



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office
2 Coral Circle • Monterey Park, CA 91755
323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

February 2, 2010

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

Dear Commissioners:

ADOPTED

BOARD OF COMMISSIONERS
HOUSING AUTHORITY

1-H February 2, 2010

SACHI A. HAMAI
EXECUTIVE OFFICER

**APPROVE SUBLEASE FOR THE UNIVERSITY OF CALIFORNIA COOPERATIVE
EXTENSION PROGRAM OFFICE SPACE AT 335-337 EAST AVENUE K-10 IN THE
CITY OF LANCASTER (FIFTH DISTRICT) (3 VOTES)**

SUBJECT

This letter recommends approval of a Sublease between the Housing Authority of the County of Los Angeles (Housing Authority) and the County of Los Angeles (County), which will enable the Housing Authority to lease approximately 1,035 square feet of office space located at 335-337 East Avenue K-10 in the City of Lancaster, for use by the University of California Cooperative Extension program.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that approval of a Sublease between the Housing Authority and the County is exempt from the California Environmental Quality Act as described herein, because the activities will not have the potential for causing a significant effect on the environment.
2. Approve a Sublease between the Housing Authority and the County, which will enable the Housing Authority to lease approximately 1,035 square feet of office space located at 335-337 East Avenue K-10 in the City of Lancaster, for use by the University of California Cooperative Extension program.
3. Authorize the Executive Director to execute the Sublease and all related documents, and to use a total of \$24,715 in County general funds included in the Housing Authority's approved Fiscal Year 2009-



2010 budget for this purpose.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to enter into a Sublease to provide office space for the University of California Cooperative Extension program (Cooperative Extension) at 335-337 East Avenue K-10 in the City of Lancaster, just two blocks east of their current location at the County Regional Center. The space vacated by Cooperative Extension at the County Regional Center will be occupied by the Departments of Public Works, Public Health, Regional Planning, and the Fire Department, allowing these departments to offer expanded services to clients in the Antelope Valley and surrounding communities.

FISCAL IMPACT/FINANCING

Cooperative Extension is funded with County general funds included in the Housing Authority's annual budgets. Cooperative Extension's rent under the proposed Sublease will be paid to the County using these funds.

Under the proposed Sublease, the base rent will be \$1.99 per square foot per month, payable in equal monthly installments of \$2,059.65. The Housing Authority will also pay a proportionate share of the utilities, janitorial services, and any other operating expenses incurred.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Cooperative Extension supports local farmers and residents by providing services related to urban gardens, horticulture, natural resource management, and environmental issues.

In 1993, the Board of Supervisors transferred the Cooperative Extension program from the Los Angeles County Department of Community and Senior Services to the Community Development Commission. Thereafter, the Housing Authority assumed responsibility for administering the program because of its close link in mission to the program. Since that time, the Cooperative Extension's budget has been administered by the Housing Authority. The County and the Housing Authority jointly support the continuation of the Cooperative Extension program services. The Housing Authority leases office space for the Cooperative Extension.

The County currently leases the space at 337 East Avenue K-10 from Frank A. Visco, under a Master Lease adopted by the Board of Supervisors on May 30, 2006. On December 8, 2009, the Board of Supervisors amended the Master Lease to add an additional 3,126 square feet and 12 parking spaces, in order to accommodate Cooperative Extension, as well as the Department of Military and Veteran Affairs and

the Agricultural Commissioner.

The Sublease will be effective following approval as to form by County Counsel and execution by all parties. The Sublease will terminate concurrently with the Master Lease, which is currently set to expire on January 1, 2022. The Housing Authority will have the option of terminating the Sublease upon giving at least 90 days notice.

On December 8, 2009, the Board of Supervisors approved the Sublease on behalf of the County.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it involves no expansion of an existing use and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES

The Sublease will provide office space for the Cooperative Extension program. The relocation from the existing space at the County Regional Center will not impact services.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line extending to the right.

