

FESIA A. DAVENPORT Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

DATE: March 3, 2021 TIME: 2:00 p.m. – 4:00 p.m. LOCATION: TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996 TELECONFERENCE ID: 605696861#

To join via phone, dial 1(323)776-6996, then press 605696861#.

<u>YOU CAN ALSO JOIN THIS MEETING BY CLICKING ON THE FOLLOWING LINK:</u> Click here to join the meeting

DUE TO THE CLOSURE OF ALL COUNTY BUILDINGS, MEMBERS OF THE PUBLIC WILL NEED TO CALL IN TO PARTICIPATE IN THE MEETING.

<u>AGENDA</u>

Members of the Public may address the Operations Cluster on any agenda item after all Informational Items are presented. Two (2) minutes are allowed for each item.

1. Call to order – Tamela Omoto-Frias/Anthony Baker

2. INFORMATIONAL ITEM(S):

(5 minutes)

A) Board Letter:

APPROVAL OF AN AMENDMENT TO AGREEMENT NUMBER 77285 WITH CERNER CORPORATION IN SUPPORT OF THE 21st CENTURY CURES ACT: INTEROPERABILITY, INFORMATION BLOCKING, AND THE OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY CERTIFICATION PROGRAM Probation – Jim Green, Probation Chief Information Officer and Robert Smythe, Administrative Deputy

CONTINUED ON PAGE 2

B) Board Letter:

APPROVE A PROPOSED FIVE-YEAR LEASE OF DEPARTMENT OF PUBLIC SOCIAL SERVICES FOR THE CONTINUED USE OF EXISTING OFFICE AND PARKING SPACE AT 5200 W. CENTURY BLVD. LOS ANGELES CEO/RE – Michael Navarro, Chief Program Specialist

3. PRESENTATION/DISCUSSION ITEMS:

A) SEISMIC SAFETY INITIATIVE BRIEFING CEO/ CAPITAL PROJECTS – Vanessa Moody, Senior Manager

4. **Public Comment** (2 minutes each speaker)

5. Adjournment

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

RR/CC – REQUEST APPROVAL OF MODEL MEMORANDUM OF UNDERSTANDING (MOU) TEMPLATE

BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

⊠ Board Lette	r 🗌 B	Board Memo	Other
OPS CLUSTER AGENDA REVIEW DATE	3/3/2021		
BOARD MEETING	3/23/2021		
DELEGATED AUTHORITY BOARD LETTER	🛛 Yes 🗌 No		
SUPERVISORIAL DISTRICT AFFECTED	ALL		
DEPARTMENT	Probation		
SUBJECT	CORPORATION IN SUPPORT INFORMATION BLOCKING, AI	ENT TO AGREEMENT NUMBER 77285 W OF THE 21 st CENTURY CURES ACT: IN ND THE OFFICE OF THE NATIONAL CO INOLOGY CERTIFICATION PROGRAM	FEROPERABILITY,
PROGRAM			
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No		
CONTRACT	If Yes, please explain why:		
DEADLINES/ TIME CONSTRAINTS	All Amendments and change on amended to comply with the Fir	rders etc. cannot be processed until the c nal Rule.	contract can be
COST & FUNDING	Total cost: \$0 – Amends contract language only for compliance with Final Rule.	Funding source: N/A	
	TERMS (if applicable):		
	Explanation:		
PURPOSE OF REQUEST	for PEMRS to ensure compliance Blocking, and the Office of the Na Certification Program (Cures Act)		operability, Information nation Technology (IT)
BACKGROUND (include internal/external issues that may exist)	The United States Department of H Health Information Technology (Of systems, implementing provisions implementation of the Final Rule is access to health information. Appro	Health and Human Services (HHS) Office of N NC) released IT final rule regarding information from the Cures Act passed by Congress (Fin to designed to give patients and their healthca poval of the recommendations will provide the d the PEMRS Agreement to address the Final	on blocking in health IT al Rule). The re providers secure Probation Department
DEPARTMENTAL AND OTHER CONTACTS	 Name, Title, Phone # & Email: Jim Green, Probation Chief Inform Jim.Green@probation.lacounty.gov Robert Smythe, Administrative D 		bation.lacounty.gov



COUNTY OF LOS ANGELES PROBATION DEPARTMENT



9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242 (562) 940-2728

ADOLFO GONZALES Chief Probation Officer

March 23, 2021

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:

APPROVAL OF AN AMENDMENT TO AGREEMENT NUMBER 77285 WITH CERNER CORPORATION IN SUPPORT OF THE 21st CENTURY CURES ACT: INTEROPERABILITY, INFORMATION BLOCKING, AND THE OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY CERTIFICATION PROGRAM

(ALLSUPERVISORIAL DISTRICTS) (3 VOTES)

CIO RECOMMENDATION: APPROVED [X]

SUBJECT:

Approval of delegated authority to the Chief Probation Officer, or designee, to amend Agreement Number 77285 (Agreement) with Cerner Corporation (Cerner) for the Probation Electronic Medical Records System (PEMRS) in support of the 21st Century Cures Act: Interoperability, Information Blocking, and the Office of the National Coordinator for Health Information Technology Certification Program.

IT IS RECOMMENDED THAT THE BOARD:

 Delegate authority to the Chief Probation Officer, or designee, to amend existing Agreement Number 77285 with Cerner for PEMRS to ensure County compliance with the 21st Century Cures Act: Interoperability, Information Blocking, and the Office of the National Coordinator (ONC) for Health Information Technology (IT) Certification Program (Cures Act), subject to prior review and approval by County Counsel. The Honorable Board of Supervisors 03/23/2021 Page 2

2. Delegate authority to the Chief Probation Officer, or designee, to execute future amendments to IT agreements to add, delete, and/or change certain terms and conditions as required by federal or State law or regulation, County policy, the County's Board of Supervisors (Board), and/or the Chief Executive Officer (CEO), subject to prior review and approval by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

In March 2020, the United States Department of Health and Human Services Office of National Coordinator for Health Information Technology (ONC) released its final rule regarding information blocking in health IT systems, implementing provisions from the Cures Act passed by Congress (Final Rule). The implementation of the Final Rule is designed to give patients and their healthcare providers secure access to health information. For example, the Final Rule sets in place new provisions for certified health IT developers (who will now be required to establish a secure, standards-based application programming interface (API) for use by providers, and to support a patient's access to core data in their electronic health record. The Final Rule also contains provisions that support the ability of patients to securely and easily obtain their electronic health information at no additional cost when electronically accessed (e.g., by using the smartphone application of their choice). The Final Rule prohibits any health IT developer, like Cerner, from information blocking and requires the amendment of any contracts in order for health IT systems to reflect the health IT developer's compliance with the Final Rule. In order to incorporate these changes, the current PEMRS Agreement must be amended. The amendment neither impacts Cerner's confidentiality obligations to the County nor the County's confidentiality obligations to its patients.

Approval of the first recommendation will provide the Probation Department (Probation) with the ability to amend the PEMRS Agreement to address the Final Rule.

Approval of the second recommendation will provide Probation with the ability to amend IT agreements as may be required to ensure compliance with federal or State law or regulation, County policy, or the direction of the Board and/or the CEO.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support Strategy II.2, "Support the Wellness of Our Communities," of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

This amendment is administrative in nature and has no fiscal impact.

The Honorable Board of Supervisors 03/23/2021 Page 3

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In compliance with Board Policy 6.020 "Chief Information Office Board Letter Approval", the Office of the Chief Information Officer (OCIO) reviewed the information technology (IT) components (management, design, development, acquisition, expansion, or purchase of IT systems and/or related services) of this request and recommends approval. The OCIO determined this recommended action(s) does not include any new IT items that would necessitate a formal written CIO Analysis.

IMPACT ON CURRENT SERVICES

Approval of the recommendations bring the PEMRS agreement into compliance with current law and will authorize Probation to keep its IT agreements in compliance with law, regulation, and policy.

Respectfully submitted,

Reviewed by:

ADOLFO GONZALES Chief Probation Officer WILLIAM S. KEHOE Chief Information Officer

RL:TH:ds

c: Executive Officer Chief Executive Office County Counsel

AMENDMENT NUMBER THIRTEEN TO AGREEMENT BY AND BETWEEN THE COUNTY OF LOS ANGELES AND CERNER CORPORATION FOR PROBATION ELECTRONIC MEDICAL RECORDS SYSTEM

This Amendment Number Thirteen (hereinafter "Amendment No. 13") is entered into this day of ______, 2020 (hereinafter "Amendment No. 13 Effective Date") by and between the County of Los Angeles (hereinafter "COUNTY") and Cerner Corporation (hereinafter "CONTRACTOR") and amends that certain Agreement Number 77285, dated June 1, 2010, by and between COUNTY and CONTRACTOR for a Probation Electronic Medical Records System (as further defined in the Agreement, "PEMRS") for the benefit of COUNTY and its Probation, Health Services and Mental Health Departments, as modified by all Amendments and Change Notices thereto, including without limitation by this Amendment No. 13 (hereinafter together with all Exhibits and Attachments thereto, all as amended prior to the Amendment No. 13 Effective Date, "Agreement").

WHEREAS, CONTRACTOR has developed and implemented and has been hosting, maintaining and supporting PEMRS along with necessary Tailoring pursuant to the terms and conditions of the Agreement; and

WHEREAS, the term of the Agreement expires on May 31, 2023; and

WHEREAS, on June 9, 2020 the Board of Supervisors adopted a motion for County departments to pursue voluntary price reduction from County contractors for services provided July 1, 2020 through June 30, 2021; and

WHEREAS, the CONTRACTOR has agreed to 1) add Paragraph 73 to the terms of the Agreement to enable Contractor to comply with the requirements of 45 C.F.R. 170.403, Communications, of the 21st Century Cures Act. 2) a voluntary price reduction effective upon execution through June 30, 2021; and to 3) replace Schedule II, System Maintenance Fees, of Exhibit D, Service Level Agreement; replace Schedule III, Remote Hosting Services and P2Sentinel Security Services Fees, of Exhibit D, Service Level Agreement Services (AMS) Fees, of Exhibit D, Service Level Agreement; replace Schedule V, Application Management Services (AMS) Fees, of Exhibit D, Service Level Agreement; and

WHEREAS, this Amendment No. 13 is entered into in accordance with the applicable provisions of Paragraph 6 (Change Notices and Amendments) of the body of the Agreement;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, COUNTY and CONTRACTOR hereby agree to amend the Agreement as follows:

1. AMENDMENTS TO BODY OF THE AGREEMENT: As of the Amendment No. 13 effective date, the body of the Agreement Is added as follow:

Paragraph 73 (Cures Act Protected Communications) of the body of the Agreement is added as follow:

73 <u>Cures Act Protected Communications</u>

Cures Act Protected Communications as defined in Paragraph 73.1 (Definition of Cures Act Protected Communications), below, are excluded from the definition of Confidential Information as that term pertains to Contractor as the Disclosing Party.

73.1 <u>Definition of Cures Act Protected Communications</u>

"Cures Act Protected Communications" means communications by County and County's elected and appointed officers, employees, and other agents or Users and affiliates protected by 45 C.F.R. 170.403 of the Cures Act, which include communications concerning: (i) the usability, interoperability, or security of the EHR System, Services, or other Contractor products and services ("Contractor IT"), (ii) relevant information regarding users' experiences when using the Contractor IT, (iii) Contractor's business practices related to exchanging electronic health information, and (iv) the manner in which a user uses Contractor IT.

