

#### County of Los Angeles Chief Executive Office

## PUBLIC SAFETY CLUSTER AGENDA REVIEW MEETING

DATE: Wednesday, January 6, 2021

TIME: 10:00 a.m.



Scan QR Code to Join Meeting

DUE TO CLOSURE OF ALL COUNTY BUILDING, TO PARTICIPATE IN THE MEETING CALL TELECONFERENCE NUMBER: (323) 776-6996 ID: 200927307#

#### **AGENDA**

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

- 1. CALL TO ORDER
- 2. GENERAL PUBLIC COMMENT
- **3. INFORMATIONAL ITEM(S)** [Any Information Item is subject to discussion and/or presentation at the request of two or more Board offices with advance notification]:
  - A. NONE
- 4. PRESENTATION/DISCUSSION ITEM(S):
  - **A.** Board Letter:

NINE-YEAR LEASE - PROBATION DEPARTMENT 2934 EAST GARVEY AVENUE

SOUTH, WEST COVINA

Speaker(s): Mike Navarro (CEO)

5. PUBLIC COMMENTS

**CLOSED SESSION:** 

CS-1 CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

(Subdivision (a) of Government Code Section 54956.9)

Evangelina P. et al. v. County of Los Angeles, et al.

Los Angeles Superior Court Case No. 19STCV03826

Department: Sheriff's

6. ADJOURNMENT

Wednesday, January 6, 2021

#### 7. UPCOMING ITEMS:

A. Board Briefing:

ALTERNATIVES TO INCARCERATION BRIEFING

Speaker(s): Peter Espinoza (ODR) Songhai Armstead (CEO)

**B.** Board Letter:

FISCAL YEAR-END REPORT, AND UPDATE DEVELOPER FEE FOR THE BENEFIT OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY

Speaker(s): Debbie Aguirre and Christopher Anderson (Fire)

IF YOU WOULD LIKE TO EMAIL A COMMENT ON AN ITEM ON THE PUBLIC SAFETY CLUSTER AGENDA, PLEASE USE THE FOLLOWING EMAIL AND INCLUDE THE AGENDA NUMBER YOU ARE COMMENTING ON:

PUBLIC\_SAFETY\_COMMENTS@CEO.LACOUNTY.GOV

#### PROBATION DEPARTMENT ANTICIPATED BOARD LETTER FACT SHEET

#### SUBJECT

• A nine-year lease for the Probation Department to provide for the use of 21,997 square feet of office space and 93 on-site parking spaces.

#### TARGETED BOARD AGENDA

January 5, 2021

#### **DESCRIPTION OF PROGRAM / ITEM**

- The proposed lease will provide adequate office space for the Probation Department's new Adult Investigative Services Unit (Unit).
- Prop 63 requires Probation to provide investigative services to ensure that persons convicted
  of a felony or a certain misdemeanor are in compliance with Prop 63 which prohibits them from
  possessing firearms.
- The office space will be occupied by 110 full-time employees.
- The office will not see clients on-site.

#### **AMOUNT / COST**

- The maximum first year lease cost is \$620,316. The Landlord is responsible for all operational and building maintenance costs, including parking, utilities and janitorial costs.
- The proposed lease will provide \$55 per rentable square foot as a base tenant improvement allowance (TI), i.e., \$1,209,835, and \$2,309,685 (\$105 per rentable square foot) as the County's lump sum TI contribution. The Landlord is only willing to provide the amount of \$1,759,760 amortized over five years, and requires the remaining amount of \$549,925 to be amortized over three years. Both amounts will be repaid to the Landlord with fixed annual interest rate of 8 percent for a fully amortized amount not to exceed \$2,762,000.

#### **FUNDING SOURCE**

• The costs are 100 percent funded from Public Safety Realignment Act (AB 109) revenue.

#### **PURPOSE**

 Approval of the recommended action will provide Probation adequate office space for its new Unit.

#### **CONTRACTING PROCESS (if applicable)**

N/A

#### **CHANGES FROM PREVIOUS YEAR**

N/A

#### **CHANGES TO DEPLOYMENT / STAFFING PLAN**

N/A

#### **ISSUES / CONCERNS**

N/A

#### SUCCESSES / ACCOMPLISHMENTS

N/A

#### **DISTRICT(S) IMPACTED**

First

#### **CONTACT PERSON**

Mike Navarro / (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

> Board of Supervisors HILDA L. SOLIS First District

HOLLY J. MITCHELL Second District

SHEILA KUEHL Third District

JANICE HAHN Fourth District

KATHRYN BARGER Fifth District

January 5, 2021

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:** 

NINE-YEAR LEASE
PROBATION DEPARTMENT
2934 EAST GARVEY AVENUE SOUTH, WEST COVINA
(FIRST DISTRICT)
(3 VOTES)

#### **SUBJECT**

Approval of a proposed new nine-year lease for 21,997 rentable square feet of office space and 93 on-site parking spaces for the Probation Department's (Probation) Adult Investigative Services Unit.

#### IT IS RECOMMENDED THAT THE BOARD:

- 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 Garvey Avenue South, LLC (Landlord), for approximately 21,997 rentable square feet of office space and 93 on-site parking spaces located at 2934 East Garvey Avenue South, West Covina, CA 91791, to be occupied by Probation. The estimated maximum first year base rental cost is \$620,316. The estimated total lease cost is \$10,102,000 over the nine-year term, including low voltage cost to be paid by Probation directly to Internal Services Department (ISD). The costs will be funded 100 percent from Public Safety Realignment Act Assembly Bill 109 (AB 109) revenue.

- 3. Authorize the Acting Chief Executive Officer, or her designee, to reimburse the Landlord up to \$2,309,685 for the County's Tenant Improvement (TI) contribution if paid in a lump sum or \$2,762,000 if fully amortized.
- 4. Authorize the Director of Probation to contract with and direct 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 \$919,313 if paid in a lump sum, or \$1,038,000 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.

#### PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The proposed lease at 2934 East Garvey Avenue South, West Covina is intended to house the new Probation Investigative Services Unit in response to Proposition 63 (Prop 63).

Prop 63 requires Probation to provide investigative services to ensure that persons convicted of a felony or a certain misdemeanor are in compliance with Prop 63 which prohibits them from possessing firearms. The courts defer to Probation to investigate whether the Automated Firearms System, or other credible information obtained from law enforcement, reveal that the individual owns, possess or controls a firearm. Clients will not be reporting to this location.

The proposed lease will provide Probation with sufficient office space to house approximately 110 employees, will adequately meet the space needs of the department, and is accessible to public transportation routes.

Approval of the recommended actions will find that the proposed lease is exempt from CEQA and will allow Probation 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 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 the above goals and objective as it will provide Probation with appropriate office space to conduct its investigations which enhance public safety and customer service. The proposed lease conforms with the Asset Management Principles outlined in Enclosure A.

#### FISCAL IMPACT/FINANCING

Sufficient funding to cover the proposed lease and 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 Probation. Probation has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent, Low-Voltage Items, and County TI 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 Probation. The costs will be funded 100 percent from Public Safety Realignment Act AB 109 revenue. The costs for Low Voltage Items will be paid by Probation directly to ISD and are not part of the lease.

#### FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In addition to the terms previously stated, the proposed lease also includes the following provisions:

- The base rent includes parking and is subject to fixed 3 percent increases per annum.
- Total TI costs are expected to be \$3,519,520. The Landlord will provide \$1,209,835 (\$55 per rentable square foot) base TI allowance.

- The County will reimburse the Landlord up to \$2,309,685 (\$105 per rentable square foot) as the County's lump sum TI contribution. The Landlord is only willing to provide the amount of \$1,759,760 amortized over five years, and requires the remaining amount of \$549,925 to be amortized over three years. Both amounts will be repaid to the Landlord with fixed annual interest rate of 8 percent for a fully amortized amount not to exceed \$2,762,000.
- The Landlord is responsible for all operating and maintenance costs of the building including all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- The proposed lease includes 93 on-site parking spaces at no additional cost to the County.
- The aggregate cost associated with the proposed lease over the entire term is \$10,102,000, as shown on Enclosure B.
- The County has the right to terminate the proposed lease at the end of the sixth, seventh and eighth years of the lease term subject to an early termination fee not to exceed \$496,128.64 comprised of the \$403,278.33 unamortized portion of the TI allowance and the \$92,850.31 unamortized portion of the brokerage commission.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions except the monthly base rent during the initial six months of the holdover period will be at the same base rent at the time of the lease expiration and effective six months after expiration of the lease term, the base rent will increase by 10 percent and effective one year after expiration of the lease term, the base rent will increase by 50 percent.
- 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 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 recommended facility was the only suitable response meeting Probation's needs. 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 annual rental range for a comparable lease in the area is between \$30.60 and \$31.80 per square foot, per year. The base annual rental rate of \$28.20 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. We recommend the proposed facility 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 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 and leased facilities within the surveyed area, 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 West Covina has been sent 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 provide a suitable office location for the new Probation Investigative Services Unit, 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. Probation 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:MC:gw

#### Enclosures

c: Executive Office, Board of Supervisors County Counsel Auditor-Controller Probation

#### PROBATION DEPARTMENT 2934 EAST GARVEY AVENUE SOUTH, WEST COVINA

#### Asset Management Principles Compliance Form<sup>1</sup>

١.	<u>Oc</u>	cupancy	Yes	No	N/A
	Α	Does lease consolidate administrative functions? <sup>2</sup>			Х
	В	Does lease co-locate with other functions to better serve clients? <sup>2</sup>			Х
	С	Does this lease centralize business support functions? <sup>2</sup>			Х
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup>	Х		
	Е	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup>	Х		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	х		
2.	Cap	<u>pital</u>			
	Α	Is it a substantial net County cost (NCC) program? The costs are 100 percent funded		v	
		from Public Safety Realignment Act (AB 109) revenue.		Х	
	В	Is this a long-term County program?	X		
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		Х	
	D	If no, are there any suitable County-owned facilities available?		Х	
	Е	If yes, why is lease being recommended over occupancy in County-owned space?			Х
	F	Is Building Description Report attached as Enclosure C?	Х		
	G	Was build-to-suit or capital project considered? <sup>2</sup>			Х
3.	Por	tfolio Management			
	Α	Did department utilize CEO Space Request Evaluation (SRE)?	Х		
	В	Was the space needed justified?	X		
	O	If a renewal lease, was co-location with other County departments considered?			X
	D	Why was this program not co-located?			
		The program clientele requires a "stand alone" facility.			
		No suitable County occupied properties in project area.			
		3 No County-owned facilities available for the project.			
		4 Could not get City clearance or approval.			
		5 The Program is being co-located.			
	E	Is lease a full-service lease?²	Х		
	F	Has growth projection been considered in space request?	Х		
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	Х		
	1	<sup>1</sup> As approved by the Board of Supervisors 11/17/98			1

#### **OVERVIEW OF PROPOSED LEASE COSTS**

2934 East Garvey Ave. South, West Covina	Proposed Lease
Area (square feet)	21,997
Term	9 years
First Year Annual Base Rent	\$620,316 (\$28.20 per sq. ft. annually)
Base TI Allowance (non-reimbursable)	\$1,209,835 (\$55.00 per sq. ft)
County TI Contribution (reimbursable)	\$2,309,685 (\$105.00 per sq. ft.)
Total First Year Lease Costs	\$1,606,045 <sup>(1)</sup>
Rental Adjustment	3 percent per annum
Parking (included in Rent)	93 spaces
Option to Renew	N/A

<sup>(1)</sup> The total first year cost is comprised of base rent of \$620,316, including parking, \$350,757 low voltage costs, and TI costs of \$634,972.

#### **OVERVIEW OF THE BUDGETED LEASE AND RELATED COSTS**

Probation Department 2934 Garvey Ave, S., West Covina

 Leased Area (sq. ft.)
 21,997

 Term (months)
 108

 Annual Rent Adjustment
 3%

 Base Rent
 Cost Per RSF Per Month
 Cost Per RSF Per Year

 \$2.35
 \$28.20

Labor Costs TESMA TESMA Low Voltage Total (Lump Sum Cost) (Amortized Cost)

Low Voltage (Lump Sum)

(Labor Cost + TESMA Cost) \$179,012.15 \$740,300.00 \$919,312.15

 Low Voltage (Amortized)
 (Labor Cost + TESMA Cost)
 \$179,012.15
 \$858,724.38
 \$1,037,736.53

Lump Sum Cost Amortized Cost Amortized Cost Tenant Improvement

(\$80 per sq. ft.) \$1,759,760.00 \$2,140,895.26 \$2,140,895.26 Lump Sum Cost Amortized Cost Tenant Improvement

(\$25 per sq. ft.) \$549,925.00 \$620,375.40 \$620,375.40

	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	Total 9 Year Rental Costs
Annual Base Rent Costs 1	620,316	638,925	658,093	677,836	698,171	719,116	740,690	762,910	785,797	6,302,000
Tenant Improvement Costs <sup>2</sup>	428,180	428,180	428,180	428,180	428,180					2,141,000
Tenant Improvement Costs <sup>3</sup>	206,792	206,792	206,792							621,000
Total TI Contribution	634,972	634,972	634,972	428,180	428,180					2,762,000
Total Paid to Landlord	1,255,288	1,273,897	1,293,065	1,106,016	1,126,351	719,116	740,690	762,910	785,797	9,064,000
Low Voltage Costs 4	350,757	171,745	171,745	171,745	171,745					1,038,000
Total Annual Lease Costs	1,606,045	1,445,642	1,464,810	1,277,761	1,298,096	719,116	740,690	762,910	785,797	10,102,000

<sup>1</sup> Base rent includes fixed 3 percent increases per annum.

<sup>&</sup>lt;sup>2</sup> Assumes Tenant's TI Contribution of \$1,759,760 (\$80 per RSF) and amortized at 8% fixed rate over 60 months (5-Years) with no Change Request Contingency.

