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COUNTY OF LOS ANGELES

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Chief Executive Officer

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

June 04, 2024

30 June 4, 2024

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

EDWARD YEN
EXECUTIVE OFFICER

Dear Supervisors:

**EIGHT-YEAR LEASE AMENDMENT
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
176 HOLSTON DRIVE, LANCASTER
(FIFTH DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed eight-year lease amendment to renew an existing lease to provide the Department of Children and Family Services (DCFS) continued use of approximately 49,000 square feet of office space and 250 on-site parking spaces.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease 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 lease amendment with the Antelope Valley Union High School District (AVUHSD), a Public School District (Landlord), for approximately 49,000 square feet of office space and 250 on-site parking spaces located at 176 Holston Drive, Lancaster (Premises) to be occupied by DCFS. The estimated maximum first year base rental cost is \$1,246,000. The estimated total proposed lease amendment cost is \$10,410,000 over the eight-year term. The rental costs will be funded by 45 percent State and Federal funds and 55 percent net County cost (NCC) that is already included in DCFS' existing budget. DCFS 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 lease amendment, and to take actions necessary and appropriate to implement the proposed lease amendment, including, without limitation, exercising any early termination rights.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DCFS has occupied the Premises since 2017 for its Adoption and Revenue Enhancement units. The current lease expired January 15, 2021, and is currently in holdover with no fee during negotiations. The Landlord purchased the property in 2018 and was internally assessing their plans for the building. In April 2022, the Landlord determined it could engage in negotiations with the County and allow the County to remain in the Premises. The proposed lease amendment will formally reinstate the existing lease, extend the term another eight years, update the rent, and specify the Landlord's responsibilities to refresh the space. AVUHSD adopted the proposed lease amendment at its April 18, 2024, Board meeting.

The DCFS Adoption units are responsible for case management, which involves assessing a child's adoptability and finalizing a child's adoption. The DCFS Revenue Enhancement units provide support to social workers by assisting in finding placements for children who must be assigned to out-of-home care. There are currently approximately 257 employees at the Premises. DCFS has implemented telework, when possible, which has resulted in greater space efficiency at 191 square feet per person.

The proposed lease amendment will enable DCFS to remain in the current space near its other programs located nearby to continue to serve constituents in the Lancaster/ Northern Antelope Valley. The current Premises continues to meet DCFS' space needs, provides sufficient parking for staff, is served by public transportation routes, and is the most economical option.

Implementation of Strategic Plan Goals

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

The proposed lease amendment is also consistent with Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions and Key Objective 4 – Guide Strategic Decision-Making.

The proposed lease amendment supports the above goals and objective by providing suitable office space and sufficient parking for DCFS staff, which will enable DCFS to continue providing these important and needed services.

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

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost is \$1,246,000, which includes parking at no additional cost. The aggregate cost associated with the proposed lease amendment over the entire eight-year term is \$10,410,000 as shown in Enclosure B-1. The proposed lease amendment costs will be funded by 45 percent State and Federal funds and 55 percent NCC that is already included in DCFS' existing budget. DCFS will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed lease amendment term is included in the Fiscal Year 2023-24 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its Fiscal Year 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease amendment will be addressed through the annual budget process for DCFS.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease amendment, the annual rental rate will remain \$25.42 per square foot, per year, for the first year of the extended lease amendment. Base rent is subject to fixed annual increases at 1.25 percent per annum.
- The Landlord will provide new paint and carpet cleaning for the Premises as outlined in the proposed lease amendment.
- The Landlord is responsible for all operating and maintenance costs of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- Parking cost is included in the base rent at no additional cost.
- A comparison of the existing lease and the proposed lease amendment terms is shown in Enclosure B-2.
- The County has the right to terminate the proposed lease amendment any time after the 60th month of the extended term with six months' prior written notice.
- Holdover at the proposed lease amendment expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will be at the base rent at the time of the proposed lease amendment expiration.
- The proposed lease amendment will be effective upon approval by the Board and full execution of the proposed lease amendment.

