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"To Enrich Lives Through Effective and Caring Service"

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

44 June 6, 2023

CELIA ZAVALA  
EXECUTIVE OFFICER

June 06, 2023

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:

**NINE-YEAR LEASE AMENDMENT  
SHERIFF'S DEPARTMENT  
1 CUPANIA CIRCLE, MONTEREY PARK  
(FIRST DISTRICT) (3 VOTES)**

**SUBJECT**

Approval of a proposed amendment to extend the term of an existing lease for an additional nine years to provide the Sheriff's Department (Sheriff) continued use of approximately 42,547 square feet of office and warehouse space, and 102 on-site parking spaces for the Homicide Bureau and Parole Compliance operations.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed amendment 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 Chief Executive Officer, or her designee, to execute the proposed amendment with MONT-PARK, L.P., a California limited partnership (Landlord), for approximately 42,547 square feet of office and warehouse space and 102 on-site parking spaces located at 1 Cupania Circle, Monterey Park, (Premises) to be occupied by the Sheriff. The proposed amendment is for a term of nine years. The estimated maximum first year base rental cost is \$1,204,931 but with a one-month rent abatement of \$100,411, will equal \$1,104,520. The estimated total amendment cost, including utility costs, is \$13,204,000 over the nine-year term. The rental costs will be funded by 100 percent net County cost (NCC) that is already included in the Sheriff's existing budget. The Sheriff will not be requesting additional NCC for this action.

3. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed amendment, and to take actions necessary and appropriate to implement the proposed amendment including, without limitation, exercising any early termination rights.

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

The Sheriff's Homicide Bureau and Parole Compliance operations have occupied the Premises since January 2014. The space is used as administrative offices for investigations with a public counter, interview rooms, and warehouse space for storing evidence. The existing lease expired on November 9, 2021 and is subject to a 25 percent holdover fee. The Landlord agrees to credit the County the 25 percent holdover fee paid during the holdover period upon full execution of the proposed amendment.

The Homicide Bureau operation is a direct service program operating 24-hours a day, seven days per week, and is responsible for providing investigative services related to murders, deputy or officer involved shootings resulting in fatalities or injuries, inmate deaths, suspicious deaths, missing persons, and other non-criminal deaths. Additionally, due to the Homicide Bureau's expertise, its investigators are consistently called upon to assist various other municipal, State, Federal, and international law enforcement agencies with investigations.

The Parolee Compliance operations conducts address verifications, locates Post-release Supervised Persons who evade parole, and performs compliance checks of County supervised parolees.

The Premises are occupied by approximately 170 County employees and has approximately 10 - 20 visitors per day. The daily visitors include victims family members, witnesses, suspects, Sheriff personnel, staff from the District Attorney's office, members from other law enforcement agencies, and vendors.

Sheriff staff is limited in its ability to telework due to the need to provide direct services and the confidential nature of its investigations. The Sheriff prefers to remain at this location because relocation would require costly tenant improvements and disrupt operations.

Approval of the recommended actions will find that the proposed amendment is exempt from CEQA and will allow the Sheriff to continue to operate at this location.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan Goal 1 - "Make Investments That Transform Lives" - provides that we will aggressively address society's most complicated social, health, and public safety challenges. We want to be a highly responsive organization capable of responding to complex societal challenges - one person at a time.

The proposed amendment is also consistent with Strategic Asset Management Goal - Maximize use of county space and achieve cost savings - and Key Objective No. 4 - Guide Strategic Decision-Making.

The proposed amendment supports the above goals and objective by providing the Sheriff with appropriate space allowing it to continue to provide direct services to the public and other law enforcement agencies.

The proposed amendment conforms with the Asset Management Principles outlined in Enclosure A.

### **FISCAL IMPACT/FINANCING**

The estimated maximum first year base rental cost is \$1,204,931 but adjusted to \$1,104,520 after including a one-month rent abatement of \$100,411. The estimated aggregate cost associated with the proposed amendment over the entire term, including utility costs, is \$13,204,000 as shown in Enclosure B-1. The rental costs will be funded 100 percent by NCC that is already included in the Sheriff's existing budget. The Sheriff will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed amendment term is included in the Fiscal Year (FY) 2022-23 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed amendment will be part of the budget for the Sheriff. There are no anticipated costs for low-voltage items.

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

In addition to the terms previously stated, the proposed amendment also contains the following provisions:

- The annual rental rate will increase from \$26.65 per square foot, per year to \$28.32 per square foot, per year. The base rental rate includes parking and is subject to fixed annual increases of 3 percent.
- The Landlord shall refurbish the Premises and perform all base building improvements pursuant to the County's specifications outlined in the proposed amendment, at its sole cost and expense.
- The Landlord is responsible for the operating and maintenance costs of the building, and the County is responsible for utilities (electricity, gas, water, and sewer charges), security, and janitorial costs. The County is not subject to the building's operating expense increases.
- A comparison of the existing lease terms and the proposed amendment is shown on Enclosure B-2.
- The County has the right to terminate the proposed amendment early, any time between the 85th and the 88th month of the proposed amendment, with no less than six months prior written notice and not subject to an early termination fee.
- The County has a Right of First Offer to lease additional space for any available contiguous space in the Premises.
- Holdover at the proposed amendment expiration is permitted on the same lease terms and conditions of the proposed amendment, except the monthly base rent during the holdover period will increase by 25 percent of the base rent at the time of the proposed amendment expiration. The Landlord agrees to credit the County any holdover fee paid in the event the County extends the term of the lease at the expiration of the proposed amendment.

