complaints, systems software bugs (collectively, "Problems") reported by County. Contractor shall also provide County with a telephone number to Help Desk staffed twenty-four (24) hours per day, seven (7) days a week upon request throughout the entirety of the Contract during Critical Election Periods. Otherwise, normal support hours will be from 7:00am–5:00pm Pacific Local Time Monday through Friday. Problems reported to the Help Desk and the Issue Management tracking process shall be categorized into severity levels and Contractor shall respond according to the severity level of the Problem. Problems reported to Contractor shall be updated to the Issue Management tracking process based on the response times defined by the Severity and Response Level of the incident. County shall make the determination of what severity level,



based on severity level definitions, to assign to each problem reported to the Help Desk. Contractor can follow the dispute resolution procedure if there is disagreement. The list below shows definition of each severity level and the level or response required from Contractor.

### **Severity Levels**

Severity Level 1 – Critical: Widespread System unavailability – Production System is down; System is completely or functionally inoperable. Operations are severely impacted.

Severity Level 2 - Major: Problem that substantially degrades performance of any Application Software component or materially restricts business; restricts use of one or more modules or features of Application Software to perform necessary business functions, but not entire Application Software. Users can use Application Software; but an important function of it is not available; operations are significantly impacted.

Severity Level 3 - Minor: A problem that causes only a minor impact on the use of the Application Software. The problem can be easily circumvented. The problem can cause some functional restrictions, but it does not have a critical or severe impact on operations.

### **Response Level**

#### **Severity Level 1:**

During Critical Election Periods, the County requires response within one (1) hour, twenty-four (24) hours per day, seven (7) days a week (including local, State, and federal holidays). The vendor shall provide County twenty-four (24) hours per day, seven (7) days a week support until a mutually agreed upon resolution date is determined. In the meantime, between the Severity level 1 incident and the mutually agreed upon resolution, excluding network, infrastructure and/or hardware controlled by the County, the Contractor shall provide a workaround solution or agreed resolution within thirty-six (36) hours. The Contractor and County will jointly monitor and discuss the effectiveness of the workaround and Contractor shall provide a weekly status report to the County. Failure to comply will result in an assessment of five thousand (\$5000) per incident.

During other periods, the County requires response within four (4) hours, twenty-four (24) hours per day, seven (7) days a week (including local, State, and federal holidays). The vendor shall provide County twenty-four (24) hours per day, seven (7) days a week support until a mutually agreed upon resolution date is determined. In the meantime, between the Severity level 1 incident and the mutually agreed upon resolution, excluding network, infrastructure and/or hardware controlled by the County, the Contractor shall provide a workaround solution or agreed resolution within two (2) days. The Contractor and County will jointly monitor and discuss the effectiveness of the workaround and provide a weekly status report to the County. Failure to comply will result in an assessment of one thousand (\$1000) per incident.

## **Severity Level 2:**

During Critical Election Periods, the County requires response within four (4) hours, twenty-four (24) hours per day, seven (7) days a week (including local, State, and federal holidays). The vendor shall provide County twenty-four (24) hours per day, seven (7) days a week support until a mutually agreed upon resolution date is determined. In the meantime, between the Severity level 2 incident and the mutually agreed upon resolution, excluding network, infrastructure and/or hardware controlled by the County, the Contractor shall provide a workaround solution or agreed resolution within sixty (60) hours. The Contractor and County will jointly monitor and discuss the effectiveness of the workaround and provide a weekly status report to the County. Failure to comply will result in an assessment of one thousand (\$1000) per incident.

During other periods, the County requires response within eight (8) hours, ten (10) hours per day, five (5) days a week (Monday - Friday, 7 a.m. until 5 p.m. Pacific Time). The vendor shall provide County twenty-four (24) hours per day, seven (7) days a week support until a mutually agreed upon resolution date is determined. In the meantime, between the Severity level 2 incident and the mutually agreed upon resolution, excluding network, infrastructure and/or hardware controlled by the County, the Contractor shall provide a workaround solution or agreed resolution within five (5) days. The Contractor and County will jointly monitor and discuss the effectiveness of the workaround and provide a weekly status report to the County. Failure to comply will result in an assessment of five hundred (\$500) per incident.

## **Severity Level 3:**

During all periods, the County requires response within five (5) days, ten (10) hours per day, five (5) days a week (Monday - Friday, 7 a.m. until 5 p.m. Pacific Time). Problems reported after business hours and weekends shall be processed the next business day. In the meantime, between the Severity level 3 incident and the mutually agreed upon resolution, within the Contractor's control, the Contractor shall provide a workaround solution or agreed resolution in a future release. The Contractor and County will jointly monitor and discuss the effectiveness of the workaround and provide a weekly status report to the County. Failure to comply will result in an assessment of one hundred (\$100) per incident.

### **Subtask 1.2 Deliverable:**

1.2.1 A contact will be available twenty-four (24) hours a day, seven (7) days a week during Critical Election Periods. At any other time, a resource will be available during business hours of 7:00am-5:00pm Pacific Local Time. In addition, respond according to severity levels above.

### **Subtask 1.3 - Status Reports**

Each Problem reported to Help Desk shall be documented and tracked by Contractor until it has been resolved. Contractor shall open a ticket within four (4) hours, unless Contractor is asked to address higher priority items. Help Desk Status Reports will contain the following information after it becomes available:

- a. The date problem was reported
- b. A description of the problem
- c. Severity level
- d. Status
- e. Staff person assigned to resolve problem
- f. Date problem resolved

County may request such reports at any time during normal business hours and for any period (by day, week, month, or year).

### **Subtask 1.3 Deliverable:**

#### **1.3.1 Help Desk Status Reports**

### **Subtask 1.4 – Issue Management Tracking**

Each Problem reported to Help Desk and/or Account Manager shall be documented and tracked by Contractor via an Issue Management Tracking process. The process should include all Change Orders and bugs reported and/or modifications planned by the contractor related to DIMS changes. These issues/bugs must be tracked with the current status of the issue/bug and must be provided to County for review on a bi-weekly basis. This tracking process must also provide a reporting mechanism to export the issues/bugs for County's management review with Operation teams.

### **Subtask 1.4 Deliverable:**

- 1.4.1 Within three (3) months of Effective Date of the Contract, Contractor must establish an Issue Management Tracking process that provides the County access to DIMS issue report. This tracking process must also provide a reporting mechanism to export the issues/bugs for County's management review with Operation teams.

## **TASK 2 – SYSTEM INTERFACE PROGRAMMING AND EXECUTION**

Contractor shall provide the software analysis, software design, software development, software testing, installation and installation validation, where it exists of software that will provide the Interfaces between DIMS and external systems identified by County.

Contractor is required to distribute a Release Notes Report for all software releases related to these Interfaces. The release reports must contain the following:

- a. Contractor's internal tracking number
- b. name of the module(s) impacted by the change
- c. a description of the functionality included in the release
- d. A copy of all new complete test case(s)/test script(s) that were executed for a specific release by the contractor to test the Interface(s). Regression automated test scripts, when available, will be provided upon request.

Each of the Interfaces is listed below along with a brief description. The County shall develop and provide the Finalized Requirements prior to the commencement of work. The Contractor shall provide the functional specifications, database schema, dataflow diagrams, where applicable, to the county for review and to identify any changes required. Contractor shall incorporate the changes into the Release Notes reports described below before County's Project Director and County's Project Manager accept Deliverables under this Task, and County's Project Director and County's Project Manager will, if acceptable, approve each of such reports.

### **Subtask 2.1 - Define and Maintain Interface Software for the Statewide Voter Database (VoteCal)**

The VoteCal System is the state of California's statewide voter registration database. The Contractor is solely responsible for the software analysis, software design, software development, software testing, installation and installation validation of the existing Interfaces created to transmit data between the VoteCal System and the County's local DIMS.net System. The Contractor is responsible for the data and existing program logic ensuring the integrity of the software algorithms that validate data received from the VoteCal System and transmitted to the VoteCal System by the County's local DIMS.net System. If County makes changes to any hardware, environment, infrastructure, software, functions, or database objects that impacts system functionality and performance, Contractor support to restore the system will be based on a mutually agreed Change Order.

Contractor is required to distribute a Release Notes Report for all VoteCal System software releases. If the Contractor makes changes to the system, the Contractor will provide a Release Note Report for the Contractor changes. The Release Note Report must contain the following:

- a. Contractor's internal tracking number
- b. Name of the module(s) impacted by the change
- c. Description of the functionality included in the release
- d. A copy of all new complete test case(s)/test script(s) that were executed for a specific release by the contractor to test the Interface(s). Regression automated test scripts, when available, will be provided upon request.

### **Subtask 2.1 Deliverables:**

- 2.1.1. Report VoteCal and DIMS.net System data flow and process logic diagrams including transmission file specifications, if existing. In addition, the report shall contain the database schema diagram for all database and tables used for inbound and outbound transmission of data, if existing. Any non-existing artifacts will require clear Finalized Requirements by the County and the Contractor will scope and provide a quote estimate.
- 2.1.2 For each DXI (DIMS.net eXternal Interface) release, Contractor shall thoroughly test all new and existing system interfaces between the VoteCal and DIMS.net System.

- 2.1.3 For each **(DIMS.net eXternal Interface)** release, when requested by the County, Contractor shall provide training on all functional changes to the DIMS.net System screens, data flows, workflows and exception processing, where existing that are the result of a VoteCal System release.
- 2.1.4 For each **(DIMS.net eXternal Interface)** release, Contractor shall provide the Release Notes Report and a copy of all new complete test case(s)/test script(s) that were executed for a specific release by the contractor to test the Interface(s). Regression automated test scripts, when available, will be provided upon request that were executed by the contractor to test the Interface(s).
- 2.1.5 For each **(DIMS.net eXternal Interface)** release, Contractor shall provide remote support for installation of the DIMS.net System into County's test and production environments on a mutually agreed date.

### **Application Programming Interface Implementation**

An Application Programming Interface (API) is a set of subroutine definitions, protocols, and tools for building application software. In general terms, it is a set of clearly defined methods of communication between various software components.

This API only applies to existing (JEDI)/E-Pollbook and PollChief (currently in build) interfaces. There are no new API's planned for DIMs.

### **Subtask 2.2 – Real Time Electronic Pollbook (E-Pollbook) API**

The County has implemented a new E-Pollbook solution to replace the paper pollbooks at polling places. The E-Pollbook is a combination of hardware and software that allows election officials to check-in voters, print ballots, and implement Conditional Voter Registration at the Vote Centers on Election Day. The E-Pollbook solution must have a real-time connection to DIMS for voter history to be captured at the Vote Center.

The Contractor shall provide:

1. An Application Programming Interface (API) into the DIMS System that transacts Voter check in data from E-Pollbook to DIMS and Voter record changes from E-Pollbooks to DIMS.
2. Providing scalable software architecture to handle transactions to a DIMS database of over eight million (8,000,000) records - which includes over five million active voter registration records and over three and a half million inactive voter registration records - simultaneously throughout approximately one thousand (1,000) voting center locations in County.
3. The API should be vendor independent, and accessible from other third-party E-Pollbook vendors.

## **Subtask 2.2 Deliverables:**

The County shall provide the Finalized Requirements prior to the commencement of scoping and work. Contractor shall review all requirements and provide an estimate for the following work as listed below:

- 2.2.1 On or before the DIMS quarter two release, pending the receipt of Finalized Requirements by the end of January, Contractor shall provide functional specification document for the E-Pollbook API.
- 2.2.2 On or before the DIMS quarter two release, pending the receipt of Finalized Requirements by the end of January, Contractor shall provide the software analysis, software design, software development, software testing, installation and installation validation, of the real time E-Pollbook API. For each VoteCal System release.
- 2.2.3 Prior to making the real time E-Pollbook API available to the County, the Contractor shall thoroughly test the real time E-Pollbook API.
- 2.2.4 Upon any change or enhancement to the real time E-Pollbook API on or before the making of the change or enhancement available to the County, the Contractor shall provide documentation and support on all functional aspects of the real time E-Pollbook API including, but not limited to, data flows, work flows, and exception processing, where exists.
- 2.2.5 Contractor shall provide the release report(s) (Release Notes) of the changes to the real time E-Pollbook API within twenty-four (24) hours of any change or enhancement where exists. A copy of all new complete test case(s)/test script(s) that were executed for a specific release by the contractor to test the Interface(s). Regression automated test scripts, when available, will be provided upon request.
- 2.2.6 Contractor shall provide remote support for installation of the E-Pollbook API into County's test and production environments.
- 2.2.7 Contractor's Delta service must be able to generate delta results within twenty (20) minutes on each cycle. Provided that the hardware/infrastructure resources outside of the control of the Contractor are sufficient and configuration of Delta loads are followed based upon Contractor recommendations. (i.e., two-minute loads).

## **TASK 3 – EXTERNAL ACCESS PLAN AND CONFIGURATION**

Contractor shall provide written recommendations and support that include capability for limited external access to County's local DIMS.net System by a select group of City Clerks in Los Angeles. The external DIMS access for the City Clerks shall allow for:

- A. Capability to access the voter file, but not to edit the voter file.
- B. Capability to access the full absentee voter system.

- C. Capability to check signatures and an internal tracker so that the cities in the County may be billed for signature look up but not for simply viewing voter files.
- D. Capability to exchange polls and officer's information.
- E. Capability to send voter updates to the County system tied to automatically generated letter to voter to confirm.
- F. Capability to add and access multilingual voter information.
- G. Capability to add city/municipal voting history to individual voter files.
- H. Capability to use electronic mail to flow documents or files to/from County system.
- I. Such other requirements as are specified by County's Project Director.

### **Task 3 Deliverables:**

- 3.1 Contractor shall provide consulting services around use case analysis to determine appropriate DIMS.net System access by the City Clerks.
- 3.2 Contractor shall provide a written report outlining the configuration setting changes in DIMS.net System required to set-up City Clerk access.
- 3.3 Contractor shall provide training to County describing steps for configuration of security access changes in DIMS.net System required to set-up limited City Clerk access.
- 3.4 Contractor shall advise County of configuration setting changes in DIMS.net System required to setup City Clerk access in both the Test and Production Environments.

### **TASK 4 – CHANGE ORDER PROCESS**

Over the life of this contract, there may be a need for new development in form of application modifications to DIMSNet, Gateway modifications, and/or the creation of new reports. Contractor must track the submission of change requests and provide status. Departmental staff shall submit all development and report requests to the Contractor. Contractor will facilitate all communication between the Contractor development team and the County. If a third party is involved, the County will need to be the facilitator.

After the County submission of the Finalized Requirements and supporting documentation, Contractor will meet with Departmental staff to ensure they are clear on the nature of the request. During the submission process, Departmental staff will provide the priority of the request. Contractor will provide an estimate for the cost and implementation timeframe for each change request. Upon receipt, Departmental staff will submit a Change Order for said request. After submission and execution of change request, Contractor must implement the modification by the estimated timeframe.

All modifications must be tested and approved in the Department's UAT environment prior to promotion to production.



If recertification is triggered by any Change Request, Contractor must coordinate the testing effort with the Secretary of State. The cost of the recertification must be incorporated into the original estimate since the Department cannot compensate the recertification fees directly.

Contractor will be responsible for the cost of re-certification if there are bugs or issues in the DIMSNet environment that require recertification.

#### **Task 4 Deliverable:**

- 4.1 Contractor will submit Change Order with firm and fixed pricing according to Appendix B (Pricing Schedule) when applicable.

#### **TASK 5 ACCOUNT MANAGER**

The Contractor shall hire and provide an Account Manager that is assigned to work Problems and enhancements that are reported/requested by the County. The Contractor's Account Manager shall be responsible for Contractor's day-to-day activities as related to this Contract and for reporting to County in the manner set forth by Department. The Contractor's Account Manager shall be responsible for Contractor's performance of all its tasks and subtasks and ensuring Contractor's compliance with this Contract.

From the Effective Date through the expiration of the term of this Contract, the Contractor's Account Manager shall meet and confer with County's Project Manager on a regular basis to review project progress and discuss project coordination. Such meetings shall be conducted at a time and place convenient to County's Project Manager.

The Contractors will notify County in writing of any changes in the name and contact information of Contractor's Account Manager.

### **3.0 QUALITY CONTROL**

The Contractor must establish and utilize a comprehensive Quality Control Plan (QCP) to assure the County a consistently high level of service throughout the term of the Contract. QCP must be submitted to County Project Manager within ten (10) business days after execution of Contract. Failure to comply will result in an assessment of one hundred dollars (\$100) per occurrence. Changes to the QCP can be suggested for Department's review and approval. Upon approval of changes, Contractor shall update the QCP and resubmit the plan to the County Project Manager. The plan shall include, but may not be limited to the following:

- 3.1 Method of monitoring to ensure that Contract requirements are being met.
- 3.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action.

- 3.3 A method of ensuring uninterrupted service to Department in the event of a strike of the Contractor's employees or any other unusual occurrence which would result in the Contractor being unable to perform the contracted work.

#### **4.0 QUALITY ASSURANCE PLAN**

The County will evaluate the Contractor performance under this Contract using the quality assurance procedures as defined in Subparagraph 8.15 (County's Quality Assurance Plan) of this Contract.

##### **4.1 Monthly Meetings – Conference Call**

Contractor is required to schedule and host monthly meetings via teleconference at a mutually agreed time and date. Failure to schedule and host meeting will cause an assessment of one hundred dollars (\$100) per occurrence.

##### **4.2 Annual Meeting –Remotely**

Contractor is required to schedule and host no less than one (1) meeting per year to be conducted at a location to be agreed upon by both County and Contractor. Failure to schedule and host meeting will cause an assessment of one hundred dollars (\$100).

##### **4.3 Contract Discrepancy Report**

Verbal notification of a Contract discrepancy will be made to the Contract Project Manager as soon as possible whenever a Contract discrepancy is identified.

The County Project Manager and/or designee and Contractor will mutually determine whether a formal Contract Discrepancy Report (Statement of Work Exhibits, Exhibit 1) shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Project Manager within eight (8) business hours, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Project Manager and/or County Contract Project Monitor within three (3) workdays. The problem shall be resolved as soon as possible, or a time period mutually agreed upon by the County and the Contractor.

##### **4.4 County Observations**

In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

#### 4.5 Core Application Software Upgrades Release Notes Report

Contractor is required to distribute a Release Notes Report to detail the items included in each software version release. The Release Notes Report must contain:

- a. Contractor's internal tracking number
- b. Name of the module impacted
- c. Name of the entity that reported the line item
- d. A description of the problem
- e. A description of the resolution

A copy of all new complete test case(s)/test script(s) that were executed for a specific release by the contractor to test the Interface(s). Regression automated test scripts, when available, will be provided upon request.

The Contractor shall provide the Release Notes Report to the County within twenty-four (24) hours of the County receiving the System upgrade. Failure to distribute a report will cause an assessment of one hundred dollars (\$100) for every occurrence.

### 5.0 RESPONSIBILITIES

The County's and the Contractor's responsibilities are as follows:

#### COUNTY

##### 5.1 Personnel

The County will administer the Contract according to the Contract, Paragraph 6.0, Administration of Contract - County. Specific duties will include:

- 5.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.
- 5.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 5.1.3 Preparing Amendments and Change Orders in accordance with the Contract, Paragraph 8. Standard Terms and Conditions, Sub-paragraph 8.1 Amendments.

#### CONTRACTOR

##### 5.2 Account Manager

- 5.2.1 Contractor shall provide an Account Manager and an alternate Account Manager when primary Account Manager is unavailable. County will have access to the Account Manager during Non-Countywide elections normal support hours will be from 7:00am–5:00pm Pacific Local Time Monday through Friday and upon request 24/7 during Countywide elections from E-

30 to E+20. Contractor shall provide a telephone number where the Account Manager may be reached.

5.2.2 Account Manager/alternate shall act as a central point of contact with the County.

5.2.3 Account Manager/alternate shall have a minimum of five (5) years of experience.

5.2.4 Account Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract and be responsible for Contractor's performance on all Tasks, Subtasks, Deliverables, and overall compliance with terms of Contract. Account Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

5.2.5 Account Manager/alternate shall meet and confer with County's Project Manager as needed and by request of County. Such meeting will take place remotely at a mutually agreed upon date and time.

5.2.6 Account Manager/alternate shall work with County on Problems and enhancements that are reported/requested by County.

5.2.7 The contractors will notify County in writing of any changes in the name and contact information of Contractor's Account Manager/alternate.

### **5.3 Personnel**

5.3.1 Contractor shall assign a sufficient number of employees to perform the required work. At least one (1) employee remotely shall be authorized to act for Contractor in every detail and must speak and understand English.

5.3.2 Contractor shall be required to background check, only Contractor's employees that have direct access to County data as set forth in sub-paragraph 7.5 – Background and Security Investigations, of the Contract.

### **5.4 Uniforms/Identification Badges**

5.4.1 Contractor employees assigned to County facilities shall wear appropriate attire at all times.

5.4.2 Contractor shall ensure their employees are appropriately identified as set forth in sub-paragraph 7.4 – Contractor's Staff Identification, of the Contract.

## **5.5 Materials and Equipment**

The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

## **5.6 Training**

5.6.1 Contractor shall provide training programs for all new Contractor employees and continuing in-service training for all Contractor employees.

5.6.2 All Contractor employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All Contractor employees must wear safety and protective gear according to OSHA standards.

## **5.7 Contractor's Office**

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office shall be staffed during required hours needed to respond to all inquiries and requests made by County as set forth in this Statement of Work.

## **6.0 HOURS/DAY OF WORK**

Contractor shall be staffed during required hours needed to respond to all inquiries and requests made by County as set forth in Section 2.0 Tasks and Deliverables of this Statement of Work.

## **7.0 WORK SCHEDULES**

Contractor shall submit revised schedules when actual schedule differs substantially from planned schedule. Said revisions shall be submitted to the County Project Manager for review and approval within fifteen (15) working days prior to scheduled time for work, unless an emergency occurs Contractor will notify as soon as possible.

## **8.0 WORK**

### **8.1 General**

Contractor shall complete and deliver to County on a timely basis, all Tasks, subtasks, Deliverables, goods, services, and other Work as set forth in this Contract. Contractor acknowledges that it must complete all work required under this Contract in a timely manner and in accordance with the requirements and Specifications set forth in the SOW.

### **8.2 Approval of Work**

Contractor shall complete and deliver all Tasks, subtasks, Deliverables, goods and services in accordance with the requirements and Specifications set forth

in the SOW and must have written approval of County's Project Director. Written approval by the County's Project Director shall not be unreasonably delayed. In no event shall County be liable or responsible for any payment prior to such written approval.

### **8.3 Gratuitous Work**

If the Contractor provides any Tasks, Deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

### **8.4 Unscheduled Work**

8.4.1 The County Project Manager and/or his designee may authorize the Contractor to perform unscheduled work, including, but not limited to, repairs and replacements when the need for such work arises out of extraordinary incidents such as vandalism, acts of God, and third-party negligence; or to add to, modify or refurbish existing facilities.

8.4.2 Prior to performing any unscheduled work, the Contractor shall prepare and submit a written description of the work with an estimate of labor and materials. If the unscheduled work exceeds the Contractor's estimate, the County Project Director and/or his designee must approve the excess cost. In any case, no unscheduled work shall commence without written authorization.

8.4.3 All unscheduled work shall commence on the established specified date mutually agreed upon by County and Contractor. Contractor shall proceed diligently to complete said work within the time allotted.

8.4.4 The County reserves the right to perform unscheduled work itself or assign the work to another Contractor.

## **9.0 GREEN INITIATIVES**

9.1 Contractor shall make reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.

9.2 Contractor shall notify County's Project Manager of Contractor's new green initiatives prior to the Contract commencement.

## **10.0 PERFORMANCE REQUIREMENTS SUMMARY**

A Performance Requirements Summary (PRS) chart, Statement of Work Exhibits, Exhibit 3, listing required services that will be monitored by the County during the term of this Contract is an important monitoring tool for the County. The chart should:

- reference section of the Contract
- list required services

- indicate method of monitoring
- indicate the deductions/fees to be assessed for each service that is not satisfactory

All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.

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**DIMS.net ELECTION MANAGEMENT SYSTEM****Contractor's Name: RUNBECK ELECTION SERVICES**

Table of Contents		Page Number(s)
1	Total Pricing Summary	2
2	Pricing Years 1-2 and Optional Years 3-4	3
3	System Implementation - Subtasks/Deliverables	4
4	System Maintenance - Firm Fixed Price	5
5	Optional Work - Fixed Hourly Rate	6
6	Schedule B.1 - Optional Work	7

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<b>DIMS.net ELECTION MANAGEMENT SYSTEM</b>
<b>Contractor's Name: RUNBECK ELECTION SERVICES</b>

<b>Work Description</b>	<b>Total Firm Fixed Price</b>
System Maintenance	\$2,749,151
Optional Work (Pool Dollars)	\$400,000
<b>Total Price</b>	<b>\$3,149,151</b>

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<b>DIMS.net ELECTION MANAGEMENT SYSTEM</b>
<b>Contractor's Name: RUNBECK ELECTION SERVICES</b>

Work Description	Year 1	Year 2	Optional Year 3	Optional Year 4	Total Firm Fixed Price
System Maintenance	\$674,535	\$674,535	\$691,398	\$708,683	\$2,749,151
Optional Work (Pool Dollars)	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
<b>Total</b>	<b>\$774,535</b>	<b>\$774,535</b>	<b>\$791,398</b>	<b>\$808,683</b>	<b>\$3,149,151</b>

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**DIMS.net ELECTION MANAGEMENT SYSTEM****Contractor's Name: RUNBECK ELECTION SERVICES****Subtask/Deliverables****TASK 1 – SUPPORT AND MAINTENANCE SERVICES**

1.1 - Core Application Software Upgrades

1.2 – Help Desk Support

A contact will be available twenty-four (24) hours a day, seven (7) days a week during Critical Election Periods. At any other time, a resource will be available during business hours of 7:00am-5:00pm Pacific Local Time. In addition, respond according to severity levels above.

1.3 - Status Reports- Help Desk Status Reports

1.4 – Issue Management Tracking

Within three (3) months of Effective Date of the Contract, Contractor must establish an Issue Management Tracking process that provides the County access to DIMS issue report. This tracking process must also provide a reporting mechanism to export the issues/bugs for County's management review with Operation teams.

**TASK 2 – SYSTEM INTERFACE PROGRAMMING AND EXECUTION**

2.1 - Define and Maintain Interface Software for the Statewide Voter Database (VoteCal)

2.2 - Real Time Electronic Pollbook (E-Pollbook) API

**TASK 3 – EXTERNAL ACCESS PLAN AND CONFIGURATION**

3.1 Contractor shall provide consulting services around use case analysis to determine appropriate DIMS.net System access by the City Clerks.

3.2 Contractor shall provide a written report outlining the configuration setting changes in DIMS.net System required to set-up City Clerk access.

3.3 Contractor shall provide training to County describing steps for configuration of security access changes in DIMS.net System required to set-up limited City Clerk access.

3.4 Contractor shall advise County of configuration setting changes in DIMS.net System required to setup City Clerk access in both the Test and Production Environments.

**TASK 4 – CHANGE ORDER PROCESS**

4.1 - Contractor will submit Change Order with firm and fixed pricing according to Appendix B (Pricing Schedule), when applicable. County will approve any Change Order by utilizing the Optional Work Schedule B.1 for Pool Dollars.

**TASK 5 – ACCOUNT MANAGER**

The Contractor shall hire and provide an Account Manager that is assigned to work Problems and enhancements that are reported/requested by the County. The Contractor's Account Manager shall be responsible for Contractor's day-to-day activities as related to this Contract and for reporting to County in the manner set forth by Department. The Contractor's Account Manager shall be responsible for Contractor's performance of all its tasks and subtasks and ensuring Contractor's compliance with this Contract.

From the Effective Date through the expiration of the term of this Contract, the Contractor's Account Manager shall meet and confer with County's Project Manager on a regular basis to review project progress and discuss project coordination. Such meetings shall be conducted at a time and place convenient to County's Project Manager.

The Contractors will notify County in writing of any changes in the name and contact information of Contractor's Account Manager.

**DIMS.net ELECTION MANAGEMENT SYSTEM****Contractor's Name: RUNBECK ELECTION SERVICES**

System Maintenance		Firm Fixed Price				
	Description of System Maintenance	Year 1	Year 2	Optional Year 3	Optional Year 4	Firm Fixed Price Years 1-4
*	DIMS.net Software License, Maintenance & Support Services	\$674,535	\$674,535	\$691,398	\$708,683	<b>\$2,749,151</b>
	Application Software					
	Application Modifications					
	Replacement Products					
	Updates/Upgrades					
	Help Desk Support (Technical and User Support)					
	New Alternate Account Manager- 24/7 Help Desk Assistance during Countywide Elections					
	Contract Administration/Security Requirements					
	<b>Total of System Maintenance</b>	<b>\$674,535</b>	<b>\$674,535</b>	<b>\$691,398</b>	<b>\$708,683</b>	<b>\$2,749,151</b>

\* **Software License and Maintenances:** These fees will be billed in monthly payments. Each monthly payment shall be paid in arrears of the applicable month invoiced. The annual contract sum will not increase for the Initial two (2) year Base Term and will increase 2.5% for Optional Year three (3) and 2.5% for Optional Year four (4).

**DIMS.net ELECTION MANAGEMENT SYSTEM****Contractor's Name: RUNBECK ELECTION SERVICES**

Optional Work*	Fixed Hourly Rate
Labor Resources	<b>\$175</b>
1. Requested on-site service = \$1,820 per day/per person 2. Requested remote database migration support = \$175 per hour 3. Requested remote technical support = \$175 per hour 4. Requested system enhancements = \$175 per hour 5. Requested VoteRemote DLL (ASR DLL) = \$175 per hour	

Fixed Hourly Rate shall be used to calculate Maximum Fixed Price for Optional Work, which may be provided by Contractor during the term of the Agreement. Fixed Hourly Rate shall not increase during the term of the Agreement.

\* Optional Work will be determined solely by County. Contractor is not required to enter any pricing other than the Fixed Hourly Rate.

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**DIMS.net ELECTION MANAGEMENT SYSTEM SCHEDULE B.1  
OPTIONAL WORK**

**APPENDIX B - PAYMENT SCHEDULE**

<b>DIMS.net ELECTION MANAGEMENT SYSTEM</b>					
<b>Contractor's Name: RUNBECK ELECTION SERVICES</b>					
<p><b><u>SCHEDULE B.1</u></b> <b>Optional Work</b></p>					
<b>1. OPTIONAL WORK/Pool Dollar</b>					
<b>Item No.</b>	<b>Description/type</b>	<b>Request Date</b>	<b>Delivery Date</b>	<b>County Approval Date</b>	<b>Maximum Fixed price</b>
	<b>SUBTOTAL</b>				<b>\$</b>

**Note 2: Any applicable state and local taxes are not included and are the responsibility of Customer. Premium or rush transportation services incurred in connection with deliverables included in the Total Fees are additive and will be billed as incurred.**

**APPENDIX C****CONTRACTOR'S EEO CERTIFICATION**


---

 Contractor Name

---

 Address

---

 Internal Revenue Service Employer Identification Number
**GENERAL CERTIFICATION**

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

**CONTRACTOR'S SPECIFIC CERTIFICATIONS**

- |    |   |                              |                             |
|----|---|------------------------------|-----------------------------|
| 1. | The Contractor has a written policy statement prohibiting discrimination in all phases of employment.   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self-analysis or utilization analysis of its work force.   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups.  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

---

 Authorized Official's Printed Name and Title

---

 Authorized Official's Signature

---

 Date

**APPENDIX D**

**COUNTY'S ADMINISTRATION**

CONTRACT:

CONTRACT NO:

**COUNTY PROJECT DIRECTOR:**

Name:

Title:

Address:

Telephone:

E-Mail Address:

**COUNTY PROJECT MANAGER:**

Name:

Title:

Address:

Telephone:

E-Mail Address:

**COUNTY CONTRACT PROJECT MONITOR:**

Name:

Title:

Address:

Telephone:

E-Mail Address:

**COUNTY CONTRACTS UNIT:**

Name:

Address:

Telephone:

E-Mail Address:

Name:

Telephone:

E-Mail Address:

**INVOICE QUESTIONS:**

For invoice questions, send an e-mail below and copy the County Project Director/Manager and monitor: [accountspayable@rrcc.lacounty.gov](mailto:accountspayable@rrcc.lacounty.gov)

Include the name of your company, contract name and contact number.



**APPENDIX D**

**COUNTY CONTRACTS AND GRANTS ANALYST:**

Name:  
Address:

Telephone:  
E-Mail Address:

**COUNTY CONTRACTS AND GRANTS MONITOR:**

Name:  
Address:

Telephone:  
E-Mail Address:

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**APPENDIX E**

**CONTRACTOR'S ADMINISTRATION**

CONTRACTOR:

CONTRACT NO:

**CONTRACTOR'S PROJECT DIRECTOR:**

Name:

Title:

Address:

Telephone:

E-Mail Address:

**CONTRACTOR'S PROJECT MANAGER:**

Name:

Title:

Address:

Telephone:

E-Mail Address:

**CONTRACTOR'S AUTHORIZED OFFICIAL:**

Name:

Title:

Address:

Telephone:

E-Mail Address:

**NOTICES TO CONTRACTOR SHALL BE SENT TO THE FOLLOWING ADDRESS:**

Name:

Title:

Address:

Telephone:

E-Mail Address:

**APPENDIX F****CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

CONTRACTOR NAME \_\_\_\_\_ Contract No. \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

**CONTRACTOR ACKNOWLEDGEMENT:**

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

**CONFIDENTIALITY AGREEMENT:**

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other

**APPENDIX F****CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY**

original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_/\_\_\_\_/\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

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**APPENDIX G**

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.010 Findings.**

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  3. A purchase made through a state or federal contract; or
  4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
  5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
  6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
  7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

**APPENDIX G**

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

Page 2 of 3

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

**2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

**2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.060 Enforcement and Remedies.**

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

**APPENDIX G**

Page 3 of 3

**2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  - 1. Has ten or fewer employees during the contract period; and,
  - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

APPENDIX H

# *Safely* Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)





## APPENDIX H

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

*Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.*

## How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

## What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

## Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

## Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

## Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

## What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

## What happens to the parent or surrendering adult?

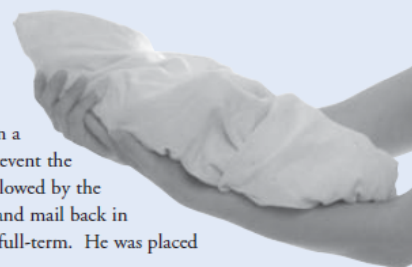
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



## APPENDIX H

# *Ley de* Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723  
[www.babysafela.org](http://www.babysafela.org)





## APPENDIX H

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

# Ley de Entrega de Bebés Sin Peligro

## ¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

*Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.*

## ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

## ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

## ¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

## ¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

## ¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

## ¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

## ¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

## ¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

## Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.





Standard/Registered Multi Licensee Deposit Account  
Software Escrow Agreement

Date	2/3/2020
Licensor	Runbeck Election Services, Inc.
Agreement Number	70865

Notice: This template has been drafted on the assumption that all contracting parties are based in the United States of America. If the contracting parties are based outside of the United States of America, NCC Group recommends that the parties take independent legal advice to ascertain what appropriate amendments should be made to this agreement.

**Escrow Agreement Dated:** 2/3/2020

**Between:**

- (1) Runbeck Election Services, Inc., an Arizona corporation whose principal place of business is at 2800 S. 36<sup>th</sup> Street, Phoenix, AZ 85034 ("Licensor"); and
- (2) NCC Group Escrow Associates, LLC, a limited liability company organized and existing under the laws of Georgia with its principal office at 11605 Haynes Bridge Road, 400 Northwinds, Suite 550, Alpharetta, GA 30009 USA ("NCC Group").

**Background:**

- (A) Each Licensee has been granted a license to use the Software which comprises computer programs.
- (B) Certain technical information and/or documentation relating to the Software is the confidential information and intellectual property of the Licensor and/or a third party.
- (C) The Licensor acknowledges that in certain circumstances, such information and/or documentation would be required by a Licensee in order for it to continue to exercise its rights under its License Agreement with the Licensor.
- (D) The parties therefore agree that such information and/or documentation should be placed with a trusted third party, NCC Group, so that such information and/or documentation can be released to the Licensee should certain circumstances arise.

**Agreement:**

In consideration of the mutual undertakings and obligations contained in this Agreement, the parties agree that:

**1 Definitions and Interpretation**

**1.1 In this Agreement the following terms shall have the following meanings:**

"Affiliate" means any entity directly or indirectly controlling, controlled by or under common control with NCC Group.

"Agreement" means the terms and conditions of this escrow agreement set out below, including the Schedules and Appendices hereto.

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in Atlanta, Georgia are authorized or required by law to close.

"Confidential Information" means all technical and/or commercial information not in the public domain and which is designated in writing as confidential by any party together with all other information of any party which may reasonably be regarded as confidential information.

"Data Protection Legislation" means the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679) and any related legislation, regulations, requirements or guidance from time to time.

"Deposit Account" means an account set up on the execution of a Deposit Account Agreement under which specific Escrow Material is deposited by the Licensor with NCC Group.

"Deposit Account Agreement" means an agreement in the form attached as Appendix 1, for the setting up of a Deposit Account.

"Deposit Form" means the form which is to be completed by the Licensor and delivered to NCC Group with each deposit of the Escrow Material.

"Escrow Material" means the Source Code of the Software and such other material and documentation (including updates and upgrades thereto and new versions thereof) as are necessary to be delivered or deposited to comply with Section 3 of this Agreement.

"Intellectual Property Rights" mean any copyright, patents, design patents, registered designs, design rights, utility models, trademarks, service marks, trade secrets, know how, database rights, moral rights, confidential information, trade or business names, domain names, and any other rights of a similar nature including industrial and proprietary rights and other similar protected rights in any country or jurisdiction together with all registrations, applications to register and rights to apply for registration of any of the aforementioned rights and any licenses of or in respect of such rights.

"License Agreement" means the agreement under which a Licensee was granted a license to use the Software.

"Licensee" means any Standard Licensee and/or Registered Licensee and references in this Agreement to Licensee shall be to the relevant Licensee or Licensees given the context in which such reference is made.

"Media Check" means the tests and processes forming NCC Group's Media Check service, in so far as they can be applied to the Escrow Material.

"Medium" means the media upon which the deposited Escrow Material is stored.

"Order Form" means the order form setting out the details of the order placed with NCC Group for setting up this Agreement and/or a Deposit Account Agreement and/or the registration of a Licensee under this Agreement.

"Personal Data" shall have the meaning given to it in the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679).

"PHI" means "protected health information" as defined by the Health Insurance Portability and Accountability Act's implementing regulations (45 C.F.R. 160.103).

"Registered Licensee" means any person, firm, company or other entity:

- (i) to whom a license to use the Software has been granted;
- (ii) whom Licensor has confirmed in writing to NCC Group may be registered as a Licensee under this Agreement; and
- (iii) who has agreed to be bound by the terms and conditions of this Agreement by executing a completed Registration Agreement, forwarding the same to NCC Group and the receipt and registration of which has been acknowledged by NCC Group in writing to Licensor and Licensee,

and references in this Agreement to Registered Licensee shall be to the relevant Registered Licensee or Registered Licensees given the context in which such reference is made.

"Registration Agreement" means an agreement in the form set out in Appendix 2 to be signed by any company wishing to be a party to a Deposit Account Agreement or Deposit Account Agreements, as a Registered Licensee and, accordingly, to take the benefit of and be bound by the terms and conditions of the Agreement (save as varied in the Registration Agreement) including payment obligations as may be defined in the Registration Agreement.

"Release Purposes" means the purposes of understanding, maintaining, modifying and correcting the Software exclusively for and on behalf of the relevant Licensee together with such other purposes (if any) as are permitted under that Licensee's License Agreement.

"Software" means the software together with any updates and upgrades thereto and new versions thereof licensed to Licensee under the License Agreement details of which are set out in Schedule 1 of a Deposit Account Agreement.

"Source Code" means the computer programming code of the Software in human readable form.

"Standard Licensee" means a Licensee who is, subject to Section 14.5, joined as a beneficiary to, or removed as a beneficiary from, a Deposit Account by the Licensor in its sole and absolute discretion from time to time and at any time, which the Licensor does by completing and submitting to NCC Group a list in the form set out in Appendix 3.

"Standard Licensee List" means the list of Standard Licensees which is to be submitted to NCC Group every time one or more Standard Licensees is added to or removed from the list in accordance with Section 2.4.

"Tax" means any tax, levy, impost, duty, charge or fee, or penalty or interest thereon.

"Third Party Material" means Source Code which is not the confidential information and intellectual property of the Licensor or the Licensee.

"Verification" means the tests and processes forming NCC Group's verification services for verifying and/ or testing the Escrow Material in so far as they can be applied to the Escrow Material and/or such other tests and processes as may be agreed between the parties.

"Virtual Machine Deposit" means a deposit of the Escrow Material in a virtual machine format.

- 1.2 This Agreement shall be interpreted in accordance with the following:
  - 1.2.1 headings are for ease of reference only and shall not be taken into consideration in the interpretation of this Agreement;
  - 1.2.2 all references to Sections and Schedules are references to Sections and Schedules of this Agreement;
  - 1.2.3 all references to a party or parties are references to a party or parties to this Agreement; and
  - 1.2.4 all references to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder.
- 1.3 This Agreement is intended to be "supplementary" to the License Agreement within the meaning of Section 365(n) of the United States Bankruptcy Code ("Code"), 11 U.S.C. § 365(n). The License Agreement requires, or the Licensee or Licensor have otherwise agreed, that certain materials, including the Escrow Material, be deposited in escrow pursuant to the terms and conditions of this Agreement. All such Escrow Material is and shall be deemed to be "intellectual property" or "embodiment[s] of ... intellectual property," as defined and used in Sections 101(35)(A) and 365(n) of the Code, 11 U.S.C. §§ 101(35)(A) and 365(n).
- 1.4 If Licensor or its estate becomes subject to any bankruptcy or similar proceeding, Licensee shall, without prejudice to or limitation of any other rights or remedies, have the right to exercise all rights and elections (including all licenses, privileges, remedies, and protections) under this Agreement, the License Agreement, the Source Code, and all other applicable laws with respect to this Agreement, the License Agreement, and the respective subject matter of each of these agreements, including the Software, and Escrow Material.

**2 Deposit Accounts, Standard Licensees and Registered Licensees**

- 2.1 Each time that the Licensor wishes to deposit different Escrow Material under the terms of this Agreement, the Licensor and NCC Group must execute a completed Deposit Account Agreement containing the details of the Escrow Material to be deposited in accordance with the obligations contained in Section 3.
- 2.2 Each signed Deposit Account Agreement shall be supplemental to and be governed by the terms of this Agreement.
- 2.3 For the avoidance of doubt, if the Escrow Material to be deposited is an update to or development of Escrow Material already deposited under an existing Deposit Account, the deposit of such Escrow Material shall not require a new Deposit Account and shall be deposited under the relevant existing Deposit Account.
- 2.4 The Licensor may add or remove Standard Licensees as beneficiaries to one or more Deposit Accounts by completing and submitting to NCC Group a consolidated list of all Standard Licensees registered to each Deposit Account in the form set out in Appendix 3 every time it wishes to add or remove Standard Licensees. Any list provided must track changes to the previous list submitted by the Licensor. The Licensor may only add or remove Standard Licensees using the consolidated list. A Standard Licensee may terminate its own registration under one or more Deposit Accounts in accordance with Section 14.5. NCC Group shall be entitled to rely on the most recently received Standard Licensee List together with any terminations by Standard Licensees since the date of that list.
- 2.5 Registered Licensees may be added to one or more Deposit Accounts by forwarding to NCC Group a Registration Agreement signed by the Registered Licensee and the Licensor and such registration being confirmed in writing by NCC Group to Licensor and Licensee.
- 2.6 The Licensor shall ensure that the description of the Escrow Material in each of (i) the Deposit Account Agreement, (ii) the Registration Agreement and (iii) the Standard Licensee List all correspond with each other and the description on the Escrow Material when deposited.

**3 Licensor's Duties and Warranties**

- 3.1 The Licensor shall:
  - 3.1.1 deliver a copy of the Escrow Material for a given Software to NCC Group within thirty (30) days of the date NCC Group receives an executed Deposit Account Agreement;
  - 3.1.2 deliver a further copy of the Escrow Material to NCC Group each time that there is a change to the relevant Software;
  - 3.1.3 following completion of the NCC Group on-site or remote element of any Verification either deliver a copy of the Escrow Material that has been verified to NCC Group within seven (7) days of the completion of the on-site or remote element of the Verification or, with NCC Group's consent, provide a copy of the same to the consultant undertaking such Verification on behalf of NCC Group in each case so that it can be deposited (under the relevant Deposit Account or a new Deposit Account);
  - 3.1.4 ensure that each copy of the Escrow Material deposited with NCC Group comprises the Source Code of the latest version of the relevant Software used by each Licensee;
  - 3.1.5 within thirty (30) days after the anniversary of the last delivery of the Escrow Material deliver to NCC Group a replacement copy of the Escrow Material for each Software;
  - 3.1.6 deliver a replacement copy of the Escrow Material to NCC Group within fourteen (14) days of a notice given to it by NCC Group under the provisions of Section 5.1.4;
  - 3.1.7 deliver with each deposit of the Escrow Material the following information:
    - 3.1.7.1 Deposit Form containing the details of the deposit including the full name of the Software (i.e. the original product name and deposit account number as set out under Schedule 1 to the Deposit Account Agreement together with any new names given to the Software by the Licensor), version details, media type, backup command/software used, compression used, archive hardware and operating system details;
    - 3.1.7.2 password/encryption details required to access the Escrow Material; and
    - 3.1.7.3 where the deposit is a Virtual Machine Deposit for a specific Licensee, the details of the relevant Licensee;
  - 3.1.8 deliver with each deposit of the Escrow Material the following technical information (where applicable):
    - 3.1.8.1 documentation describing the procedures for building, compiling and installing the Software, including names and versions of the development tools;
    - 3.1.8.2 Software design information (e.g. module names and functionality);
  - 3.1.9 if requested in writing by a Licensee, deposit a backup copy of the object code of any third party software package required to access, install, build or compile or otherwise use the Source Code contained in the Escrow Material; and

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- 3.1.10 if the Licensee requests or orders a Virtual Machine Deposit, deliver a further copy of the Escrow Material to NCC Group within a Virtual Machine Deposit.
- 3.2 If at any time there is more than one Licensee under this Agreement and those Licensees have different versions or releases of the Package then the Licenser shall ensure that all relevant versions of the Package are comprised in the Escrow Material that is delivered to NCC Group under Section 3.1. Subject to Section 3.3 the Licenser acknowledges that if a Licensee obtains a release under Section 7 that all of the Escrow Material held under the relevant Deposit Account will be released to that Licensee (including all versions and releases that are contained in it).
- 3.3 If a Licensee ("Requester") orders:
- 3.3.1 a Verification the Licenser will deliver a further copy of the Escrow Material to NCC Group at the end of such Verification or provide a copy of the same to the consultant undertaking the Verification on behalf of NCC Group; and
- 3.3.2 a Virtual Machine Deposit, the Licenser will deliver a further copy of the Escrow Material to NCC Group within a Virtual Machine Deposit.
- 3.4 In each case, such copy will be held by NCC Group on behalf of the Requester only and only the Requester (and no other Licensee) will be entitled to that copy of the Escrow Material in the event of a release under Section 6. Such rights to be in addition to the Requester's rights under Section 2.2 and the other provisions of this Agreement. However, if a Virtual Machine Deposit is made at the request of the Licenser and is identified as available to all Licensees this Section shall not apply and the Escrow Material shall be available to all Licensees.
- 3.5 Licenser warrants to both NCC Group and each Licensee at the time of each deposit of the Escrow Material with NCC Group that:
- 3.5.1 other than any third party object code referred to in Section 3.1.9 or any Third Party Material, it owns the Intellectual Property Rights in the Escrow Material;
- 3.5.2 in respect of any Third Party Material, it has been granted valid and ongoing rights under license by the third party owner(s) thereof to deal with such Third Party Material in the manner anticipated under this Agreement and any Deposit Account Agreement and that the Licenser has the express authority of such third party owner(s) to deposit the Third Party Material under this Agreement as evidenced by a signed letter of authorization in the form required, and if requested, by NCC Group;
- 3.5.3 the Escrow Material deposited under Section 3.1 contains all information in human-readable form (except for any third party object code deposited pursuant to Section 3.1.9) and is on suitable media to enable a reasonably skilled programmer or analyst to understand, maintain, modify and correct the Software;
- 3.5.4 in respect of any third party object code that the Licenser, at its option, or, at the request of a Licensee, deposits with NCC Group in conjunction with the Escrow Material pursuant to Section 3.1.9, it has the full right and authority to do so;
- 3.5.5 the Escrow Material does not contain any PHI and Licenser acknowledges that PHI may only be deposited under a HIPAA Escrow Agreement (which can be provided upon request); and
- 3.5.6 there is no Personal Data contained within the Escrow Material held by NCC Group.
- 3.6 The Licenser agrees and confirms that each time it makes a physical deposit of Escrow Material under this Agreement it transfers ownership of the Medium on which the Escrow Material is stored to NCC Group.
- 3.7 The Licenser agrees that each time it makes an electronic deposit of Escrow Material under this Agreement and NCC Group downloads that Escrow Material onto a Medium, NCC Group shall own the Medium on which the Escrow Material is stored.
- 4 Licensee's Responsibilities and Undertakings**
- 4.1 The Licensee shall notify NCC Group of any change to the Software that necessitates a replacement deposit of the Escrow Material
- 4.2 In the event that the Escrow Material deposited under one or more Deposit Accounts is released to a Licensee under Section 7, that Licensee shall:
- 4.2.1 keep the Escrow Material confidential at all times;
- 4.2.2 use the Escrow Material only for the Release Purposes;
- 4.2.3 not disclose the Escrow Material to any person or third party except such of its employees or contractors who need to know the same for the Release Purposes or any other party as permitted under the License Agreement. In the event that Escrow Material is disclosed to its employees or contractors or a third party, the applicable Licensee shall ensure that they are bound by the same confidentiality obligations as are contained in this Section 4.2;
- 4.2.4 hold all media containing the Escrow Material in a safe and secure environment when not in use; and
- 4.2.5 forthwith destroy the Escrow Material should the Licensee cease to be entitled to use the relevant Software under the terms of the relevant License Agreement.



