



# Board of Supervisors Operations Cluster Agenda Review Meeting

**DATE:** March 20, 2024

**TIME:** 2:00 p.m. – 4:00 p.m.

**MEETING CHAIR:** John Leonard, 3<sup>rd</sup> Supervisorial District

**CEO MEETING FACILITATOR:** Thomas Luscombe

**This meeting will be held in a hybrid format which allows the public to participate virtually, or in-person, as permitted under the Board of Supervisors' August 8, 2023 order, which suspended the application of Board Policy 3.055 until March 31, 2024.**

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

Kenneth Hahn Hall of Administration

500 West Temple Street

Los Angeles, California 90012

Room 374-A

To participate in the meeting virtually, please call teleconference number

1 (323) 776-6996 and enter the following 439827168# or [Click here to join the meeting](#)

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

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

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

## 1. CALL TO ORDER

## 2. GENERAL PUBLIC COMMENT

## 3. DISCUSSION ITEM(S):

### A) Board Letter:

FIVE-YEAR LEASE AGREEMENT

DEPARTMENT OF PUBLIC HEALTH

26415 CARL BOYER DRIVE, SANTA CLARITA

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

- B) Board Letter:  
THREE-YEAR LEASE AMENDMENT  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
501 SHATTO PLACE, LOS ANGELES  
CEO/RE - Alexandra Nguyen-Rivera, Section Chief, Leasing
- C) Board Memo:  
ADVANCE NOTIFICATION OF INTENT TO ENTER INTO NEGOTIATIONS  
FOR A SOLE SOURCE CONTRACT WITH ZETRON INC. TO PROVIDE  
MAINTENANCE AND SUPPORT SERVICES  
LASD/CIO - Alex Madera, Contracts Manager, LASD
- D) Board Memo:  
NOTICE OF INTENT TO NEGOTIATE A SOLE SOURCE CONTRACT WITH  
ZETRON, INC., FOR ANNUAL MAINTENANCE SERVICES  
LACoFD/CIO - Nicholas Berkuta, Acting Assistant Fire Chief, LACoFD
- E) Board Letter:  
AMENDMENT TO TITLE 8 – CONSUMER PROTECTION, BUSINESS, AND  
WAGE REGULATIONS, RELATED TO ESTABLISHING A FAIR  
WORKWEEK ORDINANCE  
COUNTY COUNSEL – Michael Buennagel, Senior Deputy County Counsel  
and Lucia Gonzalez, Senior Deputy County Counsel  
DCBA - Rose Basmadzhyan, Chief, Consumer and Business Affairs  
Representative

**4. PRESENTATION ITEM(S):**

None available.

**5. ADJOURNMENT**

**UPCOMING ITEM(S) FOR MARCH 27, 2024:**

- A) DHR - RECOMMENDATION TO PROVIDE LEGAL REPRESENTATION FOR A  
CLINICAL PSYCHOLOGIST EMPLOYED BY THE DEPARTMENT OF HUMAN  
RESOURCES FOR ADMINISTRATIVE PROCEEDINGS BROUGHT BY THE  
CALIFORNIA BOARD OF PSYCHOLOGY
- B) CEO/RE - FIVE-YEAR LEASE  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
12440 EAST IMPERIAL HIGHWAY, NORWALK

C) CEO/RE - APPROXIMATELY THREE-YEAR  
AND FIVE-MONTH LEASE AMENDMENT  
FIRE DEPARTMENT  
16200 DAILY DRIVE, VAN NUYS

D) DCBA - APPROVAL OF NEW COUNTYWIDE LANGUAGE ACCESS POLICY

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	3/20/2024			
<b>BOARD MEETING DATE</b>	4/9/2024			
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input checked="" type="checkbox"/> 5 <sup>th</sup>			
<b>DEPARTMENT(S)</b>	Department of Public Health			
<b>SUBJECT</b>	Five-year lease renewal for 7,253 square feet of office space and 34 on-site parking spaces at 26415 Carl Boyer Drive, Suites 125 and 160, Santa Clarita, CA 91350			
<b>PROGRAM</b>	Environmental Health			
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A			
<b>DEADLINES/ TIME CONSTRAINTS</b>	Lease has been in holdover since its lease expiration, November 12, 2022, with no fee.			
<b>COST &amp; FUNDING</b>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">           Total cost: \$1,288,000         </td><td style="width: 50%;">           Funding source: The rental costs will be funded 80 percent by revenues generated from DPH license and permit fees collected from regulated operations, 20 percent funded by net County cost. DPH will not be requesting additional NCC for this action.         </td></tr> </table>		Total cost: \$1,288,000	Funding source: The rental costs will be funded 80 percent by revenues generated from DPH license and permit fees collected from regulated operations, 20 percent funded by net County cost. DPH will not be requesting additional NCC for this action.
Total cost: \$1,288,000	Funding source: The rental costs will be funded 80 percent by revenues generated from DPH license and permit fees collected from regulated operations, 20 percent funded by net County cost. DPH will not be requesting additional NCC for this action.			
	TERMS (if applicable): The proposed lease agreement will have an annual cost of \$226,000 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 2023 Rent Expense budget and will be billed back to DPH. DPH has sufficient funding in its Fiscal Year 2023 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be addressed through the annual budget process for DPH.			
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and provide continued use of office space for the Department of Public Health.			
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The County has leased the subject location since July 2008. The facility adequately meets the office space needs of DPH. For this proposed lease, there is a 4-year option to extend so the total term would be 9 years if the option is exercised.			
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:			
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:			
<b>DEPARTMENTAL CONTACTS</b>	Alexandra Nguyen-Rivera, Section Chief, Leasing CEO- Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov			



## **Chief Executive Office.**

### **COUNTY OF LOS ANGELES**

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

#### **CHIEF EXECUTIVE OFFICER**

Fesia A. Davenport

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

April 9, 2024

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 AGREEMENT  
DEPARTMENT OF PUBLIC HEALTH  
26415 CARL BOYER DRIVE, SANTA CLARITA  
(FIFTH 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 7,253 square feet of office space and 34 on-site parking spaces for its Environmental Health and Community and Field Services 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 Hilton Centre Pointe, LLC (Landlord), for approximately 7,253 square feet of office space and 34 on-site parking spaces located at 26415 Carl Boyer Drive, Santa Clarita (Premises) to be occupied by DPH. The estimated maximum first year base rental cost is \$246,500, but with a one-month rent abatement of \$20,500, it will equal \$226,000. The estimated total proposed lease agreement cost is \$1,288,000 over the five-year term. The rental costs will be funded 80 percent by revenues generated from DPH license and permit fees collected from

regulated operations and 20 percent by net County cost (NCC). DPH 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 rights.

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

DPH has been at the subject facility since July 2008. The Premises houses two program functions: Environmental Health and Community Field Services. These programs service the San Fernando Valley, Burbank, Calabasas, Canoga Park, Encino, Glendale, and surrounding areas.

Environmental Health programs will continue to provide direct services which include specialty programs, including the District Inspection Branch. The District Inspection Branch inspects retail food facilities, temporary events, and apartment buildings, investigates public health complaints, and holds administrative hearings as needed. The other specialty programs inspect wholesale food facilities, mobile food facilities, monitoring wells, small water systems, monitor the water quality of fresh-water bathing areas, private sewage disposal systems, and solid waste facilities.

Under the Community Field Services division, the Community Engagement and Liaising (CEL) Team serves as both an administrative function and direct service programs. The administrative function part of the team develops, plans, implements, administers, and evaluates priority public health policies, initiatives and programs in the Santa Clarita and San Fernando Valleys. The direct service function of the CEL team provides education and information dissemination like health fair participation, Speakers Bureau presentations through community requests, and outreach to vulnerable communities among other Public Health directives and initiatives.