- The proposed amendment will be effective upon approval by the Board and full execution of the proposed amendment.

The Chief Executive Office 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 \$28.20 and \$31.80 per square foot, per year which does not include costs for utilities, janitorial, and security. The base annual rental rate of \$28.32 per square foot, per year, represents a rate that is on the low end of the market range for the area. Due to the costly tenant improvements and moving costs needed, and disruption to ongoing investigations should the Sheriff relocate to a new space, remaining in the proposed space is the most cost-effective choice. We recommend the proposed facility as the most suitable to continue to meet the County's space requirements.

Due to the sensitive nature of the Sheriff's investigative work, documents, interviews and meetings, and 24 hours, seven days per week operation, co-working office space is not practical for this space requirement.

Enclosure C shows County-owned or leased facilities within the surveyed area, and there are no suitable County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. The required notification letter to the City of Monterey Park has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the proposed amendment and approved it as to form. The proposed amendment is authorized by Government Code Section 25351, which allows the County to enter into leases and agreements for the leasing of buildings as necessary to carry out the work of the county government.

The proposed amendment will continue to provide a suitable location for the Sheriff, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.

## **ENVIRONMENTAL DOCUMENTATION**

This proposed amendment 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 amendment, 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.

The Honorable Board of Supervisors

6/6/2023

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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 amendment will continue to adequately provide the necessary office interview and storage space, and parking for this County requirement. The Sheriff concurs with the proposed amendment and recommendations.

Respectfully submitted,



FESIA A. DAVENPORT

Chief Executive Officer

FAD:JMN:JTC

JLC:HD:ANR:MAC:gb

Enclosures

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

**SHERIFF'S DEPARTMENT  
1 CUPANIA CIRCLE, MONTEREY PARK**

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

<b>1.</b>	<b><u>Occupancy</u></b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
A	Does lease consolidate administrative functions?			<b>X</b>
B	Does lease co-locate with other functions to better serve clients?		<b>X</b>	
C	Does this lease centralize business support functions?	<b>X</b>		
D	Does this lease meet the guideline of 200 sq. ft. of space per person? <sup>2</sup> <b>Approximately 250 sq. ft. because of the programmatic space needs of a public counter, lobby, interview rooms, bunk rooms, lockers, storage/warehouse space, conference rooms and interview listening rooms.</b>		<b>X</b>	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>Approximately. 2.4/1000 because of the programmatic needs of ancillary space i.e., storage/warehouse space, bunk rooms, lockers, interview rooms, public counter, interview listening rooms and lobby.</b>		<b>X</b>	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location?	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>			
A	Is it a substantial net County cost (NCC) program? <b>Funded 100 percent by existing NCC.</b>	<b>X</b>		
B	Is this a long-term County program?	<b>X</b>		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>	
D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
F	Is Building Description Report attached as Enclosure C?	<b>X</b>		
G	Was build-to-suit or capital project considered? <sup>2</sup>			<b>X</b>
<b>3.</b>	<b><u>Portfolio Management</u></b>			
A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
B	Was the space need justified?	<b>X</b>		
C	If a renewal lease, was co-location with other County departments considered?			
D	Why was this program not co-located with other County departments?			
	1. ____ The program clientele requires a "stand alone" facility.			
	2. <u>X</u> No suitable County occupied properties in project area.			
	3. ____ No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. ____ The Program is being co-located.			
E	Is lease a full-service lease? <sup>2</sup> <b>County is responsible for the cost of its electric and gas usage, janitorial and security.</b>		<b>X</b>	
F	Has growth projection been considered in space request?			<b>X</b>
G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>		
<sup>1</sup> As approved by the Board of Supervisors 11/17/98				
<sup>2</sup> If not, why not?				

## OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

1 Cupania Circle, Monterey Park  
Sheriff's Department

**Basic Lease Assumptions**

Leased Area (sq.ft.)	42,547	
	<b>Monthly</b>	<b>Annual</b>
Rent (per sq. ft.) <sup>(1)</sup>	\$2.36	\$28.32
	<b>Monthly</b>	<b>Annual</b>
Rent Amount (\$)	\$100,410.92	\$1,204,931.04
Term (Months/Years)	9 years	
Annual Rent Adjustment	3%	

	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
<b>Annual Base Rent Costs <sup>(1)</sup></b>	\$1,204,931	\$1,241,079	\$1,278,311	\$1,316,661	\$1,356,161	\$1,396,845	\$1,438,751	\$1,481,913	\$1,526,371	<b>\$12,242,000</b>
<b>Rent Abatement <sup>(2)</sup></b>	(\$100,411)									<b>(\$101,000)</b>
<b>Adjusted Rental Costs</b>	\$1,104,520	\$1,241,079	\$1,278,311	\$1,316,661	\$1,356,161	\$1,396,845	\$1,438,751	\$1,481,913	\$1,526,371	<b>\$12,141,000</b>
<b>Total Paid to Landlord</b>	\$1,104,520	\$1,241,079	\$1,278,311	\$1,316,661	\$1,356,161	\$1,396,845	\$1,438,751	\$1,481,913	\$1,526,371	<b>\$12,141,000</b>
<b>Utilities Costs <sup>(3)</sup></b>	\$118,059	\$118,059	\$118,059	\$118,059	\$118,059	\$118,059	\$118,059	\$118,059	\$118,059	<b>\$1,063,000</b>
<b>Total Annual Lease Costs</b>	<b>\$1,222,579</b>	<b>\$1,359,138</b>	<b>\$1,396,370</b>	<b>\$1,434,720</b>	<b>\$1,474,220</b>	<b>\$1,514,904</b>	<b>\$1,556,810</b>	<b>\$1,599,972</b>	<b>\$1,644,430</b>	<b>\$13,204,000</b>

**Footnotes**

<sup>(1)</sup> The Base Rent is subject to fixed 3 percent increases per annum.