SEAN ROGAN
Executive Director

Attachment

SUBLEASE

This Sublease is made as of the 2ND day of FEBRUARY, 2010 by and between County of Los Angeles, a body corporate and politic (hereinafter referred to as "Sublessor") and Housing Authority of the County of Los Angeles (hereinafter referred to as "Sublessee") with regard to the following facts.

RECITALS

A. Sublessor is the tenant under that certain lease adopted by the Board on May 30, 2006 and amended on December 8, 2009 with Frank A. Visco (the "Landlord"), a copy of which Master Lease No. 75678 is attached hereto as Exhibit A and incorporated herein by this reference (the "Master Lease") concerning approximately 25,166 rentable square feet of office space (the "Premises") located at 335-337 East Avenue K-10, Lancaster, California.

B. Sublessee desires to sublease from Sublessor a portion of the Premises consisting of approximately 1,035 rentable square feet of space (which portion shall be hereafter referred to as the "Subleased Premises") more particularly set forth on Exhibit B attached hereto and incorporated herein by this reference, and Sublessor has agreed to sublease the Subleased Premises to Sublessee upon the terms, covenants and conditions herein set forth.

C. Landlord has provided written consent to Sublease between Sublessor and Sublessee.

AGREEMENT

In consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows.

1. Sublease. Sublessor hereby subleases to Sublessee and Sublessee hereby hires and takes from Sublessor the Subleased Premises.

2. Term. The term of this Sublease, following the approval of the Board of Supervisors, shall commence upon issuance of a Certificate of Occupancy and execution of the Memorandum of Commencement Date attached hereto as Exhibit C and incorporated herein by this reference and shall terminate upon termination of the Master Lease which is currently set to terminate on January 1, 2022. Sublessee shall have the option of terminating this Sublease upon giving Sublessor at least 90 days notice in writing.

3. Rent and Operating Expenses.

3.1) Sublessee shall pay base rent during the term of this Sublease in the initial amount of \$1.99 per rentable square foot of the Subleased Premises per month, payable monthly in advance on the first day of each month in equal monthly

77251

installments of \$2,059.65. Furthermore, in the event that the term of this Sublease shall begin or end on a date which is not the first day of a month, base rent shall be prorated as of such date. Payments shall be payable on the first day of each and every month of the term hereof and shall be made by check or draft issued and payable to the County of Los Angeles, and mailed or otherwise delivered to the County of Los Angeles, Chief Executive Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Rent / Budget.

3.2) Sublessee shall pay their proportionate share of 33.11% (as calculated by the use of 1,035 rentable square feet out of a total of 3,126 rentable square feet) of the utilities, janitorial services, and any other operating expenses incurred, which shall be billed on a monthly basis to Sublessee.

4. Use. Sublessee covenants and agrees to use the Premises in accordance with the provisions of the Master Lease and for no other purpose and otherwise in accordance with the terms and conditions of the Master Lease and this Sublease.

5. Master Lease. As applied to this Sublease, the words "Landlord" and "Tenant" as used in the Master Lease shall be deemed to refer to Sublessor and Sublessee hereunder, respectively. Sublessee and this Sublease shall be subject in all respects to the terms of, and the rights of the Landlord under the Master Lease. Except as otherwise expressly provided in Section 7 hereof, the covenants, agreements, terms, provisions and conditions of the Master Lease insofar as they relate to the Subleased Premises and insofar as they are not inconsistent with the terms of this Sublease are made a part of and incorporated into this Sublease as if recited herein in full, and the rights and obligations of the Landlord and the Tenant under the Master Lease shall be deemed the rights and obligations of Sublessor and Sublessee respectively hereunder and shall be binding upon and inure to the benefit of Sublessor and Sublessee respectively. As between the parties hereto only, in the event of a conflict between the terms of the Master Lease and the terms of this Sublease, the terms of this Sublease shall control.

