

COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICER Fesia A. Davenport

OPERATIONS CLUSTER AGENDA REVIEW MEETING

 DATE:
 April 26, 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

<u>AGENDA</u>

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

1. Call To Order – Carlos Arreola/Anthony Baker

2. INFORMATIONAL ITEM(S):

- A) Board Letter: COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS CEO/CLASS - Jennifer Revuelta, Principal Analyst
- B) Board Memo:

NOTICE OF INTENT TO NEGOTIATE A SOLE SOURCE CONTRACT WITH PANORAMIC SOFTWARE, INC. TO REPLACE THE CLIENT AND ASSET MANAGEMENT LEGACY SYSTEM TTC/CIO - Keith Knox, Treasurer and Tax Collector, Elizabeth Buenrostro Ginsberg, Chief Deputy and Lisa Proft, Assistant Treasurer and Tax Collector

C) Board Letter:

EIGHT-YEAR LEASE DEPARTMENT OF HEALTH SERVICES 1100 CORPORATE CENTER DRIVE, SUITE 100, MONTEREY PARK CEO/RE - Alexandra Nguyen-Rivera, Section Chief D) Board Letter:
 FIVE-YEAR LEASE
 SHERIFF'S DEPARTMENT
 901 CORPORATE CENTER DRIVE, SUITE 310, MONTEREY PARK
 CEO/RE - Alexandra Nguyen-Rivera, Section Chief

 E) Board Letter: FIVE-YEAR LEASE DEPARTMENT OF PUBLIC HEALTH 6101 WEST CENTINELA AVENUE, SUITE 300, CULVER CITY CEO/RE - Alexandra Nguyen-Rivera, Section Chief

3. **PRESENTATION/DISCUSSION ITEMS:** None available.

- Public Comment

 (2 Minutes Each Speaker)
- 5. Adjournment

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

- A) DPH/CIO SOLE SOURCE AMENDMENT WITH ACCELA INC.
- B) ISD/CIO APPROVAL OF JOINT FUNDING AGREEMENT WITH THE UNITED STATES GEOLOGICAL SURVEY 3D ELEVATION PROGRAM FOR ACQUISITION OF QUALITY LEVEL 1 AIRBORNE LIDAR FOR THE LOS ANGELES REGION IMAGERY ACQUISITION CONSORTIUM 7
- C) TTC ISSUANCE AND SALE OF 2023-24 TAX AND REVENUE ANTICIPATION NOTES
- D) CEO/CP MUSIC CENTER PARKING STRUCTURE REPAIR CATEGORICAL EXEMPTION, ESTABLISH AND APPROVE CAPITAL PROJECT NO. 87956, APPROVE PROJECT BUDGET AND APPROPRIATION ADJUSTMENT AND AUTHORIZE USE OF JOB ORDER CONTRACT
- E) ASSESSOR/EO AUTHORIZATION FOR THE ASSESSOR TO AMEND SERVICES CONTRACTS FOR AS-NEEDED HISTORICAL DOCUMENT PRESERVATION AND IMAGING SERVICES

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	🛛 Board Memo	□ Other
CLUSTER AGENDA REVIEW DATE	4/26/2023	
BOARD MEETING DATE	5/16/2023	
SUPERVISORIAL DISTRICT AFFECTED	All 1 st 2 nd	□ 3 rd □ 4 th □ 5 th
DEPARTMENT(S)	CHIEF EXECUTIVE OFFICE	
SUBJECT	COUNTYWIDE CLASSIFICA	TION/COMPENSATION ACTIONS
PROGRAM		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🗌 Yes 🛛 No	
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No	
	If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS		
COST & FUNDING	Total savings: \$165,000 (all funds)	Funding source:
	Total cost: \$12,000 (NCC)	
	TERMS (if applicable):	
	Explanation:	
PURPOSE OF REQUEST		
BACKGROUND (include internal/external issues		unclassified classification in the Sheriff's Department Office of Constitutional Policing (UC) (Item No. 9214) - \$17,120.28 - \$26,625.54
that may exist including any related motions)	Family Services, Co	eight (8) positions in the Departments of Beaches and Harbors, Children and bonsumer and Business Affairs, and Mental Health.
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ⊠ No If Yes, please state which one	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Ema Jennifer Revuelta, Principal	ail: Analyst, (213) 974-1783, <u>JRevuelta@ceo.lacounty.gov</u>



CEO May 16, 2023 General Reclass Board Letter Summary

<u>CEO Classification/Compensation Contact Information:</u> Ann Havens, Senior Manager, (213) 974-9960, <u>AHavens@ceo.lacounty.gov</u> Jennifer Revuelta, Principal Analyst, (213) 974-1783, <u>jrevuelta@ceo.lacounty.gov</u>

This Board Letter includes:

- 1. Addition of one (1) unclassified classification in the Sheriff's Department
 - Director, Office of Constitutional Policing (UC) (Item No. 9214) \$17,120.28 \$26,625.54
- 2. Reclassification of eight (8) positions in the Departments of Beaches and Harbors, Children and Family Services, Consumer and Business Affairs, and Mental Health.

BOARD OF SUPERVISORS Hilda L. Solis First District Holly J. Mitchell Second District Lindsey P. Horvath Third District Janice Hahn Fourth District Kathryn Barger Fifth District



COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration500 West Temple Street, Room 713, Los Angeles, CA 90012(213) 973-1101ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

May 16, 2023

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

Dear Supervisors:

COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS (ALL DISTRICTS) (3 VOTES)

SUBJECT

This letter and accompanying ordinance will update the tables of classes of positions and the departmental staffing provisions by adding one (1) unclassified classification; and reclassifying positions in various County departments.

IT IS RECOMMENDED THAT THE BOARD:

Approve the accompanying ordinance amending Title 6-Salaries, of the County Code to:

- 1. Add one (1) unclassified classification in the Sheriff's Department; and
- 2. Reclassify eight (8) positions in the Departments of Beaches and Harbors, Children and Family Services, Consumer and Business Affairs (DCBA), and Mental Health (DMH).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Board of Supervisors (Board) has requested submission of classification letters on a periodic basis throughout the year to implement recommended actions in a timely manner. Approval will provide the ordinance authority for County departments to implement the classification and compensation changes in this letter.

These recommendations will ensure the proper allocation of positions based upon the duties and responsibilities assigned to these jobs and as performed by the incumbents (Attachment A and B). This is a primary goal of the County's classification and compensation system.

These actions are recommended based upon generally accepted professional principles of classification and compensation. Furthermore, these actions are important in addressing departmental operational needs and in maintaining consistency in personnel practices throughout the County. The proper allocation of positions facilitates efficient business operations and can reduce the number of costly personnel-related issues.

New Unclassified Classification

We are recommending the establishment of the Director, Office of Constitutional Policing (UC) (Item No. 9214) classification to direct the Office of Constitutional Policing in the Sheriff's Department (Attachment A). This single position class will report directly to the Sheriff and will be responsible for providing oversight, leadership, and strategic direction to the Office of Constitutional Policing in managing consent decrees, monitorships, lawsuits, court orders, settlement agreements, and all investigations pertaining to the Sheriff's Department. This classification will have responsibility for administering internal audits and compliance programs; addressing risk management issues; formulating and updating departmental policies and procedures; developing training programs; and working with oversight entities such as the Office of the Inspector General and the Civilian Oversight Commission to facilitate inquiries, investigations, and access to departmental information.

Reclassifications

There are eight (8) positions in four (4) departments being recommended for reclassification (Attachment B). The duties and responsibilities assigned to these positions have changed since the original allocations were made. Therefore, the subject positions would be more appropriately classified in the recommended classes.

Implementation of Strategic Plan Goals

Approval of the accompanying ordinance will further the County Strategic Plan Goal III – Realize Tomorrow's Government Today. Specifically, it will address Strategy III.3 to Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The projected budgeted annual savings resulting from the recommended reclassifications is estimated to total \$165,000 (all funds). Net County cost is estimated to be \$12,000. Cost increases associated with upward reclassification actions will be absorbed within the Adopted Budget for each affected department. No additional funding is required.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County Charter authorizes the establishment and maintenance of "a classification plan and the classification of all positions." This responsibility is further delineated in Civil Service Rule 5.

The accompanying ordinance implementing amendments to Title-6, Salaries, of the County Code, has been approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these classification recommendations will enhance the operational effectiveness of the departments through the proper classification and compensation of positions.

Respectfully submitted,

FESIA A. DAVENPORT Chief Executive Officer

FAD:JMN:AC:AYH JR:AS:mmg

Enclosures

c: Executive Office, Board of Supervisors County Counsel Auditor-Controller Human Resources Affected Departments

N:\CLASSIFICATION\ABCD - BOARD LETTERS - WORKING FILE\BOARD LETTER - RECLASS 05.16.23\5.16.23 General Reclass BL (draft 1).docx

CLASSIFICATION PLAN CHANGES

ATTACHMENT A

UNCLASSIFIED CLASSIFICATION RECOMMENDED FOR ADDITION TO THE CLASSIFICATION PLAN

Proposed Savings/ Cafeteria Benefit Plan	ltem No.	Title	Sal	ule and
Savings/ Megaflex	9214	Director, Office of Constitutional Policing (UC)	R18	N23

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

BEACHES AND HARBORS

No		No	
of	Present	of	Classification
Pos.	Classification	Pos.	Findings
4	Contract Monitor, Recreational Services Item No. 8861A NMO 96L Non-Represented	3	Contract Program Monitor Item No. 4229A NMO 100C Non-Represented Management Analyst Item No. 1848A NMO 97A Non-Represented
1	Supervising Contracts Monitor, Beaches and Harbor Item No. 8863A NMO 102L Non-Represented	1	Administrative Services Manager I Item No. 1002A NMO 103L Non-Represented

The three (3) subject Contract Monitor, Recreational Services positions located in the Enforcement and Parking Services Unit (EPSU) report directly to a Supervising Contract Monitor, Beaches and Harbors position. The subject positions are responsible for managing and directing the daily activities of parking services contractors. The subject positions provide scheduling, revenue monitoring, and deployment of parking services for beach-related and marina-related events, while ensuring contractor performance is in compliance with negotiated terms and departmental standards. The subject positions investigate and address any contractors' deficiencies and prepare monitoring reports detailing review of contractors' performance and corrective actions to be taken. The duties and responsibilities of the subject positions meet the classification criteria of Contract Program Monitor, a classification responsible for monitoring, auditing, and evaluating a private agency's performance in providing the appropriate kind and level of service included in a contractual agreement. Therefore, we recommend upward reallocation of the subject positions to Contract Program Monitor.

The one (1) subject Contract Monitor, Recreational Services position located in the Contracts and Grants Unit reports directly to an Administrative Services Manager II. The subject position is responsible for the monitoring, maintenance, and periodic auditing and site inspections of service contracts pertaining to landscaping, security, custodial services, and parking. The subject position handles all administrative

BEACHES AND HARBORS (Continued)

components of the contracts, such as ensuring County and department employment requirements are met and completed prior to carrying out services of the agreements; reviewing contract terms and compliance with the County's Living Wage requirements; reviewing contractor invoices; maintaining contract expenditures to ensure expenditures are within their budgeted amount; reviewing contractors' performance, investigating complaints, and communicating inspection results that may include areas to correct deficiencies; and developing discrepancy reports and assessing liquidated damages for contract violations. The duties and responsibilities of the subject position meet the classification criteria of Management Analyst, a classification that performs a variety of analytical, technical, and/or confidential and sensitive assignments in core functional areas such as contract development and administration. Therefore, we recommend upward reallocation of the subject position to Management Analyst.

The subject Supervising Contracts Monitor, Beaches and Harbors position reports directly to a Division Chief, Beaches and Harbors and is responsible for the operation and administration of EPSU's contract monitoring, compliance, planning, and implementation activities of its parking operations. The duties and responsibilities of the subject position meet the classification criteria of Administrative Services Manager I, a classification that independently performs a full range of difficult to complex analytical assignments and makes recommendations on complex issues which directly impact departmental programs and administrative operations, and which may be of a confidential or sensitive nature. Therefore, we recommend upward reallocation of the subject position to Administrative Services Manager I.

No of Pos.	Present Classification	No of Pos.	Classification Findings
1	Children Services Administrator III Item No. 9088A NMO 116K Non-Represented	1	Assistant Regional Administrator, Children and Family Services Item No. 9085A NMO 116K Non-Represented

CHILDREN AND FAMILY SERVICES

The subject Children Services Administrator III position is located in the Resource Family Approval (RFA), Courts, and Adoptions Bureau, RFA Division, RFA Administration, and reports directly to a Division Chief, Children and Family Services. The RFA Division is responsible for the recruitment and assessment of resource parents to provide family-based placement homes for dependent children. The position is responsible for managing RFA assessment units, and manages daily operations, through subordinate

CHILDREN AND FAMILY SERVICES (Continued)

supervisors, by assisting with complex case management, data tracking and reporting, monitoring performance, reviewing, and approving personnel matters, and responding to client inquiries.

The duties and responsibilities of the subject position meet the classification criteria for Assistant Regional Administrator, Children and Family Services, a class that is responsible for managing, through subordinate supervisors, the daily operations of a regional office. Therefore, we recommend lateral reallocation of the subject position to Assistant Regional Administrator, Children and Family Services.

No of Pos.	Present Classification	No of Pos.	Classification Findings
1	Administrative Services Manager III Item No. 1004A NMO 116K Non-Represented	1	Departmental Human Resources Manager I Item No. 1883A N23 S9 Non-Represented

CONSUMER AND BUSINESS AFFAIRS

The subject Administrative Services Manager III position is located in Administration and reports to an Administrative Deputy I. The primary purpose of the subject position is to supervise, direct, and manage the human resources functions of DCBA's Human Resources Division. The duties and responsibilities of the subject position meets the classification criteria for Departmental Human Resources Manager I, a class with responsibility for planning, directing, administering, and evaluating all human resource functions for a small size County department. Based on the reporting relationship to the Administrative Deputy I; management of human resources functional areas; and responsibility for planning, development, implementation, and administration of a comprehensive human resources program for a small size County department, we recommend reallocation of the subject position to Departmental Human Resources Manager I.

MENTAL HEALTH

No of Pos.	Present Classification	No of Pos.	Classification Findings
1	Mental Health Clinical Chief (UC) Item No. 4718A N42 E18 Non-Represented	1	Deputy Director, Mental Health (UC) Item No. 4707A N23 R15 Non-Represented

The subject Mental Health Clinical Chief (UC) position reports to a Senior Deputy Director and is responsible for planning, developing, and coordinating mental health services for juvenile justice-involved and forensic-involved clients; directing juvenile justice and post incarceration programs; developing and modifying policies and procedures for justiceinvolved services; and serving as the department's liaison to the Board, Probation Department, and Sheriff's Department, and other internal and external stakeholders on matters related to juvenile justice and post incarceration juvenile programs. The duties and responsibilities of the position meet the classification criteria for Deputy Director, Mental Health (UC), a class that is responsible for directing the development and administration of mental health programs for DMH. Therefore, we recommend downward reallocation of the subject position to Deputy Director, Mental Health (UC).

ANALYSIS

This ordinance amends Title 6 - Salaries of the Los Angeles County Code by:

- Adding and establishing the salary for one unclassified classification; and
- Adding, deleting, and/or changing certain employee classifications and number of ordinance positions in the departments of Beaches and Harbors, Children and Family Services, Consumer and Business Affairs, and Mental Health.

DAWYN R. HARRISON County Counsel

By:

RICHARD D. BLOOM Principal Deputy County Counsel Labor & Employment Division

ORDINANCE NO.

An ordinance amending Title 6 - Salaries of the Los Angeles County Code to add and establish the salary for one unclassified classification; and add, delete, and/or change certain employee classifications and number of ordinance positions in various departments to implement the findings of classification studies.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 6.28.050 (Tables of Classes of Positions with Salary Schedule and Level) is hereby amended to add the following class:

ITEM NO.	TITLE	EFFECTIVE DATE	SALARY SALARY SCHEDU LEVEL	-
<u>9214</u>	DIR, OFFICE OF CONSTL POLICING(UC)	* <u>10/01/2023</u> 10/01/2024	<u>R18</u> <u>R18</u> <u>R18</u>	<u>N23</u> N23 N23

*The Executive Office/Clerk of the Board of Supervisors shall insert the effective date for the salary or salary schedule and level in the space provided for the salary changes made to Section 6.28.050 of the County Code.

SECTION 2. Section 6.42.010 (Department of Beaches and Harbors) is hereby amended to delete the following classes and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
8861A	4	CONTRACT MONITOR, RECREATIONAL SVCS
8863A	1	SUPERVISING CONTRACTS MONITOR, B & H

SECTION 3. Section 6.42.010 (Department of Beaches and Harbors) is hereby

amended to add the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
<u>4229A</u>	<u>3</u>	CONTRACT PROGRAM MONITOR

SECTION 4. Section 6.42.010 (Department of Beaches and Harbors) is hereby

amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDINA POSITIC		TITLE
1002A	7	<u>8</u>	ADMINISTRATIVE SERVICES MANAGER I
1848A	3	<u>4</u>	MANAGEMENT ANALYST

SECTION 5. Section 6.53.010 (Department of Children and Family Services) is

hereby amended to change the number of ordinance positions for the following classes:

ITEM NO.	NO. OF ORDIN POSITI	ANCE	TITLE
9085A	123	<u>124</u>	ASST REGIONAL ADMINISTRATOR, CFS
9088A	53	<u>52</u>	CHILDREN SERVICES ADMINISTRATOR III

SECTION 6. Section 6.60.010 (Department of Consumer and Business Affairs) is

hereby amended to add the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE	
1883A	1	DEPTL HUMAN RESOURCES MANAGER I	

SECTION 7. Section 6.60.010 (Department of Consumer and Business Affairs) is

hereby amended to change the number of ordinance positions for the following class:

ITEM NO.	NO. OF	ANCE	TITLE		
	POSITI	ONS			
1004A	2	<u>1</u>	ADMINISTRATIVI	E SERVICES MANAGER	

SECTION 8. Section 6.86.010 (Department of Mental Health) is hereby amended to

delete the following class and number of ordinance positions:

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
4718A	4	MENTAL HEALTH CLINICAL CHIEF(UC)

SECTION 9. Section 6.86.010 (Department of Mental Health) is hereby amended to

change the number of ordinance positions for the following class:

ITEM NO.	no. of Ordinai Positio		TITLE
4707A	9	<u>10</u>	DEPUTY DIRECTOR, MENTAL HEALTH(UC)

SECTION 10. Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately upon final passage.