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4.3 In the event that NCC Group releases any Escrow Material to a Standard Licensee, the Standard Licensee shall be required, as a condition of release, to sign an undertaking to confirm its agreement to the obligations contained in Section 4.2.

4.4 In the event that the Escrow Material is released to a Licensee under Section 7, it shall be the responsibility of the relevant Licensee to obtain the necessary licenses to utilize the third party object code and/or any Third Party Material deposited by the Licensors pursuant to Section 3.1.9.

## 5 NCC Group's Duties

5.1 NCC Group shall:

5.1.1 at all times during the term of this Agreement, retain the latest deposit of the Escrow Material in a safe and secure environment;

5.1.2 notify the Licensors and each relevant Licensee of the acceptance of any Registration Agreement;

5.1.3 inform the Licensors and each relevant Licensee of the receipt of any deposit of the Escrow Material by sending to all of them a copy of the Media Check report or Verification report (as the case may be) generated from the testing processes carried out under Section 11 provided that only the Licensors and where applicable the Requester, will receive a copy of a notice or report in respect of any Verification and any resultant deposit; and

5.1.4 notify the Licensors and each relevant Licensee if it becomes aware at any time during the term of this Agreement that the copy of the Escrow Material held by it has been lost, damaged or destroyed so that a replacement may be obtained.

5.2 If NCC Group becomes aware that the Licensors has not deposited the Escrow Material under a Deposit Account with NCC Group when required to do so under the terms of this Agreement, then NCC Group may notify the relevant Licensee of such failure (but it is not obligated to do so and shall not be responsible for procuring such deposit from the Licensors).

5.3 NCC Group has the right to make such copies of the Escrow Material as may be necessary solely for the purposes of this Agreement.

## 6 Payment

6.1 The Licensors and each Licensee shall pay NCC Group's standard fees and charges as published from time to time or as otherwise agreed, in the proportions set out in Schedule 1. NCC Group's fees as published are exclusive of any applicable Tax.

6.2 If NCC Group is required to perform any additional or extraordinary services as a result of being an escrow agent including intervention in any litigation or proceeding, NCC Group shall receive reasonable compensation for such services and be reimbursed by the requesting party for all costs incurred, including without limitation, its reasonable attorney's fees.

6.3 NCC Group shall be entitled to review and vary its standard fees and charges for its services under this Agreement from time to time but no more than once a year and only upon forty-five (45) days written notice to the parties.

6.4 Except in the case of release as stated in Section 7, all invoices are payable within thirty (30) days from the date of invoice. Interest shall accrue at the lesser of 1.5% per month or the maximum amount permitted by applicable law for any fees that are undisputed by the paying party and remain unpaid for more than thirty (30) days past the due date of the applicable invoice. The Licensors or the Licensee(s) (as applicable) shall reimburse NCC Group for all costs incurred in collecting any overdue payments and related interest, including, without limitation, attorneys' fees, legal costs, court costs and collection agency fees.

6.5 The Licensors and each Licensee shall make all such payments due under this Agreement to NCC Group without withholding or deduction of, or in respect of, any Tax unless required by law. If any such withholding or deduction is required, the Licensors or the relevant Licensee (as applicable) shall, when making the payment to which the withholding or deduction relates, pay to NCC Group such additional amount as will ensure that NCC Group receives the same total amount that it would have received if no such withholding or deduction had been required.

6.6 NCC Group shall have no obligations under this Agreement until the initial invoice has been paid in full.

## 7 Release Procedures

7.1 Subject to: (i) the remaining provisions of this Section 7 and (ii) the receipt by NCC Group of its release fee and any other fees and interest (if any) due under this Agreement, NCC Group will release the Escrow Material deposited under the relevant Deposit Accounts to which the Licensee is a party (whether as a Standard Licensee or a Registered Licensee) to a duly authorized representative of the relevant Licensee if any of the following events ("Release Event(s)") occur:

7.1.1 a receiver, trustee, or similar officer is appointed for the business or property of the Licensors; or

7.1.2 the Licensors files a petition in bankruptcy, files a petition seeking any reorganization (without confirming immediately in writing to the relevant Licensee that it will continue to maintain the Software in accordance with the terms of the License Agreement or any applicable maintenance agreement), makes an arrangement, composition, or similar relief under any law regarding insolvency or relief for debtors, or makes an assignment for the benefit of creditors; or

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- 7.1.3 any involuntary petition or proceeding under bankruptcy or insolvency laws is instituted against the Licensor and not stayed, enjoined, or discharged within sixty (60) days; or
  - 7.1.4 the Licensor takes any corporate action authorizing any of the foregoing; or
  - 7.1.5 any similar or analogous proceedings or event to those in Sections 7.1.1 to 7.1.3 above occurs in respect of the Licensor within any jurisdiction outside the United States of America; or
  - 7.1.6 the Licensor ceases to carry on its business or the part of its business which relates to the Software; or
  - 7.1.7 the Licensor or, where relevant, its agent, parent, subsidiary or associated company is in material breach of its obligations as to maintenance or modification of the Software under the License Agreement or any maintenance agreement entered into in connection with the Software and has failed to remedy such default notified by the Licensee to the Licensor within a reasonable period.
- 7.2 A Licensee must notify NCC Group of the Release Event specified in Section 7.1 by delivering to NCC Group a notice in writing ("Notice") declaring that such Release Event has occurred and specifying the Deposit Account(s) so affected, and setting out the facts and circumstances of the Release Event, that the relevant License Agreement and any maintenance agreement, if relevant, for the Software was still valid and effective up to the occurrence of such Release Event and exhibiting any applicable supporting documentary evidence. Without prejudice to Sections 12.4 and 12.5 NCC Group shall be fully entitled to rely and act upon the Notice and shall not be required to verify its contents, truth or accuracy.
- 7.3 Upon receipt of a Notice from a Licensee claiming that a Release Event has occurred:
- 7.3.1 NCC Group shall submit a copy of the Notice to the Licensor by courier or other form of guaranteed delivery; and
  - 7.3.2 unless within fourteen (14) calendar days after the date of dispatch of the Notice by NCC Group, NCC Group receives a counter-notice in writing from the Licensor stating that in their view no such Release Event has occurred or, if appropriate, that the event or circumstance giving rise to the Release Event has been rectified,
- NCC Group will release the Escrow Material deposited under the relevant Deposit Accounts to which the Licensee is party and which the Licensee has requested, to the Licensee for its use for the Release Purposes.
- 7.4 Upon receipt of the counter-notice from the Licensor under Section 7.3.2, NCC Group will send a copy of the counter-notice to the Licensee by courier or other form of guaranteed delivery.
- 7.5 Within ninety (90) calendar days of dispatch of the copy of the counter-notice to the relevant Licensee by NCC Group, that Licensee may give notice to NCC Group that it wishes to invoke the dispute resolution procedure under Section 8 (and such notice shall be known as a "Demand"). Upon receipt of a Demand, NCC Group will send a copy of the Demand to the Licensor by courier or other form of guaranteed delivery.
- 7.6 If, within ninety (90) calendar days of dispatch of the counter-notice by NCC Group to the relevant Licensee, NCC Group has not received a Demand, the Notice submitted by that Licensee will be deemed to be no longer valid and that Licensee shall be deemed to have waived its right to release of the Escrow Material deposited under the relevant Deposit Accounts to which the Licensee is party and which the Licensee has requested for the particular reason or event specified in the original Notice. In such circumstances, this Agreement shall continue in full force and effect.
- 7.7 For the avoidance of doubt, where a Release Event has occurred under Section 7.1 in respect of as Licensee, a subsequent assignment of the Intellectual Property Rights in the Escrow Material shall not prejudice the relevant Licensee's right to release of the Escrow Material and its use for the Release Purposes.
- 7.8 If a Release Event has occurred under Section 7.1 in respect of a Licensee, the subsequent termination of that Licensee's License Agreement shall not prejudice the Licensee's right to release of the Escrow Material and its use for the Release Purposes provided that the other provisions of this Section 7 have been complied with.
- 7.9 For the avoidance of doubt, each Licensee must make a separate release request under this Section 7 and (if necessary) separately follow the dispute resolution procedure in relation to disputed release requests under Section 7.
- 8 Disputes regarding Release Event(s)**
- 8.1 All disputes regarding whether the Release Event(s) specified in the Notice occurred before the Licensee delivered the Notice to NCC Group shall be decided by one (1) arbitrator. The place of the arbitration shall be Atlanta, Georgia. If the Licensor and Licensee have not agreed on an arbitrator within seven (7) days after the Licensor receives the Demand from NCC Group, the American Arbitration Association (AAA) shall appoint an arbitrator within ten (10) days of receipt of a request to appoint an arbitrator, which may be filed by either the Licensor or Licensee. The arbitrator's agreement to the deadlines set forth in this Section 8 shall be a condition to the appointment as arbitrator, but failure to adhere to these time limits shall not be a basis for challenging the award. NCC Group shall not be party to the dispute resolution proceedings under this Section 8.
- 8.2 Within seven (7) days of the appointment of the arbitrator, the Licensor and the Licensee shall each provide written submissions to the arbitrator, together with all documentary evidence in their possession in support of their claim.
- 8.3 Based solely on the written submissions of the Licensor and the Licensee, and without the need for a hearing, the arbitrator shall render and deliver his or her award to the Licensor, the Licensee and NCC Group within fourteen (14) days or as soon as practicable thereafter of receiving the written submissions from the Licensor and the Licensee. The

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Licensee and the Licensors may agree to extend this time limit or the arbitrator may do so in its discretion if he or she determines that the interest of justice so requires.

- 8.4 The award shall be limited to a determination of whether or not there existed a Release Event at the time Licensee delivered the Notice to NCC Group and, where the Licensors claim within the timescales specified in Section 7.3.2 that the Release Event has been rectified and the Licensee does not agree, to a determination of whether or not the Release Event has in fact been rectified. In addition, the arbitrator shall award the prevailing party its attorneys' fees and costs, including the fees and costs of the arbitrator.
- 8.5 The arbitral award shall be final and binding upon the parties hereto. If the arbitrator finds that a Release Event existed at the time of delivery of the Notice to NCC Group, NCC Group is hereby authorized to release and deliver the Escrow Material deposited under the relevant Deposit Account to which the Licensee is party and which the Licensee has requested to the Licensee within 5 Business Days of the decision being notified by the arbitrator to the parties. If the arbitrator finds to the contrary, then NCC Group shall not release the Escrow Material and shall continue to hold the Escrow Material in accordance with the terms of this Agreement.
- 8.6 The parties agree that the arbitration provided in this Section 8 shall not be consolidated or joined with any other proceeding regarding disputes between or among any of the parties.

## 9 Confidentiality

- 9.1 Without prejudice to Section 7, the Escrow Material shall remain at all times the confidential and intellectual property of its owner.
- 9.2 In the event that NCC Group releases any Escrow Material to a Licensee, that Licensee shall be permitted to use the Escrow Material only for the Release Purposes.
- 9.3 Subject to Section 9.4 and the remainder of this Section 9.3, NCC Group agrees to keep all Confidential Information relating to the Escrow Material and/or the Software that comes into its possession or to its knowledge under this Agreement in strict confidence and secrecy. NCC Group further agrees not to make use of such information and/or documentation other than for the purposes of this Agreement and, unless the parties should agree otherwise in writing and subject to Section 9.4, will not disclose or release it other than in accordance with the terms of this Agreement.
- 9.4 NCC Group may release any Escrow Material to the extent that it is required by applicable federal, state or local law, regulation, court order, judgment, decree or other legal process, provided that, unless prohibited by the terms of the order or the relevant law or regulation, NCC Group has notified the Licensors and the Licensee prior to such required release, has given the Licensors and/or the Licensee an opportunity to contest (at their own expense) such required release, within the time parameters mandated by such applicable regulation, court order, judgment, decree or other legal process. NCC Group is hereby expressly authorized in its sole discretion to obey and comply with all orders, judgments, decrees so entered or issued by any court, without the necessity of inquiring as to the validity of such order, judgment or decree, or the court's underlying jurisdiction. Where NCC Group obeys or complies with any such order, judgment or decree, NCC Group shall not be liable to the Licensee, the Licensors or any third party by reason of such compliance, notwithstanding that such order, judgment or decree may subsequently be reversed, modified or vacated.
- 9.5 Any request by a Licensee under (i) Section 3.1.10 for a Virtual Machine Deposit; and (ii) 11.3 for a Verification shall not be disclosed to any other Licensee(s) except where the requesting Licensee agrees.

## 10 Intellectual Property Rights

- 10.1 The release of any Escrow Material to a Licensee will not act as an assignment of any Intellectual Property Rights that the Licensors or any third party possesses in the Escrow Material.
- 10.2 The Intellectual Property Rights in the Media Check report and any Verification report shall remain vested in NCC Group. The Licensors and each Licensee shall be granted a non-exclusive right and license to use the Media Check report for the purposes of this Agreement and their own internal purposes only. The Licensors and the party who commissioned the Verification shall each be granted a non-exclusive right and license to use the Verification report for the purposes of this Agreement and their own internal purposes only. The Licensors and where applicable the Requester shall each be granted a non-exclusive right and license to use the Verification report for the purposes of this Agreement and their own internal purposes only. The Licensors and where applicable the Requester shall each be granted a non-exclusive right and license to use the Verification report for the purposes of this Agreement and their own internal purposes only.

## 11 Media Check and Verification

- 11.1 NCC Group shall bear no obligation or responsibility to any party to this Agreement or person, firm, company or entity whatsoever to determine the relevance, completeness, accuracy, operation, effectiveness, functionality or any other aspect of any Escrow Material received by NCC Group under this Agreement.
- 11.2 As soon as reasonably practicable after any Escrow Material has been deposited with NCC Group, NCC Group shall perform a Media Check on that Escrow Material.
- 11.3 The Licensors or any Licensee may request that NCC Group carry out a Verification and the Licensors and the relevant Licensee shall co-operate in facilitating such Verification. NCC Group shall at its absolute discretion decide whether or not to undertake any Verification requested and may attach such requirements thereto as it considers appropriate. Subject to Section 11.4, NCC Group's prevailing fees and charges for the Verification and all reasonable expenses incurred by NCC Group in carrying out the Verification shall be payable by the requesting party.

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- 11.4 If any Escrow Material fails to satisfy NCC Group's Verification tests as a result of being defective or incomplete in content, NCC Group's fees, charges and expenses in relation to the Verification tests shall be paid by the Licensor.
- 11.5 Should any Escrow Material deposited fail to satisfy NCC Group's Media Check under Section 11.2, the Licensor shall, within fourteen (14) days of the receipt of the notice of test failure from NCC Group, deposit such new, corrected or revised Escrow Material as shall be necessary to ensure its compliance with its warranties and obligations in Section 3. If the Licensor fails to make such deposit of the new, corrected or revised Escrow Material as requested in accordance with this Section 11.5, NCC Group will inform the relevant Licensee that the Escrow Material has failed the Media Check and retain such deposit in accordance with Section 5.1.1.
- 11.6 Should the Escrow Material deposited fail to satisfy NCC Group's Verification tests under Section 11.3, the Licensor shall, within fourteen (14) days of the receipt of the notice of test failure from NCC Group, deposit such new, corrected or revised Escrow Material as shall be necessary to ensure its compliance with its warranties and obligations in Section 3. If the Licensor fails to make such deposit of the new, corrected or revised Escrow Material, as requested in accordance with this Section 11.6, NCC Group will issue a report to the relevant Licensee(s) detailing the problem with the Escrow Material as revealed by the relevant tests.
- 11.7 The Licensor acknowledges that as part of the Verification services NCC Group may test the Escrow Material and hereby consents to the performance of such services ordered pursuant to this Agreement.
- 11.8 NCC Group's then current terms and conditions in relation to Verification ("Verification Terms") will (unless NCC Group expressly agrees otherwise in writing) apply to any Verification undertaken by NCC Group in connection with this Agreement.
- 12 NCC Group's Liability**
- 12.1 Nothing in this Section 12 excludes or limits the liability of NCC Group for gross negligence or intentional misconduct.
- 12.2 Subject to Section 12.1, NCC Group shall not be liable for:
- 12.2.1 any loss or damage caused to either Licensor or any Licensee except to the extent that such loss or damage is caused by the negligent acts or negligent omissions of or a breach of any contractual duty by NCC Group, its employees, agents or sub-contractors, and in such event, NCC Group's total liability with regard to all claims arising under or by virtue of this Agreement or in connection with the performance or contemplated performance of this Agreement, shall not exceed the sum of \$250,000 (two hundred and fifty thousand US dollars); and
- 12.2.2 any special, indirect, incidental or consequential damages whatsoever.
- 12.3 NCC Group shall not be responsible in any manner whatsoever for any failure or inability of the Licensor or any Licensee to perform or comply with any provision of this Agreement.
- 12.4 NCC Group shall not be liable in any way to the Licensor or the Licensee for acting in accordance with the terms of this Agreement and specifically (without limitation) for any upon any notice, written request, waiver, consent, receipt, statutory declaration or any other document furnished to it pursuant to and in accordance with this Agreement.
- 12.5 NCC Group shall not be required to make any investigation into, and shall be entitled in good faith without incurring any liability to the Licensor or any Licensee to assume (without requesting evidence thereof) the validity, authenticity, veracity and due and authorized execution of any documents, written requests, waivers, consents, receipts, statutory declarations or notices received by it in respect of this Agreement.
- 12.6 NCC Group shall not be liable in any way to the Licensor or any Licensee for acting, subject to any terminations pursuant to Section 14.5, in reliance on the Standard Licensee List referred to in Section 2.4 together with any Registration Agreements executed and confirmed by NCC Group.
- 12.7 Nothing in this Agreement shall impose any liability on NCC Group in respect of non-performance of its obligations under this Agreement to the extent such non-performance is due to the Licensee's or any Licensor's acts, omissions, negligence or default.
- 13 Indemnity**
- 13.1 Except for any claim falling within the provisions of Section 12.1, or any claim in respect of which NCC Group is found by a court of competent jurisdiction to have breached this Agreement or been negligent, the Licensor and the Licensee involved in the dispute or litigation jointly and severally agree at all times to indemnify and hold harmless NCC Group in respect of all of its legal and all other costs (including, without limitation, NCC Group's reasonable attorney's fees), fees and expenses incurred directly or indirectly as a result of being brought into or otherwise becoming involved in any form of dispute resolution proceedings or any litigation of any kind between, or involving, the Licensor and/or the relevant Licensee and/or any third party in relation to this Agreement to the extent that this Agreement does not otherwise provide for reimbursement of such costs.
- 13.2 The Licensor shall assume all liability and shall at all times indemnify and hold harmless NCC Group and its officers, agents, sub-contractors and employees from and against any and all liability, loss, damages, costs, legal costs (including reasonable attorney's fees), professional and other expenses and any other liabilities of whatever nature, awarded against or agreed to be paid or otherwise suffered, incurred or sustained by NCC Group, whether direct, indirect or consequential as a result of or in connection with any claim by any third party(s) for alleged or actual infringement of Intellectual Property Rights arising out of or in connection with all and any acts or omissions of NCC Group in respect of the Escrow Material as contemplated under this Agreement.

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- 13.3 The Licensors shall, where NCC Group has acted pursuant to Section 12.6 above, assume all liability and shall at all times indemnify and hold harmless NCC Group and its officers, agents, sub-contractors and employees from and against any and all liability, loss, damages, costs, legal costs (including reasonable attorney's fees), professional and other expenses and any other liabilities of whatever nature, awarded against or agreed to be paid or otherwise suffered, incurred or sustained by NCC Group, whether direct, indirect or consequential as a result of or in connection with any claim by a Licensors, Licensee or any third party(s) that NCC Group has either failed to release some or all of the correct Escrow Material on a Release Event or has released Escrow Material that it should not have released.
- 14 Term and Termination**
- 14.1 This Agreement and any Deposit Account Agreement shall continue until terminated in accordance with this Section 14.
- 14.2 If the Licensors or a Licensee, as the case may be, fails to pay an invoice addressed to it for services under this Agreement and/or any Deposit Account Agreement in accordance with Section 5, NCC Group reserves the right to give that party written notice to pay the outstanding invoice within thirty (30) days. If a Licensee has not paid its invoice before the expiry of the thirty (30) day notice period, NCC Group shall have the right to terminate this Agreement in respect of that Licensee immediately on written notice. If the Licensors has not paid its invoice before the expiry of the thirty (30) day notice period, NCC Group may give the relevant Licensee (where the invoice is related to a specific Licensee) or all Licensees a period of thirty (30) days to pay the Licensors' invoice. If the Licensors' invoice has not been paid by the expiry of the thirty (30) day optional payment period given to a Licensee, NCC Group shall have the right to terminate this Agreement and the relevant Deposit Account Agreement immediately on written notice in respect of the relevant Licensee(s) or in its entirety (as appropriate). Any amounts owed by the Licensors but paid by a Licensee will be recoverable by the relevant Licensee direct from the Licensors as a debt and, if requested, NCC Group shall provide appropriate documentation to assist in such recovery.
- 14.3 Notwithstanding any other provision of this Section 14, NCC Group may terminate this Agreement and/or any Deposit Account Agreement by giving thirty (30) days written notice to the Licensors and each Licensee.
- 14.4 A Standard Licensee or Registered Licensee may terminate any and all Deposit Account Agreements in respect of itself only at any time by giving sixty (60) days prior written notice to NCC Group.
- 14.5 If NCC Group discovers that a Release Event has occurred and a Licensee has not exercised its right to claim for release of the Escrow Material under Section 7.2, NCC Group shall have the right to terminate this Agreement and/or any Deposit Account Agreement in respect of the relevant Licensee (or if the Release Event applies to all Licensees, then this Agreement in its entirety) upon thirty (30) days' written notice to the Licensors and the relevant Licensee(s). The relevant Licensee shall have the option of applying for release in accordance with Section 7 during this notice period, but if it fails to do so, upon the expiry of this notice period, this Agreement and/or any Deposit Account Agreement shall automatically terminate with respect to the relevant Licensee(s) or in its entirety (as appropriate).
- 14.6 If the License Agreement with a Registered Licensee has expired or has been lawfully terminated, then the relevant Registered Licensee shall give notice to NCC Group within fourteen (14) days thereof to terminate its interest under the relevant Deposit Account Agreement(s), failing which, the Licensors shall be entitled to give written notice to NCC Group to terminate the relevant Registered Licensee's interests under the relevant Deposit Account Agreement(s). Upon receipt of such a notice from the Licensors, NCC Group shall notify the relevant Registered Licensee of the Licensors' notice to terminate. Unless within thirty (30) days of NCC Group giving such notice to Registered Licensee, NCC Group receives a counter-notice from the relevant Registered Licensee either (i) disputing the termination of the License Agreement; or (ii) requesting release pursuant to Section 7, then the relevant Registered Licensee shall be deemed to have consented to such termination and the relevant Registered Licensee's rights under the relevant Deposit Account Agreement shall immediately automatically terminate. If the relevant Registered Licensee does provide NCC Group with a counter-notice, then NCC Group shall notify the Licensors and the relevant Registered Licensee's rights under the Deposit Account Agreement shall not terminate but shall continue in full force and effect pending resolution of the dispute. Any disputes arising under this Section shall be dealt with in accordance with the dispute resolution procedure in Section 8 except that the question to be determined by the arbitrator will be whether or not the License Agreement has expired or been lawfully terminated.
- 14.7 Subject to Section 14.6, the Licensors may only terminate the interests of any Registered Licensee under a Deposit Account Agreement with the written consent of that Registered Licensee and then only on not less than sixty (60) days' prior written notice to NCC Group.
- 14.8 Subject to Section 14.6, Licensors may only terminate this Agreement or a Deposit Account Agreement in its entirety with the written consent of all Registered Licensees and then only on not less than sixty (60) days' prior written notice to NCC Group.
- 14.9 For thirty (30) days from the date of termination of this Agreement and/or a Deposit Account Agreement pursuant to Sections 14.2 to 14.8 inclusive NCC Group will make the Escrow Material available for collection by the Licensors or its agents from the premises of NCC Group during office hours. After such thirty (30) day period NCC Group will destroy the Escrow Material.
- 14.10 Licensors may terminate the interests of any Standard Licensee under a Deposit Account Agreement at any time by submitting to NCC Group a new list in the form set out in Appendix 3.
- 14.11 A Deposit Account Agreement shall automatically immediately terminate in respect of a Licensee upon release of the Escrow Material to that Licensee in accordance with Section 7.

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- 14.12 If this Agreement or a Deposit Account Agreement is superseded and replaced by a new agreement in respect of the Escrow Material, this Agreement and/or the relevant Deposit Account Agreement shall, upon the coming into force of the new agreement in respect of a Licensee, automatically terminate in respect of that Licensee. When this Agreement and/or a Deposit Account Agreement has been terminated in respect of all Licensees who are registered under it, it shall immediately terminate in its entirety. The relevant party or parties shall request NCC Group to either transfer the Escrow Material to the new agreement or ask the Licenser under the new agreement to deposit new material. If new material is deposited, upon its receipt, NCC Group shall, unless otherwise instructed, destroy the Escrow Material.
- 14.13 The termination of this Agreement and/or a Deposit Account Agreement in respect of a Licensee shall be without prejudice to the continuation of this Agreement and/or a Deposit Account Agreement in respect of any other Licensees.
- 14.14 If any terminations of Licensees' interests under this Agreement and/or a Deposit Account Agreement result in there being no Licensees registered under this Agreement and/or a Deposit Account Agreement, unless otherwise instructed by the Licenser, this Agreement and/or a Deposit Account Agreement will continue and the Escrow Material will be retained by NCC Group pending registration of other Licensees.
- 14.15 The provisions of Sections 1, 4.2, 4.4, 6, 9, 10, 11.1, 12, 13, 14.15 to 14.17 (inclusive) and 15 shall continue in full force after termination of this Agreement.
- 14.16 On and after termination of this Agreement and/or a Deposit Account Agreement, the Licenser and/or the relevant Licensee(s) (as appropriate) shall remain liable to NCC Group for payment in full of any fees and interest which have become due but which have not been paid as at the date of termination.
- 14.17 The termination of this Agreement and/or a Deposit Account Agreement, however arising, shall be without prejudice to the rights accrued to the parties prior to termination.
- 14.18 A Licensee may by written notice to NCC Group unilaterally revoke any termination notice served by it at any time prior to the expiry of such termination notice.
- 15 General**
- 15.1 Licenser and each Licensee shall notify NCC Group, within thirty (30) days of its occurrence, of any of the following:
- 15.1.1 any change of name of the individual contact(s) for this Agreement and/or a Deposit Account Agreement, such notice to include the new contact name, email address, correspondence address and telephone number;
  - 15.1.2 a change of its name, principal office; and
  - 15.1.3 any material change in its circumstances that may affect the validity or operation of this Agreement or a Deposit Account Agreement,
- NCC Group shall be entitled to contact any party to this Agreement (including Standard Licensees) as required to enable it to provide its services under this Agreement, including, but not limited, to verify that it has up-to-date contact details.
- 15.2 Each party warrants that it has full capacity and authority to enter into and to perform this Agreement, and that in entering into this Agreement and performing its obligations under it, it is not and will not at any time be in breach of any of its express or implied obligations to any third party.
- 15.3 This Agreement shall be deemed entered into in Arizona and will be governed by and construed according to the laws of the state of Arizona, excluding that body of law known as conflict of law. The parties agree that any dispute arising under this Agreement, except as provided in Section 8, will be resolved in the state or federal courts in Phoenix, Arizona and the parties hereby expressly consent to the jurisdiction thereof. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT.
- 15.4 This Agreement and the relevant Deposit Account Agreement together with any relevant Order Form, the Deposit Form and, in respect of each Registered Licensee, their Registration Agreement and in respect of each Standard Licensee, the inclusion of them in the Appendix 3 list and the Verification Terms (where applicable) represent the whole agreement relating to the escrow arrangements between NCC Group, and the other parties in relation to the Software and shall supersede all prior agreements, discussions, arrangements, representations, negotiations and undertakings. In the event of any conflict between these documents, the following order of precedence shall apply: (i) the Verification Terms (where applicable); then (ii) in respect of each Licensee, their Registration Agreement; then (iii) the Deposit Account Agreement; then (iv) this Agreement; then (v) the Deposit Form; then (vi) the Order Form; then (vii) any other document incorporated by reference.
- 15.5 Unless the provisions of this Agreement otherwise provide, any notice or other communication required or permitted to be given or made in writing hereunder shall be validly given or made if delivered by hand or courier or if dispatched by nationally recognized courier addressed to the address specified for the parties in this Agreement and the relevant Deposit Account Agreement or their Registration Agreement (or such other address as may be notified to the parties from time to time) or if sent by electronic mail to an email address as notified to the parties from time to time and shall be deemed to have been received:
- (i) if delivered by hand or courier, at the time of delivery;

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- (ii) if sent by nationally recognized courier, two (2) Business Days after mailing (six (6) Business Days after mailing if recipient is overseas); or
  - (iii) if sent by electronic mail on a Business Day before 4.30pm (PST), on that day or, in any other case, on the next Business Day.
- 15.6 No party shall assign, transfer or subcontract this Agreement or any rights or obligations hereunder without the prior written consent of the other parties, except where: (i) a party merges, is acquired or has substantially all of its assets acquired and the new entity or acquirer agrees to assume all of their obligations and liabilities under this Agreement and the relevant Deposit Account Agreement; or (ii) NCC Group sub-contracts or assigns its rights or obligations to its Affiliates or a third party approved by NCC Group. NCC Group shall ensure that any such Affiliate or aforementioned third party is bound by the same confidentiality obligations as are contained in Section 9 and shall be responsible and liable for the acts and omissions of such Affiliate to the same extent as if such acts or omissions were by NCC Group.
- 15.7 This Agreement shall be binding upon and survive for the benefit of the successors in title and permitted assigns of the parties.
- 15.8 If any provision of this Agreement is declared too broad in any respect to permit enforcement to its full extent, the parties agree that such provision shall be enforced to the maximum extent permitted by law and that such provision shall be deemed to be varied accordingly. If any provision of this Agreement is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, or unenforceable, it shall, to the extent of such illegality, invalidity or unenforceability, be deemed severable and the remaining part of the provision and the rest of the provisions of this Agreement shall continue in full force and effect.
- 15.9 Except as expressly provided in this Agreement, no amendment or variation of this Agreement or a Deposit Account Agreement shall be effective unless in writing and signed by a duly authorized representative of each of the parties to it.
- 15.10 NCC Group shall, on request by Licensor or Standard or Registered Licensee, provide a copy of this Agreement to the relevant Standard or Registered Licensee(s) stated in the request.
- 15.11 The parties shall not be liable to each other or be deemed to be in breach of this Agreement by reason of any delay in performing, or failure to perform, any of their obligations under this Agreement if the delay or failure was for a reason beyond that party's reasonable control (including, without limitation, fire, flood, explosion, epidemic, riot, civil commotion, any strike, lockout or other industrial action, act of God, war or warlike hostilities or threat of war, terrorist activities, accidental or malicious damage, or any prohibition or restriction by any governments or other legal authority which affects this Agreement and which is not in force on the date of this Agreement). A party claiming to be unable to perform its obligations under this Agreement (either on time or at all) in any of the circumstances set out above must notify the other parties of the nature and extent of the circumstances in question as soon as practicable. If such circumstances continue for more than six months, any of the other parties shall be entitled to terminate this Agreement by giving one month's notice in writing.
- 15.12 No waiver by any party of any breach of any provisions of this Agreement shall be deemed to be a waiver of any subsequent or other breach and, subject to Section 7.6, no failure to exercise or delay in exercising any right or remedy under this Agreement shall constitute a waiver thereof.
- 15.13 This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.
- 15.14 The Licensor and each Licensee warrant to NCC Group that as at the date of this Agreement it is not subject to any sanction, embargo or equivalent measure imposed by the laws of any jurisdiction or any union of jurisdictions (as "Sanctions") whether by virtue of such Sanctions being imposed on it individually or by virtue of it being resident in a certain jurisdiction or operating in a certain sector. If, during the term of this Agreement, the Licensor or a Licensee becomes subject to any Sanction it will immediately notify NCC Group in writing.
- 15.15 The Licensor and the relevant Licensee jointly and severally warrant to NCC Group that the Escrow Material (including, without limitation, the receipt by NCC Group of the Escrow Material or the taking of any action by NCC Group in relation to the Escrow Material that is contemplated by this Agreement including the receipt, holding, testing and/or releasing of the Escrow Material (together the "NCC Actions")) are not, and to the best of their knowledge and belief are not expected to become, subject to any import, re-import, export or re-export controls, laws or regulations in any country that the Escrow Material may be exported from, held in or delivered or released into under this Agreement ("Export Control Laws"). If at any time during the term of this Agreement, the Escrow Material or the NCC Actions become subject to Export Control Laws the Licensor and the relevant Licensee shall immediately notify NCC Group, providing all relevant details. Without prejudice to Section 15.11, NCC Group shall have no obligation to undertake any NCC Actions in relation to the Escrow Material if to do so would put it in breach (or potential breach) of Export Control Laws and shall not be required to obtain any license or other permission under Export Control Laws.
- 15.16 The Licensor and the relevant Licensee warrant to NCC Group that in providing or disclosing any Personal Data in connection with this Agreement it has provided or disclosed such Personal Data in accordance with all applicable Data Protection Legislation and that it has collected and transferred such Personal Data to NCC Group in accordance with the Data Protection Legislation. In particular, each of the Licensor and the relevant Licensee warrants and represents that it has obtained any relevant consent to such collection and transfer and the processing of the Personal Data by NCC Group in the execution of this Agreement. Each of the Licensor and relevant Licensee shall indemnify NCC Group in respect of all direct, indirect and consequential losses, damages, costs, claims, proceedings, expenses and liabilities (including

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reasonable legal fees, other professional costs and costs of enforcement) incurred by NCC Group and its Affiliates arising out of or in connection with a breach of this Section 15.16.

- 15.17 NCC Group is responsible for complying with all laws that are generally applicable to an escrow agent operating in the United States of America. If however, the content of the Escrow Material is such that additional laws or regulations are imposed on NCC Group by virtue of it receiving, holding, testing or releasing such Escrow Material specifically then the Licensor and the Licensees shall be jointly and severally responsible for notifying NCC Group of all such additional laws and regulations.
- 15.18 NCC Group is committed to ensuring that there is no modern slavery or human trafficking in its supply chains or in any part of its business and its Anti Slavery and Human Trafficking Statement and Anti Slavery Policy are available upon request.
- 15.19 Without prejudice to Section 15.11, if any of NCC Group's obligations under this Agreement becomes illegal, prohibited or otherwise unlawful then NCC Group shall be relieved of such obligation unless and until such obligation becomes permitted.
- 15.20 This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

Signed for and on behalf of Runbeck Election Services, Inc.

Name: *Robert B. Shepherd* | *Robert B. Shepherd*  
Position: *CEO* | (Authorized Signatory)

Signed for and on behalf of NCC GROUP ESCROW ASSOCIATES, LLC

Name: Mary English | *Mary English*  
Position: HOO | (Authorized Signatory)

DocuSigned by:

*Mary English*

57F69BE79A84489...



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NonStandard US S&amp;R Multi-LEE Deposit Account

**Schedule 1****NCC Group's Fees**

	DESCRIPTION	LICENSOR	LICENSEE
1	Agreement Annual Fee (payable on completion of this Agreement and in advance of each anniversary thereafter)	100%	Nil
2	Licensee Annual Fee (per Licensee per deposit account, payable on registration and in advance of each anniversary thereafter)	100%	Nil
3	Virtual Machine Fee (per deposit). If ordered in advance the Virtual Machine Deposit must be received within a year of order, otherwise a new fee will be payable.	Requesting party	Requesting party
4	Licensee Termination Fee (plus NCC Group's reasonable expenses)	Nil	100%
5	Licensor Termination Fee (plus NCC Group's reasonable expenses)	100%	Nil

Additional fees will be payable to NCC Group by the Licensor (unless otherwise agreed between the parties) for the following where applicable:

- Storage Fee for deposits in excess of 1 cubic foot (physical deposits) or uploads of more than 100 GB content size (electronic deposits);
- Any variation, assignment or replacement of this Agreement;
- Media Check Fee for deposits consisting of more than 5 physical media items or 100 GB content size; and/or
- Media Check Fee for Media Checks which cannot be completed within NCC Group's reasonable timescale, for example due to the receipt of physical deposits on hardware other than CD/DVD/Blu Ray/USB Hard Drive or the requirement for non-specific applications or software or niche and non-mainstream skillsets to complete the test.

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US S&amp;R Multi-LEE Deposit Account

**Appendix 1****Template Deposit Account Agreement****Agreement dated:****Between:**

- (1) Runbeck Election Services, Inc., an Arizona corporation whose principal place of business is at 2800 S. 36<sup>th</sup> Street, Phoenix, AZ 85034 ("Licensor"); and
- (2) NCC Group Escrow Associates, LLC, a limited liability company organized and existing under the laws of Georgia with its principal office at 11605 Haynes Bridge Road, 400 Northwinds, Suite 550, Alpharetta, GA 30009 USA ("NCC Group").

**Agreement:**

In consideration of the mutual obligations and undertakings contained in the multi licensee deposit account software escrow agreement number 70865 dated \_\_\_\_\_ ("Agreement") between the Licensor and NCC Group, the parties to this agreement agree as follows:

- 1 This agreement is a Deposit Account Agreement (as defined in the Agreement).
- 2 This Deposit Account Agreement is supplemental to and governed by the terms and conditions of the Agreement.
- 3 This Deposit Account Agreement relates to the Escrow Material as defined in the Agreement and as described in Schedule 1 below.
- 4 NCC Group's fees are payable as set out in the Order Form.

**Signed for and on behalf of Runbeck Election Services, Inc.**

Name: .....  
Position: ..... (Authorized Signatory)  
Date: .....

**Signed for and on behalf of NCC GROUP ESCROW ASSOCIATES, LLC**

Name: .....  
Position: ..... (Authorized Signatory)  
Date: .....

**Schedule 1****Description of Escrow Material**

Product name	Product description
Deposit Account No. [1]	

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US S&amp;R Multi-LEE Deposit Account

**Appendix 2****Registration Agreement**

**NOTE: A COPY OF THIS REGISTRATION AGREEMENT MUST BE DULY SIGNED BY AN AUTHORIZED SIGNATORY AND RETURNED TO NCC GROUP BEFORE A REGISTERED LICENSEE CAN CLAIM PROTECTION UNDER THE RELEVANT DEPOSIT ACCOUNT.**

**Agreement between:**

- (1) Runbeck Election Services, Inc., an Arizona corporation whose principal place of business is at 2800 S. 36th Street, Phoenix, AZ 85034 ("Licensor");
- (2) NCC Group Escrow Associates, LLC, a limited liability company organized and existing under the laws of Georgia with its principal office at 11605 Haynes Bridge Road, 400 Northwinds, Suite 550, Alpharetta, GA 30009 USA ("NCC Group"); and
- (3) Licensee's Name: \_\_\_\_\_  
whose principal office is at \_\_\_\_\_

\_\_\_\_\_  
("Licensee");**Agreement:**

1. This registration agreement ("**Registration Agreement**") is supplemental to the terms and conditions of the multi licensee deposit account software escrow agreement number 70865 dated \_\_\_\_\_ ("**Escrow Agreement**") and the Deposit Account Agreement(s) (as defined in the Escrow Agreement) product name(s) and number(s) \_\_\_\_\_ dated \_\_\_\_\_, both between the Licensor and NCC Group.
2. This Registration Agreement, the Escrow Agreement and the relevant Deposit Account Agreement(s) together shall form a binding agreement between the Licensor, NCC Group and the Licensee in accordance with the terms of the Escrow Agreement.
3. The Licensee hereby agrees to take the benefit of, agrees and undertakes to perform its obligations under and be bound by the terms and conditions of the Escrow Agreement as though they were a party to the Escrow Agreement and the Deposit Account Agreement and named therein as a Licensee.
4. This Registration Agreement shall take effect when NCC Group has:
  - (i) received written approval from the Licensor of the Licensee's application to join the Escrow Agreement;
  - (ii) acknowledged in writing to the Licensee that it has received a copy of this Registration Agreement completed and duly executed; and
  - (iii) registered the Licensee as a party to the Escrow Agreement.

**Signed for and on behalf of [Licensee]**

Name: \_\_\_\_\_

Position: \_\_\_\_\_ (Authorized Signatory)

Date: \_\_\_\_\_

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**Appendix 3****Standard Licensee List**

**NOTE: A COPY OF THIS STANDARD LICENSEE LIST MUST INCLUDE THE LICENSOR NAME, THE NAME OF THE PERSON AT THE LICENSOR SUBMITTING THE LIST AND THE DATE SUBMITTED TO NCC GROUP AND MUST BE RETURNED TO THE NCC GROUP BEFORE A STANDARD LICENSEE CAN CLAIM PROTECTION UNDER THE RELEVANT DEPOSIT ACCOUNT.**

Licensor Name: Runbeck Election Services, Inc.

Form submitted by: .....

Date submitted: .....

**Product name:****Deposit Account Number: [1]****Standard Licensee #1**

Company Name: .....

Contact: .....

Address: .....

City, State, Zip: .....

Telephone: ..... Fax: .....

E-mail: .....

Deposit Account Number(s): .....

**Standard Licensee #2**

Company Name: .....

Contact: .....

Address: .....

City, State, Zip: .....

Telephone: ..... Fax: .....

E-mail: .....

Deposit Account Number(s): .....

**Product name:****Deposit Account Number: [2]****Standard Licensee #1**

Company Name: .....

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NonStandard US S&R Multi-LEE Deposit Account

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Deposit Account Number(s): \_\_\_\_\_

**Standard Licensee #2**

Company Name: \_\_\_\_\_

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Deposit Account Number(s): \_\_\_\_\_

**APPENDIX J1**  
**Intellectual Property Developed-Designed by Contractor**

**INTENTIONALLY OMITTED**

DRAFT

**EXHIBIT J2**  
**Contractor's Assignment and transfer of Copyright**

**INTENTIONALLY OMITTED**

DRAFT

**EXHIBIT J3**  
**Notary Statement for Assignment and Transfer of Copyright**

**INTENTIONALLY OMITTED**

DRAFT



## APPENDIX K – Information Security and Privacy Requirements

### INFORMATION SECURITY AND PRIVACY REQUIREMENTS EXHIBIT

The County of Los Angeles (“County”) is committed to safeguarding the Integrity of the County systems, Data, Information and protecting the privacy rights of the individuals that it serves. This Information Security and Privacy Requirements Exhibit (“Exhibit”) sets forth the County and the Contractor’s commitment and agreement to fulfill each of their obligations under applicable state or federal laws, rules, or regulations, as well as applicable industry standards concerning privacy, Data protections, Information Security, Confidentiality, Availability, and Integrity of such Information. The Information Security and privacy requirements and procedures in this Exhibit are to be established by the Contractor before the Effective Date of the Contract and maintained throughout the term of the Contract.

These requirements and procedures are a minimum standard and are in addition to the requirements of the underlying base agreement between the County and Contractor (the “Contract”) and any other agreements between the parties. However, it is the Contractor's sole obligation to: (i) implement appropriate and reasonable measures to secure and protect its systems and all County Information against internal and external Threats and Risks; and (ii) continuously review and revise those measures to address ongoing Threats and Risks. Failure to comply with the minimum requirements and procedures set forth in this Exhibit will constitute a material, non-curable breach of Contract by the Contractor, entitling the County, in addition to the cumulative of all other remedies available to it at law, in equity, or under the Contract, to immediately terminate the Contract. To the extent there are conflicts between this Exhibit and the Contract, this Exhibit shall prevail unless stated otherwise.

#### 1. DEFINITIONS

Unless otherwise defined in the Contract, the definitions herein contained are specific to the uses within this exhibit.

- a. **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity (Workforce Member or process).
- b. **Confidentiality:** the condition that Information is not disclosed to system entities (users, processes, devices) unless they have been authorized to access the Information.
- c. **County Information:** all Data and Information belonging to the County.
- d. **Data:** a subset of Information comprised of qualitative or quantitative values.
- e. **Incident:** a suspected, attempted, successful, or imminent Threat of unauthorized electronic and/or physical access, use, disclosure, breach, modification, or destruction of information; interference with Information Technology operations; or significant violation of County policy.

## APPENDIX K – Information Security and Privacy Requirements

- f. **Information:** any communication or representation of knowledge or understanding such as facts, Data, or opinions in any medium or form, including electronic, textual, numerical, graphic, cartographic, narrative, or audiovisual.
- g. **Information Security Policy:** high level statements of intention and direction of an organization used to create an organization's Information Security Program as formally expressed by its top management.
- h. **Information Security Program:** formalized and implemented Information Security Policies, standards and procedures that are documented describing the program management safeguards and common controls in place or those planned for meeting the County's information security requirements.
- i. **Information Technology:** any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of Data or Information.
- j. **Integrity:** the condition whereby Data or Information has not been improperly modified or destroyed and authenticity of the Data or Information can be ensured.
- k. **Mobile Device Management (MDM):** software that allows Information Technology administrators to control, secure, and enforce policies on smartphones, tablets, and other endpoints.
- l. **Privacy Policy:** high level statements of intention and direction of an organization used to create an organization's Privacy Program as formally expressed by its top management.
- m. **Privacy Program:** A formal document that provides an overview of an organization's privacy program, including a description of the structure of the privacy program, the resources dedicated to the privacy program, the role of the organization's privacy official and other staff, the strategic goals and objectives of the Privacy Program, and the program management controls and common controls in place or planned for meeting applicable privacy requirements and managing privacy risks.
- n. **Risk:** a measure of the extent to which the County is threatened by a potential circumstance or event, Risk is typically a function of: (i) the adverse impacts that would arise if the circumstance or event occurs; and (ii) the likelihood of occurrence.
- o. **Threat:** any circumstance or event with the potential to adversely impact County operations (including mission, functions, image, or reputation), organizational assets, individuals, or other organizations through an Information System via unauthorized access, destruction, disclosure, modification of Information, and/or denial of service.
- p. **Vulnerability:** a weakness in a system, application, network or process that is subject to exploitation or misuse.
- q. **Workforce Member:** employees, volunteers, and other persons whose conduct, in the performance of work for Los Angeles County, is under the direct control of Los

## APPENDIX K – Information Security and Privacy Requirements

Angeles County, whether or not they are paid by Los Angeles County. This includes, but may not be limited to, full and part time elected or appointed officials, employees, affiliates, associates, students, volunteers, and staff from third party entities who provide service to the County.

### 2. INFORMATION SECURITY AND PRIVACY PROGRAMS

- a. **Information Security Program.** The Contractor shall maintain a company-wide Information Security Program designed to evaluate Risks to the Confidentiality, Availability, and Integrity of the County Information covered under this Contract.