The facility accommodates 36 employees. It also meets the needs of the anticipated 30 visitors per day who require direct services to seek inspection information, plan check, or participate in administrative hearings. Currently, no employees based at this location are teleworking because employees are required to service the clients that visit the Premises, conduct field visits, and inspections.

The current lease expired November 12, 2022, and has been in holdover with no holdover fee. The current site continues to meet DPH's space needs, provides adequate parking for both employees and visitors, and is in proximity to local public transportation routes. DPH would like to remain in the current Premises due to the high cost of relocating, potential interruption of services, and the lack of suitable space alternatives in its service area.

### **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 Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions Key Objective No. 4 – Guide Strategic Decision-Making.

The proposed lease supports the above goals and objective by providing suitable office space and sufficient parking for DPH employees and clients, which will enable DPH to continue providing services to the community.

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 \$246,500, but with a one-month rent abatement of \$20,500, it will equal \$226,000 and includes parking at no additional cost. The aggregate cost associated with the proposed lease over the entire five-year term, including utilities, janitorial, parking and taxes, is \$1,288,000 as shown on Enclosure B-1. The proposed lease costs will be funded 80 percent by revenues generated from DPH license and permit fees collected from regulated operations, and 20 percent by NCC that is already included in DPH’s existing budget. 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 agreement term is included in the Fiscal Year 2023-2024 Rent Expense budget and will be billed back to DPH. DPH has sufficient funding in its Fiscal Year 2023-2024 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be addressed through the annual budget process for DPH.

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

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

- Upon commencement of the proposed lease, the annual rental rate will decrease from \$39.97 per square foot, per year to \$33.96 per square foot, per year. Base rent is subject to annual increases based on the Consumer Price Index capped at 3 percent per annum.

- The Landlord, at Landlord's sole cost and expense, will repaint the entire Premises, replace carpet throughout the Premises, and install touchless water dispensers.
- The Landlord is responsible for all operating and maintenance costs of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- Parking cost is included in the base rent at no additional cost.
- A five-year initial term with an option to extend the lease for an additional four years with 12 months prior notice, at fair market rent. If all options are exercised, the total term of the proposed lease would be nine years.
- The County has the right to terminate the proposed lease early any time on or after the 36<sup>th</sup> month, with 90 days prior written 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 lease expiration subject to annual rent increases as described in proposed lease agreement.
- A comparison of the existing lease and the option terms is shown in Enclosure B-2.
- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease, but the term and rent will commence on the first day of the month following Board approval and full execution.

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 \$33 and \$37.80 per square foot, per year. The base annual rental rate of \$33.96 per square foot, per year for the proposed lease represents a rate that is on the low end of the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. Co-working space is not conducive for the public facing services provided by DPH at this location. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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 Santa Clarita has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the proposed lease agreement and approved it as to form. The proposed lease agreement 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 DPH's 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.

The Honorable Board of Supervisors  
April 9, 2024  
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Respectfully submitted,

FESIA A. DAVENPORT  
Chief Executive Officer

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

Enclosures

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

**DEPARTMENT OF PUBLIC HEALTH  
26415 CARL BOYER DRIVE, SUITES 125 AND 160, SANTA CLARITA**

**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	A	Does lease consolidate administrative functions? <sup>2</sup>			<b>X</b>
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>			<b>X</b>
	C	Does this lease centralize business support functions? <sup>2</sup>	<b>X</b>		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <b>Approximately 201.5 SF per person due to the need for hearing room, reception, and other ancillary functions.</b>		<b>X</b>	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>34 parking spaces is 4.68/1,000</b>		<b>X</b>	
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	<b>X</b>		
<b>2.</b>	<b><u>Capital</u></b>				
	A.	Is it a substantial net County cost (NCC) program?		<b>X</b>	
	B	Is this a long-term County program?	<b>X</b>		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>	
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	F	Is Building Description Report attached as Enclosure C?	<b>X</b>		
	G	Was build-to-suit or capital project considered? <b>The County currently occupies the facility.</b>		<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	B	Was the space need justified?	<b>X</b>		
	C	If a renewal lease, was co-location with other County departments considered?			<b>X</b>
	D	Why was this program not co-located with other County departments?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <b>X</b> No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full-service lease? <sup>2</sup>	<b>X</b>		
	F	Has growth projection been considered in space request?	<b>X</b>		
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?			<b>X</b>
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					

26415 Carl Boyer Drive, Santa Clarita						
Department of Public Health						
<b>Basic Lease Assumptions</b>						
Leased Area (sq.ft.)	7,253					
	<b>Monthly</b>	<b>Annual</b>				
Rent (per sq. ft.) <sup>(1)</sup>	\$2.83	\$33.96				
Rent Amount (\$)	\$20,526.00	\$246,312.00				
Term (Month/Years)	60 mos.	5 yrs.				
Annual Rent Adjustment	3%					
	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	Total 5 Year Rental Costs
Annual Base Rent Costs <sup>(1)</sup>	\$246,312	\$253,701	\$261,312	\$269,152	\$277,226	<b>\$1,308,000</b>
Rent Abatement <sup>(2)</sup>	(\$20,526)					<b>(\$20,526)</b>
<b>Total Annual Lease Costs</b>	<b>\$225,786</b>	<b>\$253,701</b>	<b>\$261,312</b>	<b>\$269,152</b>	<b>\$277,226</b>	<b>\$1,288,000</b>
<b>Footnotes</b>						
<sup>(1)</sup> The Base Rent is subject to annual Consumer Price Index adjustments with a maximum cap of three percent (3%) per annum.						
<sup>(2)</sup> Rent Abatement during month 1 of the initial term.						
<b>*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.</b>						

**COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE**

	<b>Existing Lease:</b> <b>26415 Carl Boyer Dr</b>	<b>Proposed Lease:</b> <b>26415 Carl Boyer Dr</b>	<b>Change</b>
Area (Square Feet)	7,253 sq.ft.	7,253 sq.ft.	None
Term (years)	Seven years	Five years initial term plus four-year option to renew	Five-years initial term with a four-year option to renew.
Annual Base Rent (Base rent includes <u>34</u> parking spaces)	\$289,952	\$246,312	-\$43,640 annually
Total Annual Lease Costs payable to Landlord	\$289,952	\$246,312	-\$43,640 annually
Rental rate adjustment	Fixed at 3 percent throughout lease term	Annual CPI adjustments capped at 3 percent with no minimum	Annual CPI capped at 3 percent per year

**DEPARTMENT OF PUBLIC HEALTH  
SPACE SEARCH – SANTA CLARITA AREA**

<b>Property ID</b>	<b>Name</b>	<b>Address</b>	<b>Ownership Type</b>	<b>Gross SQFT</b>	<b>Vacant</b>
A341	DPSS - Santa Clarita Branch/Lancaster AP District	27233 Camp Plenty Rd Santa Clarita 91351	Leased	8,400	NONE
10263	Santa Clarita Service Center	26111 Bouquet Canyon Rd Santa Clarita 91355	Leased	5,535	NONE
F487	PW Flood - Santa Clara Maintenance Crew Office	21190 Centre Pointe Pkwy Santa Clarita 91350	Owned	124	NONE
11057	Garage for Building Storage	21190 Centre Pointe Pkwy Santa Clarita 91350	Owned	280	NONE
A200	Public Health - Environmental Health	26415 Carl Boyer Dr Santa Clarita 91350	Leased	7,253	NONE
L103	Public Library Admin Office/Bookmobile	21182 Centre Pointe Pkwy Santa Clarita 91350	Leased	4,900	NONE
10356	Fire Station 104	26901 Golden Valley Rd Santa Clarita 91351	Consolidated Fire Protection District	11,002	NONE
11053	Trailer 1	22234 Placerita Canyon Rd Newhall 91321	Owned	1,228	NONE
11054	Trailer 2	22234 Placerita Canyon Rd Newhall 91321	Owned	1,228	NONE

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease agreement:** Lease for the Department of Public Health – 26415 Carl Boyer Drive, Suites 125 and 160, Santa Clarita – Fifth District.