[642010ASCEO]

COUNTY OF LOS ANGELES POSITION DESCRIPTION

ITEM NUMBER: 9214

APPROVAL DATE: XXXXXXXX

TITLE: DIRECTOR, OFFICE OF CONSTITUTIONAL POLICING (UC)

DEFINITION:

Directs the operations of the Office of Constitutional Policing in the Sheriff's Department.

CLASSIFICATION STANDARDS:

The single position allocable to this class reports directly to the Sheriff and provides oversight, leadership, and strategic direction to the Office of Constitutional Policing in managing consent decrees and monitorships, lawsuits, court orders, settlement agreements, and all investigations pertaining to the Sheriff's Department. This position has responsibility for administering internal audits and compliance programs; addressing risk management issues; formulating and updating departmental policies and procedures; and developing training programs. The position will have responsibility for enhancing internal accountability; ensuring the department complies with constitutional policing principles; and assisting the department with its commitment to meet community public safety concerns through a forward-looking evaluation of current policy, procedures, and training. The position will manage the department's Audit and Accountability Bureau, Risk Management Bureau, Department of Justice Compliance Unit and Constitutional Policing Teams.

EXAMPLES OF DUTIES:

Plans, organizes, directs, and evaluates the work of the Office of Constitutional Policing through subordinate managers.

Directs the Office of Constitutional Policing in managing consent decrees and monitorships, lawsuits, risk management issues, settlement agreements, and all investigations pertaining to the Sheriff's department.

Works with the Office of County Counsel in coordinating efforts related to litigation or legal issues and developing strategies to assist the department and the County in emerging from consent decrees, monitorships, and settlement agreements.

Addresses risk management concerns by predicting and identifying potential risks, developing action plans in response to the risk, and measuring the effectiveness of implemented programs; provides status reports and/or updates to the Sheriff on current and potential risk concerns, including the development of a departmental course of action.

Oversees the conduct of law enforcement audits designed to assess the department's risk management, internal controls, and governing processes; provides recommendations for improvement of current department policies, procedures, and practices.

Establishes and maintains effective relationships with the Office of Inspector General (OIG), the Office of County Counsel, the Office of the District Attorney, the Civilian Oversight Commission (COC), the National Association for Civilian Oversight of Law Enforcement, elected officials, and public and private agencies.

Works with oversight entities such as the OIG and the COC to facilitate inquiries, investigations, and access to departmental information.

Oversees the formulation, development and updating of departmental policies and procedures to comply with the law.

Advises the Sheriff and its executive management on sensitive and controversial issues affecting the department.

Assesses the work of the division to determine areas for streamlining and civilianization.

Developing training programs to address policy changes.

Manages special projects as assigned by the Sheriff.

MINIMUM REQUIREMENTS

TRAINING AND EXPERIENCE:

Graduation with a Juris Doctor degree or its equivalent from a law school accredited by the Committee of Bar Examiners or approved by the American Bar Association, or by the California Post-Secondary Education Commission -and- five years management experience in overseeing complex high-profile projects with legal implications, developing law enforcement policies, and providing advice or counsel regarding compliance and risk management related to public safety.

LICENSE:

Admission to practice law in all courts of California.

A valid California Class C Driver License or the ability to utilize an alternate method of transportation when needed to carry out job-related essential functions.

PHYSICAL CLASS:

2 - Light.

BOARD LETTER/MEMO CLUSTER FACT SHEET

Board Memo

□ Board Letter

Other

CLUSTER AGENDA REVIEW DATE	4/26/2023				
BOARD MEETING DATE	TBD				
SUPERVISORIAL DISTRICT AFFECTED	⊠ All □ 1 st □ 2 nd □ 3 rd □ 4 th □ 5 th				
DEPARTMENT(S)	Treasurer and Tax Collector (TTC)				
SUBJECT	Notice of Intent to negotiate a Sole Source Contract to replace the Client and Asset Management Legacy System				
PROGRAM	N/A				
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🗌 Yes 🛛 No				
SOLE SOURCE CONTRACT	🛛 Yes 🗌 No				
	If Yes, please explain why: To replace TTC/ Public Administrator's (PA) Client and Asset Management Legacy System (CAMS) which has reached end-of-life. This will enable the PA to meet statutory requirements to account for and safeguard assets.				
DEADLINES/ TIME CONSTRAINTS					
COST & FUNDING	Total cost: Funding source: \$115,000 *initial cost Departmental Budget				
	\$300,000 **annually TERMS (if applicable):				
	Explanation: *Includes initial data conversion, training, and system deployment **Charge estimated at \$25,000/month or \$300,000/annually				
PURPOSE OF REQUEST	To replace the PA CAMS which has reached end-of-life, permitting the PA to meet the statutory requirements to account for and safeguard assets.				
BACKGROUND (include internal/external issues that may exist including any related motions)	CAMS was developed using Oracle software, and the TTC was notified that this legacy system platform has reached end-of-life and will not be supported long-term. Although the Internal Services Department procured extended support from Oracle through December 2023, Oracle has not committed to extending support beyond that date. The TTC explored multiple options before recommending this sole source contract negotiation. TTC issued a Request for Information on October 28, 2021, and sought responses to determine whether an existing off-the-shelf product would meet the operational needs of the PA. After reviewing and testing multiple software solutions, we determined that Panoramic Software, Inc., which currently services 80% of the PA and Public Guardian programs statewide, offered a compatible replacement system at a fraction of our current, annual costs.				
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ⊠ No If Yes, please explain how:				
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ⊠ No If Yes, please state which one(s) and explain how:				
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Keith Knox, Treasurer and Tax Collector, (213) 974-2101 <u>kknox@ttc.lacounty.gov</u> Elizabeth Buenrostro Ginsberg, Chief Deputy TTC, (213) 974-0703 <u>eginsberg@ttc.lacounty.gov</u> Lisa Proft, Assistant Treasurer and Tax Collector, (213) 974-0418 <u>lproft@ttc.lacounty.gov</u>				



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration 500 West Temple Street, Room 437, Los Angeles, California 90012 Telephone: (213) 974-2101 Fax: (213) 626-1812 ttc.lacounty.gov and propertytax.lacounty.gov

April 26, 2023

- KEITH KNOX TREASURER AND TAX COLLECTOR
 - TO: Supervisor Janice Hahn, Chair Supervisor Hilda L. Solis Supervisor Holly J. Mitchell Supervisor Lindsey P. Horvath Supervisor Kathryn Barger
 - FROM: Keith Knox Treasurer and Tax Collector

SUBJECT: NOTICE OF INTENT TO NEGOTIATE A SOLE SOURCE CONTRACT WITH PANORAMIC SOFTWARE, INC. TO REPLACE THE CLIENT AND ASSET MANAGEMENT LEGACY SYSTEM

In accordance with Board Policy No. 5.100 requiring advance notification of prospective sole source contracts, this letter is to inform you that the Treasurer and Tax Collector (TTC) intends to negotiate a sole source contract with Panoramic Software, Inc. (Panoramic) to replace the Public Administrator's (PA) Client and Asset Management legacy system, which has reached end-of-life. Following the conclusion of negotiations, a contract will be submitted to the Board for approval.

Background

The PA is mandated by the Probate Code to take prompt possession of a deceased person's property that is deemed to be subject to loss, and inventory, collect, account for, and store the property for safekeeping until the estate administration concludes. To manage cases and account for every item collected, the PA worked with a vendor, and in 2011, created the Client and Asset Management System (CAMS). CAMS was developed using Oracle software, and the TTC was notified that this legacy system platform has reached end-of-life and will not be supported long-term. Although the Internal Services Department (ISD) procured extended support from Oracle through December 2023, Oracle has not committed to extending support beyond that date.

The TTC explored multiple options before recommending this sole source contract negotiation. First, we reached out to ISD because they maintain and support CAMS. ISD stated that the platform had reached end-of-life and determined that the only viable option was to completely re-write the CAMS software. The TTC did not pursue this option due to the estimated costs, risks (e.g., ability to keep the ISD contractor familiar with the CAMS code on the project, learning curve required to add a new

Board of Supervisors

HILDA L. SOLIS First District

HOLLY J. MITCHELL Second District

LINDSEY P. HORVATH Third District

JANICE HAHN Fourth District

KATHRYN BARGER Fifth District Each Supervisor April 26, 2023 Page 2

developer) and time necessary for custom development. Secondly, we considered attempting to maintain the legacy system beyond Oracle's committed timeframe, but determined this was not in the TTC's long-term, best interests due to the level of risk and the availability of a viable, cost-effective alternative (detailed below). Thirdly, we issued a Request for Information (RFI) to explore whether an existing off-the-shelf product could meet operational needs and received several responses. After reviewing and testing multiple software solutions, we determined that Panoramic, which currently services 80% of the PA and Public Guardian (PG) programs statewide, offered a compatible replacement system at a fraction of our current, annual costs. To ensure that the PA is best positioned to account for and safeguard the assets entrusted into our care and manage cases in accordance with statutory requirements, the TTC recommends entering into sole source negotiations with Panoramic.

Justification

The TTC's recommendation is based on the following:

- <u>Immediacy</u> Panoramic's software solution is available for immediate implementation, with minor modifications. This allows the TTC to meet the end-of-life deadline of the current CAMS legacy system and mitigate the risks associated with an unsupported system. The TTC determined not to issue a Request for Proposal because of the time constraints involved, the costs of custom development and the learning curve implicit with a vendor unfamiliar with our operational needs. Instead, we issued an RFI and learned that a software solution already existed which services the majority of PA and PG statewide.
- <u>Familiarity of Services</u> Panoramic currently offers software solutions to approximately 80% of the PA and the PG programs statewide. This eliminates the significant learning curve associated with a custom developed software solution. In addition, the TTC would benefit from previously developed program enhancements for other jurisdictions.
- <u>Cost Savings</u> Currently, the TTC pays approximately \$1.3 million annually to operate and maintain CAMS. Most of the system costs are related to Oracle licensing and hosting multiple servers at ISD's data center. Through the procurement of Panoramic, the TTC anticipates saving an estimated \$1 million annually after full implementation of the new system.

Each Supervisor April 26, 2023 Page 3

Cost

The costs to procure Panoramic, which includes initial data conversion, customization, training, and system deployment, is approximately \$115,000. Additionally, Panoramic charges approximately \$25,000/month or \$300,000 annually, for hosting and software licensing. The TTC will budget these costs within its existing appropriation.

Timeline

Pursuant to Board Policy No. 5.100, the TTC must provide a four-week Board notification to enter into sole source negotiations. The TTC will proceed with Sole Source negotiations with Panoramic four weeks from the date of this notification, unless otherwise instructed by the Board. The Chief Information Office has reviewed and concurs with this sole source justification. In addition, this matter was briefed at the Operations Cluster Meeting on April 26, 2023. Upon completion of successful negotiations, the TTC will present to your Board the Board Letter requesting approval to enter into a sole source contract with Panoramic.

Should you have any questions, please contact me directly or your staff may contact Lisa Proft, Assistant Treasurer and Tax Collector, of my staff at (213) 974-0418 or <u>LProft@ttc.lacounty.gov</u>.

KK:EBG:LP:em

c: Chief Executive Officer Executive Officer, Board of Supervisors Chief Information Officer County Counsel

SOLE SOURCE CHECKLIST

Department Name:

- □ New Sole Source Contract
- Sole Source Amendment to Existing Contract
 Date Existing Contract First Approved:

Check (✓)		JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS Identify applicable justification and provide documentation for each checked item.
		Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an " <i>Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.</i> "
	\triangleright	Compliance with applicable statutory and/or regulatory provisions.
		Compliance with State and/or federal programmatic requirements.
		Services provided by other public or County-related entities.
		Services are needed to address an emergent or related time-sensitive need.
		The service provider(s) is required under the provisions of a grant or regulatory requirement.
	A	Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
	A	Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
	\checkmark	Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	\checkmark	It is more cost-effective to obtain services by exercising an option under an existing contract.
	A	It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time savings and excessive learning curve for a new service provider, etc.). In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

Chief Executive Office

Date

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	□ E	Board Memo	□ Other			
CLUSTER AGENDA REVIEW DATE	4/26/2023					
BOARD MEETING DATE	5/16/2023					
SUPERVISORIAL DISTRICT AFFECTED	All 🛛 1 st 🗌	2 nd 3 rd 4 th 5 th				
DEPARTMENT(S)	Health Services					
SUBJECT	spaces at 1100 Corpora	al for 15,280 square feet of office ite Center Drive, Suite 100, Mont				
PROGRAM	Correctional Health Ser	vices				
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🛛 Yes 🗌 No					
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No					
	If Yes, please explain w	hy: N/A				
DEADLINES/ TIME CONSTRAINTS	Lease has been on mor penalty.	th-to-month holdover since Febr	uary 14, 2022, with no			
COST & FUNDING	Total cost: \$3,968,000	Funding source: Rental costs are 100% funded	by net county cost.			
	the first year, wherein th	The proposed lease will have an le landlord will be responsible for ial, repair and maintenance to th	all operating expenses,			
	Explanation: Sufficient funding to cover the proposed rent 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 Health Services. Health Services has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent and additional parking for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be fully funded with NCC that is already included in DHS' existing budget unless additional NCC is requested by DHS and approved through the annual budget process.					
PURPOSE OF REQUEST	Approval of the recomm office space for Health S	ended actions will authorize and Services.	provide continued use of			
BACKGROUND (include internal/external issues that may exist including any related motions)		the subject location since June 2 needs of Health Services.	010. The facility adequately			
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ⊠ No If Yes, please explain he	ow:				
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ⊠ No If Yes, please state whic	ch one(s) and explain how:				
DEPARTMENTAL CONTACTS	Alexandra Nguyen-Rive CEO- Real Estate Divisi 213-974-4189 arivera@ceo.lacountv.g	ion				

BOARD OF SUPERVISORS Hilda L. Solis First District Holly J. Mitchell Second District Lindsey P. Horvath Third District Janice Hahn Fourth District Kathryn Barger Fifth District



COUNTY OF LOS ANGELES

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

CHIEF EXECUTIVE OFFICER Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

May 16, 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 DEPARTMENT OF HEALTH SERVICES 1100 CORPORATE CENTER DRIVE, SUITE 100, MONTEREY PARK (FIRST DISTRICT) (3 VOTES)

SUBJECT

Approval of a proposed eight-year lease to renew an existing lease to provide the Department of Health Services (DHS) continued use of 15,280 square feet of office space and 61 on-site parking spaces for the Correctional Health Services (CHS) program.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
- 2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with Seanda Properties, LLC, a California limited liability company (Landlord), for approximately 15,280 square feet of office space, and 61 on-site parking spaces located at 1100 Corporate Center Drive, Suite 100, Monterey Park (Premises), for continued occupancy by DHS. The estimated maximum first year base rental cost is \$438,576, including 61 on-site parking spaces, and with the option to rent an additional ten spaces at \$70 per space per month, is equal to \$446,976. The estimated total lease cost is \$3,968,000 over the eight-year term. The rental costs will be funded 100 percent by net County cost (NCC).

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DHS has occupied the Premises since June 16, 2010. In 2017, DHS took over operation of the patient care services within the four County correctional facilities and requires space to house its administrative and clinical support services. As a result of legal settlements with the Department of Justice, DHS is obligated to provide expanded services to patients pending release from prison.

CHS is a program within DHS that manages the delivery of health care services in the Countywide correctional facilities. The patients served reside in the Twin Towers Correctional Facility, Men's Central Jail, Century Regional Detention Center, and the North County Correctional Facility.

In addition to direct patient care services provided inside the correctional facilities, CHS also requires office space to provide supportive services, such as placement of patients into post-release health, housing, social services programs, and substance use disorder treatment, as well as administrative functions, such as information systems, contract management, program audits, and quality improvement. Such services are necessary to facilitate re-entry into society and avoid future incarceration due to medical, mental health, or substance use issues.

There is insufficient space within the correctional facilities to accommodate these non-direct patient care operations. The proposed lease will allow DHS to continue to provide services in, and to, the correctional facilities. This is a non-client office and is occupied by 93 employees.

Approximately two-thirds of the staff are permanently assigned to this location and spend 80 to 100 percent of their work hours in the Premises. The remaining one-third use the Premises as a home base and travel to the correctional facilities, or to the field to provide services and support patients when they telework.

The existing lease expired on February 13, 2022, and is currently on a month-to-month holdover basis with no holdover fee. DHS has requested that the existing lease be renewed so that it may continue to occupy the Premises.

The Premises is near public transportation including Metro Local Line 258 and local public transit services through the Monterey Park Spirit 4/5 lines and is accessible from the 710 freeway to the west of the location.

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

Implementation of Strategic Plan Goals

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

The proposed lease is also consistent with the Strategic Asset Management Plan Goal – Strengthen connection between service priorities and asset decisions; and Key Objective No. 5 – Fund Highest Priority Needs.

The proposed lease supports these goals and objective by renewing the use of an existing facility that provides proper accommodations for office and ancillary space in a centrally located facility that is accessible for employees.

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

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost is \$438,576, including 61 on-site parking spaces, and with the option to rent an additional ten spaces at \$70 per space per month, is equal to \$446,976. The aggregate cost associated with the proposed lease over the entire term is \$3,968,000, as shown on Enclosure B-1 which will be funded 100 percent by NCC.

Sufficient funding to cover the proposed rent and parking 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 DHS. DHS has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent and parking for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be fully funded with NCC that is already included in DHS' existing budget unless additional NCC is requested by DHS and approved through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease, the annual rental rate will increase from \$26.85 per square foot, per year to \$28.70 per square foot, per year. The base rental rate is subject to annual fixed increases of 3 percent per annum.

- A comparison of the existing lease terms and the proposed lease is shown on Enclosure B-2.
- In addition to certain improvements to the property at Landlord's sole cost and expense, the Landlord will also provide a tenant improvement allowance of \$15 per rentable square foot or \$229,200. The tenant improvement work will include new paint and carpet throughout the Premises as well as any other minor improvements specified by the County.
- If the County initiates a change to the Landlord's base tenant improvement work, the Landlord will provide a maximum change order allowance of up to \$5,000, which shall be paid by the County to the Landlord in a lump sum payment.
- The Landlord is responsible for all of the operating and maintenance costs of the Premises and is also responsible for utilities and janitorial costs. The County is not subject to property tax increases.
- The 61 on-site parking spaces are included at no additional cost. The parking spaces include six exclusive reserved parking spaces and 55 unreserved spaces. The County may rent ten additional spaces at \$70 per space per month.
- An eight-year initial term with a one-time right to terminate early after the 72nd month upon 120 days' notice.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will be at the base rent at the time of the proposed lease expiration.
- The proposed lease will be effective upon approval by the Board and the term and rent shall commence upon the first day of the month following Board approval and full execution of the proposed lease by both parties.