<sup>(2)</sup> Base Rent for the first (1<sup>st</sup>) month of the Initial Term shall be abated.

<sup>(3)</sup> Tenant shall be responsible for electricity and gas costs. The costs shown above are an estimation based on the previous billing period (August 2021 - July 2022).

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

**COMPARISON OF THE EXISTING LEASE TO PROPOSED AMENDMENT**

	<b>Existing Lease: 1 Cupania Circle</b>	<b>Proposed Amendment: 1 Cupania Circle</b>	<b>Change</b>
Area (Square Feet)	42,547 sq.ft.	42,547 sq.ft.	None
Term (years)	Seven years	Nine years	+ two years.
Annual Base Rent (Base rent includes parking spaces)	\$1,133,742.24 <sup>(1)</sup> (\$26.65 per sq. ft. annually)	\$1,204,931.04 (\$28.32 per sq. ft. annually)	+\$71,188.80
Rent Abatement <sup>(2)</sup>	None	\$100,411	+\$100,411
Total Annual Lease Costs payable to Landlord	\$1,133,742.24	\$1,104,520.04	-\$29,222.20
Utility Costs <sup>(3)</sup>	\$118,059	\$118,059	None
Rental rate adjustment	Annual CPI adjustments capped at 4 percent with 2 percent minimum.	Fixed 3 percent increases per annum.	Fixed annual 3 percent base rent increases.

<sup>(1)</sup> Based on a monthly base rent of \$94,478.52

<sup>(2)</sup> Represents a one-time rent abatement for the first month of the proposed amendment

<sup>(3)</sup> Based on the previous 12 months average costs of the electrical and gas usage for the Premises. Future costs will be subject to the Sheriff's actual usage and periodic utility rate increases.



**SHERIFF'S DEPARTMENT  
SPACE SEARCH – 5 MILE RADIUS  
1 CUPANIA CIRCLE, MONTEREY PARK**

Property ID	Name	Address	Ownership	Gross SqFt	Vacant
10111	Regional Facilities Agency	265 Cloverleaf Dr Baldwin Park 91706	Owned	444,244	NONE
A275	Community Development Commission Headquarters	2 Coral Cir Monterey Park 91755	Leased	67,500	NONE
A130	DPSS - Administrative Headquarters	12860 Crossroads Pkwy S City of Industry 91745	Leased	55,000	NONE
6144	Maclaren Children's Center	4024 N Durfee Ave El Monte 91732	Owned	71,733	NONE
6064	El Monte Courthouse	11234 E Valley Blvd El Monte 91731	CA - Superior Courts	136,512	NONE
5883	Alhambra Courthouse	150 W Commonwealth Ave Alhambra 91801	CA - Superior Courts	111,727	NONE
A387	DPSS - Gain Program Headquarters/DA - Claims Unit	3220 Rosemead Blvd El Monte 91731	Leased	26,335	NONE
B002	DPSS - Administrative Headquarters East Annex	12900 Crossroads Pkwy S City of Industry 91745	Leased	34,245	NONE
0229	Ag Comm/Weights & Measures HQ/Probation Special Services	12300 Lower Azusa Rd Arcadia 91706	Owned	35,878	NONE
A493	San Gabriel Valley Family Service Center I	3350 Aerojet Ave El Monte 91731, 9150 Flair Dr El Monte 91731	Leased	120,000	NONE
A507	DPSS - Administrative Headquarters West Annex	12820 Crossroads Pkwy S City of Industry 91745	Leased	33,331	NONE
A522	PH/DPSS/DCFS - Telstar El Monte County Center	9320 Telstar Ave El Monte 91731	Leased	163,000	NONE

## **FACILITY LOCATION POLICY ANALYSIS**

**Proposed amendment:** Amendment for the Sheriff – 1 Cupania Circle, Monterey Park – First District.

**A. Establish Service Function Category –** Homicide Bureau and Parolee Compliance.

**B. Determination of the Service Area –** Office needs to be centrally located for these County-wide programs.

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: This facility is centrally located within the County.
- Need for proximity to existing County facilities: N/A.
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., MTA.
- Availability of affordable housing for County employees: N/A
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing buildings available to meet the needs of the Sheriff office space and operational needs.
- Compatibility with local land use plans: The City of Monterey Park has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease amendment over the entire nine-year term is estimated at \$13,204,000.

**D. Analyze results and identify location alternatives**

The Chief Executive Office 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 \$28.20 and \$31.80 per square foot, per year which does not include costs for utilities, janitorial, and security. The base annual rental rate of \$28.32 per square foot, per year, represents a rate that is on the low end of the market range for the area. Due to the costly tenant improvements and moving costs needed and disruption to ongoing investigations should the Sheriff relocate to a new space, remaining in the proposed space is the most cost-effective choice. We recommend the proposed facility as the most suitable to continue to meet the County's space requirements.

