



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

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May 06, 2014

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

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

23 May 6, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**APPROVAL OF AN EXCLUSIVE NEGOTIATION AGREEMENT
WITH COHEN BROTHERS REALTY CORPORATION OF CALIFORNIA
780 N. SAN VICENTE BOULEVARD, WEST HOLLYWOOD
(THIRD DISTRICT)
(3 VOTES)**

SUBJECT

Approval of the recommended actions will allow the County and the adjacent property owner/ developer, Cohen Brothers Realty Corporation of California, to enter into a twenty-four (24) month exclusive negotiation agreement giving Cohen an opportunity to explore the feasibility of developing a possible mixed-use development that could involve the potential leasing of the County-owned parcel of real property located at 780 N. San Vicente Boulevard, which currently houses the West Hollywood Sheriff's Station.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Chairman to sign the exclusive negotiation agreement with Cohen Brothers Realty Corporation of California, establishing an exclusive twenty-four (24) month period in which Cohen Brothers Realty Corporation of California would be able to analyze conceptual development ideas encompassing the West Hollywood Sheriff's Station site, and for the parties to engage in negotiations to establish a lease agreement for possible use of the site.
2. Authorize the Chief Executive Office to negotiate exclusively with Cohen Brothers Realty Corporation of California to establish key terms and conditions, which would form the basis of an agreement to lease the West Hollywood Sheriff's Station site.

3. Authorize and instruct the Chief Executive Office to establish a trust account to receive deposits that may be collected from Cohen Brothers Realty Corporation of California to be utilized to cover reasonable costs that the County may incur in evaluating and assessing the potential agreement. The initial deposit has been estimated at \$75,000.

4. Authorize the Chief Executive Office to prepare a final draft, execute, and issue a Permit to Enter, in the same form as the one attached to the Exclusive Negotiation Agreement, with Cohen Brothers Realty Corporation of California, allowing them access to the West Hollywood Sheriff's Station site to conduct a property inspection.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Cohen Brothers Realty Corporation of California (Cohen) is the owner/developer of the Pacific Design Center (PDC), a mixed-use development of design, office, retail, and meeting spaces located in West Hollywood. Adjoining the PDC property is an 8.4-acre parcel of land owned by the Los Angeles County Metropolitan Transportation Authority (MTA), currently serving as MTA's Division 7 Bus Maintenance and Operations facility, and the County's 2.5-acre West Hollywood Sheriff's Station (Sheriff's Station) site.

Cohen believes that the proximity of PDC to both the MTA and the County's sites presents a unique opportunity for development that Cohen would like to explore in depth. While conceptual development designs are still in the preliminary stages, Cohen envisions the creation of a multi-use development project, which would combine and utilize both the MTA and Sheriff's Station sites, and is expected to include both public and private sector uses. To that extent, Cohen and MTA have entered into an exclusive negotiation agreement (ENA) giving Cohen exclusive rights to explore development ideas utilizing the MTA site.

The purpose of this unsolicited proposal by Cohen is to enter into an ENA, establishing a twenty-four (24) month period with the County in order to assess the feasibility of incorporating the Sheriff's Station site into its overall development ideas, and allow the parties to engage in exclusive negotiations to establish the terms and conditions for a potential long-term lease agreement. The proposed ENA does not constitute an approval of any project, but merely allows Cohen the opportunity to analyze, study, and design a project and project economics that will ultimately meet with approval from the County, MTA, and the City of West Hollywood who is the zoning and entitlement authority. Approval of the requested exploratory actions will also provide the County with a better insight and understanding of Cohen's potential lease and use of the Sheriff's Station site, in the context of Cohen's overall plans.

Should negotiations for a lease agreement be successful, and if the Board of Supervisors subsequently approves the use of the Sheriff's Station site, Cohen has proposed to relocate and construct a new Sheriff's Station facility, at its sole cost and expense. The present Sheriff's Station was built in 1980, and has begun to experience some overcrowding issues. Therefore, the proposed ENA would provide an opportunity for the County to adequately address future issues concerning the existing Sheriff's Station while assessing the best interests of the County and any beneficial economic opportunities presented by lease of the Sheriff's Station site.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Fiscal Sustainability (Goal 2) directs that we strengthen and enhance the County’s capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship. Approving the proposed action is consistent with that goal by exploring the possibility of having a new Sheriff’s Station built at no cost to the County while providing sufficient space for personnel to ensure that efficient services are provided to the public and community.

FISCAL IMPACT/FINANCING

No financial impact is expected since any budgeting for costs associated with the ENA, including development activities and lease negotiations, will be expensed and billed directly to Cohen for any and all County costs incurred. Cohen will pay by deposit, in a trust account specifically established for this purpose. The initial deposit for County services is estimated to be in the amount of \$75,000.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Cohen has approached the County and MTA about the potential redevelopment of their respective sites, which together total 10.9 acres, located at the southeast corner of San Vicente and Santa Monica Boulevards in West Hollywood. Conceptually, Cohen has proposed to develop a new bus facility/maintenance yard and a new Sheriff’s Station to replace those existing uses by building a three-level underground garage for MTA bus storage, maintenance, and operations. Then, atop the garage area, create a multi-building complex and a new Sheriff’s Station. Possible private sector development opportunities may include a mix of uses such as office, residential/hotel, retail shops, movie theater complex, and open amphitheater area.

County Counsel has reviewed the attached ENA and has approved it as to form.

ENVIRONMENTAL DOCUMENTATION

Approval of the proposed ENA does not constitute a project under CEQA as it is not an activity which may cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, CEQA review is not required in connection with the currently recommended actions.

The appropriate environmental studies and documentation will be completed prior to returning to the Board for consideration and approval of any discretionary action that may impact the environment, such as consummation of a lease agreement involving the subject property.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the current recommendation will have no impact on current services. The Sheriff’s Department currently occupies the Sheriff’s Station site, and services will continue without interruption.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors, return one original copy of the signed Exclusive Negotiation Agreement, a certified copy of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF', followed by a large, stylized flourish that resembles a heart or a large 'F' shape, and a long horizontal line extending to the right.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR
CMM:RL:ls

Enclosures

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

EXCLUSIVE NEGOTIATION AGREEMENT FOR POTENTIAL LEASE BETWEEN
COUNTY OF LOS ANGELES AND COHEN BROTHERS REALTY CORPORATION OF
CALIFORNIA, 780 NORTH SAN VICENTE BOULEVARD

This Exclusive Negotiation Agreement for a potential lease of real property owned by the County of Los Angeles ("**ENA**") is made and entered into as of ~~March []~~, May 6, 2014 ("**Effective Date**") by and between Cohen Brothers Realty Corporation of California, a California corporation ("**Developer**"), and the County of Los Angeles ("**County**"), each individually a "**Party**" and collectively the "**Parties**".