The Chief Executive Office conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.00 and \$33.36 per square foot, per year. The base annual rental rate of \$28.70 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. Due to the costly tenant improvements and moving costs associated with a new space, remaining in the proposed Premises is the cost-effective choice for DHS. In addition, the Monterey Park market does not have many spaces available, creating a tight market with very few larger blocks of available office space. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

Based on CHS requiring office space to provide supportive services, such as placement of patients into post-release health, housing, social services programs, and substance use disorder treatment, as well as administrative functions, such as information systems, contract management, program audits, and quality improvement, co-working facilities are not appropriate due to the nature of this use.

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

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

County Counsel has reviewed the proposed lease and 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 are necessary to carry out the work of the county government.

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

ENVIRONMENTAL DOCUMENTATION

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

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

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

Respectfully submitted,

FESIA A. DAVENPORT Chief Executive Officer

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

Enclosures

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

DEPARTMENT OF HEALTH SERVICES 1100 CORPORATE CENTER DRIVE, SUITE 100, MONTEREY PARK

1.	0.0	cupancy	Yes	No	N/A
1.			163	NO	N/A
	А	Does lease consolidate administrative functions?		X	
	В	Does lease co-locate with other functions to better serve clients?			X
	С	Does this lease centralize business support functions?			X
	D	Does this lease meet the guideline of 200 sq. ft of space per person? The ratio is approximately 164 sf per person.		x	
	Е	Does lease meet the 4/1000 sq. ft. parking ratio guideline?	x		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location?	x		
2.	Car	bital			
	A	Is it a substantial net County cost (NCC) program? The rental costs will be funded 100 percent by NCC that is already included in DHS' existing budget.		х	
	в	Is this a long-term County program?	х		
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		х	
	D	If no, are there any suitable County-owned facilities available?		х	
	Е	If yes, why is lease being recommended over occupancy in County-owned space?			х
	F	Is Building Description Report attached as Attachment C?	х		
	G	Was build-to-suit or capital project considered? The County already occupies the facility and a capital project was not considered.		х	
3.	Por	tfolio Management			
	А	Did department utilize CEO Space Request Evaluation (SRE)?	х		
	в	Was the space need justified?	х		
	С	If a renewal lease, was co-location with other County departments considered?			х
	D	Why was this program not co-located?			
		1 The program clientele requires a "stand alone" facility.			
		2 No suitable County occupied properties in project area.			
		3. X No County-owned facilities available for the project.			
		4 Could not get City clearance or approval.			
		5 The Program is being co-located.			
	Е	Is lease a full-service lease?	х		
	F	Has growth projection been considered in space request?	x		
	G	¹ Has the Dept. of Public Works completed seismic review/approval?	х		1

Asset Management Principles Compliance Form¹

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

1100 Corporate Center Drive, Monterey Park Department of Health Services

Basic Lease Assumptions

Leased Area (sq.ft.)	15,280	
Rent (per sg. ft.) ⁽¹⁾	Monthly	Annual
Rent (per sq. n.)	\$2.3919	\$28.70
	Monthly	Annual
Rent Amount (\$)	\$36,548.00	\$438,576.00
Term (Month/Years)	96 months	8 years
Annual Rent Adjustment	3%	
	Monthly	Annual
Additional Parking Costs (per parking space for 10 spaces)	\$70.00	\$840

	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⁾	\$438,576	\$451,733	\$465,285	\$479,244	\$493,621	\$508,430	\$523,683	\$539,393	\$3,900,000
Parking Costs ⁽²⁾	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400	\$68,000
Total Cost Paid to Landlord	\$446,976	\$460,133	\$473,685	\$487,644	\$502,021	\$516,830	\$532,083	\$547,793	\$3,968,000
Total Annual Lease Costs	\$446,976	\$460,133	\$473,685	\$487,644	\$502,021	\$516,830	\$532,083	\$547,793	\$3,968,000

Footnotes

⁽¹⁾ The Base Rent is subject to fixed three percent (3%) increases per annum and includes 61 on-site parking spaces.

⁽²⁾ Parking costs include 10 additional parking spaces at a cost of \$70 per month per parking space.

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

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 1100 Corporate Center Drive, Suite 100, Monterey Park	Proposed Lease 1100 Corporate Center Drive, Suite 100, Monterey Park	Change
Area (Square Feet)	15,280 sq. ft.	15,280 sq. ft.	No Change
Term (years)	5 years	8 years	+3 years
Annual Base Rent	Base Rent \$410,221 \$26.85 per sq. ft. annually	Total \$438,576 ⁽¹⁾ \$28.70 per sq. ft. annually	+\$28,355 annually
Parking (included in Base Rent)	61	61	No Change
Additional Parking (10 spaces at \$70 per space)	None	\$8,400 annually	+8,400 annually
Total Annual Lease Costs Payable to Landlord	\$410,221	\$446,976	+36,755
Rental Rate Annual Adjustment	Annual CPI adjustments capped at 4 percent with 2.5 percent minimum.	Annual fixed rental adjustments at 3 percent	Fixed at 3 percent

¹ The proposed lease is full-service, where the Landlord pays for all utilities, including electricity, gas, and water, along with other costs associated with operations, building maintenance and repairs.

DEPARTMENT OF HEALTH SERVICES

SPACE SEARCH – 3 MILE RADIUS FROM 1100 CORPORATE CENTER DRIVE

			Ownership	Gross Sq	
LACO	Name	Address	Туре	Ft	Vacant
	Biscailuz – Administration	1060 N. Eastern Ave.,			
4526	Building	Los Angeles 90063	Owned	16,571	None
	ISD Administrative	1100 N. Eastern Ave.,			
5863	Headquarters	Los Angeles 90063	Owned	80,309	None
	Fire – Employee Relations				
	Office/LPSB/EMS &	1255 Corporate Center Drive,			
A324	Homeland	Monterey Park, 91754	Leased	37,132	None
	Fire – Administrative	1320 N. Eastern Ave.,			
3542	Headquarters Building	Los Angeles, 90063	Owned	39,015	None
	Probation – East Los	144 S. Fetterly Ave.,			
4364	Angeles Area Office	Los Angeles, 90022	Owned	15,584	None
	DCFS/LASD/Fire/Ops/ISD	2525 Corporate Place,			
A015	Corporate Place	Monterey Park 91754	Leased	35,248	None
	Sheriff – Homicide Bureau	1 Cupania Circle,			
4521	& Parole Compliance	Monterey Park 91755	Leased	42,547	None
	Sheriff – Personnel and	101 Centre Plaza Dr.,			
A423	Recruitment Center	Monterey Park 91754	Leased	37,590	None

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Eight-year Lease for DHS – 1100 Corporate Center Drive, Suite 100, Monterey Park – First District.

- A. Establish Service Function Category Managed Care Division Program
- B. **Determination of the Service Area –** The existing office space has been occupied since June 16, 2010. The proposed lease term will provide DHS with continued use of 15,280 square feet of office space and 61 on-site parking spaces.

C. Apply Location Selection Criteria to Service Area Data

- <u>Need for proximity to service area and population</u>: This location meets the needs of DHS and remains in an appropriate area.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- <u>Proximity to public transportation</u>: The location is adequately served by local transit services, including Metro Local Line 258 and local public transit services through the Monterey Park Spirit 4/5 lines, and is accessible from the 710 freeway to the West of the location.
- <u>Availability of affordable housing for County employees</u>: The surrounding area provides for affordable rental opportunities.
- Use of historic buildings: N/A
- <u>Availability and compatibility of existing buildings</u>: There is no space available in existing County-owned buildings to meet the departments service needs.
- <u>Compatibility with local land use plans</u>: The City of Monterey Park has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- <u>Estimated acquisition/construction and ongoing operational costs</u>: The aggregate cost associated with the proposed lease over the entire term is approximately \$3,968,000.

D. Analyze results and identify location alternatives

The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.00 and \$33.36 per square foot, per year. The base annual rental rate of \$28.70 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. Due to the costly tenant improvements and moving costs needed should DHS relocate to a new space, remaining in the proposed space is the most cost-effective choice. In addition, the Monterey Park market does not have many spaces available, creating a tight market with very few larger blocks of available office space. 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 93 DHS employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Department's requirements.

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

COUNTY OF LOS ANGELES- Tenant

SEANDA PROPERTIES, LLC - Landlord

1100 CORPORATE CENTER DRIVE

SUITE 100

MONTEREY PARK, CALIFORNIA 91754

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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

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

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

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 <u>Terms</u>

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

(a) Landlord's Add Notices:	ress for <u>Seanda Properties, LLC</u> <u>Attention: Juan Gutierrez</u> <u>1100 Corporate Center Drive, Suite 201</u> <u>Monterey Park, CA 91754</u> Email: jgutierrez@koacorp.com
(b) Tenant's Addre 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 15,280 rentable square feet, designated as Suite 100, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d)	Building:	The Building located at 1100 Corporate
	Dunung.	Center Drive, Monterey Park, California, 91754 which is currently assessed by the County Assessor as APN 5237-022-009 (collectively, the "Property");
(e)	Term:	Eight (8) years, commencing upon the first day of the calendar month following approval of the Lease by the Board of Supervisors and full execution of the Lease by both parties (the "Commencement Date"), and terminating at midnight on the day before the eighth (8 th) 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 for which an option has been validly exercised.
(f)	Estimated Commencement Date:	N/A
(g)	Irrevocable Offer Expiration Date: (see Section 33)	None
(h)	Base Rent: Full-Service Gross	\$36,548.00 per month, or \$438,576.00 per year for the first (1st) year subject to adjustment pursuant to Section 5.2.
		(i.e. \$2.3919 per rentable square foot per month.)
(i)	Early Termination (see Section 4.4)	One (1)-time right at the at the end of the 72 nd month after the Commencement Date upon 120 days' notice
(j)	Rentable Square Feet in the Premises:	15,280 rentable square feet
(k)	Initial Departmental Use:	General offices and for any other lawful use, subject to Section 6.
(1)	Parking Spaces:	61 parking spaces (55 unreserved spaces and 6 exclusive reserved spaces).
		Tenant may rent an additional 10 spaces at \$70 per space per month with no increase in fee throughout term

(m)	Tenant's Hours of Operation:	7 a.m. to 6 p.m. Monday through Friday, and 9 a.m. to 1 p.m. on Saturdays
(n)	Asbestos Report:	A report dated December 22, 2021 prepared by Global Environmental & Consulting, Inc., a licensed California Asbestos contractor
(o)	Seismic Report	A report dated September 29, 2009 prepared bythe Department of Public Works.
(p)	Disabled Access Survey	A report dated December 7, 2021 prepared by ADA Compliance Professionals, Inc.
(q)	Security Deposit	None

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

2. <u>PREMISES</u>

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.

3. <u>COMMON AREAS</u>

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

4. COMMENCEMENT AND EXPIRATION DATES

4.1 <u>Term</u>

The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as <u>Exhibit B</u>.

4.2 Early Termination

Tenant shall have the right to terminate this Lease on the Early Termination date specified in Section 1.1, by giving Landlord not less than four (4) months prior written notice, executed by Tenant's Chief Executive Officer or his/her designee. If this Lease is terminated pursuant to this provision, Tenant will reimburse Landlord for the unamortized amount of the TI Allowance. If the Tenant does not exercise the termination right on the Early Termination date, the Tenant will be obliged to continue and fulfill the full Term of this Lease.

4.3 <u>Lease Expiration Notice</u>

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. <u>RENT</u>

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

5.2 Base Rent Adjustments

(a) From and after the first (1st) Anniversary of the Commencement Date, on the first (1st) day of the first (1st) full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be increased by three percent (3%) of the Base Rent payable in the immediately preceding month, as shown on the table below.

Year	Monthly Base Rent	Annual Base Rent
1	\$36,548.00	\$438,576.00
2	\$37,644.44	\$451,733.28
3	\$38,773.77	\$465,285.24
4	\$39,936.99	\$479,243.88
5	\$41,135.10	\$493,621.20
6	\$42,369.15	\$508,429.80
7	\$43,640.22	\$523,682.64
8	\$44,949.43	\$539,393.16

6. <u>USES</u>

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays. Tenant will be permitted to replace the initial tenant department with any County of Los Angeles Department or Division or associated agency at its sole discretion.

7. <u>HOLDOVER</u>

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.

8. <u>COMPLIANCE WITH LAW</u>

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof

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

9. DAMAGE OR DESTRUCTION

9.1 Damage

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the Amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

9.2 <u>Tenant Termination Right</u>

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

9.3 Damage In Last Year

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

(a) Landlord shall have no obligation to restore the Premises;

- (b) Landlord may retain all insurance proceeds relating to such destruction, and
- (c) This Lease shall terminate as of the date which is thirty (30) days after such written notice of termination.
 - 9.4 Default By Landlord

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

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

10. REPAIRS AND MAINTENANCE

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

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

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

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

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

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

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

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.
 - 10.2 Landlord Obligations
- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
 - i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
 - ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
 - v. signage;
 - vi. emergency exit signage and battery replacement;
 - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
 - viii. Light fixtures, bulbs, tubes and ballasts.
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.

10.3 Tenant Obligations

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

- be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;
- (b) be at least equal in quality, value and utility to the original work or installation; and
- (c) be in accordance with all applicable laws.
 - 10.4 <u>Tenant's Right to Repair</u>
- (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 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) <u>Heating, Ventilation and Air Conditioning (HVAC)</u>

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in <u>Exhibit C</u> attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment. If requested by Tenant in writing not less than 24 hours in advance, Landlord may charge its actual costs of providing HVAC services outside the Tenant's Hours of Operation, but in no event in a greater amount than \$40 per hour.

(b) Electricity

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

(c) <u>Elevators</u>

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

(d) <u>Water</u>

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

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) nights per week, generally consistent for normal office purposes to a standard comparable to other first-class buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in <u>Exhibit D</u> attached hereto.

(f) <u>Access</u>

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

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in <u>Exhibit D</u> attached hereto and agrees to resolve all current issues in the Premises to the Tenant's satisfaction.

11.2 Utilities

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

12. <u>TAXES</u>

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

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

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency and notify Tenant immediately thereafter.

14. <u>TENANT DEFAULT</u>

14.1 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 <u>Termination</u>

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

14.3 No Effect on Indemnity

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

15. LANDLORD DEFAULT

15.1 <u>Remedies</u>

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more

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

- (a) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) to terminate this Lease.
 - 15.2 <u>Waiver</u>

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, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 <u>Sale</u>

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

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale of transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

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

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

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

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

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

17.2 End of Term

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

18. <u>CONDEMNATION</u>

18.1 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 <u>Restoration</u>

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

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

18.5 <u>Award</u>

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

18.6 <u>Waiver of Statute</u>

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 <u>Tenant's Indemnity</u>

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

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

20.1 <u>Waiver</u>

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

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

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to

and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

- (a) Evidence of Coverage and Notice to Tenant
 - i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
 - ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
 - iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars and list any Tenant-required endorsement forms.
 - iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
 - v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

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

Landlord also shall promptly notify Tenant of any third-party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

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

(c) Cancellation of or Changes in Insurance

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

(d) Failure to Maintain Insurance

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

(e) Insurer Financial Ratings

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

(f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

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

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR. The Tenant retains the right to require Landlord to reduce or eliminate policy deductibles and SIRs as respects the Tenant, or to provide a bond guaranteeing Landlord's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(I) Tenant Review and Approval of Insurance Requirements

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

- 20.3 Insurance Coverage Types And Limits
- (a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:
 - i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

- 20.4 <u>Landlord Requirements</u>: During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:
- (a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

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

- (b) Commercial Property Insurance. Such insurance shall:
 - i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
 - ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of exclusive reserved parking spaces and unreserved parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a nonexclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable. Provided however, Tenant may rent an additional ten (10) parking spaces at Seventy Dollars (\$70) per space per month, and such cost shall not increase during the Term of this Lease.

21.2 <u>Remedies</u>

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

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

22. ENVIRONMENTAL MATTERS

22.1 <u>Hazardous Materials</u>

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 safetyrelated laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

22.2 Landlord Indemnity

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

23. ESTOPPEL CERTIFICATES

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

24. TENANT IMPROVEMENTS

24.1 Landlord Work

Landlord, at Landlord's sole cost and expense (exclusive of the Tenant Improvement Allowance), shall perform the work necessary to remove accessibility barriers in that certain ADA Site Accessibility Evaluation dated December 7, 2021 prepared by ADA Compliance Professionals, Inc., specifically related to Findings 10, 12, 13, 16, 18, 19, 20, 21, 22, 23 and 24. In addition, Landlord shall work with Tenant to find a solution for the other findings so that there are no tripping hazards from the parking lot to the building. Lastly, Landlord will provide one (1) vanaccessible parking space which is acceptable for Tenant's use. All of the above is the "Landlord's Work".

24.2 <u>Tenant Improvement Allowance</u>

In addition to the Landlord Work, Landlord shall refurbish and improve the Premises ("Tenant Improvements") at Landlord's sole costs and expense not to exceed Fifteen Dollars (\$15.00 per RSF), or \$229,200 ("Tenant Improvement Allowance") within 90 days' from full execution of the Lease. Tenant Improvements shall consist of 1. Replacing the carpet throughout. This would include moving

and lifting of furniture; 2. Painting the Premises throughout; and 3. Any other miscellaneous requests that Tenant may make, including costs related to furniture, fixtures, and/or equipment, which does not exceed the Tenant Improvement Allowance. Tenant shall provide Landlord with Tenant's specifications. Any unused portion of the Tenant Improvement Allowance shall be credited and applied toward Base Rent next due.

24.3 Landlord and Contractor Obligations

Landlord and Landlord's contractors shall be responsible for controlling the Landlord and Tenant Improvement ("TI") Work and shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. seq., if applicable. Landlord shall solicit three (3) bids from qualified and licensed contractors, including a schedule, with respect to the TI Work. Following Tenant's approval of the final plans and pricing for the TI Work, Landlord shall diligently proceed to complete the TI Work in a good and workmanlike manner in accordance with the final plans and pricing.