**E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost, and other Location Selection Criteria**

The proposed amendment will continue to provide adequate space for the Sheriff consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Department's requirements.

**AMENDMENT No. 1 TO LEASE No. 78121**  
**DEPARTMENT: SHERIFFS**  
**1 CUPANIA CIRCLE, MONTEREY PARK ("BUILDING")**

**THIS AMENDMENT No. 1** to Lease No. 78121 ("**Amendment**" or "**Amendment No. 1**") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2023 ("**Effective Date**") by and between MONT-PARK, L.P., a California limited partnership, hereinafter referred to as "**Landlord**", and the COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as "**Tenant**" or "**County.**"

**RECITALS**

**WHEREAS**, Landlord and Tenant entered into that certain Lease Agreement dated January 28, 2014 (the "**Lease**").

**WHEREAS**, Lease No. 78121 allows Tenant to lease an approximately 42,547 rentable square foot portion of the property commonly known as 1 Cupania Circle, Monterey Park, CA 91755 ("Premises"), and;

**WHEREAS**, Landlord and Tenant desire to amend the Lease to extend the Term of the Lease and to provide for certain other amendments to the Lease;

**NOW THEREFORE**, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements herein contained and intended to be legally bound hereby, Landlord and Tenant hereby covenant and agree as follows:

**AGREEMENTS**

1. **DEFINED TERMS.** Capitalized terms used and not otherwise defined herein shall have the same meanings ascribed to them in the Lease.

2. **TERM OF THE LEASE.**

(a) Effective as of the Effective Date, the Term of the Lease is hereby extended for an additional period of nine (9) years (the "**Extended Term**"), so that the Extended Term shall commence on \_\_\_\_\_, 2023 ("**Revised Commencement Date**") and expire, unless terminated sooner pursuant to the terms of the Lease, on \_\_\_\_\_, 2032 ("**Revised Termination Date**"). All references to "**Term**" in the Lease and this Amendment shall be deemed references to the Term as extended by this Amendment and all references to "**Termination Date**" shall be deemed references to the Revised Termination Date.

(b) The parties acknowledge and agree that the Effective Date as set forth in the preamble to this Amendment shall be the date that both parties have executed and delivered this Amendment, which execution and delivery shall require the prior approval of the Los Angeles County Board of Supervisors as evidenced by the signature for such body in the signature pages of this Amendment.

3. **CONDITION OF THE PREMISES.** Except as set forth in Section 7 of this Amendment (below), Landlord shall have no obligation whatsoever to construct leasehold

improvements for Tenant or to repair or refurbish the Premises. The taking of possession of the Premises by Tenant shall be conclusive evidence that Tenant accepts the same "**AS IS**" and that the Premises is suited for the use intended by Tenant and was in good and satisfactory condition at the time such possession was taken. Tenant currently occupies the Premises and accepts the Premises conditioned on the Landlord performing the work and repairs in section 7 below and subject to Landlord's obligations and responsibilities provided for in the lease. Tenant acknowledges that neither Landlord nor Landlord's agents has made any representation or warranty as to the condition of the Premises, Building or the Complex or its suitability for Tenant's purposes. Tenant represents and warrants to Landlord that (a) its sole intended use of the Premises is for uses set forth in the Lease, (b) it does not intend to use the Premises for any other purpose, and (c) prior to executing this Amendment it has made such investigations as it deems appropriate with respect to the suitability of the Premises for its intended use and has determined that the Premises is suitable for such intended use.

4. **BASE RENT.**

(a) Effective as of the Revised Commencement Date and in addition to all other costs and expenses payable by Tenant pursuant to the Lease, Tenant shall pay the following monthly Base Rent for the Premises, in accordance with the terms of Section 5 of the Lease, which amounts are adjustable as provided in Section 5(b) of the Lease (as amended hereby):

<b><u>Premises</u></b>	<b><u>Initial Monthly Base Rent</u></b>
42,547 rentable square feet	\$2.36 per square foot, modified gross. (i.e., \$100,410.92 per month)

(b) Effective as of the Revised Commencement Date, Section 5(b) of the Lease is amended in its entirety as follows: "(b) Rent Adjustment. At the beginning of the 13th month of the Extended Term as defined in the Amendment No. 1 to Lease ("**Adjustment Date**") and on and every anniversary of the Adjustment Date thereafter, monthly Base Rent shall be increased to an amount equal to 103% of the amount payable in the last month prior to each Adjustment Date as follows:

<b>Months (Term)</b>	<b>Base Rent (PSF)</b>
1 - 12	\$2.36
13 - 24	\$2.43
25 - 36	\$2.50
37 - 48	\$2.58
49 - 60	\$2.66
61 - 72	\$2.74
73 - 84	\$2.82
85 - 96	\$2.90
97 - 108	\$2.99

(c) Effective as of the Revised Commencement Date, Sections 5(c), 5(d) and 5(e) of the Lease (CPI Formula and Adjustments) are hereby deleted in their entirety and are of no further force or effect.