Contractor's Information Security Program shall include the creation and maintenance of Information Security Policies, standards, and procedures. Information Security Policies, standards, and procedures will be communicated to all Contractor employees in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure operational effectiveness, compliance with all applicable laws and regulations, and addresses new and emerging Threats and Risks.

The Contractor shall exercise the same degree of care in safeguarding and protecting County Information that the Contractor exercises with respect to its own Information and Data, but in no event less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate administrative, technical, and physical security measures to preserve the Confidentiality, Integrity, and Availability of County Information.

The Contractor's Information Security Program shall:

- Protect the Confidentiality, Integrity, and Availability of County Information in the Contractor's possession or control;
- Protect against any anticipated Threats or hazards to the Confidentiality, Integrity, and Availability of County Information;
- Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- Protect against accidental loss or destruction of, or damage to, County Information; and
- Safeguard County Information in compliance with any applicable laws and regulations which apply to the Contractor.

- b. **Privacy Program.** The Contractor shall establish and maintain a company-wide Privacy Program designed to incorporate Privacy Policies and practices in its business operations to provide safeguards for Information, including County Information. The Contractor's Privacy Program shall include the development of, and ongoing reviews and updates to Privacy Policies, guidelines, procedures and appropriate workforce privacy training within its organization. These Privacy Policies, guidelines, procedures, and appropriate training will be provided to all Contractor employees, agents, and volunteers. The Contractor's Privacy Policies, guidelines, and procedures shall be continuously reviewed and updated for

## **APPENDIX K – Information Security and Privacy Requirements**

effectiveness and compliance with applicable laws and regulations, and to appropriately respond to new and emerging Threats and Risks. The Contractor's Privacy Program shall perform ongoing monitoring and audits of operations to identify and mitigate privacy Threats.

The Contractor shall exercise the same degree of care in safeguarding the privacy of County Information that the Contractor exercises with respect to its own Information, but in no event less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate privacy practices and protocols to preserve the Confidentiality of County Information.

The Contractor's Privacy Program shall include:

- A Privacy Program framework that identifies and ensures that the Contractor complies with all applicable laws and regulations;
- External Privacy Policies, and internal privacy policies, procedures and controls to support the privacy program;
- Protections against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- A training program that covers Privacy Policies, protocols and awareness;
- A response plan to address privacy Incidents and privacy breaches; and
- Ongoing privacy assessments and audits.

### **3. CONTRACTOR'S USE OF COUNTY INFORMATION**

The Contractor may use County Information only as necessary to carry out its obligations under this Contract. The Contractor shall collect, maintain, or use County Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable local, state, and federal laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of County Information, including, but not limited to, (i) any state and federal law governing the protection of personal Information, (ii) any state and federal security breach notification laws, and (iii) the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

### **4. SHARING COUNTY INFORMATION AND DATA**

The Contractor shall not share, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, County Information to a third party for monetary or other valuable consideration.

### **5. CONFIDENTIALITY**

- a. **Confidentiality of County Information.** The Contractor agrees that all County Information is Confidential and proprietary to the County regardless of whether such Information was disclosed intentionally or unintentionally or marked as "confidential".

## APPENDIX K – Information Security and Privacy Requirements

- b. **Disclosure of County Information.** The Contractor may disclose County Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the County's contract administrator in consultation with the County's Chief Information Security Officer and/or Chief Privacy Officer. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor shall notify the County's contract administrator immediately and prior to any such disclosure, to provide the County an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.
- c. **Disclosure Restrictions of Non-Public Information.** While performing work under the Contract, the Contractor may encounter County Non-public Information ("NPI") in the course of performing this Contract, including, but not limited to, licensed technology, drawings, schematics, manuals, sealed court records, and other materials described and/or identified as "Internal Use", "Confidential" or "Restricted" as defined in [Board of Supervisors Policy 6.104 – Information Classification Policy](#) as NPI. The Contractor shall not disclose or publish any County NPI and material received or used in performance of this Contract. This obligation is perpetual.
- d. **Individual Requests.** The Contractor shall acknowledge any request or instructions from the County regarding the exercise of any individual's privacy rights provided under applicable federal or state laws. The Contractor shall have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from the County within seven (7) calendar days. If an individual makes a request directly to the Contractor involving County Information, the Contractor shall notify the County within five (5) calendar days and the County will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request. Similarly, if the Contractor receives a privacy or security complaint from an individual regarding County Information, the Contractor shall notify the County as described in Section 13 SECURITY AND PRIVACY INCIDENTS, and the County will coordinate an appropriate response.
- e. **Retention of County Information.** The Contractor shall not retain any County Information for any period longer than necessary for the Contractor to fulfill its obligations under the Contract and applicable law, whichever is longest.

### 6. CONTRACTOR EMPLOYEES

The Contractor shall require all employees, agents, and volunteers to abide by the requirements in this Exhibit, as set forth in the Contract, and sign an appropriate written Confidentiality/non-disclosure agreement with the Contractor.

The Contractor shall supply each of its employees with appropriate, annual training regarding Information Security procedures, Risks, and Threats. The Contractor agrees that training will cover, but may not be limited to the following topics:

## APPENDIX K – Information Security and Privacy Requirements

- a) **Secure Authentication:** The importance of utilizing secure authentication, including proper management of authentication credentials (login name and password) and multi-factor authentication.
- b) **Social Engineering Attacks:** Identifying different forms of social engineering including, but not limited to, phishing, phone scams, and impersonation calls.
- c) **Handling of County Information:** The proper identification, storage, transfer, archiving, and destruction of County Information.
- d) **Causes of Unintentional Information Exposure:** Provide awareness of causes of unintentional exposure of Information such as lost mobile devices, emailing Information to inappropriate recipients, etc.
- e) **Identifying and Reporting Incidents:** Awareness of the most common indicators of an Incident and how such indicators should be reported within the organization.
- f) **Privacy:** The Contractor's Privacy Policies and procedures as described in Section 2b. Privacy Program.

The Contractor shall have an established set of procedures to ensure the Contractor's employees promptly report actual and/or suspected breaches of security.

### 7. SUBCONTRACTORS AND THIRD PARTIES

The County acknowledges that in the course of performing its services, the Contractor may desire or require the use of goods, services, and/or assistance of Subcontractors or other third parties or suppliers. The terms of this Exhibit shall also apply to all Subcontractors and third parties. The Contractor or third party shall be subject to the following terms and conditions: (i) each Subcontractor and third party must agree in writing to comply with and be bound by the applicable terms and conditions of this Exhibit, both for itself and to enable the Contractor to be and remain in compliance with its obligations hereunder, including those provisions relating to Confidentiality, Integrity, Availability, disclosures, security, and such other terms and conditions as may be reasonably necessary to effectuate the Contract including this Exhibit; and (ii) the Contractor shall be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

The Contractor shall obtain advanced approval from the County's Chief Information Security Officer and/or Chief Privacy Officer prior to subcontracting services subject to this Exhibit.

### 8. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

All County Information shall be rendered unusable, unreadable, or indecipherable to unauthorized individuals. Without limiting the generality of the foregoing, the Contractor will encrypt all workstations, portable devices (such as mobile, wearables, tablets,) and removable media (such as portable or removable hard disks, floppy disks, USB memory drives, CDs, DVDs, magnetic tape, and all other removable storage media) that store County Information in accordance with Federal Information

## APPENDIX K – Information Security and Privacy Requirements

Processing Standard (FIPS) 140-2 or otherwise approved by the County's Chief Information Security Officer.

The Contractor will encrypt County Information transmitted on networks outside of the Contractor's control with Transport Layer Security (TLS) or Internet Protocol Security (IPSec), at a minimum cipher strength of 128 bit or an equivalent secure transmission protocol or method approved by County's Chief Information Security Officer.

In addition, the Contractor shall not store County Information in the cloud or in any other online storage provider without written authorization from the County's Chief Information Security Officer. All mobile devices storing County Information shall be managed by a Mobile Device Management system. Such system must provide provisions to enforce a password/passcode on enrolled mobile devices. All workstations/Personal Computers (including laptops, 2-in-1s, and tablets) will maintain the latest operating system security patches, and the latest virus definitions. Virus scans must be performed at least monthly. Request for less frequent scanning must be approved in writing by the County's Chief Information Security Officer.

### 9. RETURN OR DESTRUCTION OF COUNTY INFORMATION

The Contractor shall return or destroy County Information in the manner prescribed in this section unless the Contract prescribes procedures for returning or destroying County Information and those procedures are no less stringent than the procedures described in this section.

- a. **Return or Destruction.** Upon County's written request, or upon expiration or termination of this Contract for any reason, Contractor shall (i) promptly return or destroy, at the County's option, all originals and copies of all documents and materials it has received containing County Information; or (ii) if return or destruction is not permissible under applicable law, continue to protect such Information in accordance with the terms of this Contract; and (iii) deliver or destroy, at the County's option, all originals and copies of all summaries, records, descriptions, modifications, negatives, drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by the Contractor, prepared under its direction, or at its request, from the documents and materials referred to in Subsection (i) of this Section. For all documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be returned to the County, the Contractor shall provide a written attestation on company letterhead certifying that all documents and materials have been delivered to the County. For documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be destroyed, the Contractor shall provide an attestation on company letterhead and certified documentation from a media destruction firm consistent with subdivision b of this Section. Upon termination or expiration of the Contract or at any time upon the County's request, the Contractor shall return all hardware, if any, provided by the County to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the County.
- b. **Method of Destruction.** The Contractor shall destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the Information

## **APPENDIX K – Information Security and Privacy Requirements**

cannot be read or otherwise reconstructed; and (ii) purging, or destroying electronic media containing County Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" such that the County Information cannot be retrieved. The Contractor will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the County Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to the designated County contract manager within ten (10) days of termination or expiration of the Contract or at any time upon the County's request. On termination or expiration of this Contract, the County will return or destroy all Contractor's Information marked as confidential (excluding items licensed to the County hereunder, or that provided to the County by the Contractor hereunder), at the County's option.

### **10. PHYSICAL AND ENVIRONMENTAL SECURITY**

All Contractor facilities that process County Information will be located in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.

All Contractor facilities that process County Information will be maintained with physical and environmental controls (temperature and humidity) that meet or exceed hardware manufacturer's specifications.

### **11. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY**

The Contractor shall: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 13 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

The Contractor must have business continuity and disaster recovery plans. These plans must include a geographically separate back-up data center and a formal framework by which an unplanned event will be managed to minimize the loss of County Information and services. The formal framework includes a defined back-up policy and associated procedures, including documented policies and procedures designed to: (i) perform back-up of data to a remote back-up data center in a scheduled and timely manner; (ii) provide effective controls to safeguard backed-up data; (iii) securely transfer County Information to and from back-up location; (iv) fully restore applications and operating systems; and (v) demonstrate periodic testing of restoration from back-up location. If the Contractor makes backups to removable media (as described in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION), all such backups shall be encrypted in compliance with the



## **APPENDIX K – Information Security and Privacy Requirements**

encryption requirements noted above in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

### **12. ACCESS CONTROL**

Subject to and without limiting the requirements under Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION, County Information (i) may only be made available and accessible to those parties explicitly authorized under the Contract or otherwise expressly approved by the County Project Director or Project Manager in writing; and (ii) if transferred using removable media (as described in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be sent via a bonded courier and protected using encryption technology designated by the Contractor and approved by the County's Chief Information Security Officer in writing. The foregoing requirements shall apply to back-up media stored by the Contractor at off-site facilities.

The Contractor shall implement formal procedures to control access to County systems, services, and/or Information, including, but not limited to, user account management procedures and the following controls:

- a. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of industry standard and properly configured firewalls;
- b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, multi-factor authentication, use of virtual private networks (VPN), authorization, and event logging;
- c. The Contractor will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to County Information is removed in a timely manner;
- d. Applications will include access control to limit user access to County Information and application system functions;
- e. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. The Contractor shall record, review and act upon all events in accordance with Incident response policies set forth in Section 13 SECURITY AND PRIVACY INCIDENTS; and
- f. In the event any hardware, storage media, or removable media (as described in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be disposed of or sent off-site for servicing, the Contractor shall ensure all County Information, has been eradicated from such hardware and/or media using industry best practices as discussed in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

### **13. SECURITY AND PRIVACY INCIDENTS**

In the event of a Security or Privacy Incident, the Contractor shall:

- a. Promptly notify the County's Chief Information Security Officer, the Departmental Information Security Officer, and the County's Chief Privacy Officer of any Incidents

## APPENDIX K – Information Security and Privacy Requirements

involving County Information, within twenty-four (24) hours of detection of the Incident. All notifications shall be submitted via encrypted email and telephone.

### **County Chief Information Security Officer and Chief Privacy Officer email**

[CISO-CPO\\_Notify@lacounty.gov](mailto:CISO-CPO_Notify@lacounty.gov)

#### **Chief Information Security Officer:**

Ralph Johnson  
Chief Information Security Officer  
320 W Temple, 7<sup>th</sup> Floor  
Los Angeles, CA 90012  
(213) 253-5600

#### **Chief Privacy Officer:**

Lillian Russell  
Chief Privacy Officer  
320 W Temple, 7<sup>th</sup> Floor  
Los Angeles, CA 90012  
(213) 351-5363

#### **Departmental Information Security Officer:**

Daniel Temisanren, MSc Comp Sci, CISM  
Departmental Information Security & Privacy Officer  
Registrar Recorder County Clerk  
12400 Imperial Hwy  
Norwalk, CA 90650  
Office (562) 462-2445  
Cell (562) 233-3490  
[dtemisanren@rrcc.lacounty.gov](mailto:dtemisanren@rrcc.lacounty.gov)

- b. Include the following Information in all notices:
  - i. The date and time of discovery of the Incident,
  - ii. The approximate date and time of the Incident,
  - iii. A description of the type of County Information involved in the reported Incident, and
  - iv. A summary of the relevant facts, including a description of measures being taken to respond to and remediate the Incident, and any planned corrective actions as they are identified.
  - v. The name and contact information for the organizations official representative(s), with relevant business and technical information relating to the incident.
- c. Cooperate with the County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon the County's written request, without charge, unless the Incident was caused by the acts or omissions of the County. As Information about the Incident is collected or otherwise becomes available to the Contractor, and unless prohibited by law, the Contractor shall

## APPENDIX K – Information Security and Privacy Requirements

provide Information regarding the nature and consequences of the Incident that are reasonably requested by the County to allow the County to notify affected individuals, government agencies, and/or credit bureaus.

- d. Immediately initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing an interference with Information Technology operations.
- e. Assist and cooperate with forensic investigators, the County, law firms, and and/or law enforcement agencies at the direction of the County to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the County on any additional disclosures that the County is required to make as a result of the Incident.
- f. Allow the County or its third-party designee at the County's election to perform audits and tests of the Contractor's environment that may include, but are not limited to, interviews of relevant employees, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of County Information.

Notwithstanding any other provisions in this Contract and Exhibit, The Contractor shall be (i) liable for all damages and fines, (ii) responsible for all corrective action, and (iii) responsible for all notifications arising from an Incident involving County Information caused by the Contractor's weaknesses, negligence, errors, or lack of Information Security or privacy controls or provisions.

### 14. NON-EXCLUSIVE EQUITABLE REMEDY

The Contractor acknowledges and agrees that due to the unique nature of County Information there may be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may result in irreparable harm to the County, and therefore, that upon any such breach, the County will be entitled to appropriate equitable remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies are available within law or equity. Any breach of Section 5 CONFIDENTIALITY shall constitute a material breach of this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the County.

### 15. AUDIT AND INSPECTION

- a. **Self-Audits.** The Contractor shall periodically conduct audits, assessments, testing of the system of controls, and testing of Information Security and privacy procedures, including penetration testing, intrusion detection, and firewall configuration reviews. These periodic audits will be conducted by staff certified to perform the specific audit in question at Contractor's sole cost and expense through either (i) an internal independent audit function, (ii) a nationally recognized, external, independent auditor, or (iii) another independent auditor approved by the County.

The Contractor shall have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing

## APPENDIX K – Information Security and Privacy Requirements

evidence of such corrections. The Contractor shall provide the audit results and any corrective action documentation to the County promptly upon its completion at the County's request. With respect to any other report, certification, or audit or test results prepared or received by the Contractor that contains any County Information, the Contractor shall promptly provide the County with copies of the same upon the County's reasonable request, including identification of any failure or exception in the Contractor's Information systems, products, and services, and the corresponding steps taken by the Contractor to mitigate such failure or exception. Any reports and related materials provided to the County pursuant to this Section shall be provided at no additional charge to the County.

- b. **County Requested Audits.** At its own expense, the County, or an independent third-party auditor commissioned by the County, shall have the right to audit the Contractor's infrastructure, security and privacy practices, Data center, services and/or systems storing or processing County Information via an onsite inspection at least once a year. Upon the County's request the Contractor shall complete a questionnaire regarding Contractor's Information Security and/or program. The County shall pay for the County requested audit unless the auditor finds that the Contractor has materially breached this Exhibit, in which case the Contractor shall bear all costs of the audit; and if the audit reveals material non-compliance with this Exhibit, the County may exercise its termination rights underneath the Contract.

Such audit shall be conducted during the Contractor's normal business hours with reasonable advance notice, in a manner that does not materially disrupt or otherwise unreasonably and adversely affect the Contractor's normal business operations. The County's request for the audit will specify the scope and areas (e.g., Administrative, Physical, and Technical) that are subject to the audit and may include, but are not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal Vulnerability scans, penetration test results, evidence of code reviews, and evidence of system configuration and audit log reviews. It is understood that the results may be filtered to remove the specific Information of other Contractor customers such as IP address, server names, etc. The Contractor shall cooperate with the County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. This right of access shall extend to any regulators with oversight of the County. The Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

When not prohibited by regulation, the Contractor will provide to the County a summary of: (i) the results of any security audits, security reviews, or other relevant audits, conducted by the Contractor or a third party; and (ii) corrective actions or modifications, if any, the Contractor will implement in response to such audits.



## Los Angeles County Registrar-Recorder/County Clerk

DEAN C. LOGAN

Registrar-Recorder/County Clerk

June 15, 2020

TO: Supervisor Kathryn Barger, Chair  
 Supervisor Hilda L. Solis  
 Supervisor Mark Ridley-Thomas  
 Supervisor Sheila Kuehl  
 Supervisor Janice Hahn

Sachi A. Hamai, Chief Executive Officer

FROM: Dean C. Logan,  Registrar-Recorder/County Clerk

### **NOTIFICATION OF INTENT TO ENTER INTO NEGOTIATIONS FOR SOLE SOURCE CONTRACT WITH RUNBECK ELECTION SERVICES, INC. (RUNBECK) FOR DEPARTMENTAL VOTER REGISTRATION SYSTEM LICENSE AND SUPPORT SERVICES**

This is to inform your Board of our intent to enter into sole source negotiations with Runbeck for continuation of the Department's voter registration system license and support services.

Registrar-Recorder/County Clerk (RR/CC) is responsible for the registration of voters, maintenance of the voter records, vote by mail, petitions, polling location officers and polling location files, and the conduct of federal, State, and special elections that affect Los Angeles County.

On January 30, 2007, your Board adopted a five (5) year contract with three (3) one-year extension options with Data Information Management Systems (DIMS), a wholly owned subsidiary, at the time, of Diebold Election Systems, Inc. for continued system licensing, maintenance and support services of the Department's election Voter Information Management System (VIMS) as well as any future system enhancements which were legally mandated by the Help America Vote Act (HAVA) and/or State of California law, regulation, or statute.

DIMS later became part of ESSVR, LLC (ESSVR), an Election Systems & Software LLC subsidiary. On May 5, 2015, your Board approved Amendment No. 8 that extended the base term of the DIMS contract until May 9, 2018.

On October 30, 2018, your Board adopted a contract effective May 10, 2018 through June 30, 2019, with up to six (6) three-month optional renewals through December 30, 2020 to provide continued system license, maintenance services, and support of VIMS. On April 18, 2019, the Department amended the contract with ESSVR to exercise the optional renewals to extend the agreement through December 30, 2020.

Effective June 24, 2019, Runbeck and ESSVR entered into a contract whereby Runbeck acquired all of the assets of ESSVR's DIMS.net business operations in the State of California, including licensing of all versions of object code and associated source code of DIMS.net software currently licensed and deployed to county jurisdictions located within the State of California. On September 13, 2019, the Department subsequently amended the contract with ESSVR to formally consent to the assignment and contract as well as recognize the acquisition by Runbeck.

System license, maintenance and support services are required for the continued support of the Department's VIMS system as well as any future system enhancements which are legally mandated by HAVA and/or State of California law, regulation, or statute. Additionally, the extension will provide an avenue for modifications that were covered in the Board Report presented in April 2020, beyond the current expiration of the contract with Runbeck which will expire on December 30, 2020. As such, RR/CC is required to enter into a Sole Source contract with Runbeck to ensure sufficient time is allocated for completing a solicitation for a new replacement solution/system. Furthermore, this support is required by Runbeck to ensure the current system license, maintenance and support services continue with no interruptions for our end users for at least twenty-four (24) months, including two one-year extension options to allow for the Department to complete the solicitation for a new Election Management System (EMS), release the request for proposal, evaluate the proposals, determine the selection of a vendor for the new replacement system to be designed and developed for RR/CC, and for the new EMS to be certified by the Secretary of State.

In accordance to Board Policy 5.100, we will proceed to enter into negotiations with Runbeck for continued voter registration system license and support services after the four-week notification period unless otherwise directed. The negotiated contract with Runbeck is expected to be provided for your approval no later than October 30, 2020. The current timeline for a new EMS is to release the solicitation before the end of 2020 and award the contract before the end of 2021.

If you have any questions, please contact me, or your staff may contact Veronica Williams, Contracts and Grants Manager, at (562) 462-2905.

DCL:DM  
VW:jw

c: Chief Executive Office  
Executive Office, Board of Supervisors  
Board Deputies  
Chief Information Office  
County Counsel

## SOLE SOURCE CHECKLIST

Department Name: \_\_\_\_\_

☐ New Sole Source Contract

☐ Existing Sole Source Contract      Date Sole Source Contract Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS</b> Identify applicable justification and provide documentation for each checked item.
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/ system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

\_\_\_\_\_  
Chief Executive Office

\_\_\_\_\_  
Date

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020	
<b>BOARD MEETING</b>	12/8/2020	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	4th	
<b>DEPARTMENT</b>	Public Social Services (DPSS)	
<b>SUBJECT</b>	Approve a proposed new fifteen-year lease for the use of approximately 133,272 square feet of office space and 638 on-site parking spaces at 20101 Hamilton Avenue, Torrance, Gardena.	
<b>PROGRAM</b>	In Home Support Services, Welfare Fraud Prevention & Investigations, and Medi-Cal.	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The existing lease of the site to be vacated is on month-to-month holdover.	
<b>COST &amp; FUNDING</b>	Total cost: \$75,405,000 over 15 years, which consists of \$56,697,000 in base rent, \$12,667,000 in TI's, and \$6,041,000 in low voltage.	Funding source: The costs will be 82.88% funded with Federal and State funds and 17.12% funded with net County cost.
	TERMS (if applicable): The proposed lease provides for fixed rental increases of 2 percent per annum. The County will receive \$40 per square foot in base tenant improvements (included in the rent) and \$80 in reimbursable tenant improvements to be repaid to the landlord over the first 5 years of the term of the lease (not to exceed \$12,667,000).	
	Explanation: Sufficient funding to cover the proposed lease, and County TI reimbursement costs for the first year of the proposed lease term are included in the Fiscal Year (FY) 2020-21 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent, County TI costs, and Low Voltage Items for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and adequately provide the necessary office space for DPSS.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	<p>DPSS will relocate the programs from 12000 Hawthorne Blvd., Hawthorne and some staff from the 17600 Santa Fe Avenue, Rancho Dominguez facility. The existing lease at the 12000 Hawthorne Blvd., Hawthorne location expired August 31, 2017 and is on month-to month holdover. No holdover penalties are associated with the lease. DPSS will use the vacated space at 17600 Santa Fe Avenue, Rancho Dominguez facility to help alleviate overcrowding at that facility.</p> <p>The County proposes to consolidate and co-locate the programs within one facility to allow more integrated and coordinated efforts in the administration of services provided to clients.</p> <p>The Lessor is willing to provide sufficient tenant improvement funding to allow DMH to configure the space to accommodate the new programs. The Lessor is providing the base tenant improvements at no cost to the County and additional reimbursable Tenant Improvement funds, as needed, for the interior build-out of the premises</p>	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Michael Navarro CEO- Real Estate Division 213-974-4364 MNavarro@ceo.lacounty.gov	





# 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>

FESIA A. DAVEPORT  
Acting Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

December 8, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**FIFTEEN-YEAR LEASE  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
20101 HAMILTON AVENUE, TORRANCE  
(FOURTH DISTRICT)  
(3 VOTES)**

**SUBJECT**

Approval of a proposed new 15-year lease for 133,272 square feet of office space, and 638 on-site parking spaces for the Department of Public Social Services (DPSS) In-Home Support Services (IHSS), Welfare Fraud Prevention & Investigations (WFP&I), and Medi-Cal programs.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Acting Chief Executive Officer, or her designee, to execute the proposed lease with Omninet Hamilton, L.P. (Landlord), for 133,272 square feet of office space, and 638 on-site parking spaces located at 20101 Hamilton Avenue, Torrance, CA 90502 to be occupied by DPSS. The estimated maximum first year base rental cost is \$3,279,000. The estimated total lease cost, plus low voltage, is \$75,405,000 over the 15-year term. The costs will be 82.88 percent funded with Federal and State funds, and 17.12 percent funded with net County cost.

3. Authorize the Acting Chief Executive Officer, or her designee, to reimburse the Landlord up to \$10,662,000 for County's Tenant Improvement (TI) contribution, if paid in lump sum, or \$12,667,000 if amortized over five years at 7 percent interest per annum.
4. Authorize the Director of DPSS to contract with and direct the Internal Services Department (ISD), in coordination with the Acting Chief Executive Officer, or her designee, for the acquisition and installation of telephone, data, and low-voltage systems (Low Voltage Items) at a total cost not to exceed \$5,242,000 if paid in a lump sum, or \$6,041,000 if amortized over five years at 6 percent interest per annum. The cost for the Low Voltage Items is in addition to the rental costs and the County's TI contribution payable to the Landlord.
5. Authorize and direct the Acting Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed lease, and to take actions necessary and appropriate to implement the terms of the proposed lease, including, without limitation, exercising early termination rights, any options to extend, and the right of first offer to lease additional space in the building.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The proposed 133,272 square feet of office space, and 638 on-site parking spaces, at 20101 Hamilton Avenue in Torrance (Premises) will allow DPSS to relocate the programs from 12000 Hawthorne Boulevard in Hawthorne and some staff from the 17600 Santa Fe Avenue in Rancho Dominguez facility. The existing lease at 12000 Hawthorne Boulevard in Hawthorne expired August 31, 2017 and is currently in month-to-month holdover without a holdover penalty. The County plans to terminate this existing lease. DPSS will use the vacated space at 17600 Santa Fe Avenue in Rancho Dominguez to alleviate overcrowding at that facility.

The programs housed at 12000 Hawthorne Boulevard in Hawthorne include IHSS, WFP&I, and Medi-Cal. IHSS is a direct service program, whereas WFP&I and Medi-Cal are administrative functions with no client visitors. The program relocating from the 17600 Santa Fe Avenue in Rancho Dominguez facility is an IHSS operation.

The IHSS Program provides financial assistance for services to low-income elderly, blind, or disabled individuals. The services may include house-cleaning, meal preparation, grocery shopping, accompaniment to medical appointments, protective supervision, and personal care. The WFP&I Investigations unit is responsible for investigating fraud allegations throughout the County. The program investigators detect and prevent fraud, handle active cases, act as court liaisons, manage a Central Fraud Reporting Line, and an Anonymous hotline. The Medi-Cal program is the Federal Medicaid Program in California. The Medi-Cal program, administered through DPSS, is

a regional operation that provides services to all of Los Angeles County, providing a full set of essential health benefits to individuals, families, and seniors that qualify for such benefits, which include transportation services, dental services, and specialty mental health services at low or no-cost to clients.

The County proposes to consolidate and co-locate the programs within one facility to allow more integrated and coordinated efforts in the administration of services provided to clients. The premises will house 718 staff from all the programs.

The proposed lease will adequately meet the space needs of DPSS. The location is freeway accessible in proximity to the 110 freeway and the relocation will allow the existing programs to operate out of a newer facility with adequate parking for staff and visitors.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will allow DPSS to operate at the subject facility.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 1 *Make Investments That Transform Lives* – directs that we will aggressively address society’s most complicated social, health and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges – one person at a time. The proposed lease consolidation supports this goal by providing a consolidated office that will integrate and coordinate administrative and direct services to DPSS clients. The office accommodations will be centrally located, with adequate parking accommodations for visitors and staff.

The proposed lease is consistent with the Strategic Asset Management Plan Goal 2 - Strengthen Connection between Service Priorities and Asset Decisions and Key Object 4 – Guide Strategic Decision-Making. The proposed lease will advance this goal and objective by consolidating administrative and direct service programs into one office and providing service to the community from one central location. The proposed office consolidation will achieve economies of scale on the TI build-out. DPSS will also lower its administrative costs by running one office, minimizing duplication of efforts of program operations, and from a property management standpoint, will be more efficient working with one landlord.

The proposed lease conforms with the Asset Management Principles outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

Sufficient funding for the proposed lease, and County TI reimbursement costs for the first year of the proposed lease term are included in the Fiscal Year (FY) 2020-21 Rent Expense Budget, and will be billed back to DPSS. DPSS has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent, County TI costs and Low Voltage Items for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS. The rental costs will be 82.88 percent funded with Federal and State funds and 17.12 percent funded with net County costs. The costs for the Low Voltage Items will be paid by DPSS directly to ISD, and are not part of the proposed lease.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In addition to the terms described herein, the proposed lease includes the following provisions:

- The base rent in the first year will be approximately \$3,279,000, or \$24.60 annually per square foot. The base rent includes parking.
- Base rent is subject to fixed annual rental adjustments of 2 percent per annum.
- Parking for 638 on-site spaces is included in the proposed lease. The Landlord may provide up to 15 percent of the parking as tandem parking with a parking attendant provided at Landlord's sole cost.
- Total TI costs are expected to be \$15,993,000. The Landlord will provide base TI allowance of \$5,330,880 (\$40 per square foot).
- The County will reimburse the Landlord up to \$10,662,000 (\$80 per square foot) as the County's TI contribution, which may be paid in a lump, or amortized over five years with interest at 7 percent for a fully amortized amount not to exceed \$12,667,000.
- The County will be responsible for electricity costs, including any after-hours heating, ventilation and air conditioning (HVAC) costs, and the Landlord will be responsible for all other operating and maintenance costs associated with the premises, including other utilities and janitorial costs. The County is not subject to the building's operating expense increases.
- The aggregate costs associated with the proposed lease over the entire 15-year term is \$75,405,000, as shown on Enclosure B.

- The proposed lease has two five-year options to extend the lease, at 95 percent of fair market rent, with 12 months' prior written notice from the County. If all options are exercised, the total term of the proposed lease would be 25 years.
- The proposed lease was submitted for review to your Board's appointed Real Estate Management Commission on November 10, 2020 and was unanimously approved.
- The County has the right to terminate the proposed lease any time after 144 months, with 12 months' prior written notice subject to payment of unamortized commissions paid by the Landlord to the Landlord's broker.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions, except the monthly base rent starting with the sixth month following lease expiration will increase by 10 percent of the monthly base rent at the time of the lease expiration.
- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease, but the term and rent will commence upon completion of the TIs by the Landlord and acceptance of the Premises by the County.
- The County has a right of first offer to lease additional premises, during the first 36 months of the lease term, for premises located on the first floor and third floor contiguous to the County premises.

The Chief Executive Office (CEO) issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website and the CEO-Real Estate's County website. The proposed lease was identified through this process. The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the average annual rental range for a comparable lease in the area is between \$23.40 and \$28.20 per square foot, per year. The base rental rate of \$24.60 per square foot, per year for the proposed lease represents a rate that is within the market range for the area. We recommend the proposed lease as the most suitable to meet the County's space requirements.

CEO has communicated with co-working office space companies regarding office space for the applicable programs and they have informed the CEO that their co-working office space does not have available space for long-term occupancy to accommodate the required space needs. In addition, co-work office space is not financially viable in comparison to rental costs of traditional long-term office space.

Enclosure C shows all County-owned and leased facilities within the surveyed areas and there are no County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected the facility and found it suitable for County occupancy. Construction of the TIs will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act.

The required notification letter to the city of Los Angeles has been sent in accordance with Government Code Section 25351. County Counsel has reviewed the enclosed lease and has approved it as to form.

The proposed lease will provide a suitable office location for DPSS programs, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.

### **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor tenant improvements within an existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in Section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with Section 21152 of the California Public Resources Code.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease will adequately provide the necessary office space, and parking spaces for this County requirement. DPSS concurs with the proposed lease and recommendations.

**CONCLUSION**

It is requested that the Executive Office of the Board, return one certified copy of the Minute Order and an adopted-stamped copy of this letter to the CEO, Real Estate Division at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

FESIA A. DAVENPORT  
Acting Chief Executive Officer

FAD:JMN:DPH:DL  
JLC:MN:FC:gw

Enclosures

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

**DEPARTMENT OF PUBLIC SOCIAL SERVICES**  
**20101 HAMILTON AVENUE, TORRANCE**  
**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
A	Does lease consolidate administrative functions? <sup>2</sup>	X		
B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>	X		
C	Does this lease centralize business support functions? <sup>2</sup>	X		
D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>Approximately 186 sq. ft. per person due to the sharing of conference rooms, breakrooms and other common areas.</b>		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>Parking ratio is 4.8/1000</b>		X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	X		
<b>2.</b>	<b><u>Capital</u></b>			
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 Enclosure C?	X		
G	Was build-to-suit or capital project considered? <sup>2</sup>	X		
<b>3.</b>	<b><u>Portfolio Management</u></b>			
A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal lease, was co-location with other County departments considered?			X
D	Why was this program not co-located with other County departments?			
	1. ____ The program clientele requires a "stand alone" facility.			
	2. ____ No suitable County occupied properties in project area.			
	3. ____ No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. <u> X </u> The Program is being co-located.(DMH is in the same facility)			
E	Is lease a full-service lease? <sup>2</sup> <b>Lease is modified service (net utilities)</b>		X	
F	Has growth projection been considered in space request?	X		
G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	X		
<sup>1</sup> As approved by the Board of Supervisors 11/17/98				
<sup>2</sup> If not, why not? .				



**OVERVIEW OF PROPOSED LEASE COSTS**

<b>20101 Hamilton Avenue, Torrance</b>	<b>Proposed Lease</b>
Area (square feet)	133,272
Term	15 years
First Year Annual Base Rent <sup>(1)</sup>	\$3,279,000 (\$24.60 per sq. ft. annually)
Base TI Allowance (non-reimbursable)	\$5,330,880 (\$40 per sq.ft.)
County TI Contribution (reimbursable) <sup>(2)</sup>	\$10,661,760 (\$80 per sq.ft.)
Total First Year Lease Costs <sup>(3)</sup>	\$ 7,219,000 (\$54.17 per sq. ft. annually)
Rental Adjustment	2 percent fixed annually
Parking (included in Rent)	638 parking spaces
Options to Renew	Two 5-year options with 365 days' notice at 95% of fair market value

<sup>(1)</sup> The proposed lease is modified-gross, with the Landlord responsible for paying all costs associated with building maintenance, operations and janitorial. County is responsible for paying electricity. County to pay after-hours HVAC at the rate of \$10 per hour per zone to compensate the Landlord for wear and tear of HVAC system.

<sup>(2)</sup> The proposed lease allows the County to repay additional reimbursable TIs over 5 years at 7 percent interest (\$10,661,760 over 5 years at 7%, equates to payments of \$211,115.63/month or \$2,533,387.52/year). Numbers rounded in table above.

<sup>(3)</sup> Annual rent (\$3,279,000) + County reimbursable TI payments (\$2,534,000)/year = \$5,813,000. The proposed project will have Low Voltage Costs which are paid directly by the Department to ISD. The costs above only reflect costs associated with the lease (rent and TI reimbursement). The Low Voltage costs in year 1 (\$1,406,000) + lease costs (\$5,813,000) = \$7,219,000 in year 1.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES  
SPACE SEARCH – 5 MILE RADIUS  
20101 HAMILTON AVENUE, TORRANCE**

<b>LACO</b>	<b>Name</b>	<b>Address</b>	<b>Ownership Type</b>	<b>Gross Sq Ft</b>	<b>Vacant</b>
A521	Harbor/UCLA Med Center - Family Medicine Clinic	1403 W Lomita Blvd Harbor City 90710	Leased	13775	NONE
C112	DCSS - Asian Service Center	14112 S Kingsley Dr Gardena 90249	Leased	16180	NONE
4479	Animal Control #3 - Administration Building	216 W Victoria St. Carson 90248	Owned	1495	NONE
A074	CSSD - Division V Headquarters/Torrance Health Center	20221 S Hamilton Ave Torrance 90502; 711 Del Amo Blvd Torrance 90502	Leased	66825	NONE
A150	DMH - Wellness Center	21732 S Vermont Ave Suite 210 Torrance 90502	Leased	7390	NONE
A243	Probation - (AB - 109) South Bay Reg Office	1299 E Artesia Blvd Compton 90220	Leased	12928	NONE
A389	PW - Inc City Office/Area 1 Fire Prevention Office	701 E Carson St. Carson 90745	Gratis Use	2439	NONE
A414	DCFS - Torrance (SPA 8)	2325 Crenshaw Blvd Torrance 90501	Leased	60804	NONE
A451	DMH - Gardena Wellness Center	1300 W 155th St. Ste. 103 Gardena 90247	Leased	2160	NONE
A646	Mental Health - Ties	21081 S Western Ave Torrance 90501	Leased	6053	NONE
A655	Alternate Public Defender & Public Defender - Torrance Branch Offices	3655 Torrance Blvd Torrance 90503	Leased	8106	NONE
A245	Probation - (AB -109) Supplemental Parking	2200 W Artesia Blvd Compton 90220	Leased	101059	NONE
0187	Morley Sellery School	15804 S Budlong Ave Gardena 90247	Leased	313632	NONE
6333	Lomita Administrative Center	24320 Narbonne Ave Lomita 90717; 24330 Narbonne Ave Lomita 90717	Owned	30515	NONE

## **FACILITY LOCATION POLICY ANALYSIS**

**Proposed lease:** A 15-year lease for the Department of Public Social Services – 20101 Hamilton Avenue, Torrance– Fourth District.

**A. Establish Service Function Category** – DPSS provides direct service programs and operates administrative and support functions for DPSS.

**B. Determination of the Service Area** –The proposed lease will allow DPSS to relocate from 12000 Hawthorne Blvd, Hawthorne and 17600 Santa Fe Avenue, Rancho Dominguez and to consolidate into one location, within the Fourth Supervisor District. The site is located within close proximity to the Interstate 110 freeway.

### **C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: The proposed facility is in proximity to the communities of Hawthorne, Inglewood and the city of Los Angeles (South, Southeast, and unincorporated areas). This is a regional office including IHSS and the Centralized Application Timesheet Team programs serving residents in the Hawthorne area; the Medi-Cal program does not have client intake, however the operation serves residents in the above mentioned areas; The WFP & I program has visitors, and serves residents throughout the County, and prefer a geographically-centered location.
- Need for proximity to existing County facilities: DPSS programs need not be located within proximity to other County facilities.
- Need for proximity to Los Angeles Civic Center: N/A. The current site needs to serve clients in the Southeast County area. The location is 17 miles from downtown Los Angeles.
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e. the Torrance Transit System as well as LA Metro Bus System lines 205 and 550 and is within ¼ mile proximity of the 110 freeway and ½ mile proximity to the 405 freeway.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.

- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There is no space available in existing County-owned buildings to meet the District's service needs.
- Compatibility with local land use plans: The city of Los Angeles (Torrance Post Office) has been notified of the proposed County use which is consistent with its use and zoning for office space at this location. A notification letter has been sent pursuant to Government Code Section 25351.
- Estimated acquisition/construction and ongoing operational costs: The first year annual base rent of \$3,279,000 i.e., \$24.60 per square foot per year, including parking, plus the maximum first year cost of the County's TI contribution of \$2,534,000, and \$1,406,000 in low-voltage costs total approximately \$7,219,000 over the first year of the lease.

#### **D. Analyze results and identify location alternatives**

Based upon the space and service needs of DPSS, staff surveyed the immediate area to determine the availability of comparable and more economical site alternatives.

Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$23.40 and \$28.20 per square foot per year. The base annual rental rate of \$24.60 per square foot per year for the proposed lease represents a rate that is within the market range for the area.

#### **E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost and other Location Selection Criteria**

The proposed lease will provide adequate and efficient office space for DPSS employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Department requirements.

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES - Tenant  
OMNINET HAMILTON, L.P. Landlord**

**20101 HAMILTON AVENUE,  
SUITES 150C, 200, 300, 325  
TORRANCE, CALIFORNIA**

## TABLE OF CONTENTS

	Page
1. BASIC LEASE INFORMATION.....	1
1.1 Terms.....	1
1.2 Defined Terms Relating to Landlord's Work Letter.....	4
1.3 Exhibits to Lease.....	6
1.4 Landlord's Work Letter.....	6
2. PREMISES.....	7
3. COMMON AREAS.....	7
4. COMMENCEMENT AND EXPIRATION DATES.....	7
4.1 Term.....	7
4.2 Termination Right.....	8
4.3 Early Entry.....	8
4.4 Early Termination.....	8
5. RENT.....	8
5.1 Base Rent.....	8
6. USES.....	8
7. HOLDOVER.....	10
8. COMPLIANCE WITH LAW.....	10
9. DAMAGE OR DESTRUCTION.....	10
9.1 Damage.....	10
9.2 Tenant Termination Right.....	11
9.3 Damage In Last Year.....	11
9.4 Default By Landlord.....	11
10. REPAIRS AND MAINTENANCE.....	12
10.1 Landlord Representations.....	12
10.2 Landlord Obligations.....	14
10.3 Tenant Obligations.....	15
10.4 Tenant's Right to Repair.....	15
11. SERVICES AND UTILITIES.....	16
11.1 Services.....	18
11.2 Utilities.....	18
12. TAXES.....	19
13. LANDLORD ACCESS.....	19
14. TENANT DEFAULT.....	19
14.1 Default.....	19
14.2 Termination.....	19
14.3 No Effect on Indemnity.....	20
15. LANDLORD DEFAULT.....	20
15.1 Remedies.....	20
15.2 Waiver.....	20
15.3 Emergency.....	21
16. ASSIGNMENT AND SUBLETTING.....	21
16.1 Assignment and Subletting.....	21
16.2 Sale.....	21



17.	ALTERATIONS AND ADDITIONS .....	22
17.1	Landlord Consent .....	22
17.2	End of Term .....	23
18.	CONDEMNATION .....	23
18.1	Controlling Terms .....	23
18.2	Total Taking .....	23
18.3	Partial Taking .....	23
18.4	Restoration .....	24
18.5	Award .....	24
18.6	Waiver of Statute .....	24
19.	INDEMNIFICATION .....	24
19.1	Landlord's Indemnity .....	24
19.2	Tenant's Indemnity .....	24
20.	INSURANCE .....	25
20.1	Waiver .....	25
20.2	General Insurance Provisions — Landlord Requirements .....	25
20.3	Insurance Coverage Types And Limits .....	28
20.4	Landlord Requirements .....	29
21.	PARKING .....	29
21.1	Tenant's Rights .....	29
21.2	Remedies .....	30
22.	ENVIRONMENTAL MATTERS .....	30
22.1	Hazardous Materials .....	30
22.2	Landlord Indemnity .....	31
22.3	Tenant Indemnity .....	32
23.	ESTOPPEL CERTIFICATES .....	32
24.	TENANT IMPROVEMENTS .....	32
25.	LIENS .....	32
26.	SUBORDINATION AND MORTGAGES .....	32
26.1	Subordination and Non-Disturbance .....	33
26.2	Existing Deeds of Trust .....	33
26.3	Notice of Default .....	33
27.	SURRENDER OF POSSESSION .....	33
28.	SIGNAGE .....	33
29.	QUIET ENJOYMENT .....	33
30.	GENERAL .....	34
30.1	Headings .....	34
30.2	Successors and Assigns .....	34
30.3	Brokers .....	34
30.4	Entire Agreement .....	34
30.5	Severability .....	34
30.6	Notices .....	35
30.7	Governing Law and Venue .....	35
30.8	Waivers .....	35
30.9	Time of Essence .....	35
30.10	Consent .....	35

30.11	Community Business Enterprises .....	36
30.12	Memorandum of Lease .....	36
30.13	Counterparts .....	36
31.	AUTHORITY .....	36
32.	ACKNOWLEDGEMENT BY LANDLORD .....	37
32.1	Consideration of GAIN Program Participants .....	37
32.2	Solicitation of Consideration.....	37
32.3	Landlord Assignment.....	37
33.	IRREVOCABLE OFFER .....	39
34.	FORCE MAJEURE.....	39
35.	OPTION TO EXTEND.....	40
36.	RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.....	42



## **EXHIBITS**

- Exhibit A - Floor Plan of the Premises
- Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C - Form of Payment Voucher
- Exhibit D - Heating, Ventilation, and Air Conditioning Standards
- Exhibit E - Cleaning and Maintenance Schedule
- Exhibit F - Subordination, Nondisturbance and Attornment Agreement
- Exhibit G - Tenant Estoppel Certificate
- Exhibit H - Community Business Enterprises Form
- Exhibit I - Memorandum of Lease Terms

## **LANDLORD'S WORK LETTER**

- Addendum A - Base Building Improvements
- Addendum B - Tenant Improvements
- Addendum C - Form of Preliminary and Final TI Cost Statement

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2020 between OMNINET HAMILTON, L.P., a Delaware Limited Partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

**1.1 Terms**

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

<p>a. Landlord's Address for Notice:</p>	<p>Omninet Hamilton, L.P. 9420 Wilshire Boulevard, Suite 400 Beverly Hills, CA 90212 Attention: Michael Danielpour Email: <a href="mailto:Michael@omninet.com">Michael@omninet.com</a></p> <p>With a copy to:</p> <p>Omninet Property Management, Inc. 9420 Wilshire Boulevard, Suite 400 Beverly Hills, CA 90212 Attention: Commercial Operations</p> <p>All Rent payments shall be delivered to:</p> <p>Omninet Hamilton, LP 9420 Wilshire Boulevard, Suite 400 Beverly Hills, CA 90212 Attention: Accounts Receivable</p>
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	<p>If by ACH or wire transfer to:</p> <p>ABA number: 122243156  Account number: 4805594  Account Name: Omninet Hamilton LP  Bank : Israel Discount Bank Of New York</p> <p>Bank Address: 888 S. Figueroa St.  Ste. 3550  Los Angeles, CA 90017</p>
b. Tenant's Address for Notice:	<p>Chief Executive Office  Real Estate Division  320 West Tempe Street, 7<sup>th</sup> Floor  Los Angeles, California 90012  Attention: Director of Real Estate  Email:  LeaseAcquisitions@ceo.lacounty.gov</p> <p>With a copy to:</p> <p>County of Los Angeles  Office of the County Counsel  648 Kenneth Hahn Hall of Administration  500 West Temple Street  Los Angeles, CA 90012-2713  Attention: Property Division</p>
c. Premises:	<p>Approximately 133,272 rentable/gross square feet, in the aggregate, comprised of the following:</p> <p>Suite 150C, on the first floor, consisting of approximately 9,971 rentable/gross square feet;</p> <p>Suite 200, on the second floor, consisting of approximately 80,795 rentable/gross square feet;</p> <p>Suite 300, on the third floor, consisting of approximately 21,022 rentable/gross square feet; and</p>

	<p>Suite 325, on the third floor, consisting of 21,484 rentable/gross square feet,</p> <p>all in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.</p>
d. Building:	The Building located at 20101 Hamilton Avenue, Torrance, California, which is currently assessed by the County Assessor as APN 7351-033-017 (the "Property");
e. Term:	Fifteen (15) years, commencing thirty (30) days after the date of Tenant's Acceptance of the Premises, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the fifteenth annual 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(s) for which an option has been validly exercised.
f. Projected Commencement Date:	March 1, 2021
g. Irrevocable Offer Expiration Date: (see Section 33)	February 1, 2021
h. Base Rent:	\$273,207.60 per month, which is based upon a rental rate of \$2.05 per rentable square foot per month, on a modified gross basis, as provided in Section 11.2. (rent adjustable only as provided in Section 5.1 hereof).
i. Early Termination (see Section 4.4)	On or after the 144 <sup>th</sup> month following lease commencement, with 12 months prior written notice.



j. Rentable/gross Square Feet in the Premises:	133,272 square feet
k. Initial Departmental Use:	General office use for the Department of Public Social Services, subject to Section 6.
l. Parking Spaces:	Six-hundred, thirty-eight (638) unreserved parking spaces, onsite, upon terms and conditions provided in Section 21.1.
m. Normal Working Hours:	6:00 a.m. to 6:00 p.m. Monday through Friday, and 6:00 a.m. to 2:00 p.m. on Saturdays, excepting Holidays (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.
n. Asbestos Report:	A report dated May 11, 2018 prepared by <u>Magnolia Environmental</u> , a licensed California Asbestos contractor (provided by Landlord).
o. Seismic Report	A report dated December 7, 2017 prepared by the Department of Public Works.
p. Disabled Access Survey	A report dated April 1, 2020 prepared by CASp Experts LLC

## 1.2 Defined Terms Relating to Landlord's Work Letter

a. Tenant Improvement Allowance:	\$5,330,880.00 (\$40 per rentable square foot)
b. Tenant's TI Contribution:	\$10,661,760.00 (\$80 per rentable square foot)
c. Change Request Contingency	Not Applicable
d. Tenant Improvement Amortization Rate and	Seven percent (7%) per annum, amortized over the first 60 months of the lease term.