73.2 <u>Exclusions from Cures Act Protected Communications</u>

Cures Act Protected Communications do not include the following:

- (a) Screenshots or videos of the Contractor IT to the extent that (i) the screenshots or videos are altered other than to annotate or resize them; (ii) the number and length of such screenshots and videos exceeds the number and length needed to accomplish the purpose of the Cures Act Protected Communication; or (iii) as to videos, the videos are not limited to addressing temporal matters that cannot be communicated through screenshots or other forms of communication.
- (b) non-user-facing aspects of the Contractor IT (which may include source and object code, software documentation, design specifications, flowcharts, algorithms, and file and data formats, and technical details regarding security vulnerabilities that are not public knowledge);
- (c) Contractor's intellectual property existing in the Contractor IT to the extent that the non-disclosure of such intellectual property
 (i) is necessary to protect Contractor's legitimate intellectual property interests;
 (ii) is otherwise consistent with this Paragraph 73.2 (Exclusions from Cures Act Protected Communications); and
 (iii) does not limit the disclosure of

communications that would reasonably constitute "fair use" under applicable intellectual property law; and

(d) information or knowledge solely acquired in the course of County's participation in pre-market development and testing activities to the extent that (i) such activities are carried out for the benefit or partial benefit of Contractor; and (ii) the applicable Contractor IT has yet not been released or marketed.

73.3 <u>Exceptions to Exclusions from Cures Act Protected Communications</u>

Notwithstanding Paragraph 73.2 (Exclusions from Cures Act Protected Communications), above, or anything to the contrary under this Agreement, Cures Act Protected Communications include all communications to the extent that they are made for any of the following purposes:

- (a) making a disclosure required by law;
- (b) communicating information to government agencies, health care accreditation organizations, and patient safety organizations about adverse events, hazards, and other unsafe conditions;
- (c) communicating information to government agencies about cybersecurity threats and incidents;

communicating information to government agencies about information blocking and other unlawful practices; or

communicating information to the ONC or an ONC-ATCB about Contractor's failure to comply with (i) a Condition of Certification requirement under the ONC Health IT Certification Program, or with any requirement of 45 C.F.R. 170.

73.4 Interpretation of this Section

This Paragraph 73 (Cures Act Protected Communications) shall be construed to enable Contractor's full compliance with 45 C.F.R. 170.403 of the Cures Act, and for the avoidance of doubt, (a) nothing in this Paragraph 73 (Cures Act Protected Communications) changes, eliminates, or otherwise modifies any of Contractor's obligations in connection with County's Confidential Information; and (b) nothing in this Paragraph 73 (Cures Act Protected Communications) shall be construed to prevent any communication that, but for this Paragraph 73 (Cures Act Protected Communications), is otherwise permissible under the Agreement."

2. <u>AMENDMENTS TO EXHIBITS AND ATTACHMENTS:</u>

- A. Schedule II (System Maintenance Fees) to Exhibit D (Service Level Agreement) to the Agreement is deleted in its entirety and replaced with amended and restated Schedule II (System Maintenance Fees) to Exhibit D (Service Level Agreement), attached hereto and incorporated by reference.
- B. Schedule III (Remote Hosting Services and P2Sentinel Security Services Fees) to Exhibit D (Service Level Agreement) to the Agreement is deleted in its entirety and replaced with amended and restated Schedule III (Remote Hosting Services and P2Sentinel Security Services Fees) to Exhibit D (Service Level Agreement), attached hereto and incorporated by reference.
- C. Schedule V (Application Management Services (AMS) Fees) to Exhibit D (Service Level Agreement) to the Agreement is deleted in its entirety and replaced with amended and restated Schedule V (Application Management Services (AMS) Fees) to Exhibit D (Service Level Agreement), attached hereto and incorporated by reference.

3. <u>AUTHORIZATION WARRANTY:</u>

COUNTY and CONTRACTOR hereby represent and warrant that the person executing this Amendment No. 13 on behalf of each party is an authorized agent of such party having actual authority to bind such party to every term, condition and obligation of this Amendment No. 13, and that all requirements of such party have been fulfilled to provide such person with actual authority.

4. <u>GOVERNING LAW:</u>

This Amendment No. 13 shall be governed by and construed in accordance with the laws of the State of California applicable to agreements made and to be performed within that State.

5. <u>NO OTHER AMENDMENTS:</u>

Except as provided in this Amendment No. 13, all other terms and conditions of the Agreement shall remain unchanged and in full force in effect.

/ / / 1

AMENDMENT NUMBER THIRTEEN TO AGREEMENT BY AND BETWEEN THE COUNTY OF LOS ANGELES AND CERNER CORPORATION FOR PROBATION ELECTRONIC MEDICAL RECORDS SYSTEM

IN WITNESS WHEREOF, County and Contractor by their duly authorized signatures have caused this Amendment No. 13 to Agreement Number 77285 to be effective on the day, month and year first above written.

COUNTY OF LOS ANGELES:

Ву _____

ADOLFO GONZALES Chief Probation Officer

CONTRACTOR: Cerner Corporation

By _____

Signature

Print Name

Title

APPROVED AS TO FORM: Rodrigo A. Castro-Silva Acting County Counsel

RECOMMENDED: William Kehoe Chief Information Officer

By _____

Ву _____

Jason C. Carnevale Deputy County Counsel

<u>EXHIBIT D</u>

SERVICE LEVEL AGREEMENT – SCHEDULE II

RESTATED UNDER AMENDMENT NO. 13

AUGUST 2020

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule II

SCHEDULE II

SYSTEM MAINTENANCE FEES

Effective upon execution of this Amendment through June 30, 2021

							Month	ly					
Item	Phase 1 Application Software Modules	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 throug h May 31, 2023
1	PowerChart (Clinical Data Reposi- tory, PowerOrders, PowerNote) – Full Access Users ¹						Footno 1	ite					
2	PowerChart (Clinical Data Reposi- tory, PowerOrders, PowerNote) – Limited Access Users ²	\$1,583	\$1,630	\$1,679	\$1,730	\$1,782	\$1,835	\$1,890	\$1,947	\$2,005	\$2,005	\$2,127	\$2,191
3	CareNet (Electronic Medication Administration Record (eMAR), PowerPlan, Clinical Documentation and PowerForms), CareCom- pass ¹						Footno 1	te					
4	Capstone (Registration Manage- ment and Scheduling		Footnote 1										
5	PathNet (General Laboratory, Mi- crobiology) – Medical Devices	\$159	\$273	\$280	\$290	\$298	\$308	\$317	\$327	\$337	\$337	\$357	\$368

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule II

¹ Provided that the scope of use limits for JHIS Application Software as set forth in Attachment B (PEMRS Software) to Exhibit A (Statement of Work) have not been exceeded and payment of support fees is current for these items under the JHIS Agreement in accordance with the terms of the JHIS Agreement, no additional System Software Support fees will be assessed for the JHIS Application Software. The JHIS Licenses may be transferred back to the Sheriff's Department by MOU.

² CONTRACTOR and COUNTY mutually agree that the Limited Access Users maintenance fees for PowerChart (Clinical Data Repository, PowerOrders, PowerNote) will be paid through the Term of the Agreement. Payments will commence the first month following the Amendment No. 3 Effective Date and continue thereafter in accordance with Section 1.B.(2) of this Exhibit D.

³ CONTRACTOR and COUNTY mutually agree that the maintenance fees for PathNet (General Laboratory, Microbiology) – Medical Device Interfaces (Siemens Diagnostics Clinitek) will be payable as indicated in Amendment No. 5 Schedule II Systems Maintenance fees and commence the first month following the Amendment No. 5 Effective Date and continue thereafter in accordance with Section 1.B.(2) of this Exhibit D.

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule II

							Month	nly					
Item	Phase 1 Application Software Modules	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
	PathNet (General Laboratory, Mi- crobiology) – Medical Devices In- terfaces (TelCor Quick Multi Link (QML) POC MD- TC04) ⁴	N/A	N/A	N/A	\$330	\$340	\$350	\$361	\$371	\$382	\$382	\$406	\$418
6	PharmNet (Inpatient Pharmacy and Departmental Clinical		Footnote 1 Footnote 1										
/	RadNet (Radiology Management)						Footno	te 1					
×	ProFile (Health Information Man-						Footno	te 1					
9	Interfaces (Phase 1) a. Optional Phase Interface - Pyxis Medstation ⁵ b. Optional Phase Interface - Supply Chain ⁴ c. Optional Phase Interface	\$1,514 N/A N/A N/A	\$1,559 N/A N/A N/A	\$1,606 \$436 \$58 N/A	\$1,654 \$450 \$59 \$200	\$1,704 \$463 \$61 \$206	\$1,755 \$477 \$63 \$212	\$1,808 \$491 \$65 \$218	\$1,862 \$506 \$67 \$225	\$1,918 \$521 \$69 \$232	\$1,918 \$521 \$69 \$232	\$2,035 \$553 \$73 \$246	\$2,096 \$570 \$75 \$253
10	– Quest/RLN Computerized Physician Order	IV/A	N/A	IV A	φ200	φ200	Footnot		φ225	φ232	ψ2.32	φ240	φ233

⁴ CONTRACTOR and COUNTY mutually agree that the maintenance fees for PathNet (General Laboratory, Microbiology) – Medical Device Interfaces (TelCor Quick Multi Link (QML) POC MD-TC04) will be payable as indicated in Amendment No. 9 Schedule II Systems Maintenance fees and commence the first month following the Amendment No. 9 Effective Date and continue thereafter in accordance with Section 1.B.(2) of this Exhibit D.

⁵ As of the Amendment No. 6 Effective Date, CONTRACTOR and COUNTY have estimated the number of months' maintenance fee will be charged to COUNTY for each of the

Los Angeles County Probation – PEMRS

Exhibit D - Service Level Agreement -

Schedule II

Pyxis Interface and the Supply Chain (Cardinal Health or GHX Interfaces) Interface for the remainder of the term of the Agreement, following the COUNTY's acceptance of Deliverable 7.9 of Exhibit Å (Statement of Work) under Amendment No. 6 for such Interface.

							Month	nly					
Item	Phase 1 Application Software Modules	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
11	Discern Expert ¹						Footno	te 1					
12	Discern Explorer ¹						Footno	te 1					
13	CareAware Multi-Media Foundation – Digital Objects	\$849	\$874	\$901	\$928	\$956	\$984	\$1,014	\$1,044	\$1,075	\$1,075	\$1,141	\$1,175
14	CareAware Multi-Media Foundation – Image Distribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$35	\$36	\$37	\$38
	Subtotal Phase 1 System	\$4,105	\$4,336	\$ 4,960	\$ 5,111	\$5,264	\$5,422	\$6,164	\$6,348	\$6,539	\$6,539	\$6,975	\$7,184

Fees above for Production Use through the end of the Initial Term include a 3% annual increase. If the term of the Agreement is ex- tended beyond the Initial Term in accordance with Paragraph 5 (Term) of the body of the Agreement, the Application Software module support can be renewed at the last monthly rate charged plus a 3% annual increase.

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule II

							Month	ly					
Item	Phase 1 Third Party Software Modules	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
1	Cerner ProVision Document Imaging (CPDI)	\$5,117	\$5,117	\$5,117	\$5,117	\$5,117	\$5,117	\$5,117	\$3,995*	\$3,995*	\$3,995*	\$3,995*	\$3,995*
2	CPDI Imaging Software - Applica- tionXTender for Web	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Subtotal Phase 1 System Third Party	\$5,117	\$5,117	\$5,117	\$5,117	\$5,117	\$5,117	\$5,117	\$3,995	\$3,995	\$3,995	\$3,995	\$3,995

If the term of the Agreement is extended beyond the Initial Term in accordance with Paragraph 5 (Term) of the Agreement, the Third Party Software module will require a quote to determine renewal fees.

*Reduced under Amendment No. 13 to reflect termination of batch scanning services functionality in CONTRACTOR's Cerner ProVision Document Imaging (CPDI) effective January 1, 2018.