(d) Provided that Tenant shall faithfully perform all of the terms and conditions of the Lease (as amended hereby), Landlord shall abate Tenant's obligation to pay Base Rent payable with respect to the Premises for the first (1st) month following the Revised Commencement Date, for a total of one (1) month of abated Base Rent ("**Abated Base Rent**"). During such abatement period, Tenant shall still be responsible for the full payment of all of its other monetary obligations under this Lease, including, without limitation, any expenses relative to Tenant's use and occupancy of the Premises.

5. **HOLDOVER.** Effective as of the Revised Commencement Date, Section 7 of the Lease is hereby amended to include the following: i) Landlord shall credit Tenant the 25 percent holdover fee in excess of the paid by Tenant during the holdover period of the existing lease, and ii) in the event the Tenant extends the term of this First Amendment, Landlord shall credit Tenant any holdover fee paid by Tenant during the holdover period of the Extended Term

6. **RIGHT OF FIRST OFFER.** A new paragraph 33 shall be added to the Lease, whereby Tenant shall have the right of first offer ("**ROFO**") for any available space in the Building. The ROFO shall continue throughout the term of the Lease and shall read as follows:

"33. **RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.**

(a) Provided that no material Default has occurred and is continuing under the Lease, if at any time prior to the last twelve (12) months of the Term, Landlord intends to offer leasable space located contiguous to the Premises (the "Additional Premises") for lease to third parties or to accept an offer of a third party to lease the Additional Premises, Landlord shall first give written notice to Tenant of the rental rate and other material terms upon which Landlord is willing to lease the Additional Premises ("Landlord's Lease Notice"). Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have ninety (90) business days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "Expansion Commitment").

(b) If Tenant delivers to Landlord the Expansion Commitment within such ninety (90) business day period, all (but not part) of the Additional Premises shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and

covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth in Landlord's Lease Notice, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.

(c) Except as otherwise set forth in Landlord's Lease Notice, possession of the Additional Premises shall be delivered to Tenant on an "as-is" basis. Landlord shall prepare and Landlord and Tenant shall execute and deliver a written agreement modifying and supplementing the Lease and specifying that the Additional Premises are part of the Premises and, except as otherwise specified in Landlord's Lease Notice, subject to all of the terms and conditions of the Lease.

(d) Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the ninety (90) business day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 34 shall not apply to any sales or similar transfers of the Additional Premises."

#### 7. **EARLY TERMINATION.**

(a) Section 1.1(j) of the Basic Lease Information is hereby amended in its entirety as follows:

"(j) Early Termination Date. Between the eighty-fifth (85<sup>th</sup>) and the eight-eighth (88<sup>th</sup>) months, following the Revised Commencement Date."

(b) Section 4(b) of the Lease is hereby amended in its entirety as follows:

"(b) Early Termination. Tenant shall have a one-time right to terminate this Lease in its entirety with respect to the Premises effective as of the Early Termination Date, as defined in Section 1.1(j), by giving Landlord not less than six (6) months' prior written notice executed by the Chief Executive Officer of Tenant ("**Termination Notice**"). There shall be no fee to the Tenant to terminate the Lease. If Tenant fails to exercise its rights under this Section 4(b) strictly in accordance with the terms and conditions set forth herein, such right shall be null and void and shall be of no further force or effect."

#### 8. **ADDITIONAL IMPROVEMENTS.**

(a) Commencing upon the mutual execution and delivery of this Amendment, Landlord shall complete the following Base Building Improvements and Tenant Improvements (collectively, "**Refurbishment Work**") within the Premises per Tenant's specifications (subject to

Landlord's reasonable approval). Landlord and Landlord's contractors shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. seq., if applicable. Landlord, at its sole cost and expense, shall be responsible for all Base Building Work and maintenance which shall be completed within twelve (12) months following the Revised Commencement Date. The Base Building items include the following work:

- (i) Roof -- Landlord shall replace the roof.
  - (ii) ADA – Landlord, at its sole cost and expense, shall complete all items identified in the CASp Survey Report Exterior / Interior dated December 13, 2021, prepared by SAA.
  - (iii) Paint – Landlord shall paint the Building's exterior.
  - (iv) Irrigation – Landlord has already adjusted the irrigation to prevent overspray to windows.
  - (v) Waterproofing – Landlord to continue to waterproof the exterior of the Building per the terms of the Lease.
  - (vi) Ceiling tiles – Landlord shall repair or replace any damaged, water-stained, chipped, or discolored ceiling tiles.
  - (vii) HVAC – Landlord shall clean the HVAC registers.
  - (viii) Drainage – Landlord shall provide drainage in the landscaped area on the east side of the Building per attached Exhibit "A."
  - (ix) Sewer Lines –'Pursuant to paragraph 10 (b) of the Lease, Landlord shall maintain the concealed plumbing and plumbing systems serving the Building.
- (b) The Tenant Improvements include the following work:
- (i) Replace all lighting throughout the Premises to LED.
  - (ii) Replace floor finishes per Exhibit "A."
  - (iii) Provide commercial cleaning and spot removal of flooring throughout the Premises. Replace flooring as indicated in Exhibit "A."
  - (iv) Prep and paint walls per Exhibit "A."
  - (v) Install corner guards per Exhibit "A."
  - (vi) Install additional dedicated circuits in the kitchen.
  - (vii) Remove and replace 20 damaged window blinds at exterior windows throughout the Premises.