Change Request Amortization Rate:	
e. Estimated Monthly Payments Attributable to Tenant Improvement Costs in Excess of Tenant Improvement Allowance	\$211,115.63 per month, ending at the last day of the 60 <sup>th</sup> month of the Original Term.
f. Tenant's Work Letter Representative:	Tina Hovsepian or an assigned staff person of the Chief Executive Office-Real Estate Division.
g. Landlord's Work Letter Representative:	Gabriel Shalom or an assigned staff person of Landlord.
h. Landlord's Address for Work Letter Notice:	<p>Omninet Hamilton LP, 9420 Wilshire Boulevard, Suite 400 Beverly Hills, CA 90212 Attention: Michael Danielpour</p> <p>With a copy to:</p> <p>Omninet Hamilton LP 9420 Wilshire Boulevard, Suite 400 Beverly Hills, CA 90212 Attention: Commercial Construction</p>
i. Tenant's Address for Work Letter Notice:	<p>Chief Executive Office Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, California 90012 Attention: Director of Real Estate Email: LeaseAcquisitions@ceo.lacounty.gov</p>

<p>1.3     <u>Exhibits to Lease</u></p>	<p>Exhibit A - Floor Plan of Premises  Exhibit B - Commencement Date                      Memorandum and Confirmation                      of Lease Terms  Exhibit C - Form of Payment Voucher  Exhibit D - HVAC Standards  Exhibit E - Cleaning and Maintenance                      Schedule  Exhibit F - Subordination, Non-Disturbance                      and Attornment Agreement  Exhibit G - Tenant Estoppel Certificate  Exhibit H - Community Business                      Enterprises Form  Exhibit I - Memorandum of Lease</p>
<p>1.4     <u>Landlord's Work Letter</u>   (Executed concurrently  with this Lease and  incorporated herein by this  reference):</p>	<p>Landlord's Work Letter  Addendum A:    Base Building                              Improvements  Addendum B:    Tenant Improvements  Addendum C:    Form of Preliminary and                              Final TI Cost Statement</p>



**2. PREMISES**

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 depicted on Exhibit A attached hereto.

**3. COMMON AREAS**

Tenant may use the following areas ("Common Areas") in common with Landlord and any 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 Area established by Landlord.

**4. COMMENCEMENT AND EXPIRATION DATES**

**4.1 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 a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The Commencement Date shall begin 30 days after the date of 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 Tenant Improvements and the Premises are Substantially Complete, Tenant has inspected the Premises, and Tenant has accepted the Tenant Improvements and the Premises. The term "Substantial Completion" as used in this Lease shall mean compliance with all of the following:

- a. 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;
- b. Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), 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;
- c. 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;



- d. Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- e. If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.

#### 4.2 Termination Right

If the Commencement Date has not occurred within one hundred and eighty 180 days following the date of Landlord's receipt of the final governmental building permits granting Landlord the right to perform such work, subject to extension for Tenant Delay(s) and/or Force Majeure Delays, and/or Change Authorizations, as provided in Landlord's Work Letter executed concurrently herewith, then Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of at least sixty (60) days prior written notice to Landlord, and the parties shall have no further rights or obligations to one another hereunder.

#### 4.3 Early Entry

Tenant shall be entitled to enter 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 entry shall be subject to all provisions hereof, but shall not advance the Commencement Date nor the Termination Date, and Tenant shall not pay Base Rent nor any other charges for such early entry period.

#### 4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1(i), by giving Landlord not less than 12 months prior written notice, executed by the Chief Executive Officer of Tenant. The earliest notice may be provided is in month 132 of the Lease Term. If this Lease is terminated pursuant to this provision, Tenant will reimburse Landlord for the unamortized amount of the lease commissions paid by the Landlord to the Broker.

### 5. RENT

#### 5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1 and below during the Term hereof (a) within 15 days after the Commencement Date, and (b) the first day of each calendar month thereafter, provided that prior to the Commencement Date, Landlord must file with the Auditor of the County of Los Angeles a payment voucher for the Base Rent attributable to the initial month(s) of the Term up to and including June of the first year during the Term, and annually thereafter, on or before June 15 of each

subsequent calendar year, for the Base Rent attributable to the following 12 months (i.e., beginning July 1). Landlord shall submit such payment vouchers in the same form as Exhibit C attached hereto, along with a completed IRS form W-9 and evidence of insurance in compliance with Section 20.2. If Landlord fails to timely file any payment voucher as required pursuant to this Section 5.1, then Tenant shall not be required to pay Base Rent to Landlord until 15 days after Landlord files such payment voucher for the applicable period. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month. The Base Rent is subject to two (2) percent annual increases as follows:

<b>Months</b>	<b>Rate</b>	<b>Monthly Rent</b>
1 – 12	\$2.05	\$273,207.60
13 - 24	\$2.09	\$278,671.75
25 - 36	\$2.13	\$284,245.19
37 - 48	\$2.18	\$289,930.09
49 - 60	\$2.22	\$295,728.69
61- 72	\$2.26	\$301,643.27
73-84	\$2.31	\$307,676.13
85-96	\$2.35	\$313,829.65
97-108	\$2.40	\$320,106.25
109-120	\$2.45	\$326,508.37
121-132	\$2.50	\$333,038.54
133-144	\$2.55	\$339,699.31
143-156	\$2.60	\$346,493.30
155-168	\$2.65	\$353,423.16
167-180	\$2.70	\$360,491.63



**6. USES**

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1 or for any other administrative office for governmental purposes or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Normal Working Hours, after Normal Working Hours, and on weekends and holidays.

**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 90 days written notice from the Chief Executive Officer of Tenant at the last monthly Base Rent payable under this Lease, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease. In the event of a Tenant holdover, then, upon the commencement of the sixth (6<sup>th</sup>) month of the Tenant holdover period, the Base Rent shall be increased to 110% of the Base Rent applicable immediately preceding the expiration of the term 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 but not limited to the Americans with Disabilities Act, except if 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**

**9.1 Damage**

If 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 210 days, then Landlord shall promptly, at Landlord's expense, repair such damage to the extent of proceeds received and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable 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 leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base 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.

#### 9.2 Tenant Termination Right

If 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 210 days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

#### 9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then 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.

#### 9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, as determined by Tenant in its reasonable discretion, then Tenant may, at its sole election:

- 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 next installment(s) of Base Rent due as a charge against the Landlord.

## **10. REPAIRS AND MAINTENANCE**

### **10.1 Landlord Representations**

- a. Landlord represents to Tenant that, as of the date hereof to Landlord's actual knowledge:
  - i. Subject to the reports provided in Section 1.1 above, 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 but not limited to the Americans With Disabilities Act, and are in reasonably good working order and condition;
  - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
  - iii. The Premises, the Building and the Common Areas are free of the presence of 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.

If, as of the Commencement Date, Landlord is ordered, in writing, by an applicable governmental agency (other than the Tenant department set forth in Section 1.1(k) above) to correct a violation of any of the foregoing representations, then, as Tenant's sole remedy, Landlord shall, at Landlord's cost, perform such work as may be required in order to correct such representation.

- b. Landlord represents, based upon a professional inspection of the Premises and the Building and subject to the Asbestos Report (as defined in Section 1.1) 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.

c. CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:  
*[Check the appropriate box]*

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☒ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☐ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the

payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

- d. Landlord agrees to indemnify and hold harmless Tenant from all reasonable damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1 but only to the extent of direct damages caused solely by Landlord and not contributed to by Tenant.

#### 10.2 Landlord Obligations

- a. 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, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
  - iii. the Common Areas;
  - iv. exterior windows of the Building;
  - v. elevators serving the Building.
- b. 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:
  - i. the floor covering (if such floor covering is carpeting it shall be replaced as needed,;
  - ii. interior partitions;



- iii. doors;
  - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five years);
  - v. signage; and
  - vi. emergency exit signage and battery replacement.
  - vii. (intentionally omitted).
- c. Landlord shall, to the best of its ability, provide any reports, maintenance records, or other documentation as may be requested from time to time.

### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.5 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) 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 Landlord, which consent shall not be unreasonably withheld or delayed;
- b. be at least equal in quality, value and utility to the original work or installation; and
- c. be in accordance with all laws.

### 10.4 Tenant's Right to Repair

- a. 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 if 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 seven (7) 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. If not reimbursed by Landlord within ten days, Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.

- b. Notwithstanding any provisions of this Lease to the contrary, Tenant, at its sole discretion, acting through the Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, which building services and/or alterations shall not exceed \$50,000.00 unless agreed to by Landlord. In such case Tenant shall promptly reimburse Landlord for such costs within thirty (30) days after completion and Tenant's receipt of an invoice. Any improvements by Landlord shall be subject to (i) the Work Letter provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant remedies found in, but not limited to, Sections 4 through 13 of said Work Letter; and (ii) compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein.

## **11. SERVICES AND UTILITIES**

### **11.1 Services**

#### **a. Heating, Ventilation and Air Conditioning (HVAC)**

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. In addition, Landlord shall furnish HVAC at all times (i.e., 24 hours per day, 7 days per week, 365 days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

Landlord shall provide, upon Tenant's request, after-hours HVAC at the rate of \$10 per hour per zone to compensate Landlord for wear and tear of HVAC system providing such HVAC to the Premises after Normal Working hours.

Tenant hereby acknowledges that the Premises will be separately metered (through the use of a submeter) for electricity as part of the Tenant Improvements to be constructed by Landlord pursuant to the Landlord's Work Letter attached hereto. Accordingly, Tenant shall reimburse the landlord for such utility and pay for all electricity consumed at the Premises by Tenant. Tenant shall be responsible, at Tenant's sole cost for repairing, maintaining and replacing such submeter, but only to the extent of any damage caused by Tenant.

b. Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Work Letter (if applicable) but in any event not less than seven watts of electric current (connected load) per square foot of Rentable/gross Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises. Tenant shall pay for such electricity upon the terms and conditions set forth in Section 11.2 below and 11.1(a) above.

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 warm and cold water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

e. Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) 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.

g. Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the premises per the specifications set forth in Exhibit E attached hereto.

11.2 Utilities

- a. Common Area. Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof.
- b. Premises. Landlord agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any governmental authority, all water, sprinkler standby charges, gas, heating payable with respect to the Premises. Tenant agrees to pay when due all charges for the use of electricity ("Electricity Costs") accruing or payable in connection with the Premises during the Term of this Lease, or any renewal, extension, or holdover thereof, which shall be separately metered or submetered. Landlord and Tenant hereby agree that Tenant shall not be responsible for utility costs for the Premises other than separately metered Electricity Costs attributable to Tenant's use of the Premises. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

12. TAXES

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

**13. LANDLORD ACCESS**

Tenant shall permit Landlord and its agents to enter the Premises during Normal Working Hours 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 the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable 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.

**14. TENANT DEFAULT**

**14.1 Default**

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

- a. the failure by Tenant to make any payment of Base 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 the failure continues for a period of ten (10) days after written notice to Tenant;
- b. 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 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.

**14.2 Termination**

Tenant agrees that if a 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.



#### 14.3 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.

### 15. LANDLORD DEFAULT

#### 15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, 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 ten (10) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such ten (10) day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within 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:

- a. to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) from the installments of Base Rent next falling due;
- b. to pursue the remedy of specific performance;
- c. to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- d. to terminate this Lease.

#### 15.2 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.

### 15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default after delivering written notice of such default to Landlord and providing Landlord a reasonable cure period 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. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due.

### 15.4 Limitation on Liability

Notwithstanding anything to the contrary set forth in this Lease, Landlord, its managers, members, shareholders, partners, limited partners, general partners, officers, directors, contractors, agents and employees (collectively, "Landlord Parties") shall not be liable for any injury to Tenant's business or any consequential, punitive, special or exemplary damages, however occurring, unless caused by gross negligence or willfull misconduct of Landlord Parties. Without limiting the foregoing, Landlord and the Landlord Parties shall not be liable for any claims, losses, liabilities or damages (collectively, "Losses") to the personal property of Tenant or its employees, invitees, customers, agents or contractors for any cause unless caused by gross negligence or willfull misconduct of Landlord Parties. Landlord and the Landlord Parties shall not be liable to Tenant for any Losses caused by any other tenant of the Property unless caused by gross negligence or willfull misconduct of Landlord Parties.

## 16. **ASSIGNMENT AND SUBLETTING**

### 16.1 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, 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.

### 16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations



hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice, as a condition of Tenant's obligation to pay Base Rent to the new owner:

- a. Written evidence of the transfer of the Property (e.g., a recorded deed), or a letter from the transferor confirming that the Property was transferred to the new owner.
- b. A signed letter including the following information:
  - i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner
  - iii. Name of contact person and contact information (including phone number) for new owner
  - iv. Proof of insurance
- c. A W-9 form for new owner

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 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:

- a. complies with all laws;
- b. is not visible from the exterior of the Premises or Building;
- c. will not materially affect the systems or structure of the Building; and
- d. 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.



## 17.2 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.

## 18. **CONDEMNATION**

### 18.1 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.

### 18.2 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").

### 18.3 Partial Taking

If any portion, but not all, of the Premises or the Common Areas 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 Base Rent shall be equitably abated in proportion to the degree

to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

#### 18.4 Restoration

Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) 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, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

#### 18.5 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.

#### 18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

### 19. **INDEMNIFICATION**

#### 19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to), demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

#### 19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage including (but not limited to), demands, claims, actions, fees, costs and expenses



(including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

**20. INSURANCE:** During the term of this Lease, the following insurance requirements will be in effect:

**20.1 Waiver**

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

**20.2 General Insurance Provisions— Landlord Requirements**

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

**a. Evidence of Coverage and Notice to Tenant**

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial

rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant required endorsement forms.

- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements and/or notices of cancellation shall be delivered to:

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 West Temple Street, 7<sup>th</sup> Floor  
Los Angeles, CA 90012  
Attention: Director of Real Estate

Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

b. Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, shall be provided additional insured status under Landlord's General Liability Insurance policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the Premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable, providing it satisfies the Required Insurance provisions herein.

c. Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance including insurer, limits of coverage, term of coverage or policy period. The



written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and at least thirty (30) days in advance for any other cancellation or policy change.

d. Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease upon which County immediately may withhold payments due to Landlord. County, at its sole discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

e. Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and reasonably acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

f. Landlord's Insurance Shall Be Primary

Landlord's insurance policies, with respect to any claims related to the Common Areas under this Lease, shall be primary with respect to all other sources of coverage available to Tenant. Any Tenant maintained insurance or self-insurance coverage for the Common Area shall be in excess of and not contribute to any Landlord coverage for the Common Area. Tenant's insurance policies shall be primary with respect to any claims related to the Premises, except to the extent caused by Landlord's negligence or willful misconduct. Landlord's policies shall be secondary and non-contributing with respect to any claims related to the Premises, except to the extent caused by Landlord's negligence or willful misconduct.

g. Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against the Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

h. Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR.

i. Per Occurrence Coverage

Required Insurance shall be maintained by Landlord and Tenant on a per occurrence basis. Landlord understands and agrees that it shall maintain such coverage until the date of Landlord's sale of the Building.

j. Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as (i.e., "follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

k. Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

l. Tenant Review and Approval of Insurance Requirements

(Intentionally Omitted).

20.3 Insurance Coverage Types And Limits

a. Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 3 million
Products/Completed Operations	\$ 2 million
Aggregate:	
Personal and Advertising Injury:	\$ 2 million
Each Occurrence:	\$ 2 million

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding



of its liabilities) Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- a. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 5 million
Products/Completed Operations	\$ 5 million
Aggregate:	
Personal and Advertising Injury:	\$ 3 million
Each Occurrence:	\$ 3 million

Landlords shall be permitted to maintain such insurance pursuant to an umbrella or excess policy(ies) of insurance.

- b. Commercial Property Insurance. Such insurance shall:
  - i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
  - ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

## 21. PARKING

### 21.1 Tenant's Rights

Tenant shall have the right to the number of unreserved parking spaces set forth in Section 1, without charge, for the Term of this Lease. Landlord may provide tandem parking spaces for up to 15% (96 spaces) of the total parking specified in the Lease. Landlord shall provide a parking attendant at Landlord's sole cost for valet parking services for tandem parking. 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.

## 21.2 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receives 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. thirty-eight (38) or more 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), and, if such parking spaces are not restored to Tenant within thirty (30) days after Landlord's receipt of written notice from Tenant, then Tenant may terminate this Lease or partially vacate the Premises, in accordance with 21.2 (c) below, by delivering written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- b. Deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided.
- c. Tenant, at its sole discretion, reserves the right to terminate this Lease or partially vacate the Premises, per Section 21.2 (a) above, anywhere from 90 days to 30 months after providing written notice to the Landlord. Tenant shall have the right to terminate the Lease in whole or in part, whereby Tenant may elect to vacate the entire Premises or any portion thereof. In the event of any partial vacation of the Premises, all terms and conditions of this Lease, including the payment of Rent, shall be adjusted pro rata to the reduction of the Leased Premises and Landlord and Tenant shall execute an amendment to the Lease acknowledging the reduction of the Premises. Tenant shall further have the right to rescind any termination notice given pursuant to this section (in whole or in part) at any time, at its sole discretion, and reinstate the Lease.

## 22. ENVIRONMENTAL MATTERS

### 22.1 Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, 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.

## 22.2 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, fines, taxes, costs, liabilities, losses and reasonable expenses arising at any time as a result of, or in connection with, the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas caused by Landlord or Landlord's other violation of laws relating to Hazardous Materials other than those 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 in violation of applicable laws. 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.

- 22.3 Tenant Indemnity. Tenant agrees to indemnify, defend and hold harmless Landlord and the Landlord Parties from and against all liability, expense (including defense costs, legal fees and response costs imposed by law) and claims for damages which arise out of the presence of Hazardous Materials on the Premises caused by Tenant or Tenant's contractors, agents or employees.

The indemnification provisions of this Section 22 shall survive the expiration or earlier termination of this Lease.

## **23. ESTOPPEL CERTIFICATES**

Tenant shall, within 30 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of **Exhibit G** attached hereto (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 in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

## **24. TENANT IMPROVEMENTS**

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

## **25. LIENS**

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

## **26. SUBORDINATION AND MORTGAGES**

### **26.1 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 **Exhibit F** attached hereto 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 included herein.

26.2 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 **Exhibit F** attached hereto, within 30 days after the execution of this Lease.

26.3 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 and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

27. **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).

28. **SIGNAGE**

Landlord shall include Tenant's name and suite number within the Building's lobby directory at the Landlord's sole cost and expense. Landlord shall further provide the initial standard Tenant signage at the entry to the Premises at the Landlord's sole cost and expense. Any changes to such initial signage shall be at Tenant's expense. Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.

29. **QUIET ENJOYMENT**

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



### 30. GENERAL

#### 30.1 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.

#### 30.2 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.

#### 30.3 Brokers

Landlord and Tenant each represent and warrant to each other that the landlord has only engaged Newmark of Southern California, Inc. ("Broker") as broker with respect to this Lease, who is acting as agent on behalf of Landlord only, and that there is no other broker, finder or other person who would be entitled to any commission or fees in respect to the negotiation, execution or delivery of this Lease, and each party 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 other 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 thirty (30) days after the commencement date 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, as set forth in a separate written agreement between Landlord and Landlord's broker, a copy of which has been delivered by Landlord to Tenant prior to the execution of this Lease.

#### 30.4 Entire Agreement

This Lease (including all exhibits hereto and the Landlord's Work Letter) 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.

#### 30.5 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.

#### 30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, (iii) first-class registered or certified mail, postage prepaid, or (iv) electronic mail, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1 hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

#### 30.7 Governing Law and Venue

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.

#### 30.8 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.

#### 30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

#### 30.10 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) business days after written request is made therefore, together with all necessary information.



### 30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as **Exhibit H** attached hereto.

### 30.12 Memorandum of Lease

If requested by Tenant and approved by Landlord's lender, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of **Exhibit I** attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

### 30.13 Counterparts

This Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

## 31. **AUTHORITY**

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



## **32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

### **32.1 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.

### **32.2 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 the 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 who has had any involvement in the procurement, negotiation, consummation, administration or management of a 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.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

### **32.3 Landlord Assignment**

- a. 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 Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.

- b. 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, other than an assignment of this Lease in connection with the sale of the Building or Property, 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.
- c. 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 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 (commercial 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.
- d. 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 \$100,000 or up to 2% of the then remaining rental payments payable by the County through the expiration date of the 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.
- e. Landlord shall give the County notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.



- f. 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 other than purchasers, lender and prospective purchases and lenders and all of their legal representatives or brokers on a need to know basis, 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.
- g. 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.
- h. Notwithstanding any contrary provision contained in this Lease, Landlord shall have the right at any time and from time to time, to refinance the Building or transfer Landlord's right, title and interest in and to the Building or Property without Tenant's consent.

**33. IRREVOCABLE OFFER**

In consideration for the time and expense that Tenant will invest in this Lease, 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, as necessary, 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.

**34. FORCE MAJEURE.** Except for the payment of monetary amounts, if either party is delayed or hindered from performing any act required under this Lease by reason of strike, lock out labor troubles, inability to provides materials not related to the price thereof, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, delay in the issuance of a building permit or other required governmental approval or other reasons of like nature beyond the control of such party, then performance of such acts shall be excused and



extended for such period of delay. Nothing in this section shall prevent Tenant from exercising any of its rights under the Lease with respect to an emergency.

### **35. OPTION TO EXTEND**

#### **35.1 Option Terms.**

Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have two (2) options to renew this Lease for an additional period of sixty (60) months each (respectively, the "First Extension Term" and the "Second Extension Term", and collectively, the "Extension Term(s)").

#### **35.2 Exercise of Option.**

Tenant must exercise its options to extend this Lease by:

(a) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than three hundred sixty-five (365) days, nor earlier than four hundred fifty (450) days, prior to the end of the initial Term, or the First Extension Term, as applicable, and

(b) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect, Tenant shall be entitled to holdover as provided in this Lease.

#### **35.3 Terms and Conditions of the Extension Terms.**

The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to ninety-five percent (95%) of Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, and Landlord shall have no additional obligation for free rent, leasehold improvements or for any other tenant inducements for the Extension Terms.

#### **35.4 Agreement on Base Rent.**

Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term(s) shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its first and second options to extend, respectively.



35.5 Market Rental Value.

The term "Market Rental Value" shall be the rental rate that comparable Premises in the market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant within the Premises of the Building. In determining the Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion, non-renewal and non-equity tenants of comparable creditworthiness for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, the type of escalation clause (e.g., whether increases in additional rent are determined on a net or gross basis, and if gross, whether such increases are determined according to a base year or a base dollar amount expense stop), the extent of Tenant's liability under the Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent during the period of construction or subsequent to the commencement date as to the space in question, brokerage commissions, if any, which would be payable by Landlord in similar transactions, length of the lease term, size and location of the Building being leased, and other general applicable conditions of tenancy for such comparable transactions.

35.6 Opinions.

Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day



period, Tenant may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.

**35.7 Amendment of Lease.**

Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 35, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

**36. RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.**

- 36.1 Provided that no material Default has occurred and is continuing under the Lease, if at any time during the initial thirty-six (36) months of the Term of this Lease only, Landlord intends to offer leaseable space to third parties "Additional Premises" (defined below) which is available for lease and is space located contiguous to the Premises or if Landlord intends to accept an offer of a third party to lease the Additional Premises, Landlord shall first give written notice to Tenant of the rental rate and other material terms upon which Landlord is willing to lease the Additional Premises ("Landlord's Lease Notice"). As used herein, "Additional Premises" shall mean each and any of the following spaces: (i) that certain space located on the first floor of the Building, which is contiguous to the Premises, and is commonly known as Suite 150 consisting of approximately 9,443 rentable square feet, (ii) that certain space located on the third floor of the Building, which is contiguous to the Premises, and is commonly known as Suite 350 consisting of approximately 22,950 rentable square feet and (iii) that certain space located on the third floor of the Building, which is contiguous to the Premises, and is commonly known as Suite 375 consisting of approximately 17,926 rentable square feet. No other portion of the Building shall be subject to the terms and conditions of this Section 36. Tenant's right to lease each Additional Space is subject and subordinate to any superior right of any existing tenant of the Building. The right to lease the Additional Premises granted herein is a one-time right with respect to each Suite comprising the Additional Premises. Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have fourteen (14) days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "Expansion Commitment").



- 36.2 If Tenant delivers to Landlord the Expansion Commitment within such fourteen (14) day period, the Additional Premises described in Landlord's Lease Notice shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth in Landlord's Lease Notice, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.
- 36.3 Except as otherwise set forth in Landlord's Lease Notice, possession of the Additional Premises shall be delivered to Tenant on an "as-is" basis. Landlord shall prepare and Landlord and Tenant shall execute and deliver a written agreement modifying and supplementing the Lease and specifying that the Additional Premises are part of the Premises and, except as otherwise specified in Landlord's Lease Notice, subject to all of the terms and conditions of the Lease.
- 36.4 Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the fourteen (14) day period prescribed above, all rights of Tenant to lease the Additional Premises described in Landlord's Lease Notice shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of such Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises described in Landlord's Lease Notice to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 36 shall not apply to any sales or similar transfers of the Additional Premises.

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

LANDLORD:

**OMNINET HAMILTON, LP**  
**A Delaware limited partnership**

By: Omninet Three GP, LLC,

a California limited liability company  
Its: General Partner

By:

  
Michael Danielpour  
Manager

TENANT:

**COUNTY OF LOS ANGELES,**  
**a body politic and corporate**

FESIA A. DAVENPORT  
Acting Chief Executive Officer

By:

\_\_\_\_\_  
Dean Lehman  
Senior Manager, Real Estate Division

ATTEST:  
DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

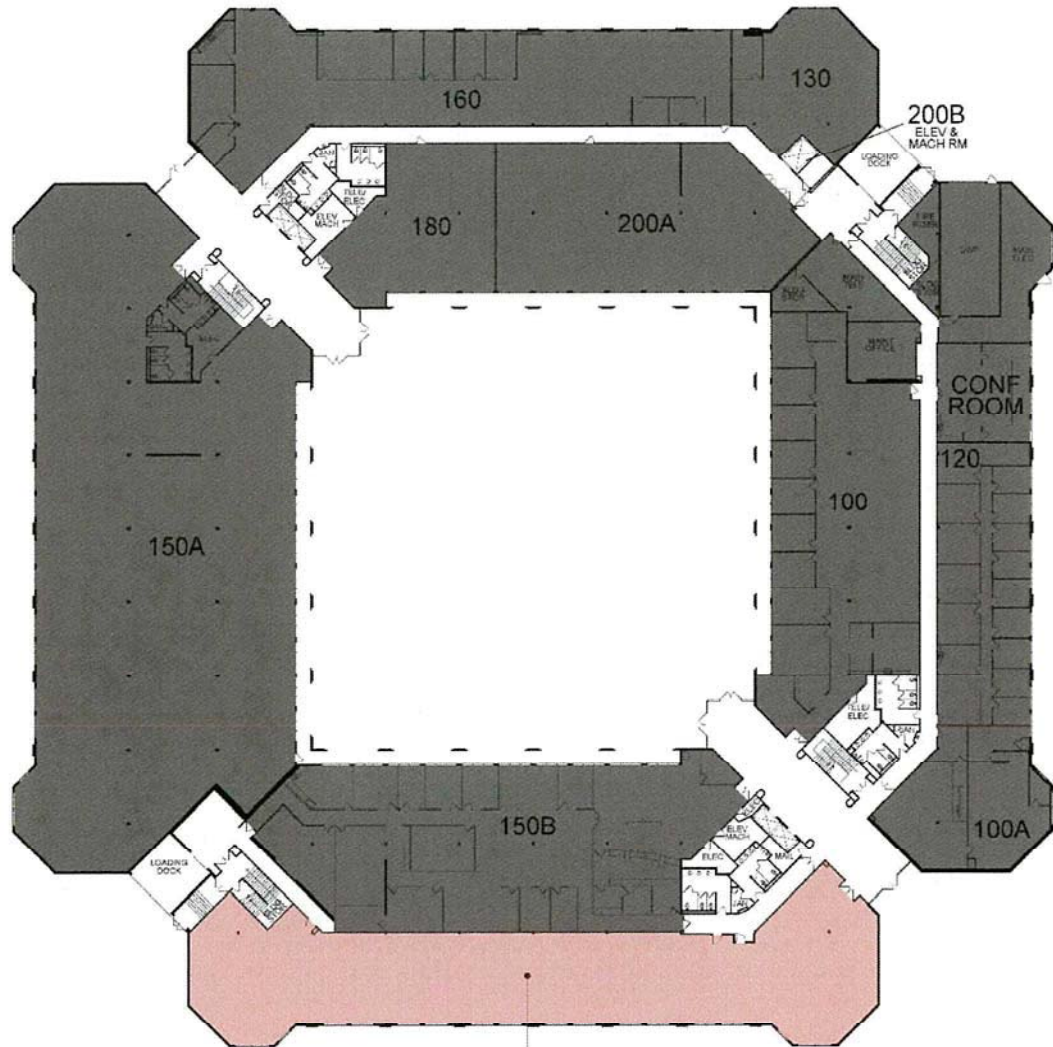
RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By:



Deputy County Counsel

# EXHIBIT A FLOOR PLAN OF PREMISES



Available Suite 150C - 9,971 sf

## AVAILABLE AREA SUMMARY:

1st Floor: 9,971 sf  
 2nd Floor: 80,795 sf  
 3rd Floor: 42,506 sf  
 Total: 133,272 sf

NORTH



Plot Date: APR 26, 2019

**ABBOTT  
TAYLOR**  
 ARCHITECTURE  
 3400 E. Shea Blvd Ste 101  
 Phoenix, Arizona 85028  
 602.748.4577  
 602.796.1565 fax  
 www.abbott-taylor.com  
 architecture  
 health care design

Project:

HAMILTON PLACE  
 20101 Hamilton Avenue  
 Torrance, CA

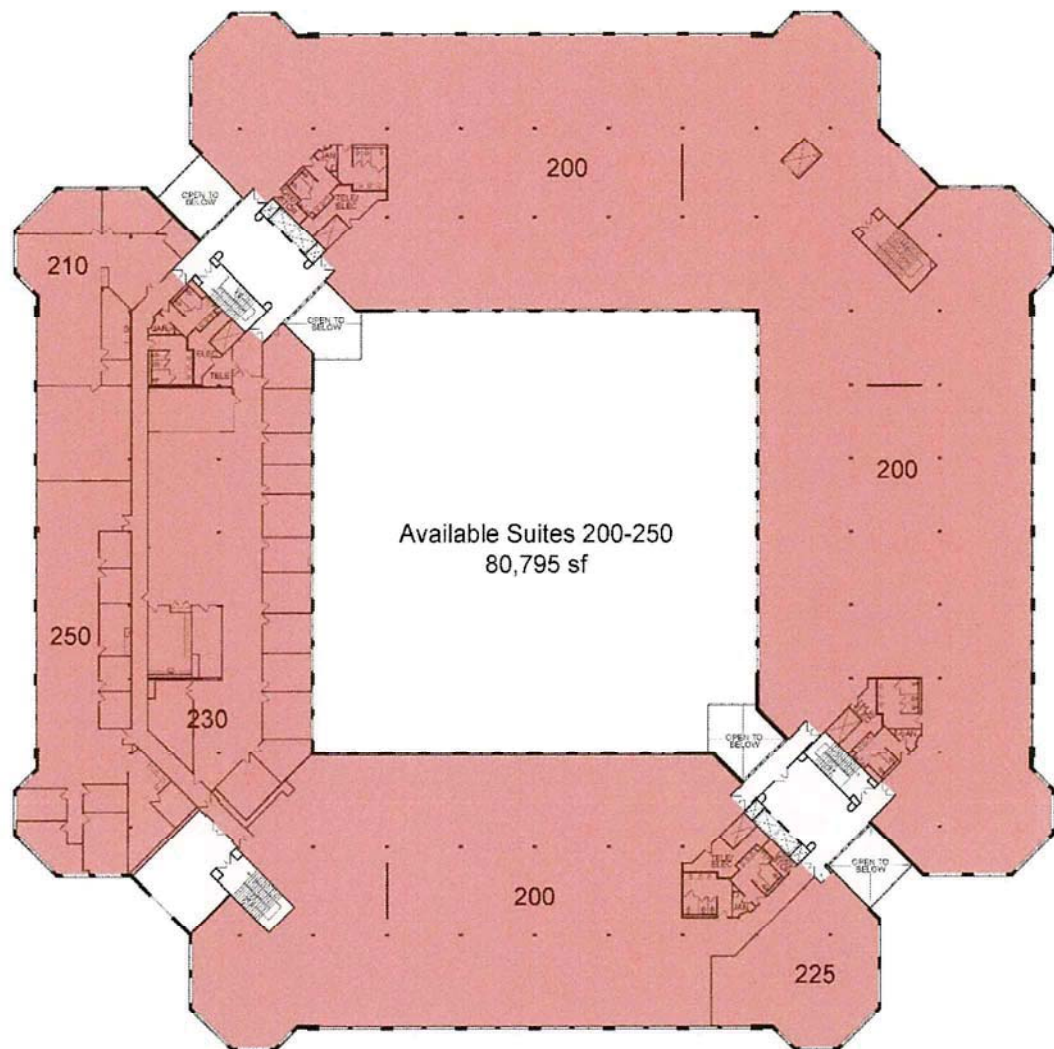
OMNINET

Sheet Title:  
 BLOCKING PLAN

Sheet Number:

1st Floor





**AVAILABLE AREA SUMMARY:**

1st Floor: 9,971 sf

2nd Floor: 80,795 sf

3rd Floor: 42,506 sf

Total: 133,272 sf

NORTH



Plot Date: APR 26, 2019

**ABBOTT  
TAYLOR**  
ARCHITECTS

architecture  
health care design

3420 E. Shea Blvd Ste 101  
Phoenix, Arizona 85028  
602.748.4077  
602.796.1565 fax  
www.abbott-taylor.com

Project:

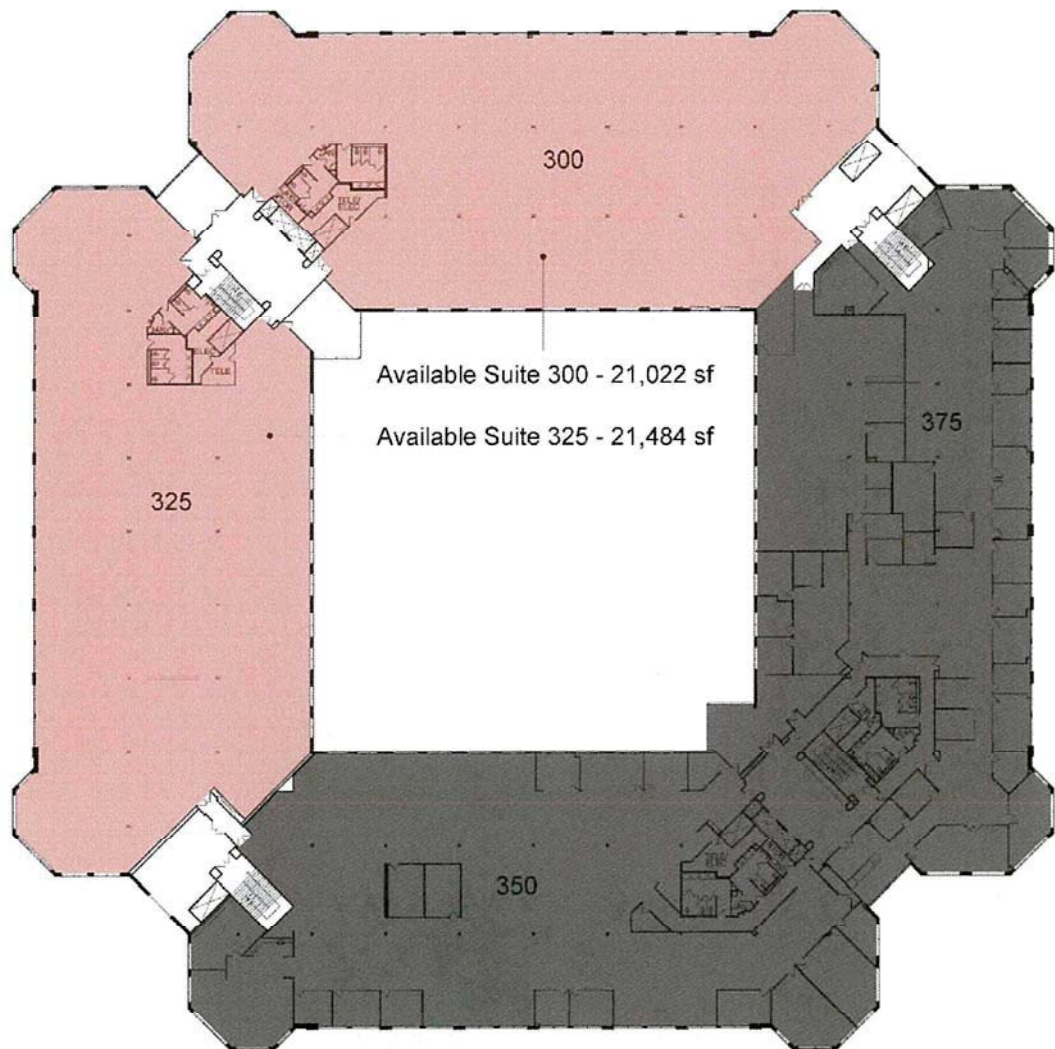
HAMILTON PLACE  
20101 Hamilton Avenue  
Torrance, CA

OMNINET

Sheet Title:  
BLOCKING PLAN

Sheet Number:

2nd Floor



**AVAILABLE AREA SUMMARY:**

1st Floor: 9,971 sf

2nd Floor: 80,795 sf

3rd Floor: 42,506 sf

Total: 133,272 sf

NORTH



Plot Date: APR 26, 2019

**ABBOTT  
TAYLOR**  
ARCHITECTS

architecture  
health care design

3420 E Shea Blvd Ste 101  
Phoenix, Arizona 85028  
602.748.4077  
302.735.1565 fax  
www.abbott-taylor.com

Project:

HAMILTON PLACE  
20101 Hamilton Avenue  
Torrance, CA

OMNINET

Sheet Title:  
BLOCKING PLAN

Sheet Number:

3rd Floor



**EXHIBIT B**  
**COMMENCEMENT DATE MEMORANDUM**  
**AND CONFIRMATION OF LEASE TERMS**

Reference is made to that certain Lease Agreement ("Lease") dated \_\_\_\_\_, 20\_\_\_\_, between County of Los Angeles, a body politic and corporate ("Tenant"), and OMNINET HAMILTON, L.P., a Delaware Limited Partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 20101 Hamilton Avenue, Torrance ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 4) The Premises contain \_\_\_\_\_ rentable/gross square feet of space; and
- 5) Landlord has paid a commission in the amount of \$\_\_\_\_\_ to Tenant pursuant to Section 30.3 of the Lease.
- 6) The Base Rent is subject to two (2) percent annual increases, pursuant to Section 5.1 of the Lease.

IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

<p>Tenant:</p> <p>COUNTY OF LOS ANGELES, a body politic and corporate</p> <p>By: _____</p> <p>Name _____</p> <p>Its _____</p>	<p>Landlord:</p> <p>OMNINET HAMILTON, LP a Delaware Limited Partnership</p> <p>By: Omninet Three GP, LLC, A California limited liability company Its : General Partner</p> <p>By: _____</p> <p>Michael Danielpour Manager</p>
--	---





## **EXHIBIT D**

### **HEATING, VENTILATION AND AIR CONDITIONING**

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/net 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. Emergency exit signage and egress battery replacement (if applicable)
- K. Graffiti expunged as needed within two working days after notice by Tenant
- L. Floors washed as needed.
- M. Kitchen/lunchroom/restroom supplies replenished, including paper supplies and soap.

#### 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, excluding any supplemental HVAC unit(s) exclusively serving Tenant's dedicated telecom room.

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. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator and approved by Landlord.
- D. 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:
  - ii. heavy traffic areas cleaned as needed, with a minimum frequency of every three (3) months [four (4) times per year];
  - iii. moderate traffic areas cleaned as needed, with a minimum of once every six (6) months [two (2) times per year]; and
  - iv. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

- E. 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") except for touch-up paint as provided in Paragraph 6.C. of this Exhibit E. The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.
- F. All HVAC ducts cleaned as needed, but no less than every five (5) years.

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.



**EXHIBIT F**

**SUBORDINATION, NONDISTURBANCE  
AND ATTORNMENT AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 West Temple Street,  
7th Floor  
Los Angeles, California 90012

)  
)  
)  
)  
)  
)  
)

Space above for Recorder's Use

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**SUBORDINATION, NONDISTURBANCE  
AND ATTORNMENT AGREEMENT**

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

This Subordination, Nondisturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_ by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

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

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

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

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and



other conditions, provided that Lender agrees to a nondisturbance provision, all as set forth more fully below.

### Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

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

3. Nondisturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

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

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets

deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

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

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: Omninet Hamilton, LP  
9420 Wilshire Blvd, 4<sup>th</sup> Floor  
Beverly Hills, California 90212  
Attention: Michael Danielpour

With a copy to:

Omninet Property Management, Inc.  
9420 Wilshire Blvd, 4<sup>th</sup> Floor  
Beverly Hills, California 90212  
Attention: Commercial Operations

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
Hall of Records  
320 West Temple Street, 7<sup>th</sup> Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate



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

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: OMNINET HAMILTON, LP,  
A Delaware limited partnership

By: Omninet Three GP, LLC,  
A California limited liability company  
Its: General Partner

By: \_\_\_\_\_  
Michael Danielpour  
Manager

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

## EXHIBIT G

### TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re: Date of Certificate: \_\_\_\_\_  
Lease Dated: \_\_\_\_\_  
Current Landlord: \_\_\_\_\_  
Property Located at: \_\_\_\_\_  
Premises: \_\_\_\_\_  
Commencement Date of Term: \_\_\_\_\_  
Expiration Date: \_\_\_\_\_  
Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

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

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

(b) The current Rent is set forth above.

(c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

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

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

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

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

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one month in advance.

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

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

COUNTY OF LOS ANGELES,  
a body politic and corporate

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## EXHIBIT H

### COMMUNITY BUSINESS ENTERPRISE FORM

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

#### I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name:			3. Contact Person/Telephone Number:			
2. Address:						
			4. Total number of employees in the firm: _____			

5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

#### II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) \_\_\_\_\_

2. Total Number of Ownership/Partners, Etc.: \_\_\_\_\_

#### III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION

3. Provide the percentage of ownership in each category.	All Employees	Women	Is your firm currently certified as a minority owned business firm by the:  State of California? Yes No  City of Los Angeles? Yes No  Federal Government? Yes No
Black/African American			
Hispanic/Latin American			
Asian American			
Portuguese American			

#### Section D. OPTION TO PROVIDE REQUESTED INFORMATION

American Indian/Alaskan Native			We do not wish to provide the information required in this form.  Firm Name: _____ Signature/Title: _____ Date: _____
All Others			

**EXHIBIT I**

**MEMORANDUM OF LEASE**

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 West Temple Street  
7<sup>th</sup> Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

---

**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") is made and entered into by and between \_\_\_\_\_, a \_\_\_\_\_ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated \_\_\_\_\_, 20\_\_ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_, and ending on a date \_\_\_\_\_ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_.

LANDLORD:

OMNINET HAMILTON, LP,  
A Delaware limited partnership

By: Omninet Three GP, LLC,

A California limited liability company  
Its: General Partner

By: \_\_\_\_\_  
Michael Danielpour  
Manager

TENANT:

COUNTY OF LOS ANGELES,  
a body politic and corporate

By: \_\_\_\_\_  
Name: \_\_\_\_\_

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk of the  
County of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By: \_\_\_\_\_  
Deputy County Counsel



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020	
<b>BOARD MEETING</b>	12/8/2020	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	1 <sup>st</sup>	
<b>DEPARTMENT</b>	Department of Public Social Services (DPSS)	
<b>SUBJECT</b>	Approve a ten-year lease for approximately 68,407 square feet of office space, and 273 on-site parking spaces at 588 Atlas Street, Monterey Park CA.	
<b>PROGRAM</b>	Management Information and Evaluation Section (MIE) and Greater Avenues of Independence (GAIN).	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	DPSS's existing offices located at 3216-3220 Rosemead Boulevard, El Monte (El Monte) is under two leases. One lease is on a month-to-month holdover without penalty since 2018 and will be terminated upon relocation of the DPSS programs. The other lease expires on November 14, 2021 and includes a cancellation clause that will allow the lease to be terminated upon relocation of the DPSS Programs.	
<b>COST &amp; FUNDING</b>	Total cost: \$34,706,000 rental costs over the 10-year term, including parking.	Funding source: The rental costs will be funded 82.88 percent with State and federal funds and 17.12 percent with net County cost
	TERMS (if applicable): The base rent is subject to fixed 3 percent increases per annum. The lease provides an early termination right at any time after the eighth anniversary of the commencement date, with 120 days' notice subject to payment of a termination fee equal to the unamortized portion of the TI allowance, not to exceed \$1,046,217.	
	Sufficient funding to cover the proposed rent, for the first year of the proposed lease are included in the Fiscal Year (FY) 20-2021 Rent Expense Budget, and will be billed back to DPSS. DPSS has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed amendment will be part of the budget for DPSS.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and adequately provide the necessary office space for DPSS.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The proposed lease will provide DPSS the use of approximately 68,407 square feet of office space and 273 parking spaces for the DPSS office.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Michael Navarro CEO- Real Estate Division 213-974-4364    Mnavarro@ceo.lacounty.gov	





# 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>

FESIA A. DAVENPORT  
Acting Chief Executive Officer

December 8, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**TEN-YEAR LEASE  
DEPARTMENT OF PUBLIC SOCIAL SERVICES  
588 ATLAS STREET, MONTEREY PARK 91755  
(FIRST DISTRICT)  
(3 VOTES)**

## **SUBJECT**

Approval of a proposed new ten-year lease for approximately 68,407 square feet of office space, and 273 on-site parking spaces for the Department of Public Social Services (DPSS) Management Information and Evaluation Section (MIE) and Greater Avenues of Independence (GAIN) program.

## **IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Acting Chief Executive Officer, or her designee, to execute the proposed lease with Sonnenblick-Monterey Park, LLC (or its related affiliates acceptable to Los Angeles County) (Landlord), for approximately 68,407 square feet of office space, and 273 on-site parking spaces located at 588 Atlas Street, Monterey Park, California 91755 (Premises) to be occupied by DPSS. The estimated maximum first year base rental cost is \$2,093,254. The estimated total lease cost is \$34,706,000 over the 10-year term, including low voltage cost to be paid by DPSS directly to ISD. The costs will be funded 82.88 percent with State and Federal funds and 17.12 percent with net County cost.

