



**OPERATIONS CLUSTER
AGENDA REVIEW MEETING**

DATE: March 15, 2023
TIME: 2:00 p.m. – 4:00 p.m.
LOCATION: **TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996**
TELECONFERENCE ID: 439827168#

To join via phone, dial 1(323)776-6996, then press 439827168# .

YOU CAN ALSO JOIN THIS MEETING BY CLICKING ON THE FOLLOWING LINK:

[Click here to join the meeting](#)

THIS MEETING WILL CONTINUE TO BE CONDUCTED VIRTUALLY AS PERMITTED UNDER THE BOARD OF SUPERVISORS' FEBRUARY 7, 2023 ORDER SUSPENDING THE APPLICATION OF BOARD POLICY 3.055 UNTIL JUNE 30, 2023

AGENDA

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 – Carlos Arreola/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**
 - A) Board Letter:
REQUEST TO AUTHORIZE THE ACQUISITION OF A COMMERCIAL OFF-THE-SHELF TURNKEY, INTEGRATED COMPUTER-AIDED DISPATCH/MOBILE/BUSINESS INTELLIGENCE SOLUTION AND APPROVAL OF AN APPROPRIATION ADJUSTMENT
LAFD/CIO - Mike Tsao, Acting Deputy Chief, Admin Services Bureau and Frank Forman, Assistant Fire Chief, Command and Control
 - B) Board Letter:
EIGHT-YEAR LEASE
SHERIFF'S DEPARTMENT
12440 IMPERIAL HIGHWAY, SUITE 750, NORWALK
CEO/RE – Alexandra Nguyen-Rivera, Section Chief, Lease Acquisitions
3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**

(2 Minutes Each Speaker)

5. **NOTICE OF CLOSED SESSION**

CS-1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(Subdivision (d)(1) of Government code Section 54956.9)

Brande Sheree Cain McMurray, et al. v. County of Los Angeles

Los Angeles Superior Court Case No. 21STCV38065

County Department: Auditor-Controller

6. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

A) CEO/CLASSIFICATION - YOUTH CLIMATE COMMISSION

B) RR/CC - REQUEST APPROVAL OF SOLE SOURCE CONTRACT #23-001
WITH CORELOGIC SOLUTIONS LLC FOR REAL ESTATE FRAUD
NOTIFICATION SERVICES BY MAIL

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	3/15/2023	
BOARD MEETING DATE	4/4/2023	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	FIRE	
SUBJECT	The Consolidated Fire Protection District of Los Angeles County (District) is requesting Board approval for the acquisition of a Computer Aided Dispatch/Business Intelligence (CAD System) solution and of an appropriation adjustment to transfer \$4.84 million from the Legacy System Modernization funding to the District.	
PROGRAM	LACoFD CAD Replacement Project	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	The District's existing CAD System is over 34 years old and has become a challenge to sustain. The District is projecting a year and a half to two years to complete the project from contract award.	
COST & FUNDING	Total cost: \$4,840,000	Funding source: Legacy System Modernization Funding
	TERMS (if applicable): Not applicable	
	<i>Explanation:</i> \$3.3M will be used to fund initial acquisition of the CAD system. Once implemented, the remaining \$1.54M will fund maintenance, on-site technician costs, and subscription fees for two years.	
PURPOSE OF REQUEST	Replace the Department's old legacy Computer Aided Dispatch (CAD) system with a new modernized "COTS" solution CAD.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The District averages 800,000 calls with over 447,710 responses a year with a 3% average yearly increase in call volume. The District is also the State Cal Fire Region 1 coordinator and the existing CAD is making it difficult to coordinate, interact and maintain operations with our Mutual Aid partners in Region 1.	
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
DEPARTMENTAL CONTACTS	Mike Tsao, Acting Deputy Chief, Administrative Services Bureau, 323-881-6138, Mike.Tsao@fire.lacounty.gov Frank Forman, Assistant Fire Chief, Command and Control, 213-200-2206, Frank.Forman@fire.lacounty.gov	



ANTHONY C. MARRONE
INTERIM FIRE CHIEF
FORESTER & FIRE WARDEN

*"Proud Protectors of Life,
the Environment, and Property"*

COUNTY OF LOS ANGELES FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294
(323) 881-2426
www.fire.lacounty.gov



BOARD OF SUPERVISORS

JANICE HAHN, CHAIR
FOURTH DISTRICT

HILDA L. SOLIS
FIRST DISTRICT

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SECOND DISTRICT

LINDSEY P. HORVATH
THIRD DISTRICT

KATHRYN BARGER
FIFTH DISTRICT

April 4, 2023

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:

REQUEST TO AUTHORIZE THE ACQUISITION OF A COMMERCIAL OFF-THE-SHELF TURNKEY, INTEGRATED COMPUTER-AIDED DISPATCH/MOBILE/BUSINESS INTELLIGENCE SOLUTION AND APPROVAL OF AN APPROPRIATION ADJUSTMENT (ALL DISTRICTS) (4 VOTES)

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

The Consolidated Fire Protection District of Los Angeles County (District) is requesting Board of Supervisors (Board) approval for the acquisition of a Commercial Off-the-Shelf (COTS) turnkey, integrated Computer Aided Dispatch/Mobile/Business Intelligence (CAD/Mobile System) solution. This purchase exceeds the \$250,000 capital asset threshold established by the Board and requires Board approval to move forward with the acquisition process at an approximate cost of \$3.3 million; this cost includes software, system hardware, and implementation. The District also requests Board approval of an appropriation adjustment to transfer \$4.84 million from the Committed for IT Enhancements account, commonly known as Legacy System Modernization funding, for the District to fund the acquisition of the CAD/Mobile System solution and the initial maintenance costs and subscription fees.

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

AGOURA HILLS
ARTESIA
AZUSA
BALDWIN PARK
BELL
BELL GARDENS
BELLFLOWER
BRADBURY
CALABASAS

CARSON
CERRITOS
CLAREMONT
COMMERCE
COVINA
CUDAHY
DIAMOND BAR
DUARTE

EL MONTE
GARDENA
GLEN DORA
HAWAIIAN GARDENS
HAWTHORNE
HERMOSA BEACH
HIDDEN HILLS
HUNTINGTON PARK
INDUSTRY

INGLEWOOD
IRVINDALE
LA CANADA-FLINTRIDGE
LA HABRA
LA MIRADA
LA PUENTE
LAKEWOOD
LANCASTER

LAWDALE
LOMITA
LYNWOOD
MALIBU
MAYWOOD
NORWALK
PALMDALE
PALOS VERDES ESTATES
PARAMOUNT

PICO RIVERA
POMONA
RANCHO PALOS VERDES
ROLLING HILLS
ROLLING HILLS ESTATES
ROSEMEAD
SAN DIMAS
SANTA CLARITA

SIGNAL HILL
SOUTH EL MONTE
SOUTH GATE
TEMPLE CITY
VERNON
WALNUT
WEST HOLLYWOOD
WESTLAKE VILLAGE
WHITTIER

IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY:

1. Approve the District's request and authorize the Internal Services Department (ISD), as the County's Purchasing Agent, to proceed with the solicitation and acquisition of a turnkey CAD/Mobile System solution.
2. Approve the Appropriation Adjustment (Attachment A) to transfer \$4.84 million from the Committed for IT Enhancements to the Fire Department - Special Services Budget Unit's Services & Supplies (S&S) and Capital Assets - Equipment (CA) appropriations for the purchase.
3. Find that this purchase is exempt from the provision of the California Environmental Quality Act (CEQA).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The District has utilized a Northrop Grumman Computer Aided Dispatch (CAD) system for over 30 years. This system is written in Common Business Oriented Language (COBOL), a programming language with very limited support. A modern CAD system will be flexible and allow features to tailor emergency responses to each specific incident in relation to improved processing of dispatch information (response times) and alternate medical support units.

Over the past 30 years, there have been exponential improvements in areas such as software programming, system integration capabilities, data management and storage, wired and wireless network bandwidth, Geographic Information System (GIS) mapping capabilities, information sharing and interoperability, and business intelligence systems. On behalf of the District, ISD will be soliciting proposals from firms that can provide a COTS turnkey, CAD/Mobile System solution to enhance the District's dispatch services, emergency response, Fire/Rescue operations, and business intelligence/analytics capabilities. The integration will include all primary applications and systems such as CAD Mobile, GIS mapping, Automatic Vehicle Locator (AVL), and Business Intelligence system. The system will be interfaced with life and mission critical systems, including 9-1-1, logging recorder, data warehouse, and existing District COTS third party applications.

Implementation of Strategic Plan Goals

Approval of the recommended actions is consistent with the County's Strategic Plan Goal No. I, Strategy I.2: Enhance Our Delivery of Comprehensive Interventions by delivering comprehensive and seamless services to those seeking assistance from the County; Goal No. III, Strategy III.3: Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability by continually assessing our efficiency and effectiveness, maximizing and leveraging resources, and holding ourselves accountable; and Goal No. III, Strategy III.2.3: Prioritize and Implement Technology Initiatives That Enhance Service Delivery and Increase Efficiency by supporting the implementation of technological enhancements and acquisitions that increase efficiency (e.g., infrastructure, software, hardware, applications), including replacement of legacy systems.

FISCAL IMPACT/FINANCING

Approval of the attached appropriation adjustment will transfer \$4.84 million from the obligated fund balance Committed for IT Enhancements account to the District for this project. Approximately \$3.3 million of this funding will be used to fund the acquisition of the CAD/Mobile System solution. Once the new CAD/Mobile System solution is implemented, the remaining \$1.54 million will be used to fund the initial maintenance, on-site technician costs, and subscription fees.

There is no impact to net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The District is seeking a solution that addresses the District's operational and technical requirements in a natively integrated, geospatial based, scalable environment that will minimize the need for extensive customizations. The selected vendor will plan, design, install, configure, customize, develop interfaces, test, and implement the proposed solution.

Pursuant to Board policy adopted and effective October 16, 2001, County departments must obtain Board approval to purchase or finance any equipment with a unit cost, or a fixed asset system with an aggregate total cost, of \$250,000 or greater (inclusive of taxes, freight, and installation) prior to submitting a requisition to the County's Purchasing Agent to process a purchase order.

ENVIRONMENTAL DOCUMENTATION

This acquisition is exempt from CEQA as it will not result in a direct or reasonably foreseeable impact on the environment in accordance with Section 15061(b)(3) of the State of California CEQA guidelines.

CONTRACTING PROCESS

This is a commodity purchase under the statutory authority of the County's Purchasing Agent. The purchase will be requisitioned through and accomplished by the County's Purchasing Agent in accordance with the County's purchasing policies and procedures.

The selected vendor will provide the hardware and network architecture necessary for the proposed solution to operate in an optimal fashion. The selected vendor will be responsible for delivering the solution, including all software licensing, documentation, training, and subsequent software maintenance and technical support.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The new CAD solution will greatly enhance the District's ability to protect lives, the environment, and property in a safe, more efficient, and cost-effective manner.

CONCLUSION

Upon approval by your Honorable Board, please instruct the Executive Officer of the Board to return the adopted stamped Board Letter to the following:

Consolidated Fire Protection District of Los Angeles County
Executive Office - Business Operations
Attention: Zuleyda Santana, Administrative Services Manager II
1320 North Eastern Avenue
Los Angeles, CA 90063
323-881-6173
Zuleyda.Santana@fire.lacounty.gov

Internal Services Department Purchasing & Contracts Services
Attention: Gerald Plummer, Division Manager
1100 North Eastern Avenue, Suite 102
Los Angeles, CA 90063
GPlummer@isd.lacounty.gov

Respectfully submitted,

ANTHONY C. MARRONE, INTERIM FIRE CHIEF

REVIEWED BY:

PETER LOO
ACTING CHIEF INFORMATION OFFICER

ACM:cs

c: Chief Executive Officer
Executive Office, Board of Supervisors
County Counsel
Internal Services Department

Instructions


Note:


1. All data entry must be input in the "INPUT" tab.
2. You may change the file name of this workbook to a more descriptive name, but **do not** convert from it's current file format of .xlsm.
3. Macros must be enabled in order to make any of the changes indicated in the **Useful Tips** section below.

