



# Board of Supervisors Operations Cluster Agenda Review Meeting

**DATE:** June 18, 2025

**TIME:** 2:00 p.m. – 4:00 p.m.

**MEETING CHAIR:** Michelle Vega, 5<sup>th</sup> Supervisorial District

**CEO MEETING FACILITATOR:** Dardy Chen

**THIS MEETING IS HELD UNDER THE GUIDELINES OF BOARD POLICY 3.055**

To participate in this meeting in-person, the meeting location is:

Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012  
Room 374-A

To participate in this meeting virtually, please call teleconference number

1 (323) 776-6996 and enter the following 522268816# or [Click here to join the meeting](#)

Teams Meeting ID: 237 250 878 670

Passcode: UoBQAE

**For Spanish Interpretation, the Public should send emails within 48 hours in advance of the meeting to [ClusterAccommodationRequest@bos.lacounty.gov](mailto:ClusterAccommodationRequest@bos.lacounty.gov).**

Members of the Public may address the Operations Cluster on any agenda item during General Public Comment.

The meeting chair will determine the amount of time allowed for each item.

**THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL \*6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.**

**1. CALL TO ORDER**

**2. GENERAL PUBLIC COMMENT**

### **3. BOARD MOTION ITEM(S):**

#### **SD-1**

- IMPROVING ENFORCEMENT OF THE COUNTY'S SHORT TERM RENTAL ORDINANCE

#### **SD-3 & SD-4**

- NAMING THE NEW COUNTY DEPARTMENT DEDICATED TO HOMELESSNESS

### **4. DISCUSSION ITEM(S):**

#### A) Board Letter:

SEVEN-YEAR LEASE

CHIEF EXECUTIVE OFFICE, DISTRICT ATTORNEY

AND SHERIFF'S DEPARTMENT

925 L STREET, SACRAMENTO

CEO/RE – Alexandra Nguyen-Rivera, Section Chief, Leasing

### **5. PRESENTATION ITEM(S):**

#### A) RISK MANAGEMENT INFORMATION SYSTEM (RMIS) ANNUAL UPDATE

CEO/RM – Destiny Castro, Branch Manager

#### B) 2024-2025 NEW LAWS PRESENTATION

COUNTY COUNSEL – Christine Ton, Senior Deputy County Counsel,

Shana Wilcher, Deputy County Counsel and

Shirley R. Edwards, Deputy County Counsel

### **6. ADJOURNMENT**

### **UPCOMING ITEMS FOR JUNE 25, 2025:**

#### A) COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS TO

IMPLEMENT THE FISCAL YEAR 2025-2026 RECOMMENDED BUDGET AND  
OTHER CLASSIFICATION ACTIONS

CEO/CLASS – Jennifer Revuelta, Principal Analyst

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

[OPS\\_CLUSTER\\_COMMENTS@CEO.LACOUNTY.GOV](mailto:OPS_CLUSTER_COMMENTS@CEO.LACOUNTY.GOV)

MOTION BY SUPERVISOR HILDA L. SOLIS

July 1, 2025

**Improving Enforcement of the County’s Short Term Rental Ordinance**

On March 19, 2019, the County of Los Angeles (County) Board of Supervisors (Board) adopted a Motion directing County departments to prepare a Short-Term Rentals Ordinance (Ordinance) to comprehensively regulate Short-Term Rentals (STR) in the Unincorporated Areas of the County. The final Ordinance was approved by the Board on October 8, 2024, aiming to strike a balance between the economic benefits of STRs and potential impacts to housing stock, neighborhood character, and quality of life for residents. The regulations apply to STRs in the Unincorporated Areas of the County. Enforcement of the County’s STR ordinance falls under the responsibility of various Departments including the Treasurer and Tax Collector (TTC), the Los Angeles County Sheriff’s Department (LASD), Department of Regional Planning (DRP), Department of Consumer and Business Affairs (DCBA), and County Counsel.

On May 20, 2025, Tyler Gardner passed away in Hacienda Heights inside an alleged STR property. Although the location did not appear on Airbnb or Vrbo, it was known to the community as a STR. After learning about the alleged STR property in 2023, the issue was referred to the DRP for further investigation and action. Additionally, the Hacienda Heights Town Sheriff team was directed to visit the property.

HOA.105384963.1

**MOTION**

Solis	_____
Mitchell	_____
Horvath	_____
Hahn	_____
Barger	_____

MOTION BY SUPERVISOR HILDA L. SOLIS

July 1, 2025

**Improving Enforcement of the County's Short Term Rental Ordinance**

Initial inspections by the TTC in late 2024 and early 2025 found no active online listings and no apparent STR activity.

The County has also documented a troubling pattern of activity at this property:

- March 7, 2024: The District Attorney's Office reported Airbnb activity; the owner admitted to STR activity.
- September 6, 2024: County staff met with the property owners to address concerns.
- October 2, 2024: The property owners agreed in person to cease STR operations and shift to long-term rentals.
- November 20, 2024: Community complaints cited disruptive guests and parking issues.
- December 1, 2024: A neighbor described "motel-like" conditions and raised safety concerns.
- January 11, 2025: Additional reports were received regarding excessive tenants and disruptive behavior.

Despite these reports and the County's STR ordinance, the property continued to create a nuisance to the neighborhood until the unfortunate death of Tyler Gardner.

The World Cup and the Olympic Games are coming to Los Angeles soon which may further exacerbate the STR issues. It is imperative that the County take action to close STR enforcement gaps and prevent future tragedies from occurring in the future.

MOTION BY SUPERVISOR HILDA L. SOLIS

July 1, 2025

**Improving Enforcement of the County's Short Term Rental Ordinance**

**I, THEREFORE, MOVE** that the Board of Supervisors direct the Treasurer Tax Collector (TTC), in collaboration with the Los Angeles County Sheriff's Department, Department of Regional Planning, Department of Consumer and Business Affairs, and County Counsel, to provide a written report back to the Board in 90 days on the County's Short-Term Rentals (STR) Ordinance including:

1. **Implementation Overview:** Outline of how the STR Ordinance is being implemented.
2. **Challenges and Gaps in Enforcement:** Review of challenges and gaps in the current STR enforcement protocols and recommendations to overcome those gaps, including any additional resources needed.
3. **Coordination of Enforcement Efforts:** Description of how STR enforcement activities are coordinated between Departments.
4. **Resident Concerns Process:** Establishment of processes to elevate resident concerns regarding STRs received by all Departments and channel them through the TTC for coordination and enforcement with other respective agencies when appropriate.
5. **Identification of Non-Advertised STRs:** Development of recommendations for identifying STRs that are not advertised through traditional STR advertising channels (e.g., Airbnb, Vrbo).

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MOTION BY SUPERVISORS LINDSEY P. HORVATH AND  
JANICE HAHN

July 1, 2025

**Naming the New County Department Dedicated to Homelessness**

On April 1, 2025, the Board of Supervisors voted to implement the Blue-Ribbon Commission on Homelessness (BRCH) Recommendation 1, to establish a County Entity Dedicated to Homeless Service Delivery. The motion directed the CEO, in consultation with other departments and stakeholders, to take the required steps to establish a new County of Los Angeles Department dedicated to serving people who are experiencing or at risk of homelessness.

As the motion-directed Administrative Team moves forward to implement on the Board's directives, the department's name is necessary for its official creation.

**WE, THEREFORE, MOVE** that the Board of Supervisors direct the Chief Executive Officer (CEO), in partnership with the Auditor-Controller, to:

1. Name the new department on homelessness the "Department of Homeless Services and Housing."

**MOTION**

SOLIS

\_\_\_\_\_

MITCHELL

\_\_\_\_\_

HORVATH

\_\_\_\_\_

HAHN

\_\_\_\_\_

BARGER

\_\_\_\_\_

# # #

LPH:ap

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	6/18/2025	
<b>BOARD MEETING DATE</b>	7/15/2025	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup> <input type="checkbox"/> N/A	
<b>DEPARTMENT(S)</b>	Chief Executive Office, District Attorney and Sheriff's Department	
<b>SUBJECT</b>	Seven-year new lease for 3,879 SF at 925 L Street, Sacramento, CA	
<b>PROGRAM</b>	Sacramento Advocacy Office, CEO - Legislative Affairs and Intergovernmental Relations; District Attorney - Administration; and Sheriff - Legislative Unit.	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>	
<b>DEADLINES/ TIME CONSTRAINTS</b>		
<b>COST &amp; FUNDING</b>	Total cost: \$1,353,000 for initial seven-year term.	Funding source: The rental costs will be funded 100 percent by net County cost (NCC) shared on a pro-rata basis by each department
	TERMS (if applicable): The proposed lease will have an estimated maximum first year base rental cost of \$175,000, but with three months' rent abatement of \$44,000, will equal \$131,000, where the landlord will be responsible for all operating expenses, including utilities, repair and maintenance to the building. If including low-voltage costs, total costs over the seven-year term is \$1,353,000.	
	Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2025-26 Rent Expense budget and will be billed back to CEO, DA, and Sheriff. CEO, DA, and Sheriff has sufficient funding in their respective Fiscal Year 2025-26 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be addressed through the annual budget process for CEO, DA, Sheriff.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended action will authorize and provide use of office space for the CEO, DA and Sheriff.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The proposed lease at the Premises will serve as a replacement site for CEO, DA and Sheriff from the existing location at 1100 K Street, Sacramento. Courts will also be occupying the proposed Premises.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
<b>DEPARTMENTAL CONTACTS</b>	Alexandra Nguyen-Rivera Section Chief, Leasing CEO Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov	





## **Chief Executive Office.**

### **COUNTY OF LOS ANGELES**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, CA 90012  
(213) 974-1101      ceo.lacounty.gov

#### **CHIEF EXECUTIVE OFFICER**

Fesia A. Davenport

*"To Enrich Lives Through Effective and Caring Service"*

July 15, 2025

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

Dear Supervisors:

**SEVEN-YEAR LEASE  
CHIEF EXECUTIVE OFFICE, DISTRICT ATTORNEY,  
AND SHERIFF'S DEPARTMENT  
925 L STREET, SACRAMENTO  
(ALL DISTRICTS) (3 VOTES)**

#### **SUBJECT**

Approval of a proposed new seven-year lease for 3,879 square feet of office space as the Sacramento Advocacy Office for the following departments: Chief Executive Office (CEO), District Attorney (DA), and Sheriff's Department (Sheriff).

#### **IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with SVACW 925 LLC, a Delaware limited liability company (Landlord), for approximately 3,879 square feet of office space located at 925 L Street, Sacramento (Premises), to be occupied by the CEO, DA, and Sheriff. The estimated maximum first-year base rental cost is \$175,000, but with a three-month rent abatement of approximately \$44,000, will equal \$131,000. The estimated total proposed lease cost, including low-voltage costs, is \$1,353,000 over the seven-year term. The rental costs will be funded 100 percent by net County cost (NCC) that is already included in the CEO's, DA's, and Sheriff's existing budget, with each

department responsible for its proportionate share of the space. The CEO, DA, and 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 terms of the proposed lease, and to take actions necessary and appropriate to implement the proposed lease, including, without limitation, exercising any early termination rights and option to extend at market rent. for an additional two years. If this option is exercised, the total term of the proposed lease will be up to nine years.

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

Since 1985, the CEO Legislative Affairs and Intergovernmental Relations, DA, and Sheriff have occupied space for the Sacramento Advocacy Office, located at 1100 K Street, Sacramento. A relocation to the proposed Premises is required because the existing landlord, California State Association of Counties, will be constructing seismic upgrades to the existing building and requires relocation of all tenants.

The County's Sacramento Advocacy Office, is responsible for leading the County's State advocacy efforts, including directing staff and contract representatives, and coordinating the advocacy activities of County departments and affiliates. In addition, staff is responsible for monitoring key legislative and regulatory issues in accordance with County Board-approved State Legislative Agenda and Policies.

The proposed Premises will house approximately 13 staff using 12 workstations. Each of the three departments will have the following staff allocation: CEO will have seven staff; DA will have three staff, and Sheriff will have two staff. The Courts, who is also sharing the space, will have one staff. The Courts will be responsible for its pro-rata share of rent and costs.