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule II

							Month	ly					
Item	Phase 1 Subscription Based Application Software Module	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
1	Krames Patient Education Content (not to exceed 13 COUNTY Facilities)	\$5,688	\$5,859	\$6,034	\$6,215	\$6,402	\$6,594	\$6,792	\$6,996	\$7,205	\$7,205	\$7,644	\$7,874
2	Knowledge Content Solutions for Ambulatory (including Cerner Knowledge Tool (Cerner KM) and Multum/Medisour ce)	\$600	\$618	\$637	\$656	\$675	\$696	\$717	\$738	\$760	\$760	\$807	\$831
3	Web Based Training – (120 Custom Simulations) ⁷	\$8,280	\$8,280	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Classroom Curriculum De- velopment (8, 4- hour classes) ⁸	\$6,624	\$6,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	СМТ	\$1,250	\$1,288	\$1,326	\$1,366	\$1,407	\$1,449	\$1,492	\$,1537	\$1,583	\$1,583	\$,1680	\$1,730
6	CPT (Codes and Medical Terminology)	\$167	\$104	\$104	\$104	\$104	\$104	\$167	\$172	\$177	\$177	\$188	\$194
	Subtotal Term- Based License	\$22,609	\$22,773	\$8,101	\$8,341	\$8,588	\$8,843	\$9,168	\$9,443	\$9,725	\$9,725	\$10,319	\$10,629

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule II

Commencing on June 1, 2017 and continuing through the term of the Agreement (for 36 months), County shall have a License to the Term-based License Software in the table above for the term specified in the Agreement. Fees above for Production Use through the end of the Initial Term include a 3% annual increase. If the term of the Agreement is extended beyond the Initial Term in accordance with Paragraph 5 (Term) of the body of the Agreement, the term-based License Application Software maintenance and support maybe renewed at the last monthly rate charged plus a 3% annual increase. For a period of one (1) year from the Amendment 11 Effective Date, County shall pay the term support fees as set forth in the table above. Thereafter, County may renew the maintenance and support for additional one year periods for \$40,416 annually plus 3% CPI. If the term of the Agreement is extended beyond the Initial Term in accordance with Paragraph 5 (Term) of the body of the Agreement is extended beyond the Initial Term of the Agreement is extended beyond the Initial Term of additional one year periods for \$40,416 annually plus 3% CPI. If the term of the Agreement is extended beyond the Initial Term in accordance with Paragraph 5 (Term) of the body of the Agreement, the maintenance and support maybe renewed at the last monthly rate charged plus a 3% annual increase.

⁶Custom Web Based Training has been mutually agreed upon to pay the one-time fee monthly payable in advance by County for 20 months following COUNTY's acceptance of Deliverable 6.7 (Production Use of the Phase 1 System at all COUNTY Facilities) of Exhibit A (Statement of Work).

⁷ Classroom Curriculum Development has been mutually agreed upon to pay the one-time fee monthly payable in advance by County for 20 months following COUNTY's acceptance of Deliverable 6.7 (Production Use of the Phase 1 System at all COUNTY Facilities) of Exhibit A (Statement of Work).

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule II

							Month	ly					
Item	Optional Phase System Application Software Modules	Production Use ("Prod") Through 12 Months	Prod +12 Mont hs throu	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
1	Telemedicine ⁸							Footnote 7					
2	724Access Solution ⁹]	Footnote 8					
3	Enterprise Master Patient Index (EMPI) ⁷						:	Footnote 7					
4	PowerInsight ¹]	Footnote 1					
5	PharmNet (Outpatient Pharmacy) ¹]	Footnote 1					
6	CareAdmin ⁷]	Footnote 7					
7	Radiology Dictation ⁷							Footnote 7					
8	eSignature (Patient Electronic Signa- ture) ⁷						2	Footnote 7					
9	Cerner Picture Archiving and Commu- nications System (PACS) ⁷							Footnote 7					
10	Financials ¹]	Footnote 1					
11	Millennium LDAP Authentication Pass- through]	Footnote 7					

Los Angeles County Probation – PEMRS

Exhibit D - Service Level Agreement -

Schedule II

⁸ Optional Phase Systems will require mutual agreement on scope and pricing prior to Amendment execution under Paragraph 6 (Change Notices and Amendments) of the body of the Agreement.

⁹ Optional Phase System Third Party Software will require mutual agreement on scope and pricing prior to Amendment execution under Paragraph 6 (Change Notices and Amendments) of the body of the Agreement.

							Monthl	y					
	Optional Phase	Production	Prod +12	Prod +24	Prod +36				Prod + 80		,	June 1,	June 1,
Item	System Application	Use	Months	Months	Months	Months	Months	months	months	months	2020 through	2021	2022
	Software	("Prod") Through 12	through Prod +24	through Prod +36	through Prod +48	through Prod +60	through +68	through +79	through +91	through +103	through May 31,	through May 31,	through May 31,
	Modules	Months	Months	Months	Months	Months	Months	months	months	months	2021	2022	2023
12	Parata Medication Packaging Interface Outbound						Footnote	7					

							Monthl	у					
Item	Optional Phase Subscription Based Application Software Modules	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
1	Web Based Training – (Standard PathNet, PharmNet, and Learning Studio)					<u>.</u>	Footnote	.5		·			

Fees above for Production Use through the end of the Initial Term include a 3% annual increase. If the term of the Agreement is extended beyond the Initial Term in accordance with Paragraph 5 (Term) of the body of the Agreement, the Optional Phase System Application Software module support can be renewed at the last monthly rate charged plus a 3% annual increase.

<u>EXHIBIT D</u>

SERVICE LEVEL AGREEMENT – SCHEDULE III

RESTATED UNDER AMENDMENT NO. 13

AUGUST 2020

SCHEDULE III

REMOTE HOSTING SERVICES AND P2SENTINEL SECURITY SERVICES FEES Effective upon execution of this Amendment through June 30, 2021

Remote Hosting Services Fees and P2Sentinel Security Services Fees for Phase 1 Systems

							Monthl	y					
Item	Phase I System	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
	Section II.B Remote Hosting Services (Recurring Fees) ⁹	\$80,500	\$82,915	\$85,402	\$87,965	\$90,603	\$93,322	\$96,122	\$99,005	\$101,975	\$101,975*	\$107,125*	\$110,339*
	P2Sentinel Security Services ¹⁰	\$3,260	\$3,358	\$3,459	\$3,562	\$3,669	\$3,779	\$3,892	\$4,009	\$4,129	\$4,129	\$4,381	\$4,512
	Total Remote Hosting Services and P2Sentinel Security Services Fees	\$83,760	\$86,273	\$88,861	\$91,527	\$4,273\$9	\$97,101	\$100,014	\$103,014	\$106,105	\$106,105	\$111,506	\$114,851

Fees above for Production Use through the end of the Initial Term include a 3% annual increase. If the term of the Agreement is extended beyond the Initial Term in accordance with Paragraph 5 (Term) of the body of the Agreement, the Remote Hosting Services and P2Sentinel Security Services can be renewed at the last monthly rate charged plus a 3% annual increase.

Scope of use expansion for Remote Hosting Services or P2Sentinel Security Services may be subject to additional fees. CONTRACTOR will provide quote(s) for scope of use expansion pricing when necessary and the Agreement will be updated accordingly in accordance with Paragraph 6 (Change Notices and Amendments) of the body of the Agreement.

* Reduced under Amendment No. 13 to reflect termination of Remote Hosting Services for batch scanning services functionality in CONTRACTOR's Cerner ProVision Document Imaging (CPDI) effective as of the effective date of Amendment No. 13.

⁹ For Remote Hosting Services fees prior to Production Use see Exhibit B (Schedule of Payments).

¹⁰CONTRACTOR shall invoice COUNTY for P2Sentinel Security Services fees at the rate of \$3,260 per month for a total amount not to exceed the amount identified as the Aggregate P2Sentinel Security Services Fees on Exhibit B to this Agreement for such services. Fees will be payable for such services upon COUNTY's acceptance of Deliverable

^{6.6 (}Successfully Conducted User Acceptance Testing of the Phase 1 System) of Exhibit A (Statement of Work). CONTRACTOR shall invoice COUNTY as provided in Subparagraph II.G(2) of this Service Level Agreement.

Los Angeles County Probation – PEMRS Exhibit D – Service Level Agreement – Schedule IV

SCHEDULE IV UPGRADES IMPLEMENTATION SERVICES FEES Effective upon execution of this Amendment through June 30, 2021

							Month	y					
Item	Phase I System	Production Use ("Prod") Through 12 Months	Prod +12 Months through Prod +24 Months	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
	Upgrades Implementation Services	\$6,758	\$6,961	\$7,170	\$7,385	\$7,606	\$7,834	\$0	\$0	\$0	\$0	\$0	\$0

<u>EXHIBIT D</u>

SERVICE LEVEL AGREEMENT – SCHEDULE V

RESTATED UNDER AMENDMENT NO. 13

AUGUST 2020

SCHEDULE V APPLICATION MANAGEMENT SERVICES (AMS) FEES Effective upon execution of this Amendment through June 30, 2021

							Month	ly					
Item	Phase I System	Production Use ("Prod") Through 12 Months	Months through Prod +24	Prod +24 Months through Prod +36 Months	Prod +36 Months through Prod +48 Months	Prod +48 Months through Prod +60 Months	Prod +60 Months through +68 Months	Prod +69 months through +79 months	Prod + 80 months through +91 months	Prod +92 months through +103 months	June 1, 2020 through May 31, 2021	June 1, 2021 through May 31, 2022	June 1, 2022 through May 31, 2023
	Application Management Services ¹¹	\$32,000	\$32,960	\$33,949	\$34,967	\$36,016	\$37,097	\$38,210	\$39,356	\$40,537	\$40,537	\$43,006	\$44,296

¹¹ CONTRACTOR shall invoice COUNTY for Application Management Service (AMS) fees at the rate of \$32,000 per month for a total amount not to exceed the Aggregate sum as specified in Exhibit B to this Agreement for such services. Fees shall be payable for such services provided one month prior to COUNTY's acceptance of Deliverable 6.7 (Production Use of the Phase 1 System at all County Facilities) of Exhibit A (Statement). CONTRACTOR shall invoice COUNTY as provided in Paragraph IV.B(2) of this Service Level Agreement.

BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

Board Lette	r 🗌 B	oard Memo	Other				
OPS CLUSTER AGENDA REVIEW DATE	3/3/2021						
BOARD MEETING	3/23/2021						
DELEGATED AUTHORITY BOARD LETTER	🗌 Yes 🛛 No						
SUPERVISORIAL DISTRICT AFFECTED	4 th						
DEPARTMENT	Public Social Services						
SUBJECT	office space and 175 on-site pa	ease for the continued use of 52,054 so rking spaces at 5200 West Century Bi					
PROGRAM	Greater Avenues of Independer	nce (GAIN) Region I program.					
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No						
CONTRACT	If Yes, please explain why: N/A	A					
DEADLINES/ TIME CONSTRAINTS	The existing lease has been on	a month-to-month holdover since May	18, 2020.				
COST & FUNDING	Total cost: \$10,978,000 over 60 months	Funding source: The costs will be funded by 82.88 pe funds and 17.12 percent net County of					
	TERMS (if applicable): The proposed lease provides for fixed rental increases of 3 percer annum. The landlord will provide base tenant improvements on a turnkey basis, estimate \$15 per square foot (\$780,800) included in the rent, for premises upgrades, per the leas terms.						
	Explanation: Sufficient funding to cover the proposed rent, for the first year of the proposed lease term is included in the Fiscal Year (FY) 2020-21 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2020-21 operating budget to cover the proposed rent for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS.						
PURPOSE OF REQUEST	Approval of the recommended a office space for DPSS.	actions will authorize and adequately p	rovide the necessary				
BACKGROUND (include internal/external issues that may	lease expired May 18, 2020. N The Landlord is not happy with	e leased the current location since 1999 o holdover penalty is associated with t the County program housed at this site	he existing lease. e and issued to the				
exist)	repeated requests from the Cou Should this lease not be adopte eviction process. DPSS recogn in place will give DPSS time to through teleworking and for Rea	te the premises on February 28, 2020. Unty, the landlord returned to the lease ed by the end of March 2021, the landlo izes it will not be able to remain at this determine how much space at a new lease al Estate to actively seek a replacement	negotiation process. ord will proceed with the site so having this lease ease could be reduced ht site.				
		ne space needs of DPSS. The landlord at no cost to the County for interior up					
DEPARTMENTAL AND OTHER CONTACTS	Michael Navarro CEO- Real Estate Division 213-974-4364 Mnavarro@ceo.lacounty.gov						



County of Los Angeles CHIEF EXECUTIVE OFFICE

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

> Board of Supervisors HILDA L. SOLIS First District

HOLLY J. MITCHELL Second District

SHEILA KUEHL Third District

JANICE HAHN Fourth District

KATHRYN BARGER Fifth District

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:

March 23, 2021

FIVE-YEAR LEASE DEPARTMENT OF PUBLIC SOCIAL SERVICES 5200 WEST CENTURY BOULEVARD, LOS ANGELES (FOURTH DISTRICT) (3 VOTES)

SUBJECT

Approval of a proposed five-year lease to replace an existing lease to provide the Department of Public Social Services (DPSS) continued use of 52,054 square feet of office space and 175 on-site parking spaces for the Greater Avenues of Independence (GAIN) Region I program.