Sources/Uses:

Enter the Financing Source information as it would appear on a Budget Adjustment (i.e. Fund, Level 1 Org, Level 2 Org (if applicable), Account, and Amount). Department Code, Budget Unit Description, and Object Category fields will automatically prepopulate. Transfers In (e.g. 9911) entries should have corresponding Other Financing Uses (6100) entries or vice versa.

Useful Tips:

Double click on the  button to insert new rows below the active row.

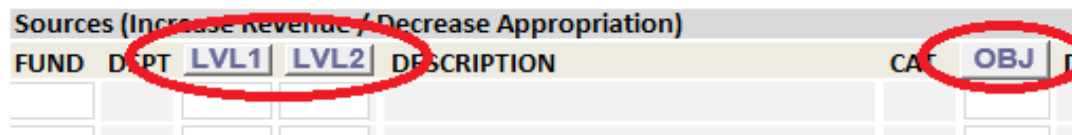
Double click on the  button to delete the active row.

Left click on the LVL1 or LVL2 buttons to add new level 1 or level 2 budget units.

The new level 1 or level 2 unit will be added to the bottom of the drop-down list.

Left click on the OBJ button to add new revenue source or balance sheet accounts.

The new code will be added to the bottom of the drop-down list.



Sources (Increase Revenue / Decrease Appropriation)						
FUND	DEPT	LVL1	LVL2	DESCRIPTION	CAT	OBJ

If you have questions regarding the use of this Excel-based budget adjustment form, please contact Tope Okusanya at (213) 974-1325 or tokusanya@ceo.lacounty.gov. All other questions should be directed to your CEO Budget Analyst.

STATE/SUPPLEMENTAL BUDGET REQUEST ADJUSTMENT
2022-23

2/8/2023		Justification																
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Cluster</td> <td style="border: 1px solid black; padding: 2px;">PUBLIC SAFETY</td> </tr> <tr> <td>Type of Change</td> <td style="border: 1px solid black; padding: 2px;">BUDGET ADJUSTMENT</td> </tr> <tr> <td>Department Impacted</td> <td style="border: 1px solid black; padding: 2px;">FIRE</td> </tr> <tr> <td>Program Impacted</td> <td style="border: 1px solid black; padding: 2px;">CAD Replacement Project</td> </tr> <tr> <td>Funding Type</td> <td style="border: 1px solid black; padding: 2px;">ONE-TIME</td> </tr> <tr> <td>Type of Adjustment</td> <td style="border: 1px solid black; padding: 2px;">REVENUE OFFSET FUNDING</td> </tr> <tr> <td>Change in Budgeted Positions</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">0</td> </tr> <tr> <td>Votes</td> <td style="border: 1px solid black; padding: 2px; text-align: center;">4</td> </tr> </table>	Cluster	PUBLIC SAFETY	Type of Change	BUDGET ADJUSTMENT	Department Impacted	FIRE	Program Impacted	CAD Replacement Project	Funding Type	ONE-TIME	Type of Adjustment	REVENUE OFFSET FUNDING	Change in Budgeted Positions	0	Votes	4	<div style="border: 1px solid black; padding: 10px; min-height: 150px;"> <p>Reflects the use of obligated fund balance Committed for IT Enhancements for the Fire Department to acquire a new integrated Computer Aided Dispatch system.</p> </div>	
Cluster	PUBLIC SAFETY																	
Type of Change	BUDGET ADJUSTMENT																	
Department Impacted	FIRE																	
Program Impacted	CAD Replacement Project																	
Funding Type	ONE-TIME																	
Type of Adjustment	REVENUE OFFSET FUNDING																	
Change in Budgeted Positions	0																	
Votes	4																	

Sources (Increase Revenue / Decrease Appropriation)								
FUND	DEPT	LVL1	LVL2	DESCRIPTION	CAT	OBJ	DESCRIPTION	AMOUNT
A01				GENERAL FUND		3052C	COMMITTED FOR IT ENHANCEMENT	4,840,000
DA1	FR	40100	40191	FIRE DEPARTMENT - SPECIAL SERVICES BU	96	9911	OPERATING TRANSFERS IN	4,840,000
								9,680,000

Uses (Increase Appropriation / Decrease Revenue)								
FUND	DEPT	LVL1	LVL2	DESCRIPTION	CAT	OBJ	DESCRIPTION	AMOUNT
A01	CB	13690		NONDEPARTMENTAL SPECIAL ACCOUNTS		6100	OTHER FINANCING USES	4,840,000
DA1	FR	40100	40191	FIRE DEPARTMENT - SPECIAL SERVICES BU		2000	SERVICES & SUPPLIES	3,932,000
DA1	FR	40100	40191	FIRE DEPARTMENT - SPECIAL SERVICES BU		6030	CAPITAL ASSETS - EQUIPMENT	908,000
								9,680,000

Appropriation	9,680,000
Intrafund Transfers	-
Revenue	9,680,000
Net County Cost	-

Explanation of change

The Los Angeles County Fire Department's (LACoFD) existing Computer Aided Dispatch (CAD) software is over 34 years old and has become a challenge to sustain and address the ever-growing call volume. The acquisition of the new CAD system and the initial maintenance costs and subscription fees will be funded by the Committed for IT Enhancements account, commonly known as Legacy System Modernization funding.

Manager, CEO Approval

PINK

BOARD OF SUPERVISORS
OFFICIAL COPY

BA FORM 11162021

February 08, 2023

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

FIRE DEPARTMENT

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE

2022-23

4 - VOTES

SOURCES	USES
<div>GENERAL FUND</div> <div>A01-3052</div> <div>COMMITTED FOR IT ENHANCEMENTS</div> <div>DECREASE OBLIGATED FUND BALANCE4,840,000</div>	<div>NONDEPARTMENTAL SPECIAL ACCOUNTS</div> <div>A01-CB-6100-13690</div> <div>OTHER FINANCING USES</div> <div>INCREASE APPROPRIATION4,840,000</div>
<div>FIRE DEPARTMENT - SPECIAL SERVICES BUDGET UNIT</div> <div>DA1-FR-96-9911-40100-40191</div> <div>OPERATING TRANSFERS IN</div> <div>INCREASE REVENUE4,840,000</div>	<div>FIRE DEPARTMENT - SPECIAL SERVICES BUDGET UNIT</div> <div>DA1-FR-2000-40100-40191</div> <div>SERVICES & SUPPLIES</div> <div>INCREASE APPROPRIATION3,932,000</div>
	<div>FIRE DEPARTMENT - SPECIAL SERVICES BUDGET UNIT</div> <div>DA1-FR-6030-40100-40191</div> <div>CAPITAL ASSETS - EQUIPMENT</div> <div>INCREASE APPROPRIATION908,000</div>
<div>SOURCES TOTAL\$9,680,000</div>	<div>USES TOTAL\$9,680,000</div>

JUSTIFICATION

Reflects the use of obligated fund balance Committed for IT Enhancements for the Fire Department to acquire a new integrated Computer Aided Dispatch system.

AUTHORIZED SIGNATURE

JESSICA LINDSEY, BUDGET OFFICER, FMD

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

<div>REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---</div> <div><div><input type="checkbox"/> ACTION</div><div><input type="checkbox"/> RECOMMENDATION</div></div>	<div><div><input type="checkbox"/> APPROVED AS REQUESTED</div><div><input type="checkbox"/> APPROVED AS REVISED</div></div>
<div>AUDITOR-CONTROLLER</div> <div>BY</div>	<div>CHIEF EXECUTIVE OFFICER</div> <div>BY</div>
<div>B.A. NO.</div> <div>DATE</div>	<div>DATE</div>

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	3/15/2023		
BOARD MEETING DATE	4/4/2023		
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input checked="" type="checkbox"/> 4 th <input type="checkbox"/> 5 th		
DEPARTMENT(S)	Sheriff		
SUBJECT	An 8-year lease for approximately 8,108 square feet of office space and 35 parking spaces at 12440 Imperial Hwy, Suite 750, Norwalk, CA 90650		
PROGRAM	Body Worn Camera (BWC)		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:		
DEADLINES/ TIME CONSTRAINTS	Sheriff requested project to be rushed, space is needed by BWC as soon as possible.		
COST & FUNDING	Total cost: \$3,115,000	Funding source: The costs will be funded 100 percent by net County cost (NCC) that is already included in Sheriff's existing budget. Sheriff will not be requesting additional NCC for this action	
	TERMS (if applicable): Base rent is subject to fixed 3 percent increases per annum. County responsible for its electric usage and reimbursing the Landlord said cost.		
	Explanation: Sufficient funding for the proposed lease and County TI reimbursement costs for the first year of the proposed lease term is included in the Fiscal Year (FY) 2022-23 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its FY 2022-23 operating budget to cover the proposed rent, County TI costs and Low-Voltage Items for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be part of the budget for the Sheriff. The costs for Low-Voltage Items will be paid by the Sheriff directly to ISD and are not part of the proposed lease costs.		
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and adequately provide necessary office space for the Sheriff's BWC operation.		
BACKGROUND (include internal/external issues that may exist including any related motions)	Any future request for supplemental parking will be at an additional cost of \$40 per space per month subject to 5 percent increased every five years.		
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
DEPARTMENTAL CONTACTS	Alexandra Nguyen-Rivera, Section Chief, Lease Acquisitions CEO-Real Estate Division 213-974-4189 Arivera@ceo.lacounty.gov		



Chief Executive Office.

COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 973-1101 ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

April 4, 2023

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:

**EIGHT-YEAR LEASE
SHERIFF'S DEPARTMENT
12440 IMPERIAL HIGHWAY, SUITE 750, NORWALK
(FOURTH DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed new eight-year lease for 8,108 square feet of office space, and 35 on-site parking spaces for the Sheriff's Department (Sheriff) Body Worn Camera (BWC) Unit Headquarters.

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 Sonnenblick Del Rio Norwalk LLC, a Delaware limited liability company (Landlord), for approximately 8,108 square feet of office space, and 35 on-site parking spaces located at 12440 Imperial Highway, Suite 750, Norwalk (Premises) to be occupied by the Sheriff. The estimated maximum first year base rental cost is \$179,998, but with a two-month rent abatement of \$29,970 will equal \$150,028. The estimated total lease cost, including tenant improvements and low-voltage costs, is \$3,115,000 over the eight-year term. The costs will be funded 100 percent by net County cost (NCC) that is already included in Sheriff's existing budget. The Sheriff will not be requesting additional NCC for this action.

3. Authorize the Chief Executive Officer, or her designee, to reimburse the Landlord up to \$1,013,500 for the County's Tenant Improvement (TI) contribution, if paid in lump sum or \$1,244,000 if amortized over eight years at 5.25 percent interest per annum.
4. Authorize the Sheriff to contract with and direct the Internal Services Department (ISD), in coordination with the Chief Executive Officer, or her designee, for the acquisition and installation of telephone, data, and low-voltage systems and vendor installation (Low-Voltage Items) at a total cost not to exceed \$300,000 to be paid in a lump sum. The cost for the Low-Voltage Items is in addition to the rental costs and County's TI contribution payable to the Landlord.
5. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed lease, and to take actions necessary and appropriate to implement the terms of the proposed lease, including, without limitation, exercising early termination rights.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The proposed lease will provide office space for the Sheriff's BWC Unit Headquarters and will be used as an administrative office that oversees procurement, training, storage, discovery, management, and implementation of body worn cameras for the Sheriff. The BWC Unit is temporarily located within the Sheriff's Technical Services Division's Data System Bureau office within the same building under a separate lease. Overcrowding will be alleviated at the Technical Services Division's Data System Bureau's office space upon the BWC Unit moving into the proposed office space.

The BWC Unit performs digital evidence management by collecting, cataloging, and retaining an exorbitant amount of digital evidence created by the body worn camera videos. In addition, the BWC Unit performs video forensic/redaction. Management personnel are required to perform audit reports and ensure corrective actions are taken and that the records are properly updated.