Although telework is available and employed during less busy times, the CEO is primarily at the office due to confidential in-person meetings that may take place, and meetings with various legislators and/or their staff. The Premises is also used by the Supervisors, their staff, and other County department heads when travelling to Sacramento advocating on behalf of the County's legislative and budget priorities, collaborating with State partners, select congressional and State legislative leaders, and or special events. Teleworking is not a viable option for the DA and Sheriff. The DA and Sheriff produce confidential letters and publications that are shared directly with legislators and their staff, hold confidential meetings, and meet with various legislators which require in person meetings for advocacy at the State Capitol building.

The proposed lease will enable the CEO, DA, and Sheriff to continue the County's State advocacy efforts with a location close to the State Capitol building. The site is easily accessible and adequately served by public transportation routes.

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

The Countywide Strategic Plan North Star 3 – *“Realize Tomorrow’s Government Today”* – ensures we provide an increasingly dynamic and complex environment, challenges collective abilities to respond to public needs and expectations. LA County is an innovative, flexible, effective, and transparent partner focused on advancing the common good & being fiscally responsible.

The proposed lease is also consistent with the Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions, and Key Objective No. 3 – Optimize Real Estate Portfolio.

The proposed lease supports the above goals and objective by providing suitable office space for the CEO, DA, and Sheriff to advocate for the County in the proposed Premises that is located near the State Capitol building.

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

### **FISCAL IMPACT/FINANCING**

The estimated maximum first-year base rental cost is \$175,000, but with a three -month rent abatement of \$44,000 will equal \$131,000. The aggregate cost associated with the proposed lease over the entire term, including rent abatement and low-voltage work to be performed by the proposed Landlord, is \$1,353,000 as shown in Enclosure B-1. The proposed lease costs will be 100 percent funded by NCC that is already included in the CEO, DA, and Sheriff’s existing budget. The CEO, DA, and Sheriff will not be requesting additional NCC for this action. Each department will be responsible for its pro-rata share of the rent equal to approximately: CEO - 69 percent; DA - 16 percent; Sheriff - 8 percent, and Superior Courts - 7 percent. Superior Courts is sharing the space and paying for their pro-rata share of rent.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the recommended Fiscal Year 2025-26 Rent Expense budget and will be billed back to the CEO, DA, and Sheriff. The CEO, DA, and Sheriff have sufficient funding in their respective Fiscal Year 2025-26 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be addressed through the annual budget process for CEO, DA, and Sheriff.

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

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

- The annual rental rate will be \$45 per square foot, per year and is subject to annual increases based on fixed annual increases of 3 percent.
- The Landlord has agreed to three months of rent abatement.
- The Landlord, at the Landlord's sole cost and expense, shall construct a new conference room, four new private offices, a partition with signage in the reception area, low-voltage equipment and installation to the County specifications, and a mutually agreed upon plan.
- The County will reimburse the Landlord up to \$35,000 for the lump sum cost of the low-voltage equipment and installation. If the Landlord advances the County's low-voltage costs and the County elects to pay in installments, this amount will be amortized over five years with interest at 9 percent for a fully amortized amount not to exceed \$45,000.
- The Landlord is responsible for all operating and maintenance cost of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.

No parking is provided under the proposed lease. Parking will continue to be at a nearby parking structure from a third-party operator and the proposed lease will have no effect on those parking arrangements.

- The proposed lease includes a seven-year initial term with one option to extend the proposed lease for an additional two years, with six months' notice, at fair market rent. If the option is exercised, the total term of the proposed lease would be nine years.
- The County has the right to terminate the proposed lease any time after the 60th month, with 180 days' notice subject to payment of a termination fee equal to the unamortized Landlord's tenant improvement (TI) expense, which costs shall be amortized on a straight-line basis with a total not-to-exceed \$46,000.
- If the County notifies the Landlord at least three months prior to the proposed lease expiration, holdover at the proposed lease expiration is permitted on the same lease terms and conditions and monthly rent will be the same as the last month prior to the lease expiration date. After the initial six months of holdover, monthly base rent will increase by 25 percent.

- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease, but the term and rent will commence upon completion of the TIs by the Landlord and acceptance of the Premises by the County.
- The County shall have the Right of First Offer to lease any available space on the 14th floor of the building.

The CEO issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website and Real Estate's County website. No responses were received. The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$42.60 and \$52.92 per square foot, per year. The base annual rental rate of \$45 per square foot, per year for the proposed lease represents a rate that is within the market range for the area. We recommend the Premises as the most suitable to meet the County's space requirements.

Co-working office space is not suitable for this requirement due to the nature of services provided by the CEO, DA, and Sheriff at this location.

Construction of the TIs will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act. The required notification letter to the City of Sacramento has been sent in accordance with Government Code Section 25351.

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

## **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor TIs 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 and with the State Clearinghouse in the Office of Land Use and Climate Innovation in accordance with section 21152 (a) of the California Public Resources Code and will be posted to the County's website pursuant to section 21092.2.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease will adequately provide the necessary office space for this County requirement. The CEO, DA, and Sheriff concurs with the proposed lease and recommendations.

Respectfully submitted,

FESIA A. DAVENPORT  
Chief Executive Officer

FAD:JMN:JTC:JLC  
HD:ANR:MT:gb

Enclosures

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

**CHIEF EXECUTIVE OFFICE, DISTRICT ATTORNEY, SHERIFF  
925 L STREET, SACRAMENTO**

**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? <sup>2</sup>		<b>X</b>		
B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>		<b>X</b>		
C	Does this lease centralize business support functions? <sup>2</sup>		<b>X</b>		
D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>Based on 13 staff there is 252 RSF per person due to inclusion of a conference room.</b>			<b>X</b>	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>No on-site parking, Departments are renting parking spaces at nearby parking garage.</b>			<b>X</b>	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>		<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
A	Is it a substantial net County cost (NCC) program?		<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 enclosed 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 use 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?				<b>X</b>
D	Why was this program not co-located?				
	1. ____ The program clientele requires a "stand alone" facility.				
	2. ____ 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. <u>  X  </u> The Program is being co-located.				
E	Is lease a full-service lease? <sup>2</sup>		<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 adopted by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

**OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS**

**925 L Street, Sacramento  
Chief Executive Office, District Attorney, Sheriff**

**Basic Lease Assumptions**

<b>Leased Area (sq.ft.)</b>	3,879
	<b>Monthly      Annual</b>
<b>Base Rent</b>	\$3.75      \$45.00
<b>Rent Abatement (Months)</b>	3
<b>Term</b>	84      7
<b>Annual Rent Adjustments</b>	3.00%

	<b>Annual</b>	<b>Amortized</b>	
	<b>Interest Rate</b>	<b>Cost @ IR, 5</b>	
<b>Low Voltage Costs (TESMA Labor &amp; Materials)</b>	<b>Lump Sum</b>	<b>(IR)</b>	<b>Yrs.      Difference</b>
	\$35,000	9.00%	\$43,593      \$8,593

	<b>1<sup>st</sup> Year</b>	<b>2nd Year</b>	<b>3rd Year</b>	<b>4th Year</b>	<b>5th Year</b>	<b>6th Year</b>	<b>7th Year</b>	<b>Total 7 Years Rental Costs</b>
Annual Base Rent Costs	\$175,000	\$181,000	\$187,000	\$193,000	\$199,000	\$205,000	\$212,000	<b>\$1,352,000</b>
Rent Abatement	(\$44,000)							<b>(\$44,000)</b>
<b>Rent Paid to Landlord</b>	<b>\$131,000</b>	<b>\$181,000</b>	<b>\$187,000</b>	<b>\$193,000</b>	<b>\$199,000</b>	<b>\$205,000</b>	<b>\$212,000</b>	<b>\$1,308,000</b>
Low Voltage Costs Paid to Landlord	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000			<b>\$45,000</b>
<b>Total Annual Lease Costs</b>	<b>\$140,000</b>	<b>\$190,000</b>	<b>\$196,000</b>	<b>\$202,000</b>	<b>\$208,000</b>	<b>\$205,000</b>	<b>\$212,000</b>	<b>\$1,353,000</b>

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



## **FACILITY LOCATION POLICY ANALYSIS**

**Proposed lease:** Lease for the Chief Executive Office, District Attorney, and Sheriff – 925 L Street, Sacramento. All Districts

**A. Establish Service Function Category** – Advocacy office public service function.

**B. Determination of the Service Area** – The proposed lease will allow the Sacramento Advocacy Office to continue to provide an advocacy office centrally located to State Capitol building.

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

- Need for proximity to service area and population: This location meets the service area criteria and remains in the desired governmental area.
- 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., Sacramento Regional Transit, YoloBus and Roseville Transit.
- 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 existing County buildings available to meet the Department's service needs.
- Compatibility with local land use plans: The City of Sacramento 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 over the entire term is \$1,353,000.

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

The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$42.60 and \$52.92 per square foot, per year. The base annual rental rate of \$45 per square foot, per year for the proposed lease represents a rate that is within the market range for the area. We recommend the 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 will provide adequate and efficient office space for 13 employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES - Tenant**

**SVACW 925, LLC, A DELAWARE LIMITED LIABILITY COMPANY – Landlord**

**925 L STREET,  
SUITE 1400,  
SACRAMENTO, CALIFORNIA**

# TABLE OF CONTENTS

	Page
1. BASIC LEASE INFORMATION .....	1
1.1 Terms .....	1
1.2 Exhibits to Lease.....	3
2. PREMISES.....	3
2.1 Lease of Premises .....	3
2.2 Measurement of Premises .....	4
3. COMMON AREAS.....	4
4. COMMENCEMENT AND EXPIRATION DATES .....	4
4.1 Term .....	4
4.2 Termination Right.....	5
4.3 Early Entry .....	5
4.4 Early Termination.....	5
4.5 Lease Expiration Notice .....	5
5. RENT .....	5
5.1 Base Rent .....	5
5.2 Method of Payment and Required Information .....	6
5.3 Annual Base Rent Adjustments.....	6
5.4 Rent Abatement.....	7
6. USES .....	7
7. HOLDOVER .....	7
8. COMPLIANCE WITH LAW .....	7
9. DAMAGE OR DESTRUCTION .....	7
9.1 Damage .....	7
9.2 Tenant Termination Right.....	8
9.3 Damage In Last Year .....	8
9.4 Default By Landlord .....	8
10. REPAIRS AND MAINTENANCE .....	9
10.1 Landlord Representations .....	9
10.2 Landlord Obligations .....	10
10.3 Tenant Obligations.....	11
10.4 Tenant's Right to Repair .....	12
11. SERVICES AND UTILITIES .....	13
11.1 Services .....	13
11.2 Utilities .....	14
12. TAXES .....	14
13. LANDLORD ACCESS .....	14
14. TENANT DEFAULT .....	15
14.1 Default .....	15
14.2 Termination.....	15
14.3 No Effect on Indemnity.....	15
15. LANDLORD DEFAULT .....	15
15.1 Remedies .....	15
15.2 Waiver; Limitation of Liability.....	16
15.3 Emergency.....	16
16. ASSIGNMENT AND SUBLETTING .....	16
16.1 Assignment and Subletting .....	16
16.2 Sale .....	17