24.4 <u>Completion</u>

All work related to the Tenant Improvements shall be coordinated with Tenant's Project Manager in advance of commencing any work and shall be performed during non-business hours of Tenant. To the extent that such work cannot be completed during non-business hours, Landlord shall use its best efforts to perform the work in a manner so as to minimize any disruption of Tenant's use of the Premises.

24.5 <u>Delay</u>

Completion may be delayed by:

- a. Acts or omissions of Tenant or its employees or agents (including any change orders requested by Tenant), or
- b. Any act of God which Landlord could not have reasonably foreseen and provided for, or
- c. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Landlord cannot overcome with reasonable effort and which Landlord could not have reasonably foreseen and provided for, or
- d. Any war or declaration of a state of national emergency, or
- e. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the tenant improvements.

24.6 Change Requests

All Tenant-initiated and approved change requests shall not exceed a total cost of Five Thousand Dollars (\$5,000), and Landlord shall not be required to accept any particular change request if the total cost of prior Tenant-initiated change requests exceeds Five Thousand Dollars (\$5,000). The Chief Executive Officer or his/her

designee is hereby authorized to approve change requests on behalf of Tenant. Tenant shall pay for change request costs in a lump sum. Landlord, or Landlord's contractor, shall submit to the Chief Executive Officer or his/her designee with each change request (a) the specific cost of the requested change; (b) the cumulative net total cost of all change requests previously approved; and (c) an estimate of the number of days by which construction time will be increased or shortened if the change request is approved. Each change request must be signed and dated by the Chief Executive Officer or his/her designee in order to be considered approved. Tenant shall have the right to audit the cost of the changes at any time after the Commencement Date. If Tenant requests a rent reduction due to its audit of these costs, Tenant shall provide Landlord with a copy of the audit summary as part of its request.

24.7 Notice of Nonresponsibility

Landlord and its contractors and subcontractors shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

25. <u>LIENS</u>

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

26. <u>SUBORDINATION AND MORTGAGES</u>

26.1 <u>Subordination and Non-Disturbance</u>

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of <u>Exhibit E</u> attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

26.2 Existing Deeds of Trust

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

26.3 Notice of Default

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

27. SURRENDER OF POSSESSION

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

28. <u>SIGNAGE</u>

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.

If Landlord installs monument signs anywhere or signage on the exterior of the building, Tenant will have equivalent signage rights, adjusted for relative occupancy.

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. <u>GENERAL</u>

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 represents and warrants 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. Tenant represents and warrants that it has not engaged any broker, finer or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this lease, other than CBRE. Each party shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. Landlord shall be solely responsible for the payment of a brokerage commission to CBRE in connection with the leasing to the County of Los Angeles pursuant to a separate agreement.

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 <u>Severability</u>

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

30.6 Notices

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

30.7 Governing Law and Venue

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

30.8 Waivers

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

30.9 <u>Time of Essence</u>

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

30.10 Consent

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

30.11 Community Business Enterprises

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

30.12 <u>Memorandum of Lease</u>

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

30.13 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. <u>AUTHORITY</u>

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

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

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

32.2 Solicitation of Consideration

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

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

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

32.3 Landlord Assignment

- (a) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, as security for the Landlord's obligation to repay any monetary obligation, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.

- (f) Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.

32.4 Smoking in County Facilities

The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air 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 nosmoking 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. COVID-19 VACCINATIONS OF COUNTY CONTRACTOR PERSONNEL

- 34.1. At Landlord's sole cost, Landlord shall comply with Chapter 2.212 (COVID-19 Vaccinations of County Contactor 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").
- 34.2. 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").
- 34.3. 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.
- 34.4. 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.

34.5. 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.

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

LANDLORD:

Seanda Properties, LLC, a California limited liability company

By:

Name: Jimmy Lin Its: <u>Manager</u>

COUNTY OF LOS ANGELES, a body corporate and politic

FESIA A. DAVENPORT Chief Executive Officer

By:

John T. Cooke Assistant Chief Executive Officer

ATTEST:

TENANT:

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

By:

Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON County Counsel

By:

Senior Deputy

EXHIBIT A

FLOOR PLAN OF PREMISES

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"), Seanda Properties LLC, a California limited liability company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at <u>1100 Corporate Center</u> <u>Drive, Suite 201, Monterey Park, CA 91754</u> ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 4) The Lease commenced on _____ ("Commencement Date");
- 5) The Premises contain ______ rentable square feet of space; and
- 6) Landlord has paid a commission in the amount of \$______ to Tenant pursuant to Section 30.3 of the Lease.

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

Tenant:

Landlord:

COUNTY OF LOS ANGELES, a body corporate and politic

Seanda Properties LLC, a California limited liability company

By:

Name_____ Its_____ By:

Name_____ Its_____

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

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

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.

B. <u>WEEKLY</u>

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

C. <u>MONTHLY</u>

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

- 21. Carpet professionally spot cleaned as required to remove stains.
- 22. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. <u>QUARTERLY</u>

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

E. <u>SEMI-ANNUALLY</u>

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

F. <u>ANNUALLY</u>

- 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 using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
- 32. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. <u>AS NEEDED</u>

- 33. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
- 34. 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.
- 35. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

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

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

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

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

EXHIBIT E

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

)

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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.

<u>Agreement</u>

Therefore, the parties agree as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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) 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 <u>Exhibit A</u>.

(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.

(d) Except as specified in the Lease, Tenant has no option or right to renew, extend or cancel the Lease.

(e) Except as specified in the Lease, Tenant has no option or right to lease additional space in the Premises or Building or to use any parking.

(f) 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).

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

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with

respect to the Premises, has not been modified changed, altered or amended, except as set forth in <u>Exhibit A</u>, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

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

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

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

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

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

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

COUNTY OF LOS ANGELES, a body corporate and politic

By:	
Name:	
Title:	

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 Pa	rticipatio	on in Firm	(Partners, J	Associate Part	tners, Manager	s, Staff, etc.)		
1. Firm Name:			3. Contact Per	son/Telephone	e Number:			
2. Address:								
					4. Total numb employees			
5. Provide the number of all minority		Owners, artners and ssociate P			Managers		Staff	
employees and women in each category.	All O AP	9,P &	Women	All Managers	Women	All Staff	Women	
Black/African American								
Hispanic/Latin Americar	า							
Asian American								
Portuguese American								
American Indian/Alaska Native	n							
All Others								
II. PERCENTAGE OF	MINORIT	Y/WOMEN		HIP IN FIRM				
^{1.} Type of Business Str	ucture: (C	orporatior	n, Partnersh	ip, Sole Propri	ietorship, Etc.)			
^{2.} Total Number of Own Etc.:	ership/Pa	artners,		ORITY/WOME I CERTIFICAT				
 Provide the percentage of ownership in each category. 	All Emplo yees	Women		2	ertified as a mir : State of Califo			
Black/African			Yes		No			
Hispanic/Latin								

Asian American	City of Los Angeles?	Yes	No	
	Federal Government?		Yes	No
Portuguese American	Section D. OPTION TO PI	ROVIDE RI	EQUESTED IN	NFORMATION
American Indian/Alaskan Native	We do not wish to pro form.	ovide the in	formation requ	uired in this
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)

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	□ E	Board Memo	□ Other			
CLUSTER AGENDA REVIEW DATE	4/26/2023					
BOARD MEETING DATE	5/16/2023					
SUPERVISORIAL DISTRICT AFFECTED	☐ All	2 nd 3 rd 4 th 5 th				
DEPARTMENT(S)	Sheriff					
SUBJECT	spaces at 901 Corporate	for 7,922 square feet of office space an e Center Drive, Suite 310, Monterey Par				
PROGRAM	Audit and Accountability	Bureau				
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🛛 Yes 🗌 No					
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No					
	If Yes, please explain w	hy: N/A				
DEADLINES/ TIME CONSTRAINTS	Lease has been on mor	th-to-month holdover since July 1, 2021	, with no penalty.			
COST & FUNDING	Total cost: \$1,273,000	Funding source: Rental costs are 100% funded by net o	county cost.			
	the first year, wherein th	The proposed lease will have an annual e landlord will be responsible for all ope ial, repair and maintenance to the building	rating expenses,			
	Explanation: Sufficient funding to cov is included in the Fiscal to Sheriff. Sheriff has su proposed rent and additi					
PURPOSE OF REQUEST		ended actions will authorize and provide				
BACKGROUND (include internal/external issues that may exist including any related motions)	The County has leased meets the office space r	the subject location since July 2014. Th needs of Sheriff.	e facility adequately			
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ⊠ No If Yes, please explain ho	DW:				
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	│	ch one(s) and explain how:				
DEPARTMENTAL CONTACTS	Alexandra Nguyen-Rive CEO- Real Estate Divisi 213-974-4189 ariyera@ceo lacounty g	on				

BOARD OF SUPERVISORS Hilda L. Solis First District Holly J. Mitchell Second District Lindsey P. Horvath Third District Janice Hahn Fourth District Kathryn Barger Fifth District



COUNTY OF LOS ANGELES

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

CHIEF EXECUTIVE OFFICER Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

May 16, 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:

FIVE-YEAR LEASE SHERIFF'S DEPARTMENT 901 CORPORATE CENTER DRIVE, SUITE 310, MONTEREY PARK (FIRST DISTRICT) (3 VOTES)

SUBJECT

Approval of a proposed five-year lease to renew an existing lease to provide the Sheriff's Department (Sheriff) continued use of 7,922 square feet of office space and 75 on-site parking spaces for the Audit and Accountability Bureau (AAB).

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 901 Corporate Center, LP, a California limited partnership (Landlord), for approximately 7,922 square feet of office space, and 75 on-site parking spaces located at 901 Corporate Center Drive, Suite 310, Monterey Park (Premises), for continued occupancy by the Sheriff. The estimated maximum first year base rental cost, including parking, is \$240,107. The estimated total lease cost is \$1,273,000 over the five-year term. The rental costs will be funded 100 percent by net County cost (NCC) that is already included in the Sheriff's existing budget. Sheriff will not be requesting additional NCC for this action.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Sheriff has occupied the Premises since July 1, 2014. The AAB is housed at this facility and is an administrative bureau that satisfies internal audit functions by conducting internal audits to Generally Accepted Government Auditing Standards, which include risk-based lawsuits and settlement agreements.

The proposed lease will allow the Sheriff to continue to provide services in the Premises, which operates as a home base for staff in the field. The Premises is occupied by 49 employees. Approximately ten visitors at a time, visit the site for meetings and presentations, up to five times per week for approximately 30 minutes to two hours.

At the current time, no staff at this location is teleworking. Staff is working in the office the majority of the time, with most staff spending 30 to 40 percent of their time in the field due to the Sheriff's requirements, and the necessity to provide services in person, and to travel to other facilities.

The existing lease expired on June 30, 2021, and is currently on a month-to-month holdover basis with no holdover fee. The Sheriff has requested that the lease be renewed so that it may continue to occupy the Premises and provide audit services.

The existing Premises is near public transportation including Metro Local Line 258 and local public transit services through the Monterey Park Spirit 4/5 lines, and is accessible from the 710 freeway to the west of the location.

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

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal 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 Plan 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 AAB with appropriate office space to identify and address potential deficiencies with the Sheriff through audits, inspections, and oversight in a facility which is centrally located and accessible for employees.

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

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost is \$240,107. The aggregate cost associated with the proposed lease over the entire term is \$1,273,000, as shown on Enclosure B-1. The renewal costs will be funded 100 percent by NCC that is already included in the Sheriff's existing budget. The Sheriff will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed 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 and additional parking cost 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.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease, the annual rental rate will increase from \$25.43 per square foot, per year to \$29.40 per square foot, per year. The base rent includes 60 unreserved parking spaces and is subject to annual Consumer Price Index (CPI) increases capped at 3 percent per annum.
- A comparison of the existing lease terms and the proposed lease is shown on Enclosure B-2.
- The Landlord, at its sole cost and expense, will provide certain improvements, including new carpet throughout the Premises and paint in the common corridor and elevator lobby. In addition, the Landlord will provide, at its sole cost and expense, an allowance of \$118,830 (\$15 per square foot) for other minor tenant improvement work, including furniture, that may be specified by the Sheriff.
- If the County initiates a change to the Landlord's base improvement work, the Landlord will provide a maximum change order allowance not to exceed to \$5,000, which shall be paid by the County to the Landlord in a lump sum payment.

- The Landlord is responsible for all of the operating and maintenance costs of the building and is also responsible for utilities and janitorial costs. The County is not subject to property tax increases.
- The 75 on-site parking spaces consists of 60 unreserved spaces, which are included at no additional cost. In addition, the County will continue to lease 15 parking spaces on a 24-hour basis at a rate of \$40 per space, per month, or \$7,200 annually.
- A five-year initial term with a right to extend the term for an additional 48 months at fair market value with six months prior written notice. If the option is exercised, the total term of the proposed lease would be nine years.
- The County has a right to terminate early any time after the 36th month with no less than six months' notice.
- The County will have a Right of First Offer to Lease Additional Premises for any space contiguous to the Premises in the building.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions, except the monthly base rent during the holdover period will be at the base rent at the time of the proposed lease expiration and subject to the CPI increases capped at 3 percent per annum, as provided for in the proposed lease.
- The proposed lease will be effective upon approval by the Board and the term and rent shall commence upon the first day of the month following Board approval and full execution of the proposed lease by both parties.

The Chief Executive Office conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.00 and \$32.40 per square foot, per year. The base annual rental rate of \$29.40 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. Due to the costly tenant improvements and moving costs needed should the Sheriff relocate to a new space, remaining in the proposed space is the cost-effective choice. In addition, the City of Monterey Park market does not have many spaces available, creating a tight market within the area. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

Due to confidentiality and security measures associated with the AAB program, coworking space is not practical for this requirement.

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

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

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

ENVIRONMENTAL DOCUMENTATION

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

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

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

Respectfully submitted,

FESIA A. DAVENPORT Chief Executive Officer

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

Enclosures

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

SHERIFF'S DEPARTMENT 901 CORPORATE CENTER DRIVE, SUITE 310, MONTEREY PARK

Asset Management Principles Compliance Form¹

1.	<u>Oc</u>	cupancy	Yes	No	N/A
	А	Does lease consolidate administrative functions?		х	
	в	Does lease co-locate with other functions to better serve clients?			x
	С	Does this lease centralize business support functions?			x
	D	Does this lease meet the guideline of 200 sq. ft of space per person? The ratio is approximately 162 sf per person.		x	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? The lease includes 75 parking spaces to accommodate staff.		х	
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location?	x		
2.	Ca	<u>pital</u>			
	A	Is it a substantial net County cost (NCC) program? The rental costs will be funded 100 percent by NCC that is already included in the Sheriff's existing budget. Sheriff will not be requesting additional NCC for this action.	x		
	В	Is this a long-term County program?	х		
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		х	
	D	If no, are there any suitable County-owned facilities available?		х	
	Е	If yes, why is lease being recommended over occupancy in County-owned space?			x
	F	Is Building Description Report attached as Attachment C?	х		
	G	Was build-to-suit or capital project considered? The County already occupies the facility and a capital project was not considered.		х	
3.	Po	tfolio Management			
	А	Did department utilize CEO Space Request Evaluation (SRE)?	х		
	в	Was the space need justified?	х		
	С	If a renewal lease, was co-location with other County departments considered?			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. X No County-owned facilities available for the project.			
		4 Could not get City clearance or approval.			
		5 The Program is being co-located.			
	Е	Is lease a full-service lease?	х		
	F	Has growth projection been considered in space request?	х		
	G	¹ Has the Dept. of Public Works completed seismic review/approval?	х		

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

901 Corporate Center Drive, Suite 310, Monterey Park

Sheriff's Department

Basic Lease Assumptions				
Leased Area (sq.ft.)	7,922			
	Monthly	Annual		
Rent (per sq. ft.) ⁽¹⁾	\$2.45	\$29.40		
Rent Amount (\$)	\$19,408.90	\$232,906.80		
Term (Month/Years)	60	5		
Adjustment	3%			
	Cost/Month	# of Spaces	Monthly Total	Annual Total
Parking Spaces				
	\$40.00	15	\$600	\$7,200

	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	Total 5 Year
						Rental Costs
Annual Rent Costs ⁽¹⁾	\$232,907	\$239,894	\$247,091	\$254,504	\$262,139	\$1,237,000
Parking Costs ⁽²⁾	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200	\$36,000
Total Cost Paid to Landlord	\$240,107	\$247,094	\$254,291	\$261,704	\$269,339	\$1,273,000
Total Annual Lease Costs	\$240,107	\$247,094	\$254,291	\$261,704	\$269,339	\$1,273,000

Footnotes

⁽¹⁾ The Base Rent is subject to annual Consumer Price Index adjustments with a maximum cap of three percent (3%) per annum.

⁽²⁾ Parking costs include an additional 15 overnight parking spaces at a cost of \$40 a month per parking space.

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

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 901 Corporate Center Drive, Suite 310, Monterey Park	Proposed Lease 901 Corporate Center Drive, Suite 310, Monterey Park	Change
Area (Square Feet)	7,922 sq. ft.	7,922 sq. ft.	No Change
Term (years)	7 years	5 years	-2 years
Annual Base Rent	Base Rent \$201,452 ⁽¹⁾ \$25.43 per sq. ft. annually	Total \$232,907 ⁽¹⁾ \$29.40 per sq. ft. annually	+\$31,455 annually
Parking (included in Base Rent)	60	60	No Change
Additional Parking (15 spaces at \$40 per space)	\$7,200 annually	\$7,200 annually	No Change
Total Annual Lease Costs Payable to Landlord	\$208,652	\$240,107	+31,455
Rental Rate Annual Adjustment	Annual CPI adjustments capped at 2 percent	Annual CPI adjustments capped at 3 percent (2)	+1 percent

¹ The proposed lease is full-service, where the Landlord pays for all utilities, including electricity, gas and water, along with other costs associated with operations, building maintenance and repairs.