- (viii) At glass entry doors, remove window coverings and provide dark tint at glass.
- (ix) Provide window tint at 4 panels on the south elevation.
- (x) Rework floor tiles at Men's and Women's showers to provide property drainage. Note this work has already been completed.
- (xi) Install one charging station with two terminals in parking lot.
- (xii) Install eighteen (18) new HVAC units, as identified on Exhibit "B" as follows:

(A) The first nine (9) of such units, defined as Tag #27, 34, 29, 36, 39, 21, 23, 24A and 31, shall be installed within six (6) months of the Rent Commencement Date.

(B) The second four (4) of such units, defined as Tag #25, 13, 14, and 38, shall be installed within six (6) months following the third anniversary of the Rent Commencement Date.

(C) Two of the units, defined as Tag #07 and 09, shall be installed within six (6) months following the fifth (5<sup>th</sup>) anniversary of the Rent Commencement Date.

(D) The last three (3) of such units, defined as Tag #17, 37, and 28 shall be installed within six (6) months following the seventh (7<sup>th</sup>) anniversary of the Rent Commencement Date.

(E) Landlord reserves the right to install timers on those certain HVAC units that do not serve the telcom rooms.

(F) All HVAC units shall operate pursuant to a commercially standard temperature range, which shall be controlled by the Landlord.

(c) Subject to Section 5(a) and Section 5(b) of this Amendment (above), Tenant understands that the Refurbishment Work will be performed during Tenant's occupancy and use of the Premises, and may result in inconvenience to Tenant (including noise, vibration and displacement from portions of the Premises from time to time). Tenant will fully cooperate with Landlord's efforts to efficiently complete the Refurbishment Work by, among other things, vacating portions of the Premises from time to time to permit work to proceed, and by moving any personal property within the Premises that is necessary for the completion of the Refurbishment Work. Landlord will make reasonable efforts to minimize the inconvenience and disturbance caused by the Refurbishment Work, but is not responsible for business interruption or damage to property which results from the Refurbishment Work. Tenant hereby agrees that the performance of the Refurbishment Work shall in no way constitute a constructive eviction of Tenant or entitle Tenant to any abatement of rent payable pursuant to the Lease. Landlord shall have no responsibility for, or for any reason be liable to, Tenant for any direct or indirect injury to or interference with Tenant's business arising from the performance of the Refurbishment Work, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting

from the performance of the Refurbishment Work, or for any inconvenience or annoyance occasioned by the performance of the Refurbishment Work.

(d) The Refurbishment Work 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 Refurbishment Work. 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.

9. **HVAC, ELECTRICAL AND PLUMBING.** Landlord shall ensure that all HVAC systems are in good working condition for the Extended Term and Option Period, if any and shall be responsible for any repair and/or replacement necessary. Landlord shall install timers on the non-essential HVAC units, which are the units which are not required to operate 24 hours per day. Landlord shall work with Tenant to determine which HVAC units are non-essential. All HVAC units shall operate pursuant to a commercially standard temperature range, which shall be controlled by the Landlord. Landlord to ensure that all existing electrical system(s) and plumbing system(s) are in good operating condition for the Extended Term at Landlord's sole cost and expense, per the terms of the Lease.

10. **PARKING.** Tenant's parking rights shall remain as set forth in Section 20 of the Basic Lease Information; provided, however, paragraph 1.1 (m) shall be modified as follows: "102 spaces." Landlord shall continue to provide Tenant parking spaces to the front (south side) and back (north side) of the Building. Tenant shall have the right to use such Parking free of charge for the Extended Term and Option Period, if any.

11. **BROKERS.** Landlord warrants that it has dealt with only the following real estate broker(s), agent(s), and/or finder(s) in connection with this Amendment or the transaction contemplated by this Amendment: CBRE, as Landlord's broker. Tenant warrants that it has dealt only with the following real estate broker(s), agent(s), and/or finder(s) in connection with this Amendment or the transaction contemplated by this Amendment: Cresa, as Tenant's broker. Landlord will pay Cresa the brokerage commission in connection with the lease subject to a separate agreement.

12. **SMOKING PROHIBITION.** A new paragraph 34 shall be added to the Lease, whereby Landlord shall require that the Building comply with the Los Angeles County Smoking Ordinance found in the Los Angeles County, California Code of Ordinances, Title 2 – Administration, Chapter 2.126 and shall read as follows:

"33. **Smoking in County Facilities.**

The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to

reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)."

13. **GOVERNMENTAL COMPLIANCE.** Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).

14. **CASp INSPECTION.** A new paragraph 35 shall be added to the Lease and shall read as follows:

"35. **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."

15. All terms when used herein shall have the same respective meanings as set forth in the Lease unless expressly provided otherwise in this Amendment No. 1.

16. The signatory for the Landlord covenants, warrants and guarantees that it has the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein. The signatory for the Tenant covenants, warrants and guarantees that it has the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein.

17. In the event of a conflict between the terms and conditions of this Amendment No. 1 and the terms and conditions of the Lease, the terms and conditions of this Amendment

No. 1 shall prevail. All other terms and conditions contained in the Lease as amended shall remain in full force and effect.

[Signatures Next Page]

IN WITNESS WHEREOF, the Landlord's duly authorized representative has executed this Amendment No. 1 to Lease No. 78121 or caused it to be executed, the day, month and year first above written.