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

3. Authorize the Acting Chief Executive Officer, or her designee, to reimburse the Landlord \$6,840,700 for the County's Tenant Improvement (TI) contribution, which will be amortized over eight-years at 4.25 percent interest per annum for a fully amortized amount not to exceed \$8,053,000.
4. Authorize the Director of DPSS to contract with and direct the Internal Services Department (ISD), in coordination with the Acting Chief Executive Officer, or her designee, for the acquisition and installation of telephone, data, and low-voltage systems (Low Voltage Items) at a total cost not to exceed \$2,397,000 if paid in a lump sum, or \$2,656,000 if amortized over five-years at 6 percent interest per annum. The cost for the Low Voltage Items is in addition to the rental costs and the County's TI contribution payable to the Landlord.
5. Authorize and direct the Acting Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed lease, and to take actions necessary and appropriate to implement the terms of the proposed lease, including, without limitation, exercising early termination rights and/or any options to extend, and right of first refusal to lease additional premises.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The current ownership is in escrow to sell the property with the Premises to the Landlord. The proposed lease will be effective once all of the following items are in place: (i) Landlord owns the Premises, (ii) Board approval of the proposed lease, (iii) full execution of the proposed lease, and (iv) unconditional delivery of the Premises to the County by the Landlord at the close of escrow.

The proposed lease will allow DPSS to consolidate and relocate their MIE and GAIN offices currently located at 3216-3220 Rosemead Boulevard, El Monte. The existing lease for 3220 Rosemead Boulevard has been on a month-to-month holdover without penalty since 2018 and will be terminated upon the relocation of the DPSS programs. The existing lease for 3216 Rosemead Boulevard expires on November 14, 2021, and includes a cancellation clause that will allow the lease to be terminated upon relocation of the DPSS programs.

The MIE program is responsible for managing the following DPSS administrative activities: Audit Liaison and Corrective Action program, and monitoring of the Food Stamp, Med-Cal, and Welfare-to-Work programs. The GAIN program provides job preparation classes and ancillary services to CalWORKS participants within the western part of the San Gabriel Valley and adjacent communities. Currently, approximately 150 to 200 participants visit the DPSS office daily. The Premises will allow DPSS to continue to work with Los Angeles Office of Education, Department of Health Services, and contracted workers to provide supportive services to DPSS clients. There will be approximately 282 employees at the Premises, including security guards and collocated

employees. The Premises is located near public transportation routes and adjacent to major freeways.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will allow DPSS to operate at the subject facility.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 1 - *Make Investments That Transform Lives* - provides that we will aggressively address society's most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges – one person at a time.

The proposed lease is also consistent with the Strategic Asset Management Plan Goal 2 – Strengthen Connection between Service Priorities and Asset Decisions and Key Objective 4 – Guide Strategic Decision-Making.

The proposed lease supports the above goals and objectives by providing a centrally located office within the DPSS service area for participants to receive services. The proposed lease conforms with the Asset Management Principles outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

Sufficient funding for the proposed lease, and the County TI reimbursement costs for the first year of the proposed lease term, is included in the Fiscal Year (FY) 2020-21 Rent Expense Budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent, County TI costs and Low Voltage Items for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS. The costs will be funded 82.88 percent with State and Federal funds, and 17.12 percent with net County cost. The costs for Low Voltage Items will be paid by DPSS directly to ISD, and are not part of the proposed lease.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In addition to the terms previously stated, the proposed lease also includes the following provisions:

- Base rent includes parking and is subject to fixed annual 3 percent increases.
- Total TI costs are expected to be \$11,287,155. The Landlord will provide \$4,446,455 (\$65.00 per square foot) base TI allowance. The Landlord shall credit the County up to \$25.00 per square foot toward the Base Rent for any unused portion of the base TI allowance.

- The County will reimburse the Landlord \$6,840,700 for the County's Tenant Improvement (TI) contribution, which will be amortized over eight-years at 4.25 percent interest per annum for a fully amortized amount not to exceed \$8,053,000.
- The Landlord is responsible for all operating and maintenance cost of the building including all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- The Landlord shall restripe the parking area and install electric charging stations based on 3 percent of the parking allotted to the County at the Landlord's sole cost and expense.
- The aggregate cost associated with the proposed lease over the entire term is \$34,706,000, as shown on Enclosure B.
- The proposed lease includes two five-year options to extend the lease with twelve months advance notice at 95 percent of the Fair Market Rental Value. If all options are exercised, the total term of the proposed lease would be 20 years.
- The County has a Right of First Refusal to lease any remaining space in the building.
- The County has the right to terminate the proposed lease any time after the eighth anniversary of the commencement date, with 120 days' notice subject to payment of a termination fee equal to the unamortized portion of the TI allowance, not to exceed \$1,046,217.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions, except the base rent during the holdover period will be at the base rent at the time of the lease expiration for the initial six months of the holdover period, and on the seventh holdover month, base rent will increase by 25 percent (Holdover Fee). The Landlord will credit the County any Holdover Fee paid by the County should the County elect to remain in the Premises and renew the lease.
- The proposed lease will be effective once all of the following items are in place: (i) Landlord owns the Premises, (ii) Board approval of the proposed lease, (iii) full execution of the proposed lease, and (iv) unconditional delivery of the Premises to the County by the Landlord at the close of escrow. However, the term and rent will commence 30 days after completion of the TIs by the Landlord and acceptance of the Premises by the County.

- The proposed lease was submitted for review to the Board's appointed Real Estate Management Commission on November 10, 2020, and was unanimously approved.

The Chief Executive Office (CEO) issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website, the CEO-Real Estate's County website, and Cushman & Wakefield's (CW) website, the County's tenant broker representative. The Premises was identified in response to the flyer. The CEO and CW conducted a market search of available office space for lease but were unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.60 and \$33.60 per square foot, per year. The base annual rental rate of \$30.60 per square foot, per year for the proposed lease represents a rate at the lower end of the market range for the area. We recommend the Premises as the most suitable to meet the County's space requirements.

CEO has communicated with co-working office space companies regarding office space for the applicable programs, and they have informed the CEO that their co-working office space does not have available space for long term occupancy to accommodate the required space needs. In addition, co-working office space is not financially viable in comparison to rental costs of traditional long-term office space.

Enclosure C shows all County-owned and leased facilities within the surveyed areas and there are no County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected the Premises and found the building needs seismic retrofit. The proposed lease will include provisions that the seismic retrofit must be completed by the Landlord, at Landlord's sole cost, prior to occupancy by the County. Construction of the TIs will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act.

The required notification letter to the city of Monterey Park has been sent in accordance with Government Code Section 25351. County Counsel has reviewed the enclosed lease and has approved it as to form.

The proposed lease will provide a suitable office location for DPSS programs, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012 and as outlined in Enclosure D.

## **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor tenant improvements within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in Section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with Section 21152 of the California Public Resources Code.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed Lease will adequately provide the necessary office space, and parking spaces for this County requirement. DPSS concurs with the proposed lease and recommendations.



**CONCLUSION**

It is requested that the Executive Office, Board of Supervisors, return one certified copy of the Minute Order, and the adopted-stamped Board letter to the CEO, Real Estate Division at 320 W. Temple Street, 7th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

FESIA A. DAVENPORT  
Acting Chief Executive Officer

FAD:JMN:DPH:DL  
JLC:MN:MAC:gw

Enclosures

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

**Department of Public Social Services  
588 Atlas Street, Monterey Park, CA  
Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions?	<b>X</b>		
	B	Does lease co-locate with other functions to better serve clients?	<b>X</b>		
	C	Does this lease centralize business support functions?	<b>X</b>		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>No, the ratio is 242 sq. ft. per person due to the lobby/support space providing services to participants.</b>		<b>X</b>	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline?	<b>X</b>		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location?	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program? <b>The costs will be funded 82.88 percent with State and Federal funds and 17.12 percent with net County cost.</b>		<b>X</b>	
	B	Is this a long-term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			<b>X</b>
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report attached as Enclosure C?	<b>X</b>		
	G	Was build-to-suit or capital project considered? <sup>2</sup> The flyer sent did not result in any offers of build-to-suit locations and no existing facility met the department's needs.		<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?	<b>X</b>		
	D	Why was this program not co-located with other County departments?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. <u>X</u> The Program is being co-located.			
	E	Is lease a full-service lease? <sup>2</sup>	<b>X</b>		
	F	Has growth projection been considered in space request?			<b>X</b>
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval? <b>Seismic review completed, however seismic approval still needed.</b>		<b>X</b>	
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

**OVERVIEW OF PROPOSED LEASE COSTS**

Area (square feet)	68,407
Term	10-years
First Year Annual Base Rent	\$2,093,254 (\$30.60 per sq. ft. annually)
County TI Contribution	\$6,840,700 (\$100 per sq. ft.)
Total Annual Lease Costs <sup>(1)</sup>	\$3,099,862 in the first year
Rental Adjustment	Fixed 3 percent per annum
Option to Renew	Two 5-year options with 12 months' notice at 95% of fair market

<sup>(1)</sup> Total first year lease costs plus first year low voltage costs will be approximately \$4,206,287.

## OVERVIEW OF THE PROPOSED BUDGETED LEASE AND RELATED COSTS

588 Atlas, Monterey Park, 91755  
DPSS

Basic Assumptions	
Leased Area (sq ft)	68,407
Term (months)	120
Annual Base Rent / SF	\$30.60
Monthly Base Rent / SF	\$2.55
Rent Adjustment	3%
Tenant Improvement Contribution	\$6,840,700
Tenant Improvement Contribution	\$100
TI Contribution Amortization Rate	4.25%
Low Voltage Budget	\$2,397,000
Low Voltage Labor Costs Lump Sum	\$719,100
Low Voltage Equipment Costs Lump Sum	\$1,677,900
Low Voltage Equipment Costs Amortized	\$1,936,627
Low Voltage Amortization Rate	6%

Year	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year	8 <sup>th</sup> Year	9 <sup>th</sup> Year	10 <sup>th</sup> Year	Total 10 Year Rental Costs
Annual Base Rent Costs <sup>(1)</sup>	\$2,093,254	\$2,156,052	\$2,220,733	\$2,287,355	\$2,355,976	\$2,426,655	\$2,499,455	\$2,574,439	\$2,651,672	\$2,731,222	\$23,997,000
Annual Tenant Improvement Costs <sup>(2)</sup>	\$1,006,608	\$1,006,608	\$1,006,608	\$1,006,608	\$1,006,608	\$1,006,608	\$1,006,608	\$1,006,608	\$1,006,608		\$8,053,000
<b>Total Paid to Landlord</b>	<b>\$3,099,862</b>	<b>\$3,162,660</b>	<b>\$3,227,341</b>	<b>\$3,293,963</b>	<b>\$3,362,584</b>	<b>\$3,433,263</b>	<b>\$3,506,063</b>	<b>\$3,581,046</b>	<b>\$2,651,672</b>	<b>\$2,731,222</b>	
Annual Low Voltage Costs <sup>(3)</sup>	\$1,106,425	\$387,325	\$387,325	\$387,325	\$387,325						\$2,656,000
<b>Total Annual Lease Costs</b>	<b>4,206,287</b>	<b>3,549,985</b>	<b>3,614,667</b>	<b>3,681,289</b>	<b>3,749,909</b>	<b>3,433,263</b>	<b>3,506,063</b>	<b>3,581,046</b>	<b>2,651,672</b>	<b>2,731,222</b>	<b>\$34,706,000</b>

### Footnotes:

\*Calculation note: All Total numbers are rounded up to ensure sufficient funds available to pay the specified expense.

<sup>1</sup> Base rent includes fixed 3 percent increases per annum.

<sup>2</sup> Tenant's TI Contribution of \$2,397,000 (\$100 per RSF) has been amortized at 4.25% fixed rate over 96 months (8-Years) with no change order contingency.

<sup>3</sup> Low Voltage Costs = Low Voltage Labor costs + Low Voltage Equipment Cost. The Low Voltage Labor Cost must be paid via a lump sum payment in the first year. Low Voltage Equipment costs may be paid in lump sum or amortized over 5 years

**DEPARTMENT OF PUBLIC SOCIAL SERVICES  
SPACE SEARCH – FIVE MILE RADIUS  
3216-3220 ROSEMEAD BOULEVARD, EL MONTE**

Property ID	Name	Address	Ownership	Gross SqFt	Vacant
4521	Sheriff - Homicide Bureau & Parole Compliance	1 Cupania Circle Monterey Park 91755	Leased	42,547	NONE
10111	Regional Facilities Agency	265 Cloverleaf Dr Baldwin Park 91706	Owned	444,244	NONE
A275	Community Development Commission Headquarters	2 Coral Cir Monterey Park 91755	Leased	67,500	NONE
A130	DPSS - Administrative Headquarters	12860 Crossroads Pkwy S City of Industry 91745	Leased	55,000	NONE
6144	Maclaren Children's Center	4024 N Durfee Ave El Monte 91732	Owned	71,733	NONE
6064	El Monte Courthouse	11234 E Valley Blvd El Monte 91731	CA - Superior Courts	136,512	NONE
5883	Alhambra Courthouse	150 W Commonwealth Ave Alhambra 91801	CA - Superior Courts	111,727	NONE
A387	DPSS - Gain Program Headquarters/DA - Claims Unit	3220 Rosemead Blvd El Monte 91731	Leased	26,335	NONE
B002	DPSS - Administrative Headquarters East Annex	12900 Crossroads Pkwy S City of Industry 91745	Leased	34,245	NONE
0229	Ag Comm/Wts & Meas HQ/Probation Special Services	12300 Lower Azusa Rd Arcadia 91706	Owned	35,878	NONE
A493	San Gabriel Valley Family Service Center I	3350 Aerojet Ave El Monte 91731, 9150 Flair Dr El Monte 91731	Leased	120,000	NONE
A507	DPSS - Administrative Headquarters West Annex	12820 Crossroads Pkwy S City of Industry 91745	Leased	33,331	NONE
A522	PH/DPSS/DCFS - Telstar El Monte County Center	9320 Telstar Ave El Monte 91731	Leased	163,000	NONE

## **FACILITY LOCATION POLICY ANALYSIS**

**Proposed lease:** Lease for the Department of Public Social Services – 588 Atlas Street, Monterey Park – First District.

**A. Establish Service Function Category** – MIE and GAIN programs

**B. Determination of the Service Area** – San Gabriel Valley

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: Continuing need for existing operation in the San Gabriel Valley region for DPSS
- Need for proximity to existing County facilities: Currently co-located with the Los Angeles Office of Education and Department of Health Services.
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., MTA and Foothill Transit.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available to meet the Department's needs
- Compatibility with local land use plans: The city of Monterey Park has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The first year rental costs including (i) base rent of \$2,093,254 i.e., \$30.60 per square foot, per year, including parking, (ii) the amortized cost of the County's tenant improvements contribution of \$1,006,608 and (iii) the Low Voltage costs of \$1,106,425 total approximately \$4,206,287 over the first year of the lease.



**D. Analyze results and identify location alternatives**

The CEO issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website, the CEO-Real Estate's County website, and Cushman & Wakefield's (CW) website, the County's tenant broker representative. The Premises was identified in response to the flyer. The CEO and CW conducted a market search of available office space for lease but were unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.60 and \$33.60 per square foot, per year. The base annual rental rate of \$30.60 per square foot, per year for the proposed lease represents a rate at the lower end of the market range for the area. We recommend the proposed facility as the most suitable to meet the County's space requirements.

**E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost and other Location Selection Criteria**

The proposed lease will provide adequate and efficient office space for DPSS employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES - TENANT**

**and**

**SONNENBLICK-MONTEREY PARK LLC - LANDLORD**

**588 ATLAS AVENUE**

**MONTEREY PARK, CALIFORNIA**

## TABLE OF CONTENTS

	Page
1. BASIC LEASE INFORMATION .....	1
1.1 Terms .....	1
1.2 Defined Terms Relating to Landlord's Work Letter .....	3
1.3 Exhibits to Lease.....	4
1.4 Addendum No. 1 .....	4
2. PREMISES.....	4
2.1 Lease of Premises .....	4
2.2 Measurement of Premises .....	4
3. COMMON AREAS.....	4
4. COMMENCEMENT AND EXPIRATION DATES .....	5
4.1 Term .....	5
4.2 Termination Right.....	5
4.3 Early Entry .....	6
4.4 Early Termination.....	6
5. RENT .....	6
5.1 Base Rent .....	6
6. USES .....	6
7. HOLDOVER .....	7
8. COMPLIANCE WITH LAW .....	7
9. DAMAGE OR DESTRUCTION.....	7
9.1 Damage .....	7
9.2 Tenant Termination Right.....	7
9.3 Damage In Last Year .....	8
9.4 Default By Landlord .....	8
10. REPAIRS AND MAINTENANCE .....	8
10.1 Landlord Representations .....	8
10.2 Landlord Obligations .....	10
10.3 Tenant Obligations.....	11
10.4 Tenant's Right to Repair .....	11
11. SERVICES AND UTILITIES .....	12
11.1 Services.....	12
11.2 Utilities .....	13
12. TAXES .....	14
13. LANDLORD ACCESS .....	14
14. TENANT DEFAULT .....	14
14.1 Default .....	14
14.2 Termination.....	14
14.3 No Effect on Indemnity.....	15
15. LANDLORD DEFAULT.....	15
15.1 Remedies .....	15
15.2 Waiver .....	15
15.3 Emergency.....	15
16. ASSIGNMENT AND SUBLETTING .....	16
16.1 Assignment and Subletting .....	16
16.2 Sale .....	16
17. ALTERATIONS AND ADDITIONS.....	17
17.1 Landlord Consent.....	17
17.2 End of Term .....	17

18.	CONDEMNATION .....	17
18.1	Controlling Terms.....	17
18.2	Total Taking .....	17
18.3	Partial Taking.....	17
18.4	Restoration .....	18
18.5	Award .....	18
18.6	Waiver of Statute .....	18
19.	INDEMNIFICATION.....	18
19.1	Landlord's Indemnity .....	18
19.2	Tenant's Indemnity.....	19
20.	INSURANCE .....	19
20.1	Waiver .....	19
20.2	General Insurance Provisions – Landlord Requirements.....	19
20.3	Insurance Coverage Types And Limits.....	22
20.4	Landlord Requirements.....	22
21.	PARKING .....	23
21.1	Tenant's Rights .....	23
21.2	Remedies .....	23
22.	ENVIRONMENTAL MATTERS.....	24
22.1	Hazardous Materials .....	24
22.2	Landlord Indemnity .....	24
23.	ESTOPPEL CERTIFICATES.....	25
24.	TENANT IMPROVEMENTS .....	25
25.	LIENS.....	25
26.	SUBORDINATION AND MORTGAGES .....	25
26.1	Subordination and Non-Disturbance .....	25
26.2	Existing Deeds of Trust.....	25
26.3	Notice of Default .....	25
27.	SURRENDER OF POSSESSION.....	26
28.	SIGNAGE.....	26
29.	QUIET ENJOYMENT .....	26
30.	GENERAL .....	26
30.1	Headings .....	26
30.2	Successors and Assigns.....	26
30.3	Brokers .....	26
30.4	Entire Agreement.....	27
30.5	Severability .....	27
30.6	Notices.....	27
30.7	Governing Law and Venue.....	27
30.8	Waivers.....	27
30.9	Time of Essence .....	27
30.10	Consent .....	27
30.11	Community Business Enterprises .....	28
30.12	Memorandum of Lease .....	28
30.13	Counterparts .....	28
31.	AUTHORITY.....	28
32.	ACKNOWLEDGEMENT BY LANDLORD .....	28
32.1	Consideration of GAIN Program Participants .....	28
32.2	Solicitation of Consideration.....	29
32.3	Landlord Assignment .....	29
32.4	Smoking in County Facilities .....	30

33.	IRREVOCABLE OFFER.....	31
34.	OPTION TO EXTEND.....	32
35.	RIGHT OF FIRST REFUSAL.....	32

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## **EXHIBITS**

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Heating, Ventilation, and Air Conditioning Standards
- Exhibit D – Cleaning and Maintenance Schedule
- Exhibit E – Subordination, Non-disturbance and Attornment Agreement
- Exhibit F – Tenant Estoppel Certificate
- Exhibit G – Community Business Enterprises Form
- Exhibit H – Memorandum of Lease Terms
- Exhibit I – Landlord's Work Letter

## **ADDENDUM NO. 1 – Additional Terms to Lease Agreement**



COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ between Sonnenblick-Monterey Park LLC ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

**1.1 Terms**

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

(a) Landlord's Address for Notices:	12440 E Imperial Highway Suite 100 Norwalk, CA 90650 Email: bob@sonndev.com
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate  With a copy to:  County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 68,407 rentable square feet, designated as Suite(s) 101, 102, and 202, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building and Parking area located at 588 Atlas Avenue, Monterey Park, California, which is currently assessed by the County Assessor as APN 5265-025-042 (collectively, the "Property");
(e) Term:	Ten (10) years, commencing thirty (30) days after the date of Tenant's Acceptance of the Premises, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the tenth (10 <sup>th</sup> ) annual 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) Estimated Commencement Date:	June 1, 2021
(g) Irrevocable Offer Expiration Date: (see Section 33)	July 1, 2021
(h) Base Rent:	The Base Rent shall be \$2.55 per rentable square feet (RSF), per month, full-service gross which equals:  \$174,437.85 per month / \$2,093,254.20 per year
(i) Early Termination (see Section 4.4)	The County has the right to terminate any time after the 8th anniversary of the Commencement Date by providing 120 days' written notice.
(j) Rentable Square Feet in the Premises:	68,407 rentable square feet
(k) Initial Departmental Use:	Department of Public Social Services (DPSS), subject to Section 6.
(l) Parking Spaces:	A ratio of four (4) parking space per 1,000 RSF (273 unreserved parking spaces) (the "Parking Allocation"), plus electric charging stations for 3% of its Parking Allocation (8 charging stations).

(m) Tenant's Hours of Operation:	6 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays
(n) Asbestos Report:	A report dated _____, 20__ prepared by _____, a licensed California Asbestos contractor.
(o) Seismic Report	A report dated July 7, 2020 prepared by Partner
(p) Disabled Access Survey	A report dated _____, 20__ prepared by the Department of Public Work.

## 1.2 Defined Terms Relating to Landlord's Work Letter

(a) Landlord's TI Allowance:	\$4,446,455 (i.e. \$65.00 RSF)
(b) Tenant's TI Contribution:	None \$6,840,700 (i.e \$100 RSF)
(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	Fixed 4.25 percent (4.25%) per annum
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance	\$58,926.74 per month, ending on the 96 <sup>th</sup> month of the Lease Term
(e) Tenant's Work Letter Representative:	_____
(f) Landlord's Work Letter Representative:	Bob Sonnenblick
(g) Landlord's Address for Work Letter Notices:	12440 E Imperial Highway Suite 100 Norwalk, CA 90650 Email: bob@sonndev.com
(h) Tenant's Address for Work Letter Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate

<p>1.3     <u>Exhibits to Lease</u></p>	<p>Exhibit A - Floor Plan of Premises  Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms  Exhibit C - HVAC Standards  Exhibit D - Cleaning and Maintenance Schedule  Exhibit E - Subordination, Non-Disturbance and Attornment Agreement  Exhibit F - Tenant Estoppel Certificate  Exhibit G - Community Business Enterprises Form  Exhibit H - Memorandum of Lease  Exhibit I - Landlord's Work Letter</p>
<p>1.4     <u>Addendum No. 1</u></p> <p>(Executed concurrently with this Lease and incorporated herein by this reference):</p>	<p>Additional Terms to Lease Agreement</p>

## 2. **PREMISES**

### 2.1 Lease of Premises

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 1.1 and depicted on Exhibit A attached hereto.

### 2.2 Measurement of Premises

Tenant shall have the right at any time during the Term of this Lease 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 area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, 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, then Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1.1 accomplished by the mutual execution of an amendment to this Lease. 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 increase made to the Base Rent if the measured square footage exceeds the amount represented by Landlord.

## 3. **COMMON AREAS**

Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies, corridors 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 Area established by Landlord.

#### **4. COMMENCEMENT AND EXPIRATION DATES**

##### **4.1 Term**

The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete, Tenant has inspected the Premises, and Tenant has accepted the Tenant Improvements and the Premises in writing. The terms "Substantial Completion" or "Substantially Complete" as used in this Lease shall mean compliance with all of the following:

- (a) 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;
- (b) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), 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;
- (c) 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;
- (d) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- (e) If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.

##### **4.2 Termination Right**

If the Commencement Date has not occurred within sixty (60) days after the Estimated Commencement Date, subject to Tenant Delays or Force Majeure Delays, as provided in Landlord's Work Letter executed concurrently herewith and attached hereto as Exhibit I and incorporated herein by reference, then 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 rights or obligations to one another hereunder.

#### 4.3 Early Entry

Tenant shall be entitled to enter the Premises not less than thirty (30) days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures, and equipment in the Premises. Such early entry shall be subject to all provisions hereof, but shall not advance the Termination Date, and Tenant shall not pay Base Rent nor any other charges for such early entry period.

#### 4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than one hundred and twenty (120) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

#### 4.5 Lease Expiration Notice

No later than twelve (12) months, nor earlier than eighteen (18) months, prior to the expiration of the Lease Term, Landlord shall provide a written notice to Tenant notifying Tenant of the Termination Date.

### 5. RENT

#### 5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

#### 5.2 Base Rent Adjustment

From and after the 1st anniversary of the Commencement Date (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted as set forth below:

<u>Year Term</u>	<u>Monthly Base Rent</u>	<u>Yearly Base Rent</u>
1	\$174,437.85	\$2,093,254.20
2	\$179,670.99	\$2,156,051.83
3	\$185,061.12	\$2,220,733.38
4	\$190,612.95	\$2,287,355.38
5	\$196,331.34	\$2,355,976.04



6	\$202,221.28	\$2,426,655.32
7	\$208,287.92	\$2,499,454.98
8	\$214,536.55	\$2,574,438.63
9	\$220,972.65	\$2,651,671.79
10	\$227,601.83	\$2,731,221.95

**6. USES**

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

**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 ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease for the initial six (6) months and thereafter Tenant shall pay a holdover premium in the amount equal to 125% of the last monthly Base Rent ("Holdover Premium"), plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease. Notwithstanding the above, in the event Tenant later renews the Lease at the Building then such portion of the Holdover Premium above the monthly Base Rent shall be credited toward rent next due in the extended lease term.

**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 but not limited to the Americans with Disabilities Act ("ADA"), except if 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**

**9.1 Damage**

If 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 one hundred eighty (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 unusable 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 (10) 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 leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

## 9.2 Tenant Termination Right

If 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 one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

## 9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this Lease by giving written notice to the other not more than thirty (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 thirty (30) days after such written notice of termination.

## 9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, as determined by Tenant in its reasonable discretion, then Tenant may, at its sole election:

- (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 next installment(s) of Base Rent due as a charge against the Landlord.

## 10. REPAIRS AND MAINTENANCE

### 10.1 Landlord Representations

- (a) Landlord represents to Tenant that, as of the date hereof and on the Commencement Date:
- i. The Premises, the Building (including the parking area), 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 but not limited to the Americans With Disabilities Act, and are in good working order and condition;
  - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
  - iii. The Premises, the Building and the Common Areas are free of the presence of 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.
- (b) Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report (as defined in Section 1.1) 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.
- (c) CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:  
*[Check the appropriate box]*

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access

Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☐ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

## 10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair 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, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
  - iii. the Common Areas;

- iv. the parking area, including the electric charging stations;
  - v. exterior windows of the Building; and
  - vi. elevators serving the Building.
- (b) 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, or replacements of:
- i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
  - ii. interior partitions;
  - iii. doors, door frames and hardware;
  - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
  - v. signage;
  - vi. emergency exit signage and battery replacement;
  - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
  - viii. Light fixtures, bulbs, tubes and ballasts.
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.

### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.5 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) 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 Landlord, which consent shall not be unreasonably withheld, conditioned 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 applicable laws.

#### 10.4 Tenant's Right to Repair

- (a) 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 if 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 (5) 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 (10) days after written notice, then Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.
- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the County's Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to (i) the Work Letter provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant's remedies found in said Work Letter; and (ii) compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to any Tenant Improvements as defined in Section 24.

### 11. SERVICES AND UTILITIES

#### 11.1 Services

- (a) Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations 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 C attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

(b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) 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 sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

(c) Elevators

Landlord shall furnish freight and passenger elevator services to the Premises during Tenant's Hours of Operations. 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 in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) 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 D 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. If required, Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

## 11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are prorated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

## 12. TAXES

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

## 13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable 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 and notify Tenant immediately thereafter.

## 14. TENANT DEFAULT

### 14.1 Default

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

- (a) the failure by Tenant to make any payment of Base 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 the failure continues for a period of ten (10) days after written notice to Tenant;
- (b) 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 thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (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 thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

#### 14.2 Termination

Tenant agrees that if a 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.

#### 14.3 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.

### 15. LANDLORD DEFAULT

#### 15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); 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 Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within 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:

- (a) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) to terminate this Lease.

#### 15.2 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.

### 15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default 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. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due.

## 16. ASSIGNMENT AND SUBLETTING

### 16.1 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, 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.

### 16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
  - i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner

- iii. Name of contact person and contact information (including phone number) for new owner
- iv. Proof of insurance
- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 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. If Landlord fails to respond in writing within thirty (30) days after Tenant's request, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

- (a) complies with all laws;
- (b) is not visible from the exterior of the Premises or Building;
- (c) will not materially affect the systems or structure of the Building; and
- (d) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building.

### **17.2 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.

## **18. CONDEMNATION**

### **18.1 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.

#### 18.2 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").

#### 18.3 Partial Taking

If any portion, but not all, of the Premises or the Common Areas 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 thirty (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 thirty (30) days nor later than ninety (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 termination date designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated in proportion to the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

#### 18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) 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 ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

#### 18.5 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. Tenant shall be entitled to any awards for relocation benefits or goodwill belonging to Tenant.

#### 18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.



## **19. INDEMNIFICATION**

### **19.1 Landlord's Indemnity**

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

### **19.2 Tenant's Indemnity**

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

## **20. INSURANCE: During the term of this Lease, the following insurance requirements will be in effect:**

### **20.1 Waiver**

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

### **20.2 General Insurance Provisions – Landlord Requirements**

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

#### **(a) Evidence of Coverage and Notice to Tenant**

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant

reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.

- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.
- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles  
Chief Executive Office - Real Estate Division  
320 West Temple Street, 7th Floor  
Los Angeles, CA 90012  
Attention: Director of Real Estate

Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents"), shall be provided additional insured status under Landlord's General Liability policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Lease, in the sole discretion of the Tenant, upon which the Tenant may suspend or terminate this Lease.

(d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease, upon which County immediately may withhold payments due to Landlord, and/or suspend or terminate this Lease. County, at its sole discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

Landlord's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to all other sources of coverage available to Tenant. Any Landlord maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Tenant coverage.

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(h) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR. The Tenant retains the right to require Landlord to reduce or eliminate policy deductibles and SIRs as respects the Tenant, or to provide a bond guaranteeing Landlord's payment of all deductibles and SIRs, including all related claims investigation,

administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(i) Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

(j) Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

(k) Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

(l) Tenant Review and Approval of Insurance Requirements

The Tenant reserves the right to review and adjust the Required Insurance provisions, conditioned upon Tenant's determination of changes in risk exposures.

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- (a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

- (b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

## 21. PARKING

### 21.1 Tenant's Rights

Tenant shall have the right to the number of exclusive reserved parking spaces and unreserved parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. 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 unreserved 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. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

### 21.2 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receives 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), then Tenant may:

- (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- (b) deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided times the number 1.5, but such deduction from Base Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%) of the Base Rent.

## **22. ENVIRONMENTAL MATTERS**

### **22.1 Hazardous Materials**

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, 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.

### **22.2 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, fines, 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 those 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.

**23. ESTOPPEL CERTIFICATES**

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (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 in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

**24. TENANT IMPROVEMENTS**

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

**25. LIENS**

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

**26. SUBORDINATION AND MORTGAGES**

**26.1 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 Exhibit E attached hereto 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 included herein.

**26.2 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 Exhibit E attached hereto, within 30 days after the execution of this Lease.

### 26.3 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 and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

## 27. 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).

## 28. SIGNAGE

Tenant shall be allowed 100% of the building standard signage on the directory located in the ground floor lobby of the Building and elevator lobbies of the floors of the Premises and suite signage, all of which shall be at Landlord's expense. Tenant shall be permitted to install signs at the Premises that conform with any and all applicable laws and ordinances. Tenant will have the right to monument and exterior Building top signage on the exterior of the Building.

## 29. QUIET ENJOYMENT

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

## 30. GENERAL

### 30.1 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.

### 30.2 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.

### 30.3 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 Cushman & Wakefield (the "Agent") who shall be paid a market commission pursuant to a separate agreement between Landlord and Agent.

Landlord shall indemnify and hold Tenant harmless 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.

30.4 Entire Agreement

This Lease (including all exhibits hereto and the Landlord's Work Letter) 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.

30.5 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.

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

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.

30.8 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.

30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

### 30.10 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) business days after written request is made therefore, together with all necessary information.

### 30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

### 30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

### 30.13 Counterparts; Electronic Signatures

This Lease and any other document necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

### **31. AUTHORITY**

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. 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 Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "Chief Executive Office") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein 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.

### **32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

#### **32.1 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.

#### **32.2 Solicitation of Consideration**

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it

violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

### 32.3 Landlord Assignment

- (a) 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 Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) 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, as security for the Landlord's obligation to repay any monetary obligation, 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.
- (c) 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 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 Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial 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.
- (d) 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 Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant 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 Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.



- (f) Landlord shall not furnish any information concerning Tenant 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 Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant 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 32.3.
- (g) The provisions of this Section 32.3 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.

32.4 Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

### **33. IRREVOCABLE OFFER**

In consideration for the time and expense that Tenant will invest in this Lease, 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, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

### **34. OPTION TO EXTEND**

(a) Option Terms. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant or any permitted assignee, shall have two (2) options to renew this Lease for an additional period of five (5) years each (respectively, the "First Extension Term" and the "Second Extension Term", and collectively, the "Extension Term(s)").

(b) Exercise of Option. Tenant must exercise its options to extend this Lease as to the entire Premises or a full floor portion thereof provided however the remaining portion has proper exiting and by:

(i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than twelve (12) months prior to the end of the initial Term, or the First Extension Term, as applicable, and

(ii) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to extend, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect, Tenant shall be entitled to holdover as provided in this Lease. If Tenant fails to give such written notice to Landlord, Landlord will promptly provide written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option, and Tenant shall be granted an additional period of ten (10) business days after receipt of such written notice from Landlord, in which to give Landlord its written notice of its election to exercise such renewal option or election not to exercise such renewal option. Failure by Landlord to provide ten (10) business day written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option or Tenant's failure to notify Landlord of its election to exercise such renewal option, after receipt of the ten (10) business day notice, and without any further notice, act, or agreement, this Lease will terminate as of the then-applicable expiration date, and neither Landlord nor Tenant will have any further obligation or liability under this Lease arising or continuing from and after such expiration date, subject, however, to the provisions that expressly survive termination of this Lease.

(c) Terms and Conditions of the Extension Terms. The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to ninety five percent (95%) of Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, and Landlord shall have no additional obligation for free rent, leasehold improvements or for any other tenant inducements for the Extension Terms.

(d) Agreement on Base Rent. Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term(s) shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its first and second options to extend, respectively.

(e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant in the Building. In determining the Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion, non-renewal and non-equity tenants of comparable creditworthiness for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, the type of escalation clause (e.g., whether increases in additional rent are determined on a net or gross basis, and if gross, whether such increases are determined according to a base year or a base dollar amount expense stop), the extent of Tenant's liability under the Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent during the period of construction or subsequent to the commencement date as to the space in question, tenant improvement allowances (after first reasonably deducting the value of the existing improvements), brokerage commissions, if any, which would be payable by Landlord in similar transactions, length of the lease term, size and location of the Building being leased, and other tenant inducements then being offered in comparable transactions in the San Gabriel Valley sub-market.

(f) Opinions. Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period, Tenant may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.

(g) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 34, and such option is

exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

### **35. RIGHT OF FIRST REFUSAL TO LEASE ADDITIONAL PREMISES.**

(a) Provided that no material Default has occurred and is continuing under the Lease, if at any time prior to the last twelve (12) months of the Term (unless Tenant elects to also exercise its Option to Extend) Landlord intends to offer any remaining available space in the Building (the "Additional Premises") for lease to third parties or to accept an offer of a third party to lease the Additional Premises, Landlord shall first give written notice to Tenant together with the proposed terms which if sent (i) within twenty-four (24) months of the Lease Term then the Base Rent and escalations shall be the same as the existing Lease and the full Tenant Improvement Allowance (\$65.00 RSF) and Additional Allowance (\$70.00 RSF) shall be the same, but applicable toward the Additional Premises and the Additional Tenant Improvement Allowance for the Additional Space shall then amortized over the remaining Amortization Period and Tenant shall reimburse Landlord for such payments as additional rent or (ii) any time following the twenty-fourth (24<sup>th</sup>) month of the Lease Term, then such notice shall include the rental rate, escalations, free rent, non-reimbursable tenant improvement allowance, and reimbursable tenant improvement allowance and other material terms upon which Landlord is willing to lease the Additional Premises ("Landlord's Lease Notice"). Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have ten (10) business days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "Expansion Commitment"). Notwithstanding the above, if Landlord has not leased the Additional Premises within six (6) months from the date of Landlord's Lease Notice, then Tenant's Right of First Offer under this Article 35 shall be reinstated.

(b) If Tenant delivers to Landlord the Expansion Commitment within such ten (10) business day period, all (but not part) of the Additional Premises shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth above, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.

(c) Except as otherwise set forth in Landlord's Lease Notice, possession of the Additional Premises shall be delivered to Tenant on an "as-is" basis. Landlord shall prepare and Landlord and Tenant shall execute and deliver a written agreement modifying and supplementing the Lease and specifying that the Additional Premises are part of the Premises and, except as otherwise specified in Landlord's Lease Notice, subject to all of the terms and conditions of the Lease.

(d) Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the ten (10) business day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any

proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant, provided Landlord does not offer such Additional Premises to a third-party at economic terms which would collectively be five percent (5%) lower than what was in Landlord's Lease Notice unless Landlord first offers such improved economics to Tenant first and then Tenant shall then have ten (10) business days to respond. The rights granted to Tenant under this Section 35 shall not apply to any sales or similar transfers of the Additional Premises.

DRAFT

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

LANDLORD:

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A DAVENPOR  
Chief Executive Officer

By: \_\_\_\_\_  
Dean Lehman, P.E.  
Senior Manager, Property Division

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By: \_\_\_\_\_  
Deputy



**EXHIBIT A**  
**FLOOR PLAN OF PREMISES**

DRAFT

## EXHIBIT B

### COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated \_\_\_\_\_, 20\_\_\_\_, between County of Los Angeles, a body corporate and politic ("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 follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 4) The Premises contain \_\_\_\_\_ rentable square feet of space; and
- 5) Landlord has paid a commission in the amount of \$\_\_\_\_\_ to Tenant pursuant to Section 30.3 of the Lease.

[INCLUDE ONLY IF SECTION 5.2 PROVIDES FOR BASE RENT ADJUSTMENTS:]

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

- 1) Base Rent per month is \_\_\_\_\_.
- 2) The Base Index month is \_\_\_\_\_.
- 3) The Base Index is \_\_\_\_\_.
- 4) The first New Index month is \_\_\_\_\_.]

IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Tenant:

Landlord:

COUNTY OF LOS ANGELES,  
a body corporate and politic

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_

DRAFT

## **EXHIBIT C**

### **HEATING, VENTILATION AND AIR CONDITIONING**

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Hours of Operation 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/net 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 D**

### **CLEANING AND MAINTENANCE SCHEDULE**

#### **A. DAILY (Monday through Friday)**

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Water bottle filling stations/fountains cleaned, sanitized filters changed and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.
14. Exclusive day porter service from 7:00 a.m. to 6:00 p.m.

#### **B. WEEKLY**

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

#### **C. MONTHLY**

17. Floors washed and waxed in uncarpeted office area.
18. High-reach areas, door frames and tops of partitions dusted.
19. Upholstered furniture vacuumed, plastic and leather furniture wiped

- 20. Picture moldings and frames dusted.
- 21. Wall vents and ceiling vents vacuumed.
- 22. Carpet professionally spot cleaned as required to remove stains.
- 23. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

- 24. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- 25. Wood furniture polished.
- 26. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- 27. HVAC units serviced for preventative maintenance purposes, all filters changed.

E. SEMI-ANNUALLY

- 28. Windows washed as required inside and outside but not less frequently than twice annually.
- 29. All painted wall and door surfaces washed and stains removed.
- 30. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

- 31. 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.
- 32. 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.
- 33. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

- 34. 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.
- 35. 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.



36. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.
37. 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 cleaned 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.

38. 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") except for touch-up paint as provided in Paragraph 6.C. of this Exhibit E. The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.
39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

H. GENERAL

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

**EXHIBIT E**

**SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

**County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street  
7th Floor  
Los Angeles, California 90012**

)  
)  
)  
)  
)  
)  
)

**Space above for Recorder's Use**

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**SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT**

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

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

**Factual Background**

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

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

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

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

**Agreement**

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

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

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

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

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

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

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

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

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

)  
) SS.  
)

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)



## EXHIBIT F

### TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re:    Date of Certificate: \_\_\_\_\_  
      Lease Dated: \_\_\_\_\_  
      Current Landlord: \_\_\_\_\_  
      Located at: \_\_\_\_\_  
      Premises: \_\_\_\_\_  
      Commencement Date of Term: \_\_\_\_\_  
      Expiration Date: \_\_\_\_\_  
      Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

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

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

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

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

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

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

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

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

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

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

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT G

### COMMUNITY BUSINESS ENTERPRISE FORM

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

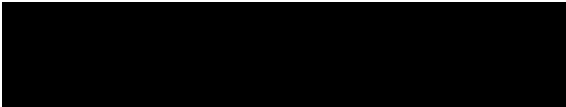
#### I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name: _____		3. Contact Person/Telephone Number: _____				
2. Address: _____ _____ _____		_____				
		_____				
		4. Total number of employees in the firm: _____				
5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

#### II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) \_\_\_\_\_

2. Total Number of Ownership/Partners, Etc.: _____			<b>III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION</b>		
3. Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the:  State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No  City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No  Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Black/African American					
Hispanic/Latin American					
Asian American					
Portuguese American					
American Indian/Alaskan Native			<b>Section D. OPTION TO PROVIDE REQUESTED INFORMATION</b>  <input type="checkbox"/> We do not wish to provide the information required in this form.  Firm Name: _____		
All Others					



Signature/Title: \_\_\_\_\_

Date: \_\_\_\_\_

DRAFT

## EXHIBIT H

### MEMORANDUM OF LEASE

#### RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

---

### MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between \_\_\_\_\_, a \_\_\_\_\_ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated \_\_\_\_\_, 20\_\_\_\_ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_\_\_, and ending on a date \_\_\_\_\_ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_.

LANDLORD:

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_  
Dean Lehman, P.E.  
Senior Manager, Property Division

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

Mary C. Wickham  
County Counsel

By: \_\_\_\_\_  
Deputy



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

)  
) SS.  
)

On \_\_\_\_\_, before me,

\_\_\_\_\_ Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

**EXHIBIT I**

**LANDLORD'S WORK LETTER**

DRAFT

**LANDLORD'S WORK LETTER**

**For**

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
LEASE AGREEMENT**

**COUNTY OF LOS ANGELES, as Tenant  
SONNENBLICK-Monterey Park LLC, as Landlord**

**Property Address:**

**588 Atlas Avenue**

**Monterey Park, California**

## LANDLORD'S WORK LETTER

This Work Letter supplements the Lease Agreement (the "Lease") dated \_\_\_\_\_, 20\_\_\_\_, executed concurrently herewith, by and between SONNENBLICK-Monterey Park LLC, as Landlord, and COUNTY OF LOS ANGELES, a body corporate and politic, as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. **Basic Work Letter Information.** The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

- |   |  |
|---|--|
| (a) <u>Total TI Costs</u>   | \$11,287,155 (i.e., \$165 per rentable square foot of the Premises)  |
| (i) <u>Landlord's TI Allowance</u>  | \$4,446,455 (i.e., \$65.00 per rentable square foot of the Premises)   |
| (ii) <u>Tenant's TI Contribution</u>  | \$6,840,700 (i.e., \$100 per rentable square foot of the Premises)   |
| (b) <u>TI Amortization Rate and Change Authorization Amortization Rate:</u> | Fixed four and one quarter percent (4.25%) per annum   |
| (c) <u>Tenant's Work Letter Representative</u>                              | _____ or an assigned staff person of the Chief Executive Office-Real Estate Division   |
| (d) <u>Landlord's Work Letter Representative</u>                            | _____ or an assigned staff person of the Landlord  |
| (e) <u>Landlord's Address for Work Letter Notices</u>                       | 12440 E Imperial Highway<br>Suite 100<br>Norwalk, CA 90650<br>Email: bob@sonndev.com   |
| (f) <u>Tenant's Address for Work Letter Notices</u>                         | County of Los Angeles<br>Chief Executive Office - Real Estate Division<br>320 West Temple Street, 7th Floor<br>Los Angeles, CA 90012<br>Attention: Director of Real Estate |
| (g) <u>Addenda</u>  | Addendum A: Base Building Improvements<br>Addendum B: Tenant Improvements<br>Addendum C: Form of Preliminary and Final TI Cost Summary                                     |

## **2. Construction of the Building.**

2.1 Base Building Improvements. Landlord has constructed or shall construct the base building improvements described on Addendum A hereto (the "Base Building Improvements") as a part of the Building. If the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall not be considered Tenant Improvements (as defined below) unless such changes or additions are specifically described in Addendum B hereto.

### **2.2 Additional Costs Not Total TI Costs.**

(a) If the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the Americans with Disabilities Act of 1990 (ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred if the Building had been in compliance with such codes, then such costs shall not be included in the calculation of Total TI Costs (as defined below), and Tenant shall have no financial responsibility for such costs.

(b) Landlord must identify all noncompliant code related items utilizing an independent third-party expert at Landlord's sole cost and expense. Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or to make existing building systems, including but not limited to electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Total TI Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, nor (v) supervision or overhead costs of Landlord.

(c) Landlord shall be solely responsible for all costs and expenses necessary to increase and / or maintain permitted structural floor loading in order to accommodate Tenant's libraries, file rooms, unusual live loads and other such uses.

(d) Upon Substantial Completion, Landlord, at its sole cost and expense, shall field-measure and verify the exact footage of the Premises and/or the Building and deliver said measurement to Tenant. Should this measurement be less than the square footage stated above, then Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1.1 of the Lease accomplished by the mutual execution of an amendment to the Lease. Landlord acknowledges the space has been marketed at the Lease indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no increase made to the Base Rent if the measured square footage exceeds the amount represented by Landlord. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement.

2.3 Base Building Plans. Landlord has delivered to Tenant complete and accurate "as built" plans and specifications for the Building in an AutoCAD 2015 (or later version) and Adobe

PDF electronic format via USB flash drive and set-up of a web-based download link. If Tenant incurs additional costs because such plans and specifications are incomplete or inaccurate, then any delay caused thereby shall not be a Tenant Delay (as defined below), but shall be deemed to be a delay caused by Landlord, and Landlord shall pay for any increased costs caused by such delay.

2.4 Survey. Where 'as-built' plans are missing, Landlord must perform a survey of existing space, which shall include existing floor plans and mechanical, electrical, and plumbing systems. The survey shall be at Landlord's sole cost and expense. Landlord shall submit such survey to the Tenant such that the initial Space Plan (as defined in Section 5.1) can be modified to conform to the existing conditions.

3. Selection of Architect. Landlord shall not proceed with any bid solicitation for architectural services until final space plan is furnished to the Landlord. Once Landlord receives the final space plan, Landlord shall promptly solicit at least three (3) proposals from qualified licensed architects familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings (as defined below). Landlord shall select an architect, subject to Tenant's acceptance, which shall not be unreasonably withheld, and which acceptance (or rejection for reasonable reasons) shall be granted within five (5) calendar days after Landlord has submitted the name of the selected architect to Tenant, together with detailed proposals outlining the cost for design/engineering services. This procedure shall be repeated until Tenant accepts an architect (the "Architect"), and Tenant's written acceptance has been delivered to and received by Landlord.

4. Selection of Contractor. The Final Plans (as defined below) and a proposed construction contract accepted by Tenant shall be submitted to a sufficient number of qualified contractors, selected by Landlord, so that a minimum of three (3) bids are received. Each contractor shall be requested to submit a sealed fixed price contract bid price (on an American Institute of Architects (AIA) form) to construct the Tenant Improvements depicted on the Final Plans. Landlord shall select the most qualified bidder offering the lowest price after adjustments for inconsistent assumptions, and Landlord shall submit all bids, along with Landlord's recommendation, to Tenant for Tenant's review and acceptance. Following Tenant's acceptance, Landlord shall enter into a construction contract (the "Construction Contract") with the lowest qualified bidder (the "Contractor") to construct the Tenant Improvements, consistent with the terms of the accepted bid.