All other terms of the existing lease not amended by the proposed lease amendment will remain in effect.

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 \$21.85 and \$30 per square foot, per year. The base

annual rental rate of \$25.42 per square foot, per year for the proposed lease amendment represents a rate that is within the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

Co-working space was not considered for this requirement because DCFS requires a secured site due to the personal and confidential data of program participants.

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.

Based on County policy and the age of the building, a structural report from the Department of Public Works is not required. The required notification letter to the City of Lancaster has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the proposed lease amendment and approved it as to form. The proposed lease 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 lease amendment will continue to provide a suitable location for the DCFS programs, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.

ENVIRONMENTAL DOCUMENTATION

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease 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.

Upon the Board's approval of the recommended actions, a Notice of Exemption will be filed with the Registrar-Recorder/County Clerk in accordance with section 21152 of the California Public Resources Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease amendment will adequately provide the necessary office space and parking for this County requirement. DCFS concurs with the proposed lease amendment and recommendations.

The Honorable Board of Supervisors

6/4/2024

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Fesia A. Davenport". The signature is fluid and cursive, with a large initial "F" and "D".

FESIA A. DAVENPORT

Chief Executive Officer

FAD:JMN:JTC

JLC:HD:ANR:NH:gb

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Children and Family Services

DEPARTMENT OF CHILDREN AND FAMILY SERVICES
176 HOLSTON DRIVE, LANCASTER
Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>	Yes	No	N/A
A	Does lease consolidate administrative functions? ²			X
B	Does lease co-locate with other functions to better serve clients? ²			X
C	Does this lease centralize business support functions? ²			X
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² 191 square feet per person; DCFS has implemented telework for added space efficiency.		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² 250 spaces provide 5.1/1,000 sf parking ratio.		X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	X		
2.	<u>Capital</u>			
A.	Is it a substantial net County cost (NCC) program?		X	
B	Is this a long-term County program?	X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
D	If no, are there any suitable County-owned facilities available?		X	
E	If yes, why is lease being recommended over occupancy in County-owned space?			X
F	Is Building Description Report attached as Enclosure C?	X		
G	Was build-to-suit or capital project considered? ²			X
3.	<u>Portfolio Management</u>			
A	Did department use CEO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal lease, was co-location with other County departments considered?	X		
D	Why was this program not co-located with other County departments?			X
	1. ____ The program clientele requires a "stand alone" facility.			
	2. <u> X </u> No suitable County occupied properties in project area.			
	3. <u> X </u> No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. ____ The Program is being co-located.			
E	Is lease a full-service lease? ²	X		
F	Has growth projection been considered in space request?		X	
G	¹ Has the Dept. of Public Works completed seismic review/approval?			X
¹ As adopted by the Board of Supervisors 11/17/98				
² If not, why not?				

ENCLOSURE B-1

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS									
176 Holston Drive, Lancaster									
Department of Children & Family Services									
Basic Lease Assumptions									
Leased Area (sq. ft.)	49,000								
	Monthly	Annual							
Rent (per sq. ft.)	\$2.12	\$25.42							
Term (Months)	96	8 yrs							
Annual Rent Adjustment	1.25%								
	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year	Total 7 Year Rental Costs
Annual Base Rent Costs	\$1,245,360	\$1,260,927	\$1,276,689	\$1,292,647	\$1,308,805	\$1,325,165	\$1,341,730	\$1,358,502	\$10,410,000
Total Base Rent Paid to Landlord	\$1,245,360	\$1,260,927	\$1,276,689	\$1,292,647	\$1,308,805	\$1,325,165	\$1,341,730	\$1,358,502	\$10,410,000
Total Annual Lease Costs	\$1,245,360	\$1,260,927	\$1,276,689	\$1,292,647	\$1,308,805	\$1,325,165	\$1,341,730	\$1,358,502	\$10,410,000