<sup>3</sup> Assumes Tenant's TI Contribution of \$549,925 (\$25 per RSF) and amortized at 8% fixed rate over 36 months (3-Years).

<sup>4</sup> Low Voltage Costs: Labor costs (\$179,015.15) must be paid via a lump sum payment in the first year. Equipment costs will be financed over 5 years at 6%. The first year labor and equipment costs will be \$350,757 (\$179,012.15 + \$171,744.84).

<sup>\*</sup>Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.

#### PROBATION DEPARTMENT

#### SPACE SEARCH - EAST SAN GABIEL VALLY AREA

			Ownership	Gross	
LACO	Name	Address	Туре	Sq. Ft	Vacant
		265 Cloverleaf Dr			
10111	Regional Facilities Agency	Baldwin Park 91706	Owned	444,244	None
	DMH – East San Gabriel				
	Valley Mental Health	1359 N Grand Ave			
10241	Center	Covina 91724	Leased	28,619	None
	West Covina Regional	2934 E Garvey Ave			
A059	Services Building	West Covina 91791	Leased	57,633	None
	DPSS - Medi - Cal Long	17171 E Gale Ave			
A171	Term Care (LTC)	City of Industry 91745	Leased	36,000	None
		1373 E Center Court Dr			
A344	DCFS - Covina Annex	Covina 91724	Leased	29,525	None
	PW - Inc City Office	5050 N Irwindale Ave			
B441	(Irwindale)	Irwindale 91706	Gratis Use	665,597	None

#### **FACILITY LOCATION POLICY ANALYSIS**

**Proposed Lease:** Nine-year lease for the Probation Department – 2934 East Garvey Avenue South, West Covina – First Supervisorial District.

- **A. Establish Service Function Category –** Countywide administrative service function.
- **B.** Determination of the Service Area Centrally located within the Eastern San Gabriel Valley region
- C. Apply Location Selection Criteria to Service Area Data
  - Need for proximity to service area and population: This location meets the service area criteria.
  - Need for proximity to existing County facilities: N/A.
  - Need for proximity to Los Angeles Civic Center: N/A
  - Economic Development Potential: N/A
  - <u>Proximity to public transportation</u>: The location is adequately served by local transit services, i.e. LA Metro and Foothill Transit bus service.
  - <u>Availability of affordable housing for County employees</u>: The surrounding area provides for affordable housing and rental opportunities.
  - Use of historic buildings: N/A
  - <u>Availability and compatibility of existing buildings</u>: There are no alternative existing County buildings available to meet Probation's needs.
  - <u>Compatibility with local land use plans</u>: The city of West Covina 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.
  - The total first year costs associated with the proposed lease is \$1,606,045 which
    is comprised of base rent of \$620,316, including parking, \$350,757 low voltage
    costs, and TI costs of \$634,972.

•

#### 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 and the CEO-Real Estate's County website. The recommended facility was the only suitable response meeting the Department's needs. 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 annual rental range for a comparable lease in the area is between \$30.60 and \$31,80 per square foot, per year. The base annual rental rate of \$28.20 per square foot, per year for the proposed lease represents a rate that is below 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 110 employees 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

GARVEY AVENUE SOUTH, LLC - Landlord

2934 EAST GARVEY AVE SOUTH WEST COVINA, CALIFORNIA

#### **TABLE OF CONTENTS**

	5.4.01		Page
1.		C LEASE INFORMATION	
	1.1	Terms	1
	1.2	Defined Terms Relating to Landlord's Work Letter	
	1.3	Exhibits to Lease	
_	1.4	Landlord's Work Letter	
2.		MISES	
3.	COM	MON AREAS	4
4.		MENCEMENT AND EXPIRATION DATES	
	4.1	Term	
	4.2	Termination Right	
	4.3	Early Entry	
	4.4	Early Termination	
5.		Т	
	5.1	Base Rent	
6.		S	
7.		DOVER	
8.		PLIANCE WITH LAW	
9.	DAM	AGE OR DESTRUCTION	7
	9.1	Damage	
	9.2	Tenant Termination Right	8
	9.3	Damage In Last Year	8
	9.4	Default By Landlord	8
10.	REP/	AIRS 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.	SER\	VICES AND UTILITIES	12
	11.1	Services	12
	11.2	Utilities	13
12.	TAXE	ES	14
13.	LAND	DLORD ACCESS	14
14.	TENA	ANT DEFAULT	14
	14.1	Default	14
	14.2	Termination	15
	14.3	No Effect on Indemnity	15
15.	LAND	DLORD DEFAULT	15
	15.1	Remedies	15
	15.2	Waiver	15
	15.3	Emergency	15
16.	ASSI	GNMENT AND SUBLETTING	
	16.1	Assignment and Subletting	16
	16.2	Sale	
17.		ERATIONS AND ADDITIONS	16
	17.1	Landlord Consent	
	17.2	End of Term	
18.		DEMNATION	
	18.1	Controlling Terms	
	18.2	Total Taking	
		<u> </u>	

i

	18.3	Partial Taking	17
	18.4	Restoration	18
	18.5	Award	18
	18.6	Waiver of Statute	18
19.	INDE	MNIFICATION	18
	19.1	Landlord's Indemnity	18
	19.2	Tenant's Indemnity	18
20.	INSUI	RANCE	19
	20.1	Waiver	
	20.2	General Insurance Provisions – Landlord Requirements	19
	20.3	Insurance Coverage Types And Limits	
	20.4	Landlord Requirements	
	20.5	Waiver of Subrogation	
21.	PARK	ING	
	21.1	Tenant's Rights	
	21.2	Remedies	
22.	ENVIE	RONMENTAL MATTERS	23
	22.1		
	22.2	Landlord Indemnity	
23.		PPEL CERTIFICATES	
24.		NT IMPROVEMENTS	
25.		S	
26.		ORDINATION AND MORTGAGES	
	26.1	Subordination and Non-Disturbance	
	26.2	Existing Deeds of Trust	
	26.3	Notice of Default	
27.	SURF	RENDER OF POSSESSION	
28.		AGE	
29.		T ENJOYMENT	
30.		FAL	
	30.1	Headings	
	30.2	Successors and Assigns	
	30.3	Brokers	
	30.4	Entire Agreement	
	30.5	Severability	
	30.6	Notices	
	30.7	Governing Law and Venue	
	30.8	Waivers	
	30.9	Time of Essence	
	30.10	Consent	
		Community Business Enterprises	
		Memorandum of Lease	
		Counterparts	
31.		IORITY	
32.		IOWLEDGEMENT BY LANDLORD	
	32.1	Consideration of GAIN Program Participants	
	32.2	Solicitation of Consideration	
	32.3	Landlord Assignment	
33.		VOCABLE OFFER	
34		NTERPARTS: FLECTRONIC SIGNATURES	