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 5200 CENTURY FEE, LLC (Landlord), for 52,054 square feet of office space and 175 on-site parking spaces located at 5200 West Century Boulevard, Suites 100 and 500, Los Angeles, CA 90045, to be occupied by DPSS. The estimated maximum first year rental cost is not to exceed \$2,067,585. The estimated total lease cost is \$10,978,000 over the five-year term. The rental costs will be funded by 82.88 percent State and Federal funds and 17.12 percent net County cost.

FESIA A. DAVENPORT Chief Executive Officer

3. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed lease, and to take actions necessary and appropriate to implement the proposed lease.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The DPSS GAIN program has occupied the subject facility since 1999. GAIN provides direct services to residents in the West Los Angeles area. This includes employment-related service to clients to procure, retain and advance their employment prospects through education, training, community services, and other resources. The existing facility provides office and parking space for 155 employees.

The existing lease expired on May 18, 2020 and has been on a month-to-month holdover basis with no holdover penalty. DPSS has requested that the lease be renewed so that it may continue to provide services at this location.

The existing facility is located in the West Los Angeles Service Planning Area (SPA) 8 serving the Second, Third, and Fourth Supervisorial Districts. The facility is within close proximity to the 405 and 105 freeways, with public transit bus routes on Century Boulevard and a Metrolink station located within two miles of the building. The Landlord will provide new carpet, new vinyl flooring and paint as part of the lease renewal on a turnkey basis. We anticipate minimal to no disruption to ongoing business and service operations.

Teleworking options were considered as DPSS has begun exploring the teleworking concept, where suitable. However, the GAIN program at this location is not a good candidate for teleworking. Clients at this site receive mandatory one-on-one training, coaching and group instruction, which provides invaluable experience to clients seeking employment, employment retention and advancement. While clients are receiving waivers for the mandated training during the current pandemic, the waivers are expected to be temporary and DPSS plans to continue to operate this program in the same manner prior to the pandemic. Most DPSS clients do not have the resources to implement virtual learning (computers, internet service and other resources). DPSS is also exploring more efficient use of this space, including flexible use of the classroom areas, which would allow DPSS to introduce a hoteling component for staff at this location.

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

Implementation of Strategic Plan Goals

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

The proposed lease is consistent with the Strategic Asset Management Plan Goal 2 – Strengthen Connection between Service Priorities and Asset Decisions; and Key Objective 4 – Guide Strategic Decision-Making.

The proposed lease will support the above goals and objective by allowing DPSS to continue to provide their direct service programs to the public from a facility located within the communities in need of these services.

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

FISCAL IMPACT/FINANCING

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2020-2021 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2020-21 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2021-22, ongoing funding for costs associated with the proposed lease will be part of the budget for DPSS. The rental costs will be funded by 82.88 percent State and Federal funds and 17.12 percent net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Base rent of \$39.72 per square foot, per year, includes staff parking and is subject to fixed annual increases of 3 percent.

- The current annual base rent will increase approximately 52 percent, from \$1,360,338 (\$27.13 per square foot annually) to \$2,067,585 (\$39.72 per square foot annually). This large increase is due to the following: 1) The market rental rates in this area have significantly increased over the last six years due to shrinking availability of office space in this LAX area, as some buildings are converting to hotel space. The increase in rents in the West Los Angeles markets has caused tenants to seek alternative space in the Century Boulevard corridor, thereby driving up demand and rents; 2) The parking rates have increased due to the proximity to LAX, and this is expected to remain the case despite the temporary decrease in parking usage in the LAX area due to COVID-19. Demand is expected to return within one year's time. 3) The space was remeasured based on industry standards measurement guidelines resulting in an additional 1,907 square feet which contributed to an increase to the total rent.
- CRESA (County's leasing broker) identified alternative space in three buildings along the Century Boulevard Corridor. Two of the buildings had higher rental rates, and the third building, at lower rents was determined unsuitable due to the layout of the premises and insufficient parking. DPSS determined that relocation was not a viable financial alternative at this time as it would have incurred additional rent, relocation and TI costs.
- The Landlord will provide, at Landlord's sole cost, new carpet, paint, and minor repairs on a turn-key basis. The County will not be required to contribute any funds toward any tenant improvements.
- The Landlord is responsible for all operating and maintenance costs associated with the premises, including utilities, janitorial costs and property taxes. The County will be responsible for after-hours heating, ventilation, and air-conditioning (HVAC) charges when incurred, to be billed at the standard building rate of \$55.00 per hour.
- The lease includes 175 parking spaces for staff only. While this is 30 parking spaces less than the existing lease, it is a more effective provision of client parking. Rather than be charged up front for spaces that may or not be used, the department will provide parking validations to visiting clients, and then the Landlord will directly bill the department for parking actually used at the standard building rate.
- The aggregate cost associated with the proposed lease over the entire term is estimated not to exceed \$10,978,000, as shown on Enclosure B.

- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will increase by 50 percent of the base rent at the time of the lease expiration.
- A five-year initial term with no option to extend the proposed lease.
- The County does not have the right to terminate the proposed lease early.
- The proposed lease will be effective upon approval by the Board and full execution by the parties.

The Chief Executive Office (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 \$25.08 and \$43.68 per square foot, per year. The base annual rental rate of \$39.72 per square foot, per year for the proposed lease represents a rate that is within the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed facility as the most suitable to meet the County's space requirements.

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

The Department of Public Works has inspected this facility and found it suitable for County occupancy. The required notification letter to the City of Los Angeles has been sent in accordance with Government Code Section 25351. County Counsel has reviewed the proposed lease and approved it as to form.

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

ENVIRONMENTAL DOCUMENTATION

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor tenant improvements within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in Section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the

County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

CONCLUSION

It is requested that the Executive Office of the Board return one certified copy of the Minute Order and an adopted-stamped copy of this Board letter to the CEO, Real Estate Division at 320 West Temple Street, 7th Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,

FESIA A. DAVENPORT Chief Executive Officer

FAD:JMN:DPH:DL JLC:MN:FC:gw

Enclosures

c: Executive Office, Board of Supervisors County Counsel Auditor-Controller Public Social Services

DEPARTMENT OF PUBLIC SOCIAL SERVICES 5200 WEST CENTURY BOULEVARD, LOS ANGELES Asset Management Principles Compliance Form¹

1.	<u>Oc</u>	cupancy	Yes	No	N/A			
	А	Does lease consolidate administrative functions? ²	х					
	в	Does lease co-locate with other functions to better serve clients? ²	х					
	С	Does this lease centralize business support functions? ²	х					
	D	Does this lease meet the guideline of 200 sq. ft of space per person? There are approximately 336 square feet per person. Space was built out in 1999 under different guidelines. Staff space is on average 287 square feet per person and the remaining areas are attributed to common areas: play area, security station, lunchrooms, breakrooms, classrooms, mail room, storage rooms, etc.		x				
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² Parking ratio is 3.36/1000. The lease includes 175 parking spaces for staff only. Additional client parking will be available via validation (County to reimburse landlord).		x				
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	х					
2.	Ca	<u>Capital</u>						
	А	Is it a substantial net County cost (NCC) program? The rental costs will be funded by 82.88 percent State and Federal funds and 17.12 percent net County cost.		х				
	в	Is this a long-term County program?	х					
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		х				
	D	If no, are there any suitable County-owned facilities available?		х				
	Е	If yes, why is lease being recommended over occupancy in County-owned space?			x			
	F	Is Building Description Report attached as Enclosure C?	х					
	G	Was build-to-suit or capital project considered? ² The County already occupies the facility and a capital project was not considered.		х				
3.	Poi	rtfolio Management						
	А	Did department utilize CEO Space Request Evaluation (SRE)?	х					
	в	Was the space need justified?	Х					
	С	If a renewal lease, was co-location with other County departments considered?		х				
	D	Why was this program not co-located with other County departments?			x			
		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 The Program is being co-located.						
	Е	Is lease a full-service lease? ²	х					
	F	Has growth projection been considered in space request?	х					
	G	¹ Has the Dept. of Public Works completed seismic review/approval?	х					
	-	¹ As approved by the Board of Supervisors 11/17/98		-				

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease 5200 W. Century Blvd.	Proposed Lease 5200 W. Century Blvd.	Change
Area (Square Feet)	50,147 sq. ft.	52,054 sq. ft.	+1,907 sq. ft. Space remeasured
Term (years)	5 years	5 years	None
Annual Base Rent ⁽¹⁾	\$1,360,338 (\$27.13 per sq. ft. annually) (Base rent includes 205 parking spaces	\$2,067,585 (\$39.72 per sq. ft. annually) (Base rent includes 175 parking spaces	+\$707,247 annually
Tenant Improvements	Included in rent (estimate \$100,000)	Included in rent (estimate \$780,800)	Carpet/paint
Validated Parking Costs ⁽²⁾	Included in rent	Rent includes staff parking only. Visitor parking will be based on usage and paid directly to the landlord by the department (estimated at 30 daily validation spaces)	
Rental rate adjustment	Annual fixed step rent increases of 3 percent.	Annual fixed step rent increases of 3 percent.	Fixed increases
Cancellation Provision	After 30 months	None	No termination right

(1) The existing and proposed leases are both full-service, where the Landlord pays for all utilities including electricity, gas and water, along with other costs associated with operations, building maintenance and repairs. Exception: County will reimburse the landlord for any use of afterhours HVAC fees at the building standard rate which is subject to change at any time.

(2) Estimated validation costs are not part of the rent payment and are to be paid directly by the department to the landlord on an as needed basis.

ENCLOSURE B Page 2 of 2

OVERVIEW OF THE BUDGETED LEASE AND RELATED COSTS

Department of Public Social Services 5200 W. Century Boulevard, Los Angeles

Basic Lease Assumptions

Leased Area (sq.ft.)	52,054			
Term (months)	60			
Annual Rent Adjustment	3.00%			
	Cost Per RSF	Cost Per RSF		
	Per Month	Per Year		
Base Rent	\$3.31	\$39.72		
Low Voltage (Lump Sum)	Labor Cost	TESMA (Lump Sum Cost)	TESMA (Amortized Cost)	Low Voltage Total
(Labor + TESMA Cost)	\$0	\$0	\$0	\$0
Low Voltage (Amortized) (Labor + TESMA Cost)	\$0	\$0	\$0	\$0
	Lump Sum Cost	Amortized Cost		
Tenant Improvement Costs	\$0	\$0		

	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	Total 5 Year
						Rental Costs
Annual Base Rent Costs ⁽¹⁾	2,067,585	2,129,612	2,193,501	2,259,306	2,327,085	10,978,000
Total Paid to Landlord	2,067,585	2,129,612	2,193,501	2,259,306	2,327,085	10,978,000
Total Annual Lease Costs	2,067,585	2,129,612	2,193,501	2,259,306	2,327,085	10,978,000

Footnotes:

¹ Base rent shall increase 3 percent per year.