SHERIFF'S DEPARTMENT

SPACE SEARCH – 5 MILE RADIUS FROM 901 CORPORATE CENTER DRIVE

			Ownership	Gross	
LACO	Name	Address	Туре	Sq Ft	Vacant
	Biscailuz – Administration	1060 N. Eastern Ave.,			
4526	Building	Los Angeles 90063	Owned	16,571	None
	ISD Administrative	1100 N. Eastern Ave.,			
5863	Headquarters	Los Angeles 90063	Owned	80,309	None
	Fire – Employee Relations				
	Office/LPSB/EMS &	1255 Corporate Center Dr,			
A324	Homeland	Monterey Park, 91754	Leased	37,132	None
	Fire – Administrative	1320 N. Eastern Ave.,			
3542	Headquarters Building	Los Angeles, 90063	Owned	39,015	None
	Probation – East Los	144 S. Fetterly Ave.,			
4364	Angeles Area Office	Los Angeles, 90022	Owned	15,584	None
	DCFS/LASD/Fire/Ops/ISD	2525 Corporate Place,			
A015	Corporate Place	Monterey Park 91754	Leased	35,248	None
	Sheriff – Homicide Bureau	1 Cupania Circle,			
4521	& Parole Compliance	Monterey Park 91755	Leased	42,547	None
	Sheriff – Personnel and	101 Centre Plaza Dr.,			
A423	Recruitment Center	Monterey Park 91754	Leased	37,590	None

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Five-year Lease for Sheriff – 901 Corporate Center Drive, Suite 310, Monterey Park – First District.

- A. Establish Service Function Category Audit and Accountability Bureau
- B. **Determination of the Service Area –** The existing office space has been occupied since 2014. The proposed lease term will provide Sheriff with continued use of 7,922 square feet of office space and 75 on-site parking spaces.
- C. Apply Location Selection Criteria to Service Area Data
 - <u>Need for proximity to service area and population</u>: This location meets the needs of Sheriff and remains in an appropriate area.
 - Need for proximity to existing County facilities: N/A
 - <u>Need for proximity to Los Angeles Civic Center</u>: This location meets the needs of Sheriff by being close to downtown Los Angeles.
 - Economic Development Potential: N/A
 - <u>Proximity to public transportation</u>: The location is adequately served by local transit services, including Metro Local Line 258 and local public transit services through the Monterey Park Spirit 4/5 lines, and is accessible from the 710 freeway to the West of the location.
 - <u>Availability of affordable housing for County employees</u>: The surrounding area provides for affordable rental opportunities.
 - Use of historic buildings: N/A
 - <u>Availability and compatibility of existing buildings</u>: There is no space available in existing County-owned buildings to meet the departments service needs.
 - <u>Compatibility with local land use plans</u>: The City of Monterey Park has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
 - <u>Estimated acquisition/construction and ongoing operational costs</u>: The aggregate cost associated with the proposed lease over the entire term is approximately \$1,273,000.

D. Analyze results and identify location alternatives

The Chief Executive Office conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$30.00 and \$32.40 per square foot, per year. The base annual rental rate of \$29.40 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. Due to the costly tenant improvements and moving costs needed should Sheriff relocate to a new space, remaining in the proposed space is the most cost-effective choice. In addition, the Monterey Park market does not have many spaces available, creating a tight market in the area. 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 49 Sheriff employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Sheriff's requirements.

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

COUNTY OF LOS ANGELES – Tenant

901 CORPORATE CENTER, LP – Landlord

901 CORPORATE CENTER DRIVE

SUITE 310

MONTEREY PARK, CALIFORNIA 91754

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EXHIBITS

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the_____ day of _____, 2023 between 901 CORPORATE CENTER, LP, a California limited partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 <u>Terms</u>

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

a.	Landlord's Address for Notice:	 901 CORPORATE CENTER, LP 300 S. Park Ave., Suite 810 Pomona, CA 91766 Attn: Property Manager With a copy to: 3470 Wilshire Boulevard, Suite 700 Los Angeles, CA 90010 Attn: Legal Department
b.	Tenant's Address for Notice:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate With a copy to: County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012-2713 Attention: Property Division
C.	Premises:	Approximately 7,922 rentable square feet located on the third (3rd) floor of the Building identified as Suite 310 (defined below), as shown on Exhibit A attached hereto.

d.	Building:	The building located at 901 Corporate Center Drive, Monterey Park, CA 91754, which is currently assessed by the County Assessor as APN 5237-022-047, commonly known as 901 Corporate Center, together with any related land, improvements, parking facilities, common areas, driveways, sidewalks and landscaping (the "Building").
e.	Term:	The term of this Lease shall be for a period of five (5) years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties (the "Commencement Date"), and terminating at midnight on the day before the fifth (5 th) 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 for which an option has been validly exercised.
f.	Projected Commencement Date:	N/A
g.	Irrevocable Offer Expiration Date: (see Section 33)	N/A
h.	Base Rent:	\$19,408.90 per month (which is based upon a rental rate of \$2.45 per rentable square foot, adjustable only as provided in Section 5 hereof). Base Rent for the first (1st) year of the Term shall be \$232,906.80 (adjustable as provided in Section 5 hereof).
i.	Early Termination	Pursuant to Section 4.2
j.	Rentable Square Feet in the Premises:	7,922 rentable square feet.
k.	Initial Departmental Use:	Office use for the Sheriff's Department, or any other lawful governmental purpose not incompatible with other uses in the Building, subject to Section 6.

	I.	Parking Spaces:	Subject to Section 21.1, Tenant shall have the right to seventy-five (75) parking spaces, including fifteen (15) 24-hour overnight parking spaces (Overnight Parking) located on the roof of the Building's parking structure and sixty (60) unreserved parking spaces (Unreserved Parking) located in the Building's parking areas. Tenant shall pay \$40.00 per stall per month for its Overnight Parking and Tenant shall not be charged for its Unreserved Parking for the Term of the Lease.
	m.	Normal Working Hours:	7:00 a.m. to 6:00 p.m. Monday through Friday and 9:00 a.m. to 1:00 p.m. Saturdays, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed), and to the extent of utilities or services provided by union members engaged at the Building, such other holidays observed by such unions.
	n.	Asbestos Report:	A report dated December 22, 2022 prepared by Masek Consulting Services, Inc.
	0.	Seismic Report	A report dated March 25, 2014 prepared by the Department of Public Works.
	p.	Disabled Access Survey	A report dated July 12, 2022 prepared by Corbel Architects, Inc.
1.2	Ē	<u>xhibits to Lease</u>	 Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - Form of Payment Voucher Exhibit D - HVAC Standards Exhibit E - Cleaning and Maintenance Schedule Exhibit F - Subordination, Non-Disturbance and Attornment Agreement Exhibit G - Tenant Estoppel Certificate Exhibit H - Community Business Enterprises Form

Form Exhibit I - Memorandum of Lease

2. <u>PREMISES</u>

2.1 <u>Lease of Premises</u>

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.

3. <u>COMMON AREAS</u>

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

4. <u>COMMENCEMENT AND EXPIRATION DATES</u>

4.1 <u>Term</u>

The Term of this Lease shall be for a period of five (5) years, commencing upon the first day of the calendar month following approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties, and ending sixty (60) months thereafter. Within thirty (30) days of the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as <u>Exhibit B</u>.

4.2 <u>Termination Right</u>

Provided Tenant is not in material default under any material term or provision contained in the Lease (e.g. Rent) beyond any applicable notice and cure period, Tenant shall have the right ("Termination Option") to terminate the Lease at any time after the thirty-sixth (36th) month of the Term ("Early Termination Date"), by giving no less than six (6) months prior written notice to Landlord of such intent ("Early Termination Notice"). If Tenant timely and properly exercises the Termination Option, the Lease shall expire on the Early Termination Date with the same force and effect as if such date were the stated expiration date of the Lease and Landlord and Tenant shall have no further obligations under the Lease after the Early Termination Date except for any obligations or liabilities that explicitly survive termination as set forth in the Lease. If Tenant fails to timely deliver the Early Termination Notice, Tenant shall be considered to have elected not to exercise the Termination Option. The rights contained in this Section 4.2 shall be personal to the originally named Tenant and may be exercised only by the originally named Tenant (and not any assignee, sublessee, or other transferee of Tenant's interest in this Lease) and only if the originally named Tenant occupies the entire Premises as of the date it exercises the Termination Option in accordance with the terms of this section.

5. <u>RENT</u>

5.1 <u>Base Rent</u>

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 prior to the Commencement Date, Landlord must file with the Auditor of the County of Los Angeles a payment voucher for the Base Rent attributable to the initial month(s) of the Term up to and including June of the first year during the Term, and annually thereafter, on or before June 15 of each subsequent calendar year, for the Base Rent attributable to the following twelve (12) months (i.e., beginning July 1). Landlord shall submit such payment vouchers in the same form as <u>Exhibit C</u> attached hereto, along with a completed IRS form W-9 and evidence of insurance in compliance with Section 20.2. If Landlord fails to timely file any payment voucher as required pursuant to this Section 5.1, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) days after Landlord files such payment voucher for the applicable period. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

5.2 Base Rent Adjustments

- a. <u>CPI.</u> From and after the 1st anniversary of the Commencement Date, on the first day of the first full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month the Lease commences.
- b. CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Long Beach-Anaheim area, all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent for the first full month after the Commencement Date multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month in which the adjustment is to be effective (the "New Index"), and the denominator being the Base Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.
- c. <u>Illustration of Formula.</u> The formula for determining the new rent shall be as follows:

<u>New Index</u> x Base Rent at the Commencement Date = Adjusted Base Rent Base Index d. <u>Limitations on CPI Adjustment</u>. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an increase greater than three percent (3%) per year of the Base Rent payable in the month preceding the applicable adjustment. In no event shall the Base Rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable in the month preceding the applicable adjustment.

6. <u>USES</u>

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1 or for any other governmental purposes or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Normal Working Hours, after Normal Working Hours, and on weekends and holidays. Tenant shall be permitted to replace the initial department with any County of Los Angeles department or division or associated agency at its sole discretion.

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, provided that during any such holdover tenancy such monthly Base Rent shall continue to be adjusted on each Adjustment Date based upon the CPI Formula in accordance with Article 5 above, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. <u>COMPLIANCE WITH LAW</u>

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 ("Applicable Laws"). 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, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises. Tenant shall not use the Premises, or permit the Premises to be used, in any manner which: (a) violates any Applicable Law; or (b) causes or is reasonably likely to cause damage to the Building or the Premises; or (c) violates any Building rules or regulations promulgated by Landlord and applicable to all tenants in the Building.

9. DAMAGE OR DESTRUCTION

9.1 <u>Damage</u>

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 after the date of the damage or destruction, then Landlord shall promptly, upon written notice from Tenant to Landlord of such damage and at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

9.2 <u>Tenant Termination Right</u>

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.

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 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 <u>Default By Landlord</u>

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, then Tenant may:

- 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 Landlord.

10. REPAIRS AND MAINTENANCE

- 10.1 Landlord Representations
 - a. Landlord represents to Tenant that, as of the date hereof and on the Commencement Date:
 - i. The Premises, the Building, and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in reasonably good working order and condition;
 - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
 - iii. The Premises, the Building and the Common Areas are free of the presence of Hazardous Materials (as hereinafter defined), except for routine office and janitorial supplies in usual and customary quantities for offices stored, used and disposed of in accordance with all Environmental Laws; and
 - iv. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
 - b. Landlord represents, based upon a professional inspection of the Premises and the Common Areas (as defined in Section 1.1) that the Premises and the Common Areas contain no asbestos containing materials. In the event any Asbestos should be found, then Landlord shall be responsible for removing it at its sole cost and expense.
 - c. <u>CASp Inspection</u>:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas 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.

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.

10.2 Landlord Obligations

- a. The Lease will be a full-service lease whereby all responsibilities for repair, maintenance, and replacement will be the sole responsibility of Landlord. Landlord shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed the following at Landlord's sole cost and expense:
 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, concrete slab and footings, roof, roof membrane, roof covering, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. freight and passenger elevators serving the Building.
- b. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to:
 - i. the floor covering (if such floor covering is carpet tiles it shall be replaced as needed as a result of damage such as frays, tears, or holes, and like damage);
 - ii. painting interior partitions (which shall be repainted as needed);
 - iii. doors;

- iv. plate glass;
- v. the interior side of demising walls (which shall be repainted as needed);
- vi. interior ceiling;
- vii. Building standard signage (but excluding any other Tenant signage); and
- viii. emergency exit signage and battery replacement

Landlord shall, to the best of its ability, provide any reports, maintenance records, or other documentation as may be reasonably requested from time to time

10.3 <u>Tenant Obligations</u>

Without limiting Landlord's repair and maintenance obligations, and subject to Section 20.4 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Building damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall:

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

10.4 <u>Tenant's Right to Repair</u>

If Tenant provides written notice (or oral notice in the event of an a. 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) business 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, 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, at its sole discretion, acting through the 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, in which case Tenant shall promptly reimburse Landlord for such cost, provided that the cost of any such repairs, maintenance, building services and/or alterations that are the responsibility of Tenant shall not exceed \$5,000. Any improvements by Landlord shall be subject to (i) Section 24 provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant remedies; 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.

11. SERVICES AND UTILITIES

11.1 <u>Services</u>

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

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in <u>Exhibit D</u> attached hereto. If Tenant needs HVAC outside of Normal Working Hours, Tenant shall provide no less than forty-eight (48) hours' prior notice to Landlord and pay as additional rent the costs of after-hour HVAC at the Building's prevailing rates without mark-up, which rates are currently \$250.00 per hour (four hour minimum), subject to change.

b. <u>Electricity</u>

Landlord shall furnish to the Premises the amount of electric current not less than seven (7) watts of electric current (connected load) per square foot of Rentable Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

c. <u>Elevators</u>

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

d. <u>Water</u>

Landlord shall make available warm and cold water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

e. Janitorial

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

f. <u>Access</u>

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven (7) day per week, twenty-four (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, unless closure of the Premises is required due to maintenance, repair, safety concerns, destruction, condemnation, or other reasons necessary for the restriction of access to such area.

g. Pest Control

As needed, Landlord at its sole cost and expense shall provide interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

h. Security

Landlord, at Landlords sole cost and expense, shall provide security services for the Building at a standard similar to other comparable buildings in Los Angeles.

11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in

connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are prorated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

12. <u>TAXES</u>

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

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

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Normal Working Hours upon prior written notice (which may be in the form of an email communication) for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable and not used by Tenant. Notwithstanding the foregoing, Landlord shall have the right at any and all times, without prior notice, to enter the Premises in the event of an emergency.

14. TENANT DEFAULT

14.1 <u>Default</u>

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

- a. the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;
- b. the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure, within said 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 <u>No Effect on Indemnity</u>

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. Under no circumstances shall Tenant be liable for punitive damages, lost profits, speculative, consequential or other such damages.

15. LANDLORD DEFAULT

15.1 <u>Remedies</u>

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

- a. to remedy such default or breach and deduct the costs thereof (including but not limited to attorneys' 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 (provided that under no circumstances shall Landlord be liable for punitive damages, lost profits, speculative, consequential or other such damages); and/or
- d. to terminate this Lease.

15.2 <u>Waiver</u>

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.

16. ASSIGNMENT AND SUBLETTING

16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent, provided, however, that (i) Tenant shall notify Landlord within five (5) business days of such assignment, subletting or other transfer, (ii) the assignee or sublessee's use shall not interfere with or violate any other tenant's use (including exclusive uses), or contractual rights; and (iii) no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 <u>Sale</u>

If Landlord sells or conveys the Building, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and Landlord 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 Building, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice, as a condition of Tenant's obligation to pay Base Rent to the new owner:

- a. Written evidence of the transfer of the Building (e.g., a recorded deed), or a letter from the transferor confirming that the Building was transferred to the new owner.
- b. A signed letter 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; and
- iv. Proof of insurance.
- c. A W-9 form for new owner

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. 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;
- d. does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building; and
- e. does not require a building permit.

If Landlord fails to respond in writing within thirty (30) days of such request, Landlord shall be deemed to approve the Alterations.

17.2 End of Term

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

18. <u>CONDEMNATION</u>

18.1 <u>Controlling Terms</u>

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

18.2 Total Taking

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

18.3 Partial Taking

If any portion, but not all, of the Premises 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 date of termination as 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 is impaired by such Condemnation.

18.4 <u>Restoration</u>

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

18.5 <u>Award</u>

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

18.6 <u>Waiver of Statute</u>

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

Landlord shall indemnify, defend and hold harmless Tenant from and against any and all liability, loss, injury or damage, demands, claims, actions, fees, costs and expenses (including reasonable attorney and expert witness fees) arising from or connected with any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, its officers, employees, agents, contractors, licensees, guests, or visitors, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the sole negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19.2 <u>Tenant's Indemnity</u>

Tenant shall indemnify, defend and hold harmless Landlord, from and against any and all liability, loss, injury or damage, demands, claims, actions, fees, costs and expenses (including reasonable attorney and expert witness fees) arising from or connected with any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Tenant, its officers, employees, agents, contractors, licensees, guests, or visitors, or arising from any breach of default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the sole negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, or invitees.

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

20.1 <u>Waiver</u>

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

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

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

a. Evidence of Coverage and Notice to Tenant

Certificate(s) of insurance coverage (Certificate) satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and Tenant's Agents (defined below) are named as Additional Insureds under the Landlord's Commercial General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the Commencement Date of this Lease.

Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies should litigation arise.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in the Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant required endorsement forms. Notwithstanding the foregoing, financial ratings need not be shown on the Certificates but shall be provided separately.

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.