RECITALS

A. The County owns certain real property located at 780 North San Vicente Boulevard, West Hollywood, Los Angeles, California, depicted on Exhibit "A" attached hereto (the "**County Site**"). The County currently uses the County Site for a County of Los Angeles Sheriff Station ("Sheriff's Station").

B. The Los Angeles County Metropolitan Transportation Authority ("**LACMTA**") owns certain real property located at 8800 Santa Monica Boulevard, West Hollywood, Los Angeles, California, depicted in Exhibit "B" attached hereto and incorporated herein by reference ("**LACMTA Site**"). LACMTA currently uses the LACMTA Site for its Division 7 bus operations and maintenance facility ("**Division 7**"). Developer and LACMTA have entered into that certain Exclusive Negotiation Agreement and Planning Document dated February 6, 2013 ("LACMTA ENA") with respect to potential development of the LACMTA Site.

C. Developer's related entities, which are under common ownership and control with Developer, own and operate the Pacific Design Center, consisting of three landmark buildings that are built or under construction and that together total approximately 1,587,000 square feet of design mart space, office space, restaurant uses, meeting space, and related uses, with a garage complex including approximately 3,100 parking spaces accessible from Melrose Avenue and from San Vicente Boulevard, all of which is located on an approximately 14.2-acre campus immediately adjacent to and south of the Development Site (defined below). The Pacific Design Center campus is a major economic activity driver, a major location for public and private events and gatherings, and a major architectural icon. The Campus adjoins the County Site and part of the Sheriff's Station is located on Pacific Design Center property. The proximity of the Campus to the County Site and LACMTA Site presents unique development opportunities including the creation of pedestrian connectivity between Melrose Avenue and Santa Monica Boulevard and interconnectivity with underground parking. The Pacific Design Center campus' ample parking and open areas add to these other attributes to create a unique opportunity for the Development Site to be considered for coordinated development under Developer's control.

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D. Developer previously submitted an unsolicited written joint development project proposal dated October 25, 2011 (the "Proposal") to LACMTA which led to the LACMTA ENA. The Proposal contemplates using both the County Site and LACMTA Site (together, the "**Development Site**") which totals 10.9 acres. The development is anticipated to be built in phases, the exact composition and uses of which will be more fully developed during the land use entitlement, environmental analysis, and consideration period for the proposed development's assessment and consideration, but may ultimately include a mix of residential units, hotel space, commercial office space, government facilities, retail shops, a movie theater complex, an amphitheater, a multi-level garage and a new bus maintenance and operations facility which will replace the existing LACMTA Division 7 facility. The proposed development might also require a relocation and/or replacement of the Sheriff's Station, on terms acceptable to the County. If approved and implemented, the proposed development would ensure, to the County's satisfaction, that the County can maintain full Sheriff's Station operations and services during and after construction. The proposed development as described in this Recital is referred to herein as the "**Project**".

E. The Developer and County desire to explore the possibility of the Developer's proposed lease of the County Site to further public goals including but not limited to: (i) continuing to provide effective and efficient Sheriff Station operations and services, coordinated and consistent with Developer's potential Project; (ii) enhancing the land use and economic development goals of surrounding communities and conforming to applicable local and regional development plans, as such plans may be amended from time to time; (iv) promoting transit-oriented development and enhancing transit ridership; (v) enhancing and protecting the transportation corridor and its environs. Consistent with these public goals, the County and the Developer desire to negotiate a possible lease of the County Site by the Developer (the "Lease") (said Lease and any related agreements to be entered into alternatively being referred to herein as the "**County Transaction**").

F. As further described below, the County shall not proceed with the County Transaction until the Parties have negotiated, executed and delivered mutually acceptable agreements based upon financial analysis and information produced from the California Environmental Quality Act ("**CEQA**") environmental review process and on other public review and hearing processes and subject to all applicable governmental approvals. The County understands the Project will also require the cooperation of the LACMTA and the transaction to be entered into between the Developer and the LACMTA for the LACMTA Site is referred to herein as the "**LACMTA Transaction**." The County Transaction and the LACMTA Transaction are sometimes referred to herein as the "**Transactions**."

G. The City of West Hollywood will be the lead agency under CEQA in connection with the consideration and analysis of the environmental impacts of the development of the Project in consultation with the County, LACMTA and the Developer. Because the County has not completed a CEQA review, this ENA does not constitute or evidence an approval by the County of, or commitment of the County to, any action for which prior environmental review is required under CEQA. The County retains the absolute sole discretion to make decisions under CEQA, which discretion includes, without limitation (i) deciding not to proceed with the Project (the "**no build' alternative**"), (ii) deciding to proceed with development of the Project and /or any of the agreements contemplated in this ENA, and (iii) deciding to proceed with any alternative development of any portion of the County Site (the "**Potential County Actions**"). There shall be no approval or commitment by the County regarding the development of the Project, the Lease, or any of the agreements contemplated in this ENA or any alternative development of any portion of the County Site, unless and until the County as a responsible agency, and based upon information resulting from the CEQA environmental review process, considers the impacts of the Potential County Actions.

In consideration of, and subject to, the above Recitals, the Parties hereby agree as follows:

AGREEMENT

1. Agreement to Negotiate Exclusively: Good Faith Negotiations.

A. Exclusive Negotiations. During the Term, as defined below, and so long as Developer is negotiating in good faith and is not otherwise in default of its obligations under this ENA, the County will not solicit offers of proposals from other parties concerning leasing, using, or making improvements to the County Site. The Parties will negotiate exclusively and in good faith in accordance with this ENA regarding the terms of the County Transaction and drafting of a Lease consistent with the Project plans on the Development Site. Developer acknowledges, however, that the County may, from time to time, be contacted by other developers respecting long-term use or development of the County Site and that such contact is expressly permitted so long as the County does not initiate the contact and indicates to such developers that the County has executed this ENA with Developer and that the County is prohibited from: (i) discussing anything concerning these negotiations with such other developers, consistent with the County's disclosure obligations under the California Public Records Act, Civil Code section 6520 et seq. ("Public Records Act"), (ii) considering any offer or proposal; or (iii) negotiating with such other developers, until this ENA expires or is terminated, as provided in Section 2 of this ENA.

B. Essential Terms. The Parties acknowledge that the Proposal and this ENA do not establish all the essential terms of the Transactions and that although they have set forth herein a framework for negotiation of the essential terms of the

Transactions: (i) they have not set forth herein nor agreed upon many of the essential terms of the County Transaction including, among other conditions, the price, terms, or timing of the potential Lease; (ii) they do not intend the Proposal or this ENA to be a statement of the essential terms of the County Transaction; and (iii) the essential terms of the County Transaction, if agreed to by the Parties, shall be set forth, if at all, in the documentation negotiated, approved and executed by authorized representatives of each of the Parties after all required CEQA reviews have been conducted and determinations made.