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

DEPARTMENT OF PUBLIC SOCIAL SERVICES SPACE SEARCH – 3 MILE RADIUS 5200 WEST CENTURY BOULEVARD, LOS ANGELES

LACO	Name	Address	Ownership Type	Gross Sq Ft	Vacant
	Lennox Constituent Service	4343 Lennox Blvd.			
0346	Center	Lennox 90304	Owned	8,261	0
	ISD - Enterprise Data	444 N. Nash Street			
10243	Center	El Segundo 90245	Leased	4,625	0
	PW Flood - 83rd Street	5520 W. 83rd Street			
F222	Yard Office	Westchester 90045	Owned	702	0
	PW Flood - 83rd Street	5520 W. 83rd Street			
F224	Yard Office	Westchester 90045	Owned	1,920	0
		2155 El Segundo			
	PW Flood - El Segundo	Blvd.,			
F387	Yard Office	El Segundo 90245	Owned	1,600	0
		1 E. Regent Street	CA - Superior		
6330	Inglewood Courthouse	Inglewood 90301	Courts	140,674	0
	PW Road – Division	5530 W 83rd Street			
0013	#233/333/433 Yard Office	Westchester 90045	Owned	2,400	0
	DPSS - WFP&I & South	12000 Hawthorne			
	Reg IV IHSS/Adult	Blvd.,			
A551	Services/DCFS	Hawthorne 90250	Leased	132,996	0
		11539 S. Hawthorne			
	DCFS - Compton West	Blvd.,			
A338	(SPA 6)	Hawthorne 90250	Leased	31,832	0
		5200 W. Century			
	DPSS - Airport/Westside	Blvd., Westchester			
A378	Gain Region I Office	90045	Leased	50,147	0
		11701 S. La Cienega			
	Los Angeles Airport	Blvd.,	CA- Superior		
X301	Courthouse	Los Angeles 90045	Courts	292,000	0
	Ag Comm/Weights &	5600 W. Century			
	Measures LAX Inspection	Blvd.,			
A415	Office	Westchester 90045	Leased	1,079	0
	PW Road - Maintenance	5530 W. 83rd Street			
0012	District 3 Office	Westchester 90045	Owned	1,400	0
	PW Road - Division				
	#233/333/433	5530 W. 83rd Street			
0014	Office/Garage	Westchester 90045	Owned	5,500	0
	Lennox Park - Director's	10828 S. Condon			
2527	Office/Comfort Station	Ave. Lennox 90304	Owned	623	0
	DCSS - Adult Protective	4300 W 120th Street			Lease
A557	Services	Hawthorne 90250	Leased	23,000	Terminated
		9800 S. La Cienega			
	DPSS - Medical Inglewood	Blvd.,			
A242	Office/Public Health	Inglewood 90301	Leased	59,069	0

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Five-Year Lease for DPSS - 5200 West Century Blvd. Los Angeles, 90045 – 4th Supervisorial District.

- A. Establish Service Function Category GAIN Region 1 to provide direct services including employment training and ancillary resource services to CalWORKs participants that reside in West Los Angeles County.
- B. **Determination of the Service Area** The Regional office is centrally located in SPA 8 serving the Second, Third, and Fourth Supervisorial Districts. The Subject Building provides a facility that includes proper accommodation for office, classroom, and ancillary space with sufficient amenities within one (1) mile of the location.

C. Apply Location Selection Criteria to Service Area Data

- <u>Need for proximity to service area and population</u>: DPSS is most effective when its programs are within close proximity to the service area (SPA 8). This location meets the service area criteria.
- Need for proximity to existing County facilities: N/A
- <u>Need for proximity to Los Angeles Civic Center</u>: N/A. The current site is located within the West Los Angeles area and is easily accessible by freeway, with access to public transportation.
- Economic Development Potential: N/A
- <u>Proximity to public transportation</u>: The location is adequately served by local transit services. In addition to being within proximity to the 405 and 105 freeways, there is a public transit bus route on Century Blvd. and a Metrolink station approximately two miles from the building, located at 1 World Way, Los Angeles 90045.
- <u>Availability of affordable housing for County employees</u>: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- <u>Availability and compatibility of existing buildings</u>: There is no space available in existing County-owned buildings to meet the Department's service needs.
- <u>Compatibility with local land use plans</u>: The City of Los Angeles 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 \$10,978,000.

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 \$25.08 and \$43.68 per square foot, per year. The base annual rental rate of \$39.72 per square foot, per year for the proposed lease represents a rate that is within the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed facility 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 DPSS employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Department's requirements.

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

COUNTY OF LOS ANGELES - Tenant

5200 WEST CENTURY FEE, LLC – Landlord

5200 WEST CENTURY BOULEVARD SUITES 100 AND 500 LOS ANGELES, CALIFORNIA

HOA.103003971.2

TABLE OF CONTENTS

			Page
1.	BASI	C LEASE INFORMATION	
	1.1	Terms	
	1.2	Defined Terms Relating to Landlord's Work Letter	
	1.3	Exhibits to Lease	
	1.4	Addendum No. 1	
2.		MISES	
۷.	2.1	Lease of Premises	
	2.1	Measurement of Premises	
3.		MON AREAS	
		MON AREAS	
4.			
	4.1	Term	
	4.2	Termination Right	
	4.3	Early Entry	
	4.4	_ Early Termination	
5.		Τ	
	5.1	Base Rent	
6.		S	
7.		DOVER	
8.		IPLIANCE WITH LAW	
9.	DAM	AGE OR DESTRUCTION	7
	9.1	Damage	7
	9.2	Tenant Termination Right	7
	9.3	Damage In Last Year	
	9.4	Default By Landlord	
10.	REP/	AIRS AND MAINTENANCE	
	10.1	Landlord Representations	
	10.2	Landlord Obligations	
	10.3	Tenant Obligations	
	10.4	Tenant's Right to Repair	
11.		VICES AND UTILITIES	
11.	11.1	Services	
	11.2	Utilities	
12.		ES	
12.		DLORD ACCESS	
13. 14.		ANT DEFAULT	
14.	14.1	Default	
	14.2		
45	14.3		
15.		DLORD DEFAULT	
	15.1	Remedies	
	15.2		
	15.3		
16.		IGNMENT AND SUBLETTING	
	16.1	Assignment and Subletting	
4-	16.2		
17.		ERATIONS AND ADDITIONS	
	17.1	Landlord Consent	
	17.2	End of Term	

18.	COND	EMNATION	17
	18.1	Controlling Terms	17
	18.2	Total Taking	17
	18.3	Partial Taking	
	18.4	Restoration	
	18.5	Award	
	18.6	Waiver of Statute	
19.		INIFICATION	
10.	19.1	Landlord's Indemnity	
	19.2	Tenant's Indemnity	
20.			
20.	20.1	Waiver	
	20.1	General Insurance Provisions – Landlord Requirements	
	20.2	Insurance Coverage Types And Limits	
	20.3		
24		Landlord Requirements	
21.		NG	
	21.1	Tenant's Rights	
~~	21.2	Remedies	
22.		ONMENTAL MATTERS	
	22.1	Hazardous Materials	
	22.2	Landlord Indemnity	
23.		PPEL CERTIFICATES	
24.		NT IMPROVEMENTS	
25.	LIENS		25
26.	SUBO	RDINATION AND MORTGAGES	25
	26.1	Subordination and Non-Disturbance	
	26.2	Existing Deeds of Trust	25
	26.3	Notice of Default	
27.	SURR	ENDER OF POSSESSION	26
28.	SIGNA	GE	26
29.	QUIET	ENJOYMENT	26
30.	GENE	RAL	26
	30.1	Headings	
	30.2	Successors and Assigns	
	30.3	Brokers	
	30.4	Entire Agreement	
	30.5	Severability	
	30.6	Notices	
	30.7	Governing Law and Venue	
	30.8	Waivers	
	30.9	Time of Essence	
	30.10	Consent	
	30.11	Community Business Enterprises	
	30.12	Memorandum of Lease	
	30.12	Counterparts	
31.		ORITY	
31.		OWLEDGEMENT BY LANDLORD	
52.	32.1	Consideration of GAIN Program Participants	
	32.1	Solicitation of Consideration.	
	32.2	Landlord Assignment	
	32.4	Smoking in County Facilities	

33.	IRREVOCABLE OFFER	.31	1
-----	-------------------	-----	---

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
	Memorandum of Lease Terms
Exhibit I –	Landlord's Tenant Improvements/Preparation of Premises

ADDENDUM NO. 1 – Additional Terms to Lease Agreement

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 2021 between 5200 WEST CENTURY FEE, 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 <u>Terms</u>

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:	J-M MANUFACTURING CO., INC. c/o Ms. Sara Booker, Property Manager 5200 W. Century Blvd, Suite 225 Los Angeles, CA 90045 Email: sbooker@charlesdunn.com
(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 52,054 rentable square feet, designated as Suite(s) 100 and 500, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(e) Term: Five (5) years, commencing upon approval b the Los Angeles County Board of Supervisor and full execution of the lease by the parties (the "Commencement Date"), and terminatin at midnight on the day before the fifth (5 th) annual anniversary of the Commencement Date (the "Termination Date"), subject to ear termination by Tenant as provided herein. T phrase "Term of 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. March 23, 2021 (f) Estimated Commencement March 23, 2021 (g) Irrevocable Offer April 30, 2021 (h) Base Rent: (\$3.31 per rentable square foot per month) \$172,298.74 per month \$172,298.74 per month	ocated at 5200 West Century geles, California, which is currently the County Assessor as APN 8 (collectively, the "Property");
Date: April 30, 2021 (g) Irrevocable Offer Expiration Date: (see Section 33) April 30, 2021 (h) Base Rent: (\$3.31 per rentable square foot per month)	les County Board of Supervisors ation of the lease by the parties incement Date"), and terminating in the day before the fifth (5 th) ersary of the Commencement rmination Date"), subject to earlier y Tenant as provided herein. The of this Lease" or "the Term ed in this Lease, or words of , shall refer to the initial Term of gether with any additional rm for which an option has been
Expiration Date: (see Section 33) (\$3.31 per rentable square foot per month)	21
(i) Early Termination N/A (see Section 4.4)	
(j) Rentable Square Feet in the Premises: 52,054 rentable square feet	ble square feet
(k) Initial Departmental Use: <u>Office use</u> , subject to Section 6.	bject to Section 6.
(I) Parking Spaces: <u>175</u> unreserved spaces	ed spaces
(m) Tenant's Hours of Operation: 8:00 a.m. to 6:00 p.m. Monday through Frid and 9 a.m. to 1:00 p.m. on Saturdays	
(n) Asbestos Report: A report dated August 27, 2020 prepared by <u>Aurora Industrial Hygiene</u> , a licensed Califor Asbestos contractor.	rial Hygiene, a licensed California
(o) Seismic Report A report dated March 11, 2020 prepared by	d March 11, 2020 prepared by the

HOA.103003971.2

	Los Angeles County Department of Public Works.
(p) Disabled Access Survey	A report dated May 15, 2020 prepared by Brandow & Johnston

1.2 <u>Defined Terms Relating to Landlord's Tenant Improvement Work/Preparation of</u> <u>Premises</u>

(a)	Landlord's TI Allowance:	Not Applicable (Tenant Improvements to be provided turnkey)
(b)	Tenant's TI Contribution:	Not Applicable _.
(c)	Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	Not Applicable
(d)	Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance	Not Applicable.
(e)	Tenant's TI Work/Preparation of Premises Representative:	Assigned staff person of the Chief Executive Office-Real Estate Division
(f)	Landlord's TI Work/Preparation of Premises Representative:	Jack Hwang
(g)	Landlord's Address for TI Work/Preparation of Premises Notices:	5200 West Century Blvd., Suite 1000, Los Angeles, CA 90049
(h)	Tenant's Address for TI Work/Preparation of Premises 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

1.3	<u>Exhibits to Lease</u>	 Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC 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 Exhibit I - Landlord's Tenant Improvements/ Preparation of Premises
1.4	Addendum No. 1	Additional Terms to Lease Agreement
	(Not Applicable):	

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 one-time right to measure and verify the exact footage of the Premises and/or the Building. 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.