Certificates and copies of any required endorsements, 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 use reasonable efforts to notify Tenant of any third party claim or suit filed against Tenant and known to Landlord which arises from or relates to this Lease, and in Landlord's reasonable judgment is likely to result in the filing of a claim or lawsuit against Landlord and/or Tenant.

b. Additional Insured Status and Scope of Coverage

Tenant and its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant's Agents"), shall be named as additional insureds under Landlord's Commercial General Liability Insurance policy with respect to the Building. Tenant's additional insured status shall apply whether liability is attributable to the Landlord, Tenant or Tenant's Agents. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications set forth herein. Use of an automatic additional insured endorsement form is acceptable, provided that it satisfies the Required Insurance provisions set forth herein.

c. Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance ("Insurance Notice") may constitute a material breach of the Lease, in the sole discretion of the Tenant. Should Landlord or its insurers fail to provide the required Insurance Notice within thirty (30) days of written notice from Tenant that it did not receive the required Insurance Notice, Tenant may suspend or terminate this Lease.

d. Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease.

e. Insurer Financial Ratings

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

f. Landlord's Insurance Shall Be Primary

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

g. Waiver of Subrogation

To the fullest extent permitted by law, Landlord and Tenant hereby waives its and its respective insurer(s) rights of recovery against the other party under all required insurance policies for any loss arising from or related to this Lease. Landlord and

Tenant shall require their respective 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 (i.e., "follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

k. Separation of Insureds

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

I. Tenant Review and Approval of Insurance Requirements

The Tenant reserves the right to reasonably 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:	\$ 1 million
Personal and Advertising Injury:	\$ 1 million
Each Occurrence:	\$ 1 million

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance. A certificate evidencing insurance coverage or letter evidencing self-insurance will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements:

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

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

- a. Commercial Property Insurance. Such insurance shall:
 - i. Provide coverage for Landlord's property, any tenant improvements and betterments to the Premises, any furniture or furnishings which will become the property of Tenant upon expiration of the Term, and on all modular furniture installed in the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
 - ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

21. PARKING

21.1 <u>Tenant's Rights</u>

Tenant shall have the right to seventy-five (75) parking spaces (Parking Allocation), including fifteen (15) 24-hour overnight parking spaces (Overnight Parking) located on the roof of the Building's parking structure and sixty (60) unreserved parking spaces (Unreserved Parking) located in the Building's parking areas. Tenant shall pay \$40.00 per stall per month for its Overnight Parking and Tenant shall not be charged for its Unreserved Parking for the Term of the Lease. Tenant shall have the right to increase or decrease the number of its Overnight Parking or Unreserved Parking not to exceed its Parking Allocation. Tenant acknowledges that all such parking spaces are to be used on a non-exclusive basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building. No tandem parking shall be required, and Tenant shall be entitled to full in/out privileges. Tenant's parking rights shall be subject to reasonable parking

rules and regulations adopted by Landlord (or, at Landlord's option, the operator or lessee of the parking facilities) from time to time, provided that such procedures shall be uniformly applied to all tenants. The cost of any parking spaces leased by Tenant hereunder shall be payable by Tenant on the first day of each calendar month of the Term of this Lease in addition to the Base Rent in Article 5.

21.2 <u>Remedies</u>

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 18 in the event of casualty or condemnation), then Tenant shall provide thirty (30) days written notice to Landlord and Landlord shall have thirty (30) days to cure; provided, however, if more than thirty (30) days are reasonably required for its cure then Landlord shall not be deemed to be in default if Landlord commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion. If at the end of the thirty (30) day period, Landlord has not cured or commenced to cure, then Tenant may:

- a. terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- b. deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided (excluding any parking spaces that Landlord provides alternative parking arrangements for pursuant to this Section 21.1) multiplied by a factor of 1.5, but such deduction from Base Rent shall not be more than ten percent (10%) of the Base Rent.

22. ENVIRONMENTAL MATTERS

22.1 <u>Hazardous Materials</u>

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 ("Tenant's Hazardous Materials"), 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, except for those caused or exacerbated by Tenant, its subtenants or its assignees, or their respective contractors, clients, officers, directors, employees, agents, or invitees. 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, at any time and from time to time upon not less than thirty (30) days prior written request from Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of <u>Exhibit G</u> attached hereto (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS

24.1 Landlord Work

Landlord, at its sole cost and expense (exclusive of the Tenant Improvement Allowance), shall perform all of the following work (the "Landlord's Work"):

- (a) Have a third-party HVAC subcontractor certify the HVAC system serving the Premises is in good working order and meets the standards set forth in Exhibit D Lease;
- (b) Replace carpet throughout the Premises, including lifting any furniture on flooring;
- (c) Replace carpet and ceramic tile in the common corridor and elevator lobby on the third (3rd) floor of the Building;
- (d) One-time paint of the walls of the common corridor and elevator lobby on the third (3rd) floor of the Building;
- (e) Ensure windows in the Premises are water-tight;
- (f) Replace light fixtures throughout the Premises with new LED lighting;
- (g) Ensure electrical outlets throughout the Premises are properly functioning, including without limitation in the kitchen, and replace outlets as needed;
- Perform the recommended and required work to address item# 1-1 and 1-2 of the Disabled Access Survey prepared by Corbel Architects, Inc. dated July 12, 2022; and
- (i) Repair the water leak coming from the ceiling next to the window in the kitchen.

Landlord shall coordinate with Tenant's Project Manager (PM) on its completion of the Landlord's Work to be performed after Normal Working Hours so to minimize any disruption to Tenant's business. Landlord may coordinate with Tenant's PM and obtain approval from such PM in the event Landlord desires to do any work within the Premises during Normal Working Hours. Tenant agrees to cooperate with Landlord and Landlord's contractors so as not to interfere with or delay the Landlord's Work. Tenant shall be responsible for moving and protecting all items of Tenant's personal property from any Landlord's Work areas. Further, to the extent necessary for the performance of the Landlord Work, Landlord shall be responsible for lifting Tenant's furniture and moving any equipment from the Landlord Work areas.

24.2 <u>Tenant Improvement Allowance</u>

- In addition to the Landlord's Work and upon Tenant's request, Landlord (a) shall refurbish and construct Tenant Improvements ("TI") at Landlord's sole cost and expense not to exceed One Hundred Eighteen Thousand Eight Hundred Thirty and 00/100 Dollars (\$118,830) (i.e. Fifteen Dollars (\$15.00) per RSF) ("Tenant Improvement Allowance") within 160 days from the date final plans for such TI work have been mutually approved; provided, however, in the event the cost of TI work requested by Tenant exceeds the Tenant Improvement Allowance, Tenant and Landlord shall reduce the scope so the costs do not exceed the Tenant Improvement Allowance and such TI work shall be completed based on a commercially reasonable and mutually agreed upon schedule. Tenant may utilize its Tenant Improvement Allowance toward any hard or soft costs related to the improvements to the Premises, including any costs related to its furniture, fixtures, and/or equipment. Any unused portion of the Tenant Improvement Allowance shall be applied toward Base Rent next due.
- (b) Landlord and Landlord's contractors shall be responsible for controlling the work and shall be required to comply with prevailing wage requirements

under California Labor Code Section 1720 et. seq., if applicable. All work shall be coordinated with the Tenant's PM in advance of commencing any work and performed during afterhours unless waived in writing in advance by the Tenant's PM.

Tenant shall deliver a Space Plan and Specifications for any TI Work to (c) Landlord and thereafter, Landlord shall prepare working drawings and engineering drawings for such TI work for Tenant's review. Prior to commencing the TI work. Landlord shall obtain Tenant's approval of final plans for the TI work and preliminary pricing for the TI work which shall not exceed an amount greater than the Tenant Improvement Allowance set forth in Section 24.2 (a) of the Lease, then Landlord shall be responsible for completing such TI work (not to exceed Landlord's TI Allowance). Landlord shall solicit three (3) bids from qualified and licensed contractors, including a schedule, with respect to the TI work. Following Tenant's approval of the final plans and pricing for the TI work, Landlord shall diligently proceed to construct and complete the TI work in a good and workmanlike manner in accordance with the final plans and pricing, subject to delays set forth in Section 24.3 below. Notwithstanding the foregoing, the parties acknowledge and agree that no delay in completion of any such TI work shall delay the Commencement Date of the Lease.

24.3 <u>Delay</u>.

Completion may be delayed day for day by:

- a. Acts or omissions of Tenant or its employees or agents (including any change orders requested by Tenant), or
- b. Any act of God which Landlord could not have reasonably foreseen and provided for, or
- c. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Landlord cannot overcome with reasonable effort and which Landlord could not have reasonably foreseen and provided for, or
- d. Any war or declaration of a state of national emergency, or
- e. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the Tenant Improvement Work.

24.4 <u>Code Compliance</u>

The Premises shall meet all applicable City, County, State and Federal building codes, regulations and ordinances required for beneficial occupancy. 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. Any work, including construction, that Landlord must undertake to obtain the necessary jurisdictional approvals for occupancy shall be at Landlord's sole cost and expense and shall not be considered as part of the TI Work. Any work within the Premises undertaken to meet applicable code requirements necessitated by the Tenant Improvements shall be included as part of the TI Work, subject to the Tenant Improvement Allowance.

24.5 Exclusions from Tenant Improvement Allowance

Landlord shall, at its sole cost and expense (exclusive of Tenant Improvement Allowance), be responsible for any work to bring the Building or Premises in compliance with applicable City, County, State and Federal building codes, regulations and ordinances required for legal occupancy, including without limitation ADA and fire life safety code requirements and any required work related to asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. Any work undertaken to meet applicable code requirements necessitated to complete the work described in this Article 24 shall be included as part of the Landlord Work.

24.6 Change Requests

All Tenant-initiated and approved change requests shall not exceed a total cost of Five Thousand Dollars (\$5,000), and Landlord shall not be required to accept any particular change request if the total cost of prior Tenant-initiated change requests exceeds Five Thousand Dollars (\$5,000). The Chief Executive Officer or his/her designee is hereby authorized to approve change requests on behalf of Tenant. Tenant shall pay for change request costs in a lump sum. Landlord, or Landlord's contractor, shall submit to the Chief Executive Officer or his/her designee with each change request (a) the specific cost of the requested change; (b) the cumulative net total cost of all change requests previously approved; and (c) an estimate of the number of days by which construction time will be increased or shortened if the change request is approved. Each change request must be signed and dated by the Chief Executive Officer or his/her designee in order to be considered approved. Tenant shall have the right to audit the cost of the changes at any time after the Commencement Date. If Tenant requests a rent reduction due to its audit of these costs, Tenant shall provide Landlord with a copy of the audit summary as part of its request.

24.7 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.

25. <u>LIENS</u>

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

26. SUBORDINATION AND MORTGAGES

26.1 <u>Subordination and Non-Disturbance</u>

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of <u>Exhibit F</u> attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Building included herein.

26.2 Existing Deeds of Trust

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

26.3 <u>Notice of Default</u>

If any mortgagee or beneficiary under a deed of trust affecting the Building 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 hereunder 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. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture). If Tenant fails to remove any such items ("Abandoned Items") or repair such damage promptly after the expiration or earlier termination of the Lease, Landlord may, but need not, do so with no liability to Tenant, and Tenant shall pay Landlord the cost thereof upon demand. Notwithstanding the foregoing to the contrary, in the event that Landlord gives its consent, pursuant to the provisions of Section 17.1 of this Lease, to allow Tenant to make an Alteration in the Premises, Landlord agrees, upon Tenant's written request, to

notify Tenant in writing at the time of the giving of such consent whether Landlord will require Tenant, at Tenant's cost, to remove such Alteration at the end of the Lease Term.

28. <u>SIGNAGE</u>

Tenant, at its sole cost and expense, shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances only within and inside Tenant's Premises. Tenant shall not display any signs on the exterior or roof of the Building or in the Common Areas of the Building. Tenant may not install or display any signs, window coverings, blinds, or other items (included those located behind the Landlord-approved window coverings for the Building) visible from the exterior of the Premises without Landlord's prior written approval, which Landlord may, in Landlord's reasonable discretion, grant or withhold. Any signs, notices, logos, pictures, names or advertisements that are installed by or for Tenant without Landlord's approval may be removed without notice by Landlord at Tenant's expense. Notwithstanding the foregoing or any language to the contrary, Tenant shall be allowed directory language in the Building lobby and Suite signage, both 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 RSF of the Premises on the Building's directory board in the main lobby of the Building. Tenant shall also have the right to install building standard identification signage in the elevator lobbies of the floors of the Premises.

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. <u>GENERAL</u>

30.1 <u>Headings</u>

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

30.2 Successors and Assigns

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

30.3 Brokers

Landlord represents and warrants 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. Tenant represents and warrants that it has not engaged any broker, finder, or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than Cushman & Wakefield, Inc. ("C&W"). The parties shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker,

finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. The parties agree that Landlord shall be solely responsible for the payment of any brokerage commissions to C&W and that Tenant shall have no responsibility therefor unless written provision to the contrary has been made a part of this Lease. If Landlord has dealt with any person or real estate broker in respect to leasing, subleasing, or renting space in the Building, Landlord shall be responsible for the payment of any fee due said person or brokerage firm. If Tenant has dealt with any person or real estate broker other than C&W in respect to leasing, subleasing or renting space in the Building, Tenant shall be solely responsible for the payment of any fee due said person or brokerage firm.

30.4 Entire Agreement

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

30.5 Severability

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

30.6 Notices

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

30.7 Governing Law and Venue

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

30.8 Waivers

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

30.9 <u>Time of Essence</u>

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

30.10 Consent

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

30.11 Community Business Enterprises

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

30.12 Memorandum of Lease

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

30.13 Counterparts

This Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

31. <u>AUTHORITY</u>

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. Failure to report such solicitation may result in the Landlord's submission being eliminated from consideration.

Landlord herby 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 County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Landlord shall have the right to encumber the Building with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Building 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 County 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 County 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 County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- e. Landlord shall give the County 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 two weeks prior to the effective date thereof.
- f. Landlord shall not furnish any information concerning County 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 County) to any person or entity, except with County's prior written consent. Landlord shall indemnify, defend and hold County 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.

g. The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.

32.4 Smoking in County Facilities.

The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the county has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of county employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air guality in all such facilities be improved for the preservation and improvement of the health of all county employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside county facilities and except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International nosmoking 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.

34. 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 which becomes available during the Term (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"). Any space that is vacant as of the Commencement Date shall not be deemed to be a space that "becomes available" during the Term and therefore shall not be considered an Additional Premises. Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have thirty (30) days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "Expansion Commitment").

(b) If Tenant delivers to Landlord the Expansion Commitment within such thirty (30) 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 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 thirty (30) day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 34 shall not apply to any sales or similar transfers of the Additional Premises.

35. OPTION TO EXTEND

35.1 Option Terms

Provided Tenant is not in material default under any material term or provision contained in the Lease beyond any applicable notice and cure period, and is in possession of the

Premises at the time Tenant exercises its option, Tenant shall have one (1) option to extend the Term of this Lease ("Extension Option") for an additional period of forty-eight (48) months ("Option Term") for all of the space then under the Lease under the same terms and conditions except for the monthly installment of Base Rent. If Tenant wishes to exercise the Extension Option, Tenant shall deliver written notice to Landlord no less than six (6) months prior to the expiration of the then existing Term ("Exercise Notice"). If Tenant fails to timely deliver the Exercise Notice, Tenant shall be considered to have elected not to exercise the Extension Option. The Base Rent payable during the Option Term shall be the fair market rental rate for the Premises (based on comparable space in the same locality and taking into account any rent abatement, tenant improvement allowances or other monetary concessions generally available with respect to such comparable spaces) as of the date of the Exercise Notice. Landlord and Tenant shall have until the date that is thirty (30) days following the date that Landlord receives Tenant's Exercise Notice to mutually agree upon the new Base Rent for the Option Term. Except for Base Rent at the new rate, all of the terms and conditions of the Lease shall remain the same and shall remain in full force and effect throughout the Option Term; provided, however, that any free rent, improvement allowances, moving allowances, lease assumption payments, plan design allowances (or payments), expansion options, opportunity rights or other similar concessions provided for in the Lease shall not apply during any Option Term. The rights contained in this Section 35.1 shall be personal to the originally named Tenant and may be exercised only by the originally named Tenant (and not any assignee, sublessee, or other transferee of Tenant's interest in this Lease) and only if the originally named Tenant occupies the entire Premises as of the date it exercises the Extension Option in accordance with the terms of this section.

36. <u>COVID-19</u>

36.1. Landlord shall comply with all applicable local, State, and federal laws, regulations and restrictions relating to COVID-19.

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

LANDLORD:

901 CORPORATE CENTER, LP, a California limited partnership

By: Name: hard Ut Its: 5~P

COUNTY OF LOS ANGELES, a body corporate and politic

FESIA A. DAVENPORT Chief executive Officer

By:

John T. Cooke Assistant Chief Executive Officer

ATTEST:

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

By:

Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON **County Counsel**

m By:

Senior Deputy

TENANT:

EXHIBIT A

FLOOR PLAN OF PREMISES

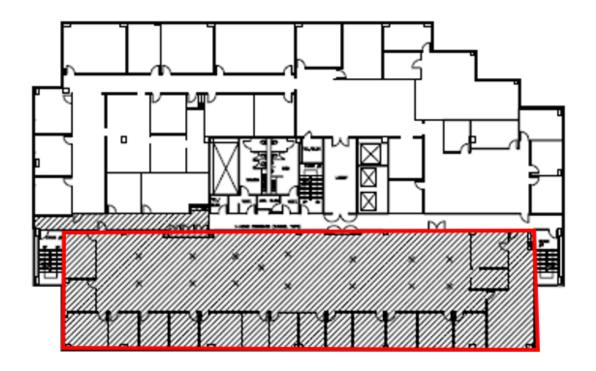


EXHIBIT B

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 901 Corporate Center, LP, a California limited partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 901 Corporate Center Drive, Monterey Park, CA 91754 ("Premises"),

Landlord and Tenant hereby acknowledge as follows:

- 1) The Lease commenced on _____ ("Commencement Date"); and
- 2) The Premises contain <u>7,922</u> rentable square feet of space.

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

Tenant:

Landlord:

COUNTY OF LOS ANGELES, a body corporate and politic

901 CORPORATE CENTER, LP, a California limited partnership

By:

By:

Name_____ Its_____ Name_____ Its_____

EXHIBIT C

PAYMENT	VOUCHER
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CEO-REAL ESTATE DIVISION RENT PAYMENT VOUCHER FISCAL YEAR 2017-18

18-Aug-17

T(0, 0, 1	10#	To be	complete	d by Lessor:			Name #1:				. u	NIT/ORG#	00000	Lease No:	00000		prization Initials/Sign Signature	
Tax/S.S.							Name #2				- D	oc.ID: GAX		Accour	nt No	Initials	Signature	Level
Signature	·					Attn: or					- V	endor Code:		Disburs	ement Code: 818	-		
Date				Email:		Address City, Sta		-			- P	isbursement 1	ype Warra					
Phone No	D.			Fax No.				-			·				FUND A01			
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Amount	e					Expirati	on Date	Current S	Status			ef Doc Dept: I		Ref acctg. L	ine: 1			
Property	Location		-								R	ef Doc ID:		Ref Type: P	artial			
Acct Period*	Budget FY**	GAX#	PV Date	Invoice # (Month)	Rent For:		Sch Pymt Date	Document Total	S/H Code	Line Amount	I/D	Input/Au Input	thorization Initials Level #1	/Dat Level 2/3/4/5	Warrant #	PAID Issue Date	Amount Paid	BILL MO PT
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* Leave Blank except for 13th Accounting Period. ** Leave blank except entering commitments or expenditure accrual.