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

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 176 Holston Drive, Lancaster	Proposed Lease Amendment: 176 Holston Drive, Lancaster	Change
Area (Square Feet)	49,000	49,000	No change
Term (years)	3 years	8 years	+5 years
Annual Base Rent (Base rent includes 250 parking spaces)	\$1,246,000 ⁽¹⁾	\$1,246,000	No Change
County's TI Cost	None	None	No change
Annual Parking Cost	\$0	\$0	No change
Total Annual Lease Costs payable to Landlord	\$1,246,000 ⁽¹⁾	\$1,246,000	No change
Rental rate adjustment	Fixed increases at an average of 1.25 percent.	Fixed increase of 1.25 percent.	No change

⁽¹⁾ Utility expense payment paid separately

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SPACE SEARCH – GREATER ANTELOPE VALLEY REGION**

Property ID	Name	Address	Ownership Type	Gross SqFt	Net Sqft	Vacant
T623	High Desert - Doctors' Offices/Library Trailer	44900 N 60th St. W Lancaster 93536	Owned	4,023	3,822	NONE
Y373	PW WWD#04 - North Administration Building	419 W Ave J Lancaster 93534	Owned	4,128	3,428	NONE
L672	RR/CC - Sheriff Lancaster Office	44509 16th St. Lancaster 93534	Leased	4,367	4,149	NONE
Y770	Mira Loma - Office Building	45100 N 60th St. W Lancaster 93536	Owned	4,389	3,021	NONE
T585	High Desert - Gibbons Support Annex	44900 N 60th St. W Lancaster 93536	Owned	4,818	4,457	NONE
4549	Fox Airfield - Administration Building – 1	4555 W Ave G Lancaster 93536	Owned	6,785	1,779	NONE
X232	PW Road - Palmdale Maintenance District #5 Building	38126 N Sierra Hwy Palmdale 93550	Owned	7,040	6,336	NONE
A297	Sheriff - Lancaster Administrative Office	501 W Lancaster Blvd Lancaster 93534	Permit	7,557	6,801	NONE
A149	DMH - Adult Protective Services	2323 A E Palmdale Blvd Palmdale 93550	Leased	9,255	8,303	NONE
A459	DCFS - Administrative Lancaster	300 E Ave K-6 Lancaster 93535	Leased	46,000		NONE
A623	F.I.L.P.	1420 W Ave I Lancaster 93534	Leased	11,600	11,600	NONE
X542	PW - Waterworks North Maint Area Office	260 E Ave K-8 Lancaster 93535	Owned	12,883		NONE
X495	PW - Waterworks North Maintenance Area HQ Building	260 E Ave K-8 Lancaster 93535	Owned	13,200	11,155	NONE
4683	Probation - (AB - 109) Antelope Valley Reg Off	43423 N Division St. Lancaster 93535	Leased	13,800	13,110	NONE
A255	Child Support Services - Div VI Reg Office	42281 10th St. W Lancaster 93534	Leased	14,600	13,870	NONE
A079	Assessor - Lancaster Regional Offices	251 E Ave K-6 Lancaster 93535	Owned	15,338	13,712	NONE
10209	Antelope Valley Juvenile Program	43917 Division St. Lancaster 93535	Leased	15,500	14,725	NONE
4586	Lancaster Courthouse - Services Building	1110 W Ave J Lancaster 93534	Owned	18,488		NONE
A380	DPSS - Antelope Valley Gain Reg II Sub – Office	1050 E Palmdale Blvd Palmdale 93550	Leased	18,795	17,855	NONE
A642	DPSS - Lancaster Gr/Grow Office	335 E Ave K-10 Lancaster 93535	Leased	25,166		NONE
10214	DCFS REGIONAL OFFICE LANCASTER /HS	176 Holston Dr Lancaster 93535	Leased	49,000	46,550	NONE
A576	DCFS - Palmdale (SPA 1) & Palmdale Adoptions	39119 Trade Center Dr Palmdale 93550	Leased	41,674		NONE
X537	Sheriff - Palmdale Station	750 E Ave Q Palmdale 93550	Owned	50,186	46,307	NONE
A433	Antelope Valley Service Center - Building A	349 E Ave K-6 Lancaster 93535	Owned	51,000	33,932	NONE
L622	Parking Lot (Antelope Valley Court Public Parking)	42011 4th St. W and 421 W Ave M Lancaster 93534	CA Superior Courts	355,450	355,450	NONE