Tenant acknowledges that Landlord re-measured the space, prior to the execution of this Lease. Tenant was provided Landlord's findings and concurred with Landlord's revised rentable square foot measurements reflected in Section 1.1 (c) of the Lease. As such, it is noted Tenant's right to re-measure has been exercised. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no increase made to the Base Rent, during the term of this Lease, if the measured square footage exceeds the amount represented by Landlord.

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 <u>Term</u>

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 <u>Exhibit B</u>.

The term of this Lease shall be for a period of five (5) years, commencing upon the approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties, and ending 60 months thereafter.

4.2 Termination Right

(Intentionally Omitted).

4.3 Early Entry

The parties acknowledge that Tenant is already in possession of the Premises pursuant to Lease No. 71823, and that Landlord shall be deemed to have delivered possession of the Premises as of the Commencement Date of this lease

4.4 Early Termination

(Intentionally Omitted).

4.5 Lease Expiration Notice

No later than six (6) months, prior to the expiration of the Lease Term, Landlord shall provide a written notice to Tenant notifying Tenant of the Termination Date.

5. <u>RENT</u>

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 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 Base Rent Adjustments:

The monthly Base Rent is subject to three (3) percent annual increases on each anniversary of the Commencement Date as follows:

Months	Rate	Monthly Rent
1 – 12	\$3.31	\$172,298.74
13 – 24	\$3.41	\$177,467.70
25 - 36	\$3.51	\$182,791.73
37 - 48	\$3.62	\$188,275.49
49 – 60	\$3.73	\$193,923.75

6. <u>USES</u>

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. If County were to decide on a change in use, it will be subject to landlord's consent, such consent shall not be unreasonably withheld. Other uses limited to other County Departments, 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 month-to-month tenancy which is terminable only upon sixty (60) days written notice from Landlord or sixty (60) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease. The rent shall be 150% of the preceding month's rent, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of 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 ten (10) days, 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

Excluding to the extent caused by Tenant, its clients, customers, visitors, and/or vendors, 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.

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) Perform or cause to be performed the restoration work and deduct the cost thereof, plus interest thereon at ten percent (10%) per annum, from the next installment(s) of Base Rent due as a charge against the Landlord.

10. REPAIRS AND MAINTENANCE

- 10.1 Landlord Representations
 - (a) Landlord represents to Tenant that, as of the date hereof and on the Commencement Date:
 - 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, 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 known asbestos-containing materials to the extent required by law. Tenant procured the Asbestos Report (referenced in Section 1.1). No asbestos abatement was recommended in the report.

(c) <u>CASp Inspection</u>:

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 constructionrelated 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. At the time of lease execution, the parties mutually agreed that no ADA work would be required of landlord nor tenant. Any upgrades to the Premises required specifically by the Tenant will be the sole responsibility of the Tenant.

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 (Tenant will be responsible for all Low-Voltage and Telecommunications Cables for the exclusive use by Tenant.
 - mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building, Fire extinguishers to be serviced by Landlord;
 - 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 reasonable maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, with reasonable limitation, repairs to, or replacements of:
 - i. interior partitions (not to include Tenant's modular workstations or furniture);
 - ii. doors, door frames and hardware;
 - iii. emergency exit signage and battery replacement;
 - iv. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
 - vii. Light fixtures, bulbs, tubes and ballasts.
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.

10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.5 hereof, 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:

- 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 Building structure and/or the Building systems, 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 five (5) days after the giving of such notice, 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 Tenant shall have access to the Building to the extent activities). necessary to perform the work contemplated by this provision. 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 ten (10) days after written notice, 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. Any improvements by Landlord shall be subject to

HOA.103003971.2

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) <u>Heating, Ventilation and Air Conditioning (HVAC)</u>

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 <u>Exhibit C</u> 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.

Landlord shall provide, upon Tenant's request, after-hours HVAC at the current Building standard rate of \$55 per hour after Normal Working hours. The After-hours rate is subject to change in accordance with the Building standard rate.

(b) <u>Electricity</u>

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 four (4) 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.

Should Tenant require additional Telecommunications service, Tenant may arrange it at Tenant's expense. Landlord will cooperate.

(c) <u>Elevators</u>

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) <u>Water</u>

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 <u>Exhibit D</u> attached hereto.

(f) <u>Access</u>

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 \underline{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 pro-rated 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. <u>TAXES</u>

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 or the Premises, 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. <u>TENANT DEFAULT</u>

14.1 <u>Default</u>

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 <u>Remedies</u>

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 five (5) days after

HOA.103003971.2

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 five 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) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (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) to terminate this Lease.
- 15.2 Waiver

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.

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 not assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior written consent; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has specifically given its written consent thereto.

16.2 <u>Sale</u>

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 provide thirty (30) days prior written notice of said sale of transfer to Tenant. 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. <u>CONDEMNATION</u>

18.1 <u>Controlling Terms</u>

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 terminate; except that this Lease 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 <u>Award</u>

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 <u>General Insurance Provisions – Landlord Requirements</u>

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") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) 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 start day of this Lease.
 - ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
 - 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, and list any Tenant-required endorsement forms.
 - 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 claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (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, and/or suspend or terminate this Lease. County, at its sole discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may 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 hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(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. The Tenant retains the right to require Landlord to reduce or eliminate policy deductibles and SIRs as respects the Tenant, or to provide a bond guaranteeing Landlord's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(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.

(I) Tenant Review and Approval of Insurance Requirements

The Tenant reserves the right to review and adjust the Required Insurance provisions, conditioned upon Tenant's determination of changes in risk exposures.

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:	\$ 4 million
Products/Completed Operations Aggregate:	\$ 2 million
Personal and Advertising Injury:	\$ 2 million
Each Occurrence:	\$ 2 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). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

- 20.4 <u>Landlord Requirements</u>: 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:
 - i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.

ii. 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

Tenant shall have the right to the number of unreserved parking spaces set forth in Section 1.1, located in the parking structure serving the Building, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building.

<u>Access Cards:</u> Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each employee parking space set forth in Section 1.1, if applicable. Landlord shall provide to Tenant up to ten (10) replacement access cards each calendar year at no charge. Tenant shall pay for any missing, lost, stolen or damaged access cards throughout the Lease term. If Tenant returns any access cards that are no longer active or malfunctioning during the Lease term, these may be re-programmed or replaced at no cost to the Tenant.

Validations and Validation Machines:

Landlord at Landlord's sole cost, shall provide two (2) new parking validation machines for exclusive use by Tenant.

Tenant to reimburse the Landlord every month for the actual costs incurred for validations. The Landlord will provide Tenant with a monthly invoice with full accounting of actual validation usage showing the breakdown of costs. Parking Validation fees charged to Tenant will be at the market rates posted by the building. Landlord may from time to time adjust the posted parking validation fees. Landlord to provide Tenant with at least sixty (60) days advance written notification prior to new parking validation rates taking effect.

21.2 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receives all of the parking spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the parking spaces required above are not available to Tenant (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation), then Tenant may:

- (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- (b) deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided times the number 1.5, but such deduction from Base Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%) of the Base Rent.

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 Landlord Indemnity

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) 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 other than those caused by Tenant. 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 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of <u>Exhibit F</u> 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/PREPARATION OF PREMISES

Landlord shall construct the Tenant Improvements in the manner specified by the Tenant.

24.1 Condition of Premises:

Tenant acknowledges that it is already in possession of the Premises pursuant to Lease No. 71823, and that Landlord shall be deemed to have delivered possession of the Premises to Tenant as of the Commencement Date of this Lease. Landlord shall perform the tenant improvement work ("Preparation of Premises") listed in Exhibit_I_(Titled Tenant Improvement Work/Preparation of Premises), attached hereto and incorporated by reference herein, within five (5) months of the approval of this Lease by the Board of Supervisors:

24.2 Tenant Improvement Work:

The Tenant Improvement Work shall be performed by Landlord at its sole cost in lieu of a specified dollar amount (said dollar amount commonly referred to as a Base Tenant Improvement Allowance). Landlord shall perform all work contemplated in this Section 24 and Exhibit I, per specifications provided by Tenant, and agrees to secure any reasonably necessary architectural and engineering services, as well as any permits required by governmental authorities having jurisdiction over such approvals and permits, for the Tenant Improvement Work (if applicable).

Tenant hereby agrees to use its best efforts to cooperate with Landlord in connection with the construction of the tenant improvements. Notwithstanding the immediately preceding sentence, in connection with the performance of the Tenant Improvement Work, Landlord agrees to move, to the extent necessary, but at no liability to the Landlord, Tenant's furniture and such other items as Landlord may require to be moved in order to perform the Tenant Improvement Work; provided however, Tenant shall be required to move Tenant's computers, copiers and other personal property which Landlord or its contractor may request be moved. Notwithstanding the foregoing, Landlord shall use its commercially reasonable efforts to perform the Tenant

HOA.103003971.2

Improvement Work in a manner so as to minimize unreasonable interference with Tenant's business at the Premises.

24.3 Work Hours:

The Tenant Improvement Work shall be performed using standard building materials, procedures and specifications, as set forth by Tenant, including but not limited to Exhibit I to this Lease, attached hereto and incorporated by reference herein. Landlord agrees to perform the interior related Tenant Improvement Work before 8:00 a.m. or after 6:00 p.m. Monday through Friday and/or anytime on the weekends, or any other times and dates specified by the Tenant Department.

25. <u>LIENS</u>

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

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of <u>Exhibit E</u> 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.

26.2 Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of <u>Exhibit E</u> attached hereto, within 30 days after the execution of this Lease.

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. <u>SIGNAGE</u>

Landlord shall maintain Tenant's existing signage rights. Tenant shall have the right to install, at Tenant's sole cost and expense, replacement signage on the Building's directory board in the main lobby of the Building. Tenant represents existing signage reflects Tenant's pro-rata share of listings on the Building's lobby directory. Tenant shall be permitted to install signs at the Premises that conform with any and all applicable laws and ordinances.

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 <u>Headings</u>

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 NAI Capital Commercial, Inc. ("NAI") and Charles Dunn Real Estate Services ("CDRES"), the Landlord's Broker and CRESA Los Angeles ("CRESA"), the Tenant's Broker 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. The parties agree that the Landlord shall be solely responsible for the payment of any brokerage commissions to both NAI, CDRES, and CRESA and that Tenant shall have no responsibility therefore unless written provision to the contrary has been made a part of this Lease. CRESA shall receive from Landlord or Landlord's broker, within 30 days after the execution of this Lease, an amount equal to \$82,908.53 as a result of the execution of this Lease. If Tenant has dealt with any person or real estate broker other than NAI, CDRES, or CRESA in respect to leasing, subleasing or renting space in the Building, Tenant shall be solely responsible for the payment of any fee due said person or brokerage firm.

30.4 Entire Agreement

This Lease (including all exhibits hereto and the Landlord's Work Letter) 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.

30.5 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.

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) nationalrecognized, 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.

30.7 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 Los Angeles, State of California.

30.8 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.

30.9 <u>Time of Essence</u>

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

30.10 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.

30.11 Community Business Enterprises

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

30.12 Memorandum of Lease

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

30.13 <u>Counterparts; Electronic Signatures</u>

This Lease and any other document 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 reply 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

HOA.103003971.2

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 Landlord Assignment

- (a) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, as security for the Landlord's obligation to repay any monetary obligation, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be

impracticable and extremely difficult to fix actual damages. In addition, the Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.
- 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 guality 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.