#### **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	<b>AGREEMENT</b>	("Lease")	is	entered	into	as	of	the_		day	of
	, 20	between GAF	RVEY AVE	NUE	SOUTH,	LLC,	a	Calif	ornia	limited	liabi	lity
company ("L	andlord"),	and COUNTY	OF LOS A	NGE	LES, a bo	ody co	orpo	rate	and p	oolitic ("	Tena	nt"
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 Notice:	GARVEY AVENUE SOUTH, LLC C/O Ron Kelly 556 North Diamond Bar Boulevard Suite 200 Diamond Bar, California 91765 Email: ron.kelly@olsonmax.com
b.	Tenant's Address for Notice:	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 With a copy to:  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
C.	Premises:	Approximately 21,997 rentable/gross square feet in the Building (defined below), as shown on Exhibit A attached hereto.

d.	Building:	The Building located at 2934 East Garvey, Avenue South, West Covina, California, which is currently assessed by the County Assessor as APN 8480-001-029 (the "Property");
e.	Term:	Nine years, commencing 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 ninth anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
f.	Projected Commencement Date:	June 1, 2020
g.	Irrevocable Offer Expiration Date: (see Section 33)	January 5, 2021
h.	Base Rent:	\$51,692.95 per month (\$2.35/sf/mo.)
i.	Early Termination (see Section 4.4)	A one (1) time right to terminate at the end of year six (6), year seven (7) and year eight (8), by giving Landlord not less than one hundred and eighty (180) days prior written notice.
j.	Rentable/gross Square Feet in the Premises:	21,997 square feet
k.	Initial Departmental Use:	Probation Department, subject to Section 6.
I.	Parking Spaces:	93
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 <u>November 19, 2019</u> prepared by <u>Safeguard EnviroGroup</u> , a licensed California Asbestos contractor.
0.	Seismic Report	A report dated 2019 and revised November 12, 2019 prepared by the Department of Public Works.

p. Disabled Access Survey	A report dated <u>September 4, 2018</u> prepared by the State of California General Services.
---------------------------	---

#### 1.2 <u>Defined Terms Relating to Landlord's Work Letter</u>

a.	Tenant Improvement Allowance:	\$1,209,835.00 (i.e., \$55.00 per rentable square foot of the Premises)
b.	Tenant's TI Contribution:	\$2,309,685 (i.e., \$105.00 per rentable square foot of the Premises)
C.	Change Request Contingency	Not Applicable
d.	Tenant Improvement Amortization Rate and Change Request Amortization Rate:	Eight percent (8 %) per annum
e.	Tenant's Work Letter Representative:	An assigned staff person of the Chief Executive Office-Real Estate Division
f.	Landlord's Work Letter Representative:	Ron Kelly or an assigned staff person of the Landlord
g.	Landlord's Address for Work Letter Notice:	GARVEY AVENUE SOUTH, LLC 556 North Diamond Bar Boulevard Suite 200 Diamond Bar, California 91765
h.	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	Exhibits to Lease	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	Landlord's Work Letter  (Executed concurrently with this Lease and incorporated herein by this reference):	Landlord's Work Letter Addendum A: Base Building Improvements Addendum B: Tenant Improvements Addendum C: Form of Preliminary and Final TI Cost Statement

#### 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 <a href="Exhibit A">Exhibit A</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 <u>Term</u>

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 <a href="Exhibit B">Exhibit B</a>. 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 including seismic retrofit of the building to ensure it complies with Tenants seismic requirements and findings noted on the Seismic Report referenced on Section 1.1(0) 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.

#### **Termination Right**

If the Commencement Date has not occurred within 60 days after the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays, 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 written notice to Landlord, and the parties shall have no further rights or obligations to one another hereunder.

#### 4.2 Termination Right

If the Commencement Date has not occurred within 60 days after the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays, 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 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 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 the Early Termination dates specified in Section 1.1, by giving Landlord not less than 180 days prior written notice, executed by the Chief Executive Officer of Tenant and shall reimburse the Landlord for all unamortized Tenant Improvement and all unamortized Leasing Commissions as specified below within thirty (30) days from the date of the Early Termination notice

Unamortized Amounts	Commissions	Tls	Total Penalty
Year 6 Termination Penalty	\$ 92,850.31	\$ 403,278.33	\$ 496,128.64
Year 7 Termination Penalty	\$ 61,900.21	\$ 268,852.22	\$ 330,752.43
Year 8 Termination Penalty	\$ 30,950.10	\$ 134,426.11	\$ 165,376.21

#### 5. RENT

#### 5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1 during the Term hereof within 15 days 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 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 monthly Base Rent shall be abated for months 2 through 4 (Free Rent) and is subject to three percent annual increases as follows:

Year	Rental Rate	<u>Monthly</u>	
1	\$2.35	\$51,692.95	
2	\$2.42	\$53,243.74	
3	\$2.49	\$54,841.05	
4	\$2.57	\$56,486.28	
5	\$2.64	\$58,180.87	
6	\$2.72	\$59,926.30	
7	\$2.81	\$61,724.09	
8	\$2.89	\$63,575.81	
9	\$2.98	\$65,483.08	

#### 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

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant at the last monthly 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. Should Tenant remain in possession of the Premises or any part thereof beyond six (6) months after the expiration of the term of this Lease, the holdover rate shall increase to one-hundred and ten percent (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 and should Tenant remain in possession of the Premises or any part thereof beyond one (1) year after the expiration of the term of this Lease, the holdover rate shall increase to one-hundred and fifty percent (150%) 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.

#### 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 180 days, then Landlord shall promptly commence and diligently prosecute to complete the repairs to the Premises, provided that insurance proceeds are available to repair the damages., 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 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 <u>Damage In Last Year</u>

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 terminate the lease.

#### 10. REPAIRS AND MAINTENANCE

#### 10.1 <u>Landlord Representations</u>

a. Landlord represents to his knowledge 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 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.
- 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 in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed:
  - the structural elements of the Building, 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; and
  - 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 once during the initial Lease Term, but not less often than after five years of use), and shall not to exceed three dollars (\$3.00) per rentable square foot;
- ii. interior partitions;
- iii. doors;
- iv. the interior side of demising walls (which shall be repainted once during the initial Lease Term but not less often than every five years), and not to exceed one dollar and fifty cents (\$1.50) per rentable square foot;
- v. signage;
- vi. emergency exit signage and battery replacement; and
- vii. 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 <u>Tenant Obligations</u>

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 five days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action.. If not reimbursed by Landlord within thirty 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, in which case Tenant shall promptly reimburse Landlord for such cost, not to exceed \$5,000. 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 <a href="Exhibit D">Exhibit D</a> 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.

#### 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.

#### c. <u>Elevators</u>

Landlord shall furnish 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. <u>Pest Control</u>

Landlord at its sole cost and expense shall provide any and all pest control services to the premises per the specifications set forth in <a href="Exhibit E">Exhibit E</a> 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.

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.

#### 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 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 pursue the remedy of specific performance;

#### 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 <u>Emergency</u>

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. <u>ASSIGNMENT AND SUBLETTING</u>

#### 16.1 Assignment and Subletting

Tenant may not assignor 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 <u>Sale</u>

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. <u>ALTERATIONS AND ADDITIONS</u>

#### 17.1 <u>Landlord Consent</u>

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.