17.	ALTERATIONS AND ADDITIONS .....	18
17.1	Landlord Consent.....	18
17.2	End of Term .....	18
18.	CONDEMNATION.....	18
18.1	Controlling Terms.....	18
18.2	Total Taking .....	18
18.3	Partial Taking.....	18
18.4	Restoration .....	19
18.5	Award .....	19
18.6	Waiver of Statute .....	19
19.	INDEMNIFICATION.....	19
19.1	Landlord's Indemnity .....	19
19.2	Tenant's Indemnity.....	20
20.	INSURANCE .....	20
20.1	Waiver .....	20
20.2	General Insurance Provisions – Landlord Requirements.....	20
20.3	Insurance Coverage Types And Limits.....	23
20.4	Landlord Requirements.....	23
21.	PARKING .....	24
21.1	Tenant's Rights .....	24
22.	ENVIRONMENTAL MATTERS.....	24
22.1	Hazardous Materials .....	24
22.2	Indemnity .....	24
23.	ESTOPPEL CERTIFICATES .....	25
24.	TENANT IMPROVEMENTS .....	25
25.	LIENS.....	26
26.	SUBORDINATION AND MORTGAGES .....	26
26.1	Subordination and Non-Disturbance .....	26
26.2	Existing Deeds of Trust.....	27
26.3	Notice of Default .....	27
27.	SURRENDER OF POSSESSION.....	27
28.	SIGNAGE.....	27
29.	QUIET ENJOYMENT .....	28
30.	GENERAL .....	28
30.1	Headings .....	28
30.2	Successors and Assigns .....	28
30.3	Brokers .....	28
30.4	Severability .....	28
30.5	Notices.....	29
30.6	Governing Law and Venue.....	29
30.7	Waivers.....	29
30.8	Time of Essence .....	29
30.9	Consent .....	29
30.10	Community Business Enterprises .....	29
30.11	Memorandum of Lease .....	29
30.12	Counterparts; Electronic Signatures.....	30
31.	AUTHORITY.....	30
32.	ACKNOWLEDGEMENT BY LANDLORD .....	31
32.1	Consideration of GAIN Program Participants .....	31
32.2	Solicitation of Consideration.....	31
32.3	Intentionally Omitted .....	31

32.4 Smoking in County Facilities.....32

33. IRREVOCABLE OFFER.....32

34. RIGHT OF FIRST OFFER.....32

35. OPTION TO EXTEND .....33

**EXHIBITS**

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Heating, Ventilation, and Air Conditioning Standards
- Exhibit D – Cleaning and Maintenance Schedule
- Exhibit E – Subordination, Non-disturbance and Attornment Agreement
- Exhibit F – Tenant Estoppel Certificate
- Exhibit G – Community Business Enterprises Form
- Exhibit H – Memorandum of Lease Terms

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_ day of \_\_\_\_, 2025 between SVACW 925, LLC, A DELAWARE LIMITED LIABILITY COMPANY ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

**1.1 Terms**

The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

(a) Landlord's Address for Notices:	SVACW 925, LLC c/o Seagate Properties, Inc. 980 Fifth Avenue San Rafael, CA 94901 Attn: Dennis Fisco
(b) Tenant's Address for Notices:	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  With a copy to:  County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 3,879 rentable square feet, designated as Suite 1400, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building located at 925 L Street, Sacramento, California, which is currently assessed by the County Assessor as APN 006-0102-007-0000 (collectively, the "Property");
(e) Term:	Seven (7) years, commencing the first day of the month following substantial completion of Landlord's Work, delivery of Premises to Tenant, and Tenant acceptance of the Premises, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the <u>seventh</u> annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein; however, in no event shall the Commencement Date occur prior to September 1, 2025. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
(f) Estimated Commencement Date:	September 1, 2025
(g) Irrevocable Offer Expiration Date: (see Section 33)	June 17, 2025
(h) Base Rent:	\$3.75 per rentable square foot per month  (i.e., \$14,546.25 per month or \$174,555.00 per year) and subject to Section 5.3 and 5.4.
(i) Early Termination (see Section 4.4)	Tenant shall have the right to terminate the Lease for any reason after the 60 <sup>th</sup> month following the Commencement Date of the Lease. Such right may be exercised by Tenant on one hundred (180) days' written notice to Landlord. On or before the effective date of such termination, Tenant shall pay Landlord a termination fee equal to the unamortized cost of the Tenant Improvement expenses provided by Landlord to Tenant and not to exceed \$45,714.29, which costs shall be amortized on a straight-line basis.



(j) Rentable Square Feet in the Premises:	3,879 rentable square feet
(k) Initial Departmental Use:	CEO, District Attorney, and Sheriff Department. Tenant may use and occupy the Premises for general office use and, for any other lawful use. Tenant will be permitted to replace the initial tenant department with any County of Los Angeles Department or Division or associated agency at its sole discretion, subject to Section 6.
(l) Parking Spaces:	None. Building has no onsite parking.
(m) Tenant's Hours of Operation:	6 a.m. to 6 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays
(n) Asbestos Report:	A report dated July 15, 1997 prepared by VERSAR, Inc., a licensed California Asbestos contractor.
(o) Seismic Report	A report dated October 12, 2017 prepared by AEI Consultants.
(p) Disabled Access Survey	A report dated March 1, 2024 prepared by Miyaki Access Specialist.

1.2 <u>Exhibits to Lease</u>	<p>Exhibit A - Floor Plan of Premises</p> <p>Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms</p> <p>Exhibit C - HVAC Standards</p> <p>Exhibit D - Cleaning and Maintenance Schedule</p> <p>Exhibit E - Subordination, Non-Disturbance and Attornment Agreement</p> <p>Exhibit F - Tenant Estoppel Certificate</p> <p>Exhibit G - Community Business Enterprises Form</p> <p>Exhibit H - Memorandum of Lease</p>
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## 2. PREMISES

### 2.1 Lease of Premises

Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1.1 and depicted on Exhibit A attached hereto.

## 2.2 Measurement of Premises

Tenant shall have the right at any time during the Term of this Lease to field-measure and verify the exact footage of the Premises. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement. Should this measurement differ from the square footage stated above and Landlord concurs with such remeasured square footage, then the square footage of the Premises shall be adjusted accordingly and any amounts set forth in this Lease that vary by the size of the Premises shall be modified accordingly and memorialized by the mutual execution of an amendment to this Lease. If Landlord and Tenant are unable to agree upon the Premises square footage after such re-measurement, then Landlord and Tenant shall appoint a neutral third party consultant to make such determination, Landlord and Tenant shall equally share the costs of such third party architect and such architect's determination shall be binding.

## 3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies, corridors and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord.

## 4. COMMENCEMENT AND EXPIRATION DATES

### 4.1 Term

The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete, Tenant has inspected the Premises, and Tenant has accepted the Premises in writing. Tenant shall inspect the Premises within seven (7) days from completion of the Tenant Improvements. The terms "Substantial Completion" or "Substantially Complete" as used in this Lease shall mean compliance with all of the following:

- (a) The building systems are operational to the extent necessary to service the Premises;
- (b) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), except minor punch list items which Landlord shall thereafter promptly

complete, such that Tenant can conduct normal business operations from the Premises;

- (c) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;

#### 4.2 Termination Right

If the Commencement Date has not occurred within sixty (60) days after the Estimated Commencement Date, subject to Tenant Delays or Force Majeure Delays, as provided in Landlord's Work Letter executed concurrently herewith and attached hereto as Exhibit I and incorporated herein by reference, then Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord, and the parties shall have no further rights or obligations to one another hereunder.

#### 4.3 Early Entry

Tenant shall be entitled to enter the Premises not less than thirty (30) days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures, and equipment in the Premises, so long as such early access does not interfere with Landlord's completion of the Tenant Improvements. Such early entry shall be subject to all provisions hereof, but shall not advance the Termination Date, and Tenant shall not pay Base Rent nor any other charges for such early entry period.

#### 4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than one hundred eighty (180) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee. On or before the effective date of such termination, Tenant shall pay Landlord a termination fee equal to the unamortized cost of the Tenant Improvement expenses provided by Landlord to Tenant and not to exceed \$45,714.29, which costs shall be amortized on a straight-line basis.

#### 4.5 Lease Expiration Notice

No later than twelve (12) months, nor earlier than eighteen (18) months, prior to the expiration of the Lease Term, Landlord shall provide a written notice to Tenant notifying Tenant of the Termination Date.

### 5. RENT

#### 5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor-Controller (A-C) of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact

information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

## 5.2 Method of Payment and Required Information

The Tenant may, at its sole discretion, determine the most appropriate, efficient, secure, and timely form of payment for any amounts due under this Lease. Landlord further agrees that the default form of payment shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the A-C.

Subject to Section 5.1, the Landlord shall provide the A-C with electronic banking and related information for the Landlord and/or any other payee that the Landlord designates to receive payment pursuant to this Lease. Such electronic banking and related information includes, but is not limited to: bank account number and routing number, legal business name, valid taxpayer identification number or TIN, a working e-mail address capable of receiving remittance advices and other payment related correspondence, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments. Upon the Commencement Date or at any time during the duration of the Lease, a Landlord may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

## 5.3 Annual Base Rent Adjustments

From and after the 1<sup>st</sup> anniversary of the Commencement Date (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted as follows:

Term (Months)	Monthly Base Rent
1-12	\$14,546.25
13-24	\$14,982.64
25-36	\$15,432.12
37-48	\$15,895.08
49-60	\$16,371.93
61-72	\$16,863.09
73-84	\$17,368.98

#### 5.4 Rent Abatement

The Monthly Base Rent for months one (1), two (2) and three (3) of the Lease Term shall be abated (collectively, the "Abated Base Rent").

### 6. USES

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

### 7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy at sufferance and Tenant shall pay Base Rent during such period at a rate equal to 125% of the last monthly Base Rent payable under this Lease plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease. Notwithstanding the foregoing, Tenant shall have the right to holdover in the Premises for a period of up to six (6) months, so long as Tenant notifies Landlord in writing of the same at least three (3) months prior to the expiration of the then current Lease Term, in which case, Tenant shall pay Base Rent during such permitted holdover period at the same rate as the last month payable under this Lease, then after six (6) months shall increase at a rate equal to 125% of the last monthly Base Rent payable under this Lease.

### 8. COMPLIANCE WITH LAW

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including but not limited to the Americans with Disabilities Act ("ADA"), except if such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

### 9. DAMAGE OR DESTRUCTION

#### 9.1 Damage

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within thirty (30) days to

the extent practicable under the circumstances, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

## 9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages. Landlord and Tenant acknowledge and agree that any and all rights and obligations of the parties in the event of a casualty are contained in this Section 9.

## 9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this Lease by giving written notice to the other not more than thirty (30) days after such destruction, in which case:

- (a) Landlord shall have no obligation to restore the Premises;
- (b) Landlord may retain all insurance proceeds relating to such destruction, and
- (c) This Lease shall terminate as of the date which is thirty (30) days after such written notice of termination.

## 9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, as determined by Tenant in its reasonable discretion, then Tenant may, at its sole election:

- (a) Declare a default hereunder, or
- (b) Withhold rent from the next installment(s) of Base Rent due until repair and restoration work is completed, as determined by Tenant in its reasonable discretion.

## 10. **REPAIRS AND MAINTENANCE**

### 10.1 **Landlord Representations**

- (a) Landlord represents to Tenant that, as of the date hereof to Landlord's actual knowledge:
  - i. The Premises, the Building, and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in good working order and condition;
  - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
  - iii. The Premises, the Building and the Common Areas are free of the presence of Hazardous Materials (as hereinafter defined); and
  - iv. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
- (b) Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report (as defined in Section 1.1) that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos-containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.
- (c) **CASp Inspection:**

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:  
*[Check the appropriate box]*

☐ Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access

Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☒ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

## 10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
  - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
  - iii. the Common Areas;



- iv. exterior windows of the Building; and
  - v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. For repairs that require the services of an environmental consultant, including but not limited to mold/water intrusion, asbestos, soil gases, etc., landlord shall retain the services of a qualified vendor that possess, at minimum, the professional qualifications required of a Los Angeles County Facilities Ancillary Services Master Agreement (FASMA) vendors. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
- i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
  - ii. interior partitions;
  - iii. doors, door frames and hardware;
  - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
  - v. signage;
  - vi. emergency exit signage and battery replacement;
  - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
  - viii. Light fixtures, bulbs, tubes and ballasts.
- (c) Landlord shall, to the extent in Landlord's possession, endeavor to provide Tenant with HVAC air balance reports with respect to the Premises, upon written request by Tenant.

### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall:

- (a) be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;
- (b) be at least equal in quality, value and utility to the original work or installation; and

- (c) be in accordance with all applicable laws.