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

LANDLORD:

5200 WEST CENTURY FEE, LLC, a Delaware limited liability company

By: Merritt Name: Deuid Its: Representative

COUNTY OF LOS ANGELES, a body corporate and politic

FESIA A. DAVENPORT CHIEF EXECUTIVE OFFICER

By:

Dean Lehman, P.E. Senior Manager, Real Estate Division

ATTEST:

TENANT:

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

By:

Deputy

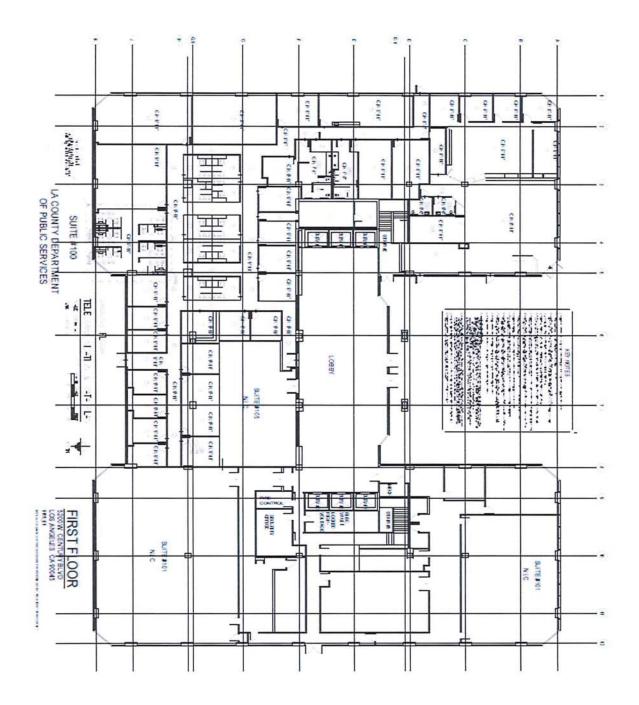
APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA COUNTY COUNSEL

By: Deputy

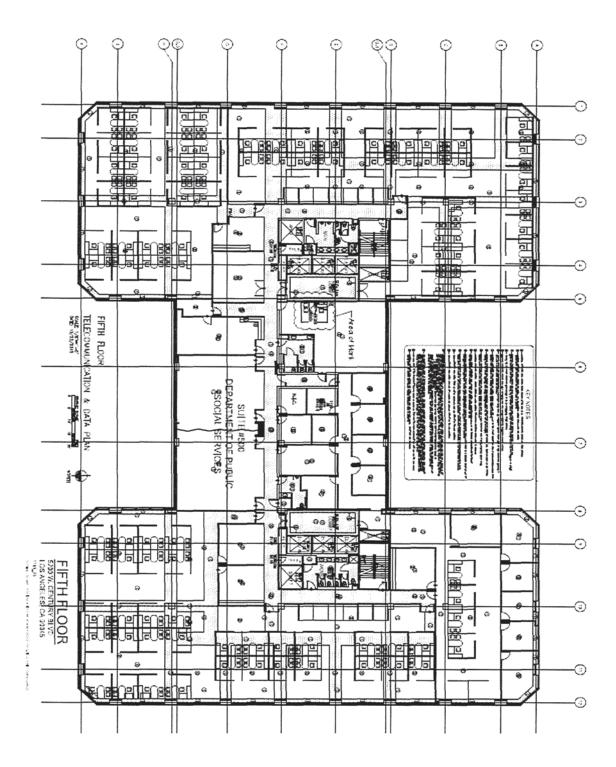
EXHIBIT A





HOA.103003971.2

Exhibit B – Page 1 COMMENCEMENT DATE OF MEMORANDUM AND CONFIRMATION OF LEASE TERMS



HOA.103003971.2

Exhibit B – Page 2 COMMENCEMENT DATE OF MEMORANDUM AND CONFIRMATION OF LEASE TERMS

EXHIBIT B COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated , 2021, between County of Los Angeles, a body corporate and politic ("Tenant"), and 5200 WEST CENTURY FEE, LLC, a Delaware limited liability company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 5200 West Century Boulevard, Suite 100 & 500, Los Angeles, CA ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) The parties acknowledge that Tenant is already in possession of the Premises pursuant to former Lease No. 71823, and Landlord shall be deemed to have delivered possession of the Premises to Tenant as of the Commencement Date of this Lease No._____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 52,054 rentable square feet of space; and
- Landlord has paid a commission in the amount of \$_____ to CRESA Los 5) Angeles, pursuant to Section 30.3 of the Lease.

IN WITNESS WHEREOF, this memorandum is executed this _____ day of _____, 20 . Tenant:

Landlord:

COUNTY OF LOS ANGELES, a body corporate and politic

5200 WEST CENTURY FEE, LLC, a Delaware limited liability company

By:

By:

_____ Name Its

Name			
Its			

HOA.103003971.2

Exhibit B – Page 3 COMMENCEMENT DATE OF MEMORANDUM AND CONFIRMATION OF LEASE TERMS

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.

HOA.103003971.2

Exhibit C – Page 1 HEATING, VENTILATION AND AIR CONDITIONING

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

- 1. Carpets vacuumed.
- 2. Composition floors dust-mopped. Lobby/Reception area floors to be mopped daily.
- 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. Drinking fountains cleaned, sanitized and polished.
- 7. Lavatories, toilets and toilet rooms cleaned and mopped twice per day. Toilet supplies replenished as needed.
- 8. Hard surface floors to be swept and mopped daily.
- 9. Standard restroom supplies replenished, including, but not limited to, paper supplies and soap.
- 10. Exclusive day porter service from <u>10:00</u> a.m. to <u>2:00</u> p.m. Monday through Friday, except for holidays.

B. WEEKLY

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

C. <u>MONTHLY</u>

- 13. All hard surface floors waxed.
- 14. High-reach areas, door frames and tops of partitions dusted.
- 15. Picture moldings and frames dusted.
- 16. Wall vents and ceiling vents vacuumed.
- D. Quarterly
 - 17. HVAC chiller water checked for bacteria, water conditioned as necessary.
 - 18. Light fixtures cleaned and dusted, but not less frequently than quarterly.

Exhibit D – Page 1 CLEANING AND MAINTENANCE SCHEDULE

- 19. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- 20. HVAC units and ducts to be inspected quarterly for preventative maintenance purposes and serviced as needed, all filters to be inspected quarterly and changed as needed.

E. AS NEEDED (TENANT TO NOTIFY LANDLORD OR DAY PORTER)

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

F. <u>AS NEEDED</u>

- 24. 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.
- 25. 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.
- 26. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.
- 27. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer.

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

- 28. Furniture Systems (intentionally omitted).
- 29. 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.
- 30. Touch-up paint all interior painted surfaces in a color and finish to match existing.
- 31. Carpet professionally spot cleaned as required to remove stains.
- 32. Bulb and tube replacements, as required.
- 33. Emergency exit signage and egress battery replacement (if applicable).

Exhibit D – Page 2 CLEANING AND MAINTENANCE SCHEDULE

34. Graffiti expunged as needed within two working days after notice by Tenant.

G. <u>GENERAL</u>

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

Landlord will allow Tenant to procure additional cleaning services (if needed) to meet the County's cleaning requirements. County shall be allowed to utilize their own vendors for such services.

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 _

(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

HOA.103003971.2

Exhibit E – Page 1 SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT Therefore, the parties agree as follows:

1. <u>Subordination</u>. 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. <u>Definitions of "Transfer of the Property" and "Purchaser"</u>. 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. <u>Non-disturbance</u>. 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. <u>Attornment</u>. 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. <u>Lender Not Obligated</u>. 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. <u>Notices</u>. 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. <u>Miscellaneous Provisions</u>. 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.

Exhibit E – Page 3 SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

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

By:	 		
Name:			
Title:			

BORROWER: [Insert name of Landlord]

Ву:	
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) 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 Tern Expiration Date: Current Rent:	1:

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 <u>Exhibit A</u>, 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:	

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 Pa	rticipatio	on in Firn	n (Partners,	Associate Pa	artners, Mar	nagers, Staf	ff, etc.)	
1. Firm Name:					3. Contact Person/T	elephone Number.		
2. Address:								
					4. Total au	where of		
					4. Total nur employee	nder of es in the firm:		
5. Provide the number of all minority employees and	Ass	Owners, Pa sociate Partr		N	Managers Staff		aff	
women in each category.	All O,P	& AP	Women	All Managers	Womer	n All	Staff	Women
Black/African American								
Hispanic/Latin American								
Asian American								
Portuguese American								
American Indian/Alaskan Native								
All Others								
II. PERCENTAGE OF								
II. PERCENTAGE OF	MINORITY	Y/WOME	N OWNERS	SHIP IN FIRM	Л			
1. Type of Business Structure: (
	Corporation,	Partnership,	Sole Proprietors					
 Type of Business Structure: (2. Total Number of Ownership/F 3. Provide the percentage 	Corporation,	Partnership,	Sole Proprietors	ship, Etc.)	VNED FIRM	med business fi	rm by the:	
 Type of Business Structure: (2. Total Number of Ownership/F 3. Provide the percentage of ownership in each 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION	VNED FIRM	med business fir □ No	rm by the:	
 Type of Business Structure: (Total Number of Ownership/F Provide the percentage of ownership in each Black/African American 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION currently certified	VNED FIRM as a minority ow		rm by the:	
 Type of Business Structure: (2. Total Number of Ownership/F 3. Provide the percentage of ownership in each 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION currently certified California?	VNED FIRM as a minority ow □ Yes	🗆 No	rm by the:	
 Type of Business Structure: (Total Number of Ownership/F Provide the percentage of ownership in each Black/African American 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION currently certified California? os Angeles?	VNED FIRM as a minority ow O Yes O Yes	□ No □ No	rm by the:	
 Type of Business Structure: (2. Total Number of Ownership/F 3. Provide the percentage of ownership in each Black/African American Hispanic/Latin American 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION currently certified California? os Angeles? Government? OPTION TO PF	VNED FIRM as a minority ow O Yes Yes Yes Yes	No No No STED INFORM	IATION	
 Type of Business Structure: (Total Number of Ownership/F Provide the percentage of ownership in each Black/African American Hispanic/Latin American Asian American Portuguese American American Indian/Alaskan 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION currently certified California? os Angeles? Government? OPTION TO PF not wish to provid	VNED FIRM as a minority ow 	No No No STED INFORM	IATION s form.	
 Type of Business Structure: (Total Number of Ownership/F Provide the percentage of ownership in each Black/African American Hispanic/Latin American Asian American Portuguese American 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION currently certified California? os Angeles? Government? OPTION TO PF not wish to provid	VNED FIRM as a minority ow Yes Yes Yes Yes OVIDE REQUE the information	 No No No STED INFORM required in this Tury Fe 	IATION s form.	Margun
 Type of Business Structure: (Total Number of Ownership/F Provide the percentage of ownership in each Black/African American Hispanic/Latin American Asian American Portuguese American American Indian/Alaskan Native 	Corporation, Partners, Etc.: All	Partnership,	Sole Proprietors	ship, Etc.) RITY/WOMEN-OV FICATION currently certified California? os Angeles? Government? OPTION TO PF not wish to provid	VNED FIRM as a minority ow Yes Yes Yes Yes OVIDE REQUE the information	 No No No STED INFORM required in this Tury Fe 	IATION s form.	Meron

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.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between ______, a ______ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public 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 ______, 20____ (the "Lease") of certain real property located in the County of Los Angeles, 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 ______ 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:

By:			
Its:			

By:	 _
Its:	 _

TENANT:

COUNTY OF LOS ANGELES, a body corporate and politic

FESIA A. DAVENPORT Acting Chief Executive Officer

Ву: __

Dean Lehman, P.E. Senior Manager, Property Division

ATTEST:

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

By: __

Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA Acting County Counsel

Ву: ___

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

HOA.103003971.2

Exhibit H – Page 2 MEMORANDUM OF LEASE

that document.
STATE OF CALIFORNIA)
COUNTY OF) SS.)
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 I

LANDLORD'S TENANT IMPROVEMENT WORK/PREPARATION OF PREMISES

Base Building and Tenant Improvement Work to be Provided at Landlord's Expense:

GENERAL:

- 1. Tenant Improvements shall conform to the requirements of all governing building, plumbing, mechanical, and electrical codes, and any and all other applicable requirements including State of California Administrative Code and The Americans With Disabilities Act. Landlord shall be responsible for obtaining all necessary permits, the cost of which will be paid by Landlord.
- 2. Scope of work shall include all labor, materials, supplies, equipment, services, specialties, transportation, and the cost thereof, required to complete Tenant Improvements for said project.
- 3. Submittals:
 - A. Construction Drawings and Furniture Installation Plans: Submit one set of reproducibles and four sets of blueline prints to Tenant for review and approval prior to start of construction or order placement (if applicable).
 - B. Miscellaneous: Submit three (3) copies of all warranties, operation manuals, and other pertinent information to Tenant upon completion of Tenant Improvements (where applicable).