FACILITY LOCATION POLICY ANALYSIS

Proposed lease amendment: Lease Amendment for the Department of Children and Family Services – 176 Holston Drive, Lancaster – Fifth District.

- A. Establish Service Function Category** – Regional and local public service function.
- B. Determination of the Service Area** – The proposed lease amendment will allow DCFS to continue services located within Service Planning Area 1.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: Continued need for operation in SA 1 region for DCFS programs.
- Need for proximity to existing County facilities: Close to other County departments offering services, including the Departments of Public Social Services, Mental Health, Probation and the Sheriff.
- 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., bus routes and the 114 freeway.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available that meet DCFS' space needs.
- Compatibility with local land use plans: The City of Lancaster 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 term is \$10,410,000.

D. Analyze results and identify location alternatives

Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$21.60 and \$29.75 per square foot, per year. The base annual rental rate of \$25.42 per square foot, per year for the proposed lease amendment represents a rate that is within the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The proposed lease amendment will provide adequate and efficient office space for 257 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.



APPROVED

APR 18 2024

**A.V.U.H.S.D
BOARD OF TRUSTEES**

Agenda Item Details

Meeting	Apr 18, 2024 - Regular Board Meeting and PINCO Meeting
Category	10. Business Services - Action Items
Subject	B. Approval of Amendment No. 1 to County Lease No. L-1286 with the Antelope Valley Union High School District and Department of Children and Family Services
Access	Public
Type	Action
Recommended Action	It is recommended that the Board of Trustees approve the reinstatement and approval of Amendment No. 1 to County Lease No. L-1286 with the Antelope Valley Union High School District and Department of Children and Family Services and authorize the Deputy Superintendent or Designee to sign the contract agreement.

Public Content

Submitted by:

Trixie Flores, Director, Business/Fiscal Services

Summary Statement:

On March 28, 2018, the Board of Trustees approved the Purchase Agreement and Joint Escrow between District and Fraber Properties II, LLC. for the Purchase of the Property Located at 176 Holston Drive, Lancaster, CA 93535 with a square footage of 101,265 sq. ft. At that time, 49,000 sq. ft. of office building was under a rental lease agreement with the County of Los Angeles, which expired on January 15, 2021.

The District desires the reinstatement and approval of Amendment No. 1 to County Lease No. L-1286 with the Department of Children and Family Services.

Recommendation:

It is recommended that the Board of Trustees approve the reinstatement and approval of Amendment No. 1 to County Lease No. L-1286 with the Antelope Valley Union High School District and Department of Children and Family Services and authorize the Deputy Superintendent or Designee to sign the contract agreement.

[04-18-24 - Amendment No. 1 176 Holston Dr & DCFS.pdf \(147 KB\)](#)

Motion & Voting

It is recommended that the Board of Trustees approve the reinstatement and approval of Amendment No. 1 to County Lease No. L-1286 with the Antelope Valley Union High School District and Department of Children and Family Services and authorize the Deputy Superintendent or Designee to sign the contract agreement.

Motion by Charles Hughes, second by Miguel Sanchez IV.