- A. Establish Service Function Category** – Regional and local public service and administrative functions.
- B. Determination of the Service Area** – The proposed lease renewal will allow DPH's Environmental Health and Community Field Services programs to continue to provide direct services and administrative functions to communities within Service Planning Area 2 (SPA 2) which includes San Fernando Valley, Burbank, Calabasas, Canoga Park, Encino, Glendale, and surrounding areas.

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

- Need for proximity to service area and population: DPH programs are most effective when located within proximity to the geographic regions they service. This location meets the service area criteria and remains in the desired area.
- Need for proximity to existing County facilities: DPH continues to collaborate with County Department partners and Board offices as necessary.
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., local bus services in Santa Clarita with the closest stop being 0.2 miles away. Metrolink train station is less than 2 miles away.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: This is an existing County leased facility available to meet the Department's service needs.
- Compatibility with local land use plans: The City of Santa Clarita has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire term is \$1,288,000.

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

Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$33 and \$37.80 per square foot, per year. The base annual rental rate of \$33.96 per square foot, per year for the proposed lease agreement represents a rate that is on the low end of the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The proposed lease agreement will provide adequate and efficient office space for 36 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.



**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES – Tenant  
HILTON CENTRE POINTE, LLC – Landlord**

**26415 CARL BOYER DRIVE  
SUITES 125 AND 160  
SANTA CLARITA, 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
- Exhibit I – Intentionally Omitted

## **ADDENDUM NO. 1 – Intentionally Omitted**

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2024 between HILTON CENTRE POINTE, 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 Terms

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

(a) Landlord's Address for Notices:	Hilton Centre Pointe, LLC 15604 D'Errico Lane Santa Clarita, CA 91387 Email: jenhilton80@gmail.com
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate  With a copy to:  County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 7,253 rentable square feet, designated as Suites 125 and 160, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building located at 26415 Carl Boyer Drive, Santa Clarita, California, which is currently assessed by the County Assessor as APN 2836-071-018 (collectively, the "Property");
(e) Term:	Five (5) years, commencing on the first day of the month following approval of this Lease by the Board of Supervisors and full execution of this Lease by both parties (the "Commencement Date"), and terminating at midnight on the day before the sixth (6th) 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:	May 1, 2024
(g) Irrevocable Offer Expiration Date: (see Section 33)	N/A
(h) Base Rent:	<p>\$2.83 per rentable square foot per month</p> <p>(i.e., \$20,526 per month or \$246,312 per year)</p> <p>The first month of the initial Term shall be abated as set forth in Section 5.2</p> <p>Base Rent shall be subject to increase as set forth in Section 5.3.</p>
(i) Early Termination (see Section 4.4)	Ninety (90) days' notice on or after the 36th month following the Commencement Date of the Lease.
(j) Rentable Square Feet in the Premises:	7,253 rentable square feet
(k) Initial Departmental Use:	For office use and for any other lawful use, subject to Section 6.
(l) Parking Spaces:	34 unreserved spaces.

(m) Tenant's Hours of Operation:	6 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays
(n) Asbestos Report:	Waived. Building built in 2007.
(o) Seismic Report	Waived. Building built in 2007.
(p) Disabled Access Survey	Report dated November 22, 2023, prepared by Building Principles, Certified Access Specialists

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

### **2.1 Lease of Premises**

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

### **2.2 Measurement of Premises**

Tenant shall have the right at any time during the Term of this Lease to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, then Tenant shall have the right to adjust such square footage 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. COMMON AREAS**

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

## **4. COMMENCEMENT AND EXPIRATION DATES**

### **4.1 Term**

The term of this Lease shall 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 sixty months thereafter.

### **4.2 Intentionally Omitted**

### **4.3 Intentionally Omitted**

#### 4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than Ninety (90) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

#### 4.5 Lease Expiration Notice

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

### 5. RENT

#### 5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

#### 5.2 Rent Abatement

The first month of the initial Term shall be abated.

#### 5.3 Base Rent Adjustments

- (a) CPI. From and after the first (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) Illustration of Formula. The formula for determining the new rent shall be as follows:

$$\frac{\text{New Index}}{\text{Base Index}} \times \text{Base Rent at the Commencement Date} = \text{Adjusted Base Rent}$$

(d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an increase greater than three percent (3%) of the Base Rent payable in the month preceding the applicable adjustment.

## 6. USES

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

## 7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy 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. COMPLIANCE WITH LAW

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

## 9. DAMAGE OR DESTRUCTION

### 9.1 Damage

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

complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant.

## 9.2 Tenant Termination Right

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) **CASp Inspection:**

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

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

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

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

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

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

- (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);
  - 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:

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

### 10.4 Tenant's Right to Repair

- (a) If Tenant provides written notice (or oral notice in the event of an emergency, such as damage or destruction to or of any portion of the Building structure and/or the Building systems, and/or anything that could

cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and if Landlord fails to provide such action within a reasonable period of time given the circumstances after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within ten (10) days after written notice, then Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.

- (b) [Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf. . Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements, as defined in Section 24.

## **11. SERVICES AND UTILITIES**

### **11.1 Services**

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

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

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

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event



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

(c) Elevators

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

(d) Water

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

(e) Janitorial

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

(f) Access

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

(g) Pest Control

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

## 11.2 Utilities

Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to

pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

**12. TAXES**

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

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

**13. LANDLORD ACCESS**

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

**14. TENANT DEFAULT**

**14.1 Default**

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

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

**14.2 Termination**

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

### 14.3 No Effect on Indemnity

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

## 15. LANDLORD DEFAULT

### 15.1 Remedies

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

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

### 15.2 Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

### 15.3 Emergency

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

## 16. **ASSIGNMENT AND SUBLETTING**

### 16.1 **Assignment and Subletting**

Tenant may assign, 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 **Sale**

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

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale 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. **CONDEMNATION**

### 18.1 **Controlling Terms**

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

### 18.2 **Total Taking**

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

### 18.3 **Partial Taking**

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

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

#### 18.4 Restoration

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

#### 18.5 Award

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

#### 18.6 Waiver of Statute

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

### 19. INDEMNIFICATION

#### 19.1 Landlord's Indemnity

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

## 19.2 Tenant's Indemnity

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

## 20. INSURANCE

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

### 20.1 Waiver

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

### 20.2 General Insurance Provisions – Landlord Requirements

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

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

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

or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.

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

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

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

(b) Additional Insured Status and Scope of Coverage

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

(c) Cancellation of or Changes in Insurance

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



(d) Failure to Maintain Insurance

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

(e) Insurer Financial Ratings

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

(f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

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

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

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

(i) Claims Made Coverage

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

## (j) Application of Excess Liability Coverage

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

## (k) Separation of Insureds

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

## (l) Tenant Review and Approval of Insurance Requirements

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

20.3 Insurance Coverage Types And Limits

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

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

General Aggregate:	\$ 2 million
Products/Completed Operations Aggregate:	\$ 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:	\$ 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 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 Remedies

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

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

## **22. ENVIRONMENTAL MATTERS**

### **22.1 Hazardous Materials**

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

### **22.2 Landlord Indemnity**

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

**23. ESTOPPEL CERTIFICATES**

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

**24. TENANT IMPROVEMENTS**

Upon approval of this Lease by the Board of Supervisors and full execution of this lease by both parties, Landlord shall complete the following Tenant Improvements within 120 days of Lease Commencement: Paint throughout the entire Premises, replace carpet/flooring throughout entire Premises, and install touchless water dispenser.