2. Term and Termination.

A. Term. This ENA shall commence upon the Effective Date and shall terminate twenty-four (24) months thereafter ("**Term**"). The Parties agree to negotiate in good faith during the Term and if the Parties have not executed and delivered the Lease within such time, the Parties may extend the Term of this ENA for a period not exceeding six (6) months from the end of the initial Term, subject to the County's evaluation of whether substantial progress has been made towards fulfillment of the requirements of this ENA, including, without limitation, whether the Developer is diligently pursuing any County, LACMTA, City of West Hollywood or other governmental actions or approvals necessary or convenient to assess and consider approval of the Project. If after such six-month extension of the Term, the Parties still have not executed and delivered the Lease, the Parties may extend the Term of this ENA for one additional period not exceeding six (6) months, subject to the County's evaluation of whether substantial progress has been made towards fulfillment of the requirements of this ENA. The Term may be extended only by written amendment to this ENA executed by authorized representatives of the Parties, and no other act or failure to act by the County or any of its representatives shall result in an extension of the Term.

B. Right to Terminate.

i. If the County determines that a successful consummation of the negotiations is not likely or that the Project is not feasible or capable of being financed in a commercially reasonable manner, it may terminate this ENA upon written notice to Developer. Upon the County's termination of this ENA, any rights or interest that Developer may have hereunder shall cease and the County shall have the right thereafter to use, develop on its own, or dispose of the County Site as it shall determine appropriate in its sole discretion. Any architect design plans submitted with the Proposal or as part of the Project assessment or consideration process shall remain the personal property of Developer, and the County shall return all such plans to Developer within thirty (30) days after termination of the ENA. The County may, however, retain and use copies of any engineering and non-design architect technical reports covering the physical condition of the County Site and the LACMTA Site, such as soils reports, contamination reports, subsurface engineering reports, and geotechnical reports.

ii. If Developer determines that a successful consummation of the negotiations is not likely or that the Project is not feasible or capable of being financed

in a commercially reasonable manner, it may terminate this ENA upon written notice to the County. Upon Developer's termination of this ENA, any rights or interest that Developer may have hereunder shall cease and the County shall have the right thereafter to use of the County Site as it shall determine appropriate in its sole discretion. Any architect design plans submitted with the Proposal or as part of the Project assessment or consideration process shall remain the personal property of Developer, and the County shall return all such plans to Developer within thirty (30) days after termination of the ENA. The County may, however, retain and use copies of any engineering and non-design architect technical reports covering the physical condition of the County Site and the LACMTA Site, such as soils reports, contamination reports, subsurface engineering reports, and geotechnical reports.

C. Execution. No agreement or documentation that may hereafter be negotiated between the Parties shall become final and binding unless and until (i) the County has complied with all applicable requirements of CEQA pertaining to the County Transaction; (ii) such documentation is approved by the Board of Supervisors; and (iii) such documentation is executed by the authorized representatives of each of the Parties.

D. Approval of the Potential County Actions. Prior to the satisfaction of the terms set forth in Section 2C, no (i) negotiation or preparation of any Lease or other related documentation, including without limitation, any specific terms and provisions or any form of document, (ii) review or approval by the County of various stages of proposed plans and specifications for the Project; or (iii) cooperation or participation by the County in development applications or submittals for the Project, shall constitute the County's approval of or commitment to take any of the Potential County Actions.

3. Payment and Deposit.

A. Compensation for Actual ENA Expenses Incurred by County Developer shall compensate the County up to a maximum aggregate of Seventy Five Thousand Dollars (\$75,000.00) for the County's reasonable actual costs related to assessment of the Project and negotiation of the Lease and other related agreements ("**County ENA Expenses**"). The County ENA Expenses shall include, without limitation, the cost of any in-house staff time and third party consultation fees, actually incurred to perform financial analysis, negotiations, appraisals, appropriate services, and other County administrative costs expended in the evaluation of the Project, including reviewing engineering and other reports related to the Project, reviewing operational plans for conformance with the County's standard operating procedures for a Sheriff's station, and reviewing Developer's plans and specifications for the Project. Notwithstanding anything to the contrary contained herein, if the County is requested to perform any engineering studies, technical services or other similar services, or supervision of on-site testing or inspections, or if the Deposit is insufficient to cover County Transaction Expenses, the County shall have the right to request additional funds as may be reasonably necessary to compensate the actual costs of providing those services or County ENA Expenses. If Developer does not consent to make such additional

payments, the County may decline to provide the services and may terminate this ENA. In no event shall Developer be obligated to pay any County ENA Expenses in excess of the aforementioned \$75,000 compensation amount without the prior written consent of Developer.

B. Non-Refundable Deposit. As a condition precedent to the ENA, Developer shall deposit the aforementioned compensation in the amount of Seventy Five Thousand Dollars (\$75,000) no later than fifteen (15) days after full execution of this ENA. Said compensation amount shall be deposited in the form of certified check into a trust fund to be designated by County. In the event this ENA terminates or is terminated as provided in Section 2, the Deposit will become non-refundable to the extent necessary to pay County ENA Expenses incurred or contractually committed to be paid as of the date of termination, and the County shall return to Developer any portion of the Deposit that is not needed to pay such County ENA Expenses. The Parties agree that the County (a) has no obligation to pay interest on the Deposit to Developer, and (b) is not required to deposit the Deposit in an interest bearing account. Interest, if any, earned on the Deposit may remain in the Deposit account and may be added to the amount of the Deposit. The County shall itemize expenses.

4. Agreements to be Negotiated.

A. Lease. The County and Developer shall work in good faith to negotiate and jointly prepare a Lease during the term of this ENA. The Lease shall include, without limitation, provisions relating to: (1) any necessary alternations or tenant improvements on the County Site; (2) any necessary relocation of Sheriff Station operations to other locations within the Development Site during the term of the Lease; (3) a schedule of performance; (4) the Parties' obligations during the term of the Lease and escrow instructions, including the conditions to close, for the consummation of any Lease transactions; (5) how Sheriff Station operations will continue during and after construction, and how the Project will capture any net increased operating costs which may be identified by the County related to Project construction; (6) the County's review and approval, in its sole and absolute discretion, of all proposed operational plans to house the Sheriff's Station in the facility, provided, however, if the Project does not have enough funds to compensate the County for net increased operating costs identified under subsection (4) above and the County is not otherwise made whole, the County at its sole and absolute discretion may terminate this ENA. The Lease shall also include provisions common in a commercial lease, such as those relating to term, rent, construction procedures, encumbrances, and subleasing.

B. Other Agreements. If the County Transaction requires other agreements, such as reciprocal easements, sales, exchanges, licenses, dedications, each of those agreements shall be negotiated in accordance with applicable County policies and procedures and County Board of Supervisors' authority. Developer shall be responsible for coordinating and ensuring that all documents with third parties, including, without limitation those agreements needed for the LACMTA Transaction, are consistent with the agreements required for the County Transaction.

C. Execution by Developer. In the event the Parties have not agreed on the form of Lease and other agreements and Developer has not executed the Lease and such other agreements prior to the expiration of the Term or earlier termination of this ENA, upon expiration or termination of this ENA, Developer shall have no further rights or interest in the County Site.