PV_Leasing.accdb. Report Name: 00000-00000_17-18

EXHIBIT D

HEATING, VENTILATION AND AIR CONDITIONING

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

EXHIBIT E

CLEANING AND MAINTENANCE SCHEDULE

1. DAILY (Monday through Friday)

- Α. Carpets vacuumed.
- B. Composition floors dust-mopped.
- C. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
- D. Waste baskets, other trash receptacles emptied.
- E. Chairs and waste baskets returned to proper position.
- F Fingerprints removed from glass doors and partitions.
- G. Drinking fountains cleaned, sanitized and polished.
- Η. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
- I. Bulb and tube replacements, as required.
- J. Emergency exit signage and egress battery replacement (if applicable)
- K. Graffiti expunged as needed within two working days after notice by Tenant
- L. Floors washed as needed.
- Kitchen/lunchroom/restroom supplies replenished, including paper supplies, and Μ. soap.
- N. Exclusive day porter service from _____ a.m. to ______ p.m. (if provided by contract).

2. WEEKLY

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

MO<u>NTHLY</u> 3.

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

Exhibit E

F. Picture moldings and frames dusted.

- G. Wall vents and ceiling vents vacuumed.
- H. Carpet professionally spot cleaned as required to remove stains.
- I. HVAC chiller water checked for bacteria, water conditioned as necessary.

4. <u>QUARTERLY</u>

- J. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- K. Wood furniture polished.
- L. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- M. HVAC units serviced for preventative maintenance purposes, all filters changed.

5. <u>SEMI-ANNUALLY</u>

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

6. <u>ANNUALLY</u>

- Q. 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.
- R. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
- S. Touch-up paint all interior painted surfaces in a color and finish to match existing.

7. <u>AS NEEDED</u>

- T. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
- U. 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.
- V. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

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

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

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

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

EXHIBIT F

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 West 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"), 901 CORPORATE CENTER, LP, a California limited partnership, ("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.

<u>Agreement</u>

Therefore, the parties agree as follows:

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

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

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

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

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

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

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

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

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

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed. 6. <u>Notices</u>. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

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

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

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

By:	
Name:	
Title:	

BORROWER: 901 CORPORATE CENTER, LP, a California limited partnership

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 G

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 Terr	n:	
	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 <u>Exhibit A</u>.

(b) The current Rent is set forth above.

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

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

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

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

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

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

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

(e) No rental payments have been made more than one 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.

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 H

COMMUNITY BUSINESS ENTERPRISE FORM

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

I. Minority/Women Pa	articipation	in Firm	(Partners, Asso	ociate Partners,	Managers, S	taff, etc.)		
1. Firm Name:		3. Contact Person/Telephone Number:						
2. Address:								
					4. Total numl employees	ber of in the firm:		
5. Provide the number of all minority employees	an	Owners, d Associa		Mar	agers	agers Staff		
and women in each	All O,	P & AP	Women	All Managers	Women	All Staff	Women	
Black/African American								
Hispanic/Latin American								
Asian American								
Portuguese American								
American Indian/Alaskan Nativ	е							
All Others								
II. PERCENTAGE OF	MINORITY/	WOMEN	OWNERSHI	P IN FIRM				
^{1.} Type of Business Structure:	(Corporation, P	artnership, S	Sole Proprietorshi	p, Etc.)				
^{2.} Total Number of Ownership/	Partners, Etc.:			RITY/WOMEN- IFICATION	owned fir	RM		
^{3.} Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm					
Black/African American			by the: State of California? □ Yes □ No					
Hispanic/Latin American			City of Los Angeles?					
Asian American			Federal Government?					
Portuguese American			Section D.	OPTION TO P	ROVIDE RE	QUESTED INFOR	MATION	
American Indian/Alaskan			□ We do	not wish to provid	de the informa	tion required in this fo	orm.	
All Others			Firm Name:					
			Signature/Title	e:				
			Date:					

HOA.103868894-1

Exhibit H COMMUNITY BUSINESS ENTERPRISES FORM

EXHIBIT I

MEMORANDUM OF LEASE

RECORDING REQUESTED BY AND WHEN RECORDED MAIL 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

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 901 CORPORATE CENTER, LP, a California limited partnership (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:	901 CORPORATE CENTER, LP, a California limited partnership
	Ву:
	Its:
	Ву:
	Its:
TENANT:	COUNTY OF LOS ANGELES, a body corporate and politic
	FESIA A. DAVENPORT Chief Executive Officer
	By
	John T. Cooke
	By: John T. Cooke Assistant Chief Executive Officer

ATTEST:

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

By: _____ Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON **County Counsel**

By: _____ Senior Deputy

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

STATE OF CALIFORNIA)) SS.
COUNTY OF) 00.

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)

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	Board Memo		□ Other		
CLUSTER AGENDA REVIEW DATE	4/26/2023				
BOARD MEETING DATE	5/16/2023				
SUPERVISORIAL DISTRICT AFFECTED	□ All □ 1 st ⊠	2 nd 3 rd 4 th 5 th			
DEPARTMENT(S)	Public Health				
SUBJECT	spaces at 6101 West Ce	for 9,121 square feet of office space ar entinela Avenue, Suite 300, Culver City,			
PROGRAM	Environmental Health				
AUTHORIZES DELEGATED AUTHORITY TO DEPT	Yes 🗌 No				
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No				
	If Yes, please explain w	hy: N/A			
DEADLINES/ TIME CONSTRAINTS	Lease has been on month-to-month holdover since May 1, 2021, with no fee.				
COST & FUNDING	Total cost: \$2,348,000	Funding source: Rental costs are 100 percent funded the Health (DPH) license and permit fee operations, with no impact to net count	es from DPH regulated ty cost.		
	TERMS (if applicable): The proposed lease will have an annual cost of \$437,808 for the first year, where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.				
	Explanation: Sufficient funding to cover the proposed rent 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 DPH. DPH has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be part of the budget for DPH.				
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide continued use of office space for DPH.				
BACKGROUND (include internal/external issues that may exist including any related motions)	The County has leased the subject location since May 1, 2014. The facility adequately meets the office space needs of DPH.				
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ⊠ No If Yes, please explain how:				
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ⊠ No If Yes, please state which one(s) and explain how:				
DEPARTMENTAL CONTACTS	Alexandra Nguyen-River CEO- Real Estate Divisio 213-974-4189 arivera@ceo.lacounty.go	on			

BOARD OF SUPERVISORS Hilda L. Solis First District Holly J. Mitchell Second District Lindsey P. Horvath Third District Janice Hahn Fourth District Kathryn Barger Fifth District



COUNTY OF LOS ANGELES

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

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

May 16, 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:

FIVE-YEAR LEASE DEPARTMENT OF PUBLIC HEALTH 6101 WEST CENTINELA AVENUE, SUITE 300, CULVER CITY (SECOND DISTRICT) (3 VOTES)

SUBJECT

Approval of a proposed five-year lease to renew an existing lease to provide the Department of Public Health (DPH) continued use of 9,121 square feet of office space and 43 on-site parking spaces for the Environmental Health (EH) program.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the project.
- 2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with 6101 Centinela Property Owner, LLC, a Delaware limited liability company (Landlord), for approximately 9,121 square feet of office space, and 43 on-site parking spaces located at 6101 West Centinela Avenue, Suite 300, Culver City (Premises) to be occupied by DPH. The estimated maximum first year base rental cost is \$437,808. The estimated total lease cost is \$2,348,000 over the five-year term. The rental costs will be funded 100 percent by revenues generated from DPH license and permit fees collected from regulated operations, with no impact to net County cost. DPH will not be requesting additional net County cost (NCC) for this action.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DPH operates this program at the Premises providing direct services to the community, which includes inspecting retail food facilities, swimming pools, and multiple family dwellings with five or more units. EH also holds temporary events and conducts compliance reviews. In addition, EH processes requests for the Medical Marijuana Identification Card program. The facility houses 41 employees. EH receives approximately 15 to 30 clients daily who come to the office to discuss technical issues, obtain information, appear for compliance reviews, pay for permit fees, order copies of inspection reports, and request medical marijuana ID cards.

The County has leased the Premises since May 2014 for use by DPH. The existing lease expired on April 30, 2021, and is not subject to a holdover fee.

EH provides direct services which serve the West Los Angeles area. Staff are primarily field inspectors who use the Premises primarily to prepare documentation. They typically are in the office for one-half day or the entire day, depending on projects and assignments. Currently, no employees based at this location are teleworking because the Premises is centrally located and convenient for the required field visits and inspections.

DPH would like to remain in the current Premises due to the high cost of relocating, and the lack of suitable space alternatives in its service area. The proposed lease meets DPH's space requirements, including parking. The Premises is adjacent to the 405 freeway and is also served by public transportation routes.

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

Implementation of Strategic Plan Goals

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

The proposed lease is also consistent with the Strategic Asset Management Plan Goal 2 – Strengthen connection between service priorities and asset decisions; and Key Objective No. 4 – Guide Strategic Decision-Making.

The proposed lease supports these goals and objective by renewing the use of an existing facility and allowing DPH to continue providing services from a facility that adequately meets the space and parking requirements and is centrally located within its service area.

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

FISCAL IMPACT/FINANCING

The estimated maximum first year rental cost is \$437,808. The aggregate cost associated with the proposed lease over the entire term is \$2,348,000, as shown on Enclosure B-1. The rental costs will be funded 100 percent by revenues generated from DPH license and permit fees collected from regulated operations, with no impact to net County cost. DPH will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent 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 DPH. DPH has sufficient funding in its FY 2022-23 Operating Budget to cover the proposed rent for the first year. Beginning in FY 2023-24, ongoing funding for costs associated with the proposed lease will be part of the budget for DPH.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease, the annual rental rate will increase from \$33.22 per square foot, per year to \$48.00 per square foot, per year. The base rent includes parking and is subject to annual increases based on the Consumer Price Index (CPI) capped at 3.5 percent per annum.
- The Landlord is responsible for all of the operating and maintenance costs of the building and is also responsible for utilities and janitorial costs. The County is not subject to property tax increases.
- The 43 on-site parking spaces are included at no additional cost.
- A comparison of the existing lease terms and the proposed lease is shown on Enclosure B-2.
- A five-year initial term with an option to extend the lease for an additional four years with a minimum of six months prior written notice, at 95 percent of market rental value.

- Subject to any other prior rights of tenants in the building, the County has the Right of First Offer to lease any available contiguous space in the building.3
- The County has rights to terminate early after the 24th, 36th, and 48th months with no less than 9 months prior written notice. The County will not be required to pay a termination fee.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will be at the last monthly base rent at the time of the proposed lease expiration and subject to the terms as provided for in the proposed lease.
- The proposed lease will be effective upon approval by the Board, and the term and rent shall commence upon the first day of the month following Board approval and full execution of the proposed lease by both parties.

The Chief Executive Office conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$52.20 and \$63.00 per square foot, per year. The base annual rental rate of \$48.00 per square foot, per year for the proposed lease represents a rate that is lower than the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed facility as the most suitable to meet the County's space requirements.

Due to the use at these Premises, co-working space is not practical for EH.

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

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

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

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

ENVIRONMENTAL DOCUMENTATION

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor tenant improvements within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in section 15301 of the State CEQA Guidelines (Guidelines) and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

Respectfully submitted,

FESIA A. DAVENPORT Chief Executive Officer

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

Enclosures

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

DEPARTMENT OF PUBLIC HEALTH 6101 WEST CENTINELA AVENUE, SUITE 300, CULVER CITY

Asset Management Principles Compliance Form¹

•	<u>Oc</u>	cupancy	Yes		N/A
-	А	Does lease consolidate administrative functions?			x
Ī	В	Does lease co-locate with other functions to better serve clients?		х	
Ī	С	oes this lease centralize business support functions?			
	D	Does this lease meet the guideline of 200 sq. ft of space per person? The ratio is approximately 222 sf per person due to the need for hearing rooms and other ancillary functions.		x	
	Е	Does lease meet the 4/1000 sq. ft. parking ratio guideline? 4.8/1000 The lease includes 43 parking spaces to accommodate staff.		x	
ľ	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location?			
	Cap				
	A	Is it a substantial net County cost (NCC) program? The rental costs will be funded 100 percent by revenues generated from DPH license and permit fees collected from regulated operations, with no impact to net county cost.		x	
	В	Is this a long-term County program?	х		
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		х	
	D	If no, are there any suitable County-owned facilities available?		х	
Ī	Е	If yes, why is lease being recommended over occupancy in County-owned space?			X
Ī	F	Is Building Description Report attached as Attachment C?	х		
ľ	G	Was build-to-suit or capital project considered? The County already occupies the facility. This is a renewal.		х	
	Por	tfolio Management			
-	А	Did department utilize CEO Space Request Evaluation (SRE)?	х		
-	В	Was the space need justified?	х		
-	С	Does this lease centralize business support functions? Does this lease meet the guideline of 200 sq. ft of space per person? The ratio i approximately 222 sf per person due to the need for hearing rooms and othe ancillary functions. Does lease meet the 4/1000 sq. ft. parking ratio guideline? 4.8/1000 The lease includes 43 parking spaces to accommodate staff. Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? tal Is it a substantial net County cost (NCC) program? The rental costs will be fundee 100 percent by revenues generated from DPH license and permit fees collecter from regulated operations, with no impact to net county cost. Is this a long-term County program? If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy? If no, are there any suitable County-owned facilities available? If yes, why is lease being recommended over occupancy in County-owned space? Is Building Description Report attached as Attachment C? Was build-to-suit or capital project considered? The County already occupies th facility. This is a renewal. folio Management Did department utilize CEO Space Request Evaluation (SRE)? Was the space need justified? If a renewal lease, was co-location with other County departments considered? Why was this program not co-located? 1 The program clientele requires a "stand alone" facility. 2. X No suitable County occupied properties in project area. 3. X. No County-owned facilities available for the project. 4 Could not get City clearance or approval. 5 The Program is being co-located. Is lease a full-service lease? Has growth projection been considered in space request? 'Has the Dept. of Public Works completed seismic review/approval?		х	
-	D	Why was this program not co-located?			
		1 The program clientele requires a "stand alone" facility.			
		2. X No suitable County occupied properties in project area.			
		3. X No County-owned facilities available for the project.			
		4 Could not get City clearance or approval.			
		5 The Program is being co-located.			
	Е	Is lease a full-service lease?	x		
ľ	F	Has growth projection been considered in space request?	х		
-	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

6101 West Centinela, Suite 300, Culver City Department of Public Health

9,121	
Monthly	Annual
\$4.00	\$48.00
\$36,484	\$437,808
0 mo/5 yrs	
3.5%	
	Monthly \$4.00 \$36,484 D mo/5 yrs

	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	Total 5 Year Rental	
						Costs	
Annual Base Rent Costs ⁽¹⁾	\$437,808	\$453,131	\$468,991	\$485,406	\$502,395	\$2,348,000	
Total Cost Paid to Landlord	\$437,808	\$453,131	\$468,991	\$485,406	\$502,395	\$2,348,000	
Total Annual Lease Costs	\$437,808	\$453,131	\$468,991	\$485,406	\$502,395	\$2,348,000	

Footnotes

⁽¹⁾ The Base Rent is subject to CPI increases capped at three and a half percent (3.5%) per annum and includes 43 on-site parking

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

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 6101 West Centinela Avenue, Suite 300, Culver City	Proposed Lease 6101 West Centinela Avenue, Suite 300, Culver City	Change
Area (Square Feet)	8,912 sq. ft.	9,121 sq. ft. (1)	209 sq. ft.
Term (years)	7 years	5 years	-2 years
Annual Base Rent	Base Rent \$296,029 \$33.22 per sq. ft. annually	Total \$437,808 ⁽²⁾ \$48.00 per sq. ft. annually	+\$141,779 annually
Parking (included in Base Rent)	43	43	None
Rental Rate Annual Adjustment	Annual CPI adjustments capped at 3.5 percent	Annual CPI adjustments capped at 3.5 percent	None

¹ The Premises were remeasured by the Landlord according to 2017 BOMA standards and the space increased by 209 square feet.

2 Landlord pays for all utilities, including electricity, gas and water, along with other costs associated with operations, building maintenance and repairs.

DEPARTMENT OF PUBLIC HEALTH

SPACE SEARCH – 5 MILE RADIUS FROM 6101 WEST CENTINELA AVENUE

			Ownership	Gross	
LACO	Name	Address	Туре	Sq Ft	Vacant
		5530 W 83 rd Street			
0014	PW Road – Div.	Westchester 90045	Owned	5,500	None
		4433 Admiralty Way			
X528	Fire Station 110	Marina Del Rey	Owned	6,482	None
	Public Library – View	3854W 54 th Street			
6722	Park	Los Angeles 90043	Owned	6,983	None
		4359 Lennox Blvd			
0316	Public Library - Lennox	Lennox 90304	Owned	10,827	None
	Lennox Constituent	4343 Lennox Blvd			
0346	Service Center	Lennox 90304	Owned	8,261	None
		4331 Lennox Blvd			
0317	Sheriff – Lennox Station	Lennox 90304	Owned	8,709	None
		12505 Vista Del Mar			
Y151	Dockweiler Youth Center	Playa Del Rey 90293	Owned	8,800	None
	Beaches – Former Cove	13535 Mindanao Way			
X020	Building	Marina Del Rey 90292	Owned	9,276	None

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Five-year Lease for DPH – 6101 West Centinela Avenue, Suite 300, Culver City – Second District.

- A. Establish Service Function Category Environmental Health Program
- B. **Determination of the Service Area –** The existing office space has been occupied since May 1, 2014. The proposed lease term will provide DPH with continued use of 9,121 square feet of office space and 43 on-site parking spaces.
- C. Apply Location Selection Criteria to Service Area Data
 - <u>Need for proximity to service area and population</u>: This location meets the needs of DPH and remains in an appropriate area.
 - Need for proximity to existing County facilities: N/A
 - Need for proximity to Los Angeles Civic Center: N/A
 - Economic Development Potential: N/A
 - <u>Proximity to public transportation</u>: The location is adequately served by local transit services, including the Culver City Transit Center, and is accessible from the 405 freeway.
 - <u>Availability of affordable housing for County employees</u>: The surrounding area provides for affordable rental opportunities.
 - Use of historic buildings: N/A
 - <u>Availability and compatibility of existing buildings</u>: There is no space available in existing County-owned buildings to meet the departments service needs.
 - <u>Compatibility with local land use plans</u>: The City of Culver City has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
 - <u>Estimated acquisition/construction and ongoing operational costs</u>: The aggregate cost associated with the proposed lease over the entire term is approximately \$2,348,000.