#### 10.4 Tenant's Right to Repair

- (a) If Tenant provides written notice (or oral notice in the event of an emergency, such as damage or destruction to or of any portion of the Premises, and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and if Landlord fails to provide such action within a reasonable period of time given the circumstances after the giving of such notice, but in any event not later than thirty (30) days after the giving of such notice or if such failure cannot by its nature be cured within such thirty (30) day period, fails to commence such cure within such thirty (30) day period and thereafter diligently prosecute such cure to completion, and such failure is not due to Force Majeure, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Premises to the extent necessary to perform the work contemplated by this provision. If such failure continues for 5 days after Landlord's receipt of a second written notice from Tenant expressly stating Tenant's intention to exercise its rights under this Section 10.4, then Tenant may proceed to take the required action; provided (i) such obligation may be performed entirely within the Premises and shall not affect in any way the Building's electrical, mechanical, life safety, plumbing, security, or HVAC systems or any structural components or any part of the Building other than the Premises, (ii) such obligation does not require a building permit or other governmental permit, uses only new materials comparable in quality to those being replaced and is performed in a workman like manner and in accordance with all laws, and (iii) performance by Tenant of such obligation does not involve any Hazardous Materials. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within thirty (30) days after written notice, unless the same is subject to a good faith dispute between Landlord and Tenant, then Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.
- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf, in which case Tenant shall reimburse Landlord within thirty (30)

days after Landlord's written demand for the costs and expenses incurred in connection therewith. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements, as defined in Section 24.

## 11. **SERVICES AND UTILITIES**

### 11.1 **Services**

#### (a) **Heating, Ventilation and Air Conditioning (HVAC)**

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit C attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

#### (b) **Electricity**

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) watts of electric current (connected load) per square foot of rentable square feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

#### (c) **Elevators**

Landlord shall furnish freight and passenger elevator services to the Premises during Tenant's Hours of Operations. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis, and, by prior arrangement with Landlord's building manager, freight elevator service.

#### (d) **Water**

Landlord shall make available in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

#### (e) **Janitorial**

Landlord, at its sole cost and expense, shall provide janitorial service five (5) nights per week, generally consistent with that furnished in comparable office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in Exhibit D attached hereto.

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building. If required, Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are prorated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

**12. TAXES**

Landlord, at its sole cost and expense, shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or the Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

**13. LANDLORD ACCESS**

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building which is critical for Tenant's path of travel to the Premises such that Tenant does not have reasonable access to the Premises or closes any portion of the Premises and any such closure continues for more than three (3) consecutive days, then Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable

and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency and notify Tenant immediately thereafter.

## **14. TENANT DEFAULT**

### **14.1 Default**

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant ("Default"):

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;
- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure, within said thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

### **14.2 Termination**

Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

### **14.3 No Effect on Indemnity**

Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

## **15. LANDLORD DEFAULT**

### **15.1 Remedies**

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within thirty (30) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such 30 day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more

of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- (a) intentionally omitted;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) if the Landlord Default is a material default under this Lease, Tenant shall be entitled to abate Base Rent until such Landlord Default is cured.

#### 15.2 Waiver; Limitation of Liability.

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work. Notwithstanding anything to the contrary in this Lease, in no event shall Landlord be liable for any costs or expenses in excess of said amounts, including, but not limited to, any consequential damages, opportunity costs or lost profits incurred or suffered by Tenant. The obligations of Landlord do not constitute the personal obligations of the individual partners, managers, members, trustees, directors, officers or shareholders of Landlord or its constituent partners. If Landlord shall fail to perform any covenant, term, or condition of this Lease upon Landlord's part to be performed, Tenant shall be required to deliver to Landlord written notice of the same. If, as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of the sale received upon execution of such judgment and levied thereon against the right, title and interest of Landlord in the Building and out of rent or other income from such property receivable by Landlord or out of consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title or interest in the Building, and no action for any deficiency may be sought or obtained by Tenant. In addition, in no event shall Landlord be liable for damages in excess of Landlord's equity in the Building.

#### 15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition, or materially and adversely affect the operation of Tenant's business in the Premises. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due.

### 16. **ASSIGNMENT AND SUBLETTING**

#### 16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber, sublease or otherwise transfer this Lease or sublet the whole or any part of the Premises to any other department of

the County of Los Angeles without first obtaining Landlord's prior consent (a "Permitted Transfer"); provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease. Any other assignment, mortgage, pledge, transfer, sublease or hypothecation other than a Permitted Transfer shall require Landlord's prior written consent.

## 16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall endeavor to provide ten (10) days prior written notice of said sale of transfer to Tenant (but in any event promptly upon the effective date of the same). In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
  - i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner
  - iii. Name of contact person and contact information (including phone number) for new owner
  - iv. Proof of insurance
- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 Landlord Consent**

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord fails to respond in writing within thirty (30) days after Tenant's request, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

- (a) complies with all laws;
- (b) is not visible from the exterior of the Premises or Building;
- (c) will not materially affect the systems or structure of the Building; and
- (d) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building.

### **17.2 End of Term**

Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

## **18. CONDEMNATION**

### **18.1 Controlling Terms**

If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

### **18.2 Total Taking**

If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

### **18.3 Partial Taking**

If any portion, but not all, of the Premises or the Common Areas is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of



the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the termination date designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated in proportion to the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

#### 18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

#### 18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises. Tenant shall be entitled to any awards for relocation benefits or goodwill belonging to Tenant.

#### 18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

### 19. INDEMNIFICATION

#### 19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

## 19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

## 20. INSURANCE

During the term of this Lease, the following insurance requirements will be in effect:

### 20.1 Waiver

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

### 20.2 General Insurance Provisions – Landlord Requirements

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

#### (a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") evidencing Landlord's compliance with the insurance obligations set forth in this Lease, and a copy of an Additional Insured endorsement confirming that Tenant has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the Commencement Date.
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles

or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars.

- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

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

Landlord also shall promptly notify Tenant of any third-party suit filed against Landlord which arises from or relates to this Lease and could reasonably result in the filing of a lawsuit against Tenant (as distinguished from any such lawsuit affecting the Building or Landlord generally, or any other matter not specifically relating to this Lease or Tenant).

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Elected Officials, Officers, Agents, Employees and Contractors (collectively, "Tenant and its Agents"), shall be provided additional insured status under Landlord's General Liability policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material

breach of the Lease, in the sole discretion of the Tenant, upon which the Tenant may suspend or terminate this Lease.

(d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease, upon which County immediately may withhold payments due to Landlord. County, at its sole discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may, upon at least ten (10) days prior notice to Landlord, purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord and Tenant each hereby waives its and its insurer(s) rights of recovery against the other under all required insurance policies for any loss arising from or related to this Lease. The Landlord and Tenant (or just Landlord if Tenant elects to self-insure pursuant to Section 20.3 below) shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver (however, if Tenant elects to self-insure pursuant to Section 20.3 below, then with respect to Tenant only, references in this subparagraph (g) to "its insurers" shall refer only to Tenant).

(h) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR.

(i) Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

(j) Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

(k) Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities), provided that such program of self-insurance shall provide Landlord with the same rights and privileges to which Landlord is otherwise entitled under the terms of this Lease (including without limitation waiver of all rights of recovery by way of subrogation). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements

During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

(a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

(b) Commercial Property Insurance. Such insurance shall:

Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

## **21. PARKING**

### **21.1 Tenant's Rights**

Building has no on-site parking and Landlord is not obligated to provide Tenant with any parking.

## **22. ENVIRONMENTAL MATTERS**

### **22.1 Hazardous Materials**

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

### **22.2 Indemnity**

Landlord shall indemnify, protect, defend and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fines, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of, or in connection with, the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas

or other violation of laws relating to Hazardous Materials caused by Landlord or Landlord's agents, employees or contractors. Tenant shall indemnify, protect, defend and hold harmless Landlord from and against any and all claims, judgments, causes of action, damage, penalties, fines, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of, or in connection with, the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials caused by Tenant or Tenant's agents, employees or contractors. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

### **23. ESTOPPEL CERTIFICATES**

Tenant shall, within 30 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

### **24. TENANT IMPROVEMENTS**

Prior to the Commencement Date, Landlord, at Landlord's sole cost and expense, shall construct the below Tenant Improvements as indicated on Exhibit A to Tenant specifications and a mutually agreed upon plan, prior to the Commencement Date:

- a. New conference room
- b. Four (4) new private offices
- c. Partition with signage in the reception area.
- d. Landlord shall coordinate the design and implementation of Tenant's low-voltage work, according to a plan submitted by Tenant. Landlord shall pay for the cost of said low-voltage work ("Low Voltage Cost"), and shall be reimbursed by Tenant, not to exceed \$35,000 as follows:

Tenant shall be obligated to reimburse Landlord the Low Voltage Cost, thirty (30) calendar days after all of the following conditions have been met: (i) Tenant Improvements are Substantially Complete (as defined in the Lease); (ii) Landlord has provided Tenant with all documentation substantiating all Low Voltage Cost expenses, including without limitation, receipts, invoices, proof of payment, unconditional lien releases and approved changed orders and (iii) Tenant has reconciled all Low Voltage costs to determine and confirm the total Low Voltage amount spent and the amount of Tenant's Low Voltage contribution owed to Landlord. At Tenant's election, such

payment may be made (a) in a lump sum, or (b) in equal monthly payments, amortized over the first five (5) years of the term of the Lease at nine percent (9%) per year ("LV Amortization Rate"). Estimated monthly payments attributable to Total LV costs is \$726.54 per month, ending on the 60<sup>th</sup> month of the Original Term. Tenant may, at any time during the first five (5) years of the Lease term, prepay all or any portion of the Low Voltage Cost and pay any remaining amount in equal monthly payments, amortized over the remaining portion of the first five (5) years of the Lease at the TI Amortization Rate.

Said low-voltage work shall consist of the following:

60 CAT6 runs / data jacks, consisting of:

4 runs x 11 offices

2 runs x 6 workstations

4 runs at opposite ends of the conference room

3 Wireless Access Points

1 in the conference room

2 at opposite ends of the office.

Home runs to terminate in a wall-mounted telco cabin in the kitchen

5 x (Cat6 runs) for Telephone Land Lines:

2 Sheriffs

2 DA

1 Superior Court

Conference room: 5 CAT6 and Coax cable

HDMI cable and CAT6 data jack to TV wall in the conference room

TV's: 4 TV's mounted in office: Marvin, Andi, Mark, and Sheriff's office.

## 25. **LIENS**

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

## 26. **SUBORDINATION AND MORTGAGES**

### 26.1 **Subordination and Non-Disturbance**

This Lease is subject and subordinate to any deed of trust encumbering the Building as of the date hereof. With respect to any deed of trust first placed on the Building after the date hereof, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein. As an alternative, a beneficiary under any existing deed of trust shall have the right at any time to subordinate its deed of trust to this Lease.



## 26.2 Existing Deeds of Trust

If the beneficiary under any existing deed of trust affecting the Building as of the date of this Lease requests a written non-disturbance agreement with respect to this Lease, then Landlord shall use good faith efforts to facilitate the execution of such an agreement with such beneficiary and Tenant in the form of Exhibit E attached hereto, at no additional cost to Tenant. If, instead, Tenant requests that Landlord obtain a non-disturbance agreement from the beneficiary under any existing deed of trust affecting the Building as of the date of this Lease, Landlord shall use good faith efforts to facilitate the execution of such an agreement with such beneficiary and Tenant in the form of Exhibit E attached hereto; provided that if, in order to obtain such non-disturbance agreement Landlord is required to expend any sum charged to Landlord by such beneficiary, then Landlord shall so notify Tenant and Tenant may elect to pay such sum (not to exceed an aggregate of \$1,500 per non-disturbance agreement, with Landlord being obligated to pay any amount charged by the beneficiary in excess of \$1,500) or to withdraw Tenant's request for such non-disturbance agreement; and in such case, in no event shall Landlord be required to expend any sums in connection therewith. The failure of any such beneficiary under any existing deed of trust to execute and deliver such a non-disturbance agreement upon Landlord's request shall not constitute a default hereunder by Landlord, it being understood that Landlord's sole obligation is to request in good faith the execution and delivery of such agreement.