The BWC Unit personnel are selected to participate in and complete a certificate program for becoming a video evidence specialist who then assist the Discovery Unit, Internal Affairs Bureau, Internal Criminal Investigations Bureau, and Homicide with Public Records Act requests and critical incidents.

The office is occupied by 27 employees and visited daily by approximately five Sheriff personnel. The sensitive nature of working with video evidence and the security protocols of the digital evidence, limits the ability to telework.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal 3 – *“Realize Tomorrow’s Government Today”* – provides that our increasingly dynamic, and complex environment, challenges our collective abilities to respond to public needs and expectations. We want to be an innovative, flexible, effective, and transparent partner focused on advancing the common good.

The proposed lease is also consistent with the Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions, and Key Objective No. 4 – Guide Strategic Decision-Making.

The proposed lease supports the above goals and objective by providing the BWC Unit with appropriate office space allowing it to provide training and oversee and manage digital video evidence, which enhances public safety and provides better customer service.

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

FISCAL IMPACT/FINANCING

The aggregate cost associated with the proposed lease over the entire term is \$3,115,000, as shown on Enclosure B. The rental costs will be funded 100 percent by NCC that is already included in the Sheriff’s existing budget. The Sheriff will not be requesting additional NCC for this action.

Sufficient funding for the proposed lease and County TI reimbursement costs for the first year of the proposed lease term is included in the Fiscal Year (FY) 2022-23 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its FY 2022-23 operating budget to cover the proposed rent, County TI costs and Low-Voltage Items for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be part of the budget for the Sheriff. The costs for Low-Voltage Items will be paid by the Sheriff directly to ISD and are not part of the proposed lease costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- The initial base rent in year one is \$22.20 per square foot, per year. The base rent includes parking and is subject to fixed 3 percent annual increases.

- Total TI costs are expected to be \$1,297,280. The Landlord will provide \$283,780 (\$35 per square foot) base TI allowance.
- The County will reimburse the Landlord up to \$1,013,500 (\$125 per square foot) as the County's lump sum TI contribution. This amount will be amortized over eight years with a fixed interest rate of 5.25 percent for a fully amortized amount not to exceed \$1,244,000.
- The County will pay \$300,000 for the lump sum cost of the Low-Voltage Items.
- The Landlord is responsible for the operating and maintenance cost of the building, and the County is responsible for its electric costs to be reimbursed to the Landlord.
- Thirty-five parking spaces are included in the proposed lease. If needed and available, supplemental parking will be provided at an additional cost of \$40 per parking space, per month, subject to 5 percent increases every five years,
- The County has the right to terminate the proposed lease any time after the fifth year, with 90 days' notice.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions, except the monthly base rent during the first four months of holdover period will be at the base rent at the time of the lease expiration and increase by 25 percent of the base rent after the initial four-month period. Landlord agrees to credit the County all holdover fees paid to the Landlord during the holdover period if the County renews the proposed lease.
- The County has a Right of First Offer to Lease Additional Premises upon receiving written notification from the Landlord of offers received by third parties and subject to Board approval of leasing additional space.
- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease, but the term and rent will commence the first day of the month following 30 days after substantial completion of the tenant improvements by the Landlord and acceptance of the premises by the County.

The Chief Executive Office (CEO) did not issue a flyer for this requirement due to the Sheriff's request and need to locate the BWC Unit Headquarters in close proximity to other Sheriff operations currently located within the proposed building. 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 \$28.20 and \$33.00 per square foot, per year. The base annual rental rate of \$22.20 per square foot, per year for the proposed lease

represents a rate that is below the market range for the area. We were unable to identify any sites that could accommodate this requirement more economically. We recommend the proposed facility as the most suitable to meet the County's space requirements.

Due to the sensitive, confidential nature of the work performed by the BWC Unit, teleworking for this requirement and co-working space are not suitable options.

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

The Department of Public Works has inspected the facility and found it suitable for County occupancy. Construction of the TIs will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act. The required notification letter to the City of Norwalk has been sent in accordance with Government Code section 25351.

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

The proposed lease will provide a suitable office location for the Sheriff's BWC Unit Headquarters, which is consistent with the County's Facility Location Policy, adopted by the Board of Supervisors 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.

The Honorable Board of Supervisors

April 4, 2023

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will adequately provide the necessary office space and parking spaces for this County requirement. The Sheriff 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:JTC
JLC:MN:MAC:gb

Enclosures

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

**SHERIFF'S DEPARTMENT
12440 IMPERIAL HWY., SUITE 750, NORWALK**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions?			X	
B	Does lease co-locate with other functions to better serve clients? ²		X		
C	Does this lease centralize business support functions? ²		X		
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² Approximately 300 sq. ft. of space per person due to operational space needs for separate locker rooms, training room, storage, public counter, and lobby.			X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ²		X		
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²		X		
2.	<u>Capital</u>				
A	Is it a substantial net County cost (NCC) program? The rental costs are 100 percent NCC that is already included in Sheriff's existing budget. Sheriff will not be requesting additional NCC for this action.		X		
B	Is this a long-term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			X	
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report enclosed as Enclosure C?		X		
G	Was build-to-suit or capital project considered? ²			X	
3.	<u>Portfolio Management</u>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		X		
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?				X
D	Why was this program not co-located?				
	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.				
E	Is lease a full-service lease? ² County to reimburse Landlord for its electric usage.			X	
F	Has growth projection been considered in space request?			X	
G	¹ Has the Dept. of Public Works completed seismic review/approval?		X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS									
12440 Imperial Highway, Suite 750, Norwalk Sheriff's Department - Body-Worn Camera									
Basic Lease Assumptions									
Leased Area (sq.ft.)	8,108								
Rent (per sq. ft.) ⁽¹⁾	Monthly \$1.85	Annual \$22.20							
Rent Amount (\$)	\$14,999.80	\$179,997.60							
Term (Months/Years)	96								
Adjustment	3%								
	Lump Sum	Amortized							
Tenant Improvement Costs ⁽³⁾	\$1,013,500	\$1,243,373							
Low Voltage Costs ⁽⁴⁾	Lump Sum								
TESMA Labor and Materials	\$300,000								
	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	6 th Year	7 th Year	8 th Year	Total 8 Year Rental Costs
Annual Base Rent Costs ⁽¹⁾	\$179,998	\$185,398	\$190,959	\$196,688	\$202,589	\$208,667	\$214,927	\$221,374	\$1,601,000
Rent Abatement ⁽²⁾	(\$29,970)								(\$30,000)
Adjusted Rental Costs	\$150,028	\$185,398	\$190,959	\$196,688	\$202,589	\$208,667	\$214,927	\$221,374	\$1,571,000
Tenant Improvement Costs ⁽³⁾	\$155,422	\$155,422	\$155,422	\$155,422	\$155,422	\$155,422	\$155,422	\$155,422	\$1,244,000
Total Costs Paid to the Landlord									
	\$305,449	\$340,819	\$346,381	\$352,110	\$358,010	\$364,088	\$370,348	\$376,796	\$2,815,000
Low Voltage Costs ⁽⁴⁾	\$300,000								\$300,000
Total Annual Lease Costs	\$605,449	\$340,819	\$346,381	\$352,110	\$358,010	\$364,088	\$370,348	\$376,796	\$3,115,000
Footnotes									
⁽¹⁾ The Base Rent is subject to fixed three percent (3%) increases per annum.									
⁽²⁾ The monthly rent for the initial two (2) months of the Lease term shall be abated.									
⁽³⁾ The Landlord will provide an additional reimbursable tenant improvement allowance of \$125 per rentable square foot of the Premises which shall be reimbursable to the Landlord. The TI amount will be amortized over 8 years at a fixed interest rate of 5.25%.									
⁽⁴⁾ The Low Voltage costs (\$300,000) will not be amortized.									
*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.									

**SHERIFF'S DEPARTMENT
SPACE SEARCH – 3 MILE RADIUS
12440 IMPERIAL HIGHWAY, NORWALK**

LACO	Name	Address	Ownership Type	Gross Sq. Ft.	Vacant
A176	Health Services – EMS	10100 Pioneer Blvd Santa Fe Springs, 90670	Leased	41,720	None
A279	DPW – South Whittier District / Sheriff's Sub Station	13523 Telegraph Rd South Whittier 90605	Leased	3,162	None
A355	DCFS – Santa Fe Springs (SPA 7)	10355 Slusher Dr Santa Fe Springs, 90670	Leased	65,568	None
A358	DPSS – Information Technology Division (ITD)	14714 Carmenita Rd Norwalk, 90650	Leased	44,250	None
A566	Sheriff – So Cal High Tech Task Force	9900 Norwalk Blvd Santa Fe Springs, 90670	Leased	22,880	None
D221	DPSS – Norwalk WS District Office	12727 Norwalk Blvd Norwalk, 90650	Leased	40,500	None
X168	Harry Hufford Registrar-Recorder/Co Clerk Building	12400 E Imperial Hwy Norwalk, 90650	Owned	262,510	None
Y531	Star Center – Administration Building	11515 S Colima Rd Whittier 90604	Owned	8,884	None
Y533	Star Center – Academy Building C	11515 S Colima Rd Whittier 90604	Owned	15,578	None
Y534	Star Center – Academy Building D	11515 S Colima Rd Whittier 90604	Owned	16,551	None
Y535	Star Center – Academy Building E	11515 S Colima Rd Whittier 90604	Owned	19,984	None
Y542	Star Center – Academy Building M	11515 S Colima Rd Whittier 90604	Owned	9,097	None
5685	Norwalk Courthouse	12720 Norwalk Blvd Norwalk, 90650	Owned	225,008	None

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Lease for the Sheriff's Department – 12440 Imperial Highway, Suite 750, Norwalk – Fourth District.

A. Establish Service Function Category – Sheriff's BWC Headquarters

B. Determination of the Service Area – In close proximity to other Sheriff operations located at 12440 Imperial Highway, Norwalk.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: N/A
- Need for proximity to existing County facilities: Yes, in close proximity to other Sheriff operations located at 12440 Imperial Highway, Norwalk
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., bus service and Metrolink.
- Availability of affordable housing for County employees: N/A.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available that meet the Sheriff's space needs.
- Compatibility with local land use plans: The City of Norwalk 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 initial term is \$3,115,000.

D. Analyze results and identify location alternatives

The CEO did not issue a flyer for this requirement due to the Sheriff's request and need to locate BWC Headquarters in close proximity to other Sheriff operations currently located within the proposed building. 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 \$28.20 and \$33.00 per square foot, per year. The base annual rental rate of \$22.20 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. We were unable to identify any sites that could accommodate this requirement more economically. 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 27 employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE**

LEASE AGREEMENT

**COUNTY OF LOS ANGELES - Tenant
SONNENBLICK DEL RIO NORWALK LLC - Landlord**

**12440 IMPERIAL HIGHWAY, SUITE 750
NORWALK, CALIFORNIA 90650**

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EXHIBITS

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

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 2023 between SONNENBLICK DEL RIO NORWALK LLC, a Delaware limited liability company ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 Terms

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

(a) Landlord's Address for Notices:	12440 Imperial Highway Office of the Building, Suite 101 Norwalk, CA 90650 Email: bob@sonndev.com, nelson.delrio@icloud.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 8,108 rentable square feet designated as Suite 750 in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.
(d) Building:	The Building located at 12440 Imperial Highway, Norwalk, California, which is currently assessed by the County Assessor as APN 8047-006-004 and 8047-006-007 (collectively, the "Property").
(e) Term:	Eight (8) years, commencing upon the first day of the month following thirty (30) days after Substantial Completion of the Tenant

	Improvements and Tenant Acceptance of the Premises, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the eighth (8th) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term.
(f) Estimated Commencement Date	November 1, 2023
(g) Irrevocable Offer Expiration Date: (see Section 33)	April 18, 2023
(h) Base Rent:	<p>\$14,999.80 per month* (i.e., \$1.85 per RSF)</p> <p>(i.e., \$179,997.60 per year)</p> <p>* The Base Rent shall be abated for the initial two (2) months of the Term of the Lease following the Commencement Date, subject to Section 5.2.</p>
(i) Early Termination (see Section 4.4)	Any time after the 5th anniversary of the Commencement Date upon 90 days written notice to Landlord.
(j) Rentable Square Feet in the Premises:	8,108 rentable square feet (RSF)
(k) Initial Departmental Use:	Sheriff's administrative offices, subject to Section 6.
(l) Parking Spaces: (see Section 21)	35 unreserved spaces at no additional cost to Tenant. Any additional request for supplemental parking will be at an additional cost of \$40 per space/month and subject to five percent rental increases every five years.
(m) Tenant's Hours of Operation:	6 a.m. to 6 p.m. Monday through Friday, and 6 a.m. to 12 p.m. on Saturdays, except for legal holidays.
(n) Asbestos Report:	A report dated March 7, 2019 prepared by Partner Engineering North Carolina, PLLC, a licensed California Asbestos contractor.