D. Analyze results and identify location alternatives

The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$52.20 and \$63.00 per square foot, per year. The base annual rental rate of \$48.00 per square foot, per year for the proposed lease represents a rate that is lower than the market range for the area. Further, relocation to a new building would require costly improvements and disrupt services. We recommend the proposed facility as the most suitable to meet the County's space requirements.

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

The proposed lease will provide adequate and efficient office space for 41 DPH employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012. There are no available buildings in the area that meet the Department's requirements.

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

COUNTY OF LOS ANGELES – Tenant

6101 CENTINELA PROPERTY OWNER, LLC – Landlord

6101 WEST CENTINELA AVENUE

SUITE 300

CULVER CITY, CALIFORNIA

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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

COUNTY OF LOS ANGELES CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 20___ between 6101 CENTINELA PROPERTY OWNER, 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

<u>Terms</u>

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

(a)	Landlord's Address for Notices:	6101 Centinela Property Owner, LLC c/o Watt Investment Partners, LLC 2716 Ocean Park Boulevard, Suite 2025 Santa Monica, California 90405
(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 9,121 rentable square feet, designated as Suite 300, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.
(d)	Building:	The Building located at 6101 West Centinela Avenue, Culver City, California, which is currently assessed by the County Assessor as APN 4220- 015-036 (collectively, the "Property");
(e)	Term:	Five years, commencing on the first day of the month following approval of the Board of

		Supervisors and full execution of the Lease by both parties, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the fifth 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 for which an option has been validly exercised.
(f)	Estimated Commencement Date:	N/A
(g)	Irrevocable Offer Expiration Date: (see Section 33)	N/A
(h)	Base Rent:	\$4.00 per rentable square foot per month (i.e., \$36,484 per month or \$437,808 per year)
(i)	Early Termination (see Section 4.4)	After the 24 th , 36 th , and 48 th months of the Lease term upon nine (9) months prior written notice
(j)	Rentable Square Feet in the Premises:	9,121 rentable square feet
(k)	Initial Departmental Use:	General office use for the Department of Public Health, subject to Section 6.
(1)	Parking Spaces:	<u>43</u> unreserved parking spaces, located in the on- site parking garage, as detailed in Section 20
(m)	Tenant's Hours of Operation:	7 a.m. to 6 p.m. Monday through Friday, and 9 a.m. to 1 p.m. on Saturdays, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.
(n)	Asbestos Report:	N/A

	(o) Seismic Report	A report dated January 10, 2013 prepared by the Department of Public Works.
	(p) Disabled Access Survey	A report dated October 19, 2007 prepared by Arcor, Inc.
1.2	Not Applicable	
1.3	<u>Exhibits to Lease</u>	 Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease

2. <u>PREMISES</u>

2.1 <u>Lease of Premises</u>

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 <u>Measurement of Premises</u>

Tenant shall have the right at any time during the Term of this Lease to fieldmeasure 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 and reduce the Base Rent in Section 1.1 accomplished 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. <u>COMMON AREAS</u>

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

reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

4.1 <u>Term</u>

The term of this Lease shall be for a period of five years, commencing upon the first day of the first calendar month following approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties, and ending 60 months thereafter.

4.2 <u>Early Termination</u>

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than nine (9) months prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

4.3 <u>Lease Expiration Notice</u>

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. <u>RENT</u>

5.1 <u>Base Rent</u>

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, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

5.2. Base Rent Adjustments

(a) <u>CPI</u>. From and after the first anniversary of the Commencement Date, on the first day of the first full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month the Lease commences.

(b) <u>CPI Formula</u>. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Long Beach-Anaheim area, all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent for the first full month after the Commencement Date multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month in which the adjustment is to be effective (the "New Index"), and the denominator being the Base Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

(c) <u>Illustration of Formula</u>. The formula for determining the new rent shall be as follows:

<u>New Index</u> x Base Rent at the Commencement Date = Adjusted Base Rent Base Index

(d) <u>Limitations on CPI Adjustment</u>. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an increase greater than three and one half percent (3.5%) per year of the Base Rent payable in the month preceding the applicable adjustment. In no event shall the Base Rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year of the Lease.

6. <u>USES</u>

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

7. <u>HOLDOVER</u>

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.

8. <u>COMPLIANCE WITH LAW</u>

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including but not

limited to the Americans with Disabilities Act ("ADA"), except if such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

9. DAMAGE OR DESTRUCTION

9.1 Damage

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

9.2 Tenant Termination Right

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

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

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

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

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

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

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

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

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.
- 10.2 Landlord Obligations
 - (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
 - (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
 - the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
 - ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
 - v. signage;
 - vi. emergency exit signage and battery replacement;
 - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
 - viii. Light fixtures, bulbs, tubes and ballasts.
 - (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.

10.3 Tenant Obligations

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

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

10.4 <u>Tenant's Right to Repair</u>

- (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 Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf, and Landlord shall be reimbursed for the cost of the repairs, maintenance, building services and/or alterations provided by Landlord at

the request of Tenant. Any repairs, maintenance, building services and/or alterations made by Landlord at Tenant's request shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements, as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 <u>Services</u>

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

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

(b) Electricity

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

(c) <u>Elevators</u>

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

(d) <u>Water</u>

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

(e) Janitorial

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

(f) <u>Access</u>

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

(g) Pest Control

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

11.2 <u>Utilities</u>

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

12. <u>TAXES</u>

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

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

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable and not used by Tenant. Landlord shall have the right at any and all times, without prior written notice, to enter the Premises in the event of an emergency, or if a government authority requests access, and notify Tenant immediately thereafter.

14. <u>TENANT DEFAULT</u>

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 <u>No Effect on Indemnity</u>

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

15. LANDLORD DEFAULT

15.1 <u>Remedies</u>

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period. Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- (a) to remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) to terminate this Lease.
- 15.2 <u>Waiver</u>

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, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 <u>Sale</u>

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

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale of transfer to Tenant. In addition,

Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

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

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

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

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

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

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

18. <u>CONDEMNATION</u>

18.1 <u>Controlling Terms</u>

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

18.2 Total Taking

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

18.3 Partial Taking

If any portion, but not all, of the Premises or the Common Areas is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of 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 <u>Award</u>

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

18.6 <u>Waiver of Statute</u>

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, or any negligent act, omission or willful misconduct of Landlord or its employees, or arising from any breach or default under this Lease by Landlord.

19.2 <u>Tenant's Indemnity</u>

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

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 insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
 - ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
 - iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.
 - iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
 - v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

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

(c) Cancellation of or Changes in Insurance

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

(d) Failure to Maintain Insurance

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

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant. (f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

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

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR. The Tenant retains the right to require Landlord to reduce or eliminate policy deductibles and SIRs as respects the Tenant, or to provide a bond guaranteeing Landlord's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(I) Tenant Review and Approval of Insurance Requirements

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

20.3 Insurance Coverage Types And Limits

- (a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:
 - i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements

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

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

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

- (b) Commercial Property Insurance. Such insurance shall:
 - i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
 - ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

21. PARKING

21.1 <u>Tenant's Rights</u>

Tenant shall have the right to the number of unreserved parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall

be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

21.2 <u>Remedies</u>

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

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

22. ENVIRONMENTAL MATTERS

22.1 <u>Hazardous Materials</u>

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 safetyrelated laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

22.2 Landlord Indemnity

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

23. ESTOPPEL CERTIFICATES

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

24. TENANT IMPROVEMENTS

Not applicable.

25. <u>LIENS</u>

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

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of <u>Exhibit E</u> attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

26.2 Existing Deeds of Trust

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

26.3 Notice of Default

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

27. SURRENDER OF POSSESSION

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

28. <u>SIGNAGE</u>

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.

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. <u>GENERAL</u>

30.1 <u>Headings</u>

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

30.2 Successors and Assigns

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

30.3 Brokers

Landlord represents and warrants to Tenant that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than Madison Partners. Tenant represents and warrants that it has not engaged any broker, finder or other person who would be entitled to a commission or fees in respect of the negotiation, execution or delivery of this Lease other than CRESA. Landlord and Tenant shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. Landlord through Madison Partners shall pay CRESA a brokerage commission pursuant to a separate agreement.

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 <u>Severability</u>

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

30.6 Notices

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

30.7 Governing Law and Venue

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

30.8 Waivers

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

30.9 <u>Time of Essence</u>

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

30.10 Consent

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

30.11 Community Business Enterprises

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

30.12 Memorandum of Lease

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

30.13 Counterparts; Electronic Signatures

This Lease and any other documents necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed

counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will reply on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform 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. <u>AUTHORITY</u>

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

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

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

32.2 Solicitation of Consideration

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

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

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

32.3 Landlord Assignment

- (a) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, as security for the Landlord's obligation to repay any monetary obligation, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a

fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.

- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.

32.4 Smoking in County Facilities.

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

establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air 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 nosmoking 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. COVID-19 VACCINATIONS OF COUNTY CONTRACTOR PERSONNEL

34.1. At Landlord's sole cost, Landlord shall comply with Chapter 2.212 (COVID-19 Vaccinations of County Contactor 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").

- 34.2. 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").
- Prior to assigning Landlord Personnel to perform In-Person Services, Landlord 34.3. 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.
- 34.4. 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.
 - c. Engage in proper physical distancing, as determined by the applicable County department that the Lease is with.

34.5. 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.

35. <u>RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES</u>.

- (a) Provided that (i) no other tenants in the Building have timely and validly exercised any existing renewal, expansion, right of first refusal, right of first offer, right of first negotiation and similar such rights in and/or to the Additional Premises (as hereinafter defined), which rights are in effect as of and prior to the date of this Lease ("Prior Rights"), and (ii) 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, subject to Landlord's obligation to offer the Additional Premises to holders of Prior Rights, 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 35 shall not apply to any sales or similar transfers of the Additional Premises.

36. OPTION TO EXTEND.

- (a) <u>Option Terms</u>. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have one (1) option to renew this Lease for an additional period of four (4) years (respectively the "Extension Term") at 95% of Market Rental Value.
- (b) <u>Exercise of Option</u>. Tenant must exercise its option to extend this Lease by:
 - (i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than six (6) and no earlier than nine (9) months prior to the end of the initial Term, and
 - (ii) after 95% of Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of 95% of Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect, Tenant shall be entitled to holdover as provided in this Lease. If Tenant fails to give such written notice to Landlord, Landlord will promptly provide written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option, and Tenant shall be granted an additional period of ten (10) business days after receipt of such written notice from Landlord, in which to give Landlord its written notice of its election to exercise such renewal option or election not to exercise such renewal option. Failure by Landlord to provide ten (10) business day written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its respective renewal option or Tenant's failure to notify Landlord of its election to exercise such renewal option, after receipt of the ten (10) business day notice, and without any further notice, act, or agreement, this Lease will terminate as of the thenapplicable expiration date, and neither Landlord nor Tenant will have any further obligation or liability under this Lease arising or continuing from and after such expiration date, subject, however, to the provisions that expressly survive termination of this Lease.

- (c) <u>Terms and Conditions of the Extension Term</u>. The Extension Term shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to 95% of Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, and Landlord shall have no additional obligation for free rent, leasehold improvements or for any other tenant inducements for the Extension Term.
- (d) <u>Agreement on Base Rent</u>. Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its first and second options to extend, respectively.
- Market Rental Value. The term "95% of Market Rental Value" shall be the (e) rental rate that comparable Premises in the market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant in the Building. In determining 95% of Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion, nonrenewal and non-equity tenants of comparable creditworthiness for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, the type of escalation clause (e.g., whether increases in additional rent are determined on a net or gross basis, and if gross, whether such increases are determined according to a base year or a base dollar amount expense stop), the extent of Tenant's liability under the Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent during the period of construction or subsequent to the commencement date as to the space in question, brokerage commissions, if any, which would be payable by Landlord in similar transactions, length of the lease term, size and location of the Building being leased, and other general applicable conditions of tenancy for such comparable transactions.
- (f) <u>Opinions</u>. Landlord shall submit its opinion of 95% of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of 95% of Market Rental Value (in which case, such 95% of Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of 95% of Market Rental Value. If Landlord and Tenant cannot agree upon 95% of Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of 95% of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant

Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of 95% of Market Rental Value is the closest to the actual (in such appraiser's opinion) 95% of Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period. Tenant may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of 95% of Market Rental Value is the closest to the actual (in such appraisers' opinion) 95% of Market Rental Value of the Premises, and such Final Statement of 95% of Market Rental Value shall be the 95% of Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.

(g) <u>Amendment of Lease</u>. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 36, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

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

LANDLORD:

6101 CENTINELA PROPERTY OWNER, LLC, a Delaware limited liability company

By:	Docusigned by: Adam Sicgman	
Name:	Adam Siegman	
lts:	Authorized Signatory	_

TENANT:

COUNTY OF LOS ANGELES, a body corporate and politic

FESIA A. DAVENPORT Chief Executive Officer

By:

John T. Cooke Assistant Chief Executive Officer

ATTEST:

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

By:

Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON County Counsel

By: _

Senior Deputy

EXHIBIT A

FLOOR PLAN OF PREMISES

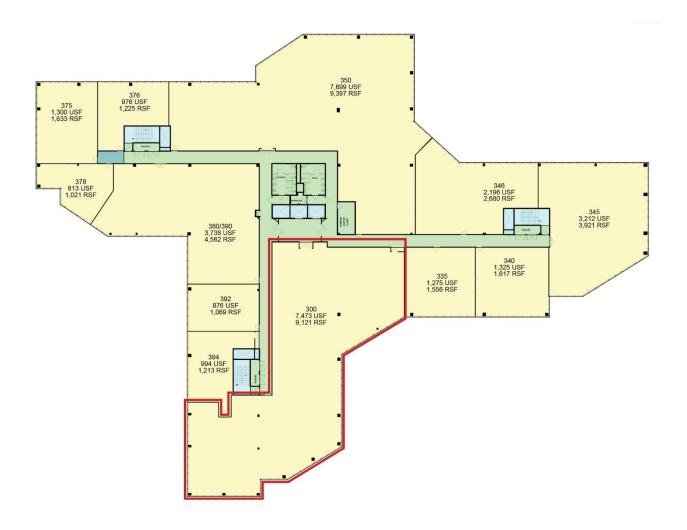


EXHIBIT B

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 6101 Centinela Property Owner, LLC, a Delaware limited liability company("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 6101 Centinela Avenue, Suite 300, Culver City, California ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) The Lease commenced on _____ ("Commencement Date");
- 2) The Premises contain ______ rentable square feet of space; and
- 3) Landlord has paid a commission in the amount of \$_____ to Tenant pursuant to Section 30.3 of the Lease.

For clarification and the purpose of calculating future rental rate adjustments:

- 1) Base Rent per month is _____.
- 2) The Base Index month is _____.
- 3) The Base Index is _____.
- The first New Index month is _____.

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

Tenant:

Landlord:

COU	NTY OF LOS ANGELES,	<u>6101</u>	CENT	INELA	PROPERTY	<u>OWNER,</u>
a boo	ly corporate and politic	<u>LLC</u> ,	a Delaw	are limi	ted liability con	npany
By:		By:	(ad	am Siu	gmain	
•	Name	•	Name		Siegman	
	lts		lts	Author	ized Signator	у

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

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

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

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

B. <u>WEEKLY</u>

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

C. <u>MONTHLY</u>

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

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

D. <u>QUARTERLY</u>

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

E. <u>SEMI-ANNUALLY</u>

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

F. <u>ANNUALLY</u>

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

G. <u>AS NEEDED</u>

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

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

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

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

H. <u>GENERAL</u>

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

EXHIBIT E

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

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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:

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

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

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

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

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

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

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

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

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

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed. 6. <u>Notices</u>. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

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

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

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

By:	
Name:	
Title:	

BORROWER: [Insert name of Landlord]

By:	— Docusigned by: I Lam Sigman — 110080350008487	
Name:	Adam Siegman	
Title:	Authorized Signatory	

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 Terr Expiration Date:	n:	
	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 <u>Exhibit A</u>.

(b) The current Rent is set forth above.

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

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

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

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

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

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

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

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

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

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

COUNTY OF LOS ANGELES, a body corporate and politic

By:	
Name:	
Title:	

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 Pa	articipatic	on in Firr	n (Partners,	Associate F		•	· · · ·		
. Firm Name:					Contact Perso	on/Telephone N	umber:		
2. Address:									
						number of yees in the			
5. Provide the number of all minority employees and	As	Owners, Partners Associate Partners					St	Staff	
women in each category.	All O,F	°& AP	Women	All Manager	s Won	nen	All Staff	Women	
Black/African American									
Hispanic/Latin American									
Asian American									
Portuguese American									
American Indian/Alaskan Native	•								
All Others									
II. PERCENTAGE OF	MINORIT	Y/WOME		HIP IN FIRI	M				
1. Type of Business Structure:	(Corporation,	Partnership,	, Sole Proprietors	hip, Etc.)					
^{2.} Total Number of Ownership/I	Partners, Etc.:			ITY/WOMEN-O	WNED FIRM				
 Provide the percentage of ownership in each 	All Employee	Women	Is your firm c	urrently certified	as a minority of	owned bus	siness firm by the:		
Black/African American			State of 0	California?	□ Yes		C		
Hispanic/Latin American			City of Lo	s Angeles?	□ Yes		C		
			Federal C	Government?	□ Yes		C		
Asian American									
Portuguese American			Section D.	OPTION TO P					
American Indian/Alaskan Native	□ We do not wish to provide the information required in this form.								
All Others			Firm Name:						

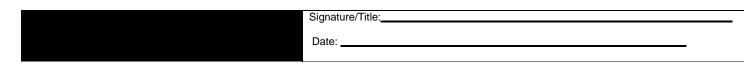


EXHIBIT H

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:
TENANT:	COUNTY OF LOS ANGELES, a body corporate and politic FESIA A. DAVENPORT
	By: John T. Cooke Assistant Chief Executive Officer
ATTEST:	
DEAN C. LOGAN Registrar-Recorder/County Clerk of the County of Los Angeles	

By: _____ Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON County Counsel

By: _____ Senior Deputy

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

STATE OF CALIFORNIA)
) SS.
COUNTY OF)

On _____, before me,

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

personally appeared _____

Name of Signer(s)

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

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

WITNESS my hand and official seal.

Signature (Seal)