5. County Obligations.

A. Funding Obligation. The County has not agreed to fund, subsidize or otherwise financially contribute in any manner toward the development of the Project.

B. County Discretion. The County is not approving, committing to, or agreeing to undertake: (i) the Project or any other development; (ii) lease or other disposition of land to the Developer; or (iii) any other acts or activities requiring the subsequent independent exercise of discretion by the County.

6. Developer's Regulatory Approval Responsibilities.

Without limiting any other provision of this ENA, during the Term, Developer, at its sole cost and expense, shall prepare and submit the following information and documents and perform the following acts, all in furtherance of the negotiation process:

A. Project Information. County, LACMTA, and all other agencies having regulatory jurisdiction will require planning and design approval for the Project. Developer shall meet with representatives of the County to review and come to a clear understanding of the planning and design requirements of the County and other agencies for the Project. Within one year after the Effective Date, Developer shall submit to the County the following information and documents:

(i) Evidence reasonably satisfactory to the County that Developer has the resources and financial capability to develop the Project;

(ii) Evidence of control of any properties not owned by the County but considered essential to the Project, including, without limitation, the LACMTA Site. Evidence shall be in the form of letters of intent or other acceptable evidence of control;

(iii) Revised or updated Project design concept plan to be implemented at or above the LEED-Silver construction standard or its equivalent, including a site plan and sections as necessary to describe the proposed scope;

(iv) Project development schedule by phase including milestones for site control, if needed, design, environment/land use entitlements, construction and completion;

(v) A financing plan for the Project that shall include: source, availability and estimated amounts of a) equity capital, and b) construction and long-term financing;

(vi) A description of land use entitlements that may be needed to develop the Project and a proposed schedule for obtaining such entitlements including all actions required to process and obtain such entitlements;

(vii) A development pro forma for the Project in sufficient detail to allow the County to evaluate the economic feasibility of the Project, including, without limitation, a statement of the overall estimated costs of construction, an estimate of income to be derived from the Project, and Project operating costs and debt service ("**Development Pro Forma**"). The Development Pro Forma is required to enable the County to evaluate the Project's return, Developer's return and the economic feasibility of the proposed development of the Project;

B. Project Progress Information. Developer shall provide reasonable prior notice, to the extent reasonably possible to provide such notice, to the County of any substantive Project planning meetings with governmental offices (including staff) relating to the County Site or the Project and allow the County to attend such meetings at the County's sole discretion. Developer shall keep the County fully informed during the Term regarding all substantive matters affecting the County Site and its proposed development about which Developer has or acquires knowledge.

C. Environmental Documents. The Developer shall bear the costs associated with the preparation and certification of any required environmental documents including an Environmental Impact Report in compliance with CEQA. The Parties presume that the County will be a responsible agency in connection with any required environmental reviews or determinations required by CEQA. Developer shall arrange and pay for all required CEQA studies and reviews at its sole cost and expense. The County shall exercise its own independent judgment in the review, approval and/or certification of any environmental documents prepared in connection with the County's consideration of the Project.

D. Further Information. The County reserves the right at any time to request from Developer, and Developer shall provide in a timely manner, additional or updated information about Developer and/or the Project; and

- E. Developer shall be responsible for responding and handling questions from the public and the local residents regarding the Project.

7. Inspections.

During the Term, Developer may conduct such inspections, tests, surveys, and other analyses ("**Inspections**") as Developer deems reasonably necessary to determine the feasibility of designing, constructing, leasing, and financing the Project

and shall complete such Inspections as promptly as reasonably possible within the Term as set forth herein. Any entry onto the County Site by Developer or its employees, agents, contractors, successors and assigns, shall be in accordance with the Permit to Enter agreement ("**PTE**") in the form attached as Exhibit "C" which shall be executed within 30 days after the Effective Date. Pursuant to the PTE, Developer shall coordinate and schedule the time(s) of its entry on to the County Site to meet County's requirements. Developer's and its contractors' access to the County Site shall not interfere, conflict with or impair Sheriff's operations or other activities on the County Site as set forth in the PTE.

8. Plans, Reports, Studies, and Entitlements.

A. County Information. the County, in its sole discretion, may make available to Developer upon Developer's written request, existing information and plans held by the County and needed for the development of the Project on the County Site, provided that Developer and any person with access to such information and plans must execute a non-disclosure agreement and follow the County's confidentiality and use limitations set forth in such agreement. Developer agrees to conform to and abide by such confidentiality and use limitations as set forth in the County's then current standard non-disclosure agreement. Developer also agrees to conform to and abide by any applicable confidentiality laws or regulatory requirements.

B. Provision of Plans. All plans, reports, studies (including zoning and development entitlement applications, environmental documents, and reports filed in connection therewith), and investigation reports with respect to the County Site and the Project (collectively, "**Plans**") shall be prepared at Developer's sole cost and expense. Upon request by the County or any regulatory agency, Developer shall provide to the County or the requesting agency, subject to the confidentiality provisions in Section 16, without cost or expense to the County or that the regulatory agency, copies of all Plans prepared by or on behalf of Developer. Developer shall include in its contractors' and consultants' contracts the right to assign the Plans to the County. Documents prepared for Developer's confidential use and not released to third parties other than Developer's attorneys and confidential advisors shall not be considered Plans for these purposes.

C. Entitlements. The County understands that Developer may desire to procure the necessary entitlements for the Project; provided, however, Developer shall not seek or obtain any entitlements that encumber the County's fee interest in the County Site without the County's prior written consent. Developer shall include the County in all substantive Project planning meetings, correspondence and other communications regarding the County Site with the applicable public agencies and provide the County with copies of all proposed and final filings, submittals and correspondence relating to any zoning or entitlement applications for County review and approval. Developer shall provide the proposed filings and applications at least fifteen (15) business days before Developer intends to submit such filing or application. Developer shall not apply for any zoning or entitlement changes to the County Site that adversely impact or hinder the County's future use or development of the County Site

compared to any zoning or entitlement rights as of the Effective Date. The obligations contained in this Section 8C shall survive termination of this ENA.

9. Indemnity and Insurance

A. Indemnity. Developer shall indemnify, defend (with counsel approved by County) and hold harmless the County and its subsidiaries and their respective representatives, employees, officials, directors, attorneys, consultants, successors and assigns (collectively, "**Indemnitees**") from any liability, claims, losses, costs, expenses or damages (including, without limitation, reasonable attorneys' fees and costs) (collectively, "**Claims**") in any way arising out of acts or omissions to act related to: (i) damage to property or bodily injury or death of any person; (ii) any entry upon the County Site by Developer, its agents, employees and contractors; (iii) any Inspection made by Developer, its agents, employees and contractors; or (iv) the planning and preparation of, or challenge to any report or Plans (including the cost of such reports or Plans), except to the extent such Claims arise solely from the gross negligence or willful misconduct of the County, its agents, employees or contractors. The indemnities provided by Developer in favor of the County and the Indemnitees in this ENA shall not require payment as a condition precedent and shall survive the termination, expiration or revocation of this ENA

B. Insurance. Prior to Developer or its employees', contractors' or consultants' entry on the County Site, Developer shall provide the County with evidence of insurance in the form and subject to the requirements set forth in the PTE.