(o) Seismic Report	A report dated March 7, 2019 prepared by Partner Engineering North Carolina, PLLC and a report dated March 10, 2022, prepared by the Department of Public Works.
(p) Disabled Access Survey	A report dated December 22, 2011, prepared by County of Los Angeles County Affirmative Action.

1.2 Defined Terms Relating to Landlord's Work Letter

(a) Landlord's TI Allowance:	\$283,780 (\$35 per RSF of the Premises)
(b) Tenant's TI Contribution:	\$1,013,500 (\$125 per RSF of the Premises) per Work Letter
(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	5.25% (amortized over 8-years)
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance	\$12,951.80
(e) Tenant's Work Letter Representative:	An assigned staff person of the Chief Executive Office-Real Estate Division
(f) Landlord's Work Letter Representative:	Nelson Del Rio
(g) Landlord's Address for Work Letter Notices:	Sonnenblick Del Rio Norwalk LLC 12440 E Imperial Highway, Suite 100 Norwalk, CA 90650 Email: bob@sonndev.com, nelson.delrio@icloud.com
(h) Tenant's Address for Work Letter 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

<p>1.3 <u>Exhibits to Lease</u></p>	<p>Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - VAC 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 Work Letter</p>
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2. **PREMISES**

2.1 Lease of Premises

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

2.2 Measurement of Premises

Tenant shall have the right at any time during the Term of this Lease to field-measure and verify the exact footage of the Premises 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. Should this measurement be less than the square footage stated above, then Tenant shall have the right to adjust such square footage by the mutual execution of an amendment to this Lease. 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 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. Landlord shall have the right to make changes to Common Areas, in Landlord's sole discretion, from time to time provided such changes do not unreasonably interfere with Tenant's use of or access to the Premises. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

4.1 Term

The term of this Lease shall commence the 1st day of the month following thirty days after Substantial Completion of the Tenant Improvements and Tenant's acceptance of the Premises (as defined below) (the "Commencement Date") and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete, Tenant has inspected the Premises, and Tenant has accepted the Tenant Improvements and the Premises in writing. The terms "Substantial Completion" or "Substantially Complete" as used in this Lease shall mean compliance with all of the following:

- (a) The shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises;
- (b) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises;
- (c) Landlord has obtained a certificate of occupancy or the acceptable equivalent from the issuing government authority recognized and approved by the County of Los Angeles or Tenant for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;
- (d) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- (e) If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.

4.2 Termination Right

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

4.3 Early Entry

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

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time during the Early Termination period specified in Section 1.1, by giving Landlord not less than three (3) months prior written notice, executed by Tenant's Chief Executive Officer or his/her designee. Tenant shall reimburse Landlord for the unamortized portion of the Total TI Costs Allowance.

4.5 Lease Expiration Notice

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

5. RENT

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor 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, and subject to Section 5.2 below. 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 Rent Abatement

The Base Rent for the 1st and 2nd months of the initial Term shall be abated ("Rent Abatement"). Tenant shall have the option to convert all or any portion of the Rent Abatement towards an increase in the Total TI Costs Allowance.

5.3. Base Rent Adjustments

- (a) Base Rent is subject to fixed three percent (3%) annual increases over the previous year's Base Rent as follows:

Months	Rate	Monthly Rent
1 - 12	\$1.85	\$14,999.80
13 - 24	\$1.91	\$15,449.79
25 - 36	\$1.96	\$15,913.29
37 - 48	\$2.02	\$16,390.69
49 - 60	\$2.08	\$16,882.41
61 - 72	\$2.14	\$17,388.88
73 - 84	\$2.21	\$17,910.55
85 - 96	\$2.28	\$18,447.86

6. USES

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

7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

Notwithstanding any language to the contrary contained in this Section 7, if the Lease expires, Tenant can remain in the Premises on a holdover basis subject to the same terms and conditions of the Lease, including the same Base Rent of the last month prior to the commencement of the holdover period, for the initial four (4) months of holdover period. Base Rent shall increase to 125% of the Base Rent after the initial four month of the holdover period. In the event Tenant later elects to renew its Lease, then Landlord shall credit Tenant as a credit against Base Rent next due for any "Holdover Fee" paid by Tenant, equaling the amount of monthly base rent paid by Tenant during the Holdover period which exceeds the monthly base rent due as of the expiration of the Lease and the start of a new 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, and in such event Tenant shall be solely responsible for the cost and expense of such compliance limited to within 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 engage an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten (10) 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 and Tenant shall continue to pay Base Rent subject to abatement to the extent that the Premises are unusable by Tenant.

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, to Landlord's knowledge, as of the date hereof and on the Commencement Date:
 - i. The Premises, the Building, and all Common Areas (including electrical, ventilating, and air conditioning ("VAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, are in good working order and condition, and does not have heating;
 - 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 to Tenant that, to the Landlord's knowledge and based upon a professional inspection of the Premises and the Building and the Asbestos Report (as defined in Section 1.1) that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos-containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect. In the event asbestos is subsequently found to exist, it shall be the Landlord's responsibility to remove such asbestos at its sole cost and expense unless such asbestos was introduced by the Tenant, in which case such cost shall be paid by Tenant.

(c) CASp Inspection:

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

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

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

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

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

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's

representations contained in this Section 10.1 except in the case such damages, costs, and expenses arise from or are related to the Tenant's or Tenant's vendors, employees, agents, invitees and visitors use or alteration of the Premises.

10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:

 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including Building VAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense unless otherwise stated herein, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair and maintenance obligations include, without limitation, maintenance of, or repairs to, or replacements of:

 - i. spot clean floor covering if it will properly remove/address any soiled conditions;
 - ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. spot clean the interior side of demising walls and/or spot clean the walls if it will properly remove/address any soiled conditions ;
 - v. signage, excepting Tenant's personal signage within the Premises;
 - vi. emergency exit signage and battery replacement;
 - vii. VAC equipment dedicated to the mechanical rooms housing Tenants computer servers and related equipment (at Tenant's expense and with Tenant's assigned Chief Executive Office Property Manager's review and written approval of said costs in advance of any material work to be performed that is not otherwise scheduled repair and maintenance); and
 - viii. Light fixtures, bulbs, tubes and ballasts

- ix. Parking areas (including resurfacing, restriping, landscaping, sweeping, and lighting as applicable).
 - x. Furniture systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system, on an annual basis at Tenant's sole cost and expense.
- (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.
 - (d) Landlord shall provide security, maintenance, repairs, water, VAC (excepting heating and including the VAC providing service to Tenant's mechanical/computer server room, with said costs reimbursed to Landlord pursuant to the terms in Section 10.2 (b) vii above), and other services to the Premises and common area to a standard similar to other comparable class office buildings in the Norwalk area sub-market.

10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.4 hereof, Tenant shall be responsible for the cost of (i) repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, (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, (iii) reimbursing the Landlord for cost of repair, maintenance, or replacement of Tenant's VAC serving its computer server room pursuant to the terms in Section 10.2(b) vii above), and (iv) repair, maintenance, or replacement of any Tenant fixtures, furniture and equipment, including telephones, and computers. All repairs and replacements shall:

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

10.4 Tenant's Right to Repair

- (a) If Tenant provides written notice (or oral notice in the event of an emergency, such as damage or destruction to or of any portion of the 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 activities). Tenant shall have access to the Building to the extent 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 County's Chief Executive Office, may request that the Landlord perform, supply and administer any 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 (i) the Work Letter provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant's remedies found in said Work Letter; and (ii) 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 any Tenant Improvements as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 Services

(a) Ventilation and Air Conditioning (VAC)

Landlord shall furnish ventilation and air conditioning ("VAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit C attached hereto. To the extent Tenant requires VAC outside of the times stated in this subparagraph, Tenant shall make a written request to Landlord not less than forty eight (48) hours prior to the desired time and Tenant agrees to reimburse Landlord for the additional VAC services at a rate of Eighty-Five Dollars (\$85) per hour. Tenant shall have the right to install, at Tenant's expense, any VAC required for its computer server rooms as further described in the Landlord's Work Letter. Landlord shall repair and maintain such systems, as directed by Tenant. All costs of repair, maintenance and replacement of such systems shall be Tenant's responsibility.

(b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) watts of electric current (connected load) per square foot of rentable square feet per day in the Premises, for power and lighting and electric current for VAC, and Landlord shall provide the existing or new transformers or sub-panels for the Premises necessary for Tenant to utilize such capacity in the Premises. The Premises shall be metered or submetered for electricity by a meter installed by Landlord at Landlord's cost and expense. If Landlord elects to furnish non-public utility sourced electrical service to the Premises, Tenant must purchase its requirements thereof from Landlord and Tenant shall be billed monthly for its actual usage at a cost never to exceed 97% of the cost of similar electricity offered directly by the local public utility over the same billing period (local utility per kWh charge for any given month for similar load shall be included on all billing). Tenant shall pay Lessor for the cost of such metered electricity within fifteen (15) business days of billing.

(c) Elevators

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

(d) Water

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

(e) Janitorial

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

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building. If required, Landlord shall provide the initial access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access at Landlord's sole cost and expense. Tenant shall pay Landlord Ten Dollars (\$10) for any replacement or additional building access cards or fobs required.

(g) Pest Control

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

11.2 Utilities

Landlord agrees to pay when due, whether reimbursed pursuant to the terms of this Lease or not, 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, and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the VAC, 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. TAXES

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

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

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose; provided, however, in the event of an emergency, Landlord shall be allowed to enter the Premises to perform repairs related to the emergency. 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. TENANT DEFAULT

14.1 Default

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

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent

an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;

- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure, within said thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

14.2 Termination

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

14.3 No Effect on Indemnity

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

15. LANDLORD DEFAULT

15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five (5) 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 assign or otherwise transfer this Lease or sublet the whole or any part of the Premises by providing prior written notice provided (i) the intended use is allowed under the terms of the GSA Lease for FBI and Homeland Security within the Building, and (ii) no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold, condition or delay if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 Sale

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

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or 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, 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) shall, if Landlord so requests, be removed by Tenant at the end of Term. Any Alterations, 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) not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

18. CONDEMNATION

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

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

18.4 Restoration

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

remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

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

18.6 Waiver of Statute

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

19. INDEMNIFICATION

19.1 Landlord's Indemnity

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

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions, negligence or willful misconduct of Tenant, or its contractors, licensees, agents, employees, guests or visitors, or arising from any breach or default under this Lease by Tenant.

20. INSURANCE

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

20.1 Waiver

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

20.2 General Insurance Provisions – Landlord Requirements

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage

satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

(a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given additional 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 after the 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 or the Premises, and be signed by an authorized representative of the insurer(s). The Tenant shall be named as an additional insured (or its equivalent) for the Premises only. 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 one hundred thousand dollars (\$100,000.00) 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 with respect to Tenant. 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 with respect to the Tenant's use of the Premises as stated in Section 1.1(k) of the Lease, 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 material 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 material change in Required Insurance may, in the reasonable discretion of the Tenant, constitute a Landlord Default under 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 Landlord Default. In lieu of treating the failure as a Landlord Default, the County in its sole discretion 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, with an A.M. Best rating of not less than A:VII.

(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.