**LANDLORD:**

**MONT-PARK, L.P.**, a California limited partnership

DocuSigned by:  
*Bob Korda* 4/20/2023  
By: Bob Korda  
Name: Bob Korda  
Its: owner

**TENANT:**

**COUNTY OF LOS ANGELES,**  
a body corporate and politic

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_  
John T. Cooke  
Assistant Chief Executive Officer

**ATTEST:**

DEAN C. LOGAN  
Recorder/County Clerk  
of the County of Los Angeles

By: \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

DAWYN R. HARRISON  
County Counsel

By: \_\_\_\_\_  
Senior Deputy

Exhibit A  
Base Building and TI Scope

Page 1/3

**1 Cupania**  
**Monterey Park, CA**

**D R A F T**

**BASE BUILDING WORK**

Plumbing – *Dennis and Miguel, I think language for the plumbing work will need to be further developed once we get further info from the LL*

Re-roof the building

Comply with ADA requirements

Paint building exterior

Adjust irrigation to prevent overspray to windows

Provide adequate caulk/waterproofing repair to storefront system

Replace ceiling tiles that are damaged, water stained, chipped, discolored, and not in good condition

Perform air balancing of the HVAC system

Clean HVAC registers

Provide drainage at landscape area on the East side of the building per attached Flooring, Corner Guards and Drainage Exhibit

**TENANT IMPROVEMENT**

Replace all lighting throughout the Premises to LED

Replace floor finishes per attached Flooring, Corner Guards and Drainage Exhibit.

Commercial cleaning and spot removal of flooring throughout the entire Lease space. In areas where commercial cleaning and spot removal does not work and requires carpet replacement, remove and replace flooring material with Tenant supplied carpet.

Prep and paint walls per attached Paint Exhibit

Install corner guards per attached Flooring, Corner Guards and Drainage Exhibit

Install additional dedicated circuits in the kitchen

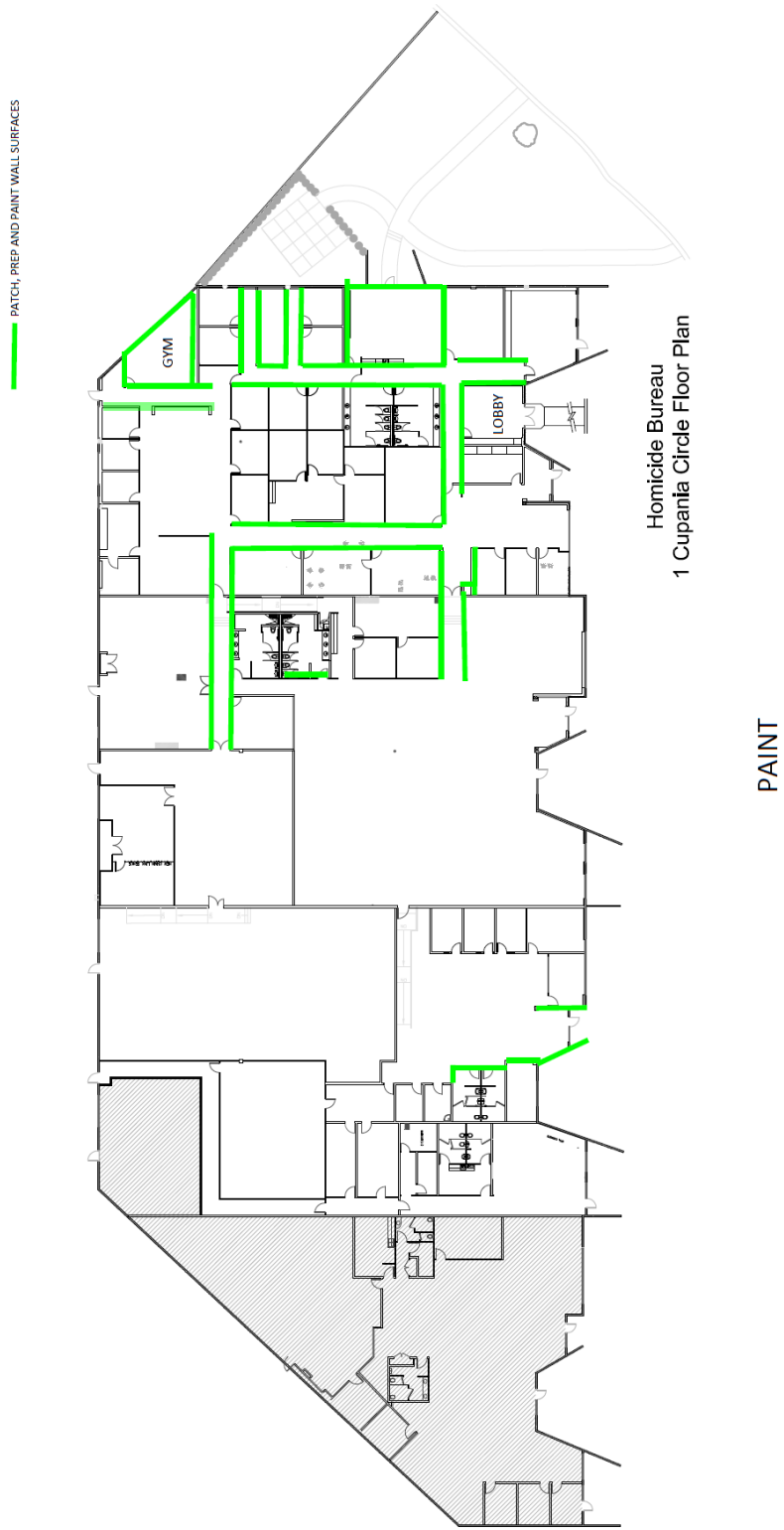
Remove and replace damaged window coverings at exterior windows throughout the Premises

At glass entry doors, remove window coverings and provide dark tint at glass.