## 26.3 Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

## 27. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

## 28. SIGNAGE

Tenant shall be allowed building standard signage on the directory located in the ground floor lobby of the Building and elevator lobbies of the floors of the Premises and suite signage, all of which shall be at Landlord's expense. Tenant shall have the right to install, at Landlord's sole cost and expense, up to two (2) lines per 1,000 rentable square feet of the Premises on the Building's directory board in the main lobby of the Building.

**29. QUIET ENJOYMENT**

So long as Tenant is not in default hereunder, Tenant shall have the right to the peaceful and quiet enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

**30. GENERAL**

**30.1 Headings**

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

**30.2 Successors and Assigns**

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

**30.3 Brokers**

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. Landlord warrants that it has dealt with only the following real estate broker(s), agent(s), and/or finder(s) in connection with this letter or the transaction contemplated by this letter: Alexis Garrett of JLL. Tenant warrants that it has not dealt with any real estate broker(s), agent(s), and/or finder(s) in connection with this letter or the transaction contemplated by this letter, other than Damon Feldmeth of CBRE. However, Landlord will pay Tenant's Broker CBRE a fair market commission pursuant to a separate commission agreement between Landlord and the agent(s) referenced in this paragraph.

**Entire Agreement**

This Lease (including all exhibits hereto) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

**30.4 Severability**

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and the remaining provisions hereof shall nevertheless remain in full force and effect.

### 30.5 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

### 30.6 Governing Law and Venue

This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Sacramento, State of California.

### 30.7 Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

### 30.8 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

### 30.9 Consent

Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) business days after written request is made therefore, together with all necessary information.

### 30.10 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

### 30.11 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Sacramento County.

### 30.12 Counterparts; Electronic Signatures

This Lease and any other documents necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA") (Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

### 31. AUTHORITY

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease, and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "Chief Executive Office") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an early termination notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or

she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

### **32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

#### **32.1 Consideration of GAIN Program Participants**

Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

#### **32.2 Solicitation of Consideration**

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

#### **32.3 Intentionally Omitted**

### 32.4 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.)

### 33. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest in this Lease, including but not limited to preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

### 34. RIGHT OF FIRST OFFER

(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 on the 14<sup>th</sup> floor of the Building (the "Additional Premises") for lease to third parties, 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 thirty (30) 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.

### **35. OPTION TO EXTEND**

(a) Option Terms. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have one (1) option to renew this Lease for an additional period of twenty-four (24) months (the "Extension Term(s)").

(b) Exercise of Option. Tenant must exercise its option to extend this Lease by:  
 (i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than one-hundred eighty (180) days, prior to the end of the initial Term, and

(ii) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option no later than sixty (60) days prior to the expiration of the initial Term (the "Outside Exercise Date"). It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below;



provided that in no event may Tenant exercise its option at any time later than the Outside Exercise Date. If the Board of Supervisors has not approved the exercise of such option prior to the Outside Exercise Date such that Tenant can irrevocably exercise the option to extend, then Tenant's renewal option shall be null and void. If Tenant fails to give such written notice to Landlord, Landlord will promptly provide written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option, and Tenant shall be granted an additional period of ten (10) business days after receipt of such written notice from Landlord, in which to give Landlord its written notice of its election to exercise such renewal option or election not to exercise such renewal option. Failure by Landlord to provide ten (10) business day written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option or Tenant's failure to notify Landlord of its election to exercise such renewal option, after receipt of the ten (10) business day notice, and without any further notice, act, or agreement, this Lease will terminate as of the then-applicable expiration date, and neither Landlord nor Tenant will have any further obligation or liability under this Lease arising or continuing from and after such expiration date, subject, however, to the provisions that expressly survive termination of this Lease.

(c) Terms and Conditions of the Extension Terms. The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to one hundred percent (100%) of Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, and Landlord shall have no additional obligation for free rent, leasehold improvements or for any other tenant inducements for the Extension Terms.

(d) Agreement on Base Rent. Landlord and Tenant shall have thirty (30) days (the "Outside Agreement Date") after Landlord receives the Notice of Intent in which to agree on the Base Rent during the Extension Term. Base Rent during the Extension Term shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its option to extend.

(e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant in the Building. In determining the Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion, non-renewal and non-equity tenants of comparable creditworthiness for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, the type of escalation clause (e.g., whether increases in additional rent are determined on a net or gross basis, and if gross, whether such increases are determined according to a base year or a base dollar amount expense stop), the extent of Tenant's liability under the Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent during the period of construction or subsequent to the commencement date as to the space in question, brokerage commissions, if any, which would be payable by Landlord in similar transactions, length of the lease term, size and location of the Building being leased, and



other general applicable conditions of tenancy for such comparable transactions.

(f) Opinions. Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises by the Outside Agreement Date, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period, Tenant may apply to the Presiding Judge of the Superior Court for Sacramento County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.

(g) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 35, and such option is exercised prior to the Outside Exercise Date, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

[Signatures appear on the following page]

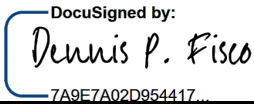
IN WITNESS WHEREOF this Lease has been executed the day and year first set forth above.

LANDLORD:

SVACW 925 LLC  
a Delaware limited liability company

By: SRA 925 L manager LLC,  
a Delaware limited liability company  
its managing member

By: Seagate Realty Advisors, LLC,  
a Delaware limited liability company  
its sole member

By:   
Name: Dennis P. Fisco  
its Authorized Signatory

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


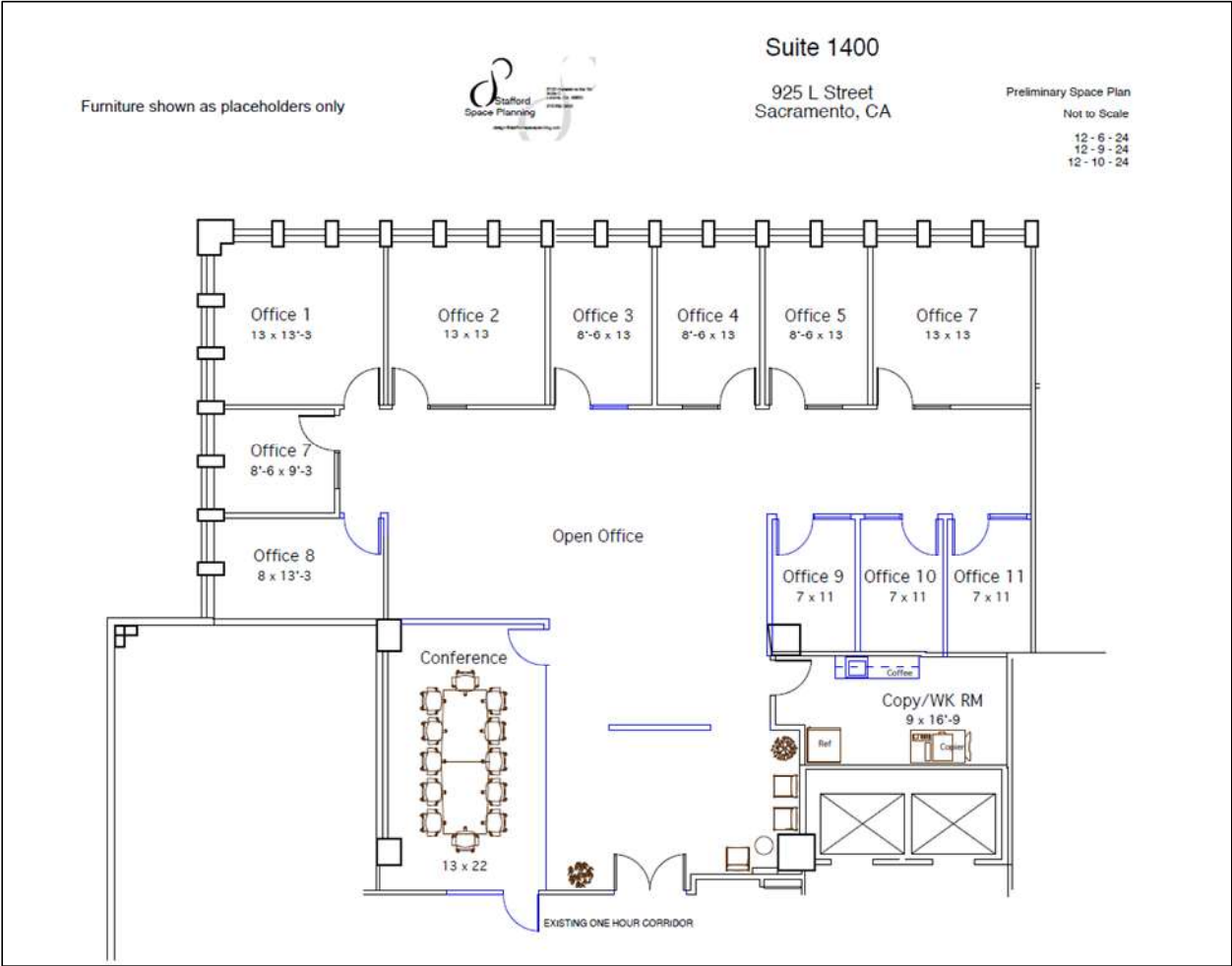
By:  Roberto Saldana  
2025.05.13  
08:20:12 -07'00'  
Senior Deputy

EXHIBIT A

SITE PLAN OF PREMISES



Not To Scale

DS  
DPF

**EXHIBIT B****COMMENCEMENT DATE MEMORANDUM  
AND CONFIRMATION OF LEASE TERMS**

Reference is made to that certain Lease Agreement ("Lease") dated \_\_\_\_\_, 2025 between COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), and SVACW 925, LLC, a Delaware Limited Liability Company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 925 L Street, Suite 1400, Sacramento ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 4) The Premises contain 3,879 rentable square feet of space; and
- 5) Annual Base Rent Adjustments

From and after the 1<sup>st</sup> anniversary of the Commencement Date (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted as follows:

Term (Months)	Monthly Base Rent
1-12	\$14,546.25
13-24	\$14,982.64
25-36	\$15,432.12
37-48	\$15,895.08
49-60	\$16,371.93
61-72	\$16,863.09
73-84	\$17,368.98

6) Rent Abatement

The Monthly Base Rent for months one (1), two (2) and three (3) of the Lease Term shall be abated.

IN WITNESS WHEREOF, this Commencement Date Memorandum is executed this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Tenant:

COUNTY OF LOS ANGELES,  
a body corporate and politic

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

Joyce Chang  
Senior Manager

Landlord:

SVACW 925 LLC,  
a Delaware limited liability company

By: SRA 925 L manager LLC,  
a Delaware limited liability company  
its managing member

By: Seagate Realty Advisors, LLC,  
a Delaware limited liability company  
its sole member

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

Dennis P. Fisco  
its Authorized Signatory

## **EXHIBIT C**

### **HEATING, VENTILATION AND AIR CONDITIONING**

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Hours of Operation established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable/net square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

[End of Exhibit C]

## EXHIBIT D

### CLEANING AND MAINTENANCE SCHEDULE

#### A. DAILY (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.
14. Exclusive day porter service from \_\_\_\_ a.m. to \_\_\_\_\_ p.m. *[Fill in if applicable. If not applicable, delete.]*

#### B. WEEKLY

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

#### C. MONTHLY

17. Floors washed and waxed in uncarpeted office area.
18. High-reach areas, door frames and tops of partitions dusted.
19. Upholstered furniture vacuumed, plastic and leather furniture wiped

- 20. Picture moldings and frames dusted.
- 21. Wall vents and ceiling vents vacuumed.
- 22. Carpet professionally spot cleaned as required to remove stains.
- 23. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

- 24. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- 25. Wood furniture polished.
- 26. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- 27. HVAC units serviced for preventative maintenance purposes; all filters changed.

E. SEMI-ANNUALLY

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

F. ANNUALLY

- 31. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
- 32. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
- 33. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

- 34. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
- 35. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.



36. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.
37. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning:
  - i. heavy traffic areas cleaned as needed, with a minimum frequency of bi-monthly [six (6) times per year];
  - ii. moderate traffic areas cleaned as needed, with a minimum of once every six (6) months [two (2) times per year]; and
  - iii. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

38. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence") except for touch-up paint as provided in Paragraph 6.C. of this Exhibit E. The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.
39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

#### H. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

[End of Exhibit D]

EXHIBIT E

SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO: )  
 )  
County of Los Angeles )  
Chief Executive Office )  
Real Estate Division )  
320 W. Temple Street, 7th Floor )  
Los Angeles, California 90012 )      Space above for Recorder's Use

SUBORDINATION, NON-DISTURBANCE  
AND ATTORNMENT AGREEMENT

NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

- A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.
- B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").
- C. Tenant and Borrower (as "Landlord") entered into a lease dated May 12, 2025 (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").
- D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

- 1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior

to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States

mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To Tenant: County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

TENANT: COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BORROWER: *[Insert name of Landlord]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LENDER: *[Insert name of Lender],*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")  
personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

**EXHIBIT F**

**TENANT ESTOPPEL CERTIFICATE**

To: [Insert name of party to rely on document]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

Re:    Date of Certificate: \_\_\_\_\_  
      Lease Dated: \_\_\_\_\_  
      Current Landlord: \_\_\_\_\_  
      Located at: \_\_\_\_\_  
      Premises: \_\_\_\_\_  
      Commencement Date of Term: \_\_\_\_\_  
      Expiration Date: \_\_\_\_\_  
      Current Rent: \_\_\_\_\_

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

1.     Tenant is the present holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2.     (a)    A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

      (b)    The current Rent is set forth above.

      (c)    The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

      (d)    Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

      (e)    Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3.     (a)    The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended, except as set forth in Exhibit A, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full, and all of Landlord's obligations with respect to tenant improvements have been fully performed, except: \_\_\_\_\_.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES,  
a body corporate and politic

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. The final analysis and consideration of the lease will be determined without regard to race, creed, color or gender. (Categories listed below are based on those described in 49 CFR Section 23.5)

I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name:

2. Address:

3. Contact Person/Telephone Number:

4. Total number of employees in the firm:

5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.)

2. Total Number of Ownership/Partners, Etc.:

3. Provide the percentage of ownership in each	All Employee	Women
Black/African American		
Hispanic/Latin American		
Asian American		
Portuguese American		
American Indian/Alaskan Native		
All Others		

III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION

Is your firm currently certified as a minority owned business firm by the:

State of California?

☐ Yes

☐ No

City of Los Angeles?

☐ Yes

☐ No

Federal Government?

☐ Yes

☐ No

Section D. OPTION TO PROVIDE REQUESTED INFORMATION

☐ We do not wish to provide the information required in this form.

Firm Name:

Signature/Title:

Date:

HOA.105271832.4

Exhibit G  
COMMUNITY BUSINESS ENTERPRISES FORM

**EXHIBIT H**

**MEMORANDUM OF LEASE**

**RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:**

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
320 W. Temple Street, 7th Floor  
Los Angeles, California 90012  
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

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**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") is made and entered into by and between SVACW 925, LLC, a Delaware Limited Liability Company (the "Landlord"), and the COUNTY OF LOS ANGELES, a body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated \_\_\_\_\_, 2025 (the "Lease") of certain real property located in the County of Sacramento, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on \_\_\_\_\_, 20\_\_, and ending on a date seven (7) years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: \_\_\_\_\_, 20\_\_.

LANDLORD:

SVACW 925, LLC,  
a Delaware Limited Liability Company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_  
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")  
personally appeared \_\_\_\_\_,  
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature (Seal)

**VENTIV CLAIMS – PROJECT AO-18-411**  
**RISK MANAGEMENT INFORMATION SYSTEM (RMIS)**  
**ANNUAL UPDATE (June 1, 2024 – June 1, 2025)**

**PROGRAM DESCRIPTION**

The County of Los Angeles (County) has contracted with Riskonnect (formerly Ventiv Technology) for claims management and related services under RMIS. The RMIS manages, administers, and reduces risk exposures Countywide.

**SCOPE**

Liability and Workers' Compensation Claims Management, Advanced Workers' Compensation Claims Management, Corrective Action Plans, Matter Management, Disability/Leave Management, Disability Compliance, Loss Control, Public Records Act Management.

**STATUS**

In production with all scope, including several items from Amendment 5 and 6, covering work for the Workers' Compensation Claims, Liability Program, and Board of Supervisors (Board). There is ongoing production support.

**FINANCE**

The County has been billed \$33,897,679.35 to date. Total maximum budget is \$75,773,039.96.

**ACCOMPLISHMENTS/HIGHLIGHTS**

- Disability/Leave Management and Disability Compliance Program
  - Delivered Cross Module System Access
  - Delivered Protected Leave Management to Leave Reason Wildfire 2025 program logic
  - Delivered Interface to support STD/LTD claims and payment information from TPA into RMIS
  - Delivered Configurable Mass Email Capability to County Stakeholders
- Liability Claims Program
  - Expanded API by insurance type to streamline County Counsel CRM System
  - Expanded various data elements visible to the Board
  - Delivered User Mail feature to include Legal Matter Mail
  - Delivered Legal Matter notes on claim
  - Delivered attachments and email forward on multiple claim/matter identified in subject line
  - Delivered Daily Liability Data Extracts to County External Vendor
  - Implemented migrate TWR payment interface into GAX interface to eCAPS
  - Expanding Corrective Action Plan Program

**VENTIV CLAIMS – PROJECT AO-18-411**  
**RISK MANAGEMENT INFORMATION SYSTEM (RMIS)**  
**ANNUAL UPDATE (June 1, 2024 – June 1, 2025)**

- Workers' Compensation Program
  - Delivered County Counsel Workers' Compensation Claims Unit Correspondence and Packaging Features
  - Delivered Additional Daily Workers' Compensation Data Extracts for County External Vendor
  - Completed Loss Portfolio Transfer of Workers' Compensation claims opened July 1, 1969 – April 15, 1993
  - Imported historical hard copy Workers' Compensation claims documentation into RMIS from legacy systems

**GENERAL**

- Delivered ERIC Dashboards Modifications completed & Chief Executive Office acceptance
- Upgraded RMIS to latest 5.6.2 version
- Upgraded Analytics Reporting Engine to Latest 9.0 version
- Modifications made to support business requirements of County Enterprise Risk Information Center Dashboards (Countywide/Department)
- Documented County Counsel and Fire Department program Module 5 Business Requirements and Amendment 6 Board Approval
- Received Business Requirements and Amendment 7 Board Approval
- WAF Cloudflare additional security from Riskconnect is added to County and all TPA units for better web security

**KEY ACTIVITIES FOR NEXT PERIOD (June 1, 2025 – June 1, 2026)**

- Liability Claims Program
  - Enhance Corrective Action OCR Program (Amendment 7)
  - Monitor synchronization between County Counsel CRM and RMIS
  - Changes and training to support transition of Third-Party Administrator
- Workers' Compensation Program
  - Fire Department Workers' Compensation Claim Access and Department RTW Tracking
  - Implement County Council Workers' Compensation (Amendment 6 and 7)
  - Automate the creation of the employee direct deposit vendor records in eCAPS from RMIS VCCI interface, thus eliminating manual entry into two systems
  - Implement EAMS JetFile Module for County Counsel Workers' Compensation Claims Unit
  - Implement Document Image Markup Feature (Amendment 7)
- Disability/Leave Management and Disability Compliance Program
  - Deliver Corporate Training Environment Enhancements

**VENTIV CLAIMS – PROJECT AO-18-411**  
**RISK MANAGEMENT INFORMATION SYSTEM (RMIS)**  
**ANNUAL UPDATE (June 1, 2024 – June 1, 2025)**

- Enhance the RMIS to support additional business requirements for Protected Leave Management workflows and reporting (Amendment 7)
- Enhance Employee Cafe Plan Import Interface Upgrade to prevent Duplicate Employee (Amendment 7)
- Deliver Occupational Health Program Record Tracking to streamline County's Pre-Employment/Post-Offer (PEPO) program activities (Amendment 7)
- Incident Reporting, Asset and Policy Management, OSHA Reporting
  - Finalize Import of County Voyager Asset Management information into RMIS
  - Enhance Incident Report forms to track additional details

**GENERAL**

- Update Training videos and webinar for New RMIS version
- Deliver Amendment 6, Module 5 – County Counsel Workers' Compensation Claims Unit & Fire Department
- Implementations of Amendment 7
- Continuing production support for all programs and engagement of all stakeholders
- Chief Executive Office – Risk Management Branch continues to support business stakeholder reporting needs
- Helpdesk Portal upgraded to Cloud system





OFFICE OF THE  
COUNTY  
COUNSEL

# Operations Cluster – 2024-2025 New Laws

This presentation was prepared by the County of Los Angeles Office of County Counsel and is provided for information purposes only. This presentation, along with the materials used, are not intended to be and do not serve as legal advice. Attendees have the discretion to conduct their own independent review and analysis of the material and discussion presented. There are no warranties, express or implied, as to the accuracy or meaning, or suggested meaning, of any of its content. Neither the County of Los Angeles, nor any of its officers, agents or employees, shall be liable for anyone's use, reliance or access to this presentation, including for any direct, indirect, incidental, consequential, special, or exemplary damages, arising from or relating to such use, reliance or access.

Board Liaison Division

Shirley R. Edwards, Deputy County Counsel  
Shana Wilcher, Deputy County Counsel  
Christine Ton, Senior Deputy County Counsel



Although we examined many bills from the 2023-24 & 2024-25 Legislative Session, this presentation is not intended to be a comprehensive discussion or outline of all the bills reviewed. This presentation highlights key bills of potential interest to this cluster.

#### 2024-25 LEGISLATIVE SESSION

Bills Introduced:	2534
Bills Chaptered:	1367
Bills Vetoed (Veto Rate = 7.46% of total bills, 18% of bills presented):	189

#### 2023-24 LEGISLATIVE SESSION

Bills Chaptered:	1171
Bills Vetoed (Veto Rate = 5.15% of total bills, 15% of bills presented):	156

# Ethics

## (Conflicts, Recusals, Disclosures)

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SB 1181 (Glazer):  
Campaign contributions,  
agency officers.  
(amends Gov. Code § 84308.)

This law amends the Levine Act to exempt a city attorney or county counsel providing legal advice to the agency who does not have the authority to make a final decision in the proceeding from the definition of “officer” under the Levine Act. This law specifies that certain types of contracts, including the periodic review or renewal of development agreements and competitively bid contracts, unless there are material modifications or amendments to the agreement, are not considered a license, permit, or other entitlement.

CEO-LAIR Tracked/County Supported

High Impact

SB 1243 (Dodd):  
Campaign contributions,  
agency officers.  
(amends Gov. Code § 84308.)

This new law amends the Levine Act by raising the threshold for disclosure of campaign contributions from more than \$250 to more than \$500. This law also extends the cure period for a violation from 14 to 30 days of accepting, soliciting, or directing the contribution, whichever is latest. Disclosure is not triggered for contracts valued under \$50,000, contracts between 2 or more government agencies, contracts where no party receives financial compensation, and the periodic review or renewal of development agreements are not proceedings that are subject to the Levine Act.

County Supported High Impact

## AB 3130 (Quirk-Silva): County Board of Supervisors— disclosures.

(adds Gov. Code § 25043.)

This new law requires a member of the board of supervisors to disclose in an open and public meeting a known family relationship with an officer or employee of a nonprofit entity before the board of supervisors appropriates money to that nonprofit entity. The disclosure must also be noted in the official records of the Board of Supervisors at the public meeting before the vote. This new law defines "family relationship" as a relationship by blood, adoption, marriage, domestic partnership, or cohabitation.

## SB 1111 (Min): Public Officers— contracts, financial interest.

(amends, repeals, adds provisions to Gov.

Code § 1091 et seq.)

This law, on and after January 1, 2026, establishes a new remote interest of a public officer if the public officer's child is an officer or director of, or has an ownership interest of 10% or more in, a party to a contract entered into by the body or board of which the officer is a member, if this information is actually known to the public officer.