**25. LIENS**

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

**26. SUBORDINATION AND MORTGAGES****26.1 Subordination and Non-Disturbance**

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

**26.2 Existing Deeds of Trust**

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto, within 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. SIGNAGE**

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

**29. QUIET ENJOYMENT**

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

**30. GENERAL****30.1 Headings**

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

**30.2 Successors and Assigns**

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

**30.3 Brokers**

Landlord 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:

Spectrum Commercial Real Estate, Inc. ("Landlord's broker").

Tenant represents and warrants to Landlord 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:

CRESA ("Tenant's broker").

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 the aforementioned representations. Landlord shall pay any commissions or fees that are payable to Landlord's broker and Tenant's broker with respect to this Lease in accordance with the provisions of a separate commission contract.

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

#### 30.7 Governing Law and Venue

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

#### 30.8 Waivers

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

#### 30.9 Time of Essence

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

### 30.10 Consent

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

### 30.11 Community Business Enterprises

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

### 30.12 Memorandum of Lease

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

### 30.13 Counterparts; Electronic Signatures

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



### 31. **AUTHORITY**

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

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

Landlord acknowledges that it is aware of the following provisions:

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

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

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

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

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

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it

violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

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

**33. IRREVOCABLE OFFER**

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

**34. OPTION TO EXTEND**

- (a) Option Term. 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 forty-eight (48) months (respectively, the "Extension Term").
- (b) Exercise of Option. Tenant must exercise its options to extend this Lease by:
  - (i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than 12 months prior to the end of the initial Term, and
  - (ii) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. 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 then-applicable expiration date, and neither Landlord nor Tenant will have any further obligation or liability under this Lease arising or continuing from and after such expiration date, subject, however, to the provisions that expressly survive termination of this Lease.
- (c) Terms and Conditions of the Extension Terms. The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to one hundred percent (100%) of Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, and Landlord shall have no additional obligation for free rent, leasehold improvements

or for any other tenant inducements for the Extension Terms. However, in no event shall the rent be less than the month in which Base Rent was last adjusted.

- (d) Agreement on Base Rent. 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(s) 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.
- (e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant in the Building. In determining the Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion, non-renewal and non-equity tenants of comparable creditworthiness for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, the type of escalation clause (e.g., whether increases in additional rent are determined on a net or gross basis, and if gross, whether such increases are determined according to a base year or a base dollar amount expense stop), the extent of Tenant's liability under the Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent during the period of construction or subsequent to the commencement date as to the space in question, brokerage commissions, if any, which would be payable by Landlord in similar transactions, length of the lease term, size and location of the Building being leased, and other general applicable conditions of tenancy for such comparable transactions.
- (f) Opinions. Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period, Tenant may apply to the Presiding Judge of the Superior Court for 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 Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.

- (g) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 34, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

### **35. RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.**

- (a) Provided that no material Default has occurred and is continuing under the Lease, if at any time prior to the last twelve (12) months of the Term, Landlord intends to offer leasable space located contiguous to the Premises (the "Additional Premises") for lease to third parties or to accept an offer of a third party to lease the Additional Premises, Landlord shall first give written notice to Tenant of the rental rate and other material terms upon which Landlord is willing to lease the Additional Premises ("Landlord's Lease Notice"). Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have ninety (90) business days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "Expansion Commitment").
- (b) If Tenant delivers to Landlord the Expansion Commitment within such ninety (90) business day period, all (but not part) of the Additional Premises shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth in Landlord's Lease Notice, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.
- (c) Except as otherwise set forth in Landlord's Lease Notice, possession of the Additional Premises shall be delivered to Tenant on an "as-is" basis. Landlord shall prepare and Landlord and Tenant shall execute and deliver a written agreement modifying and supplementing the Lease and specifying that the

Additional Premises are part of the Premises and, except as otherwise specified in Landlord's Lease Notice, subject to all of the terms and conditions of the Lease.

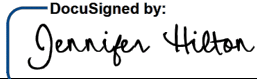
- (d) Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the ninety (90) business day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 35 shall not apply to any sales or similar transfers of the Additional Premises.

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

LANDLORD:

HILTON CENTRE POINTE, LLC, a California  
limited liability company 1/31/2024

DocuSigned by:



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

Name: JENNIFER HILTON

Its: Manager

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_  
John T. Cooke  
Assistant Chief Executive Officer


ATTEST:

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

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

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel



Roberto Saldana  
2024.02.06  
14:41:21 -08'00'

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 \_\_\_\_\_, a \_\_\_\_\_ ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at \_\_\_\_\_ ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 4) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 5) Tenant has accepted possession of the Premises and now occupies the same;
- 6) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 7) The Premises contain \_\_\_\_\_ rentable square feet of space; and
- 8) 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 \_\_\_\_\_.
- 4) The first New Index month is \_\_\_\_\_.]

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

Tenant:

Landlord:

COUNTY OF LOS ANGELES,  
a body corporate and politic

\_\_\_\_\_,  
a \_\_\_\_\_

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. WEEKLY**

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

#### **C. MONTHLY**

16. Floors washed and waxed in uncarpeted office area.
17. High-reach areas, door frames and tops of partitions dusted.
18. 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. QUARTERLY

- 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. SEMI-ANNUALLY

- 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. ANNUALLY

- 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. AS NEEDED

- 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. GENERAL

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**

**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**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

BORROWER: *[Insert name of Landlord]*

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

LENDER: *[Insert name of Lender],*

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

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

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

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

personally appeared \_\_\_\_\_,  
Name of Signer(s)

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

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

WITNESS my hand and official seal.

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

**EXHIBIT F**

**TENANT ESTOPPEL CERTIFICATE**

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

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

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

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

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

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

      (b)    The current Rent is set forth above.

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

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

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

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

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

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

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

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

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

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

COUNTY OF LOS ANGELES,  
a body corporate and politic

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

**EXHIBIT G****COMMUNITY BUSINESS ENTERPRISE FORM**

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

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

1. Firm Name: _____			3. Contact Person/Telephone Number: _____			
2. Address: _____			_____			
_____			_____			
_____			4. Total number of employees in the firm: _____			
5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