# 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 <u>Controlling Terms</u>

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

Intentionally Omitted.

## 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, arising from or connected with the use or operation of the Building by Landlord, its employees, agents or contractors or any other acts and omissions arising from and/or relating to the Landlord's ownership of the Building, or arising from any breach or default under this Lease by Landlord.

#### 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, or arising from any breach or default under this Lease by Tenant.

# **20.** <u>INSURANCE</u>: During the term of this Lease, the following insurance requirements will be in effect:

#### 20.1 Waiver

Both the Tenant and the 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

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 start day of this Lease.

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.

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 twenty-five thousand (\$25,000.00) dollars, 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, 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 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. 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.

### 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 this Lease, shall be primary with respect to all other sources of coverage available to Tenant. Any Tenant maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Landlord 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 (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.

# I. 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 <u>Insurance Coverage Types And Limits</u>

- 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 \$ 1 million

Aggregate:

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. A certificate evidencing insurance coverage or letter evidencing self-insurance will be provided to Landlord after execution of this Lease at Landlord's request.

# 20.4 <u>Landlord Requirements: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:</u>

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 \$ 10 million

Aggregate:

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.

#### 20.5 Waiver of Subrogation

Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be

carried hereunder. Landlord shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Tenant.

#### 21. PARKING

# 21.1 Tenant's Rights

Tenant shall have the right to the number of parking spaces set forth in Section 1, without charge, for the Term of this Lease. 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 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 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 <u>Hazardous Materials</u>

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. <u>ESTOPPEL CERTIFICATES</u>

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 <a href="Exhibit G"><u>Exhibit G</u></a> 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 <a href="Exhibit F">Exhibit F</a> 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

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. Tenant shall receive from Landlord or Landlord's broker, within ten days after the execution of this Lease, an amount equal to 50% of all commissions due to Landlord's broker as a result of the execution of this Lease, 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 <u>Severability</u>

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 <u>Exhibit H</u> 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 herby 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. 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.
- e. 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.
- f. 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 1.

#### 34. COUNTERPARTS; ELECTRONIC SIGNATURES

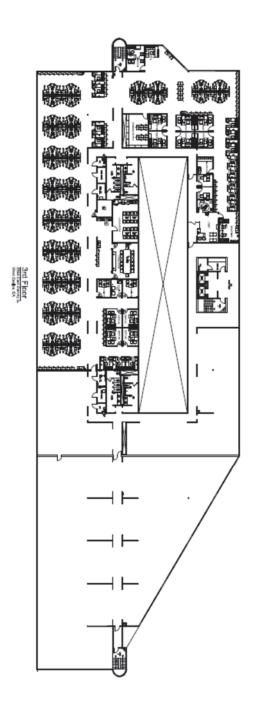
This Lease and any other document necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic 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.

LANDLORD: GARVEY AVENUE SOUTH, LLC, a California limited liability company DocuSigned by: Ron Kelly 11/6/2020 —416AA897DB244A1. Name: Ron Kelly Its: Manager TENANT: COUNTY OF LOS ANGELES, a body corporate and politic 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: Lisa Jacobs
Deputy

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

**EXHIBIT A**FLOOR PLAN OF PREMISES



#### **EXHIBIT B**

# COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Landlord and Tenant hereby acknowledge as follow:

1)	Landlord delivered possession of the Premis Complete condition on	•
2)	Tenant has accepted possession of the Pren	mises and now occupies the same;
3)	The Lease commenced on	("Commencement Date");
4)	The Premises contain rentab	le/gross square feet of space; and
5)	Landlord has paid a commission in the amount to Section 30.3 of the Lease.	unt of \$ to Tenant pursuant

For clarification, the base rent for months 2 through 4 shall be abated, and the base rent is subject to fixed 3 percent rental rate adjustments as follows:

<u>Year</u>	Rental Rate	<u>Monthly</u>
1	\$2.35	\$51,692.95
2	\$2.42	\$53,243.74
3	\$2.49	\$54,841.05
4	\$2.57	\$56,486.28
5	\$2.64	\$58,180.87
6	\$2.72	\$59,926.30
7	\$2.81	\$61,724.09
8	\$2.89	\$63,575.81
9	\$2.98	\$65,483.08

IN WITNESS WHEREOF, this memoran, 20	dum is executed this day of
Tenant:	Landlord:
COUNTY OF LOS ANGELES, a body corporate and politic	GARVEY AVENUE SOUTH, LLC, a California limited liability company
By: Name	By: Name Its

#### **EXHIBIT C**

# PAYMENT VOUCHER

CEO-REAL ESTATE DIVISION

									RENT	PAYMENT VOUCH	IER							
									FISC	CAL YEAR 2017-	18							
		To be	complete	d by Lessor:		Lessor I	Name #1:				U	INIT/ORG#	00000	Lease No:	00000	Autho	orization Initials/Sign	natures
Tax/S.S.	ID#			100		Lessor	Name #2				٦,	oc.ID: GAX		-	nt No	Initials	Signature	Level
Signature						Attn: or	c/o					endor Code:			ement Code: 818			
Date	-			Email:		Address							Type Warrar		ement code. 818			
I	_			Fax No.		City, Sta	ate, Zip:								FUND A01			
Phone No	_			T UA TVO.		Payable	On:	4	1		R	Ref Doc Code:	GAEBL	Ref Vendor	Line: 1			
	(as of signat					Evnirati	on Date		Status		1 8	Ref Doc Dept:	RF	Ref acctg. L	ine: 1			—
	(as of CPI a	C. C. D. C. C. D. C. P.				. Expirati	on bate	Cullent	Otatus		- 1							
Property	Location:								_			_		Ret Type: P	artiai			<del></del>
Acct Period*	Budget FY** G	3AX#	PV Date	Invoice # (Month)	Rent For:		Sch Pymt Date	Document Total	S/H Code	Line Amount	I/D	Input/Au Input	thorization Initials/I Level #1	lat Level 2/3/4/5	Warrant #	PAID Issue Date	Amount Paid	BILL MO PT
	01																	
									$\perp$		$\perp$							$\perp$
									$\perp$		$\perp$							
									$\perp$		$\perp$							
									$\perp$		$\perp$							
									$\bot$		$\perp$							_
									$\bot$		$\perp$							
									+		$\vdash$							+-
-		-							+		+							_
		-							+		+							+-
	-	-							+		+							+-
-	_	-							+		+							+
									$\pm$									
		013																
		014							T									
		015							$\top$		Т							$\top$
									$\top$		Т					-		$\overline{}$
	+	-							+		$\vdash$					-		_
	$\perp$																	

\* Leave Blank except for 13th Accounting Period. \*\* Leave blank except entering commitments or expenditure accrual.

PV\_Leasing.accdb. Report Name: 00000-00000\_17-18

18-Aug-17

Exhibit C – Page 1 LEGAL DESCRIPTION OF PREMISES

#### **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

<ol> <li>DAILY (Monday through Friday</li> </ol>	l. DAILY	(Monday through Frida	ıy)
--	----------	-----------------------	-----

- 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
- Floors washed as needed.
- M. Kitchen/lunchroom/restroom supplies replenished, including paper supplies, soap and \_\_\_\_\_.
- N. Exclusive day porter service from \_\_\_ a.m. to \_\_\_\_ p.m. (if provided by contract).