Final Resolution: Motion Carries

Aye: Carla Corona, Charles Hughes, Jill McGrady, Miguel Sanchez IV, Donita J Winn

REINSTATEMENT AND AMENDMENT NO. 1 TO COUNTY LEASE NO. L-1286
176 HOLSTON DRIVE, LANCASTER, CA
DEPARTMENT OF CHILDREN AND FAMILY SERVICES

This REINSTATEMENT AND AMENDMENT NO. 1 TO LEASE No. L-1286 ("Amendment No. 1") is made and entered into this day of , 2024 ("Effective Date"), by and between ANTELOPE VALLEY UNION HIGH SCHOOL DISTRICT, also known as AVUHSD, a Public School District ("Landlord"), and the COUNTY OF LOS ANGELES, a body corporate and politic ("County" or "Tenant").

RECITALS:

- A. WHEREAS, Landlord, as successor-in-interest to Fraber Properties II LLC, and Tenant entered into that certain Lease No. L-1286 dated January 9, 2018 ("Lease"), for approximately forty-nine thousand (49,000) rentable square feet of office space located at 176 Holston Drive, Lancaster, California ("Premises").
- B. WHEREAS, the original Lease term expired on January 15, 2021, and the County has been a holdover tenant under the Lease since its expiration.
- C. WHEREAS, Landlord and Tenant now wish to extend and amend the Lease to provide for among other matters, an extension of the Term, adjustment to the rent and modification of the early termination right, upon and subject to each of the terms, conditions, and provisions set forth herein.
- D. WHEREAS, all capitalized terms that are used in this Amendment No. 1 but are not defined herein, shall have the meanings given to them in the Lease.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree and amend the Lease as follows:

1. REINSTATEMENT OF LEASE.

The parties hereby agree to reinstate the Lease, and as of the Amendment No. 1 Effective Date, the Lease shall be in full force and effect, and the Lease (as amended by this Amendment No. 1) is the only lease agreement or understanding between Landlord and Tenant affecting the Premises. Except as set forth in this Amendment No. 1, the Lease has not been modified, altered, or amended. To Landlord's knowledge as of the date of this Amendment No. 1, Tenant is not in default under any of the terms, conditions, or covenants of the Lease to be performed or complied with by Tenant and no event has occurred and no circumstance exists which, with the passage of time or the giving of notice by Landlord, or both, would constitute such a default. Landlord and Tenant hereby further covenant and agree that, contemporaneously with the foregoing, any Notice of Termination, if any, is hereby withdrawn, revoked, cancelled and rendered null, void and of no further force or effect.

2. BASIC LEASE INFORMATION. Section 1.1.a. of the Lease, "LANDLORD'S ADDRESS FOR NOTICE," is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

"1.1.a. Landlord's Address for Notice:

Antelope Valley Union High School District
176 Holston Drive
Lancaster, CA 93535
Attention: Director of Business/Fiscal Services"

Section 1.1.b. of the Lease, "TENANT'S ADDRESS FOR NOTICE," is hereby deleted in its entirety, and the following language is inserted in substitution thereof:

"1.1.b. Tenant's Address for Notice:

County of Los Angeles
Chief Executive Office-Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Director of Real Estate"

3. EXTENSION OF THE TERM. Notwithstanding anything to the contrary in the Lease, the Lease is hereby amended to extend the Lease term for an additional ninety-six (96) months commencing as of the Amendment No. 1 Effective Date (the "Extension Commencement Date") and terminating at the end of ninety-six (96) months from the Extension Commencement Date ("Lease Expiration Date"). The period of time commencing on the Extension Commencement Date and terminating on the Lease Expiration Date shall be referred herein as the "Extension Term."

4. TERMINATION. Section 4.4 of the Lease, "Early Termination," is hereby amended by deleting in its entirety and substituting in its place the following:

"4.4. Early Termination. Tenant will have the right to terminate the Lease for any reason after the sixtieth (60th) month following the Extension Commencement Date. Such right may be exercised by Tenant with six (6) months' prior written notice to Landlord."