6. Landlord's Performance Under Master Lease.

6.1 Sublessee acknowledges and agrees that Sublessor is not in a position to render any of the services or to perform any of the obligations required of Sublessor by the terms of this Sublease. Therefore, notwithstanding anything to the contrary contained in this Sublease, Sublessee agrees that performance by Sublessor of its obligations hereunder are conditional upon due performance by the Landlord of its corresponding obligations under the Master Lease and Sublessor shall not be liable to Sublessee for any default of the Landlord under the Master Lease. Sublessee shall not have any claim against Sublessor by reason of the Landlord's failure or refusal to comply with any of the provisions of the Master Lease unless such failure or refusal is a result of Sublessor's act or failure to act. This Sublease shall remain in full force and effect notwithstanding the Landlord's failure or refusal to comply with any such provisions of the Master Lease and Sublessee shall pay the base rent and any

additional rent and all other charges provided for herein without any abatement, deduction or setoff whatsoever. Sublessee covenants and warrants that it fully understands and agrees to be subject to and bound by all of the covenants, agreements, terms, provisions and conditions of the Master Lease, except as modified herein. Furthermore, Sublessee and Sublessor further covenant not to take any action or do or perform any act or fail to perform any act which would result in the failure or breach of any of the covenants, agreements, terms, provisions or conditions of the Master Lease on the part of the Tenant thereunder.

6.2 Whenever the consent of Landlord shall be required by, or Landlord shall fail to perform its obligations under, the Master Lease, Sublessor agrees to use its best efforts to obtain, at Sublessee's sole cost and expense, such consent and/or performance on behalf of Sublessee.

6.3 Sublessor represents and warrants to Sublessee that the Master Lease is in full force and effect, all obligations of both Landlord and Sublessor thereunder have been satisfied and Sublessor has neither given nor received a notice of default pursuant to the Master Lease.

6.4 Sublessor covenants as follows: (i) not to voluntarily terminate the Master Lease, (ii) not to modify the Master Lease so as to adversely affect Sublessee's rights hereunder, and (iii) to take all actions reasonably necessary to preserve the Master Lease.

7. Variations from Master Lease. The following covenants, agreements, terms, provisions and conditions of the Master Lease are hereby modified or not incorporated herein:

7.1 The parties hereto represent and warrant to each other that neither party dealt with any broker or finder in connection with the consummation of this Sublease and each party agrees to indemnify, hold and save the other party harmless from and against any and all claims for brokerage commissions or finder's fees arising out of either of their acts in connection with this Sublease. The provisions of this Section 7.2 shall survive the expiration or earlier termination of this Sublease.

7.2 Notwithstanding anything contained in the Master Lease to the contrary, as between Sublessor and Sublessee only, all insurance proceeds or condemnation awards received by Sublessor under the Master Lease shall be deemed to be the property of Sublessor.

7.3 Any notice which may or shall be given by either party hereunder shall be either delivered personally or sent by certified mail, return receipt requested, to CDC/Housing Authority of the County of Los Angeles, 2 Coral Circle, Monterey Park, California 91755, Attention: Bobbette Glover (if to the Sublessee), or to Chief Executive Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, California 90012 (if to the Sublessor).

7.4 All amounts payable hereunder by Sublessee shall be payable directly to Sublessor.

7.5 Sublessor shall deliver the Subleased Premises to Sublessee in its current "as is" condition.

7.6 Sublessee shall not be required to remove any improvements located in the Subleased Premises upon the expiration of the term hereof.

8. Indemnity. Sublessee hereby agrees to indemnify and hold Sublessor harmless from and against any and all claims, losses and damages, including, without limitation, reasonable attorneys' fees and disbursements, which may at any time be asserted against Sublessor by (a) the Landlord for failure of Sublessee to perform any of the covenants, agreements, terms, provisions or conditions contained in the Master Lease which by reason of the provisions of this Sublease Sublessee is obligated to perform, or (b) any person by reason of Sublessee's use and/or occupancy of the Subleased Premises. The provisions of this Section 8 shall survive the expiration or earlier termination of the Master Lease and/or this Sublease, except to the extent any of the foregoing is caused or by the negligence of Sublessor.