# 2. WEEKLY

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

# 3. MONTHLY

- C. Floors washed and waxed in uncarpeted office area.
- D. High-reach areas, door frames and tops of partitions dusted.
- E. Upholstered furniture vacuumed, plastic and leather furniture wiped
- F. Picture moldings and frames dusted.

- G. Wall vents and ceiling vents vacuumed.
- H. Carpet professionally spot cleaned as required to remove stains.
- I. HVAC chiller water checked for bacteria, water conditioned as necessary.

#### 4. QUARTERLY

- J. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- K. Wood furniture polished.
- L. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- M. HVAC units serviced for preventative maintenance purposes, all filters changed.

# 5. <u>SEMI-ANNUALLY</u>

- N. Windows washed as required inside and outside but not less frequently than twice annually.
- O. All painted wall and door surfaces washed and stains removed.
- P. All walls treated with vinyl covering washed and stains removed.

#### 6. ANNUALLY

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

# 7. AS NEEDED

- T. 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.
- U. 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.
- V. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

- W. 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.

- 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 REQUI AND WHEN RECOR		)	
County of Los Ange Chief Executive Offi Real Estate Division 320 West Temple St 7 <sup>th</sup> Floor Los Angeles, Califor	reet	) ) ) ) Space above for I	Recorder's Use
		, NONDISTURBANCE IENT AGREEMENT	
AGREEMENT RESU	LTS IN YOUR LEASEHO	N, NONDISTURBANCE OLD ESTATE BECOMING E OTHER OR LATER SEC	SUBJECT TO AND OF
into as of the da	y of, 20 olitic ("Tenant"), <i>[Insert</i>	d Attornment Agreement (' by and among COUNT\ name of Landlord], ("Borro	' OF LOS ANGELES, a
Factual Backg	round		
	'Property" herein means	perty more particularly de that real property togethe	
		make a loan to Borrower. bering the Property (the "D	
(the '	'Lease") under which	lord") entered into a lease Borrower leased to Ten nd more particularly descr	ant a portion of the
to the lien of the De	ed of Trust and to attor	ordinate certain of Tenant's n to Lender on the terms	and conditions of this

# <u>Agreement</u>

Therefore, the parties agree as follows:

provided that Lender agrees to a nondisturbance provision, all as set forth more fully below.

- 1. <u>Subordination</u>. 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. <u>Definitions of "Transfer of the Property" and "Purchaser"</u>. 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. <u>Nondisturbance</u>. 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. <u>Attornment.</u> 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. <u>Lender Not Obligated</u>. 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. Notice	es. All notices given under this Agreement shall be in writing and shall be
given by personal de	elivery, overnight receipted courier or by registered or certified United States
mail, postage prepai	id, 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 part	ty by notice to all other parties in accordance with this Section.

ro Lender:	
To Borrower:	
To Tenant:	County of Los Angeles
	Chief Executive Office
	Real Estate Division
	320 West Temple Street, 7th Floor
	Los Angeles, California 90012

7. <u>Miscellaneous Provisions</u>. 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.

Attention: Director of Real Estate

TENANT:	a body corporate and politic
	By: Name: Title:
BORROWER:	[Insert name of Landlord]
	By: Name: Title:_
LENDER:	[Insert name of Lender],
	By:

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	, before me, Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
personally appeared	
	Name of Signer(s)
subscribed to the within instrur in his/her/their authorized cap	s of satisfactory evidence to be the person(s) whose name(s) is/are ment and acknowledged to me that he/she/they executed the same acity(ies), and that by his/her/their signature(s) on the instrument on behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF Pl paragraph is true and correct.	ERJURY under the laws of the State of California that the foregoing
WITNESS my hand and officia	ıl seal.
Signature (Seal)	

#### **EXHIBIT G**

#### TENANT ESTOPPEL CERTIFICATE

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 <u>Exhibit A</u>, 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 numb	per of	
					employees	in the firm <sup>.</sup>	
5. Provide the number of all	Owners, Partners an			Mar	nagers	Staff	
minority	All O		Women	All	Women	All Staff	Women
Black/African American							
Hispanic/Latin American							
Asian American							
Portuguese American							
American Indian/Alaskan							
All Others							
II. PERCENTAGE OF MI	NORIT'	Y/WOME	N OWNERS	HIP IN FIRM			
Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.)							
2. Total Number of Ownership/Partners.			III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION				
3. Provide the	All	Wome			rtified as a mino	ority owned	
Black/African	ШОЮ		]	•		•	
			_ busines	ss illill by the.	State of Califor	IIIIa !	
Hispanic/Latin			Yes		No		
Asian American			Oit. of	Las Amalas	) V !	N.	
Portuguese American			Section D.	OPTION TO	PROVIDE REQ	UESTED INFO	ORMATION
American					provide the info		
All Others			Firm Name	:			
			Signature/T	itle:			
			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
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:
TENANT:	COUNTY OF LOS ANGELES, a body corporate and politic  FESIA A. DAVENPORT
	Acting Chief Executive Officer  By:  DAVID P. HOWARD  Assistant Chief Executive Office
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	A
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)
is/are subscribed to the we executed the same in his	sis of satisfactory evidence to be the person(s) whose name(s) within instrument and acknowledged to me that he/she/they/her/their authorized capacity(ies), and that by his/her/their ment the person(s), or the entity upon behalf of which the instrument.
I certify under PENALTY O foregoing paragraph is true	F PERJURY under the laws of the State of California that the and correct.
WITNESS my hand and off	icial seal.
Signature (Seal)	

# LANDLORD'S WORK LETTER

For

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE LEASE AGREEMENT

COUNTY OF LOS ANGELES, as Tenant

GARVEY AVENUE SOUTH, LLC – Landlord

2934 EAST GARVEY AVE SOUTH WEST COVINA, CALIFORNIA

#### LANDLORD'S WORK LETTER

This Work Letter supplements the Lease Agreement (the "Lease") dated \_\_\_\_\_\_, 20\_\_\_, executed concurrently herewith, by and between GARVEY AVENUE SOUTH, LLC, a California limited liability company 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.** <u>Basic Work Letter Information</u>. 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)	Tenant Improvement Allowance	\$1,209,835 (i.e., \$55 per rentable square foot of the Premises)
(b)	Tenant's TI Contribution	\$ 2,309,685 (i.e., \$105 per rentable square foot of the Premises)
(c)	Change Contingency	Not Applicable
(d)	Tenant Improvement Amortization Rate and Change Authorization Amortization Rate:	8% per annum
(e)	Tenant's Work Letter Representative	Edgar Pejoro or an assigned staff person of the Chief Executive Office-Real Estate Division
(f)	Landlord's Work Letter Representative	Ron Kelly or an assigned staff person of the Landlord
(g)	<u>Landlord's Address for Work Letter</u> <u>Notice</u>	GARVEY AVENUE SOUTH, LLC C/O Ron Kelly 556 North Diamond Bar Boulevard Suite 200 Diamond Bar, California 91765 Email: ron.kelly@olsonmax.com
(h)	Tenant's Address for Work Letter	Chief Executive Office Real Estate Division

Notice

Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate
LeaseAcquisitions@ceo.lacounty.gov

(i) Addenda Addendum A: Base Building

Improvements

Addendum B: Tenant Improvements

Addendum C: Form of Preliminary and Final TI Cost Summary

## 2. Construction of the Building.

2.1 <u>Base Building Improvements</u>. Landlord has constructed or shall construct the base building improvements described on <u>Addendum A</u> 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 <u>Addendum B</u> hereto.