10. Failure to Reach Agreement.

A. Failure to Reach Agreement. This ENA is an agreement to enter into exclusive negotiations regarding a potential Lease of the County Site. Each Party expressly reserves the right to decline to enter into any other agreement if the Parties fail to agree to terms satisfactory to both Parties after a good faith effort by the Parties to reach an agreement on the Lease/County Transaction. Except as expressly provided in this ENA, neither Party shall have any obligation, duty or liability hereunder in the event the Parties fail to timely agree upon and enter into any other agreement.

B. Failure of Conditions. The Parties recognize that one or more of the conditions to Developer's proposal set forth herein may fail to be met as a result of subsequent studies, reviews and proceedings including the exercise of discretion by the County or any public agency having regulatory jurisdiction in approving or disapproving the Project or the County Transaction.

11. Broker's Fees.

The Parties represent and warrant to each other that no broker or finder has been engaged by it or is in any way connected with the Transactions contemplated by this ENA on its behalf. The County shall indemnify, defend and hold harmless

Developer from any claim for broker or finder fees based on actions of the County, or that are claimed through the actions of the County, and Developer shall indemnify, defend and hold harmless the County and the Indemnitees from any claim for broker or finder fees based on the actions of Developer, or that are claimed through actions of Developer.

12. Non-Liability of County Officials and Employees.

Without limiting the provisions set forth herein, no member, elected or appointed official, representative, director, attorney, consultant or employee of the County shall be personally liable to Developer or any successor in interest, in the event of any default or breach by the County of any obligations under the terms of this ENA, or for any amount which may become due to Developer or to its successor under the terms of this ENA.

13. Assignment.

A. No Assignment. No assignment of this ENA is permitted without the County's prior written consent, which consent shall be provided in County's sole and absolute discretion. "**Assignment**" means: (i) any direct or indirect gift, sale, conveyance, assignment, sublease, hypothecation, encumbrance, or other transfer of all or any part of Developer's interest in or rights under this ENA or any part of its interest in or rights to the Project; or (ii) any grant of control over the Project, this ENA or any interest, right, or privilege herein, including the right to manage or otherwise operate the Project.

B. Transfer of Interests in Developer. Shareholders, partners, members, or other equity holders of Developer may transfer, sell, exchange, assign or divest themselves of any interest they may have, so long as any sale, transfer exchange, assignment or divestment is not effected in such a way as to give majority control of Developer to any person(s), corporation, partnership or legal entity other than the majority controlling interest in Developer at the time of the Board of Supervisors' authorization to enter into this ENA.

14. Entire Agreement.

This ENA is the entire agreement of the Parties with respect to the matters set forth herein, and may not be amended except in writing signed by all of the Parties.

15. Covenant Against Discrimination.

Developer shall not discriminate against, nor segregate, in employment or the development, construction, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of all or portions of the Site, nor deny the benefits of or exclude from participation in, the Project and all activities of Developer in connection with the Site, any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, sex, sexual preference/orientation, marital status, age, disability,

medical condition, Acquired Immune Deficiency Syndrome (AIDS), acquired or perceived, or retaliation for having filed a discrimination complaint.

16. Confidentiality.

A. Proprietary Documents. The Parties anticipate that during the Term, each Party shall from time to time disclose and provide to the other certain proprietary reports, correspondence and other information related to the Project, including without limitation, the development pro forma worksheet. Unless otherwise required by law, no Party shall disclose (except to its own and to the other Party's employees, officers, directors, agents, advisors, existing and prospective lenders, partners, accountants, investors, counsel and consultants) information regarding or related to the Project which has not already been disclosed to third parties and which has been delivered to such Party pursuant to the terms hereof. The disclosure of proprietary documents to LACMTA or the City of West Hollywood shall not be deemed disclosure to a third party.

B. Public Disclosure. Notwithstanding the foregoing Section 16A, Developer acknowledges and agrees that the County, as a government agency, (i) is subject to broad disclosure obligations under applicable law, including the California Public Records Act, and (ii) holds Board of Supervisors' meetings which are open to the public and at which information concerning the Project may be disclosed including reports to the Board of Supervisors describing the Proposal and the Project, and including any documents to be approved by the Board of Supervisors. Nothing in this ENA shall prohibit any disclosure required by relevant law, as determined in the County's sole discretion.

C. Protection of Confidential Documents. Any written document marked "CONFIDENTIAL AND RESTRICTED DISCLOSURE UNDER SECTION 16 OF THE EXCLUSIVE NEGOTIATION AGREEMENT" in capital letters ("**Confidential Mark**") shall be deemed to provide all recipients thereof with actual knowledge that Developer deems such document to be confidential and proprietary pursuant to this Section 16. If the County receives a request under the Public Records Act concerning the disclosure of any document with a Confidential Mark, the County shall provide notice to Developer of such request. The County shall disclose such document, as the County deems it is required to disclose by law in its sole discretion, with said Confidential Mark, unless ordered otherwise by a court. If Developer does not want such document with a Confidential Mark to be disclosed, Developer shall notify the County of its desire for non-disclosure. Thereafter, if the County informs Developer that it nonetheless intends to disclose such document, Developer may independently prosecute a legal action with the Superior Court of Los Angeles County to enjoin disclosure of such document. If Developer elects to prosecute such a lawsuit for equitable relief, under no circumstances shall it seek attorneys' fees or other costs, expenses or monetary judgments from the County. In the event of any breach of this Section 16, the injured Party will be entitled to any remedies that it may have at law or in equity, except that in no event shall the County be liable for any monetary judgments under this Section 16.

17. Compliance with Laws.

During the term of this ENA, Developer, at its expense, shall comply with all applicable federal, state and local laws, ordinances, regulations, rules and orders with respect to the subject matter of this ENA.

18. Successors and Assigns.

This ENA shall be binding on and inure to the benefit of the Parties and their respective permitted successors and assigns.

19. Notices.

All notices required or permitted hereunder shall be delivered in person, by courier or overnight delivery service (e.g., USPS Express Mail, FedEx Express, etc.), or by registered or certified mail, postage prepaid, return receipt requested to such Party at its address shown below, with an additional courtesy copy by facsimile transmission or electronic mail, or to any other place designated in writing by such Party.