(l) **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:	\$ 2 million
Products/Completed Operations Aggregate:	\$ 2 million
Personal and Advertising Injury:	\$ 1 million
Each Occurrence:	\$ 1 million
Damage to Premises:	\$ 1 million
Medical Expense Limit:	\$ 10,000

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. Notwithstanding Tenant's right to self-insure, Landlord shall not waive its right to tender third party claims to Tenant caused by Tenant's intentional or negligent acts or omissions or such intentional or negligent acts or omissions of Tenant's contractors, invitees and/or licensees.

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

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

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

- (b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for any tenant improvements and betterments to the Premises that constitute "fixtures" (excludes all other furniture, fixtures, and equipment, including but not limited to the computer server room and any equipment therein); 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 higher than the greater \$250,000 or 5% of the Property value. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear, and be utilized for repair and restoration of the Premises or Landlord's property, as determined by the nature of the loss.

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 for the Term of this Lease. No tandem parking shall be required or allowed except as provided below, and Tenant shall be entitled to full in and out access 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. Tenant shall have the right to increase or decrease the number of reserved and/or unreserved parking subject to availability and 30 days written notice to the Landlord; provided, however, Landlord shall have the right to recapture any increase in parking should such parking be required for other tenancies. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each unreserved parking space set forth in Section 1.1, if applicable. If additional access cards or key fobs are later required, lost, stolen, or replaced, Tenant shall pay ten dollars (\$10) per access card or key fob. Tenant may request in writing additional parking (Supplemental Parking), if available at a monthly cost of forty dollars (\$40) per parking space, subject to five percent (5%) increases every five (5) years however, Landlord shall have the right to recapture any Supplemental Parking should such parking be required for other tenancies.

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), following written notice to Landlord and Landlord's ability to cure in a reasonable time, 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) negotiate with Lessor for an equitable reduction in the monthly rent based upon the Fair Market Value of such parking or the loss of such parking if not replaced.

21.3 Alternative Parking.

Notwithstanding the above, if during the Term (as it may be extended), Landlord is unable to provide all or any portion of the parking required under Lease, Landlord may, but is not required to, provide valet parking or such alternative parking that Lessor may reasonably believe will satisfy Tenant's parking needs or provide

additional parking at an off-site location nor more than a three-minute drive from the Premises. In the event Landlord provides off-site parking Landlord shall provide a shuttle service from the off-site parking location to the Premises. Provided Landlord offers Tenant alternative parking pursuant to this paragraph, Landlord shall not be deemed in default of the Lease and the remedies as set forth in Paragraph 21.2 shall not be applicable. Landlord may also, offer stacked parking to satisfy Tenant's parking only if Landlord also provides valet parking at Landlord's sole cost and expense.

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

24. TENANT IMPROVEMENTS

Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.

25. LIENS

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

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

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 Exhibit E attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

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 Exhibit E attached hereto, within sixty (60) 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 (10) 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, ordinary wear and tear, damage by earthquake, fire or the elements and other disaster or casualty excepted. Tenant and Landlord agree, Landlord may require Tenant to remove, at its own expense, during or at the expiration or other termination of the term of this Lease, or any termination of any extension or holdover period thereof, as the case may be, all furniture, fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

28. SIGNAGE

28.1 Directory Signage

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

29. QUIET ENJOYMENT

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

30. GENERAL

30.1 Headings

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

30.2 Successors and Assigns

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

30.3 Brokers

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease 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. .

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

30.7 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 Time of Essence

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 Exhibit G attached hereto.

30.12 Memorandum of Lease

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

30.13 Counterparts; Electronic Signatures

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 rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

31. AUTHORITY

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

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

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

32.2 Solicitation of Consideration

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through

an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

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

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

32.3 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) Except to an existing or future mortgagor or lender, 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 quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving

range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

33. IRREVOCABLE OFFER

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

34. INTENTIONALLY OMITTED

35. COVID-19 VACCINATIONS OF COUNTY CONTRACTOR PERSONNEL

- 35.1. At Landlord's sole cost, Landlord shall comply with Chapter 2.212 (COVID-19 Vaccinations of County Contractor Personnel) of County Code Title 2 - Administration, Division 4. All employees of Landlord and persons working on its behalf, including but not limited to, Subcontractors of any tier (collectively, "Landlord Personnel"), must be fully vaccinated against the novel coronavirus 2019 ("COVID-19") prior to (1) interacting in person with County employees, interns, volunteers, and commissioners ("County workforce members"), (2) working on County owned or controlled property while performing services under this Lease, and/or (3) coming into contact with the public while performing services under this Lease (collectively, "In-Person Services").
- 35.2. Landlord Personnel are considered "fully vaccinated" against COVID-19 two (2) weeks or more after they have received (1) the second dose in a 2-dose COVID-19 vaccine series (e.g. Pfizer-BioNTech or Moderna), (2) a single-dose COVID-19 vaccine (e.g. Johnson and Johnson [J&J]/Janssen), or (3) the final dose of any COVID-19 vaccine authorized by the World Health Organization ("WHO") or Centers for Disease Control and Protection ("CDC").
- 35.3. Prior to assigning Landlord Personnel to perform In-Person Services, Landlord shall obtain proof that such Landlord Personnel have been fully vaccinated by confirming Landlord Personnel is vaccinated through any of the following documentation: (1) official COVID-19 Vaccination Record Card (issued by the Department of Health and Human Services, CDC or WHO Yellow Card), which includes the name of the person vaccinated, type of vaccine provided, and date of the last dose administered ("Vaccination Record Card"); (2) copy (including a photographic copy) of a Vaccination Record Card; (3) Documentation of vaccination from a licensed medical provider; (4) a digital record that includes a quick response ("QR") code that when scanned by a SMART HealthCard reader

displays to the reader client name, date of birth, vaccine dates, and vaccine type, and the QR code confirms the vaccine record as an official record of the State of California; or (5) documentation of vaccination from Landlord who follow the CDPH vaccination records guidelines and standards. Landlord shall also provide written notice to County before the start of work under this Lease that its Landlord Personnel are in compliance with the requirements of this section. Landlord shall retain such proof of vaccination for the document retention period set forth in this Lease, and must provide such records to the County for audit purposes, when required by County.

- 35.4. Landlord shall evaluate any medical or sincerely held religious exemption request of its Landlord Personnel, as required by law. If Landlord has determined that Landlord Personnel is exempt pursuant to a medical or sincerely held religious reason, the Landlord must also maintain records of the Landlord Personnel's testing results. The Landlord must provide such records to the County for audit purposes, when required by County. The unvaccinated exempt Landlord Personnel must meet the following requirements prior to (1) interacting in person with County workforce members, (2) working on County owned or controlled property while performing services under this Lease, and/or (3) coming into contact with the public while performing services under this Lease:
- a. Test for COVID-19 with either a polymerase chain reaction (PCR) or antigen test has an Emergency Use Authorization (EUA) by the FDA or is operating per the Laboratory Developed Test requirements by the U.S. Centers for Medicare and Medicaid Services. Testing must occur at least weekly, or more frequently as required by County or other applicable law, regulation or order.
 - b. Wear a mask that is consistent with CDC recommendations at all times while on County controlled or owned property, and while engaging with members of the public and County workforce members.
 - b. Engage in proper physical distancing, as determined by the applicable County department that the Lease is with.
- 35.5. In addition to complying with the requirements of this section, Landlord shall also comply with all other applicable local, departmental, State, and federal laws, regulations and requirements for COVID-19.

36. RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.

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

(b) If Tenant delivers to Landlord the Expansion Commitment within such ninety (90) business day period, all (but not part) of the Additional Premises shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth in Landlord's Lease Notice, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.


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

(d) Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the ninety (90) business day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 36 shall be personal to the original Tenant and not apply to any sales or similar transfers of the Additional Premises.

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

LANDLORD:

SONNENBLICK DEL RIO NORWALK LLC,
a Delaware limited liability company

By: 
Name: Nelson Del Rio
Its: Co-Manager

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

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

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
Interim County Counsel

By: _____
Senior Deputy

EXHIBIT A

FLOOR PLAN OF PREMISES

Suite 750

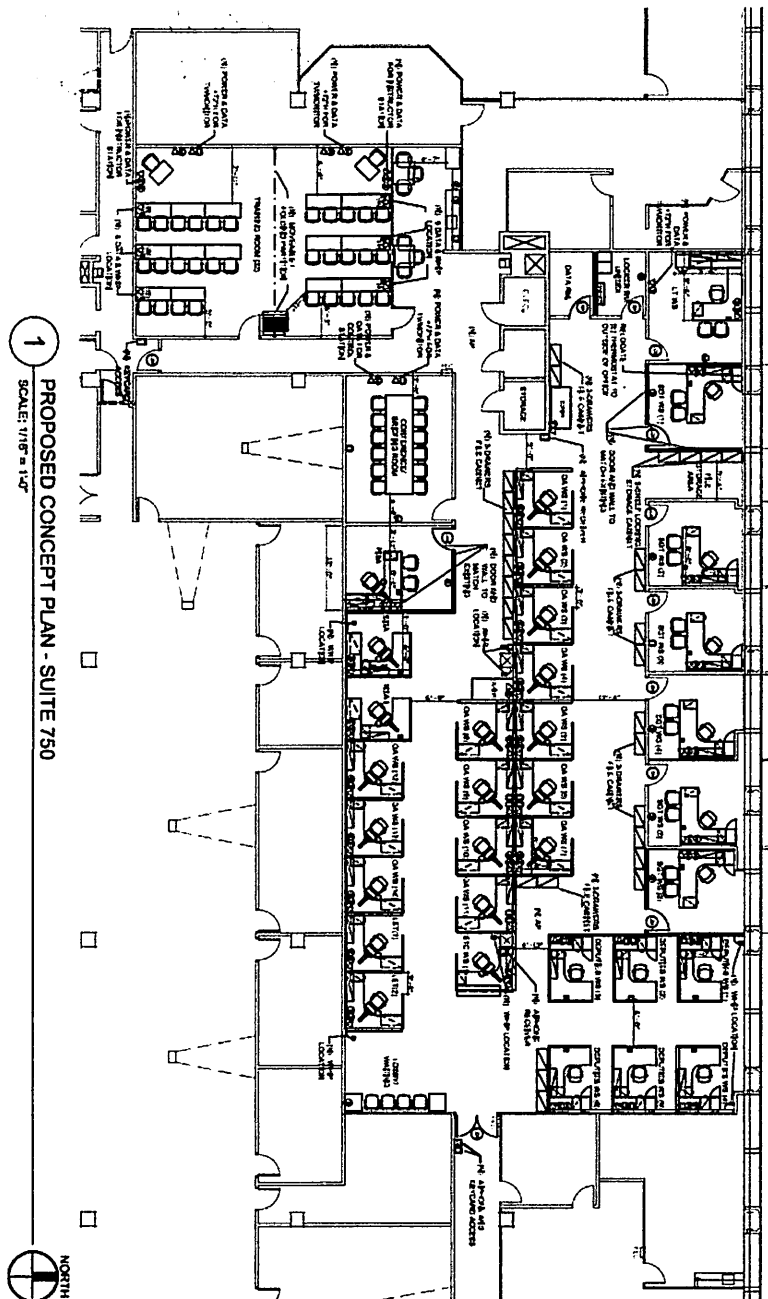


EXHIBIT B

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated _____, 20__, between County of Los Angeles, a body corporate and politic ("Tenant"), and Sonnenblick Del Rio Norwalk LLC, a Delaware limited liability company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 12440 Imperial Highway, Suites 116, Norwalk, CA 90650, Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on _____ ("Commencement Date");
- 4) The Premises contain 8,108 rentable square feet of space
- 5) Base Rent per month is \$14,999.80.
- 6) Parking Rent per month is \$__N/A_____
- 7) Rent Abatement

The Base Rent for the 1st and 2nd months of the initial Term shall be abated.