5. RENT. As of the Amendment No. 1 Effective Date, the Rent as set forth in Section 1.1.h. and Section 5 of the Lease shall be amended to be One Hundred Three Thousand Seven Hundred Eighty and 00/100 Dollars (\$103,780.00) per month (i.e., \$1,245,360.00 yearly). Tenant shall pay Landlord the Base Rent stated in Section 1 of the Lease (and listed below) during the Term hereof within 15 days after a claim therefor for each such month has been filed by Landlord with the Auditor of the County of Los Angeles prior to the first day of each month. Base Rent for any partial month shall be prorated in proportion to the number of days in such month. Rent is subject to fixed 1.25 percent (1.25%) annual increase(s) over the previous year(s) Base Rent as follows:

Months	Rate	Monthly Rent
1 - 12	\$2.12	\$103,780.00
13 - 24	\$2.14	\$105,077.25
25 - 36	\$2.17	\$106,390.72
37 - 48	\$2.20	\$107,720.60
49 - 60	\$2.23	\$109,067.11
61-72	\$2.25	\$110,430.45
73-84	\$2.28	\$111,810.83
85-96	\$2.31	\$113,208.46

6. LANDLORD WORK. Landlord shall complete the following base building improvements ("Landlord Work") within one hundred and twenty (120) days of the mutual execution of this Amendment:

- a. Paint the premises with a mutually agreed-upon primary color.
- b. Have the carpets professionally cleaned throughout the premises.
- c. AVUHSD will maintain a service contract for the HVAC units for the premises which will be serviced quarterly and as needed during the term of the Lease.

7. CASP INSPECTION. The Lease is hereby amended to insert as a new Section 34 the following paragraphs:

"34. 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.

Has 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, and Tenant shall pay 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 the Lease."

8. SMOKING IN COUNTY FACILITIES. The Lease is hereby amended to insert as a new Section 35 the following paragraph:

"35. 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 extent reasonably feasible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made by Tenant to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities in a location reasonably proposed by Tenant and subject to the reasonable approval of Landlord, 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 by Tenant 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 premises and within 25 feet of any access ramp or handicap path; (2) Within any County-owned parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any County 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). All signs required by this Section 28 shall be prepared, posted and maintained by Tenant, subject to Landlord's approval of such signs, including the location thereof, which approval shall not be unreasonably withheld."

9. ENTIRE AGREEMENT. The Lease, as amended by this Amendment No. 1, contains the entire agreement of the parties hereto with respect to the subject matter hereof. No representations, inducements, or agreements, oral or otherwise, between the parties not contained in the Lease shall be of any force or effect. The Lease, as amended by this Amendment No. 1, may not be modified, changed or terminated, in whole or in part, in any manner other than by an agreement in writing signed by duly authorized representatives of the parties hereto. Effective as of the date hereof, all references to the "Lease" shall refer to the Lease as amended by this Amendment No. 1.

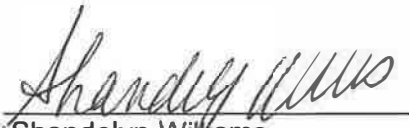
10. ELECTRONIC SIGNATURES. This Amendment No. 1 and any other document necessary for the consummation of the transaction contemplated by this Amendment No. 1 may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment No. 1 and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment No. 1 had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Amendment No. 1 is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will reply on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Amendment No. 1 based on the foregoing forms of signature. If this Amendment No. 1 has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA") (Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

[Signature Page Immediately Follows]

IN WITNESS WHEREOF, the Landlord has executed this Amendment No. 1 or caused it to be duly executed and this Amendment No. 1 has been executed on behalf of the County by the Chief Executive Officer of the Chief Executive Office of the County, or her designee, on the day, month, and year first above written.

LANDLORD:

ANTELOPE VALLEY UNION HIGH SCHOOL DISTRICT, a Public School District

By: 
Shandelyn Williams
Deputy Superintendent

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
Registrar Recorder/County Clerk
of the County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: 
Senior Deputy