County: County of Los Angeles
Chief Executive Office/Real Estate
222 S. Hill Street, Third Floor
Los Angeles, CA 90012
Attn: Christopher Montana, Acting Director of Real Estate

With a copy to: Office of the County Counsel
648 Kenneth Hahn Hall of Administration
500 W. Temple St.
Los Angeles, CA 90012
Attention: Byron Shibata, Esq.
Facsimile: (213) 613-4751
Email: bshibata@counsel.lacounty.gov

And to: Los Angeles County Sheriff's Department
Facilities Planning Bureau
1000 South Fremont Avenue
Building A-9 E, 5th Fl., Unit 47
Alhambra, CA 91803
Attention: Gary T.K. Tse
Facsimile: (626) 281-5061
Email: gtse@lasd.org

Developer: Cohen Brothers Realty Corporation of California
International Plaza
750 Lexington Ave., 28th floor
New York, NY 10022
Attention: Charles S. Cohen
Email: ccohen@cohenbrothers.com

With copy to: James L. Arnone
Latham & Watkins LLP
355 South Grand Avenue, Suite 100
Los Angeles, CA 90071-1560
Facsimile: (213) 891-8763
Email: james.arnone@lw.com

Any such notice shall be deemed received (i) upon delivery, if delivered personally, (ii) the next business day after delivery if delivered by courier or overnight delivery service (e.g., USPS Express Mail, FedEx Express, etc.), or (iii) three (3) days after deposit into the United States Mail in Los Angeles County, California, if delivered by registered or certified mail.

20. Interpretation.

A. Construction. This ENA shall be construed in accordance with its fair meaning, and not strictly for or against either Party.

B. Conflict. In the event of a conflict between this ENA and the exhibits attached hereto, the terms of this ENA shall govern.

C. Gender. When the context of this ENA requires, (i) the neuter gender includes the masculine and feminine and any entity, and (ii) the singular includes the plural.

D. Section Headings. The headings of the Articles and Sections of this ENA are inserted solely for convenience of reference and are not intended to govern, limit or aid in the construction of any term or provision hereof.

E. Interpretation. The word "including" shall be construed as though the words "but not limited to" were, in each case, appended thereafter, and shall not be deemed to create a limitation to the list that follows "including".

F. Incorporation of Recitals. The Recitals set forth on pages 1 and 2 of this ENA are incorporated herein by reference.

//Signature page follows//

IN WITNESS WHEREOF, County and Developer have signed this ENA as of the dates set forth below.

County:
COUNTY OF LOS ANGELES

By: *Don Krattli*
Chairman, Board of Supervisors

Date: MAY 06 2014



Approved as to form:
JOHN F. KRATTLI
County Counsel

ATTEST:
SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: *C. Krattli*
Deputy

By: *Sachi A. Hamai*
Deputy

Developer:
COHEN BROTHERS REALTY CORPORATION OF CALIFORNIA

By: *Charles S. Cohen*
Name: CHARLES S. COHEN
Title: PRESIDENT

Date: 2/21/14

Approved as to form:

By: *Pat J. Hunt*
Counsel for Developer

Date: 2/24/14

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

ADOPTED
BOARD OF SUPERVISORS

23 MAY 06 2014



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

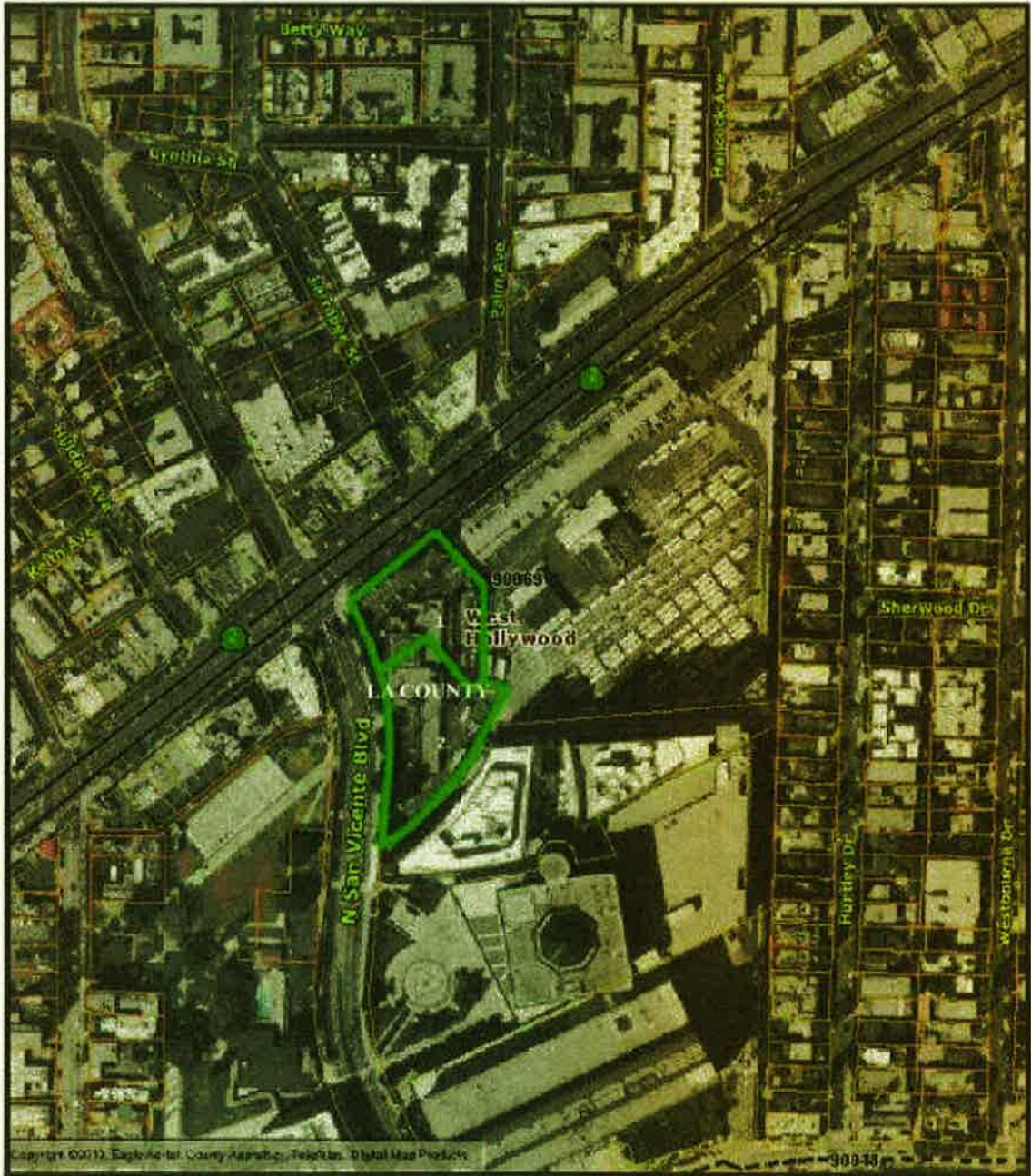
By: *Sachi A. Hamai*
Deputy

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

78152

Exhibit A
COUNTY SITE

EXHIBIT A
LOS ANGELES COUNTY (SHERIFF) PARCEL



APN: 4337017904
Address: 720 N SAN VICENTE BLVD, LOS ANGELES CA, 90069
Owner Name: L A COUNTY
Owner Address: 500 W TEMPLE ST 754, LOS ANGELES CA, 90012
Owner Phone:
Building SF:
Acres (Assessor): 1.0
Acres (Calculated): 1.0
Lot Front:
Lot Depth:
Legal Description: LAND DESC IN DOC 0004143, 76-5-19 TR= RANCHO LA BREA POR OF LOT 18
Land SF (Assessor): 43597.0
Land SF (Calculated): 43597.0
Land Use: COMMERCIAL: COMMERCIAL (NEC)
Year Built:
Assessed Value: \$770,095
TBM Page: J7-592
Sales Deed Cat:
source: TAX_UPDATE (05/19/1976 00:00) / LANDVISION