**II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM**

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

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

**III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION**

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

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

State of California? ☐ Yes ☐ No

City of Los Angeles? ☐ Yes ☐ No

Federal Government? ☐ Yes ☐ No

**Section D. OPTION TO PROVIDE REQUESTED INFORMATION**

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

Firm Name: \_\_\_\_\_

Signature/Title: \_\_\_\_\_

Date: \_\_\_\_\_

**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  
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)

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	3/20/2024							
<b>BOARD MEETING DATE</b>	4/9/2024							
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input checked="" type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>							
<b>DEPARTMENT(S)</b>	Children and Family Services							
<b>SUBJECT</b>	3-year lease renewal for 15,717 square feet of office space and 36 on-site parking spaces at 501 Shatto Place, Los Angeles, 90020							
<b>PROGRAM</b>	Headquarters Annex							
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No							
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A							
<b>DEADLINES/ TIME CONSTRAINTS</b>	Lease has been in holdover since its lease expiration on January 11, 2024, with no holdover fee.							
<b>COST &amp; FUNDING</b>	<table border="1"> <tr> <td>Total cost: \$1,278,000</td><td>Funding source: The rental costs will be funded by 45% State and Federal funds and 55% NCC that is already included in DCFS' existing budget. DCFS will not be requesting additional NCC for this action.</td></tr> <tr> <td colspan="2">TERMS (if applicable): The proposed lease amendment will have an annual cost of \$389,000 for the first year, where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.</td></tr> <tr> <td colspan="2">Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease amendment term is included in the Fiscal Year 2023-24 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its FY 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease amendment will be addressed through the annual budget process for DCFS.</td></tr> </table>		Total cost: \$1,278,000	Funding source: The rental costs will be funded by 45% State and Federal funds and 55% NCC that is already included in DCFS' existing budget. DCFS will not be requesting additional NCC for this action.	TERMS (if applicable): The proposed lease amendment will have an annual cost of \$389,000 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 amendment term is included in the Fiscal Year 2023-24 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its FY 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease amendment will be addressed through the annual budget process for DCFS.	
Total cost: \$1,278,000	Funding source: The rental costs will be funded by 45% State and Federal funds and 55% NCC that is already included in DCFS' existing budget. DCFS will not be requesting additional NCC for this action.							
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Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease amendment term is included in the Fiscal Year 2023-24 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its FY 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease amendment will be addressed through the annual budget process for DCFS.								
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and provide continued use of office space for DCFS.							
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The County has leased the subject location since January 2002. The facility adequately meets the office space needs of DCFS. The department is only seeking a short-term renewal of existing facility until Vermont Corridor 2 is constructed. This lease has been in holdover since its lease expiration on January 11, 2024, with no holdover penalty.							
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:							
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:							
<b>DEPARTMENTAL CONTACTS</b>	Alexandra Nguyen-Rivera, Section Chief, Leasing CEO- Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov							



## **Chief Executive Office.**

### **COUNTY OF LOS ANGELES**

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

#### **CHIEF EXECUTIVE OFFICER**

Fesia A. Davenport

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

April 9, 2024

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:

**THREE-YEAR LEASE AMENDMENT  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
501 SHATTO PLACE, LOS ANGELES  
(SECOND DISTRICT) (3 VOTES)**

**SUBJECT**

Approval of a proposed three-year lease amendment to renew an existing lease to provide Department of Children and Family Services (DCFS) continued use of 15,717 square feet of office space and 36 on-site parking spaces for use as its Headquarters Annex.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease amendment is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease amendment with S.C.P.T. Real Property Holding, Inc., a California corporation (Landlord), for approximately 15,717 square feet of office space and 36 on-site parking spaces located at 501 Shatto Place, Los Angeles (Premises) to be occupied by DCFS. The estimated maximum first year base rental cost is \$425,000, but with a one-month rent abatement of \$36,000, will equal \$389,000. The estimated total proposed lease cost is \$1,278,000 over the three-year term. The rental costs will be funded by 45 percent State and Federal funds and 55

percent by net County cost (NCC) that is already included in DCFS' existing budget. DCFS will not be requesting additional NCC for this action.

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

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

DCFS has occupied the Premises since January 2002 for use as its Headquarters Annex, which provides administrative support to all DCFS Regional Offices in the County. Programs housed at the Premises include the Materials Management and Procurement section, Payroll and Personnel Processing section, Risk Management, Human Resources, and Community Based Support Division (CBSD). The Premises also houses DCFS' Photographer/Videographer. These programs provide a wide variety of administrative support for all DCFS staff countywide.

The current lease expired on January 11, 2024, and has been in holdover with no additional fee. The current Premises consists of 34,855 square feet of office space however DCFS has implemented rotating telework for various programs and has been able to consolidate programs into other locations. As such, Payroll and Personnel Processing employees were relocated to 1933 Broadway, Los Angeles; Materials Management employees were relocated to 725 South Grand Avenue in Glendora and 510 South Vermont Avenue, Los Angeles; CBSD employees also relocated to 510 South Vermont Avenue, Los Angeles. The remaining 97 employees at the subject property are on a telework schedule and are from Human Resources, Risk Management, and the DCFS' Photographer/Videographer. On-site employees are needed for front desk coverage, and for tasks which require in-person supervision.

The proposed lease amendment is for 15,717 square feet of office space at the Premises, resulting in a 55 percent reduction of occupied space. DCFS plans to relocate its Headquarters Annex to the County owned facility located at 550 South Vermont Avenue upon completion of that project, estimated to be in 2027. Therefore, DCFS has elected to extend the lease at their current Premises on a short-term basis accordingly. In addition, the Chief Executive Office (CEO) has negotiated an early termination right, which provides the County the right to terminate the proposed lease amendment any time after June 1, 2025.

The subject property is adequately served by public transportation routes, including Metro and local bus routes within 500 feet of the building, and Metro B and D Rail lines within half a mile.

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

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

The proposed lease amendment is also consistent with Strategic Asset Management Goal – Prioritize needs to optimize highest and best use of assets Key Objective 4 – Guide Strategic Decision-Making.

The proposed lease amendment supports the above goals and objective by providing sufficient office space and parking for DCFS staff to conduct vital administrative functions supporting all their regional offices in the County and by timing the proposed lease amendment to coincide with the opening of a new County building.

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

### **FISCAL IMPACT/FINANCING**

The estimated maximum first year base rental cost is \$425,000, but with one month free rent will be \$389,000, which includes parking at no additional cost. The aggregate cost associated with the proposed lease amendment over the entire three-year term, including utilities, janitorial, parking and taxes, is \$1,278,000 as shown in Enclosure B-1. The proposed lease costs will be fully funded by 45 percent State and Federal funds and 55 percent by NCC that is already included in DCFS’ existing budget. DCFS will not be requesting additional NCC for this action.

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

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

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

- Upon commencement of the proposed lease amendment, the annual rental rate will increase from \$24.84 per square foot, per year to \$27 per square foot, per year. Base rent is subject to annual increases based on the Consumer Price Index capped at 3 percent per annum.

- The Landlord is responsible for all operating and maintenance costs of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- Parking cost is included in the base rent at no additional cost.
- The Landlord will provide one month of rent abatement during month two of the proposed lease amendment term.
- The amendment proposes a three-year term with no option to extend.
- The County has the right to terminate the proposed lease amendment early any time after June 1, 2025, with 120 days' written notice.
- Holdover at the proposed lease amendment expiration is permitted to the same lease terms and conditions, except the monthly base rent during the holdover period will be at the base rent at the time of the proposed lease amendment expiration.
- A comparison of the existing lease and the proposed lease amendment is shown in Enclosure B-2.
- The proposed lease amendment will be effective upon approval by the Board and full execution of the proposed lease amendment but the term and rent will commence on May 1, 2024.

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 \$27.60 and \$31.80 per square foot, per year. The base annual rental rate of \$27 per square foot, per year for the proposed lease amendment represents a rate that is below the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

Co-working space is not a viable option for this requirement due to the confidential nature of DCFS' programs which includes Human Resources.

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 Los Angeles has been sent in accordance with Government Code Section 25351.