#### 2.2 Additional Costs Not Tenant Improvement Costs.

- (a) If the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the 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 Tenant Improvement Costs (as defined below), and Tenant shall have no financial responsibility for such costs.
- (b) 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. Tenant Improvement 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) Tenant shall be solely responsible for all costs and expenses necessary to increase permitted structural floor loading in order to accommodate Tenant's libraries, file rooms, unusual live loads and other such uses.
- 2.3 <u>Base Building Plans</u>. Landlord has delivered to Tenant "as built" plans and specifications for the Building in an AutoCAD 2015 (or later version) format. In the event Tenant incurs additional costs because such plans and specifications are incomplete or inaccurate, such increased costs will be reimbursed to Tenant, and any delay caused thereby shall not be a Tenant Delay (as defined below).
- 3. <u>Selection of Architect and Engineer</u>. Landlord shall promptly solicit at least three (3) proposals from qualified licensed architects and engineers 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 and an engineer, subject to Tenant's acceptance, which shall not be unreasonably withheld, and which acceptance (or rejection for reasonable reasons) shall be granted within three (3) business days after Landlord has submitted the name of the selected architect and the selected engineer 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 an engineer (the "Engineer"), and Tenant's written acceptance has been delivered to and received by Landlord.

4. <u>Selection of Contractor</u>. The Final Plans (as defined below) and a proposed construction contract accepted by Tenant shall be submitted to a sufficient number of contractors, selected by Landlord and accepted by Tenant, 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 such contract form as Landlord shall designate) 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 selected contractor (the "Contractor") to construct the Tenant Improvements, consistent with the terms of the accepted bid.

## 5. <u>Preparation of Plans and Specifications and Construction Schedule.</u>

- 5.1 <u>Preparation of Space Plan</u>. Concurrently with the execution of this Lease, Tenant shall submit to Landlord a space plan and specifications for the Premises showing all demising walls, corridors, entrances, exits, doors, interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (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 be consistent with the Preliminary TI Cost Summary (as defined below), compatible with the design, construction and equipment of the Building, comply with all applicable laws, be capable of physical measurement and construction, contain all information required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and which shall 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. 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 insuring that the Working Drawings fully comply with all applicable building codes and are free from errors or omissions on the part of the Architect.
- 5.3 <u>Preparation and Review of Engineering Drawings</u>. Landlord shall cause the Architect to coordinate all engineering drawings prepared by the Engineer, showing complete mechanical, electrical, plumbing, and HVAC plans ("Engineering Drawings"), to be integrated 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 <u>Integration of Working Drawings and Engineering Drawings into Final Plans</u>. 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 five (5) sets of the Final Plans to Tenant for Tenant's review and acceptance. 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.

- Drawings, the Engineering Drawings and the Final Plans within fifteen (15) business 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 ten (10) 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 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.
- 5.6 <u>Schedule</u>. Within fifteen (15) days after the Plan Submission Date, Landlord shall submit to Tenant a detailed construction schedule, subject to acceptance by Tenant, which shall not be unreasonably withheld, setting forth the completion dates of certain project benchmarks, 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, construction completion, the Projected Commencement Date and other relevant dates. 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.
- Submittals. The Contractor shall submit to Tenant any Shop Drawings, Product 5.7 Data, Samples and 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" are 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" are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor 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. 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 accepted by the Tenant.

## 6. Landlord's TI Cost Summary and Payment of Tenant Improvement Costs.

- Cost Summary. Within three (3) 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 the Tenant Improvement 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 ten (10) business 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 rejection. 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 was 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 minus any Architectural plan costs associated with the City submittals for permits, and the parties shall have no further obligations under the Lease or this Work Letter.
- Tenant Improvement 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." Costs of Tenant Improvements shall include costs for furniture, telecommunications equipment, soft costs, and any other costs approved in writing by Tenant (collectively "Tenant Improvement Costs"), all of which must not exceed the Tenant Improvement Allowance, Tenant's TI Contribution and costs of any Change Authorizations (as defined below) that are approved in writing by both parties. Except as otherwise provided herein, all Tenant Improvement Costs shall be paid by Landlord and deducted from the Tenant Improvement Allowance. If the Tenant Improvement Costs exceed the Tenant Improvement Allowance, then Tenant may authorize Landlord to pay the overage in an amount not exceeding Tenant's TI Contribution. Thereafter, Tenant shall pay such overage to Landlord as provided in Section 6.3 below.
- 6.3 <u>Method of Payment</u>. One Million Seven Hundred Fifty-Nine Thousand Seven Hundred and Sixty Dollars (\$1,759,760)("Tenant's TI Contribution A") of Tenant's TI Contribution used to pay for any Tenant Improvement Costs in excess of the Tenant Improvement Allowance may, at Tenant's election, be paid to Landlord (a) in a lump sum, when the Tenant Improvements are <u>Substantially Complete</u>, or (b) in equal monthly payments, amortized over the first five (5) years of the Term of the Lease at the Tenant Improvement Amortization Rate. Five Hundred Forty-Nine Thousand Nine Hundred and Twenty-Five Dollars (\$549,925)("Tenant's TI Contribution B") of Tenant's TI Contribution used to pay for any Tenant Improvement Costs in

excess of the Tenant Improvement Allowance may, at Tenant's election, be paid to Landlord (a) in a lump sum, when the Tenant Improvements are <u>Substantially Complete</u>, or (b) in equal monthly payments, amortized over the first three (3) years of the Term of the Lease at the Tenant Improvement Amortization Rate. Tenant may, at any time during the Term, prepay all or any portion of the Tenant Improvement Costs in excess of the Tenant Improvement Allowance and pay any remaining amount in equal monthly payments, amortized over the remaining term of the Lease at the Tenant Improvement Amortization Rate. Notwithstanding the foregoing or any language to the contrary contained herein, any Tenant Improvement Costs in excess of the Tenant Improvement Allowance shall first be allocated to and paid under the terms specified under Tenant's TI Contribution A, only after Tenant's TI Contribution A funds have been exhausted shall any Tenant Improvement Costs in excess of the Tenant Improvement Allowance be allocated to and paid under the terms specified under Tenant's TI Contribution B.