APN: 4337017900
Address: 720 N SAN VICENTE BLVD , WEST HOLLYWOOD CA, 90069
Owner Name: L A COUNTY
Owner Address: 500 W TEMPLE ST 754, LOS ANGELES CA, 90012 **Owner Phone:**
BuildingSF:
Acres 1.12
(Assessor):
Acres 1.12
(Calculated):
Lot Front:
Lot Depth:
Legal Description: RANCHO LA BREA 1.08 MORE OR LESS ACS COM S 0 25' W 137.15 FT FROM NW COR OF LAND DESC IN PARCEL 13 IN DOC NO 1116 10-02-53 TO METROPOLITAN COACH LINES TH S 76 27'03" E 45.3 FT TH S 28 52'33" PART OF LOT 18
Land SF (Assessor): 48962.0
Land SF (Calculated): 48962.0
Land Use: COMMERCIAL: OFFICE BUILDING
Year Built:
Assessed Value: \$553,954
TBM Page: J7-592
Sales Deed Cat:
source: TAX_UPDATE (05/22/1973 00:00) / LANDVISION

Exhibit B
LACMTA SITE

EXHIBIT B
LACMTA PARCEL, DIVISION 7



APN: 4337017903

Address: 8800 SANTA MONICA BLVD , WEST HOLLYWOOD CA, 90069

Owner Name: LACMTA

Owner Address: 8800 SANTA MONICA BLVD , WEST HOLLYWOOD CA, 90069

Owner Phone:

Building SF:

Acres 8.46

(Assessor):

Acres 8.46

(Calculated):

Lot Front:

Lot Depth:

Legal Description: RANCHO LA BREA LOT COM AT INTERSEC- TION OF SE LINE OF SANTA MONICA BLVD (PER C S 7143) WITH W LINE OF TR NO 4912 TH SON SD W LINE 849.86 FT TH S 84 35'13" W 551.51 FT TH N 26 52'33" E LOT 18

Land SF 368836.0

(Assessor):

Land SF 368836.0

(Calculated):

Land Use: TRANSPORT: UTILITIES

Year Built:

Assessed Value: \$3,379,716

TBM Page: J6-592

Sales Deed Cat:

source: TAX_UPDATE (06/01/2005 00:00) / LANDVISION

Exhibit C
FORM OF PERMIT TO ENTER

PERMIT TO ENTER

Permittee:

Cohen Brothers Realty Corporation of
California
International Plaza
750 Lexington Ave., 28th floor
New York, NY 10022
Attention: Charles S. Cohen ADDRESS

Permit No.
Chapter 2.08
Consideration: Gratis
Expiration: TBD
Chris Montana,
Acting Director of Real Estate Division
Telephone: (213) 974-4200
cmontana@ceo.lacounty.gov

-
1. **PREMISES:** Permittee, after execution by the County Chief Executive Officer, or his designee, is hereby granted permission to enter the property located at 780 N. San Vicente Boulevard, West Hollywood, more commonly known as the West Hollywood Sheriff's Station ("Premises"). Entry constitutes acceptance by Permittee of all conditions and terms of this Permit.
 2. **PURPOSE:** The sole purpose of this Permit is to allow Permittee to enter the Premises to conduct a walkthrough inspection to assess possible development opportunities. Actual access to the Premises (including specific date and time) shall be coordinated directly with and designated by staff from the West Hollywood Sheriff Station.
 3. **TERM:** This Permit shall commence upon execution by the County and shall terminate on **DATE**. The term may be extended by mutual agreement in writing between Permittee and County.
 4. **CONSIDERATION:** Consideration for this Permit shall be Permittee's faithful performance of its obligations under this Permit.
 5. **ADDITIONAL CHARGES:** Permittee agrees to pay any charges for utilities that may be required and for the safekeeping of the Premises for the prevention of any accidents as a result of the Permittee's activities thereon.
 6. **NOTICE.** Notices desired or required to be given by this Permit or by any law now or hereinafter in effect may be given by enclosing the same in a sealed envelope, Certified Mail, Return Receipt Requested, addressed to the party for whom intended and depositing such envelope with postage prepaid in the U.S. Post Office or any substation thereof, or any public letter box, and any such notice and the envelope containing the same shall be addressed to Permittee as follows:

Cohen Brothers Realty Corporation of California
International Plaza
750 Lexington Ave., 28th floor
New York, NY 10022
Attention: Charles S. Cohen
Email: ccohen@cohenbrothers.com

Permittee's Initials _____

or such other place in California as may hereinafter be designated in writing by the Permittee.

The Notices, Certificates of Insurance and Envelopes containing the same to County shall be addressed to:

County of Los Angeles
Chief Executive Office, Real Estate Division
222 South Hill Street, Third Floor
Los Angeles, California 90012
Attention: Chris Montana, Manager
Acting Director of Real Estate Division

7. **INDEMNIFICATION:** Permittee agrees to indemnify, defend and save harmless County, its Special Districts, agents, elected and appointed officers and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury, or property damage, including damage to County property, arising from or connected with Permittee's operations, or its services hereunder, including any Workers' Compensation suits, liability, or expense, arising from or connected with services performed by or on behalf of Permittee by any person pursuant to this Permit.
8. **GENERAL INSURANCE REQUIREMENTS:** Without limiting Permittee's indemnification of County, Permittee shall provide and maintain the following types and limits of insurance. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Permittee's own expense.
 - a. **Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to the County of Los Angeles prior to Permittee's entry. Such certificates or other evidence shall identify this Permit, clearly evidence all required coverages, and Permittee shall provide County with, or Permittee's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.
 - b. **Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County.
 - c. Permittee's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Permit, upon which County immediately may suspend or terminate this Permit. County, at its sole discretion, may obtain damages from Permittee resulting from said breach.

Alternatively, the County may purchase the Required Insurance, and without further notice to Permittee, pursue Permittee for reimbursement.

- d. Notification of Incidents, Claims or Suits: Permittee shall report to County any accident or incident relating to Permittee's entry which involves injury or property damage which may result in the filing of a claim or lawsuit against Permittee and/or County in writing within 24 hours of occurrence.