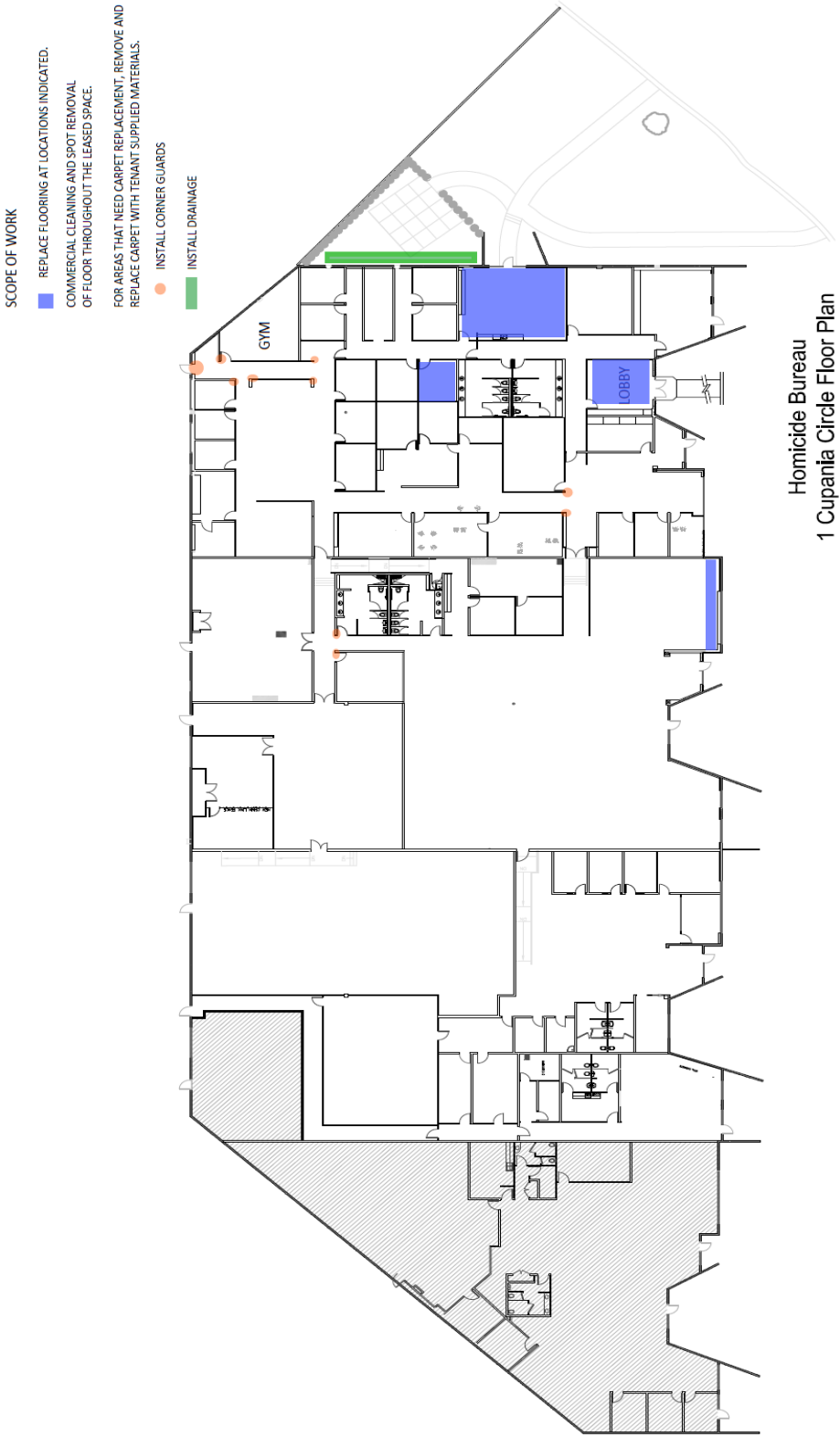
Provide window tint at 4 panels on the South elevation

Rework floor tiles at Men's and Women's showers to provide proper drainage

Install two charging stations at parking lot







FLOORING, CORNER GUARDS AND DRAINAGE

Exhibit B HVAC  
Replacement Schedule

**Exhibit B**  
**HVAC Unit Replacement Schedule**

Tag #	Age	Date to replace	Updated schedule
21	2005	6 months	already done
23	2005	6 months	already done
27	2005	6 months	already done
29	2005	6 months	already done
34	2005	6 months	already done
36	2005	6 months	already done
39	2005	6 months	already done
24A	2006	6 months	already done
09	2011	6 months	already done
38	2008	3 years	3 years
31	2006	3 years	already done
25	2007	3 years	3 years
13	2008	3 years	3 years
14	2008	3 years	3 years
07	2009	3 years	7 years
17	2015	7 years	7 years
37	2015	7 years	7 years
28	2016	7 years	7 years
16	2017	N/A	
19	2018	N/A	
30	2018	N/A	
35	2018	N/A	
08	2019	N/A	
18	2019	N/A	
22	2019	N/A	
23A	2019	N/A	
26	2019	N/A	
32	2019	N/A	