AB 2631 (Fond): Local  
agencies, ethics training.  
(amends Gov. Code § 53235.)

This law requires the Fair Political Practices Commission, in consultation with the Attorney General, to create, maintain, and make available to local agency officials an ethics training course that satisfies this biennial requirement.

## SB 1027 (Menjivar): Political Reform Act—disclosures.

(amends Gov. Code §§ 84101, 84615.)

This law authorizes a campaign committee to redact the bank account number on a copy of a statement of organization filed with a local filing officer, and it would require the Secretary of State to redact the bank account number on a statement of organization filed with the Secretary of State before making the statement available to the public in any form.



# Governance (Transparency, CPRA, Brown Act)

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AB 2302 (Addis, Laird):  
Ralph M. Brown Act – open  
meetings, teleconferencing.  
(amends Gov. Code § 54953(f)(3).)

This new law amends the Ralph M. Brown Act by revising the limits on remote participation under "just cause" or "emergency circumstance" by a member based on how frequently the legislative body regularly meets. The new law removes the twenty percent and three-month consecutive meetings limitation, but keeps the limitation of no more than two meetings for remote participation under "just cause."

## AB 2715 (Boerner): Ralph M. Brown Act – closed sessions.

(amends Gov. Code § 54957.)

This law amends the Ralph M. Brown Act to authorize a legislative body to hold a closed session with other law enforcement or security personnel on a threat to critical infrastructure controls or critical infrastructure information relating to cybersecurity.

AB 1785 (Pacheco):  
California Public Records Act.  
(amends Gov. Code § 7928.205.)

This law amends the California Public Records Act to not only prohibit a state or local agency from publicly posting the home address and telephone number of any elected or appointed official on the internet, but now also the name and assessor's parcel number associated with the home address of any elected or appointed official on the internet without first obtaining the written permission of that individual.

SB 400 (Wahab):  
Peace Officers—  
confidential records.  
(amends Pen. Code § 832.7.)

This law clarifies that although the personnel records of peace officers and custodial officers are confidential and not subject to public inspection, this does not prohibit an agency that formerly employed a peace officer or custodial officer from disclosing the termination for cause of that officer under the California Public Records Act.

SB 1034 (Seyarto):  
California Public Records  
Act – state of emergency.  
(amends Gov. Code § 7922.535.)

This law amends the California Public Records Act by expanding the definition of "unusual circumstances" to include a state of emergency declared by the Governor as a basis to justify extending the response time.

# Elections

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AB 3184 (Berman):  
Elections – signature verification  
statements, unsigned ballot  
identification statements, and  
reports of ballot rejections.  
(amends Elec. Code §§ 2194, 3019.)

For the November 2024 General Election, this new law establishes a universal date allowing voters an opportunity to cure a signature verification error and prohibits election officials from certifying the results of a presidential election until 28 days following the election—these provisions are repealed as of January 1, 2025.



## AB 2582 (Pellerin): Elections.

(amends Elec. Code §§ 2119, 10223, 17506; repeals/adds Elec.

Code §§ 10026, 10226.3, 10226.5;

repeals Elec. Code §§ 331, 332, 3400, 3500.)

This law repeals the specific procedures for new residents and new citizens to register and vote. As of January 1, 2027, this new law repeals the requirement for an elections official to preserve the list of new resident voters voting in accordance with these provisions for 22 months. This new law would also require new forms for nomination papers and affidavits to be completed by candidates running for municipal offices.

AB 2642 (Berman):  
Elections – intimidation.  
(adds Elec. Code § 18580.)

County Supported

This law prohibits a person from intimidating, threatening, or coercing, or attempting to intimidate, threaten, or coerce, any other person for engaging in certain election-related activities.

An aggrieved person, an officer holding an election or conducting a canvass, or the Attorney General can file a civil action to enforce this prohibition.

Anyone who openly carries a firearm or imitation firearm while interacting with or observing certain election-related activities would be presumed to have engaged in prohibited intimidation.

Medium Impact

## SB 1174 (Min): Elections – voter identification.

(adds Elec. Code § 10005.)

This law prohibits a local government (including all charter cities) from enacting or enforcing any charter provision, ordinance, or regulation requiring a person to present identification for the purpose of voting or submitting a ballot at any polling place, vote center, or other location where ballots are cast or submitted.

# Affordable Housing, Housing Security, Tenant Protections

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AB 2813 (Aguiar-Curry):  
Government Investment Act  
– affordable housing  
definition re: bond financing  
(adds Gov. Code § 53738, et  
seq; amends Health & Saf.  
Code § 13928.).

Existing law, known as the Proposition 218 Omnibus Implementation Act, defines various terms and prescribes procedures and parameters for local jurisdictions to comply with specified provisions of the California Constitution.

This new law amends these provisions by defining “affordable housing” to include rental housing, ownership housing, interim housing, and affordable housing programs such as downpayment assistance, first-time homebuyer programs, and owner-occupied affordable housing rehabilitation programs, that are affordable to households earning up to 150% of countywide median income.

# AB 1948 (Rendon): Homeless Multidisciplinary Personnel Teams.

(amends Welf. & Inst. Code §  
18999.81.)

County Sponsored

High Impact

Existing law authorizes a county to establish a homeless adult and family multidisciplinary personnel team with the goal of facilitating the expedited identification, assessment, and linkage of homeless individuals to housing and supportive services within that county, and to allow provider agencies and members of the personnel team to share confidential information for the purpose of coordinating housing and supportive services to ensure continuity of care.

This law deletes the repeal date (January 1, 2025); thus, making these provisions operative indefinitely.

AB 2232 (Maienschein):  
Accessibility to emergency  
information, emergency  
shelters, persons with pets.  
(amends Gov. Code § 8593.10.)

This law amends existing law to now require that upon the next update to a city's or county's emergency plan, whenever a city or county designates any number of emergency warming centers, that it also, to the extent practicable, designate at least one warming center that can accommodate persons with pets.

## AB 2747 (Haney): Tenancy—credit reporting. (adds Civ. Code § 1954.07.)

This law requires that a landlord of a residential dwelling unit must offer a tenant the option of having the tenant's positive rental payment information reported to at least one nationwide consumer reporting agency (which may be for a fee of \$10 or the actual cost of providing the service, whichever is less). For leases entered into on or after April 1, 2025, a landlord must make this offer to the tenant at lease signing and at least once annually. For leases outstanding as of January 1, 2025, a landlord must make this offer to the tenant no later than April 1, 2025, and at least once annually thereafter. The tenant may also subsequently file a written request to stop that reporting and the landlord must comply, but if so requested, the tenant cannot ask that reporting resume again for another 6 months. Assisted housing developments, as defined, and residential rental buildings, of 15 or fewer dwelling units (except as noted) are exempt.



## AB 2835 (Gabriel): Motels & Hotels—publicly funded shelter programs.

(amends Civ. Code §§ 1954.08, 1954.09,  
1954.092; repeals Civ. Code §  
1954.093.)

This law revises the definition of motel or hotel to mean any hotel, motel, bed and breakfast inn, or other similar transient lodging establishment and makes physical violence to hotel guests a permissible reason for termination of a shelter program participant's enrollment.

In addition, if a shelter program participant has self-exited, as defined, from the program, the law exempts the shelter program operator from having to provide a 30-day written notice prior to a proposed termination.

# Fees, Taxes, Revenue, Assessments

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## AB 2854 (Irwin): Local Sales/Use Taxes.

(adds Rev. & Tax Code § 7213.)

This new law requires local government agencies to provide specified information annually to the California Department of Tax and Fee Administration relating to any agreement that results in direct or indirect payment, transfer, diversion, or rebate of sales and use tax revenues and to post that information on their website, if they maintain one.

AB 1827 (Papan): Local  
Government—  
fees/charges, water.  
(amends Gov. Code § 53750.6.)

This amendment provides that the fees or charges for property-related water service imposed or increased, as specified, may include the incrementally higher costs of water service due to certain factors, including the higher water usage demand of parcels.

The amendment also provides that the incrementally higher costs of water service associated with higher water usage demands, the maximum potential water use, or projected peak water usage may be allocated using any method that reasonably assesses the water service provider's cost of serving those parcels that are increasing potential water usage demand, maximum potential water use, or projected peak water usage.

## AB 2353 (Ward): Property Taxation – welfare exemption.

(amends Rev. & Tax Code § 4985.05.)

This amendment provides that a property owner is not liable for interest or penalties for any ad valorem property taxes levied upon a property if, while receiving a welfare exemption, the property owner annually supplies evidence to the tax collector that the property owner has submitted to the county assessor an application for a welfare exemption, and that the property received a specified reservation of tax credits from the CA Tax Credit Allocation Committee or award of funds from the Department of Housing and Community Development, and the facilities are in the course of construction, as defined.

AB 1868 (Friedman):  
Property Taxation—  
assessments, affordable  
housing.

(amends Rev. & Tax. Code § 402.1.)

This amendment establishes a rebuttable presumption, for purposes of valuing property by the county assessor, that, at the time of purchase, an assessor shall not include the value of a deed of trust in favor of a nonprofit to ensure compliance with a low-income, no interest loan program.

# Public Finance

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## SB 1169 (Stern): Los Angeles County Flood Control District—finances.

(amends Section 2 of the Los Angeles  
County Flood Control Act (Ch. 755 of  
the Statutes of 1915).)

County Sponsored

This law facilitates the ability of the Los Angeles County Flood Control District (District) to borrow money or obtain loan guarantees from the federal government or other specified entities by removing an outdated debt limit of \$4.5 million on the District's borrowing authority, by increasing the maximum interest rate payable by the District from 4.25% to 5.5%, and by increasing the maximum repayment term from 20 to 35 years, to align with current economic conditions.

High Impact



# SB 440 (Skinner): Regional Housing Finance Authorities.

(adds Gov. Code § 62500.)

This new law, the Regional Housing Finance Act, authorizes any 2 or more local governments, as defined, to establish a regional housing finance authority to raise, administer, and allocate funding for affordable housing in the jurisdiction of the authority, as defined, and provide technical assistance at a regional level for affordable housing development, including new construction and the preservation of existing housing to serve a range of incomes and housing types.

The law requires that any such authority must be governed by a board composed of at least 3 directors who are elected officials representing the local governments that are members of the authority.

## SB 1140 (Caballero): Enhanced Infrastructure Financing District.

(amends Gov. Code §§ 53398.50, 53398.52, 53398.61, 53398.64, 53398.66, 53398.68, 62302; adds Gov. Code §§ 53398.72, .73.)

This new law revises and recasts existing law by, among other things, requiring public financing authorities to hold a meeting and 2 public hearings (instead of 3), removing the requirement that annual report notices be mailed by first-class mail, and authorizing use of alternative notice procedures for amendments and annual plans.

# Zoning, Land Use, CEQA, Development

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AB 2430 (Alvarez):  
Planning & Zoning –  
density bonus.  
(adds Gov. Code § 65915.3.)

Beginning on January 1, 2025, this new law prohibits a city, county, or city and county from charging an affordability monitoring fee on housing developments otherwise subject to such monitoring fees, if certain conditions are met, except as specified.

## AB 1886 (Alvarez): Housing Element—substantial compliance.

(adds Gov. Code §§ 65585.03, 65589.55.)

This new law provides that a housing element or amendment is only considered substantially compliant with the Housing Element Law when the local agency has adopted a housing element or amendment, the Department of Housing and Community Development (HCD) or a court of competent jurisdiction determines the adopted housing element or amendment is in substantial compliance with the Housing Element Law, and HCD's compliance findings have not been superseded by subsequent contrary findings by HCD or by a court decision or the court's decision has not been overturned or superseded by a subsequent court decision or by statute.

AB 2023 (Quirk-Silva):  
Housing Element—rezoning.  
(amends Gov. Code §§ 65583,  
65583.2, 65585, 65588, 65589.3.)

This new law, for the 7th and each subsequent revision of the housing element, would require a local government to complete the rezoning of sites within one year of the statutory deadline for the adoption of the housing element or 3 years and 90 days of the statutory deadline if the local government satisfies certain requirements, including submitting a draft element or draft amendment to the department for review within specified timeframes and adopting a draft element or draft amendment that the department finds to be in substantial compliance with the Housing Element Law, as specified.