9. INSURANCE COVERAGE REQUIREMENTS:

- a. General Liability insurance (written on ISO policy form CG 00 01 or its equivalent), naming County as an additional insured, with limits of not less than the following:

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

- b. Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto", as appropriate.
- c. Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Permittee is responsible. If Permittee's employees will be engaged in maritime employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which Permittee is responsible.

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

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

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

- 10. **FAILURE TO PROCURE INSURANCE:** Failure on the part of Permittees to procure or maintain required program(s) of insurance shall constitute a material breach of contract upon which County may immediately terminate this Permit.

- 11. **OPERATIONAL RESPONSIBILITIES:** Permittee shall:

- a. Comply with and abide by all applicable rules, regulations and directions of County.

- b. Comply with all applicable City and County ordinances and all State and Federal laws, and in the course thereof obtain and keep in effect all permits and licenses required to conduct the permitted activities on the Premises.
 - c. Maintain the Premises and surrounding area in a clean and sanitary condition to the satisfaction of County.
 - d. Conduct the permitted activities in a courteous and non-profane manner; operate without interfering with the use of the Premises by County. County has the right to request Permittee to remove any agent, servant or employee who fails to conduct permitted activities in the manner heretofore described.
 - e. Assume the risk of loss, damage or destruction to any and all fixtures and personal property belonging to Permittee that are installed or placed within the area occupied.
 - f. Repair or replace any and all County property lost, damaged, or destroyed as a result of or connected with the conduct or activities of the Permittee. Should Permittee fail to promptly make repairs, County may have repairs made and Permittee shall pay costs.
 - g. Pay charges for installation and service costs for all utilities used for the conduct of the permitted activities, if needed.
 - h. Except for the purpose described in Section 2, Permittee agrees to restore the Premises, prior to the termination of this Permit, and to the satisfaction of County, to the conditions that existed prior to the commencement of the permitted activities, excepting ordinary wear and tear or damage or destruction by the acts of God beyond the control of Permittee. This shall include removal of all rubbish and debris, as well as structures placed on the Premises by Permittee in order that the Premises will be neat and clean and ready for normal use by County on the day following the termination of this Permit. Should Permittee fail to accomplish this, County may perform the work and Permittee shall pay the cost.
 - i. Allow County to enter the Premises at any time to determine compliance with the terms of this Permit, or for any other purpose incidental to the performance of the responsibilities of the Chief Executive Office.
 - j. Provide all security devices required for the protection of the fixtures and personal property used in the conduct of the permitted activities from theft, burglary or vandalism, provided written approval for the installation thereof is first obtained from the Chief Executive Office.
 - k. Prohibit all advertising signs or matter from display at the Premises, other than signs displaying the name of Permittee.
 - l. Prohibit the sale of food.
 - m. Keep a responsible representative of the Permittee available on the Premises during all permitted hours. This person shall carry copies of this Permit and the receipt for consideration herein, for display upon request.
12. **INDEPENDENT STATUS:** This Permit is by and between County and Permittee and is not intended and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association as between County and Permittee. Permittee understands and agrees to bear the sole responsibility and liability for

Permittee's Initials _____

furnishing Workers' Compensation benefits to any person for injuries arising from or connected with services performed on behalf of Permittee pursuant to this Permit.

13. **EMPLOYEES:** All references to the "Permittee" in the Permit are deemed to include the employees, agents, assigns, contractors, and anyone else involved in any manner in the exercise of the rights therein given to the undersigned Permittee.
14. **LIMITATIONS:** It is expressly understood that in permitting the right to use said Premises, no estate or interest in real property is being conveyed to Permittee, and that the right to use is only a nonexclusive, revocable and unassignable permission to occupy the premises in accordance with the terms and conditions of the Permit for the purpose of conducting the permitted activities.
15. **ASSIGNMENT:** This Permit is personal to Permittee, and in the event Permittee shall attempt to assign or transfer the same in whole or part all rights hereunder shall immediately terminate.
16. **AUTHORITY TO STOP:** In the event that an authorized representative of the County finds that the activities being held on the Premises unnecessarily endanger the health or safety of persons on or near said property, the representative may require that this Permit immediately be terminated until said endangering activities cease, or until such action is taken to eliminate or prevent the endangerment.
17. **DEFAULT:** Permittee agrees that if default shall be made in any other terms and conditions herein contained, County may forthwith revoke and terminate this Permit.
18. **ALTERATIONS AND IMPROVEMENTS:** Permittee has examined the Premises and knows the condition thereof. Permittee accepts the Premises in the present state and condition and waives any and all demand upon the County for alteration, repair, or improvement thereof. Permittee shall make no alteration or improvements to the Premises, except those identified in Section 2 hereof, without prior written approval from the County, and any fixtures and/or personal property incidental to the purposes described in Section 2 hereof shall be removed by Permittee prior to the termination of this Permit, and in the event of the failure to do so, title thereto shall vest in County. All betterments to the Premises shall become the property of County upon the termination of this Permit.
19. **COUNTY LOBBYIST ORDINANCE:** Permittee is aware of the requirements of Chapter 2.160 of the Los Angeles County Code with respect to County Lobbyists as such are defined in Section 2.160.010 of said Code, and certifies full compliance therewith. Failure to fully comply shall constitute a material breach upon which County may terminate or suspend this Permit.
20. **INTERPRETATION:** Unless the context of this Permit clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes and "including" are not limiting.
21. **ENTIRE AGREEMENT:** This Permit contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both County and Permittee.
22. **TIME IS OF THE ESSENCE:** Time is of the essence for each and every term, condition, covenant, obligation and provision of this Permit.

23. **POWER AND AUTHORITY:** The Permittee has the legal power, right and authority to enter into this Permit, and to comply with the provisions hereof. The individuals executing this Permit on behalf of any legal entity comprising Permittee have the legal power, right and actual authority to bind the entity to the terms and conditions of this Permit.
24. **SURVIVAL OF COVENANTS:** The covenants, agreements, representations and warranties made herein are intended to survive the termination of the Permit.

[END-SIGNATURE PAGE FOLLOWS]

DRAFT

**PERMITTEE:
COHEN BROTHERS REALTY CORPORATION OF CALIFORNIA**

By: _____ Date: _____
Name:
Title:

Who hereby personally covenants, guarantees and warrants that he/she has the power and authority to obligate the Permittee to the terms and conditions in this Permit.

Approved as to form:

By: _____ Date: _____
Counsel for Cohen Brothers

Pursuant to Chapter 2.08 of the Los Angeles County Code, this Permit has been executed on behalf of the County of Los Angeles by the Chief Executive Officer on the _____ day of _____, 2014.

PERMITTER: COUNTY OF LOS ANGELES

ATTEST:
DEAN LOGAN
Registrar-Recorder/County Clerk

WILLIAM T FUJIOKA
Chief Executive Officer

BY: _____ By: _____
Deputy Christopher M. Montana
Acting Director of Real Estate

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

BY: _____
Deputy