FINISHES:

Paint:

- A. Paint all existing interior spaces including, but not limited to walls, hard-lid ceilings, doors (except stained wooden doors, if any), and trim. Door frames are not to be painted. Provide one primer coat and two finish coats.
- B. Provide one base color, and four accent colors:
 - Office areas: eggshell or low sheen finish.
 - Restrooms, lunchrooms and break rooms: semi-gloss.
- C. Specify Dunn Edwards, or approved equal.
- D. In the case that furniture systems are not replaced, then walls that are behind cubicles, filing cabinets or millwork shall not be painted. Tenant will remove all items from walls prior to painting including memos, tape, pictures and personal property, but Lessor will remove and reinstall bulletin boards, white boards and similar wall items.

Carpet:

- A. Install new carpet throughout (or as directed by the County Department), including corridors, stairways, and anywhere carpet is currently installed.
- B. Carpet shall be textured, patterned modular carpet tile, 24oz. minimum yarn weight throughout. Allow for four (4) patterns.
- C. Specify Mannington, Masland, Designweave, Shaw Contract, or approved equal.

HOA.103003971.2

Exhibit I – Page 1 LANDLORD'S TENANT IMPROVEMENT WORK D. Landlord will be responsible for the furniture lift for carpet (and vinyl tile) replacement, including moving any furniture, fixtures, and/or equipment (including the disconnection of electrical equipment), and other property which Landlord or its contractor may require be moved to perform the work, provided however, that upon prior notice from Landlord or its contractor, Tenant shall arrange for all appropriate telephone, communication and computer wires or cables to be disconnected in advance of the moving of such equipment, and shall empty out, and remove any items from on top of, all filing cabinets. Landlord and Tenant hereby agree to cooperate with the other party and exercise reasonable, good faith efforts to coordinate the timing and planning of the Tenant Improvements.

Topset Base:

- A. Install 4" or 2" vinyl topset base at all new and existing walls and cabinet bases.
- B. Specify Burke, Johnsonite, or approved equal.

SPECIALTY WORK:

1. <u>Lighting:</u> Upgrade and add additional lighting in 5th floor elevator lobby ceilings.

2. <u>Countertops:</u> Install granite or laminate countertops in the first and fifth floor restrooms

to comply with current ADA standards.

3. <u>Ceiling Tiles</u>: Replace damaged and stained ceiling tiles throughout Premises and clean or replace supply/return air grills where needed, as specified by County.

SEISMIC SAFETY OF COUNTY BUILDINGS

PRESENTED BY THE CHIEF EXECUTIVE OFFICE

MARCH 3, 2021

2

Seismic Safety of County Buildings

- Earthquakes present the single greatest hazard to County buildings because of the regional scope of their potential impact.
- Since the 1994 Northridge Earthquake, we have undertaken a multi-phased effort to increase our readiness for the next major earthquake.
- Our focus areas are primarily two:
 - The safety of our staff and the public during an earthquake;
 - ▶ The ability to respond following an earthquake.

Five Critical Building Types

- Unreinforced Masonry (URM) Addressed in 2000
- Pre-1975 Concrete Tilt-up Buildings Addressed in 2000
- Non-Ductile Concrete current Countywide seismic evaluation

Soft-Story

Special Moment Resisting Frames

Non-Ductile Concrete Buildings

Pre-1978 buildings

Triage based on size, number of stories, and criticality of mission.

4

- Developing a multi-phase program to upgrade these buildings.
 - Phase 1: Seismic assessments to determine structural deficiencies and recommended seismic retrofits
 - Phase 2: Design and construction to seismically retrofit high priority buildings

Preparation for Future Events

- County Building Evaluation Team (CBET)
- Building Lease and Acquisition Policy
- SB 1953 Hospital Seismic Retrofit Program

Facility Reinvestment Program (FRP)

- Seismic Safety is an important factor in investment decisions.
- Seismic deficiency and associated retrofit costs are evaluated along with other asset system condition information to determine appropriate disposition of the building, whether to reinvest or replace.

7

Seismic Retrofits of Major Buildings

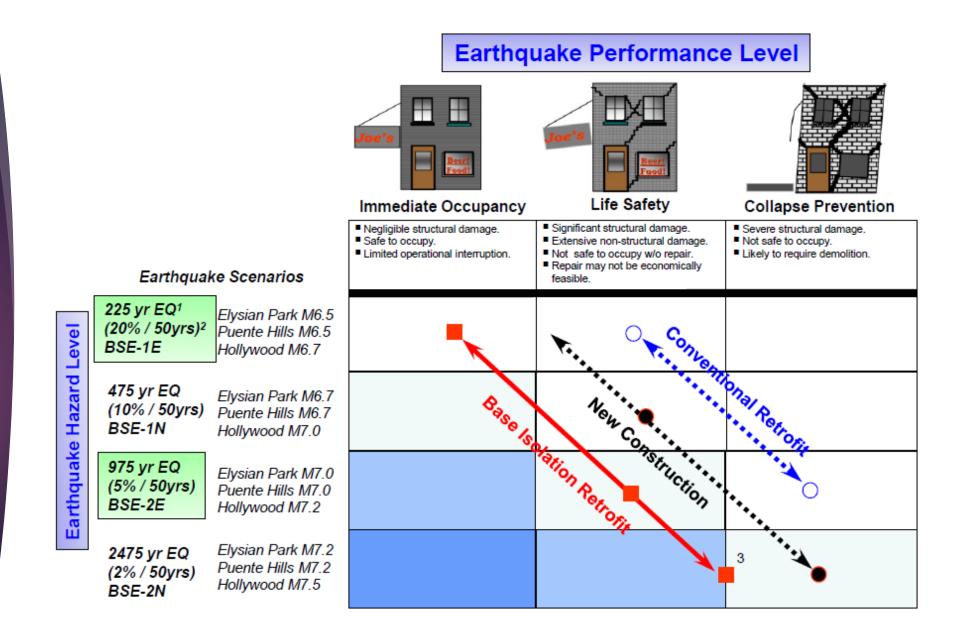
Completed

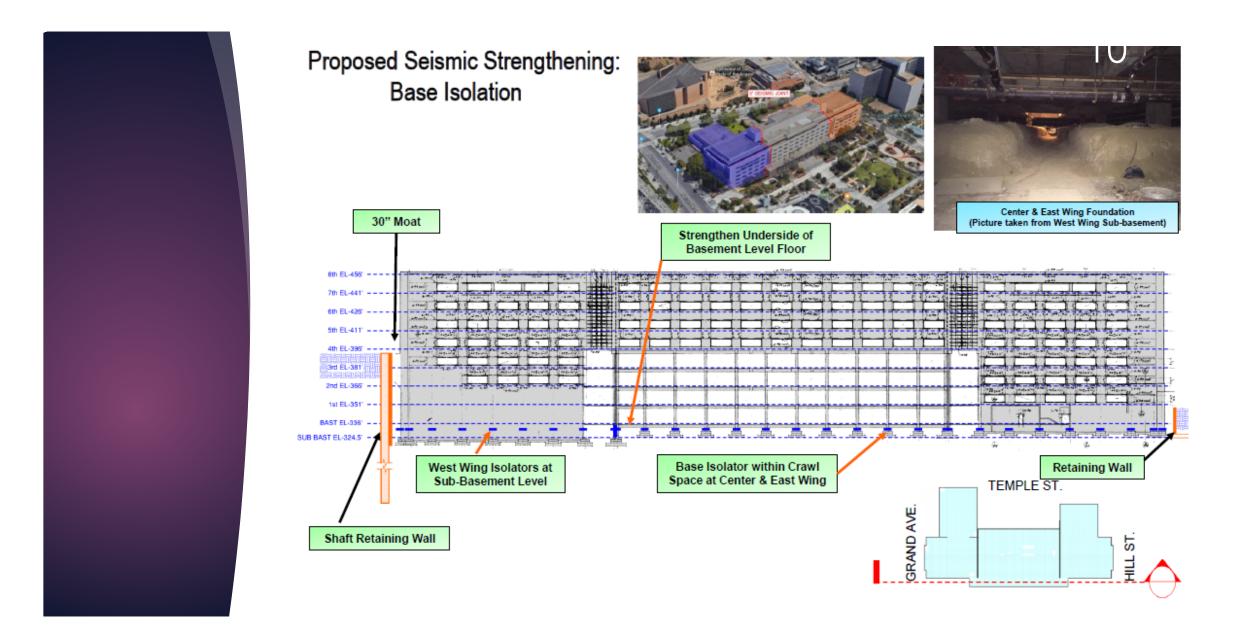
- Hall of Justice
- Patriotic Hall
- Public Works Headquarters
- Planned
 - Harbor-UCLA
 - Hall of Administration
 - Civic Center Central Plant

Hall of Administration

Funded \$30M for design

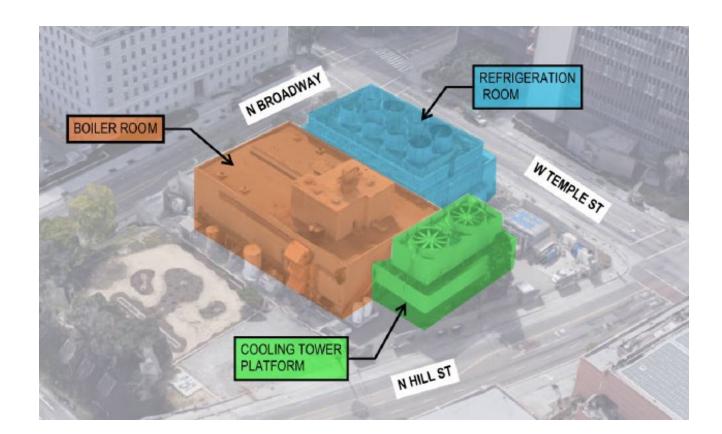
- To manage and mitigate risk, project will be delivered through Construction Manager at Risk (CMAR) contracting with Guaranteed Maximum Price (GMP)
- RFP development in progress
- FEMA BRIC Grant Submitted grant application for \$50M





Civic Center Central Plant

- Completed seismic evaluation
- Seismic retrofit will be designed in tandem with the Boilers / Chillers Replacement project
- Seismic retrofit construction will begin after the Boilers/Chillers Replacement project
- Preliminary estimate for project is \$10M



11

12

Countywide Seismic Evaluation

- This evaluation program awarded engineering services contracts to evaluate seismic deficiencies in non-ductile concrete County buildings and develop seismic strengthening/retrofit concepts.
- The evaluation consist of 32 buildings
 - Completed: 12
 - Evaluations in Progress (estimated completion by May 2021): 16
 - Evaluations to be Completed by September 2021: 4
- Number of Buildings Recommended for Seismic Retrofit: 12 to date
- Seismic retrofits for these buildings will be prioritized by severity of deficiency and criticality of building function.

Questions?

13