## 5. Preparation of Plans and Specifications and Construction Schedule.

5.1 Preparation of Space Plan. Concurrently with the execution of this Lease, Tenant shall submit to Landlord specifications for the Premises, which shall include a space plan, and when available, low voltage and furniture plans and shall depict, without limitation, all demising walls, corridors, entrances, exits, doors, and interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (collectively, the "Space Plan").

5.2 Preparation and Review of Working Drawings. Within thirty (30) days after the date the Space Plan is submitted to Landlord (the "Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of working drawings (the "Working Drawings"), which shall (a) be consistent with the Space Plan and the Preliminary TI Cost Summary (as defined below), (b) be compatible with the design, construction and equipment of the Building, (c) comply with all applicable laws, (d) be capable of physical measurement and construction, (e) contain all



information required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and (f) include all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times provided that a schedule to submit the Working Drawings is provided to, and approved by, the Tenant. Landlord shall provide Tenant the Working Drawings, or such portion thereof as has been submitted, for Tenant's review and acceptance. Landlord shall be solely responsible for ensuring that the Working Drawings fully comply with all applicable building codes and cover any expenses that result from the errors, omissions or inconsistencies in the Architect's Instruments of Service.

5.3 Preparation and Review of Engineering Drawings. Landlord shall cause the Architect to coordinate with the Engineer and to integrate all engineering drawings prepared by the Engineer, including but not limited to complete mechanical, electrical, and plumbing plans ("Engineering Drawings"), into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review and acceptance.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has accepted the Engineering Drawings, Landlord shall cause the Architect to integrate the accepted Working Drawings with the accepted Engineering Drawings (collectively "Final Plans") and deliver the Final Plans to Tenant for Tenant's review in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via USB flash drive and set-up a web-based download link. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements), power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements. Landlord's review of the Space Plan, Working Drawings, Engineering Drawings, and Final Plans shall be at Landlord's sole cost and expense.

5.5 Tenant's Plan Review and Acceptance. Tenant shall accept or reject the Working Drawings, the Engineering Drawings and the Final Plans within twenty-one (21) calendar days after Tenant receives the applicable plans and drawings from Landlord. If Tenant rejects any such plans or drawings, then Tenant shall notify Landlord thereof, specifying in detail the reason for such rejection, in which case Landlord shall revise the applicable plans or drawings and deliver revised plans or drawings to Tenant within fourteen (14) calendar days after receipt of Tenant's rejection notice. This procedure shall be repeated until the applicable plans are accepted by Tenant. If, after such procedure, the parties cannot agree on the Working Drawings, the Engineering Drawings or the Final Plans, then Tenant may elect to terminate the Lease and this Work Letter by delivering a written termination notice to Landlord, whereupon all monies previously paid to Landlord shall be promptly refunded to Tenant, and the parties shall have no further obligations under the Lease and the Work Letter. Tenant's acceptance of the Working Drawings, Engineering Drawings and/or the Final Plans shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements, which shall be Landlord's sole responsibility.

5.6 Schedule. Within twenty-one (21) calendar days of the Plan Submission Date, Landlord shall submit to Tenant a detailed baseline construction schedule, subject to acceptance by Tenant, which shall not be unreasonably withheld, setting forth the completion dates of certain project milestones, including but not limited to completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of the Construction Contract, construction commencement date, interim schedule milestone dates, and the date of Substantial Completion. The schedule shall be apportioned by construction activity and include time required for the completion of each portion of the work. As the construction continues, Landlord shall amend the construction schedule at least once each month to reflect any changes to the projected dates, and Landlord shall promptly submit the revised construction schedules to Tenant. If the amended construction schedule identifies delays to the project's critical path, the Landlord shall provide a recovery schedule and/or request for a contract time extension.

5.7 Submittals. The Landlord shall submit to Tenant any Shop Drawings, Product Data Sheets / Samples or similar submittals required by the Final Plans in coordination with the construction schedule and with reasonable promptness, so as not to cause any delay in the construction of the Tenant Improvements. The purpose of Shop Drawings, Product Data, Samples and similar submittals is to demonstrate the way by which the Contractor proposes to construct a design concept expressed in the Final Plans. "Shop Drawings" include drawings, diagrams, schedules and other data specially prepared by the Contractor or a subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Tenant Improvements. "Product Data Sheets / Samples" include illustrations, summary performance charts, instructions, brochures, diagrams, manufacturer specifications and other information furnished by the Landlord to illustrate materials or equipment for some portion of the Tenant Improvements. "Samples" are physical examples that illustrate materials, equipment or workmanship for some portion of the Tenant Improvements. The Contractor shall construct no portion of the Tenant Improvements for which the Final Plans require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been reviewed and accepted by the Architect.

## **6. Landlord's TI Cost Summary and Payment of Total TI Costs**

6.1 Cost Summary. Within seven (7) calendar days after the Plan Submission Date, Landlord shall submit to Tenant a preliminary cost summary for the Tenant Improvements in a format similar to Addendum C attached hereto (the "Preliminary TI Cost Summary"), which must not exceed the sum of Landlord's TI Allowance and Tenant's TI Contribution. The Preliminary TI Cost Summary shall be revised into final form within ten (10) days after the date that the Contractor is selected and will be referred to herein as the "Final TI Cost Summary". Tenant shall have fourteen (14) calendar days after the date of receipt of the Final TI Cost Summary to accept or reject the Final TI Cost Summary, including but not limited to any Contractor overhead, profit and/or general conditions costs included therein; provided, however, that any proposed increase to Tenant's TI Contribution shown on the Final TI Cost Summary shall not be effective unless approved in a separate written agreement executed by Landlord and Tenant. Tenant's failure to accept or reject the Final TI Cost Summary in writing within such period shall be deemed to be rejected. Construction of the Tenant Improvements shall not begin until Tenant accepts the Final TI Cost Summary in writing. If Tenant rejects the Final TI Cost Summary due to matters related to cost and the Final TI Cost Summary is ten percent (10%) or more higher in cost than projected in the Preliminary TI Cost Summary, then, at Tenant's request, Landlord shall cause the Architect and the Engineer to redesign the Tenant Improvements, at Landlord's sole expense, to comply with the Preliminary TI Cost Summary, and any delay caused by the necessity to rebid or redesign the Tenant Improvements shall not be considered a Tenant Delay. If Tenant rejects the

Preliminary TI Cost Summary or the Final TI Cost Summary, the parties shall promptly confer to resolve all issues relating thereto. If after such consultation, the parties cannot agree on the Preliminary TI Cost Summary or the Final TI Cost Summary, then Tenant may elect to terminate the Lease and this Work Letter by delivering written termination notice to Landlord, whereupon all monies previously paid to Landlord shall be promptly refunded to Tenant, and the parties shall have no further obligations under the Lease or this Work Letter.

6.2 Landlord's TI Allowance and Tenant's TI Contribution. All improvements required by the Final Plans, as further described in Addendum B hereto, and any and all modular furniture described in the Modular Specifications (as defined below) shall be referred to herein, collectively, as "Tenant Improvements" or "TI." Costs of Tenant Improvements shall include costs for furniture, soft costs, and any other costs approved in writing by Tenant (collectively "Total TI Costs"), all of which must not exceed the sum of Landlord's TI Allowance, Tenant's TI Contribution, and the cost of any Change Authorizations (as defined below) that are approved in writing by both parties. Landlord shall be solely responsible for any delay or increased cost in completing the Tenant Improvements. Except as otherwise provided herein, all Total TI Costs shall be paid by Landlord and first deducted from Tenant's TI Contribution and then from Landlord's TI Allowance.

6.3 Method of Payment. Tenant shall be obligated to pay Landlord for the full amount of the TI Contribution used to pay for any Total TI Costs thirty (30) calendar days after all of the following conditions have been met: (i) Tenant Improvements are Substantially Complete (as defined in the Lease); (ii) Landlord has provided Tenant with all documentation substantiating all Tenant Improvements' expenses, including without limitation, receipts, invoices, proof of payment, unconditional lien releases and approved changed orders; and (iii) Tenant has reconciled all Tenant Improvements' costs to determine and confirm the total Tenant Improvements amount spent and the amount of Tenant's TI Contribution owed to Landlord. Tenant shall pay to Landlord in equal monthly payments, amortized over the initial eight (8) years of the Lease at the TI Amortization Rate.

6.4 Base Rent Credit for Unused Portions of Landlord's TI Allowance. If the Total TI Costs are less than the Landlord's TI Allowance, then Tenant shall have the right to convert up to Twenty-Five Dollars (\$25.00) per RSF of the TI Allowance shall be applied as a credit against the next installment(s) of Base Rent due under the Lease.

## **7. Construction of Tenant Improvements.**

7.1 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto. If any work required by the Final Plans is not described on Addendum B hereto, such work shall be considered a Base Building Improvement and shall be performed by Landlord at its own cost and expense and not included in the cost of Tenant Improvements.

7.2 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and material suppliers providing labor and/or materials for the Tenant Improvements shall be selected only after a minimum of three (3) bids have been solicited from responsible and qualified persons. The bids shall include an itemized list of all materials and labor and shall include all additional costs, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Landlord shall also obtain a minimum of three (3) bids from responsible and qualified bidders for the purchase and installation of Tenant's office furniture system, if applicable, in accordance with Section 9.1 below.

7.3 Permits. Landlord shall obtain the approval of all applicable governmental authorities and all permits required for the Tenant Improvements, promptly after Tenant's acceptance of the Final Plans. Landlord shall obtain plan check approval prior to soliciting bids from contractors pursuant to Section 4 hereof.

7.4 Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within twenty-one (21) calendar days after Tenant's acceptance of the Contractor pursuant to Section 4 hereof. Contractor shall obtain the building permit for the Tenant Improvements prior to the commencement of construction. Thereafter, Landlord shall diligently proceed to construct and complete all Tenant Improvements in a good and workmanlike manner, subject only to any cessation that may be caused by Force Majeure Delays (as defined below).

7.5 Construction. Construction of the Tenant Improvements will be subject to the following terms and conditions:

(a) Notice of Nonresponsibility. Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, flooring and base, and any other decor selection efforts required by Tenant, shall be provided by Landlord, at Landlord's expense, in accordance with Tenant's Space Plan. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Warranties. Landlord warrants that the Tenant Improvements shall be free from any defects in workmanship and materials for a period of not less than two (2) years from the date of Substantial Completion (as defined in the Lease). Landlord shall require each contractor and subcontractor to provide warranties of like duration in all construction contracts relating to the Tenant Improvements and, upon Tenant's request, Landlord shall assign to Tenant any such warranties relating to the Tenant Improvements. Patent defects in the Tenant Improvements shall be brought to Landlord's attention promptly. Latent or hidden defects in the Tenant Improvements shall be brought to Landlord's attention promptly upon Tenant's becoming aware of such defects. Landlord, at Landlord's sole cost and expense, shall promptly cause such defects to be repaired following receipt of notice thereof, and Tenant shall have the same rights with respect thereto as set forth herein for all other punch-list items.

(d) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises or in other areas utilized by Landlord or its contractors, and Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of substandard work performed by Landlord's contractor or contractors (as reasonably determined by Tenant according to the usual standards of work in the Building) or as a result of inadequate clean-up.

(e) Compliance with Laws. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. **Without limiting the generality of the foregoing, construction of the Tenant Improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor**

**Code.** Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Tenant Improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site. Notwithstanding the foregoing or any language to the contrary contained herein, the payment of prevailing wages according to the current prevailing wage scale and compliance with applicable prevailing wage statutes shall be required where there is a Tenant's TI Contribution made towards the Total TI Costs of the Tenant Improvements to be performed.

(f) Access During Construction. Tenant shall have the right to conduct site visits to observe progress of the Tenant Improvements during the course of construction. Additionally, pursuant to Section 4.3 of the Lease, Tenant shall be entitled to enter the Premises at least thirty (30) calendar days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Landlord and Tenant shall use reasonable good faith efforts to coordinate the work of their respective contractors to achieve timely completion of the Tenant Improvements and Tenant's installation work.

7.6 Completion/Close Out. The Premises shall not be considered Substantially Complete until the Tenant Improvements have been completed in accordance with the Final Plans and Section 4.1 of the Lease, subject only to the completion of minor punch-list items that will not interfere with Tenant's use and occupancy of the Premises for Tenant's permitted and intended use under the Lease. Upon Substantial Completion of the Tenant Improvements, Landlord shall notify Tenant in writing and, within fourteen (14) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises and prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord. Landlord, at Landlord's sole cost and expense, shall cause all punch-list items to be repaired or completed as soon as possible, but in no event later than thirty (30) days following the walk-through inspection. If Landlord fails to complete any of the punch-list items within such 30-day period, then Tenant, in addition to its other rights and remedies under the Lease, after giving ten (10) days written notice to Landlord, shall have the right, but not the obligation, to cause such punch-list items to be completed, with the cost thereof plus ten percent (10%) for Tenant's overhead and supervision to be deducted from the next installment(s) of rent or other amounts payable by Tenant under the Lease.

7.7 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and Landlord's receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted in an AutoCAD 2015 (or later version) format, along with one complete set of plans and specifications Adobe PDF electronic format via USB flash drive and set up of a web-based download link.

8. Requests for Change. Tenant and Landlord may request changes, additions, deletions or substitutions in the Final Plans (each, a "Request for Change"), provided that the requesting party must submit a written request to the other party and that Requests for Change will not be effective unless approved in writing by both Tenant and Landlord (a "Change Authorization"). Only the County's Chief Executive Officer or his/her designee is authorized to execute Change Authorizations on behalf of Tenant. If Tenant requests any changes or substitutions to the Tenant



Improvements after the Final Plans and the Final TI Cost Summary have been accepted ("Tenant-Requested Changes"), then any additional costs related thereto in excess of Landlord's TI Allowance shall be paid by Tenant, provided that Tenant executes a written Change Authorization prior to the performance of the applicable work. Landlord shall be solely responsible for the cost of any Change Authorizations or other Requests for Change that are not Tenant-Requested Changes or approved by the Chief Executive Officer or his/her designee. Landlord shall submit to the Chief Executive Officer or his/her designee with each Request for Change: (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Authorizations previously executed, and (iii) an estimate of the number of days by which the construction time will be increased or shortened if the Request for Change is approved. Each Change Authorization must be signed and dated by tenant department, Landlord and the Chief Executive Officer or his/her designee in order to be effective.

## **9. Furniture System.**

9.1 Tenant shall deliver to Landlord within fourteen (14) calendar days after the date of full execution of this Work Letter, modular furniture plans and specifications (the "Modular Specifications"). Based on the Modular Specifications, Landlord and /or Landlord's architect shall prepare a modular furniture specifications bid package for submission to no less than three (3) furniture vendors. The bid package shall be broken down into separate line items for material, delivery, and sales tax, and each furniture item shall be broken down by unit price, quantities, description and specification. Prior to submission for bids, Landlord shall review the bid package with Tenant, and Tenant shall have the right to accept or reject the bid package. Landlord shall order the modular furniture set forth in the Modular Specifications and install the same within the Premises, all of which shall be a Total TI Cost, payable by Landlord and/or Tenant as provided in Section 6.2 and Section 6.3 hereof. Tenant's acceptance of any bid package shall not be deemed to be a representation by Tenant as to the adequacy or correctness of any specifications contained therein.

9.2 Alternatively, Tenant may elect to finance the cost of modular furniture through lease-purchase financing with a third-party lender ("Creditor"). If Tenant elects to enter into a lease-purchase financing of any furniture or telecommunications equipment (individually or collectively, "Personal Property") through a Creditor, Landlord expressly agrees as follows:

(a) The Personal Property shall not become part of the real property, but shall remain personal property removable by the Creditor and its assigns, provided that any damage to the Building or the Premises caused by such removal shall be repaired by Creditor.

(b) Landlord must receive written notice from Creditor of any plan by Creditor to remove the Personal Property from the Building.

(c) This Section 9.2 shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

(d) Landlord hereby waives any right to gain possession of any of Personal Property during the term of the Lease.

**10. Total TI Costs Adjustment and Right to Audit.** Within seven (7) calendar days of the issuance of a Certificate of Occupancy for the Premises or a final sign-off by the County of Los Angeles, whichever occurs first, Landlord shall provide to Tenant a statement showing (a) all Total



TI Costs in reasonable detail and sorted into the same line items as the Final TI Cost Summary, and (b) the amount of Total TI Costs that is in excess of Landlord's TI Allowance and payable hereunder by Tenant to Landlord. Upon approval of such statement by Tenant, payments by either party pursuant to the Lease and this Work Letter shall be adjusted as appropriate based upon such statement. Tenant shall have the right to audit the Total TI Costs at any time after the date of Tenant's Acceptance of the Premises. If the audit shows that Tenant is entitled to a reduction in payments made by Tenant to the Landlord pursuant to this Work Letter, then Tenant shall provide Landlord with a copy of the audit summary, and inform Landlord if Tenant wants Landlord to pay Tenant the amount of any over-payment made by Tenant within thirty (30) calendar days or if Tenant will apply such amount as a credit against the next installment(s) of Base Rent due under the Lease, and any future payments owed by Tenant shall be adjusted as appropriate based upon the audit results. Landlord shall require the Contractor to include audit provisions in all subcontracts which allow Tenant to audit the subcontractors' books and records with respect to the Tenant Improvements.

**11. Telephone/Computer Room and Equipment.** Landlord shall complete the telephone equipment room(s), including permanent power and HVAC, in compliance with the Space Plan, Low-Voltage Plan and specifications provided by Tenant, at least thirty (30) calendar days prior to the Estimated Commencement Date. During this thirty (30) day period, the Landlord shall be responsible for the security and protection of any telephone/data equipment delivered to the site prior to the Estimated Commencement Date.

**12. Delay.**

**12.1 Tenant Delays and Force Majeure Delays.** Except as set forth in this Section 12, Tenant shall not be charged as a result of any delay in the construction of Tenant Improvements. Subject to the provisions of Section 12.2, the Estimated Commencement Date set forth in the Lease shall be extended one (1) day for each day that: (a) Tenant fails or refuses to give authorizations or approvals within the time periods required herein, but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (b) Substantial Completion of the Tenant Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)").

**12.2 Limitations.**

(a) **Notice.** No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless, within forty eight (48) hours of the event giving rise to such claim, Landlord provides Tenant with written notice in compliance with the Lease specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction, or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred, commencing as of the date Tenant received such notice from Landlord.

(b) **Mitigation.** Tenant Delays and Force Majeure Delays shall delay the Estimated Commencement Date only if Substantial Completion of the Tenant Improvements is delayed, despite Landlord's reasonable efforts to adapt and compensate for such delays, efforts which Landlord shall be obligated to make (provided that the additional cost incurred by Landlord

due to such efforts does not exceed \$1,000 on a cumulative basis, unless Tenant agrees to pay to the excess).

(c) Concurrent Delays. Tenant Delays and Force Majeure Delays shall be recognized hereunder only if they are not concurrent with any other Tenant Delay or Force Majeure Delay that is effective hereunder. For example, if fourteen (14) calendar days of Tenant Delays and six (6) calendar days of Force Majeure Delays occur during the same fourteen (14) calendar day period, then the Estimated Commencement Date would be extended by only fourteen (14) calendar days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Estimated Commencement Date would be extended by twenty (20) calendar days.

(d) Change Authorizations. Landlord may not claim that a Tenant-Requested Change was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the executed Change Authorization and affects the Critical Path of the Construction Schedule.

(e) Work Scope Precedence. In case of conflicts or discrepancies between or among this Landlord Work Letter, plans, and specifications, plans shall supersede specifications for quantity, specifications shall supersede plans for quality, and this Landlord Work Letter shall supersede both plans and specifications.

**13. Tenant Remedies.** If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time, taking all factors into consideration, or if the Tenant Improvements have not been completed within sixty (60) calendar days after the Estimated Commencement Date, then Tenant may, at its option:

13.1 Cancel the Lease upon thirty (30) calendar days' written notice to Landlord; or

13.2 Upon thirty (30) calendar days' written notice to Landlord, assume the responsibility for constructing and/or completing the Tenant Improvements itself. If Tenant elects to construct or complete the Tenant Improvements itself, then:

(a) Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto; and

(b) Base Rent shall be reduced by Tenant's total expense in constructing the Tenant Improvements, including any financing charges for capital and a reasonable amount for Tenant's administrative costs, and including interest at the rate of six percent (6%) per annum ("Tenant's Total Expense"). The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over five (5) years and deducted from the Base Rent payable under the Lease.

Any default by Landlord under the terms of this Work Letter shall constitute a Landlord Default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

**14. Representatives.**

14.1 **Tenant Representative.** Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.2 of the Lease.

14.2 **Landlord Representative.** Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.2 of the Lease.

15. **Elevator Usage During Move-In.** In the event that the use of the freight elevators and/or hoists is not sufficient to meet Tenant's requirements during the early entry period set forth in Section 4.3 of the Lease, (a) Landlord shall cause to be made operational a temporary construction elevator and hoist, or (b) Tenant shall have priority usage of two (2) passenger elevators in the elevator bank that services the Premises in order to assist Tenant in the installation of Tenant's fixtures, furniture and equipment. Any elevator usage provided under this Section 15 shall be at no cost to Tenant.

16. **Construction Meetings.** During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise, at a time and place that is mutually convenient. An initial construction meeting shall be held within seven (7) calendar days after the date the Contractor is selected. Contractor shall provide minutes of each construction meeting to Tenant within a reasonable time thereafter, but not later than three (3) calendar days after the date of the construction meeting.

17. **Delivery.** Delivery of all plans and drawings referred to in this Work Letter shall be either by commercial messenger service, personal hand delivery or Landlord can set up a web-based download, unless otherwise agreed by Landlord and Tenant.

18. **Miscellaneous.** This Landlord Work Letter sets forth the entire understanding and agreement between the Parties with respect to the subject matter of this Landlord Work Letter. This Landlord Work Letter may be amended only in a writing signed by both Parties. Any notice to a party for a breach of this Landlord Work Letter must be delivered in writing per the terms as set forth in Section 30.6 of the Lease. This Landlord Work Letter shall be construed as if jointly drafted by the parties. This Landlord Work Letter will not be effective unless and until signed by both Parties. Neither party may assign this Landlord Work Letter or its rights or obligations hereunder without the other party's prior written consent. This Landlord Work Letter will be binding upon, enforceable by and inure to the benefit of the Parties and each of their successors and permitted assigns. Provisions contained in this Landlord Work Letter shall prevail in case of conflict over the terms of the Lease. This Landlord Work Letter is hereby incorporated into and made part of the Lease. All the terms and conditions of the Lease remain in full force and effect, except as expressly indicated otherwise in this Landlord Work Letter. This Landlord Work Letter will become effective as of the Effective Date and shall continue in effect, except to the extent it is amended or terminated in accordance with terms of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as of the dates set forth below.

LANDLORD:

\_\_\_\_\_,  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

## **ADDENDUM A To Landlord's Work Letter**

### **BASE BUILDING IMPROVEMENTS**

Landlord has constructed (or will construct) the Building to include the following:

(a) the Building shell and exterior, including perimeter window systems and mullions in good condition. If building has not been constructed or is still under construction, no tenant improvements work shall commence until building has been signed off by the City having jurisdiction and Certificate of Occupancy has been received.

(b) Must also include full-height demising walls including any required separation of HVAC, fire life safety, and or electrical work required to deliver a fully demised area with finished walls in a "paint-ready" condition.

(c) Must include mechanical, electrical, sprinkler, plumbing, Fire life safety, heating, air conditioning, ventilation and structural systems within the Building core, stubbed out to the face of the core wall at locations determined by Landlord;

(d) toilet rooms per code, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(e) Drywall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows. Also included:

(f) public stairways;

(g) passenger and freight elevators;

(h) parking facilities;

(i) ground floor lobby;

(j) finished elevator lobbies (with carpet, lights, finished walls and ceiling);

(k) exterior plazas and landscaping;

(l) loading dock and/or area;

(m) water bottle filling stations/fountains at the core;

(n) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;

(o) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets on floors one (1) and two (2), in which case Landlord, at no cost to Tenant and without deduction from Landlord's TI Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for

removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

(p) two (2) 208/120 and one (1) 480/277 Volt (VAC) panels connected to the Building power system;

(q) mechanical equipment room with ducted mechanical exhaust system;

(r) concrete floors with troweled finish ready for tenants floor finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;

(s) standard window coverings;

(t) primary HVAC duct for cooling and primary HVAC duct for heating (heating is for perimeter zone only) to loop from the mechanical equipment room around the building core;

(u) hot and cold air loops located within the Premises;

(v) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;

(w) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;

(x) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building; and

(y) Drywall on the service core walls, columns and sills in the Premises.

(z) Demolition and removal of any existing improvements or equipment situated within the Premises, unless the Final Plans show that such improvements and/or equipment will remain in the Premises.



## **ADDENDUM B To Landlord's Work Letter**

### **TENANT IMPROVEMENTS**

Tenant improvements shall include:

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (d) Interior partitions, doors and hardware within the Premises;
- (e) Terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (f) Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (g) Distribution of electrical services, plumbing services and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms and extinguishers;
- (j) Additional and/or above standard electrical capacity; and
- (k) Fiber optic access.

**ADDENDUM C To Landlord's Work Letter**

**PRELIMINARY AND FINAL TI COST SUMMARY**

\_\_\_\_ Preliminary TI Cost Summary  
\_\_\_\_ Final TI Cost Summary

Lease No. \_\_\_\_\_  
Address \_\_\_\_\_

Cost Category

Architecture and Engineering Contract	\$
Plan Check Fees & Permits	\$
General Contractor	\$
(Profit)	\$
(Overhead)	\$
Furniture	\$
Other (Specify)	\$
Total TI Costs	\$

# BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020		
<b>BOARD MEETING</b>	12/8/2020		
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	5th		
<b>DEPARTMENT</b>	Departments of Public Health (DPH), Public Social Services (DPSS) and Children and Family Services (DCFS)		
<b>SUBJECT</b>	Approval of a proposed ten-year lease to replace an existing lease to provide DPH, DPSS and DCFS continued use of 176,310 square feet which includes 163,000 square feet of office space (of which approximately 7,000 square feet is used for child care space), 13,310 square feet of warehouse space and 599 on-site parking spaces.		
<b>PROGRAM</b>	-DPH occupies 86,639 square feet of the Premises for its Children's Medical Services (CMS) Headquarters. -DPSS occupies 66,416 square feet of the Premises for its El Monte In-Home-Supportive Services (IHSS) program. -DCFS occupies 23,255 square feet of the Premises for its Out-of-Home Care Management Division (OHCMD), Quality Improvement (QI) Section and its Wraparound Section.		
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:		
<b>DEADLINES/ TIME CONSTRAINTS</b>	The existing lease is currently on a month-to-month holdover basis since 2019, without penalty. The current ownership is in escrow to sell the facility to the Landlord. The proposed lease will be effective and commence once all of the following items are in place: Landlord owns the facility, Board approval of the proposed lease, full execution of the proposed lease, and unconditional delivery of the Premises to the County by the Landlord at the close of Escrow.		
<b>COST &amp; FUNDING</b>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Total cost: \$56,855,000 rental costs over the 10-year term.</td><td style="width: 50%;">Funding source: -DPH will be funded 32 percent State funds, 51 percent Federal funds, and 17 percent net County cost; -DPSS will be funded 82.88 percent State and Federal funds and 17.12 percent net County cost; and -DCFS will be funded 45 percent Federal and State funds, and 55 percent net County cost.</td></tr> </table> <p>TERMS (if applicable): The office base rent is subject to Consumer Price Index (CPI) increase capped at 3 percent per annum and the warehouse base rent is subject to a one-time 3 percent increase on the fifth anniversary of the initial term. The County has the right to terminate the proposed lease at any time after the eighth year, with 180 days' notice, subject to payment of a termination fee equal to the unamortized portion of the TI Allowance with no interest charged and capped at \$490,000..</p> <p>Sufficient funding to cover the proposed rent, for the first year of the proposed lease is included in the Fiscal Year (FY) 20-2021 Rent Expense budget, and will be billed back to DPH, DPSS and DCFS. DPH, DPSS and DCFS have sufficient funding in their FY 2020-21 operating budget to cover the proposed rent for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part of the budgets for DPH, DPSS and DCFS.</p>	Total cost: \$56,855,000 rental costs over the 10-year term.	Funding source: -DPH will be funded 32 percent State funds, 51 percent Federal funds, and 17 percent net County cost; -DPSS will be funded 82.88 percent State and Federal funds and 17.12 percent net County cost; and -DCFS will be funded 45 percent Federal and State funds, and 55 percent net County cost.
Total cost: \$56,855,000 rental costs over the 10-year term.	Funding source: -DPH will be funded 32 percent State funds, 51 percent Federal funds, and 17 percent net County cost; -DPSS will be funded 82.88 percent State and Federal funds and 17.12 percent net County cost; and -DCFS will be funded 45 percent Federal and State funds, and 55 percent net County cost.		
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and continue to adequately provide the necessary office space for DPH, DPSS and DCFS.		
<b>BACKGROUND (include internal/external issues that may exist)</b>	The proposed lease will provide DPH, DPSS and DCFS the continued use of 176,310 square feet comprised of 163,000 square feet of office space (of which approximately 7,000 square feet is used for child care space), 13,310 square feet of warehouse space and 599 on-site parking spaces.		
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Michael Navarro CEO- Real Estate Division 213-974-4364    Mnavarro@ceo.lacounty.gov		



# 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>

FESIA A. DAVENPORT  
Acting Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

December 8, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**TEN-YEAR LEASE  
DEPARTMENT OF PUBLIC HEALTH,  
DEPARTMENT OF PUBLIC SOCIAL SERVICES AND  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
9320 TELSTAR AVENUE, EL MONTE  
(FIRST DISTRICT)  
(3 VOTES)**

**SUBJECT**

Approval of a proposed ten-year lease to replace an existing lease to provide the Departments of Public Health (DPH), Public Social Services (DPSS), and Children and Family Services (DCFS) continued use of 176,310 square feet of office and warehouse space, and 599 on-site parking spaces for various DPH, DPSS, and DCFS programs.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Acting Chief Executive Officer, or her designee, to execute the proposed lease with Rising Realty Partners, LP (or its related affiliates acceptable to Los Angeles County) (Landlord), for 176,310 square feet which includes 163,000 square feet of office space, 13,310 square feet of warehouse space, and 599 on-site parking spaces at 9320 Telstar Avenue, El Monte, California, 91731 (Premises), for continued occupancy by DPH, DPSS and DCFS. The estimated maximum first year base rental cost of \$4,690,464 includes five months' free rent for an adjusted base rent of \$2,736,104. The estimated total lease cost is \$56,855,000 over the 10-year term, which includes the cost of electricity to be paid

by DPH, DPSS, and DCFS directly to the Landlord. The costs for DPH will be funded 32 percent with State funds, 51 percent with Federal funds, and 17 percent with net County cost; the costs for DPSS will be funded 82.88 percent with State and Federal funds and 17.12 percent with net County cost; and the costs for DCFS will be funded 45 percent with Federal and State funds, and 55 percent with net County cost.

3. Authorize and direct the Acting Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed lease, and to take actions necessary and appropriate to implement the proposed lease, including, without limitation, exercising early termination rights, rights of first refusal, any options to extend, and/or to lease additional supplemental parking spaces as needed and available.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Since 2001, DPH, DPSS and DCFS have occupied the Premises. The existing lease has been on a month-to-month holdover since August 2019. The current ownership is currently in escrow to sell the Premises to the Landlord. The proposed lease will be effective and commence once all of the following items are in place: (i) Landlord owns the Premises, (ii) Board approval of the proposed lease, (iii) full execution of the proposed lease, and (iv) unconditional delivery of the Premises to the County by the Landlord at the close of Escrow. The 176,310 square foot Premises will include 163,000 square feet of office space and 13,310 square feet of warehouses space which is split amongst DPH, DPSS and DCFS. There is a childcare center at the facility which uses approximately 7,000 SF of the office space, and a small outside area of the parking lot which is provided at no cost to the County. The Premises are located near public transportation routes and adjacent to major freeways.

DPH currently occupies 86,639 square feet at the Premises for its Children's Medical Services (CMS) Headquarters, and its four main programs: California Children's Services (CCS), Medical Therapy Program (MTP), Child Health and Disability Prevention (CHDP), and Child Welfare Public Health Nursing Program, including the General Program and the Health Care Program for Children in Foster Care (HCPCFC). This office serves as the headquarters and the administrative center for CMS overseeing these four programs that provide medical benefits and services to children, at no cost and in collaboration with the school districts. There are approximately 465 DPH employees at the Premises.

DPSS currently occupies 66,416 square feet at the Premises for its In-Home-Supportive Services (IHSS), Medi-Cal Outreach, Line Operations Development, and a Child Care Center. The IHSS Program provides financial assistance for services to low-income elderly, blind or disabled individuals. The services may include house-cleaning, meal preparation, grocery shopping, accompaniment to medical appointments, protective supervision and personal care. Medi-Cal Outreach deploys Eligibility Workers throughout Los Angeles County at sites such as hospitals, clinics, schools, and community agencies

to offer an alternate platform for the community to access health insurance and nutrition assistance services. Line Operations Development provides support to DPSS staff and assists with instituting new programs. There are approximately 300 DPSS employees at the Premises.

DCFS currently occupies 23,255 square feet at the Premises for its Out-of-Home Care Management Division (OHCMD), Quality Improvement (QI) Section and its Wraparound Section. These programs support the mission, vision, strategic plans and goals for child safety, permanency, quality of life for children, well-being and educational competency. The goal is to develop and provide the highest quality placement and treatment resources for children and families, and ensure that the children's needs are being met and they are achieving positive outcomes. There are approximately 110 DCFS employees at the Premises.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will continue to allow DPH, DPSS, and DCFS to operate at the Premises.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 3 - *Realize Tomorrow's Government Today* - provides that our increasingly dynamic, and complex environment, challenges our collective abilities to respond to public needs and expectations. We want to be an innovative, flexible, effective, and transparent partner focused on advancing the common good. The proposed lease supports this goal through provision of efficient public service by providing continued use of an existing, centrally located Premises occupied by multiple County departments.

The proposed lease is consistent with the Strategic Asset Management Plan Goal 2 – Strengthen Connection between Service Priorities and Asset Decisions and Key Objective 4 – Guide Strategic Decision-Making. The proposed lease supports this goal and objective through provision of efficient public service by providing continued use of an existing, centrally located Premises occupied by multiple County departments.

The proposed lease is in conformance with the Asset Management Principles as outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

Sufficient funding to cover the proposed rent (including electrical expense), for the first year of the proposed lease term, is included in the Fiscal Year (FY) 2020-21 Rent Expense Budget, and will be billed back to DPH, DPSS and DCFS in accordance with their respective share as follows: DPH is \$1,604,438, DPSS is \$1,229,938 and DCFS is \$430,658. DPH, DPSS and DCFS have sufficient funding in their FY 2020-21 operating budgets to cover the proposed rental cost, including utilities for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part



of the budgets for DPH, DPSS and DCFS. The rental costs for DPH will be funded with 51 percent Federal funds, 32 percent with State funds, and 17 percent with net County cost. The rental costs for DPSS will be funded 82.88 percent with State and Federal funds and 17.12 percent with net County cost. The rental costs for DCFS will be funded 45 percent with Federal and State funds, and 55 percent with net County cost.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In addition to the terms previously stated, the proposed lease also contains the following provisions:

- The base rent for the office space at commencement of the proposed lease is \$27.60 per square foot per year. The base rent for the warehouse space at the commencement of the proposed lease is \$14.40 per square foot, per year. Based on these rates, the total first year rent would be \$4,690,464; however, the Landlord will provide the first five months of rent free, resulting in a total first year base rent cost of \$2,736,104.
- Base rent for the office space is subject to annual Consumer Price Index (CPI) increases and capped at 3 percent per annum.
- Base rent for the warehouse space is fixed for years one through five and subject to a one-time 3 percent increase on the fifth anniversary of the Lease Term.
- The Landlord will provide a \$2,445,000 base tenant improvement allowance (TI Allowance) for refurbishment of the Premises, i.e., carpet, paint and other minor improvements as needed including repair and reconfiguration of furniture. Any unused portion of the TI Allowance will be credited toward the base rent.
- The Landlord, at its sole cost and expense, shall be responsible for upgrading the bathrooms and elevator lobby to the most recent building standard, as well as code-compliant work required in the common areas. In addition, the Landlord shall air balance the heating, ventilation, and air conditioning (HVAC) system by a third-party HVAC subcontractor within 60 days from the commencement of the lease term.
- The Landlord is responsible for operating and maintenance costs including janitorial services, and the County is responsible for reimbursing the Landlord the costs of its electrical usage at an estimated \$528,930 annual costs.
- The base rent includes 599 parking spaces. The Landlord shall restripe the parking area and install approximately 17 electric charging stations at the Landlord's sole cost and expense. The County can request that the Landlord acquire additional off-site parking as needed and if available, for which the County will reimburse the Landlord.

- The aggregate costs associated with the proposed lease over the entire term is \$56,855,000, as shown on Enclosure B.
- The County has the right to terminate the proposed lease at any time after the eighth year, with 180 days notice, subject to payment of a termination fee equal to the unamortized portion of the TI Allowance with no interest charged and capped at \$490,000.
- The proposed lease includes two five-year options to extend the proposed lease term with nine months advance notice at 95 percent of the Fair Market Rental Value. If all options are exercised, the total term of the proposed lease would be 20 years.
- The County has a right of first refusal to lease additional space in the Premises. Further, if Landlord decides to sell the Premises, the County will have a right of first refusal regarding any sale of the Premises.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions and the monthly base rent during the holdover period will be at the base rent at the time of the proposed lease expiration.
- The proposed lease was submitted for review to the Board's appointed Real Estate Management Commission on November 10, 2020, and was unanimously approved.

The Chief Executive Office (CEO) issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website, CEO-Real Estate's County website, and Cushman & Wakefield's (CW) website, the County's tenant broker representative. None of the responses received were suitable for the Departments' needs due to the higher rental costs and the cost and time to provide the TIs and low voltage needed for a new space. The CEO, along with CW, conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable office lease in the area is between \$30.60 and \$33.60 per square foot, per year. Thus, the base annual rental rate of \$30.60 per square foot, per year for the proposed office space represents a rate that is at the lower range for the area. Further, available industry data also establishes that the annual rental range for a comparable warehouse lease in the area is between \$14.64 and \$15.60 per square foot, per year. Thus, the base annual rental rate of \$14.40 per square foot, per year for the proposed warehouse space represents a rate that is below the range for the area. Due to the costly tenant improvements needed should the Departments relocate to a new space, remaining in the proposed space is the most cost-effective choice. In

addition, the San Gabriel Valley market is in high demand creating an extremely tight market with very few large blocks of available office space. The proposed lease will allow DPH, DPSS and DCFS to continue to enjoy the synergy of being in one building. We recommend the proposed Premises as the most suitable to continue to meet the County's space requirements.

CEO has communicated with co-working office space companies regarding office space for the applicable programs and they have informed the CEO that their co-working office space does not have available space for long term occupancy to accommodate the required space needs. In addition, co-working office space is not financially viable in comparison to rental costs of traditional long-term office space.

Enclosure C shows County-owned or leased facilities within the surveyed area, and there are no suitable County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected the Premises and found it suitable for County occupancy. Refurbishment of the Premises will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act. The required notification letter has been sent to the city of El Monte, in accordance with Government Code Section 25351. County Counsel has reviewed the enclosed proposed lease and has approved it as to form.

The proposed lease will continue to provide a suitable location for the various DPH, DPSS and DCFS programs, which is consistent with the County's Premises Location Policy, adopted by the Board on July 24, 2012 and as outlined in Enclosure D.

## **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor tenant improvements within an existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in Section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with Section 21152 of the California Public Resources Code.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease will adequately provide the necessary office and warehouse space, and include required parking spaces, for this County requirement. DPH, DPSS and DCFS concur with the proposed lease and recommendations.

**CONCLUSION**

It is requested that the Executive Office of the Board, return one certified copy of the Minute Order and an adopted-stamped copy of this letter to the CEO, Real Estate Division, at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,

FESIA A. DAVENPORT  
Acting Chief Executive Officer

FAD:JMN:DPH:DL  
JLC:MN:MAC:gw

Enclosures

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

**Departments of Public Health, Public Social Services and Children and Family Services**  
**9320 Telstar Avenue, El Monte, CA 91731**  
**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>	
	A	Does lease consolidate administrative functions?	<b>X</b>			
	B	Does lease co-locate with other functions to better serve clients?	<b>X</b>			
	C	Does this lease centralize business support functions?	<b>X</b>			
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <b>No, it is 201 per square foot per person due to the Lobby and public intake areas providing services to clients.</b>		<b>X</b>		
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>No, it is lower at 3.4/1,000 sq. ft. but we are exploring additional parking options and will have rights for additional parking, if available.</b>		<b>X</b>		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location?	<b>X</b>			
<b>2.</b>	<b><u>Capital</u></b>					
	A	Is it a substantial net County cost (NCC) program? <b>The total net County cost amounts to 22.6 percent of the total cost.</b>		<b>X</b>		
	B	Is this a long-term County program?	<b>X</b>			
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>		
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>		
	E	If yes, why is lease being recommended over occupancy in County-owned space? <b>No, County office space available.</b>			<b>X</b>	
	F	Is Building Description Report attached as Enclosure C?	<b>X</b>			
	G	Was build-to-suit or capital project considered? <sup>2</sup> <b>The existing facility is the most economical option for the County given the improvements previously made to the space.</b>		<b>X</b>		
<b>3.</b>	<b><u>Portfolio Management</u></b>					
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>			
	B	Was the space need justified?	<b>X</b>			
	C	If a renewal lease, was co-location with other County departments considered?	<b>X</b>			
	D	Why was this program not co-located with other County departments?				
		1. ____ The program clientele requires a "stand alone" Premises.				
		2. ____ No suitable County occupied properties in project area.				
		3. ____ No County-owned facilities available for the project.				
		4. ____ Could not get City clearance or approval.				
		5. <u>X</u> The Program is being co-located.				
	E	Is lease a full-service lease? <sup>2</sup> <b>No, the County will pay for the costs of electrical usage.</b>		<b>X</b>		
	F	Has growth projection been considered in space request?	<b>X</b>			
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>			
<sup>1</sup> As approved by the Board of Supervisors 11/17/98						
<sup>2</sup> If not, why not?						

**COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE**

	<b>Existing Lease:</b> <b>9320 Telstar, El Monte</b>	<b>Proposed Lease</b> <b>9320 Telstar, El Monte</b>	<b>Change</b>
Area (Square Feet)	176,310 sq. ft.	176,310 sq. ft.	None
Term (years)	Seven years	Ten years	+3 years.
Annual Base Rent <sup>(1)</sup> (Base rent includes <u>599</u> parking spaces)	Total \$3,971,608 (\$22.53 per sq. ft. annually)	Total \$4,690,464 (\$26.60 per sq. ft. annually)	+ \$718,856 (+\$4.07 per sq. ft. annually)
Free Rent <sup>(2)</sup>	N/A	- \$1,954,360	- \$1,954,360 equals 5-months rent
Adjusted Annual Rent	N/A	\$2,736,104	N/A
Estimated Annual Electrical Cost <sup>(3)</sup> Electrical cost are based upon actual 12-month average, subject to periodic rate increases.	\$528,930	\$528,930	\$0.00
Total Annual Lease Costs payable to Landlord <sup>(4)</sup>	\$4,500,538	\$3,265,034	- \$1,235,504
Options to Renew	One five-year option	Two five-year options	+Five-years
Office rental rate adjustment	Annual CPI adjustments capped at 3 percent per annum with no minimum.	Annual CPI adjustments capped at 3 percent per annum with no minimum.	None
Warehouse rental rate adjustment	Annual CPI adjustments capped at 3 percent per annum with no minimum.	Fixed years 1-5 with a onetime 3 percent increase after the 5 <sup>th</sup> year.	Reduced annual escalation to only once following the 5 <sup>th</sup> year of the Lease Term.

<sup>1</sup> The Base Rent is for the proposed lease includes a rate of \$27.60 per square foot, per year, for the Office Premises (163,000 SF) and \$14.40 per square foot, per year, for the Warehouse Premises (13,310 SF).

<sup>2</sup> The County shall receive five (5) months of free rent applicable toward months one through five of the Lease Term.

<sup>3</sup> Electrical cost are based upon actual 12-month average, subject to periodic rate increases.

<sup>4</sup> Based on a one-time deduction for the first year only. Rent for the subsequent years will increase. See Enclosure B, Page 2.



## OVERVIEW OF THE PROPOSED BUDGETED LEASE AND RELATED COSTS

9320 Telstar, El Monte, CA. 91731  
DPH, DPSS, DCFS

Basic Assumptions	
Office Leased Area (sq ft)	163,000
Warehouse Leased Area (sq ft)	13,310
Total Leased Area (sq ft)	176,310
Term (months)	120
Office Annual Base Rent / SF	\$27.60
Office Monthly Base Rent / SF	\$2.30
Office Rent Adjustment (Annual CPI with a 3% cap)	3%
Warehouse Annual Base Rent / SF	\$14.40
Warehouse Monthly Base Rent / SF	\$1.20
Warehouse Rent Adjustment (After 5th Yr Only)	3%

Department	Office RSF	Warehouse RSF	Total RSF	% Share
DPH	80,098	6,541	86,639	49.14%
DPSS	61,402	5,014	66,416	37.67%
DCFS	21,500	1,755	23,255	13.19%
	163,000	13,310	176,310	100.00%

TOTAL LEASE COSTS											
Year	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year	8 <sup>th</sup> Year	9 <sup>th</sup> Year	10 <sup>th</sup> Year	Total
Office Annual Base Rent Costs <sup>(1)</sup>	\$4,498,800	\$4,633,764	\$4,772,777	\$4,915,960	\$5,063,439	\$5,215,342	\$5,371,802	\$5,532,957	\$5,698,945	\$5,869,914	\$51,574,000
Warehouse Annual Base Rent Costs <sup>(2)</sup>	\$191,664	\$191,664	\$191,664	\$191,664	\$191,664	\$197,414	\$197,414	\$197,414	\$197,414	\$197,414	\$1,946,000
Sub-Total Combined Office & Warehouse Rent	4,690,464	4,825,428	4,964,441	5,107,624	5,255,103	5,412,756	5,569,216	5,730,370	5,896,359	6,067,328	
Rent Abatement <sup>(3)</sup>	(\$1,954,360)										
Total Paid to Landlord	\$2,736,104	\$4,825,428	\$4,964,441	\$5,107,624	\$5,255,103	\$5,412,756	\$5,569,216	\$5,730,370	\$5,896,359	\$6,067,328	\$51,565,000
Estimated Annual Electric Expense <sup>(4)</sup>	\$528,930	\$528,930	\$528,930	\$528,930	\$528,930	\$528,930	\$528,930	\$528,930	\$528,930	\$528,930	\$5,290,000
<b>Total Annual Rental Costs</b>	<b>3,265,034</b>	<b>5,354,358</b>	<b>5,493,371</b>	<b>5,636,554</b>	<b>5,784,033</b>	<b>5,941,686</b>	<b>6,098,146</b>	<b>6,259,300</b>	<b>6,425,289</b>	<b>6,596,258</b>	<b>\$56,855,000</b>

DPH LEASE COSTS											
Annual Base Rent Costs <sup>(5)</sup>	2,304,894	2,371,215	2,439,526	2,509,887	2,582,358	2,659,828	2,736,713	2,815,904	2,897,471	2,981,485	\$26,300,000
Rent Abatement <sup>(3)</sup>	(\$960,373)										
Annual Electric Expense <sup>(4)</sup>	\$259,916	\$259,916	\$259,916	\$259,916	\$259,916	\$259,916	\$259,916	\$259,916	\$259,916	\$259,916	\$2,600,000
<b>Total Annual Rental Costs</b>	<b>1,604,438</b>	<b>2,631,132</b>	<b>2,699,442</b>	<b>2,769,803</b>	<b>2,842,274</b>	<b>2,919,745</b>	<b>2,996,629</b>	<b>3,075,820</b>	<b>3,157,387</b>	<b>3,241,401</b>	<b>\$27,939,000</b>

DPSS LEASE COSTS											
Annual Base Rent Costs <sup>(5)</sup>	1,766,898	1,817,739	1,870,105	1,924,042	1,979,597	2,038,985	2,097,924	2,158,631	2,221,158	2,285,562	\$20,161,000
Rent Abatement <sup>(3)</sup>	(\$736,207)										
Annual Electric Expense <sup>(4)</sup>	\$199,248	\$199,248	\$199,248	\$199,248	\$199,248	\$199,248	\$199,248	\$199,248	\$199,248	\$199,248	\$1,993,000
<b>Total Annual Rental Costs</b>	<b>1,229,938</b>	<b>2,016,987</b>	<b>2,069,353</b>	<b>2,123,290</b>	<b>2,178,845</b>	<b>2,238,233</b>	<b>2,297,172</b>	<b>2,357,878</b>	<b>2,420,406</b>	<b>2,484,810</b>	<b>\$21,417,000</b>

DCFS LEASE COSTS											
Annual Base Rent Costs <sup>(5)</sup>	618,672	636,474	654,810	673,696	693,148	713,943	734,580	755,836	777,730	800,280	\$7,060,000
Rent Abatement <sup>(3)</sup>	(\$257,780)										
Annual Electric Expense <sup>(4)</sup>	\$69,766	\$69,766	\$69,766	\$69,766	\$69,766	\$69,766	\$69,766	\$69,766	\$69,766	\$69,766	\$698,000
<b>Total Annual Rental Costs</b>	<b>430,658</b>	<b>706,240</b>	<b>724,576</b>	<b>743,462</b>	<b>762,914</b>	<b>783,708</b>	<b>804,346</b>	<b>825,602</b>	<b>847,496</b>	<b>870,046</b>	<b>\$7,500,000</b>

### Footnotes:

<sup>1</sup> Base rent for the office space includes annual adjustments based on CPI with a cap of 3 percent. This schedule assumes the 3 percent cap per year.