8). Base Rent Adjustments

- (a) Base Rent is subject to fixed three percent (3%) annual increases over the previous year's Base Rent as follows:

Months	Rate	Monthly Rent
1 - 12	\$1.85	\$14,999.80
13 - 24	\$1.91	\$15,449.79
25 - 36	\$1.96	\$15,913.29
37 - 48	\$2.02	\$16,390.69
49 - 60	\$2.08	\$16,882.41
61 - 72	\$2.14	\$17,388.88
73 - 84	\$2.21	\$17,910.55
85 - 96	\$2.28	\$18,447.86

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

Tenant:

COUNTY OF LOS ANGELES,
a body corporate and politic

Landlord:

SONNENBLICK DEL RIO NORWALK LLC,
a Delaware limited liability company

By:

Name _____
Its _____

By:

Name _____
Its _____

EXHIBIT C

VENTILATION AND AIR CONDITIONING IN OTHER THAN DATA AND SERVER ROOMS

Landlord shall supply cooling and ventilating 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. Interior space is designated at a rate of one zone for approximately each 1,000 square feet (+/- 200-sq.ft. to allow for marginal situations) and one diffuser for each 200 square feet (+/- 50-sq.ft. to allow for marginal situations) of usable/net square footage within the Premises (distribution within the Premises shall be considered a Tenant Improvement and be paid for from funds available for Tenant Improvements). If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

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

B. WEEKLY

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

C. MONTHLY

16. Floors washed and waxed in uncarpeted office area.
17. High-reach areas, door frames and tops of partitions dusted.
18. Picture moldings and frames dusted.
19. Carpet professionally spot cleaned as required to remove stains.

20. VAC chiller water checked for bacteria, water conditioned as necessary, if applicable.

D. QUARTERLY

21. Light fixtures cleaned and dusted.
22. Wood furniture polished.
23. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
24. Upholstered furniture vacuumed, plastic and leather furniture wiped.
25. Wall vents and ceiling vents vacuumed.

E. SEMI-ANNUALLY

26. Exterior windows washed as required inside and outside but not less frequently than twice annually.
27. All painted wall and door surfaces washed and stains removed.
28. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

29. Carpets cleaned and spot cleaned as needed. Landlord shall not use bonnet cleaning on carpets.
30. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
31. Bathroom and any other ceramic tile surfaces professionally cleaned. All grout and porous surfaces resealed with a professional grade sealant, as needed.
32. Touch-up paint interior painted surfaces in a color and finish to match existing, as needed.
33. Server room VAC units serviced for preventative maintenance purposes and other service as required and filters as needed
34. Interior windows washed as required inside and outside

G. AS NEEDED

35. 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.

36. 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.
37. Interior and exterior pest control inspections and remediation, as needed.
38. All VAC ducts cleaned as needed.

H. GENERAL

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

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

Therefore, the parties agree as follows:

HOA.104039086.1

**Exhibit E
SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

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

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

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

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

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

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

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

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

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's

obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

6. **Notices.** All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: _____

To Borrower: _____

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

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

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

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

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

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

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

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

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT F

TENANT ESTOPPEL CERTIFICATE

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

Attn: _____

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

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

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

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

 (b) The current Rent is set forth above.

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

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

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

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

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

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

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

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

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

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

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

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

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

1. Firm Name:	3. Contact Person/Telephone Number:
2. Address:	
	4. Total number of employees in the firm: _____

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

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

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

2. Total Number of Ownership/Partners, Etc.: _____			MINORITY/WOMEN-OWNED FIRM CERTIFICATION	
Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the:	
Black/African American			State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Hispanic/Latin American			City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Asian American			Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Portuguese American			Section D. OPTION TO PROVIDE REQUESTED INFORMATION	
American Indian/Alaskan Native			<input type="checkbox"/> We do not wish to provide the information required in this form.	
All Others			Firm Name: _____	

	Signature/Title: _____
	Date: _____

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
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

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

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
Interim County Counsel

By: _____
Senior Deputy

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

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me,

_____ Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____,

_____ Name of Signer(s)

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

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

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT I
LANDLORD'S WORK LETTER

LANDLORD'S WORK LETTER

For

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT**

**COUNTY OF LOS ANGELES, as Tenant
SONNENBLICK DEL RIO NORWALK LLC, as Landlord**

**12440 IMPERIAL HIGHWAY, SUITE 750
NORWALK, CALIFORNIA 90650**

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease Agreement (the "Lease") dated _____, 20__, executed concurrently herewith, by and between SONNENBLICK DEL RIO NORWALK LLC, a Delaware limited liability company, as Landlord, and COUNTY OF LOS ANGELES, a body corporate and politic, as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. **Basic Work Letter Information.** The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

- | | |
|---|--|
| (a) <u>Total TI Costs Allowance</u> | \$1,297,280 (i.e., \$160 per rentable square foot of the Premises) |
| (i) <u>Landlord's TI Allowance</u> | \$283,780 (i.e., \$35 per rentable square foot of the Premises) |
| (ii) <u>Tenant's TI Contribution</u> | \$1,013,500 (i.e., \$125.00 per rentable square foot of the Premises) |
| (b) <u>TI Amortization Rate and Change Authorization Amortization Rate:</u> | 5.25% (amortized over 8-years) |
| (c) <u>Tenant's Work Letter Representative</u> | An assigned staff person of the Chief Executive Office-Real Estate Division |
| (d) <u>Landlord's Work Letter Representative</u> | Mr. Robert Sonnenblick, Mr. Nelson Del Rio, or an assigned staff person of the Landlord |
| (e) <u>Landlord's Address for Work Letter Notices</u> | 12440 E Imperial Highway
Suite 100
Norwalk, CA 90650
Email: bob@sonndev.com,
nelson.delrio@icloud.com |
| (f) <u>Tenant's Address for Work Letter Notices</u> | 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 |

(g) Addenda

Addendum A: Base Building Improvements
Addendum B: Tenant Improvements
Addendum C: Form of Preliminary and Final
TI Cost Summary

2. Construction of the Building

2.1 Base Building Improvements. Landlord has constructed or shall construct the base building improvements described on Addendum A hereto (the "Base Building Improvements") as a part of the Building. If the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises that are not commercially standard requirements for like buildings or described in Addendum A, such changes or additions shall not be considered Tenant Improvements (as defined below) and part of Tenant's Total TI Costs (as defined below) unless such changes or additions are specifically described in Addendum B hereto.

2.2 Additional Costs Not Total TI Costs.

(a) If the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the Americans with Disabilities Act of 1990 (ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred if the Building had been in compliance with such codes, then such costs shall not be included in the calculation of Total TI Costs (as defined below), and Tenant shall have no financial responsibility for such costs.

(b) Landlord must identify all noncompliant code related items utilizing an independent third-party expert at Landlord's sole cost and expense. Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or to make existing building systems supplying services to the Premises, including but not limited to electrical service and VAC equipment, fully operational shall be at Landlord's sole cost and expense. Total TI Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, nor (v) supervision or overhead costs of Landlord.

(c) Landlord shall be solely responsible for all costs and expenses necessary to increase and / or maintain permitted structural floor loading in order to accommodate Tenant's libraries, file rooms, unusual live loads and other such uses, provided such required floor loading is standard for commercial space generally. Any changes to the structural floor loading that are required to accommodate loads above that required in standard commercial space will be included in TI Total Costs.

(d) Upon Substantial Completion, Landlord, at its sole cost and expense, shall field-measure and verify the exact footage of the Premises and deliver said measurement to Tenant. Should this measurement be less than the square footage stated above, then Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1.1 of the Lease accomplished by the mutual execution of an amendment to the Lease. Landlord acknowledges the space has been marketed at the Lease indicated rental amount and in the

event of subsequent physical measurements, Landlord agrees there will be no increase made to the Base Rent if the measured square footage exceeds the amount represented by Landlord. 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.

2.3 **Base Building Plans.** Landlord will use its best efforts to deliver to Tenant complete and accurate "as built" plans and specifications for the Building in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via USB flash drive and set-up of a web-based download link. If Tenant incurs additional costs because such plans and specifications are incomplete, inaccurate, or unavailable then any delay caused thereby shall not be a Tenant Delay (as defined below), but shall be deemed to be a delay caused by Landlord, and Landlord shall pay for any increased costs caused by such delay. If Landlord does not have the "as built" plans and specifications available as specified above, Landlord will deliver to Tenant that material required pursuant to Section 2.4 below.

2.4 **Survey.** Where 'as-built' plans are missing, Landlord must perform or provide if available a survey of existing space, which shall include existing floor plans and mechanical, electrical, and plumbing systems that impact or are related to the Tenant Improvements. The survey shall be at Landlord's sole cost and expense. Landlord shall submit such survey to the Tenant such that the initial Space Plan (as defined in Section 5.1) can be modified to conform to the existing conditions.

3. **Selection of Architect.** Landlord shall not proceed with any bid solicitation for architectural services until final space plan is furnished to the Landlord. Once Landlord receives the final space plan, Landlord shall promptly solicit at least three (3) proposals from qualified licensed architects familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings (as defined below). Landlord shall select an architect, subject to Tenant's acceptance, which shall not be unreasonably withheld, and which acceptance (or rejection for reasonable reasons) shall be granted within five (5) calendar days after Landlord has submitted the name of the selected architect to Tenant, together with detailed proposals outlining the cost for design/engineering services. This procedure shall be repeated until Tenant accepts an architect (the "Architect"), and Tenant's written acceptance has been delivered to and received by Landlord.

4. **Selection of Contractor.** The Final Plans (as defined below) and a proposed construction contract accepted by Tenant shall be submitted to a sufficient number of qualified contractors, selected by Landlord, so that a minimum of three (3) bids are received. Each contractor shall be requested to submit a sealed fixed price contract bid price (on an American Institute of Architects (AIA) form) to construct the Tenant Improvements depicted on the Final Plans. Landlord shall select the most qualified bidder offering the lowest price after adjustments for inconsistent assumptions, and Landlord shall submit all bids, along with Landlord's recommendation, to Tenant for Tenant's review and acceptance. Following Tenant's acceptance, Landlord shall enter into a construction contract (the "Construction Contract") with the lowest qualified bidder (the "Contractor") to construct the Tenant Improvements, consistent with the terms of the accepted bid.

5. **Preparation of Plans and Specifications and Construction Schedule** 5.1 **Preparation of Space Plan.** Concurrently with the execution of this Lease, Tenant shall

submit to Landlord specifications for the Premises, which shall include a space plan, and when available, low voltage and furniture plans and shall depict, without limitation, all demising walls, corridors, entrances, exits, doors, and interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (collectively, the "Space Plan").

5.2 Preparation and Review of Working Drawings. Within thirty (30) days after the date the Space Plan is submitted to Landlord (the "Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of working drawings (the "Working Drawings"), which shall (a) be consistent with the Space Plan and the Preliminary TI Cost Summary (as defined below), (b) be compatible with the design, construction and equipment of the Building, (c) comply with all applicable laws, (d) be capable of physical measurement and construction, (e) contain all information required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and (f) include all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times provided that a schedule to submit the Working Drawings is provided to, and approved by, the Tenant. Landlord shall provide Tenant the Working Drawings, or such portion thereof as has been submitted, for Tenant's review and acceptance. Landlord shall be solely responsible for ensuring that the Working Drawings fully comply with all applicable building codes and cover any expenses that result from the errors, omissions or inconsistencies in the Architect's Instruments of Service.

5.3 Preparation and Review of Engineering Drawings. Landlord shall cause the Architect to coordinate with the Engineer and to integrate all engineering drawings prepared by the Engineer, including but not limited to complete mechanical, electrical, and plumbing plans ("Engineering Drawings"), into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review and acceptance.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has accepted the Engineering Drawings, Landlord shall cause the Architect to integrate the accepted Working Drawings with the accepted Engineering Drawings (collectively "Final Plans") and deliver the Final Plans to Tenant for Tenant's review in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via USB flash drive and set-up a web-based download link. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements), power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements. Landlord's review of the Space Plan, Working Drawings, Engineering Drawings, and Final Plans shall be at Landlord's sole cost and expense.