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

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

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



The Honorable Board of Supervisors  
April 9, 2024  
Page 6

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

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

Respectfully submitted,

FESIA A. DAVENPORT  
Chief Executive Officer

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

Enclosures

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

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
501 SHATTO PLACE, LOS ANGELES**

**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>	
	A	Does lease consolidate administrative functions? <sup>2</sup>	<b>X</b>			
	B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>	<b>X</b>			
	C	Does this lease centralize business support functions? <sup>2</sup>	<b>X</b>			
	D	Does this lease meet the guideline of 200 sq. ft of space per person? <b>162 square feet per person based on 97 employees due to consolidation</b>		<b>X</b>		
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <b>36 spaces provides a 2.3/1,000 parking ratio due to the shortage of parking available in this area.</b>		<b>X</b>		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	<b>X</b>			
<b>2.</b>	<b><u>Capital</u></b>					
	A.	Is it a substantial net County cost (NCC) program?	<b>X</b>			
	B	Is this a long-term County program?	<b>X</b>			
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>		
	D	If no, are there any suitable County-owned facilities available?		<b>X</b>		
	E	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>	
	F	Is Building Description Report attached as Enclosure C?	<b>X</b>			
	G	Was build-to-suit or capital project considered?			<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>					
	A	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>			
	B	Was the space need justified?	<b>X</b>			
	C	If a renewal lease, was co-location with other County departments considered?	<b>X</b>			
	D	Why was this program not co-located with other County departments?				
		1. ____ The program clientele requires a "stand alone" facility.				
		2. <b>X</b> No suitable County occupied properties in project area.				
		3. <b>X</b> No County-owned facilities available for the project.				
		4. ____ Could not get City clearance or approval.				
		5. ____ The Program is being co-located.				
	E	Is lease a full-service lease?	<b>X</b>			
	F	Has growth projection been considered in space request?		<b>X</b>		
	G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>			
<sup>1</sup> As approved by the Board of Supervisors 11/17/98						
<sup>2</sup> If not, why not?						

## OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

501 Shatto Pl., Los Angeles  
Department of Children and Family Services

Leased Area (sq. ft.)	15,717
Term (Months)	36
Monthly Base Rent	\$35,363.25
Monthly Base Rent (PSF)	\$2.25
Annual Base Rent Adjustment	3.00%

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	Total 3 Year Rental Costs
Base Rent <sup>1</sup>	\$424,359	\$437,090	\$450,202	<b>\$1,312,000</b>
Rent Abatement <sup>2</sup>	(\$35,363)			<b>(\$35,363)</b>
<b>Total Paid to Landlord</b>	<b>\$389,000</b>	<b>\$438,000</b>	<b>\$451,000</b>	<b>\$1,278,000</b>
<b>Total Annual Lease Costs</b>	<b>\$389,000</b>	<b>\$438,000</b>	<b>\$451,000</b>	<b>\$1,278,000</b>

<sup>1</sup> Base Rent includes CPI increases capped at 3 percent per annum.

<sup>2</sup> One month of rent abatement

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

**COMPARISON OF THE PROPOSED LEASE AMENDMENT TO EXISTING LEASE**

	<b>Existing Lease:</b> <b>501 Shatto Place, Los Angeles</b>	<b>Proposed Lease Amendment:</b> <b>501 Shatto Place, Los Angeles</b>	<b>Change</b>
Area (Square Feet)	34,855 sq.ft.	15,717 sq.ft.	-19,138 sq.ft.
Term (years)	5 years and 6 months	3 years	-2 years and 6 months
Annual Base Rent	\$865,798.56	\$424,359.00	-\$441,439.56
Rental rate adjustment	Annual CPI adjustments capped at 2.5 percent with no minimum.	Annual CPI adjustments capped at 3 percent with no minimum.	Annual CPI capped at +0.5 percent per year

## DEPARTMENT OF CHILDREN AND FAMILY SERVICES

## SPACE SEARCH – 3 MILE RADIUS FROM 501 SHATTO PLACE, LOS ANGELES

LACO	Name	Address	Ownership	Gross SqFt	Vacant
X550	Mental Health - Le Sage Complex Tower	550 S Vermont Ave Los Angeles 90020	Owned	171,651	NONE
X317	Le Sage Complex 4 Story Building	3175 W 6th St Los Angeles 90020	Owned	52,230	NONE
A118	Citizens Commission On Jail Violence	355 S Grand Ave Los Angeles 90071	Gratis Use	60,984	NONE
10108	Vermont Corridor - Site 1	510 S Vermont Ave Los Angeles 90020	Revenue-Leaseback	478,877	NONE
A405	Arts Commission - Wilshire - Bixel Building	1055 Wilshire Blvd Ste. 800 Los Angeles 90017	Leased	10,358	NONE
5456	Health Services Administration Building	313 N Figueroa St. Los Angeles 90012	Owned	221,359	NONE
B922	DPSS - Wilshire Special District Office	2415 W 6th St. Los Angeles 90057	Leased	46,228	NONE
A532	PH Health - Wilshire Metroplex Building	3530 Wilshire Blvd Los Angeles 90010	Leased	113,027	NONE
0238	Foster Care Clinic Med Hub Program	3250 Wilshire Blvd 3rd Fl Los Angeles 90010	Gratis Use	231	NONE
A627	County Admin Offices - LA World Trade Center	350 S Figueroa St. Los Angeles 90071	Leased	68,314	NONE
0237	DCFS - Foster Care Medical Hub Program	4650 Sunset Blvd Los Angeles 90027	Gratis Use	78	NONE
A674	DMH - Hollywood Wellness Center	5000 W Sunset Blvd Los Angeles 90027	Leased	6,921	NONE
A683	Service Integration Pilot Project	1910 Magnolia Ave Los Angeles 90007	Leased	1,035	NONE
A600	Central Civil West Courthouse	600 S Commonwealth Ave Los Angeles 90005	Leased	281,988	NONE
A360	DPSS - Metro North AP/Calworks District Office	2601 Wilshire Blvd Los Angeles 90057	Leased	62,000	NONE

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease amendment:** Department of Children and Family Services – 501 Shatto Place, Los Angeles – Second District.

**A. Establish Service Function Category –** Headquarters Annex, DCFS administrative support.

**B. Determination of the Service Area –** The proposed lease amendment will allow DCFS to continue services located within Service Planning Area 4.

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

- Need for proximity to service area and population: Continued need for operation within close proximity to DCFS Headquarters.
- Need for proximity to existing County facilities: Within close proximity of the DCFS Headquarters.
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., Metro D Line rail, Metro B Line rail, and local bus routes.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available that meet DCFS' space needs.
- Compatibility with local land use plans: The City of Los Angeles has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease amendment over the entire term is \$1,278,000.

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

Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$27.60 and \$31.80 per square foot, per year. The base annual rental rate of \$27 per square foot, per year for the proposed lease amendment represents a rate that is below the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The proposed lease amendment will provide adequate and efficient office space for 97 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

AMENDMENT NO. 4 TO LEASE NO. 73414  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
501 SHATTO PLACE, LOS ANGELES

This AMENDMENT NO. 4 TO LEASE NO. 73414 ("Amendment No. 4") is made, entered and dated as of this \_\_\_\_\_ of April, 2024, by and between S.C.P.T. REAL PROPERTY HOLDING INC., a California corporation ("Lessor"), and the COUNTY OF LOS ANGELES, a body corporate and politic ("Lessee"), for those certain premises located at 501 Shatto Place, City of Los Angeles, County of Los Angeles, State of California (the "Property").

RECITALS:

A. WHEREAS, Lessor and Lessee have entered into that certain Lease No. 73414 ("Original Lease") dated June, 19, 2001 for those certain Premises located at 501 Shatto Place, Los Angeles, California ("Premises").

B. WHEREAS, the Original Lease was amended by that certain Amendment No. 1 to Lease No. 73414 dated December 20, 2011 ("Amendment No. 1"), by that certain Amendment No. 2 to Lease No. 73414 dated March 14, 20017 ("Amendment No. 2"), and by that certain Amendment No. 3 to Lease No. 73414 dated July 17, 2018 ("Amendment No. 3"). Collectively the Original Lease, as amended by the Amendment No. 1, Amendment No. 2, and Amendment No. 3 shall be referred to herein as the "Lease".