<sup>2</sup> Base rent includes a one-time 3 percent increase following the 5th year of the Lease Term for the Warehouse space.

<sup>3</sup> Based upon free rent for months one (1) through five (5) of the initial term.

<sup>4</sup> Based upon a 12-month historical electrical costs. The electrical costs are subject to rate increases.

<sup>5</sup> Based on the combined Office and Warehouse Base Rent Costs.

\*Calculation note: All Total numbers are rounded up to ensure sufficient funds available to pay the specified expense.

**DPH, DPSS and DCFS  
SPACE SEARCH – SEVEN MILE RADIUS  
9320 TELSTAR AVENUE, EL MONTE, CA 91731**

Property ID	Name	Address	Ownership	Property Use	Property Type	Gross Sq Ft	Vacant
4521	Sheriff - Homicide Bureau & Parole Compliance	1 Cupania Circle Monterey Park 91755	Leased	Multiple Use Building - Office	Multiple Use Building - Office	42,547	NONE
10111	Regional Facilities Agency	265 Cloverleaf Dr Baldwin Park 91706	Owned	Multiple Use Building - Office	Multiple Use Building - Office	444,244	NONE
A275	Community Development Commission Headquarters	2 Coral Cir Monterey Park 91755	Leased	Multiple Use Building - Office	Multiple Use Building - Office	67,500	NONE
A130	DPSS - Administrative Headquarters	12860 Crossroads Pkwy S City of Industry 91745	Leased	Multiple Use Building - Office	Multiple Use Building - Office	55,000	NONE
6144	Maclaren Children's Center	4024 N Durfee Ave El Monte 91732	Owned	Multiple Use Building - Office	Multiple Use Building - Office	71,733	NONE
6064	El Monte Courthouse	11234 E Valley Blvd El Monte 91731	CA - Superior Courts	Multiple Use Building - Office	Multiple Use Building - Office	136,512	NONE
5883	Alhambra Courthouse	150 W Commonwealth Ave Alhambra 91801	CA - Superior Courts	Multiple Use Building - Office	Multiple Use Building	111,727	NONE
A387	DPSS - Gain Program Headquarters/DA - Claims Unit	3220 Rosemead Blvd El Monte 91731	Leased	Multiple Use Building - Office	Multiple Use Building - Office	26,335	NONE
B002	DPSS - Administrative Headquarters East Annex	12900 Crossroads Pkwy S City of Industry 91745	Leased	Multiple Use Building - Office	Multiple Use Building - Office	34,245	NONE
0229	Ag Comm/Wts & Meas HQ/Probation Special Services	12300 Lower Azusa Rd Arcadia 91706	Owned	Multiple Use Building - Office	Multiple Use Building - Office	35,878	NONE
A493	San Gabriel Valley Family Service Center I	3350 Aerojet Ave El Monte 91731, 9150 Flair Dr El Monte 91731	Leased	Multiple Use Building - Office	Multiple Use Building - Office	120,000	NONE
A497	DPSS - San Gabriel Valley Gain Program Reg III	3216 Rosemead Blvd El Monte 91731, 3220 Rosemead Blvd El Monte 91731	Leased	Multiple Use Building - Office	Multiple Use Building - Office	41,836	NONE
A507	DPSS - Administrative Headquarters West Annex	12820 Crossroads Pkwy S City of Industry 91745	Leased	Multiple Use Building - Office	Multiple Use Building - Office	33,331	NONE
A522	PH/DPSS/DCFS - Telstar El Monte County Center	9320 Telstar Ave El Monte 91731	Leased	Multiple Use Building - Office	Multiple Use Building - Office	163,000	NONE

## PREMISES LOCATION POLICY ANALYSIS

**Proposed lease:** 10-year lease for the DPH, DPSS and DCFS – 9320 Telstar Avenue, El Monte – First District.

**A. Establish Service Function Category** – Regional and local public service function.

**B. Determination of the Service Area** – The proposed lease will provide a 10-year lease extension with a new owner of the Premises, for the various existing DPH, DPSS and DCFS programs.

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: Continuing need for existing operation in the San Gabriel Valley region in support of the DPH, DPSS and DCFS.
- Need for proximity to existing County facilities: Close to other County departments.
- Need for proximity to Los Angeles Civic Center: The current site provides a central location just west of downtown Los Angeles and is accessible to public transportation.
- Economic Development Potential: N/A.
- Proximity to public transportation: The location is adequately served by local transit services.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available to meet all of the Departments' needs.
- Compatibility with local land use plans: The city of El Monte has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The first year rental costs including (i) base rent of \$4,690,464 i.e., \$26.60 per square foot per year, including parking, (ii) rent credit of \$1,954,360, (iii) the estimated electrical expense of \$528,930, total approximately \$3,265,034 over the first year of the proposed lease.

#### **D. Analyze results and identify location alternatives**

The Chief Executive Office (CEO) issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website, CEO-Real Estate's County website, and Cushman & Wakefield's (CW) website, the County's tenant broker representative. None of the responses received were suitable for the Departments' needs due to the higher rental costs and the cost and time to provide the tenant improvements and low voltage needed for a new space. The CEO, along with CW, conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable office lease in the area is between \$30.60 and \$33.60 per square foot, per year. Thus, the base annual rental rate of \$30.60 per square foot, per year for the proposed office space represents a rate that is at the lower range for the area. Further, industry data also establishes that the annual rental range for a comparable warehouse lease in the area is between \$14.64 and \$15.60 per square foot, per year. Thus, the base annual rental rate of \$14.40 per square foot, per year for the proposed warehouse space represents a rate that is below the range for the area. Due to the tenant improvements needed should the Departments relocate to a new space, remaining in the proposed space is the most cost-effective choice. In addition, the San Gabriel Valley market is in high demand creating an extremely tight market with very few large blocks of available office space. The proposed lease will allow DPH, DPSS and DCFS to continue to enjoy the synergy of being in one building. We recommend the proposed Premises as the most suitable to continue to meet the County's space requirements.

#### **E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost and other Location Selection Criteria**

The proposed lease will provide adequate and efficient office space for DPH, DPSS and DCFS employees and clients consistent with the County's Premises Location Policy, adopted by the Board on July 24, 2012. This is the most affordable option available in the area that meets the Departments' needs.

DRAFT

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES – Tenant**

**and**

**RISING REALTY PARTNERS, LLC – Landlord**

**9320 Telstar Avenue  
El Monte, California**

## TABLE OF CONTENTS

	Page
1. BASIC LEASE INFORMATION .....	1
1.1 Terms .....	1
1.2 Defined Terms Relating to Landlord's Work Letter .....	3
1.3 Exhibits to Lease.....	4
1.4 Addendum No. 1 .....	4
2. PREMISES.....	4
2.1 Lease of Premises .....	4
2.2 Measurement of Premises .....	4
3. COMMON AREAS.....	4
4. COMMENCEMENT AND EXPIRATION DATES .....	5
4.1 Term .....	5
4.2 Termination Right.....	5
4.3 Early Entry .....	6
4.4 Early Termination.....	6
5. RENT .....	6
5.1 Base Rent .....	6
5.2 Base Rent Adjustments.....	7
6. USES .....	7
7. HOLDOVER .....	7
8. COMPLIANCE WITH LAW .....	7
9. DAMAGE OR DESTRUCTION .....	7
9.1 Damage .....	7
9.2 Tenant Termination Right.....	7
9.3 Damage In Last Year .....	8
9.4 Default By Landlord .....	8
10. REPAIRS AND MAINTENANCE .....	8
10.1 Landlord Representations .....	8
10.2 Landlord Obligations .....	10
10.3 Tenant Obligations.....	11
10.4 Tenant's Right to Repair .....	11
11. SERVICES AND UTILITIES .....	12
11.1 Services .....	12
11.2 Utilities .....	13
12. TAXES .....	14
13. LANDLORD ACCESS .....	14
14. TENANT DEFAULT .....	14
14.1 Default .....	14
14.2 Termination.....	14
14.3 No Effect on Indemnity.....	15
15. LANDLORD DEFAULT .....	15
15.1 Remedies .....	15
15.2 Waiver .....	15
15.3 Emergency.....	15
16. ASSIGNMENT AND SUBLETTING .....	16
16.1 Assignment and Subletting .....	16
16.2 Sale .....	16
17. ALTERATIONS AND ADDITIONS .....	17
17.1 Landlord Consent.....	17



	17.2	End of Term .....	17
18.		CONDEMNATION .....	17
	18.1	Controlling Terms.....	17
	18.2	Total Taking .....	17
	18.3	Partial Taking.....	17
	18.4	Restoration .....	18
	18.5	Award .....	18
	18.6	Waiver of Statute .....	18
19.		INDEMNIFICATION.....	18
	19.1	Landlord's Indemnity .....	18
	19.2	Tenant's Indemnity.....	19
20.		INSURANCE .....	19
	20.1	Waiver .....	19
	20.2	General Insurance Provisions – Landlord Requirements.....	19
	20.3	Insurance Coverage Types And Limits.....	22
	20.4	Landlord Requirements.....	22
21.		PARKING .....	23
	21.1	Tenant's Rights .....	23
	21.2	Electric Vehicles Charging Stations .....	23
	21.3	Supplemental Parking.....	23
	21.4	Remedies .....	23
22.		ENVIRONMENTAL MATTERS.....	24
	22.1	Hazardous Materials .....	24
	22.2	Landlord Indemnity .....	24
23.		ESTOPPEL CERTIFICATES .....	25
24.		TENANT IMPROVEMENTS .....	25
	24.1	Tenant Improvement Allowance.....	25
	24.2	Landlord Work.....	25
25.		LIENS .....	25
26.		SUBORDINATION AND MORTGAGES .....	25
	26.1	Subordination and Non-Disturbance .....	25
	26.2	Existing Deeds of Trust.....	25
	26.3	Notice of Default .....	25
27.		SURRENDER OF POSSESSION.....	26
28.		SIGNAGE.....	26
29.		QUIET ENJOYMENT .....	26
30.		GENERAL .....	26
	30.1	Headings .....	26
	30.2	Successors and Assigns .....	26
	30.3	Brokers .....	26
	30.4	Entire Agreement.....	27
	30.5	Severability .....	27
	30.6	Notices.....	27
	30.7	Governing Law and Venue.....	27
	30.8	Waivers.....	27
	30.9	Time of Essence .....	27
	30.10	Consent .....	27
	30.11	Community Business Enterprises .....	28
	30.12	Memorandum of Lease .....	28
	30.13	Counterparts .....	28

31.	AUTHORITY.....	28
32.	ACKNOWLEDGEMENT BY LANDLORD .....	28
	32.1 Consideration of GAIN Program Participants .....	28
	32.2 Solicitation of Consideration.....	29
	32.3 Landlord Assignment .....	29
	32.4 Smoking in County Facilities .....	30
33.	IRREVOCABLE OFFER.....	31
34.	OPTION TO RENEW.....	31

## **EXHIBITS**

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Heating, Ventilation, and Air Conditioning Standards
- Exhibit D – Cleaning and Maintenance Schedule
- Exhibit E – Subordination, Non-disturbance and Attornment Agreement
- Exhibit F – Tenant Estoppel Certificate
- Exhibit G – Community Business Enterprises Form
- Exhibit H – Memorandum of Lease Terms

## **ADDENDUM NO. 1 – Additional Terms to Lease Agreement**

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ between Rising Realty Partners, LLC ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

**1.1 Terms**

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

(a) Landlord's Address for Notices:	Rising Realty Partners, LLC 433 S. Spring St., Suite 700 Los Angeles, CA 90013 Email: _____
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate  With a copy to:  County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	176,310 rentable square feet (RSF) comprised of the following:  163,000 RSF of office space (the "Office Premises") and  13,310 RSF of warehouse space (the "Warehouse Premises").  The Office Premises and Warehouse Premises shall be collectively referred to as

	the "Premises", as more specifically depicted on Exhibit A attached hereto.
(d) Building:	The Building located at 9320 Telstar Avenue, El Monte, California, which is currently assessed by the County Assessor as APN 8595-003-016 (collectively, the "Property");
(e) Term:	Ten (10) years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors, full execution of the Lease by both parties, and unconditionally delivered to the Tenant at the close of Escrow (the "Commencement Date"), and terminating at midnight on the day before the tenth (10 <sup>th</sup> ) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination or extension 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. Tenant shall have two options to extend for five years each, as defined in Section 34.
(f) Estimated Commencement Date:	January 1, 2021
(g) Irrevocable Offer Expiration Date: (see Section 33)	June 1, 2021
(h) Base Rent:	<p>The Base Rent for the "Office Premises" (as defined below) shall be \$2.30 per RSF, per month, modified-gross (the "Office Base Rent") which equals:</p> <p>374,900 per month / \$4,498,800 per year..</p> <p>The Base Rent for the "Warehouse Premises" (as defined below), shall be \$1.20 per RSF per month modified-gross (the "Warehouse Base Rent") which equals:</p> <p>\$15,972 per month / \$191,664 per year.</p> <p>The total Base Rent for the combined Office Base Rent and Warehouse Base Rent equals:</p>

	\$390,872 per month / \$4,690,464 per year.
(i) Rent Abatement	Initial five (5) months of the Lease Term for both the Office Base Rent and Warehouse Base Rent.
(j) Early Termination (see Section 4.4)	The County has the right to terminate any time after the 8 <sup>th</sup> anniversary of the Commencement Date by providing 180 days' written notice.
(k) Rentable Square Feet in the Premises:	163,000 rentable square feet (the "Office Premises")  13,310 rentable square feet (the "Warehouse Premises")  Collectively 176,310 rentable square feet (the "Premises")
(l) Initial Departmental Use:	Public Health (DPH), Public Social Services (DPSS), Children & Family Services (DCFS), subject to Section 6.
(m) Parking Spaces:	599 unreserved spaces (plus any additional parking spaces captured after the Landlord restripes the parking area).
(n) Tenant's Hours of Operation:	Twenty-four hours a day / seven days a week.
(o) Asbestos Report:	A report dated _____, 20__ prepared by _____, a licensed California Asbestos contractor.
(p) Seismic Report	A report dated January 25, 2001 prepared by the Department of Public Works.
(q) Disabled Access Survey	A report dated _____, 20__ prepared by _____

## 1.2 Defined Terms Relating to Landlord's Work Letter

(a) Landlord's TI Allowance:	<u>\$2,445,000 (i.e., \$15.00 per RSF)</u>
------------------------------	--



(b) Tenant's TI Contribution:	None
(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	N/A
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance	None.
(e) Tenant's Work Letter Representative:	_____
(f) Landlord's Work Letter Representative:	_____
(g) Landlord's Address for Work Letter Notices:	_____ _____
(h) Tenant's Address for Work Letter Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate

1.3 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease Exhibit I - Landlord's Work Letter
1.4 <u>Addendum No. 1</u>  (Executed concurrently with this Lease and incorporated herein by this reference):	Additional Terms to Lease Agreement

1.5 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease
1.6 <u>Addendum No. 1</u>  (Executed concurrently with this Lease and incorporated herein by this reference):	Additional Terms to Lease Agreement

## 2.     **PREMISES**

### 2.1     Lease of Premises

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 1.1 and depicted on Exhibit A attached hereto.

## 2.2 Measurement of Premises

Tenant shall have the right at any time during the Term of this Lease 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 area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA 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, then Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1.1 accomplished by the mutual execution of an amendment to this Lease. 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 increase made to the Base Rent if the measured square footage exceeds the amount represented by Landlord.

## 3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies, corridors 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 Area established by Landlord.

## 4. COMMENCEMENT AND EXPIRATION DATES

### 4.1 Term

The term of this Lease shall be for a period of 10 years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors, full execution of the Lease by both parties, and unconditionally delivered to the Tenant at the close of Escrow, and ending 120 months thereafter.

### 4.2 Termination Right

If the Commencement Date has not occurred within sixty (60) days after the Estimated Commencement Date, then 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 rights or obligations to one another hereunder.

### 4.3 Early Entry

Tenant currently occupies the Premises.

### 4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by (i) giving Landlord not less than one hundred eighty (180) days prior written notice, executed by Tenant's Chief

Executive Officer or his/her designee and (ii) Tenant paying the unamortized portion of the Tenant Improvements on a straight-line no interest basis.

#### 4.5 Lease Expiration Notice

No later than twelve (12) months, nor earlier than eighteen (18) months, prior to the expiration of the Lease Term, Landlord shall provide a written notice to Tenant notifying Tenant of the Termination Date.

### 5. RENT

#### 5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

#### 5.2. Base Rent Adjustments

##### 5.2.1 Office Base Rent

(a) CPI. From and after the 1<sup>st</sup> anniversary of the Commencement Date, on the first day of the first full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Office Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month the Lease commences.

(b) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Long Beach-Anaheim area, all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent for the first full month after the Commencement Date multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month in which the adjustment is to be effective (the "New Index"), and the denominator being the Base Index. If the Index is changed so that 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 States 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 results as would be obtained if the Index had not been discontinued or revised.

(c) Illustration of Formula. The formula for determining the new rent shall be as follows:

$$\frac{\text{New Index}}{\text{Base Index}} \times \text{Office Base Rent at the Commencement Date} = \text{Adjusted Base Rent}$$

(d) Limitations on CPI Adjustment. In no event shall the monthly Office Base Rent adjustment based upon the CPI Formula result in an increase greater than three percent (3%) per year of the Office Base Rent payable in the month preceding the applicable adjustment. **[In no event shall the Office Base Rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year of the Lease.]**

### **5.2.2 Warehouse Base Rent**

The Warehouse Base Rent is fixed for the first sixty months of the initial term and subject to three (3%) percent increases per annum as follows:

<u>Year</u>	<u>Monthly Rent</u>
1	\$15,972.00
2	\$15,972.00
3	\$15,972.00
4	\$15,972.00
5	\$15,972.00
6	\$16,451.16
7	\$16,451.16
8	\$16,451.16
9	\$16,451.16
10	\$16,451.16

## **6. USES**

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes, including public in-take that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation.

## **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 ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease, plus any 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 but not limited to the Americans with Disabilities Act ("ADA"), except if 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**

### **9.1 Damage**

If 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 one hundred eighty (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 unusable 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 (10) 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 leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

### **9.2 Tenant Termination Right**

If 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 one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

### **9.3 Damage In Last Year**

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this Lease by giving written notice to the other not more than thirty (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 thirty (30) days after such written notice of termination.

#### 9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, as determined by Tenant in its reasonable discretion, then Tenant may, at its sole election:

- (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 next installment(s) of Base Rent due as a charge against the Landlord.

### 10. REPAIRS AND MAINTENANCE

#### 10.1 Landlord Representations

- (a) Landlord represents to Tenant that, as of the date hereof and on the Commencement Date:
  - 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 but not limited to the Americans With Disabilities Act, and are in good working order and condition;
  - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
  - iii. The Premises, the Building and the Common Areas are free of the presence of 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.
- (b) Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report (as defined in Section 1.1) 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.



(c) CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:  
*[Check the appropriate box]*

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☐ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

## 10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair 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, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building; including, but not limited to replacing any HVAC units which are not functioning properly or have exceeded their useful life, or the conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere as of the Commencement Date. The Landlord shall have all HVAC Systems inspected and the current design reevaluated by a licensed mechanical engineer. The Landlord shall air balance the HVAC systems by a third-party HVAC subcontractor within sixty (60) days from the Commencement Date and pursuant to the mechanical engineer's report.
  - iii. the Common Areas;
  - iv. exterior windows of the Building
  - v. driveways, yard, grass, and surrounding landscaping; and
  - vi. elevators serving the Building (including freight and passenger).
- (b) 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, or replacements of:
  - i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
  - ii. interior partitions;
  - iii. doors, door frames and hardware (including locks and keys);
  - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
  - v. signage;

- vi. emergency exit signage and battery replacement;
  - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
  - viii. Light fixtures, bulbs, tubes and ballasts.
- Viii Water bottle filling drinking fountains including replacement of the filters as needed.
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.

### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.5 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) 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 Landlord, which consent shall not be unreasonably withheld, conditioned 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 applicable laws.

### 10.4 Tenant's Right to Repair

- (a) 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 if 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 (5) 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 (10) days after written notice, then Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.

- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements, as defined in Section 24.

## **11. SERVICES AND UTILITIES**

### **11.1 Services**

- (a) Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year 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 C attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

- (b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Exhibit I attached hereto but in any event not less than seven (7) 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 sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

- (c) Elevators

Landlord shall furnish freight and passenger elevator services to the Premises during Tenant's Hours of Operations. 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 in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) 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 D 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. If required, Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

Notwithstanding the above, Tenant shall reimburse Landlord in the form of additional rent for its actual use of electrical within its Premises pursuant to a meter or sub-meter installed and maintained by the Landlord.

**12. TAXES**

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against

the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

### **13. LANDLORD ACCESS**

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable 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 and notify Tenant immediately thereafter.

### **14. TENANT DEFAULT**

#### **14.1 Default**

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

- (a) the failure by Tenant to make any payment of Base 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 the failure continues for a period of ten (10) days after written notice to Tenant;
- (b) 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 thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (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 thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

#### **14.2 Termination**

Tenant agrees that if a 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.

#### **14.3 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.

## **15. LANDLORD DEFAULT**

### **15.1 Remedies**

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); 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 Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within 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:

- (a) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) to terminate this Lease.

### **15.2 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.

### **15.3 Emergency**

Notwithstanding the foregoing cure period, Tenant may cure any default 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. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due.



## **16. ASSIGNMENT AND SUBLETTING**

### **16.1 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, 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.

### **16.2 Sale**

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
  - i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner
  - iii. Name of contact person and contact information (including phone number) for new owner
  - iv. Proof of insurance
- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 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. If Landlord fails to respond in writing within thirty (30) days after Tenant's request, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

- (a) complies with all laws;
- (b) is not visible from the exterior of the Premises or Building;
- (c) will not materially affect the systems or structure of the Building; and
- (d) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building.

### **17.2 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.

## **18. CONDEMNATION**

### **18.1 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.

### **18.2 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").

### **18.3 Partial Taking**

If any portion, but not all, of the Premises or the Common Areas 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 thirty (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 thirty (30) days nor later than ninety (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 termination date designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated in proportion to the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

#### 18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) 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 ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

#### 18.5 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. Tenant shall be entitled to any awards for relocation benefits or goodwill belonging to Tenant.

#### 18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

### 19. INDEMNIFICATION

#### 19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

## 19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

## 20. **INSURANCE:** During the term of this Lease, the following insurance requirements will be in effect:

### 20.1 Waiver

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

### 20.2 General Insurance Provisions – Landlord Requirements

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

#### (a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand

(\$25,000.00) dollars, and list any Tenant-required endorsement forms.

- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles  
Chief Executive Office - Real Estate Division  
320 West Temple Street, 7th Floor  
Los Angeles, CA 90012  
Attention: Director of Real Estate

Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents"), shall be provided additional insured status under Landlord's General Liability policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Lease, in the sole discretion of the Tenant, upon which the Tenant may suspend or terminate this Lease.

(d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease, upon which County immediately may withhold payments due to Landlord, and/or suspend or terminate this Lease. County, at its sole discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

Landlord's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to all other sources of coverage available to Tenant. Any Landlord maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Tenant coverage.

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(h) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR. The Tenant retains the right to require Landlord to reduce or eliminate policy deductibles and SIRs as respects the Tenant, or to provide a bond guaranteeing Landlord's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(i) Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

(j) Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

(k) Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

(l) Tenant Review and Approval of Insurance Requirements

The Tenant reserves the right to review and adjust the Required Insurance provisions, conditioned upon Tenant's determination of changes in risk exposures.

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

- i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

(a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million



(b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

## **21. PARKING**

### **21.1 Tenant's Rights**

Tenant shall have the right to the number of exclusive reserved parking spaces and unreserved parking spaces set forth in Section 1.1 plus any additional parking spaces gained as a result of the Landlords redesign of the existing parking plan and subsequent restriping of the parking lot within 90 days of the Commencement Date, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. 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 unreserved 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. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

### **21.2 Electric Vehicle Charging Stations**

Landlord at its sole cost and expense, shall purchase and install electric charging stations totaling 3% of its Parking Allocation (17 charging stations) to be installed by the Landlord at its sole cost and expense located in the Building's parking areas.

### **21.3. Supplemental Parking**

Landlord upon receiving Tenants written request, shall provide Tenant a survey of available parking spaces for rent ("Supplemental Parking) within reasonable walking distance from the Building. The Landlord shall rent the Supplemental Parking upon receiving Tenants written request to rent Supplemental Parking and the Tenant shall reimburse the Landlord the monthly costs of the Supplemental Parking as additional rent without mark-up. Notwithstanding the foregoing or any language to the contrary contained herein,

### **21.4 Remedies**

Landlord acknowledges that it is a material term of this Lease that Tenant receives 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), then Tenant may:

- (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- (b) deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided times the number 1.5, but such deduction from Base Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%) of the Base Rent.

## **22. ENVIRONMENTAL MATTERS**

### **22.1 Hazardous Materials**

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, 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.

### **22.2 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, fines, 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 those 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.

**23. ESTOPPEL CERTIFICATES**

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (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 in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

**24. TENANT IMPROVEMENTS**

Following the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.

**25. LIENS**

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

**26. SUBORDINATION AND MORTGAGES**

**26.1 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 Exhibit E attached hereto 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 included herein.

## 26.2 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 Exhibit E attached hereto, within 30 days after the execution of this Lease.

## 26.3 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 and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

## 27. 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).

## 28. SIGNAGE

Tenant shall be allowed building standard signage on the directory located in the ground floor lobby of the Building and elevator lobbies of the floors of the Premises and suite signage, all of which shall be at Landlord's expense. Tenant shall have the right to install, at Landlord's sole cost and expense, up to two (2) lines per 1,000 rentable square feet of the Premises on the Building's directory board in the main lobby of the Building. Tenant shall be permitted to install signs at the Premises that conform with any and all applicable laws and ordinances. If Landlord installs monument signs anywhere, Tenant will have equivalent signage rights, adjusted for relative occupancy.

## 29. QUIET ENJOYMENT

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

## 30. GENERAL

### 30.1 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.

### 30.2 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.

### 30.3 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 Cushman & Wakefield (the "Agent") who shall be paid a market commission pursuant to a separate agreement between Landlord and Agent. Landlord shall indemnify and hold Tenant harmless 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.

### 30.4 Entire Agreement

This Lease (including all exhibits hereto) 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.

### 30.5 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.

### 30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

### 30.7 Governing Law and Venue

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.

### 30.8 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.

30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

30.10 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) business days after written request is made therefore, together with all necessary information.

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

30.13 Counterparts; Electronic Signatures

This Lease and any other document necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all



parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

### **31. AUTHORITY**

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. 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 Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "Chief Executive Office") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein 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.

### **32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

#### **32.1 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.

#### **32.2 Solicitation of Consideration**

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.



Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

### 32.3 Landlord Assignment

- (a) 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 Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) 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, as security for the Landlord's obligation to repay any monetary obligation, 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.
- (c) 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 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 Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial 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.
- (d) 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 Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant 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 Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant 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 Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant 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 32.3.
- (g) The provisions of this Section 32.3 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.

32.4 Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every

room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

### **33. IRREVOCABLE OFFER**

In consideration for the time and expense that Tenant will invest in this Lease, 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, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

### **34. OPTION TO EXTEND**

(a) Option Terms. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have two (2) options to renew this Lease for an additional period of five (5) years each (respectively, the "First Extension Term" and the "Second Extension Term", and collectively, the "Extension Term(s)").

(b) Exercise of Option. Tenant must exercise its options to extend this Lease by:

(i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than nine (9) months, nor earlier than twelve (12) months prior to the end of the initial Term, or the First Extension Term, as applicable, and

(ii) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect, Tenant shall be entitled to holdover as provided in this Lease. If Tenant fails to give such written notice to Landlord, Landlord will promptly provide written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option, and Tenant shall be granted an additional period of ten (10) business days after receipt of such written notice from Landlord, in which to give Landlord its written notice of its election to exercise such renewal option or election not to exercise such renewal option. Failure by Landlord to provide ten (10) business day written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option or Tenant's failure to notify Landlord of its election to exercise such renewal option, after receipt of the ten (10) business day notice, and without any further notice, act, or agreement, this Lease will terminate as of the then-applicable expiration date, and neither Landlord nor Tenant will have any further obligation or liability under this Lease arising or continuing from and after such expiration date, subject, however, to the provisions that expressly survive termination of this Lease.

(c) Terms and Conditions of the Extension Terms. The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to ninety five percent (95%) of Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be

determined as set forth below, and Landlord shall have no additional obligation for free rent, leasehold improvements or for any other tenant inducements for the Extension Terms.

(d) Agreement on Base Rent. Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term(s) shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its first and second options to extend, respectively.

(e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant in the Building. In determining the Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion, non-renewal and non-equity tenants of comparable creditworthiness for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, the type of escalation clause (e.g., whether increases in additional rent are determined on a net or gross basis, and if gross, whether such increases are determined according to a base year or a base dollar amount expense stop), the extent of Tenant's liability under the Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent during the period of construction or subsequent to the commencement date as to the space in question, brokerage commissions, if any, which would be payable by Landlord in similar transactions, length of the lease term, size and location of the Building being leased, and other general applicable conditions of tenancy for such comparable transactions.

(f) Opinions. Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period, Tenant may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.

(g) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 34, and such option is

exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

**35. RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.**

(a) Provided that no material Default has occurred and is continuing under the Lease, if at any time prior to the last twelve (12) months of the Term, Landlord intends to offer leasable space located contiguous to the Premises (the "Additional Premises") for lease to third parties or to accept an offer of a third party to lease the Additional Premises, Landlord shall first give written notice to Tenant of the rental rate and other material terms upon which Landlord is willing to lease the Additional Premises ("Landlord's Lease Notice"). Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have ninety (90) business days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "Expansion Commitment").

(b) If Tenant delivers to Landlord the Expansion Commitment within such ninety (90) business day period, all (but not part) of the Additional Premises shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth in Landlord's Lease Notice, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.

(c) Except as otherwise set forth in Landlord's Lease Notice, possession of the Additional Premises shall be delivered to Tenant on an "as-is" basis. Landlord shall prepare and Landlord and Tenant shall execute and deliver a written agreement modifying and supplementing the Lease and specifying that the Additional Premises are part of the Premises and, except as otherwise specified in Landlord's Lease Notice, subject to all of the terms and conditions of the Lease.

(d) Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the ninety (90) business day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 34 shall not apply to any sales or similar transfers of the Additional Premises.

**36. RIGHT OF FIRST REFUSAL.**

(a) Landlord shall not at any time prior to the expiration of the term of this Lease, or any extension thereof, offer to sell the Premises, or any interest therein, without giving written notice thereof to Tenant, which notice is hereinafter referred to as "Notice of Intent to Sell."

(b) The Notice of Intent to Sell shall include the price and terms of the proposed offering.

(c) For a period of thirty (30) days following receipt by Tenant of the Notice of Intent to Sell, Tenant shall have the exclusive right to accept the offer by placing ten percent (10%) of the proposed purchase price in an escrow mutually acceptable to both parties. Escrow is to close in thirty (30) days unless extended in writing by the Landlord. In the event that Landlord does not receive written notice of the Tenant's intent to exercise the right herein granted within said thirty (30) day period, there shall be a conclusive presumption that Tenant has elected not to exercise Tenant's right hereunder, and Landlord may sell the Premises to any third party at a price not less than 95 percent of the price set forth in the Notice of Sale.

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

LANDLORD:

RISING REALTY PARTNERS, LLC  
\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Acting Chief Executive Officer

By: \_\_\_\_\_

Dean Lehman, P.E.  
Senior Manager, Property Division

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

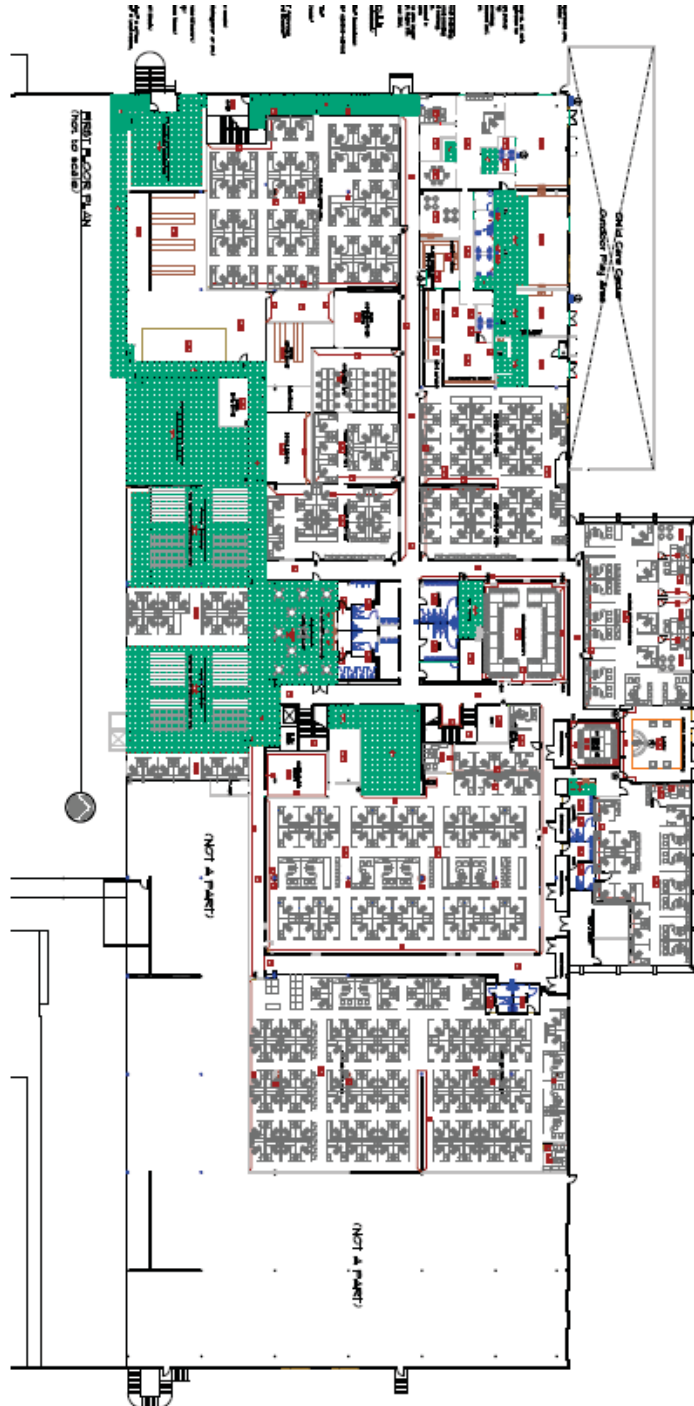
RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By: \_\_\_\_\_  
Deputy

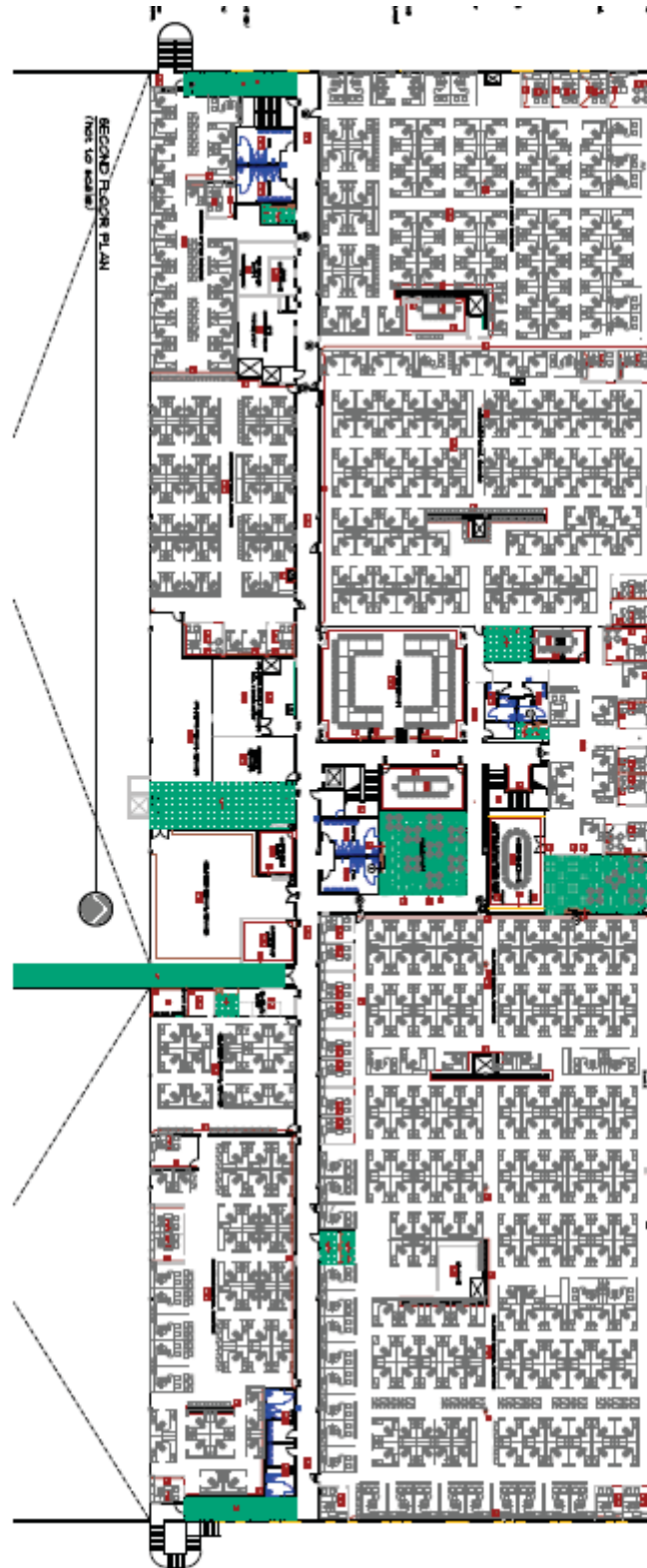


EXHIBIT A  
FLOOR PLAN OF PREMISES

1<sup>st</sup> Floor



## 2<sup>nd</sup> Floor



**EXHIBIT B****COMMENCEMENT DATE MEMORANDUM  
AND CONFIRMATION OF LEASE TERMS**

Reference is made to that certain Lease Agreement ("Lease") dated \_\_\_\_\_, 20\_\_, between County of Los Angeles, a body corporate and politic ("Tenant"), and Rising Realty Partners ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 9320 Telstar Avenue, El Monte, California ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Tenant has accepted possession of the Premises and now occupies the same;
- 2) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 3) The Premises contain 176,310, rentable square feet of space; and

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

Office Base Rent

- 1) Office Base Rent per month is \$374,900.
- 2) The Base Index month is \_\_\_\_\_.
- 3) The Base Index is \_\_\_\_\_.
- 4) The first New Index month is \_\_\_\_\_.

Warehouse Base Rent

The Warehouse Base Rent is fixed for the first sixty months of the initial term and subject to three (3%) percent increases per annum as follows:

<u>Year</u>	<u>Monthly Rent</u>
1	\$15,972.00
2	\$15,972.00
3	\$15,972.00
4	\$15,972.00
5	\$15,972.00
6	\$16,451.16
7	\$16,451.16
8	\$16,451.16
9	\$16,451.16
10	\$16,451.16

IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_.

Tenant:

Landlord:

COUNTY OF LOS ANGELES,  
a body corporate and politic

Rising Realty Partners

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_

**EXHIBIT C**

**HEATING, VENTILATION  
AND AIR CONDITIONING**

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Hours of Operation 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/net 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 D

### CLEANING AND MAINTENANCE SCHEDULE

#### A. DAILY (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.
14. Exclusive day porter service from 8:00 a.m. to 5:00 p.m Monday through Friday.

#### B. WEEKLY

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

#### C. MONTHLY

17. Floors washed and waxed in uncarpeted office area.
18. High-reach areas, door frames and tops of partitions dusted.
19. Upholstered furniture vacuumed, plastic and leather furniture wiped
20. Picture moldings and frames dusted.

21. Wall vents and ceiling vents vacuumed.
22. Carpet professionally spot cleaned as required to remove stains.
23. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

24. Light fixtures cleaned and dusted, but not less frequently than quarterly.
25. Wood furniture polished.
26. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
27. HVAC units serviced for preventative maintenance purposes, all filters changed.

E. SEMI-ANNUALLY

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

F. ANNUALLY

31. 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.
32. 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.
33. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

34. 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.
35. 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.
36. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.



37. 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 cleaned 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.

38. 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") except for touch-up paint as provided in Paragraph 6.C. of this Exhibit E. The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.

39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

40. Replace the filters to the water bottler filling drinking fountains as needed.

#### H. GENERAL

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

EXHIBIT E

SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street  
7th Floor  
Los Angeles, California 90012

)  
)  
)  
)  
)  
)  
)

Space above for Recorder's Use

SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT

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

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

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

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

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

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

Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

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

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

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

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

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

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

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

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

## EXHIBIT F

## TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Attn: \_\_\_\_\_

Re:    Date of Certificate: \_\_\_\_\_  
       Lease Dated: \_\_\_\_\_  
       Current Landlord: \_\_\_\_\_  
       Located at: \_\_\_\_\_  
       Premises: \_\_\_\_\_  
       Commencement Date of Term: \_\_\_\_\_  
       Expiration Date: \_\_\_\_\_  
       Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

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

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

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

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

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

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



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

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

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

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

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# COMMUNITY BUSINESS ENTERPRISE FORM

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

<b>I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)</b>						
1. Firm Name:				3. Contact Person/Telephone Number:		
2. Address:				4. Total number of employees in the firm:		
5. Provide the number of all minority	Owners, Partners and		Managers		Staff	
	All O.P &	Women	All	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan						
All Others						

<b>II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM</b>			
1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____			
2. Total Number of Ownership/Partners.			<b>III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION</b>
3. Provide the percentage of	All Empla	Wome	Is your firm currently certified as a minority owned business firm by the: State of California? <input type="checkbox"/>
Black/African			Yes <input type="checkbox"/> No <input type="checkbox"/>
Hispanic/Latin			City of Los Angeles <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
Asian American			<b>Section D. OPTION TO PROVIDE REQUESTED INFORMATION</b>
Portuguese American			<input type="checkbox"/> We do not wish to provide the information required in this form.
American			Firm Name: _____
All Others			Signature/Title: _____

EXHIBIT H

MEMORANDUM OF LEASE

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

---

**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") is made and entered into by and between \_\_\_\_\_, a \_\_\_\_\_ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated \_\_\_\_\_, 20\_\_ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_, and ending on a date \_\_\_\_\_ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_.

LANDLORD:

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_  
  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Acting Chief Executive Officer

By: \_\_\_\_\_  
Dean Lehman, P.E.  
Senior Manager, Property Division

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By: \_\_\_\_\_  
Deputy

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me,

\_\_\_\_\_ Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")  
personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

☒ Board Letter

☐ Board Memo

☐ Other

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	11/18/2020	
<b>BOARD MEETING</b>	12/8/2020	
<b>DELEGATED AUTHORITY BOARD LETTER</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	4	
<b>DEPARTMENT</b>	Department of Health Services (DHS) – 4 <sup>th</sup> Supervisorial District	
<b>SUBJECT</b>	Approve a proposed 8-year lease for the continued use of 45,681 square feet of existing warehouse space which includes 4,000 square feet of office space and 50 parking spaces at 10430 Slusher Drive, Santa Fe Springs.	
<b>PROGRAM</b>	Emergency Medical Services Disaster Response and Disaster Staging facility	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	Existing lease is currently on a month-to-month holdover basis since July 2019. The first month's rent of \$47,508.24 is free and the Landlord will credit \$11,684.82 of the holdover rent paid.	
<b>COST &amp; FUNDING</b>	Total cost: \$5,278,000 maximum cost over the 8-year term, which includes base rent of \$5,011,000 and utility costs of \$267,000.	Funding source: The rental costs are 100 percent offset with Homeland Security Grant Funding.
	TERMS (if applicable): The base rent is subject to fixed 3 percent increases per annum. The lease does not provide an early termination right.	
	Explanation: Funding for the proposed amendment will be included in the Fiscal Year 2020-2021 Rent Expense budget and will be billed back to DHS. Beginning in FY 2021-22, on-going funding for costs associated with the proposed lease will be part of the budget for DHS.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and continue to adequately provide the necessary warehouse and office space for DHS.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	The proposed lease will provide DHS the continued use of 45,681 square feet of warehouse which includes 4,000 square feet of office space and 50 parking spaces for the DHS Emergency Medical Services Disaster Response and Disaster Staging Facility.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Michael Navarro CEO- Real Estate Division 213-974-4364 Mnavarro@ceo.lacounty.gov	



# 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>

FESIA A. DAVENPORT  
Acting Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District

December 8, 2020

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**EIGHT-YEAR LEASE  
DEPARTMENT OF HEALTH SERVICES  
10430 SLUSHER DRIVE, SANTA FE SPRINGS  
(FOURTH DISTRICT)  
(3 VOTES)**

**SUBJECT**

Approval of a proposed eight-year lease replacing an existing lease to provide the Department of Health Services (DHS) continued use of 45,681 square feet of warehouse space, which includes 4,000 square feet of office space and 50 on-site parking spaces for DHS's Emergency Medical Services Disaster Response and Disaster Staging Facility.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Acting Chief Executive Officer, or her designee, to execute the proposed lease with PPF INDUSTRIAL 12016 TELEGRAPH RD, LP (Landlord), for 45,681 square feet of warehouse space, which includes 4,000 square feet of office space and 50 on-site parking spaces, at 10430 Slusher Drive, Santa Fe Springs, CA 90670, to be occupied by DHS. The estimated maximum first year base rental cost of \$570,099 is adjusted to \$510,906 which includes the \$47,508 free first month's rent and the \$11,685 holdover rent credit. The estimated total lease cost, including the utility cost of \$33,344, is \$5,278,000 over the eight-year term. The rental costs will be 100 percent funded by Homeland Security Grant Funds.



3. Authorize and direct the Acting Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed lease, and to take actions necessary and appropriate to implement the terms of the proposed lease.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Since 2004, DHS's Emergency Medical Services Agency (EMS) has occupied and used the subject premises as its Emergency Medical Services Disaster Response and Disaster Staging Facility (Facility). The existing lease is currently on a month-to-month holdover basis since July 2019. The Landlord will credit \$11,684.82 of the holdover rent paid by the County upon Board approval and full execution of an eight-year lease.

The proposed lease will allow EMS to continue to store and maintain the County's emergency medical resources within the Facility to effectively support medical responses to disasters in Los Angeles County. The resources stored at the Facility include medicines stored within a temperature-controlled room that extends the shelf life, medical equipment, and a large fleet of assets comprised of a mobile medical system, decontamination trailers, generators, oxygen concentrators, trailers, support vehicles and other emergency supplies.

The Facility is centrally located within one-half mile of the EMS Headquarters, and plans have been developed to utilize the Facility as a backup location to DHS's 24/7 Medical Alert Center and Dispatch Office in the event the EMS Headquarters needs to be evacuated.