5.5 Tenant's Plan Review and Acceptance. Tenant shall accept or reject the Working Drawings, the Engineering Drawings and the Final Plans within twenty-one (21) calendar days after Tenant receives the applicable plans and drawings from Landlord. If Tenant rejects any such plans or drawings, then Tenant shall notify Landlord thereof, specifying in detail the reason for such rejection, in which case Landlord shall revise the applicable plans or drawings and deliver

revised plans or drawings to Tenant within fourteen (14) calendar days after receipt of Tenant's rejection notice. This procedure shall be repeated until the applicable plans are accepted by Tenant. If, after such procedure, the parties cannot agree on the Working Drawings, the Engineering Drawings or the Final Plans, then Tenant may elect to terminate the Lease and this Work Letter by delivering a written termination notice to Landlord, and the parties shall have no further obligations under the Lease and the Work Letter. Tenant's acceptance of the Working Drawings, Engineering Drawings and/or the Final Plans shall not be deemed to be a representation by Tenant as to the Building code adequacy or correctness of the design of the Tenant Improvements, which shall be Landlord's sole responsibility.

5.6 **Schedule.** Within twenty-one (21) calendar days of the Plan Submission Date, Landlord shall submit to Tenant a detailed baseline construction schedule, subject to acceptance by Tenant, which shall not be unreasonably withheld, setting forth the completion dates of certain project milestones, including but not limited to completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of the Construction Contract, construction commencement date, interim schedule milestone dates, and the date of Substantial Completion. The schedule shall be apportioned by construction activity and include time required for the completion of each portion of the work. As the construction continues, Landlord shall amend the construction schedule at least once each month to reflect any changes to the projected dates, and Landlord shall promptly submit the revised construction schedules to Tenant. If the amended construction schedule identifies delays to the project's critical path, the Landlord shall provide a recovery schedule and/or request for a contract time extension.

5.7 **Submittals.** The Landlord shall submit to Tenant any Shop Drawings, Product Data Sheets / Samples or similar submittals required by the Final Plans in coordination with the construction schedule and with reasonable promptness, so as not to cause any delay in the construction of the Tenant Improvements. The purpose of Shop Drawings, Product Data, Samples and similar submittals is to demonstrate the way by which the Contractor proposes to construct a design concept expressed in the Final Plans. "Shop Drawings" include drawings, diagrams, schedules and other data specially prepared by the Contractor or a subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Tenant Improvements. "Product Data Sheets / Samples" include illustrations, summary performance charts, instructions, brochures, diagrams, manufacturer specifications and other information furnished by the Landlord to illustrate materials or equipment for some portion of the Tenant Improvements. "Samples" are physical examples that illustrate materials, equipment or workmanship for some portion of the Tenant Improvements. The Contractor shall construct no portion of the Tenant Improvements for which the Final Plans require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been reviewed and accepted by the Architect.

6. **Landlord's TI Cost Summary and Payment of Total TI CostsCost Summary.** Within seven (7) calendar days after the Plan Submission Date, Landlord shall submit to Tenant a preliminary cost summary for the Tenant Improvements in a format similar to Addendum C attached hereto (the "Preliminary TI Cost Summary"), which must not exceed the sum of Landlord's TI Allowance and Tenant's TI Contribution. The Preliminary TI Cost Summary shall be revised into final form within ten (10) days after the date that the Contractor is selected and will be referred to herein as the "Final TI Cost Summary". Tenant shall have fourteen (14) calendar days after the date of receipt of the Final TI Cost Summary to accept or reject the Final TI Cost Summary, including but not limited to any Contractor overhead, profit and/or general conditions costs included therein; provided, however, that any proposed increase to Tenant's TI Contribution shown on the Final TI Cost Summary shall not be effective unless approved in a

separate written agreement executed by Landlord and Tenant. Tenant's failure to accept or reject the Final TI Cost Summary in writing within such period shall be deemed to be rejected. Construction of the Tenant Improvements shall not begin until Tenant accepts the Final TI Cost Summary in writing. If Tenant rejects the Final TI Cost Summary due to matters related to cost and the Final TI Cost Summary is ten percent (10%) or more higher in cost than projected in the Preliminary TI Cost Summary, then, at Tenant's request, Landlord shall cause the Architect and the Engineer to redesign the Tenant Improvements, to comply with the Preliminary TI Cost Summary, and any delay caused by the necessity to rebid or redesign the Tenant Improvements shall not be considered a Tenant Delay. If Tenant rejects the Preliminary TI Cost Summary or the Final TI Cost Summary, the parties shall promptly confer to resolve all issues relating thereto. If after such consultation, the parties cannot agree on the Preliminary TI Cost Summary or the Final TI Cost Summary, then Tenant may elect to terminate the Lease and this Work Letter by delivering written termination notice to Landlord and the parties shall have no further obligations under the Lease or this Work Letter.

6.2 Landlord's TI Allowance and Tenant's TI Contribution. All improvements required by the Final Plans, as further described in Addendum B hereto, and any and all modular furniture described in the Modular Specifications (as defined below) shall be referred to herein collectively, as "Tenant Improvements" or "TI." Costs of Tenant Improvements shall include costs for furniture, signage, soft costs, and any other costs approved in writing by Tenant (collectively "Total TI Costs"), all of which must not exceed the sum of Landlord's TI Allowance and Tenant's TI Contribution, and the cost of any Change Authorizations (as defined below) that are approved in writing by both parties. Landlord shall be solely responsible for any delay or increased cost in completing the Tenant Improvements except as otherwise provided in Section 13 or elsewhere in this Lease. Except as otherwise provided herein, all Total TI Costs shall be paid by Landlord and deducted from Landlord's TI Allowance. If the Total TI Costs exceed Landlord's TI Allowance, then Tenant may authorize Landlord to pay the overage in an amount not exceeding Tenant's TI Contribution. Thereafter, Tenant shall pay such overage to Landlord as provided in Section 6.3 below.

6.3 Method of Payment. Tenant shall be obligated to make in a lump sum payment or monthly payments for such loan amortized over the initial Term of the Lease commencing thirty (30) calendar days after all of the following conditions have been met: (i) Tenant Improvements are Substantially Complete (as defined in the Lease); (ii) Landlord has provided Tenant with all documentation substantiating all Tenant Improvements' expenses, including without limitation, receipts, invoices, proof of payment, unconditional lien releases and approved changed orders; and (iii) Tenant has reconciled all Tenant Improvements' costs to determine and confirm the total Tenant Improvements amount spent and the amount of Tenant's TI Contribution owed to Landlord

6.4 Base Rent Credit for Unused Portions of Landlord's TI Allowance. If the Total TI Costs are less than the Landlord's TI Allowance, then the amount of any unused portion of the Landlord's TI Allowance shall be applied as a credit against the next installment(s) of Base Rent due under the Lease.

7. Construction of Tenant Improvements Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto. If any work required by the Final Plans is not described on Addendum B hereto, such work shall be considered a Base Building Improvement, and shall be performed by Landlord at Landlord's cost and expense and not included in the cost of Tenant Improvements.

7.2 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and material suppliers providing labor and/or materials for the Tenant Improvements shall be selected only after a minimum of three (3) bids have been solicited from responsible and qualified persons. The bids shall include an itemized list of all materials and labor and shall include all additional costs, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Landlord shall also obtain a minimum of three (3) bids from responsible and qualified bidders for the purchase and installation of Tenant's office furniture system, if applicable, in accordance with Section 9.1 below.

7.3 Permits. Landlord shall obtain the approval of all applicable governmental authorities and all permits required for the Tenant Improvements, promptly after Tenant's acceptance of the Final Plans. Landlord shall obtain plan check approval prior to soliciting bids from contractors pursuant to Section 4 hereof.

7.4 Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within a commercially reasonable time after Tenant's acceptance of the Contractor pursuant to Section 4 hereof. Contractor shall obtain the building permit for the Tenant Improvements prior to the commencement of construction. Thereafter, Landlord shall diligently proceed to construct and complete all Tenant Improvements in a good and workmanlike manner, subject only to any cessation that may be caused by Force Majeure Delays

7.5 Construction. Construction of the Tenant Improvements will be subject to the following terms and conditions:

(a) **Notice of Nonresponsibility.** Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

(b) **Decorating Decisions.** All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, flooring and base, and any other decor selection efforts required by Tenant, shall be provided by Landlord, as a Total TI Cost expense, in accordance with Tenant's Space Plan. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) **Warranties.** Landlord warrants that the Tenant Improvements shall be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of Substantial Completion (as defined in the Lease). In the event longer warranty terms are provided by vendors and contractors selected by the Tenant, the warranty provided to the Tenant shall be equal such extended period. Landlord shall require each contractor and subcontractor to provide warranties of like duration in all construction contracts relating to the Tenant Improvements and, upon Tenant's request, Landlord shall assign to Tenant any such warranties relating to the Tenant Improvements. Patent defects in the Tenant Improvements shall be brought to Landlord's attention promptly. Latent or hidden defects in the Tenant Improvements shall be brought to Landlord's attention promptly upon Tenant's becoming aware of such defects. Landlord, shall cause its contractors and 'subcontractors to promptly cause such defects to be

repaired following receipt of notice thereof, and Tenant shall have the same rights with respect thereto as set forth herein for all other punch-list items.

(d) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, the cost of which is included in Total TI Cost, whether in the Premises or in other areas utilized by Landlord or its contractors, and Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of substandard work performed by Landlord's contractor or contractors (as reasonably determined according to the usual standards of work in the Building).

(e) Compliance with Laws. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. **Without limiting the generality of the foregoing, construction of the Tenant Improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Tenant Improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site. Notwithstanding the foregoing or any language to the contrary contained herein, the payment of prevailing wages according to the current prevailing wage scale and compliance with applicable prevailing wage statutes shall be required where there is a Tenant's TI Contribution made towards the Total TI Costs of the Tenant Improvements to be performed.**

(f) Access During Construction. Tenant shall have the right to conduct site visits to observe progress of the Tenant Improvements during the course of construction. Additionally, pursuant to Section 4.3 of the Lease, Tenant shall be entitled to enter the Premises at least thirty (30) calendar days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Landlord and Tenant shall use reasonable good faith efforts to coordinate the work of their respective contractors to achieve timely completion of the Tenant Improvements and Tenant's installation work.

7.6 Completion/Close Out. The Premises shall not be considered Substantially Complete until the Tenant Improvements have been completed in accordance with the Final Plans and Section 4.1 of the Lease, subject only to the completion of minor punch-list items that will not interfere with Tenant's use and occupancy of the Premises for Tenant's permitted and intended use under the Lease. Upon Substantial Completion of the Tenant Improvements, Landlord shall notify Tenant in writing and, within fourteen (14) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises and prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord. Landlord, shall cause all punch-list items to be repaired or completed as soon as possible, but in no event later than thirty (30) days following the walk-through inspection, the cost of any such punch-list items shall be paid as part of the Total TI Cost if applicable. If Landlord fails to complete any of the punch-list items within such 30-day period, then Tenant, in addition to its other rights and remedies under the Lease, after giving ten (10) days written notice to Landlord, shall have the right, but not the obligation, to cause such punch-list items to be

completed, with the cost thereof to be deducted from the amount payable by Tenant with respect to such Tenant Improvement work yet to be completed.

7.7 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and Landlord's receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted in an AutoCAD 2015 (or later version) format, along with one complete set of plans and specifications Adobe PDF electronic format via USB flash drive and set up of a web-based download link.

8. Requests for Change. Tenant and Landlord may request changes, additions, deletions or substitutions in the Final TI Plans (each, a "Request for Change"), provided that the requesting party must submit a written request to the other party and that Requests for Change will not be effective unless approved in writing by both Tenant and Landlord (a "Change Authorization"). Only the County's Chief Executive Officer or his/her designee is authorized to execute Change Authorizations on behalf of Tenant. If Tenant requests any changes or substitutions to the Final TI Plans ("Tenant-Requested Changes"), then any additional costs related thereto in excess of Landlord's TI Allowance shall be paid by Tenant, provided that Tenant executes a written Change Authorization prior to the performance of the applicable work. Landlord shall be solely responsible for the cost of any Change Authorizations or other Requests for Change that are not Tenant-Requested Changes or approved by the Chief Executive Officer or his/her designee. Landlord shall submit to the Chief Executive Officer or his/her designee with each Request for Change: (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Authorizations previously executed, and (iii) an estimate of the number of days by which the construction time will be increased or shortened if the Request for Change is approved. Each Change Authorization must be signed and dated by tenant department, Landlord and the Chief Executive Officer or his/her designee in order to be effective.