C. WHEREAS, Lessor and Lessee desire to, among other matters, to downsize the Premises and extend the term of the Lease as set forth below.

AGREEMENTS

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

1. Section 2, TERM, of the Lease is hereby amended by adding the following paragraph to the end of Section 2:

"Pursuant to Lease Amendment No. 4, the extended term of the Lease ("Fourth Amendment Extension Term") shall commence on May 1, 2024, upon full execution of Amendment No. 4 ("Fourth Amendment Extension Term Commencement Date") and terminate on April 30, 2027 (the "Fourth Amendment Extension Term Termination Date"), subject to earlier termination by Lessee as provided herein. Lessor and Lessee acknowledge and agree that Lessee shall have no right or option to extend or otherwise renew the term of the Lease beyond the extension term. During the Fourth Amendment Term, Rental Adjustments will continue to occur annually in accordance with Section 19 of the Lease, as amended."

2. Section 1, DESCRIPTION OF PREMISES, of the Lease is hereby amended by adding the following paragraph to the end of Section 1:

"Effective from and after the Fourth Amendment Extension Term Commencement



Date the Original Premises is decreased from approximately 34,855 rentable square feet ("RSF") to approximately 15,717 RSF, identified on the Floor Plan (attached as Exhibit A to Amendment No. 4 and incorporated herein by reference) comprised of Suite 300/301/303 (14,699 RSF), Suite 306 (427 RSF), and Suite 308 (591 RSF). Accordingly, from and after the Fourth Amendment Extension Term Commencement Date, all references in the Lease to the term "Premises" will mean and refer to 501 Shatto Place, Suites 300, 301, 303, 306 and 308. Upon the expiration of the Third Amendment Term, Lessee will surrender Suites 100, Suite 120, Suite 205, and Suite 401 (the "Surrendered Premises") to Lessor and Lessor agrees to accept the surrender of these certain Premises. Lessee shall have the right to measure the new Premises created under Amendment No. 4 as allowed under this Section 1 of the Lease."

3. Section 3, RENT, of the Lease is hereby amended by adding the following paragraph to the end of Section 3:

"Effective upon the Fourth Amendment Extension Term Commencement Date, Lessee agrees to pay as Basic Rent for the Premises during the Fourth Amendment Extension Term, the sum of Thirty-Five Thousand Three Hundred Sixty-Three and 25/100 Dollars (\$35,363.25) per month (i.e., \$2.25 per rentable square foot per month), for approximately 15,717 square feet of office space, payable by the 15th day of the month, after a claim therefor for each such month has been filed by the Lessor with the Auditor-Controller of the County of Los Angeles, per the terms of the Lease.

Commencing on the first anniversary of the Fourth Amendment Extension Term, and on each subsequent anniversary of the Fourth Amendment Extension Term, the Basic Rent shall be adjusted as follows:

(a) CPI. Commencing after the first anniversary of the Fourth Amendment Extension Term 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, Basic Rent shall be adjusted by applying the CPI Formula set forth below. The "Basic Index" shall be the Index published for the month the Lease commences.

(b) CPI Formula. The "Index" means the Consumer Price Index ("CPI") for all Urban Consumers for the Los Angeles-Anaheim-Riverside area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Basic Rent multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month the adjustment is to be effective, and the denominator being the Basic Index. If the Index is changed so that the Index differs from that used as of the Amendment No. 4 Commencement Date, 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 Extension Term, 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) Illustration of Formula. The formula for determining the new rent shall be

as follows:

$$\frac{\text{New Index}}{\text{Basic Index}} \times \$35,363.25 \text{ (Basic Rent)} = \text{Monthly Basic Rent}$$

(d) Limitations on CPI Adjustment. In no event shall the monthly Basic Rent adjustment based upon the CPI Formula result in an annual increase greater than three percent (3%) per year of the Basic Rent. In no event shall the monthly rent be adjusted by the CPI Formula to result in a lower monthly Basic Rent than was payable during the previous full calendar year.

(e) Rent Abatement. The Basic Rent for the second (2nd) month of the Fourth Amendment Extension Term shall be abated. Lessee shall have the option to convert all or any portion of its rental abatement to a "Lessee Improvement Allowance" to be used towards paint, carpet, and relocation costs and other deferred maintenance items as Lessee desires ("Amendment No. 4 Improvements"), which may include new furniture, fixtures and equipment. The Amendment No. 4 Improvements shall be performed by and under the authority of the Lessor, or its authorized agent, and approved by a designated representative of the Chief Executive Office. Improvements shall be in compliance with all applicable laws, codes and ordinances.

4. Section 5, CANCELLATION, of the Lease is hereby amended by deleting the paragraphs found in Section 5 in their entirety and adding the following new paragraph to Section 5:

"5. CANCELLATION: During the Fourth Amendment Extension Term, Lessee shall have the right to terminate this Lease for any reason on or after June 1, 2025. Such cancellation right may be exercised by Lessee on one hundred and twenty (120) days' written notice to Lessor executed by Lessee's Chief Executive Office."

5. Section 21, PARKING SPACES, of the Lease is hereby amended by deleting the paragraphs found in Section 21 in their entirety and adding the following new paragraph to Section 21:

"21. PARKING SPACES: During the Fourth Amendment Extension Term, Lessor, at its sole cost and expense shall provide Lessee for its exclusive use, a minimum of 36 on-site tandem parking spaces at all times during the Fourth Amendment Extension Term, or any renewal or holdover period as the case may be. Should any additional on-site parking spaces become available, Lessee may license such spaces on a month-to-month basis at the prevailing parking rate then in effect. "

6. INTENTIONALLY DELETED.

7. The Lease shall be amended by inserting a new Section 34, SMOKING PROHIBITION, to the Lease which shall read as follows:

"34. 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 Fourth-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote

a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)"

8. The Lease shall be amended by inserting a new Section 35, FIXTURES, to the Lease which shall read as follows:

"35. FIXTURES. Lessee shall the right to leave any of its furniture systems in the Premises, but shall be responsible for removing any personal property (excluding furniture) leaving the Surrendered Premises broom clean, in good order and condition, ordinary wear and tear and damage for which Lessee is not responsible under the terms of this Lease excepted."

9. The Lease shall be amended by inserting a new Section 36, CASp INSPECTION, to the Lease which shall read as follows:

"36. CASp Inspection.

In accordance with California Civil Code Section 1938, Lessor 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. Lessor shall provide Lessee with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of

this Lease.

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Lessor has provided Lessee 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 Lessor's and Lessee's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

Lessor agrees to indemnify and hold harmless Lessee from all damages, costs, and expenses, which result from a material breach of Lessor's representations contained in this Section."

10. REPORTS. Lessee has received an asbestos report and seismic report for the Building ("Reports"). Lessee will not execute the Lease prior to Lessee's review and approval of the Reports, which approval shall not unreasonably withheld, conditioned, and delayed.

11. BROKERS. Lessor and Lessee each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Amendment No. 4 other than Cushman & Wakefield, Inc ("Lessee's Agent") and CBRE ("Lessor's Agent") and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any

arrangements or agreements made or alleged to have been made in variance with this representation. The terms of any commissions due shall be pursuant to a separate commission agreement by and among Lessor, Lessor's Agent and Lessee's Agent.