Over the past 15 years, DHS has made considerable improvements to the Facility, which include a 30-foot-wide rollup door to accommodate its oversized emergency equipment/vehicles, installation of dedicated electrical connections, a heating, ventilation, and air conditioning (HVAC) unit, and exhaust systems specific to its equipment/vehicles. Relocating the Facility to a new building would most likely require the County to make these same costly improvements to the new facility.

The Facility is occupied by EMS employees and Health Information Management employees who periodically host meetings and trainings for attendees from hospitals and other healthcare organizations. The Facility is in close proximity to public transportation.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will allow DHS to continue to operate at the subject Facility.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 1 - *Make Investments That Transform Lives* - provides that we will aggressively address society's most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges – one person at a time. The proposed lease supports this goal through provision of efficient public service by providing continued use of an existing, centrally located facility, that allows DHS to maintain a level of readiness to support the County's medical response to a disaster.

The proposed lease is consistent with the Strategic Asset Management Plan Goal 2 – Strengthen Connection between Service Priorities and Asset Decisions and Key Objective 4 – Guide Strategic Decision-Making. As mentioned, the proposed lease will allow DHS to store and maintain its emergency medical resources without interruption. Since we are currently in a pandemic, it is crucial that the Count understands exactly where its medical resources are located and can access them quickly and efficiently.

The proposed Lease conforms with the Asset Management Principles outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

Sufficient funding to cover the proposed rent, for the first year of the proposed lease term, is included in the Fiscal Year (FY) 2020-21 Rent Expense budget and will be billed back to DHS. DHS has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent and utility costs for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part of the budget for DHS. The rental costs will be 100 percent funded by Homeland Security Grant Funds.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In addition to the terms previously stated, the proposed lease also contains the following provisions:

- The leased area was remeasured by the Landlord per the updated building measurement standards which resulted in an increase to the square footage, from 45,290 square feet to 45,681 square feet.
- The current annual base rent will decrease upon commencement of the extended term from \$514,133 to \$510,906 in the first year, which includes one month of free rent and the \$11,685 holdover rent credit.
- The base rent is subject to fixed 3 percent increases per annum.

- The Landlord will perform minor tenant improvements at its sole cost and expense. This includes new carpet and paint within the office space, new flooring in the restrooms, and replacement or repair of the window coverings, as needed.
- The Landlord is responsible for operating and maintenance costs, including janitorial services. The County is responsible for certain utility costs and the maintenance costs of the HVAC system dedicated to the medicine room.
- The proposed lease includes 50 parking spaces at no additional cost to the County.
- The estimated \$33,344 annual cost of electricity is subject to usage and rate changes.
- The aggregate cost associated with the proposed lease over the entire eight-year term is \$5,278,000, as shown on Enclosure B.
- The County does not have the right to terminate the proposed lease early.
- Holdover at the expiration of the proposed lease is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will increase by 10 percent of the monthly base rent at the time of the lease expiration.
- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease.

The Chief Executive Office (CEO) conducted a market search of available warehouse and office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$13.16 and \$16.29 per square foot, per year. The base annual rental rate of \$12.48 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. Due to the tenant improvements needed should DHS relocate to a new space and given the importance of the use during a pandemic, remaining in the proposed space is the most cost-effective and prudent choice. We recommend the proposed facility as the most suitable to meet the County's space requirements.

Co-working space is not a viable option for this warehouse requirement.

Enclosure C shows County-owned or leased facilities within the surveyed area, and there are no suitable County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. The required notification letter to the city of Santa Fe Springs has been sent in accordance with Government Code Section 25351. County Counsel has reviewed the proposed lease and approved it as to form.

The proposed lease will continue to provide an appropriate location for the program, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.

### **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from the CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing warehouse space including office space with minor tenant improvements within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in Section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with Section 21152 of the California Public Resources Code.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease will adequately provide the necessary warehouse and office space for this County requirement. DHS concurs with the proposed lease and recommendations.

The Honorable Board of Supervisors  
December 8, 2020  
Page 6

**CONCLUSION**

It is requested that the Executive Office of the Board return one certified copy of the Minute Order and an adopted-stamped copy of this letter to the CEO, Real Estate Division, at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,

FESIA A. DAVENPORT  
Acting Chief Executive Officer

FAD:JMN:DPH:DL  
JLC:MN:MAC:gw

Enclosures

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

**DEPARTMENT OF HEALTH SERVICES**  
**10430 SLUSHER DRIVE, SANTA FE SPRINGS**  
**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>			<b>X</b>
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup> <b>The space is primarily warehouse space used as a disaster staging facility.</b>		<b>X</b>	
	C	Does this lease centralize business support functions? <sup>2</sup>			<b>X</b>
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>No, the space is primarily warehouse space.</b>		<b>X</b>	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>No, the facility is a warehouse and is occupied by 6 employees.</b>		<b>X</b>	
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
	A	Is it a substantial net County cost (NCC) program? <b>The rental costs will be 100 percent funded by Homeland Security Grant Funding.</b>		<b>X</b>	
	B	Is this a long-term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>	
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report attached as Enclosure C?	<b>X</b>		
	G	Was build-to-suit or capital project considered? <sup>2</sup> <b>The existing facility is the most economical option for the County given the improvements previously made to the space.</b>		<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?			<b>X</b>
	D	Why was this program not co-located with other County departments?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <u>  X  </u> No suitable County occupied properties in project area.			
		3. <u>  X  </u> 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? <sup>2</sup> <b>No, per the Landlord's request, the County pays for its electrical and water costs and limited maintenance costs.</b>		<b>X</b>	
	F	Has growth projection been considered in space request?			<b>X</b>
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval? <b>Approved</b>	<b>X</b>		
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

## COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	<b>Existing Lease:</b> <b>10430 Slusher Drive, Santa Fe Springs</b>	<b>Proposed Lease</b> <b>10430 Slusher Drive, Santa Fe Springs</b>	<b>Change</b>
Area (Square Feet)	45,290 sq. ft.	45,681 sq. ft.	+391 (due to remeasurement of the premises per the updated measurement standards).
Term (years)	5 years	8 years	+ 3 years.
Annual Base Rent (Base rent includes 50 parking spaces)	\$514,133 (\$11.26 per sq. ft. annually)	\$570,098.88 (\$12.48 per sq. ft. annually)	+\$55,965.88 annually
County's TI Cost	\$180,000	\$0.00	- \$180,000
Utility Costs (paid directly to the utility company)	\$33,344	\$33,344	None (subject to rate increases)
Adjusted Total First Year Lease Costs payable to Landlord	\$514,133	\$510,905.82 <sup>(1)</sup>	- \$3,227.18 in first year
Rental rate adjustment	Fixed 3 percent increases per annum.	Fixed 3 percent increases per annum.	None

<sup>1</sup> The first-year rental costs reflect one month of free rent of approximately \$47,508 and holdover rent credit of approximately \$11,685, resulting in the adjusted total first year lease costs. This number also includes a \$11,685 holdover rent credit, thereby reducing the annual effective rental rate for the first year from \$12.48 to \$11.18 per rentable square foot. However, in the second year, the 3 percent rate increase is based on the initial \$12.48 per rental square foot annual rental rate.



## OVERVIEW OF THE PROPOSED BUDGETED LEASE AND RELATED COSTS

### 1200 Corporate Center Drive, Monterey Park Probation Department

Leased Area (sq.ft.)	26,619			
Term (months)	96			
Annual Rent Adjustment	3%			
Base Rent	Cost Per RSF Per Month	Cost Per RSF Per Year		
	\$2.60	\$31.20		
Tenant Improvement	Lump Sum			
	\$2,794,995			
Low Voltage (Labor Cost + TESMA Cost)	Labor Cost Lump Sum Payment	TESMA (Lump Sum Cost)	TESMA (Amortized Cost)	
	\$174,017	\$1,795,200	\$0	

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year	8 <sup>th</sup> Year	Total 8 Year Rental Costs
Annual Base Rent Costs <sup>1</sup>	830,513	855,429	881,092	907,524	934,750	962,792	991,676	1,021,426	7,386,000
Tenant Improvement Costs <sup>2</sup>	2,794,995					0			2,795,000
Low Voltage Costs <sup>3</sup>	1,969,217		0						1,970,000
Total Annual Rental Costs	5,594,725	855,429	881,092	907,524	934,750	962,792	991,676	1,021,426	12,151,000

<sup>1</sup> Annual base rent includes fixed 3 percent annual increases.

**DEPARTMENT OF HEALTH SERVICES  
SPACE SEARCH – FIVE-MILE RADIUS  
FROM 10430 SLUSHER DRIVE, SANTA FE SPRINGS**

LACO	Name	Address	Proprietor	SD	Ownership Type	Property Use	Gross Sq. Ft.	Vacant
Y201	Sheriff - Central Property Warehouse	14201 Telegraph Rd Whittier 90604	Sheriff	4	Financed	Storage Misc.	55000	NONE
Y202	Sheriff - Central Supply Warehouse	14205 Telegraph Rd Whittier 90604	Sheriff	4	Financed	Storage Misc.	45000	NONE

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease:** Lease for the Department of Health Services– 10430 Slusher Drive, Santa Fe Springs – Fourth District.

**A. Establish Service Function Category** – Emergency Medical Services Disaster Response and Disaster Staging Facility

**B. Determination of the Service Area** –Since 2004, DHS has occupied the premises for its Emergency Medical Services Disaster Response and Disaster Staging Facility. DHS would incur costly improvements if it had to relocate, as DHS has improved the facility to meet the specific needs of the emergency program, including a temperature control room to expand the shelf life of the emergency medications stored onsite, electrical installations required for its emergency equipment/vehicles, and a 30-foot-wide rollup door opening for storage of a mobile medical system within the building.

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: The existing facility is centrally located within the County in the event of a disaster.
- Need for proximity to existing County facilities: The existing facility is located one-half mile from the EMS Agency Headquarters, which is advantageous in the event of a disaster.
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., MTA bus service.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: None available that meet the Department's programmatic warehouse and office space needs.
- Compatibility with local land use plans: The city of Santa Fe Springs has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The initial annual rent of \$510,906 includes the first month of free rent, the \$11,685 holdover rent credit, and the 50 parking spaces. The rental costs will be 100 percent funded by Homeland Security Grant Funds.

**D. Analyze results and identify location alternatives**

The Chief Executive Office (CEO), conducted a market search of available warehouse and office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$13.16 and \$16.29 per square, foot per year. The base annual rental rate of \$11.18 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. Due to the tenant improvements needed should DHS relocate to a new space and given the importance of the use during a pandemic, remaining in the proposed space is the most cost-effective and prudent choice. We recommend the proposed facility as the most suitable to meet the County's space requirements.

**E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost, and other Location Selection Criteria**

The proposed lease will provide adequate and efficient warehouse space with office space for DHS employees and visitors consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Department's requirements.

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES - Tenant**

**PPF INDUSTRIAL 12016 TELEGRAPH RD, LP – Landlord**

**10430 SLUSHER DRIVE  
SANTA FE SPRINGS, CALIFORNIA**

## TABLE OF CONTENTS

	Page
1. BASIC LEASE INFORMATION .....	1
1.1 Terms .....	1
1.2 Defined Terms Relating to Landlord's Work Letter (Not Applicable) .....	3
1.3 Exhibits to Lease .....	4
1.4 Landlord's Work Letter .....	4
2. PREMISES .....	4
3. COMMON AREAS .....	4
4. COMMENCEMENT AND EXPIRATION DATES; TERM .....	5
5. RENT .....	5
5.1 Base Rent .....	5
6. USES .....	5
7. HOLDOVER .....	6
8. COMPLIANCE WITH LAW .....	6
9. DAMAGE OR DESTRUCTION .....	6
9.1 Damage .....	6
9.2 Tenant Termination Right .....	7
9.3 Damage In Last Year .....	7
9.4 Default By Landlord .....	7
10. REPAIRS AND MAINTENANCE .....	7
10.1 Landlord Representations .....	7
10.2 Landlord Obligations .....	9
10.3 Tenant Obligations .....	10
10.4 Tenant's Right to Repair .....	10
11. SERVICES AND UTILITIES .....	11
11.1 Services .....	11
11.2 Utilities .....	12
12. TAXES .....	12
13. LANDLORD ACCESS .....	13
14. TENANT DEFAULT .....	13
14.1 Default .....	13
14.2 Termination .....	13
14.3 No Effect on Indemnity .....	13
15. LANDLORD DEFAULT .....	14
15.1 Remedies .....	14
15.2 Waiver .....	14
15.3 Emergency .....	14
16. ASSIGNMENT AND SUBLETTING .....	15
16.1 Assignment and Subletting .....	15
16.2 Sale .....	15
17. ALTERATIONS AND ADDITIONS .....	15
17.1 Landlord Consent .....	15
17.2 End of Term .....	16
18. CONDEMNATION .....	16
18.1 Controlling Terms .....	16
18.2 Total Taking .....	16
18.3 Partial Taking .....	16
18.4 Restoration .....	17
18.5 Award .....	17
18.6 Waiver of Statute .....	17

19.	INDEMNIFICATION.....	17
19.1	Landlord's Indemnity.....	17
19.2	Tenant's Indemnity.....	18
20.	INSURANCE.....	18
20.1	Waiver.....	18
20.2	General Insurance Provisions – Landlord Requirements.....	18
20.3	Insurance Coverage Types And Limits.....	21
20.4	Landlord Requirements.....	21
20.5	Waiver of Subrogation.....	22
21.	PARKING.....	22
21.1	Tenant's Rights.....	22
21.2	Remedies.....	22
22.	ENVIRONMENTAL MATTERS.....	23
22.1	Hazardous Materials.....	23
22.2	Landlord Indemnity.....	23
23.	ESTOPPEL CERTIFICATES.....	24
24.	TENANT IMPROVEMENTS.....	24
25.	LIENS.....	24
26.	SUBORDINATION AND MORTGAGES.....	24
26.1	Subordination and Non-Disturbance.....	24
26.2	Existing Deeds of Trust.....	24
26.3	Notice of Default.....	25
27.	SURRENDER OF POSSESSION.....	25
28.	SIGNAGE.....	25
29.	QUIET ENJOYMENT.....	25
30.	GENERAL.....	25
30.1	Headings.....	25
30.2	Successors and Assigns.....	25
30.3	Brokers.....	25
30.4	Entire Agreement.....	26
30.5	Severability.....	26
30.6	Notices.....	26
30.7	Governing Law and Venue.....	26
30.8	Waivers.....	26
30.9	Time of Essence.....	27
30.10	Consent.....	27
30.11	Community Business Enterprises.....	27
30.12	Memorandum of Lease.....	27
30.13	Counterparts.....	27
31.	AUTHORITY.....	27
32.	ACKNOWLEDGEMENT BY LANDLORD.....	28
32.1	Consideration of GAIN Program Participants.....	28
32.2	Solicitation of Consideration.....	28
32.3	Landlord Assignment.....	29
33.	IRREVOCABLE OFFER.....	30



## **EXHIBITS**

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Form of Payment Voucher
- Exhibit D – Heating, Ventilation, and Air Conditioning Standards
- Exhibit E – Cleaning and Maintenance Schedule
- Exhibit F – Subordination, Non-disturbance and Attornment Agreement
- Exhibit G – Tenant Estoppel Certificate
- Exhibit H – Community Business Enterprises Form
- Exhibit I – Memorandum of Lease Terms

## **LANDLORD'S WORK LETTER**

Not Applicable

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between PPF INDUSTRIAL 12016 TELEGRAPH RD, LP, a California limited partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

**1.1 Terms**

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

<p>a. Landlord's Address for Notice:</p>	<p>PPF INDUSTRIAL 12016 TELEGRAPH RD, LP 1875 Century Park East #380 Los Angeles, CA 90067 Email: shillgren@kearny.com</p> <p>With a copy to:</p> <p>c/o Morgan Stanley Real Estate Advisor, Inc. 555 California Street, Suite 2200 San Francisco, CA 94104 Attention: Keith Fink Email: Keith.fink@morganstanley.com</p>
<p>b. Tenant's Address for Notice:</p>	<p>Chief Executive Office Real Estate Division 320 West Temple Street, 7<sup>th</sup> Floor Los Angeles, California 90012 Attention: Director of Real Estate Email: LeaseAcquisitions@ceo.lacounty.gov</p> <p>With a copy to:</p> <p>County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012-2713 Attention: Property Division</p>

c. Premises:	Approximately 45,681 rentable/gross square feet in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.
d. Building:	The Building located at 10430 Slusher Drive, Santa Fe Springs, California, which is currently assessed by the County Assessor as APN 8009-007-038 (the "Property");
e. Term:	Eight years, commencing upon approval by the County of Los Angeles Board of Supervisors and full execution of the lease (the "Commencement Date"), and terminating at midnight on the day before the eighth annual 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. Commencement Date:	January 5, 2021
g. Irrevocable Offer Expiration Date: (see Section 33)	January 5, 2021
h. Base Rent:	\$47,508.24 per month (\$1.04 per square foot per month)
i. Early Termination	Not Applicable
j. Rentable/gross Square Feet in the Premises:	45,681 square feet
k. Existing Departmental Use:	Warehouse and general office use or for any lawful purpose, subject to Section 6.
l. Parking Spaces:	50
m. Normal Working Hours:	6 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays
n. Asbestos Report:	A report dated June 2002 prepared by Building Analytics (Joseph Montoya. C.E.G. No. 1769.C.H.G. No.638), a licensed California Asbestos contractor.

o. Seismic Report	A report dated August 11, 2003 prepared by the Department of Public Works.
p. Disabled Access Survey	None.

1.2 Defined Terms Relating to Landlord's Work Letter (Not Applicable)

a. Tenant Improvement Allowance:	Not Applicable
b. Tenant's TI Contribution:	Not Applicable
c. Change Request Contingency	Not Applicable
d. Tenant Improvement Amortization Rate and Change Request Amortization Rate:	Not Applicable
e. Estimated Monthly Payments Attributable to Tenant Improvement Costs in Excess of Tenant Improvement Allowance	Not Applicable.
f. Tenant's Work Letter Representative:	Not Applicable
g. Landlord's Work Letter Representative:	Not Applicable
h. Landlord's Address for Work Letter Notice:	Not Applicable
i. Tenant's Address for Work Letter Notice:	Chief Executive Office Real Estate Division 320 West Temple Street, 7 <sup>th</sup> Floor Los Angeles, California 90012 Attention: Director of Real Estate Email: LeaseAcquisitions@ceo.lacounty.gov

1.3 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - Form of Payment Voucher Exhibit D - HVAC Standards Exhibit E - Cleaning and Maintenance Schedule Exhibit F - Subordination, Non-Disturbance and Attornment Agreement Exhibit G - Tenant Estoppel Certificate Exhibit H - Community Business Enterprises Form Exhibit I - Memorandum of Lease
1.4 <u>Landlord's Work Letter</u>	Not Applicable

## 2.     **PREMISES**

Tenant and Landlord acknowledge that the Tenant currently occupies the Premises since June 21, 2007 and the existing lease is currently on a month-to-month holdover basis since July 8, 2019. Landlord agrees to continue leasing to Tenant, and Tenant does hereby agree to continue leasing from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and depicted on Exhibit A attached hereto.

## 3.     **COMMON AREAS**

Tenant may use the following areas ("Common Areas") in common with Landlord and any 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 Area established by Landlord.

## 4.     **COMMENCEMENT AND EXPIRATION DATES; 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 a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B.

## 5.     **RENT**

### 5.1     Base Rent

The first month's rent shall be abated and as such, Tenant shall pay Landlord the Base Rent stated in Section 1 during the Term hereof commencing the second

month of the term after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that prior to the Commencement Date, Landlord must file with the Auditor of the County of Los Angeles a payment voucher for the Base Rent attributable to the initial month(s) of the Term up to and including June of the first year during the Term, and annually thereafter, on or before June 15 of each subsequent calendar year, for the Base Rent attributable to the following 12 months (i.e., beginning July 1). Landlord shall submit such payment vouchers in the same form as Exhibit C attached hereto, along with a completed IRS form W-9 and evidence of insurance in compliance with Section 20.2. If Landlord fails to timely file any payment voucher as required pursuant to this Section 5.1, then Base Rent shall continue to accrue without abatement but Tenant shall not be required to pay such Base Rent to Landlord until 15 days after Landlord files such payment voucher for the applicable period. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month. Base Rent and all other amounts payable by Tenant under this Lease shall be collectively referred to herein as "Rent".

The monthly Base Rent is subject to three percent annual increases on each anniversary of the Commencement Date as follows:

Months	Rate	Monthly Rent
2 - 12	\$1.04	\$47,508.24
13 - 24	\$1.07	\$48,933.49
25 - 36	\$1.10	\$50,401.49
37 - 48	\$1.14	\$51,913.54
49 - 60	\$1.17	\$53,470.94
61 - 72	\$1.21	\$55,075.07
73 - 84	\$1.24	\$56,727.32
85 - 96	\$1.28	\$58,429.14

## 6. USES

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1 or for any other governmental purposes or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Normal Working Hours, after Normal Working Hours, and on weekends and holidays.

## 7. HOLDOVER

7.1 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 30 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant at 110% of the last monthly Base Rent payable under this Lease, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

7.2 Landlord shall apply the Holdover Amount (as defined below) as a credit against Base Rent payable under this Lease. As used herein "**Holdover Amount**" means the

difference between (i) the \$42,844.34 amount of monthly holdover Base Rent actually paid by Tenant to Landlord for the period commencing July 8, 2019 and expiring October 7, 2019, and (ii) the amount of Base Rent that would have been paid by Tenant for such period at the \$38,949.40 monthly Base Rent in effect for July 2019 (i.e., absent the 10% holdover surcharge). The parties hereby stipulate that the Holdover Amount is \$11,684.82.

## **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 but not limited to the Americans with Disabilities Act, except if such compliance is made necessary as a result of Tenant's use or occupancy of the Premises or alterations or improvements to the Premises.

## **9. DAMAGE OR DESTRUCTION**

### **9.1 Damage**

If 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, subject to the terms of Section 9.2 below, Landlord shall promptly, at Landlord's expense, repair such damage provided insurance proceeds are available to repair such damage, and this Lease shall continue in full force and effect; provided, however Tenant shall assign to Landlord the right to all insurance proceeds payable to Tenant as a result of such casualty under the property insurance policies required to be maintained by Tenant under Section 20.3(a) below. In no event shall Landlord be obligated to repair or restore any trade fixtures, furniture, or other personal property of Tenant or any other party damaged as a result of a casualty. If all or any portion of the Premises shall be made unusable 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 thirty (30) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate (the "Repair Estimate") of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base 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.

### **9.2 Tenant Termination Right**

If 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 Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

### 9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then 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.

### 9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, as determined by Tenant in its reasonable discretion, then Tenant may, at its sole election, upon not less than thirty (30) days prior written notice to Landlord (but subject to the last paragraph of this Section 9.4):

- 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 next installment(s) of Base Rent due as a charge against the Landlord.

Notwithstanding the foregoing, if repair and restoration work shall take longer than 30 days to complete, Landlord shall have such longer period of time as is reasonably necessary for Landlord to complete such action provided Landlord commences such action within such 30-day period and thereafter diligently pursues completion thereof.

## 10. REPAIRS AND MAINTENANCE

### 10.1 Landlord Representations

- a. Landlord represents to Tenant that, as of the date hereof:

- i. To Landlord's actual knowledge, the Premises, the Building and those portions of the Common Areas serving the Building (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 but not limited to the Americans With Disabilities Act, and are in reasonably good working order and condition;
  - ii. To Landlord's actual knowledge, the Building, the Common Areas and the Premises comply with all covenants, conditions, restrictions, and insurance underwriter's requirements;
  - iii. To Landlord's actual knowledge, the Premises, the Building and the Common Areas serving the Building are free of the presence of Hazardous Materials (as hereinafter defined) in violation of applicable laws; 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.
- b. To Landlord's actual knowledge, neither the Premises nor the Building contain asbestos containing materials in violation of applicable laws. As used in this Section 10.1(b) and in Section 10.1(a) above, "Landlord's actual knowledge" shall mean the current actual knowledge of Miles Cruz (the property manager for the Building) at the time of execution of this Lease and not any implied, imputed, or constructive knowledge of said individual or of Landlord, any of its agents, employees or contractors or any other party related to Landlord and without any independent investigation or inquiry having been made or any implied duty to investigate or make any inquiries; it being understood and agreed that such individual shall have no personal liability in any manner whatsoever hereunder or otherwise related to the transactions contemplated hereby.
- c. CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:  
*[Check the appropriate box]*

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53.

Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☒ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

- d. Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

## 10.2 Landlord Obligations

- a. 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, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building; provided, however, in no event shall

Landlord have any repair or maintenance responsibilities whatsoever with respect to (A) the HVAC system serving the medicine room in the Premises nor (B) any supplemental HVAC, electrical, plumbing or fire/life systems installed by or for Tenant (whether now existing or installed at any time in the future);

- iii. the Common Areas;
  - iv. exterior windows of the Building; and
  - v. elevators serving the Building (it being acknowledged by the parties that there are no elevators serving the Premises).
- b. 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:
- i. the floor covering; provided however, Landlord's sole obligation with respect to the floor coverings in the Premises shall be the one-time obligation to install carpeting and flooring as described in Section 24 (it being agreed by Tenant that once Landlord has completed such carpeting and flooring as described in Section 24 below, Landlord shall have no further obligation with respect to the repair, maintenance or replacement of the floor coverings, except for its janitorial obligations);
  - ii. interior partitions;
  - iii. doors;
  - iv. the interior side of demising walls; provided however, Landlord's sole obligation with respect to the repainting of the Premises shall be the one-time obligation to repaint the office walls in the Premises as described in Section 24 (it being agreed by Tenant that once Landlord has completed such repainting as described in Section 24 below, Landlord shall have no further obligation with respect to the repainting of the Premises);
  - v. signage;
  - vi. emergency exit signage and battery replacement; and
  - vii. the currently existing HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment.
- c. Landlord shall, to the best of its ability, provide any reports, maintenance records, or other documentation as may be requested from time to time.

### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.5 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, (ii) the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant, (iii) the repair and maintenance of the HVAC system serving the medicine room in the Premises, (iv) the repair and maintenance of any supplemental HVAC, electrical, plumbing or fire/life systems installed by or for Tenant (whether now existing or installed at any time in the future), and (v) the repair and maintenance of any leasehold improvements and fixtures, furniture and equipment installed by or for Tenant in the Premises. All repairs and replacements shall:

- a. be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld or delayed;
- b. be at least equal in quality, value and utility to the original work or installation; and
- c. be in accordance with all laws.

### 10.4 Tenant's Right to Repair

- a. 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 if Landlord fails to provide such action within thirty (30) days after the giving of such notice (or, if such action of Landlord would take longer than 30 days to complete, such longer period of time as is reasonably necessary for Landlord to complete such action provided Landlord commences such action within such 30-day period and thereafter diligently pursues completion thereof), then Tenant may proceed to take the required action (provided, however, in the event of an emergency which threatens life or where there is imminent danger to property, Tenant shall only be required to provide Landlord with such prior notice as is reasonable under the circumstances [or, if no prior notice is reasonable under the circumstances, notice immediately following Tenant taking such required action]). 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. The remedies provided in this Section are in addition to the remedies provided in Section 15.

- b. Notwithstanding any provisions of this Lease to the contrary, Tenant, at its sole discretion, acting through the Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations, in which case Tenant shall promptly reimburse Landlord for such cost, not to exceed \$1,500. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein.

## **11. SERVICES AND UTILITIES**

### **11.1 Services**

- a. Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall continue to 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 similar buildings and not less than the standard set forth in Exhibit D attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., 24 hours per day, 7 days per week, 365 days per year) to the mechanical rooms housing Tenant's computer servers and related equipment and the storage room(s) containing medications.

- b. Electricity

Landlord shall continue to furnish to the Premises the amount of electric current currently provided.

- c. Elevators

Not Applicable

- d. Water

Landlord shall continue make available warm and cold water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

- e. Janitorial

Landlord, at its sole cost and expense, shall continue to provide janitorial service five (5) nights per week, generally consistent with that furnished in comparable 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 continue to 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.

g. Pest Control

Landlord at its sole cost and expense shall provide any and all exterior pest control services to the premises per the specifications set forth in Exhibit E attached hereto.

11.2 Utilities

Tenant shall continue to pay at its sole cost, when due, charges related to its electric usage, water usage and related costs directly to the utility companies during the term of this lease or any renewals, extensions or holdovers thereof.

Landlord agrees to pay, all charges related to trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

12. TAXES

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Normal Working Hours upon prior written notice for the purpose of inspecting the Premises, providing those repairs, maintenance and other services Landlord is required to provide under the Lease, and for any other reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable 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.



## **14. TENANT DEFAULT**

### **14.1 Default**

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

- a. the failure by Tenant to make any payment of Base 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 the failure continues for a period of ten (10) days after written notice to Tenant;
- b. 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 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.

### **14.2 Termination**

Tenant agrees that if a 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. If Landlord so terminates the Lease then, in addition to all other rights or remedies as provided Landlord under law, Landlord may recover from Tenant the following:

(i) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

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

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

The term "rent" as used in this Section 14.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 14.2(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the Interest Rate set forth in Section 5.1 of this Lease. As used in

Section 14.2(iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

Tenant further agrees that if a Default should occur and should not be cured within the time periods set forth above, and Landlord elects not to terminate this Lease, that Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover Rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations).

#### 14.3 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.

### 15. LANDLORD DEFAULT

#### 15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, 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 thirty (30) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such thirty (30) day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within 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:

- a. to remedy such default or breach and deduct the costs thereof (including but not limited to attorney's fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- b. to pursue the remedy of specific performance;
- c. to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; provided, however, in no event shall Landlord be liable to Tenant for any loss of business, lost profits or other special, indirect, or consequential damages or any kind or nature; and/or

- d. if, as a result of such Default, Tenant cannot and does not use the Premises for a period of at least ninety (90) consecutive or non-consecutive days, to terminate this Lease.

#### 15.2 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.

#### 15.3 Emergency

Notwithstanding the cure period set forth in Section 15.1 above, Tenant may cure any default 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. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due.

### 16. **ASSIGNMENT AND SUBLETTING**

#### 16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises (each, a "Transfer") to a governmental entity without first obtaining Landlord's prior consent; all other Transfers shall require Landlord's prior written consent (which shall not be unreasonably withheld, conditioned or delayed). In no event shall any assignment, subletting or other Transfer relieve Tenant of any liability under this Lease unless Landlord has given its written consent to such release, which Landlord shall not unreasonably withhold in the case of an assignment of this Lease if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

#### 16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice, as a condition of Tenant's obligation to pay Base Rent to the new owner:

- a. Written evidence of the transfer of the Property (e.g., a recorded deed), or a letter from the transferor confirming that the Property was transferred to the new owner.
- b. A signed letter including the following information:
  - i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner
  - iii. Name of contact person and contact information (including phone number) for new owner
  - iv. Proof of insurance
- c. A W-9 form for new owner

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 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:

- a. complies with all laws and would not require the issuance of a building permit or other governmental approvals;
- b. is not visible from the exterior of the Premises or Building;
- c. will not materially affect the systems or structure of the Building; and
- d. does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building.

Landlord shall respond in writing within 30 days of such request.

### **17.2 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.

## **18. CONDEMNATION**

### **18.1 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.

#### 18.2 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").

#### 18.3 Partial Taking

If any portion, but not all, of the Premises or the Common Areas 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 Base Rent shall be equitably abated in proportion to the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

#### 18.4 Restoration

Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) 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, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 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.

18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

**19. INDEMNIFICATION**

19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage, demands, claims, actions, fees, costs and expenses (including reasonable attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises; provided, however, in no event shall the foregoing be construed to make Landlord responsible for any liability, loss, injury or damage, demands, claims, actions, fees, costs and expenses to the extent arising from the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, demands, claims, actions, fees, costs and expenses (including reasonable attorney and expert witness fees), arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises; provided, however, in no event shall the foregoing be construed to make Tenant responsible for any liability, loss, injury or damage, demands, claims, actions, fees, costs and expenses to the extent arising from the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees.

**20. INSURANCE:** During the term of this Lease, the following insurance requirements will be in effect:

20.1 Waiver

Both the Tenant and the Landlord each hereby release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

## 20.2 General Insurance Provisions – Landlord Requirements

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

### a. Evidence of Coverage and Notice to Tenant

Certificate(s) of insurance coverage (Certificate) satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and Tenant's Agents (defined below) are named as Additional Insureds under the Landlord's Commercial General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the Commencement Date.

Renewal Certificates shall be provided to Tenant not more than 10 days after Landlord's policy expiration dates; provided, however, Landlord shall notify Tenant of the renewal of each of insurance policies on or prior to the expiration date of such applicable policy. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in the Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding two hundred fifty thousand (\$250,000.00) dollars or 5% of the property value, and list any Tenant required endorsement forms.

Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements, notices of cancellation shall be delivered to:



County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 West Temple Street., 7<sup>th</sup> Floor  
Los Angeles, CA 90012  
Attention: Director of Real Estate

Landlord also shall promptly notify Tenant of any third-party claim or suit filed against Tenant which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

b. Additional Insured Status and Scope of Coverage

Tenant and its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant's Agents"), shall be named as additional insureds under Landlord's Commercial General Liability Insurance policy with respect to the Building. Tenant's additional insured status shall apply whether liability is attributable to the Landlord, Tenant or Tenant's Agents. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications set forth herein. Use of an automatic additional insured endorsement form is acceptable, provided that it satisfies the Required Insurance provisions set forth herein.

c. Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change.

d. Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance (including, without limit, Landlord's failure to timely deliver written notice of cancellation or policy change pursuant to Section 20.2(c) above) within 30 days after Tenant delivers written notice of such failure shall constitute a Landlord Default under Section 15.1 above. Without limit to Tenant's remedies for such Default under Section 15.1 above, Tenant may, upon not less than 10 days' prior written notice to Landlord, procure the insurance that Landlord failed to provide acceptable evidence that it maintains and, in such case, Landlord shall reimburse Tenant the costs incurred by Tenant in obtaining such insurance.

e. Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and reasonably acceptable to the Tenant, with an A.M. Best rating of not less than A:IX, unless otherwise approved by the Tenant.

f. Order of Coverage. Landlord's insurance shall be primary and non-contributory as to claims arising from damages or injuries caused by the Landlord. Tenant's insurance shall be primary and non-contributory as to claims arising from damages or injuries occurring in the Premises or damages or injuries caused by the Tenant.

g. Waiver of Subrogation

To the fullest extent permitted by law, Landlord agrees to cause its insurer to waive all rights of recovery against Tenant under the property insurance policy Landlord is required to maintain under Section 20.4(b) below for any damage to Landlord's property arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

h. Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR.

i. Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not less than ten (10) years following Lease expiration, termination or cancellation.

j. Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as (i.e., "follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

k. Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

l. Tenant Review and Approval of Insurance Requirements

The Tenant reserves the right to review and adjust the Required

Insurance provisions, conditioned upon Tenant's determination of changes in risk exposures.

### 20.3 Insurance Coverage Types And Limits

a. Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 12 million
Products/Completed Operations Aggregate:	\$ 12 million
Personal and Advertising Injury:	\$ 11 million
Each Occurrence:	\$ 11 million

ii. Insurance covering all of the (i) items trade fixtures, merchandise and personal property from time to time in, on or upon the Premises, and (ii) alterations, additions or changes made by or for Tenant to the Premises above a "Building-standard" improvement package for the Premises, in an amount not less than one hundred percent (100%) of their full replacement value (with respect to the property described in (i) above) and the portion of their full replacement value in excess of the cost to replace a "Building-standard improvement package for the Premises (with respect to the property described in (ii) above) from time to time during the Term, providing protection against perils included within the standard form of "all-risks" fire and casualty insurance policy.

iii. Workers' Compensation and Employer's Liability insurance affording statutory coverage and containing statutory limits with the Employer's Liability portion thereof to have minimum limits of \$1,000,000.00.

iv. Automobile liability insurance, covering vehicles owned by Tenant, non-owned vehicles used by Tenant, and vehicles hired by Tenant, with policy limits of not less than \$1,000,000 per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance, and use of those motor vehicles.

b. Self-Insurance

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance. A certificate evidencing insurance coverage or letter evidencing self-insurance will be provided to Landlord after execution of this Lease at Landlord's request. Any self-insurance shall be deemed to contain all the terms and conditions applicable to such insurance as required under this Lease, including, without limitation, a full waiver of subrogation as required in Section 20.3(h).

20.4 Landlord Requirements: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- a. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 12 million
Products/Completed Operations Aggregate:	\$ 12 million
Personal and Advertising Injury:	\$ 11 million
Each Occurrence:	\$ 11 million

- b. Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for the Building and any Landlord improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

## 21. PARKING

Tenant shall have the right to use the number of unreserved, first-come, first-served, parking spaces set forth in Section 1, without charge, for the Term of this Lease. No tandem parking shall be required, 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.

## 22. ENVIRONMENTAL MATTERS

### 22.1 Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, 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.

## **22.2 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, fines, 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 those caused by Tenant or Tenant's employees, contractors, agents, invitees, licensees, assignees or sublessees. 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.

## **23. ESTOPPEL CERTIFICATES**

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit G attached hereto (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 in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

**24. TENANT IMPROVEMENTS**

Within 90-days from the Commencement Date, Landlord shall at Landlord's sole cost and expense provide new carpet tiles in the office area, including lifting of the furniture and furniture systems, install new vinyl flooring in all restrooms/breakroom(s), repaint the entire walls within the office space per Tenants specifications and approval and repair or replace window blinds as needed throughout the Premises. The work and selections shall be coordinated with Tenant and performed during after-hours.

**25. LIENS**

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

**26. SUBORDINATION AND MORTGAGES**

**26.1 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 Exhibit F attached hereto 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 included herein.

**26.2 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 Exhibit F attached hereto, within 30 days after the execution of this Lease.

**26.3 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 and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

**27. 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 shall, prior to the expiration or earlier termination of

this Lease, remove, at its own expense, all fixtures, equipment and all other personal property existing in or upon the Premises (including any modular furniture).

**28. SIGNAGE**

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

**29. QUIET ENJOYMENT**

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

**30. GENERAL**

**30.1 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.

**30.2 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.

**30.3 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.

**30.4 Entire Agreement**

This Lease (including all exhibits hereto and the Landlord's Work Letter) 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.



30.5 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.

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, (iii) first-class registered or certified mail, postage prepaid, or (iv) electronic mail, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1 hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

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.

30.8 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.

30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

30.10 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) business days after written request is made therefore, together with all necessary information.

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit H attached hereto.

### 30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit I attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

### 30.13 Counterparts

This Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

## **31. AUTHORITY**

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

## **32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

### 32.1 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.

### 32.2 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 the 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 who has had any involvement in the procurement, negotiation, consummation, administration or management of a 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.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

### 32.3 Landlord Assignment

- a. 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 Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- b. 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, as security for the Landlord's obligation to repay any monetary obligation, 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.
- c. 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 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 (commercial 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.

- d. 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 \$500,000 or 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.
- e. Landlord shall give the County notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.
- f. 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.
- g. 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.

### **33. IRREVOCABLE OFFER**

In consideration for the time and expense that Tenant will invest in this Lease, 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, as necessary, 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

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

LANDLORD:

PPF INDUSTRIAL 12016 TELEGRAPH RD,  
LP, a California limited partnership

By: PPF Industrial GP, LLC,  
a Delaware limited liability company  
Its: General Partner

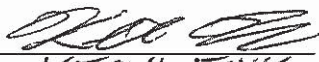
By: PPF Industrial, LLC,  
a Delaware limited liability company  
Its: Sole Member

By: PPF OP, LP,  
a Delaware limited partnership  
Its: Sole Member

By: PPF OPGP, LLC,  
a Delaware limited liability company  
Its: General Partner

By: Prime Property Fund, LLC,  
a Delaware limited liability company  
Its: Sole Member

By: Morgan Stanley Real Estate Advisor, Inc.,  
a Delaware corporation  
Its: Investment Adviser

By:   
Name: KEITH FINK  
Title: Executive Director

*[Signature Page Continued New Page]*

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Acting Chief Executive Officer

By: \_\_\_\_\_  
Dean Lehman, P.E.  
Senior Manager, Real Estate Division

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk  
Of the county of Los Angeles

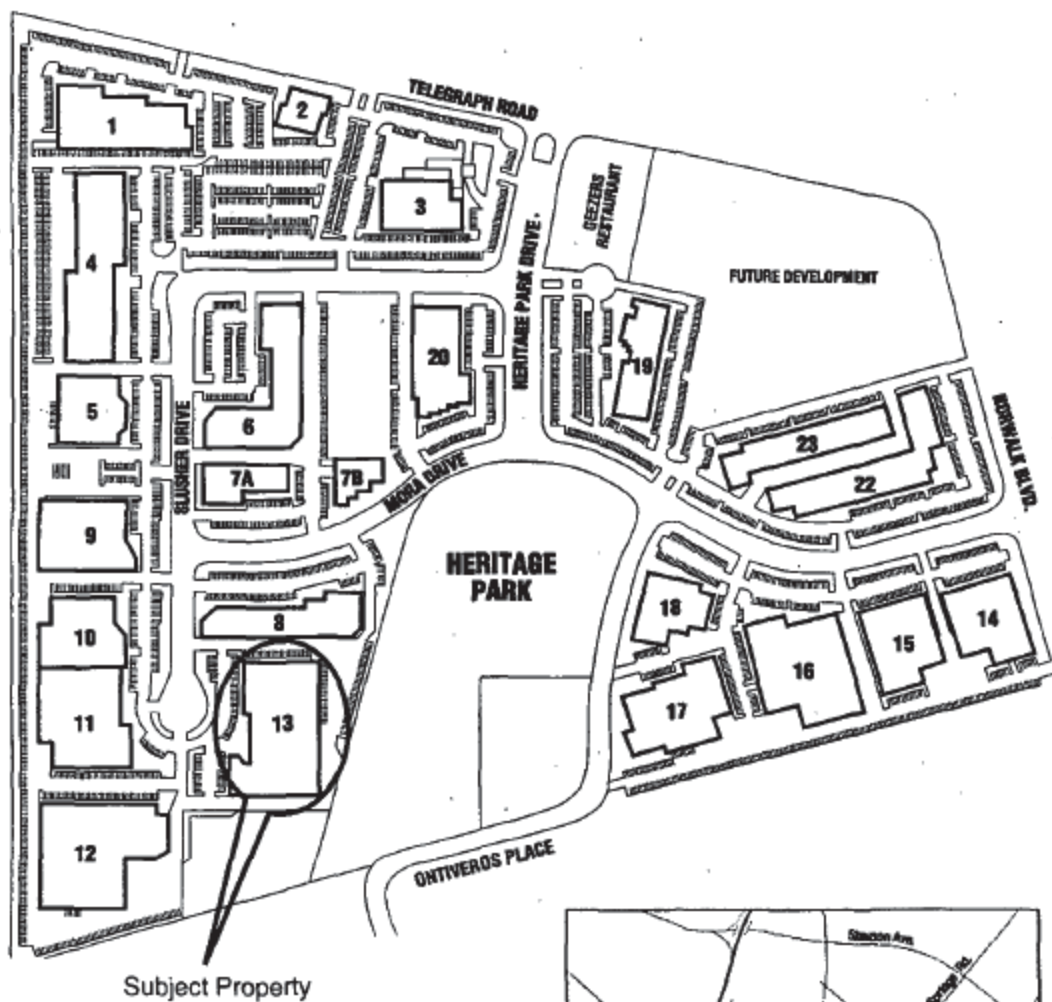
By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By:  \_\_\_\_\_  
Deputy

**EXHIBIT A**  
**FLOOR PLAN OF PREMISES**





## EXHIBIT B

### COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated \_\_\_\_\_, 20\_\_, between County of Los Angeles, a body corporate and politic ("Tenant"), and PPF INDUSTRIAL 12016 TELEGRAPH RD, LP, a California limited partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 10430 Slusher Drive, Santa Fe Spring, California ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Tenant continues to occupy the Premises;
- 2) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 3) The Base Rent is \$47,508.24 per month (\$1.04 per square foot per month)
- 4) The Premises contain 45,681 rentable/gross square feet of space; and

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

Months	Rate	Monthly Rent
2 - 12	\$1.04	\$47,508.24
13 - 24	\$1.07	\$48,933.49
25 - 36	\$1.10	\$50,401.49
37 - 48	\$1.14	\$51,913.54
49 - 60	\$1.17	\$53,470.94
61 - 72	\$1.21	\$55,075.07
73 - 84	\$1.24	\$56,727.32
85 - 96	\$1.28	\$58,429.14

IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Tenant:

COUNTY OF LOS ANGELES,  
a body corporate and politic

Landlord:

PPF INDUSTRIAL 12016 TELEGRAPH RD,  
LP, a California limited partnership

By:

Name \_\_\_\_\_  
Its \_\_\_\_\_

By:

Name \_\_\_\_\_  
Its \_\_\_\_\_

**CEO-REAL ESTATE DIVISION**  
**RENT PAYMENT VOUCHER**  
**FISCAL YEAR 2017-18**

<b>To be completed by Lessor:</b>	
Tax/S.S. ID#	
Signature	
Date	Email:
Phone No.	Fax No.

Ref Type: Partial

PV\_Leasing.accdb. Rep

## **EXHIBIT D**

### **HEATING, VENTILATION AND AIR CONDITIONING**

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/net 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. Emergency exit signage and egress battery replacement (if applicable)
- K. Graffiti expunged as needed within two working days after notice by Tenant
- L. Floors washed as needed.
- M. Kitchen/lunchroom/restroom supplies replenished, including paper supplies and soap.
- N. Exclusive day porter service (Not Applicable)

#### 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. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

D. 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:

- ii. heavy traffic areas cleaned as needed, with a minimum frequency of bi-monthly [six (6) times per year];
- iii. moderate traffic areas cleaned as needed, with a minimum of once every six (6) months [two (2) times per year]; and
- iv. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

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.

**EXHIBIT F**

**SUBORDINATION, NONDISTURBANCE  
AND ATTORNMENT AGREEMENT**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

**County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 West 7<sup>th</sup> Street  
7<sup>th</sup> Floor  
Los Angeles, California 90012**

)  
)  
)  
)  
)  
)  
)

**Space above for Recorder's Use**

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**SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT**

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

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 200\_\_ by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

**Factual Background**

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

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

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

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

**Agreement**

Therefore, the parties agree as follows:



1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

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

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

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

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

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

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 West Temple Street, 7<sup>th</sup> Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

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

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

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

## EXHIBIT G

### TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re:    Date of Certificate: \_\_\_\_\_  
      Lease Dated: \_\_\_\_\_  
      Current Landlord: \_\_\_\_\_  
      Located at: \_\_\_\_\_  
      Premises: \_\_\_\_\_  
      Commencement Date of Term: \_\_\_\_\_  
      Expiration Date: \_\_\_\_\_  
      Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

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

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

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

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

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

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

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

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one month in advance.

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

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

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# EXHIBIT H

## COMMUNITY BUSINESS ENTERPRISE FORM

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

### I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name: _____		3. Contact Person/Telephone Number: _____				
2. Address: _____		_____				
_____		_____				
_____		4. Total number of employees in the firm: _____				
5. Provide the number of all minority employees and women in each	Owners, Partners and Associate		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

### II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) \_\_\_\_\_

2. Total Number of Ownership/Partners, Etc.: \_\_\_\_\_

### III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION

3. Provide the percentage of	All Employee	Women
Black/African American		
Hispanic/Latin American		
Asian American		
Portuguese American		
American Indian/Alaskan Native		
All Others		

Is your firm currently certified as a minority owned business firm

by the: State of California? ☐ Yes ☐ No

City of Los Angeles? ☐ Yes ☐ No

Federal Government? ☐ Yes ☐ No

### Section D. OPTION TO PROVIDE REQUESTED INFORMATION

☐ We do not wish to provide the information required in this form.

Firm Name: \_\_\_\_\_

Signature/Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT I**

**MEMORANDUM OF LEASE**

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 West Temple Street  
7<sup>th</sup> Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

---

**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") is made and entered into by and between \_\_\_\_\_, a \_\_\_\_\_ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated \_\_\_\_\_, 20\_\_ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_, and ending on a date \_\_\_\_\_ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

*[signature page immediately follows]*

LANDLORD:

PPF INDUSTRIAL 12016 TELEGRAPH  
RD, LP, a California limited partnership

By: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Its: \_\_\_\_\_

\_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Acting Chief Executive Officer

By: \_\_\_\_\_

\_\_\_\_\_  
David P. Howard  
Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN  
Recorder/County Clerk  
Of the county of Los Angeles

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA  
Acting County Counsel

By: \_\_\_\_\_  
Deputy

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me,

\_\_\_\_\_ Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")  
personally appeared \_\_\_\_\_,

Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)