9. Furniture System Tenant shall deliver to Landlord within fourteen (14) calendar days after the date of full execution of this Work Letter, modular furniture plans and specifications (the "Modular Specifications"). Based on the Modular Specifications, as part of the Total TI Costs, Landlord shall prepare modular furniture specifications bid package for submission to no less than three (3) furniture vendors. The bid package shall be broken down into separate line items for material, delivery, and sales tax, and each furniture item shall be broken down by unit price, quantities, description and specification. Prior to submission for bids, Landlord shall review the bid package with Tenant, and Tenant shall have the right to accept or reject the bid package. Landlord shall order the modular furniture set forth in the Modular Specifications and cause the same to be installed within the Premises, all of which shall be a Total TI Cost, payable by Landlord and/or Tenant as provided in Section 6.2 and Section 6.3 hereof. Tenant's acceptance of any bid package shall be deemed to be a representation by Tenant as to the adequacy or correctness of any specifications contained therein.

9.2 Alternatively, Tenant may elect to finance the cost of modular furniture through lease-purchase financing with a third-party lender ("Creditor"). If Tenant elects to enter into a lease-purchase financing of any furniture or telecommunications equipment (individually or collectively, "Personal Property") through a Creditor, Landlord expressly agrees as follows:

(a) The Personal Property shall not become part of the real property, but shall remain personal property removable by the Creditor and its assigns, provided that any damage to the Building or the Premises caused by such removal shall be repaired by Creditor.

(b) Landlord must receive written notice from Creditor of any plan by Creditor to remove the Personal Property from the Building.

(c) This Section 9.2 shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

(d) Landlord hereby waives any right to gain possession of any of Personal Property during the term of the Lease.

10. Total TI Costs Adjustment and Right to Audit. Within seven (7) calendar days of the issuance of a Certificate of Occupancy for the Premises or a final sign-off by the County of Los Angeles, whichever occurs first, Landlord shall provide to Tenant a statement showing (a) all Total TI Costs in reasonable detail and sorted into the same line items as the Final TI Cost Summary, and (b) the amount of Total TI Costs that is in excess of Landlord's TI Allowance and payable hereunder by Tenant to Landlord. Upon approval of such statement by Tenant, payments by either party pursuant to the Lease and this Work Letter shall be adjusted as appropriate based upon such statement. Tenant shall have the right to audit the Total TI Costs at any time after the date of Tenant's Acceptance of the Premises. If the audit shows that Tenant is entitled to a reduction in payments made by Tenant to the Landlord pursuant to this Work Letter, then Tenant shall provide Landlord with a copy of the audit summary, and inform Landlord if Tenant wants Landlord to pay Tenant the amount of any over-payment made by Tenant within thirty (30) calendar days or if Tenant will apply such amount as a credit against the next installment(s) of Base Rent due under the Lease, and any future payments owed by Tenant shall be adjusted as appropriate based upon the audit results. Landlord shall require the Contractor to include audit provisions in all subcontracts which allow Tenant to audit the subcontractors' books and records with respect to the Tenant Improvements.

11. Telephone/Computer Room and Equipment Landlord shall complete the telephone equipment room(s), including permanent power and supplemental VAC for the server room, in compliance with the Space Plan, Low-Voltage Plan and specifications provided by Tenant, at least thirty (30) calendar days prior to the Estimated Commencement Date. During this thirty (30) day period, the Landlord shall be responsible for the security and protection of any telephone/data equipment delivered to the site prior to the Estimated Commencement Date.

12. Delay

12.1 Tenant Delays and Force Majeure Delays. Except as set forth in this Section 13, Tenant shall not be charged as a result of any delay in the construction of Tenant Improvements. Subject to the provisions of Section 13.2, the Estimated Commencement Date set forth in the Lease shall be extended one (1) day for each day that: (a) Tenant fails or refuses to give authorizations or approvals within the time periods required herein, but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (b) Substantial Completion of the Tenant Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage, restrictive governmental laws or regulations, declarations, quarantines or containments, pandemics, epidemics and governmental regulations imposed in connection therewith, breaches of cybersecurity, inability to procure materials not related to the price thereof, or delays in processing approvals by a governmental body or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)").

12.2 Limitations.

(a) **Notice.** No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless, within forty eight (48) hours of the event giving rise to such claim, Landlord provides Tenant with written notice in compliance with the Lease specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction, or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred, commencing as of the date Tenant received such notice from Landlord.

(b) **Mitigation.** Tenant Delays and Force Majeure Delays shall delay the Estimated Commencement Date only if Substantial Completion of the Tenant Improvements is delayed, despite Landlord's reasonable efforts to adapt and compensate for such delays, efforts which Landlord shall be obligated to make (provided that the additional cost incurred by Landlord due to such efforts does not exceed \$1,000 on a cumulative basis, unless Tenant agrees to pay the excess).

(c) **Concurrent Delays.** Tenant Delays and Force Majeure Delays shall be recognized hereunder only if they are not concurrent with any other Tenant Delay or Force Majeure Delay that is effective hereunder. For example, if fourteen (14) calendar days of Tenant Delays and six (6) calendar days of Force Majeure Delays occur during the same fourteen (14) calendar day period, then the Estimated Commencement Date would be extended by only fourteen (14) calendar days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Estimated Commencement Date would be extended by twenty (20) calendar days.

(d) **Change Authorizations.** Landlord may not claim that a Tenant-Requested Change was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the executed Change Authorization and affects the Critical Path of the Construction Schedule.

(e) **Work Scope Precedence.** In case of conflicts or discrepancies between or among this Landlord Work Letter, plans, and specifications, plans shall supersede specifications for quantity, specifications shall supersede plans for quality, and this Landlord Work Letter shall supersede both plans and specifications.

13. Tenant Remedies. If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time following completion of construction drawings, taking all factors into consideration, or if the Tenant Improvements have not been completed within six (6) months after the Estimated Commencement Date, then Tenant may, at its option:

13.1 Cancel the Lease upon thirty (30) calendar days' written notice to Landlord; or

13.2 Upon thirty (30) calendar days' written notice to Landlord, assume the responsibility for constructing and/or completing the Tenant Improvements itself. If Tenant elects to construct or complete the Tenant Improvements itself, then:

(a) Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto; and

(b) Base Rent shall be reduced by Landlord's TI Allowance used by County for constructing the Tenant Improvements and Tenant's total construction management expense for constructing the Tenant Improvements, not to exceed five percent (5%) of the TI Cost. The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over five (5) years and deducted from the Base Rent payable under the Lease.

Any default by Landlord under the terms of this Work Letter shall constitute a Landlord Default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

14. Representatives~~Tenant Representative~~. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.2 of the Lease.

14.2 Landlord Representative. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.2 of the Lease.

15. Elevator Usage During Move-In. In the event that the use of the freight elevators and/or hoists is not sufficient to meet Tenant's requirements during the early entry period set forth in Section 4.3 of the Lease, (a) Landlord shall cause to be made operational a temporary construction elevator and hoist, or (b) Tenant shall have priority usage of two (2) passenger elevators in the elevator bank that services the Premises in order to assist Tenant in the installation of Tenant's fixtures, furniture and equipment. Any elevator usage provided under this Section 15 shall be at no cost to Tenant.

16. Construction Meetings. During the course of construction, meetings shall be held between the Landlord, Contractor, Architect, and Tenant at least once per week, unless Tenant

directs otherwise, at a time and place that is mutually convenient. An initial construction meeting shall be held within seven (7) calendar days after the date the Contractor is selected. Contractor shall provide minutes of each construction meeting to Tenant within a reasonable time thereafter, but not later than three (3) calendar days after the date of the construction meeting.


17. **Delivery.** Delivery of all plans and drawings referred to in this Work Letter shall be either by commercial messenger service, personal hand delivery or Landlord can set up a web-based download, unless otherwise agreed by Landlord and Tenant.

18. **Miscellaneous.** This Landlord Work Letter sets forth the entire understanding and agreement between the Parties with respect to the subject matter of this Landlord Work Letter. This Landlord Work Letter may be amended only in a writing signed by both Parties. Any notice to a party for a breach of this Landlord Work Letter must be delivered in writing per the terms as set forth in Section 30.6 of the Lease. This Landlord Work Letter shall be construed as if jointly drafted by the parties. This Landlord Work Letter will not be effective unless and until signed by both Parties. Neither party may assign this Landlord Work Letter or its rights or obligations hereunder without the other party's prior written consent. This Landlord Work Letter will be binding upon, enforceable by and inure to the benefit of the Parties and each of their successors and permitted assigns. Provisions contained in this Landlord Work Letter shall prevail in case of conflict over the terms of the Lease. This Landlord Work Letter is hereby incorporated into and made part of the Lease. All the terms and conditions of the Lease remain in full force and effect, except as expressly indicated otherwise in this Landlord Work Letter. This Landlord Work Letter will become effective as of the Effective Date and shall continue in effect, except to the extent it is amended or terminated in accordance with terms of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as of the dates set forth below.

LANDLORD:

SONNENBLICK DEL RIO NORWALK LLC,
a Delaware limited liability company

By: 
Name: Nelson Del Rio
Title: Co-Manager
Date Signed: _____

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

Landlord has constructed (or will construct) the Building to include the following:

- (a) the Building shell and exterior, including perimeter window systems and mullions in good condition. If building has not been constructed or is still under construction, no tenant improvements work shall commence until building has been signed off by the City having jurisdiction and Certificate of Occupancy has been received.
- (b) Must also include including mechanical, electrical, sprinkler, plumbing, Fire life safety, air conditioning, ventilation and structural systems within the Building core, stubbed out to the face of the core wall at locations determined by Landlord;
- (c) toilet rooms per applicable code, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;
- (d) Appropriate covering of the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows. Also included:
- (e) public stairways;
- (f) passenger and freight elevators;
- (g) parking facilities;
- (h) ground floor lobby;
- (i) finished elevator lobbies (with carpet, lights, finished walls and ceiling);
- (j) exterior plazas and landscaping;
- (k) loading dock and/or area;
- (l) at least one (1) water bottle filling drinking fountain available in the Building on the floor of the Premises;
- (m) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;
- (n) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets on floors 1, in which case Landlord, at no cost to Tenant and without deduction from Landlord's TI Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);
- (o) two (2) 208/120 and one (1) 480/277 Volt (VAC) panels connected to the Building power system;

- (p) mechanical equipment room with ducted mechanical exhaust system;
- (q) concrete floors with troweled finish ready for tenants floor finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;
- (r) standard window coverings;
- (s) primary VAC duct for cooling to loop from the mechanical equipment room around the building core;
- (t) cold air loops located within the Premises;
- (u) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;
- (v) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;
- (w) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building; and
- (x) Appropriate coverings on the service core walls, columns and sills in the Premises.
- (y) Demolition and removal of any existing improvements (partitions, existing demising walls, flooring, ceilings, etc.) or equipment situated within the Premises, unless the Final Plans show that such improvements and/or equipment will remain in the Premises.
- (z) Create full height demising walls, separate out mechanical, electrical, and/or plumbing as required to provide basic service to the Premises.
- (aa) Modernize and provide access to the restrooms located directly adjacent to the Premises.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include:

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (d) Interior partitions, doors and hardware within the Premises;
- (e) Terminal boxes or other VAC or air distribution devices and systems to or within the Premises;
- (f) Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (g) Distribution of electrical services, plumbing services and sprinklers from the core to or within the Premises, and domestic hot water heater and associated hot water piping, if any;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms and extinguishers;
- (j) Additional and/or above standard electrical capacity including any supplemental VAC, installed for the Tenant's server room; and;
- (k) Fiber optic access.

ADDENDUM C To Landlord's Work Letter

PRELIMINARY AND FINAL TI COST SUMMARY

___ Preliminary TI Cost Summary
___ Final TI Cost Summary

Lease No. _____
Address _____

Cost Category

Architecture and Engineering Contract	\$
Plan Check Fees & Permits	\$
General Contractor	\$
(Profit)	\$
(Overhead)	\$
Furniture	\$
Other (Specify)	\$
Total TI Costs	\$