6.4 <u>Base Rent Credit for Unused Tenant Improvement Allowance</u>. If the Tenant Improvement Costs are less than the Tenant Improvement Allowance, then the amount of any unused portion of the Tenant Improvement 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 <u>Tenant Improvements</u>. Tenant Improvements to be constructed by Landlord are described more particularly on <u>Addendum B</u> hereto. If any work required by the Final Plans is not described on <u>Addendum B</u> 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. <u>In the event such expense becomes cost prohibitive, Tenant may value engineer or request approval for additional funds from the Board of Supervisors and an <u>Amendment to the Lease.</u></u>
- 7.2 <u>Bids.</u> 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 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 three (3) bids for the purchase and installation of Tenant's office furniture system, if applicable, in accordance with Section 9.1 below.
- 7.3 <u>Permits</u>. 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 fifteen (15) 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 <u>Construction</u>. Construction of the Tenant Improvements will be subject to the following terms and conditions:

- (a) <u>Notice of Nonresponsibility</u>. 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) <u>Decorating Decisions</u>. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, carpeting 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) <u>Warranties</u>. 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. 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.
- (d) <u>Clean-Up and Substandard Work</u>. 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) <u>Compliance with Laws</u>. 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. 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. 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.
- (f) Access During Construction. Tenant shall have the right to inspect 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 30 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 <u>Completion/Close Out</u>. The Premises shall not be considered Substantially Complete until the Tenant Improvements have been completed in accordance with the Final Plans, 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 ten (10) business 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. 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.

- 7.7 <u>Conformed Plans</u>. 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 Auto CAD R 15.dwg (or later version) format, along with one complete set of mylar transparencies of drawings and one complete set of specifications.
- 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"). The amount of the Change Contingency set forth in Section 1 has been authorized by the Board of Supervisors of the County to be used to pay the costs of any and all Change Authorizations, but only the Chief Executive Officer is authorized to execute Change Authorizations on behalf of Tenant, and only if the aggregate amount of all approved Change Authorizations does not exceed the Change Contingency. 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 Tenant Improvement Allowance shall be paid by Tenant, provided that Tenant executes a written Change Authorization prior to the performance of the applicable work. Tenant may elect to pay for such costs (a) in a lump sum, upon Substantial Completion of the Tenant Improvements, or (b) in equal monthly payments, amortized over the term of the Lease at the Change Authorization Amortization Rate. Landlord shall be solely responsible for the cost of any Change Authorizations or other Requests for Change that are not Tenant-Requested Changes. Landlord shall submit to the Chief Executive Officer with each Request for Change: (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Authorizations previously approved, and (iii) an estimate of the construction time which will be increased or shortened if the Request for Change is approved. Each Change Authorization must be signed and dated by the Chief Executive Officer.

## 9. Furniture System.

9.1 Tenant shall deliver to Landlord within ten (10) days after execution hereof, 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. 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 Tenant Improvement 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 realty or 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.
- Tenant Improvement Costs Adjustment and Right to Audit. Within five (5) days of the issuance of a Certificate of Occupancy for the Premises or a final sign-off by the City of West Covina, whichever occurs first, Landlord shall provide to Tenant a statement showing (a) all Tenant Improvement Costs in reasonable detail and sorted into the same line items as the Final TI Cost Summary, and (b) the amount of Tenant Improvement Costs that is excess of the Tenant Improvement 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 Tenant Improvement 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 Landlord shall pay Tenant the amount of any over-payment made by Tenant within thirty (30) days, 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. <u>Telephone/Computer Room and Equipment</u>. Landlord shall complete the telephone equipment room(s), including permanent power and HVAC, in compliance with the Space Plan and specifications provided by Tenant, at least thirty (30) days prior to the Projected 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 Projected Commencement Date.

# 12. Delay.

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 Projected 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) <u>Notice</u>. 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) <u>Mitigation</u>. Tenant Delays and Force Majeure Delays shall delay the Projected Commencement Date only if Substantial Completion of the Tenant Improvements is delayed, despite Landlord's reasonable efforts to adapt and compensate for such delays, which efforts 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) <u>Concurrent Delays</u>. Tenant Delays and Force Majeure Delays shall be recognized hereunder only if the same are not concurrent with any other Tenant Delay or Force Majeure Delay that is effective hereunder. For example, if there are ten (10) days of Tenant Delays, and four (4) days of Force Majeure Delays occur during the same ten (10) day period, then the Projected Commencement Date would be extended by only ten (10) days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Projected Commencement Date would be extended by fourteen (14) days.
- (d) <u>Change Authorizations</u>. 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.
- **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) days after the Projected Commencement Date, then Tenant may, at its option:
  - 13.1 Cancel the Lease upon thirty (30) days written notice to Landlord; or

- 13.2 Upon thirty (30) 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 default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

## 14. Representatives.

- 14.1 <u>Tenant Representative</u>. 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 <u>Landlord Representative</u>. 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.
- **16.** <u>Construction Meetings</u>. 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 five (5) 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 the date of the next construction meeting.

**17. Delivery**. Delivery of all plans and drawings referred to in this Work Letter shall be by commercial messenger service or personal hand delivery, unless otherwise agreed by Landlord and Tenant.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as of the dates set forth below.

LANDLORD: GARVEY AVENUE SOUTH, LLC, a California limited liability company

By: Ron Kelly  416AA897DB244A1
Name: Ron Kelly
Title: Manager
Date Signed: 11/6/2020
_

TENANT:

COUNTY OF LOS ANGELES, a body corporate and politic

By:	r:	
•	Name:	
	Title:	
	Date Signed:	

HOA.102638697.4 13

#### **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 frames, mullions and glazing in good condition;
- (b) the core area, including mechanical, electrical, sprinkler, plumbing, 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; excluding future TI areas which are not a part of the Premises.
- (c) men's and women's toilet rooms, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water; at common gang restrooms only- excludes accessory restrooms within the Premises.
- (d) unpainted exterior dry wall or lath and plaster covering the exposed side of all exposed core wall(public stairways;
  - (e) passenger and freight elevators;
  - (f) parking facilities;
  - (g) ground floor lobby;
- (h) finished elevator lobbies, common area corridors (with carpet, lights, finished walls and ceiling:
  - (i) exterior plazas and landscaping;
  - (j) loading dock and/or area;
- (k) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;
- (I) 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, in which case Landlord, at no cost to Tenant and without deduction from the Tenant Improvement 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);
- (m) two (2) 208/120 and one (1) 480/277 bolt panels connected to the Building power system;
  - (n) mechanical equipment room with ducted mechanical exhaust system;
- (o) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;

- (p) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution; on ground floor.
- (q) 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
- (r) gypsum board on the service core walls, columns and sills in the Premises. Excluding future TI areas which are not a part of 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. unpainted exterior dry wall or lath and plaster covering onesided on the exposed side of the Premises walls;
  - (I) finished elevator lobbies (with carpet, lights, finished walls and ceiling);
  - (m) drinking fountains at the core;
  - (n) standard window coverings;
  - (o) 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;
    - (p) hot and cold air loops located within the Premises;
    - (q) floor preparation necessary for new floor covering(s).

# **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	\$	
General Contractor	\$	
Furniture	\$	
Other	\$	
Total Tenant Improvement Costs	\$	