## AB 3057 (Wilson): CEQA— exemptions, junior accessory dwelling units.

(amends Pub. Resources

Code § 21080.17.)

This new law expands certain zoning-related CEQA exemptions to include exempting the adoption of an ordinance by a city or county to provide for the creation of junior accessory dwelling units in single-family residential zones.

## AB 2684 (Bryan): Safety Element—extreme heat.

(amends Gov. Code § 65302;  
adds Gov. Code § 65302.01.)

This new law requires, by January 1, 2028, that a city or county, upon the next update of one or more of the elements included in its General Plan to address extreme heat hazards in the safety element of the General Plan.

The new law allows a city or county that has adopted an extreme heat action plan, or equivalent, to use that information in the safety element of its General Plan and to use or reference information in its extreme heat action plan and the State Hazard Mitigation Plan to update its safety element.



## AB 2694 (Ward): Density Bonus—residential care facilities for elderly.

(amends Gov. Code § 65915.)

The existing Density Bonus Law requires a city or county to provide a developer that proposes a housing development within the city or county with a density bonus and other incentives or concessions if the developer agrees to construct, among other options, a senior citizen housing development. This new law expands the definition of senior citizen housing development to include a residential care facility for the elderly. These changes are only operative in conjunction with AB 3116.

## AB 3116 (Garcia): Density Bonus—student housing. (amends Gov. Code § 65915.)

This new law defines “student housing development” to mean a development that contains bedrooms containing 2 or more bedspaces that have a shared or private bathroom, access to a shared or private living room and laundry facilities, and access to a shared or private kitchen; authorizes units in the student housing development to be used for undergraduate, graduate, or professional students enrolled currently or in the past 6 months in at least 6 units at an institution of higher learning; authorizes eligibility under this provision if the developer, as a condition of receiving a certificate of occupancy, establishes a system for confirming its renters’ status as students; and, prohibits anyone from tying a rental bed reserved for lower income students to a specific bedroom.

## AB 2926 (Kalra): Notice of expiration of affordability restrictions—assisted housing. (amends Gov. Code §§ 65863.10, .11, .13.)

This new law imposes a notice requirement on an owner prior to the anticipated date of termination of a subsidy contract or expiration of rental restrictions or prepayment on an assisted housing development; streamlines assistance under the Affordable Housing and High Road Jobs Act of 2022; and provides for a streamlined ministerial approval process for certain housing developments.

This new law also expands the definition of “assisted housing development” to include a development that receives assistance from counties or cities in exchange for affordability restrictions, under the Middle Class Housing Act of 2022; revises the definition of “termination” to mean the failure of an owner to extend or renew its participation in the above-described programs; and revises the definition of “expiration of rental restrictions” to exclude an expiration in a development that has other recorded agreements restricting the rent to the same or lesser levels for at least 50% of the units or the same number of units.

AB 2904 (Quirk Silva):  
Zoning Ordinances—notice.  
(amends Gov. Code § 65854.)

This new law requires notice of the planning commission's hearing on a proposed zoning ordinance or amendment to a zoning ordinance, if the proposed ordinance or amendment to a zoning ordinance affects the permitted uses of real property, and requires that it be published, posted, mailed, and delivered, or advertised, as applicable, at least 20 days before the hearing.

SB 937 (Wiener):  
Developer Projects —  
utility fees/charges.  
(amends Gov. Code § 66007.)

This new law extends to any housing developer, not just nonprofit developers, the exemption from utility service connection fees for units in a residential development that meet certain conditions, and generally delays the payment of impact fees assessed under the Act on residential development for the construction of public improvements or facilities until the first certificate of occupancy is issued, unless otherwise specified.

## SB 450 (Atkins): Housing development approvals.

(amends Gov. Code §§ 65852.21, 66411.7; amends Section 4 of Ch. 162 of the Statutes of 2021.)

This new law removes the requirement that a proposed housing development cannot be approved ministerially if more than 25% of the existing exterior structural walls are to be demolished; and prohibits a local agency from imposing objective zoning standards, objective subdivision standards, and objective design standards that do not apply uniformly to development within the underlying zone (but allows objective zoning standards, objective subdivision standards, and objective design standards that are more permissive than applicable standards within the underlying zone).

# Labor & Employment

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## AB 2889 (Zbur): Local public employee relations— City/County of LA.

(amends Gov. Code § 3509.)

County Opposed

This new law prohibits, in an action to recover damages due to an unlawful strike, the City of Los Angeles Employee Relations Board and the Los Angeles County Employee Relations Commission from awarding strike-preparation expenses as damages and awarding damages for costs, expenses, or revenue losses incurred during, or as a consequence of, an unlawful strike.

This new law provides that the Public Employment Relations Board, in an action involving the City of Los Angeles or the County of Los Angeles, has exclusive initial jurisdiction over a request for injunctive relief that seeks to enjoin organization by employees or employee activity, including, but not limited to, a strike.



# AB 2561 (McKinnor): Local public employee relations—vacant positions.

(adds Gov. Code § 3502.3 .)

This new law requires public agencies to present the status of their vacancies in a public hearing before their governing body at least once per fiscal year, prior to the adoption of a final budget for the fiscal year. Recognized employee organizations shall be entitled to make a presentation at the same hearing. Reporting must also address the recruitment and retention efforts currently employed by the public agency. Any changes to policies, procedures or recruitment activities that negatively impact efforts to reduce its vacancies must be identified.

If the number of vacancies exceeds 20% of the total number of authorized full-time positions in a particular bargaining unit, upon request of the organization, the public agency shall include at the public hearing : (1) The total number of job vacancies within a bargaining unit; (2) The total number of applicants for vacant positions within the bargaining unit; (3) The average number of days to complete the hiring process from when a position is posted; and (4) Opportunities to improve compensation and other working conditions.

# SB 399 (Wahab): Employer communications— intimidation.

(adds Ch. 9 to Pt. 3 of Div. 2 of the Lab. Code.)

This new law attempts to prohibit mandatory employer meetings regarding labor organizations known as captive audience meetings. Specifically, an employer is prohibited from subjecting or threatening to subject an employee to discharge, discrimination, or retaliation because the employee declines to attend an employer-sponsored meeting or refuses to listen to any communications with the employer or its agents where the purpose is to communicate the employer's opinion about religious or political matters which includes labor organizations.

Employers would be prohibited from mandating employees to attend employer information sessions regarding a labor organization even though the employer schedules the meeting during work time and pays employees to attend the meeting.

An employer who violates this section shall be subject to a civil penalty of \$500 per employee for each violation.

## AB 2474 (Lackey): Retirement — County employees, benefit payments & overpayments.

(amends Gov. Code § 31452.6; adds  
Gov. Code §§ 31680.9, 31452.61,  
31590.2.)

In relation to the County Employees Retirement Law of 1937 (CERL) and the Public Employees' Pension Reform Act of 2013 (PEPRA), this new law defines “account of the retired member or survivor of a deceased retired member” to include an account held in a living trust or an income-only trust, as specified.

## AB 2499 (Schiavo): Employment— paid sick days for victims of violence.

(amends Code Civ. Proc. § 214, Ed. Code §  
48205, Lab. Code § 246.5, Pen. Code § 579.027,  
Welf. & Inst. Code § 11320.31; adds Gov. Code  
§ 12945.8; repeals Lab. Code §§ 230 , 230.1.)

This new law prohibits an employer with 25 or more employees from discharging or in any manner discriminating or retaliating against an employee who is a victim or who has a family member who is a victim for taking time off work for any of a number of additional prescribed purposes relating to a qualifying act of violence.

This law also expands the eligibility for reasonable accommodations to include an employee who is a victim or whose family member is a victim of a qualifying act of violence for the safety of the employee while at work; deletes the reinstatement and reimbursement provisions included in existing law; requires an employer to inform each new employee of their rights under this law and to all employees annually, at any time upon request, and any time an employee informs an employer that the employee or the employee's family member is a victim.

## SB 1137 (Smallwood-Cuevas): Discrimination Claims.

(amends Civ. Code § 51, Ed. Code §§  
200, 210, Gov. Code §§ 12920, 12926.)

Existing law, the Unruh Civil Rights Act, provides that all persons within the jurisdiction of this state are entitled to full and equal accommodations in all business establishments regardless of their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status. Existing law defines “sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status” for these purposes as including a perception that the person has any particular characteristic or characteristics within the listed categories or that the person is associated with a person who has, or is perceived to have, any particular characteristic or characteristics within the listed categories.

This new law revises that definition to include any combination of those characteristics.

# Sustainability & Environment

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AB 1889 (Friedman):  
Conservation Element—  
wildlife/habitat connectivity.  
(amends Gov. Code § 65302.)

This new law additionally require the Conservation Element of the General Plan to consider the effect of development within the jurisdiction on the movement of wildlife and habitat connectivity; requires the Conservation Element, upon the next update of one or more elements on or after January 1, 2028, to, among other things, identify and analyze connectivity areas, permeability, and natural landscape areas within the jurisdiction, identify and analyze existing or planned wildlife passage features, and consider the impacts of development and the barriers caused by development to wildlife, and habitat connectivity.

## AB 3233 (Addis): Oil/Gas— operations, restrictions, local authority.

(adds Pub. Resources Code §  
3106.1.)

This new law authorizes a local entity to, by ordinance, limit or prohibit oil and gas operations or development in its jurisdiction, regardless of any other law or any notice of intention, supplemental notice, well stimulation treatment permit, or similar authorization issued by the supervisor or district deputy. This new law also authorizes these limitations or prohibitions to include, but not be limited to, limitations or prohibitions related to the methods and locations of oil and gas operations or development.

County Supported

High Impact



AB 3062 (Bauer-Kahan):  
Fire Protection Districts—  
notice from utility of  
controlled burns.

(adds Pub. Util. Code § 764.5.)

This new law authorizes a fire protection district to require an electrical corporation or local publicly owned electric utility to notify the district at least 24 hours before performing a prescribed or controlled burn, among other things.

# Infrastructure, Public Works, Public Contracting

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## SB 1162 (Cortese): Public Contracts—employment, apprenticeships.

(amends Pub. Contract Code § 2602;  
adds Pub. Contract Code § 2604.)

This new law requires the monthly compliance report include the full name of, and identify the apprenticeship program name, location, and graduation date of all workers relied upon to satisfy the apprenticeship graduation percentage requirement.

## SB 1303 (Caballero): Public Works.

(adds Lab. Code § 1771.8.)

This new law requires a private labor compliance entity, prior to withholding funds for an alleged violation, to confer with the negotiating parties to review relevant public works law and prohibits the entity from withholding an amount that exceeds the alleged underpayments and penalty assessments.

Under this new law, a violation of the conflict of interest provisions by a private labor compliance entity voids a contract between the parties and subjects the entity to civil fines and fees. The private labor compliance entity must submit a signed declaration under penalty of perjury verifying that it has no conflicts of interest.

## AB 1957 (Wilson): Public Contracts—best value.

(amends Pub. Contract Code §§ 20155, 20155.1, 20155.7, 20155.9.)

This new law authorizes any county of the state to utilize this program (allowing selection of a bidder on the basis of best value, as defined) and would extend the operation of those provisions until January 1, 2030 and extends the time (before March 1, 2029) for a participating county's board of supervisors to submit its mandated report to the Legislature and the Joint Legislative Budget Committee.

County Supported

Medium Impact

# Litigation

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## SB 393 (Glazer) Civil Actions: housing development.

(amends Ed. Code § 8241.5; amends  
Welf. & Inst. Code § 10209.6.)

This new law requires that any motion for an undertaking be made on the grounds that the action is without merit and that the action was brought in bad faith, vexatiously, for the purpose of delay, or to thwart the low- or moderate-income nature of the housing development project.

The new law permits the plaintiff, in responding to the motion, to seek to limit the amount of the bond by presenting evidence that filing the undertaking will cause the plaintiff to suffer undue economic hardship and the court may decline to impose a bond on the plaintiff for reasons of undue economic hardship.



Questions?

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