9. Cancellation of Master Lease. In the event of the cancellation or termination of the Master Lease for any reason whatsoever or of the involuntary surrender of the Master Lease by operation of law prior to the expiration date of this Sublease, Sublessee agrees to make full and complete attornment to the Landlord under the Master Lease for the balance of the term of this Sublease and upon the then executory terms hereof at the option of the Landlord at any time during Sublessee's occupancy of the Premises, which attornment shall be evidenced by an agreement in form and substance reasonably satisfactory to the Landlord. Sublessee agrees to execute and deliver such an agreement at any time within ten (10) business days after request of the Landlord, and Sublessee waives the provisions of any law now or hereafter in effect which may give Sublessee any right of election to terminate this Sublease or to surrender possession of the Subleased Premises in the event any proceeding is brought by the Landlord under the Master Lease to terminate the Master Lease.

10. Certificates. Each party hereto shall at any time and from time to time as requested by the other party upon not less than ten (10) days prior written notice, execute, acknowledge and deliver to the other party, a statement in writing certifying that this Sublease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications, if any) certifying the dates to which rent and any other charges have been paid and stating whether or not, to the knowledge of the person signing the certificate, that the other party is not in default beyond any applicable grace period provided herein in performance of any of its obligations under this Sublease, and if so, specifying each such default of which the signer may have knowledge, it being intended that any such statement delivered pursuant hereto may be relied upon by others with whom the party requesting such certificate may be dealing.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has executed this Sublease or caused it to be duly executed by its Chair, and Sublessee has caused this Sublease to be executed in its behalf by its duly authorized officer, this day, month, and year first above written.

SUBLESSEE:

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES

COUNTY OF LOS ANGELES

By: *Bobette A. Glover*
for Executive Director

By: *Gloria Molina*
Chair, Board of Supervisors

ATTEST:

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



By: *Amr Khana*
Deputy **MAR 12 2010**

APPROVED AS TO FORM

ANDREA SHERIDAN ORDIN
County Counsel

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

By: *Andrea Sheridan Ordin*
Senior Deputy County Counsel

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Commissioners

By: *Amr Khana*
Deputy

ADOPTED
BOARD OF COMMISSIONERS
HOUSING AUTHORITY

1-H

FEB 02 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

77251

EXHIBIT A
THE MASTER LEASE

EXHIBIT B

THE SUBLEASED PREMISES

EXHIBIT C

MEMORANDUM OF COMMENCEMENT DATE

Reference is made to that certain sublease ("Sublease") dated MARCH 26, 2010, between the County of Los Angeles, a body politic and corporate ("Sublessor"), and Housing Authority of the County of Los Angeles ("Sublessee"), whereby Sublessor leased to Sublessee and Sublessee leased from Sublessor certain premises in the building located at 335-337 East Avenue K-10, Lancaster, CA ("Premises"),

Sublessor and Sublessee hereby acknowledge as follows:

- (1) Sublessor delivered possession of the Premises to Sublessee in a Substantially Complete condition on _____ ("Possession Date");
- (2) Tenant has accepted possession of the Premises and now occupies the same;
- (3) The Sublease commenced on _____ ("Commendment Date");
- (4) The Premises contains 1,035 rentable square feet of space; and
- (5) Basic Rent Per Month is \$2,059.65.

IN WITNESS WHEREOF, this Memorandum is executed this 26TH day of MARCH, 2010.

SUBLESSOR
COUNTY OF LOS ANGELES

By: Gloria Molina
Its: CHAIR, BOARD OF SUPERVISORS

SUBLESSEE
HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES

By: Bobette A. Glover
Its: EXECUTIVE DIRECTOR

ADOPTED
BOARD OF COMMISSIONERS
HOUSING AUTHORITY

1 - H

FEB 02 2010



ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF COMMISSIONERS
HOUSING AUTHORITY

By: Sachi A. Hamai Deputy

HOA.649838.1

EXHIBIT A - Page 1

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER
335-337 East Avenue K-10, Lancaster
Housing Authority of the County of Los Angeles