12. AUTHORITY. Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Amendment No. 4, to bind Lessee to the terms included herein. Lessor understands that no material terms of this Amendment No. 4 may be altered or deleted, nor may any new material terms be added to this Amendment No. 4, without the express written approval of the Board of Supervisors, either through an amendment to the Amendment No. 4 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 Amendment No. 4, and Lessor may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Amendment No. 4 including, without limitation, any monetary ceiling established for Lessee Improvements or other project costs of Lessor which are subject to reimbursement by Lessee. Lessee shall not reimburse Lessor 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 Lessee hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Lessee under this Amendment No. 4. Each individual executing this Amendment No. 4 on behalf of Lessor represents and warrants that he or she is duly authorized to execute and deliver this Amendment No. 4 on behalf of Lessor, and that this Amendment No. 4 is binding upon Lessor in accordance with its terms.

13. LEASE IN FULL FORCE AND EFFECT. Except as expressly amended as set forth in this Amendment No. 4, the terms and conditions of the Lease remain unmodified and in full force and effect. Except as expressly modified by this Amendment No. 4, all other terms and conditions of the Lease are hereby ratified and affirmed. In the event of any express conflict or inconsistency between the terms of this Amendment No. 4 and the terms of the Lease, the terms of this Amendment No. 4 shall control and govern. Any defined terms that are not defined in this Amendment No. 4 shall have the meanings ascribed thereto in the Lease unless the context clearly indicates otherwise.

14. COUNTERPARTS; ELECTRONIC SIGNATURES. This Amendment No. 4 and any other document necessary for the consummation of the transaction contemplated by this Amendment No. 4 may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Amendment No. 4 and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Amendment No. 4 had been delivered had been signed using a handwritten signature. Lessor and Lessee (i) agree that an electronic signature, whether digital or encrypted, of a party to this Amendment No. 4 is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intend 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 Amendment No. 4 based on the foregoing forms

of signature. If this Amendment No. 4 has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.


*[SIGNATURE PAGE IMMEDIATELY FOLLOWS]*

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 4 as of the date first above set forth.

LESSOR:

S.C.P.T. REAL PROPERTY HOLDING INC.,  
a California corporation

By: Washington Capital Management, Inc.,  
a Washington corporation  
Its Manager/Authorized Agent

By:   
Name: Robin A. Dean  
Title: Asset Manager

LESSEE:

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

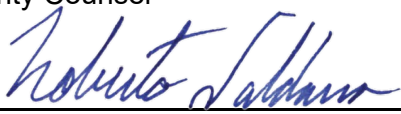
By:   
Senior Deputy

EXHIBIT A





# BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter

☒ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	3/20/2024	
<b>BOARD MEETING DATE</b>	N/A	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Sheriff's Department	
<b>SUBJECT</b>	Advance notice of intent to enter into negotiations for a sole source contract with Zetron, Inc. (Zetron)	
<b>PROGRAM</b>	Radio Acom Console System (System)	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	If Yes, please explain why: Zetron does not endorse any third-party to provide support, maintenance, and/or upgrade services to their proprietary Acom technology.	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The current maintenance agreement expires July 31, 2024.	
<b>COST &amp; FUNDING</b>	Total cost: TBD	Funding source: General Fund/PRAD
	TERMS (if applicable): Five years, plus two one-year option periods.	
	Explanation:	
<b>PURPOSE OF REQUEST</b>	Approval of a Sole Source contract with Zetron for maintenance and support services for a period of five years, plus two one-year option periods.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The System provides mission-critical radio communications to all aspects of the Department's radio operations. The System is a critical component of the Department's voice communication system, which connects the Department's Computer Aided Dispatch (CAD) system with the voice radio system, including dispatchers in the Department's Communications Center.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how: .	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email: <ul style="list-style-type: none"> <li>Alex Madera, Contracts Manager, (213) 229-3276, <a href="mailto:amadera@lasd.org">amadera@lasd.org</a></li> <li>Marshall Yelverton, Subject Matter Expert, (323) 881-8002, <a href="mailto:mryelver@lasd.org">mryelver@lasd.org</a></li> </ul>	

March 20, 2024

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:

**ADVANCE NOTIFICATION OF INTENT TO ENTER INTO NEGOTIATIONS  
FOR A SOLE SOURCE CONTRACT WITH ZETRON INC.  
TO PROVIDE MAINTENANCE AND SUPPORT SERVICES**

**SUBJECT**

This letter provides notification to the Board, in accordance with Board Policy 5.100, Sole Source Contracts and Amendments, that the Los Angeles County (County) Sheriff's Department (Department) intends to begin negotiations for a sole source contract (Contract) with Zetron Inc. (Zetron) to provide continued maintenance and support services (Services) for the Department's Radio Acom Console System (System).

**PURPOSE**

The current agreement, procured through the County's Internal Services Department (ISD), expires on July 31, 2024. The Department intends to enter into a replacement Contract for a term of five years, plus two one-year option periods, at the County's discretion. The proposed Contract will provide uninterrupted Services that are critical for the continued operation of the System.

The System is a critical component of the Department's voice communication system, which connects the Department's Computer Aided Dispatch (CAD) system with the voice radio system, including dispatchers in the Department's communications center.

**BACKGROUND**

On May 21, 2012, the Department, in a joint requisition with the Los Angeles County Fire Department (LACoFD), entered into an agreement with Raytheon Company (Raytheon) under Master Agreement Number MA-IS-1240202 (Master Agreement) to purchase a new radio dispatch console. This radio dispatch console replaced the Department's 28-year-old console radio, known as the Console Switch Interface.

From 2012 through 2016, the parties executed Amendments One through Three to update and replace technical exhibits as well as make changes to the tasks and deliverables.

On July 20, 2016, the parties executed Amendment Four to memorialize the County's consent to change Raytheon's subcontractor from Pantel International to Zetron.

From 2016 through 2019, the parties executed Amendments Five through Seven to again update and replace technical exhibits as well as make more changes to the tasks and deliverables.

On June 11, 2019, Zetron successfully completed for the Department the implementation of its Acom System, with the System reaching final acceptance shortly thereafter on July 31.

On August 31, 2019, the initial term of the maintenance agreement began for a period of five years, through and including July 31, 2024.

On November 1, 2020, the parties executed Amendment Eight to memorialize the County's consent to complete and fully transfer the novation of Raytheon's obligations and liabilities for services to Zetron under the same Master Agreement. Under Amendment Eight, Raytheon was released of all contractual obligations, including any responsibility for maintenance and support of the System.

### **SOLE SOURCE JUSTIFICATION**

Zetron is the sole manufacturer/provider of the System. Zetron does not train, certify, license, or otherwise endorse any third-party to provide support, maintenance, and/or upgrade services to its proprietary Acom technology.

With the complete implementation of the System, the Department is now utilizing a modern radio console system which connects the in-vehicle radios, the handheld radios, and the CAD system, as well as radios at the stations with the Department's communications center. The System provides mission critical radio communications for all aspects of the Department's radio operations. The System was instrumental in moving the Department forward with the implementation of the Los Angeles Regional Interoperable Communications System by providing a modern interface that could connect and process both analog and digital radio communications systems

seamlessly. In the event either the Department's or LACoFD's radio system fails, each department would be able to switch to the other department's core system and bring up a limited amount of radio communications. This functionality provided a much needed and highly sought after failover/backup solution for both County departments.

The Department's Office of Technology Planning, Office of the Chief Information Officer, and County Counsel have all reviewed and concurred that this Sole Source approach will continue to provide the Department with the necessary Services.

### **CONCLUSION**

Pursuant to Board Policy, the Department will proceed with sole source negotiations in four weeks, unless otherwise instructed by the Board.

Should you have any questions, please contact Contracts Manager Alex Madera, Fiscal Administration Bureau, at (213) 229-3276.

Sincerely,

ROBERT G. LUNA  
SHERIFF

RGL:JT:CM:RFM:sl

(Fiscal Administration Bureau - Contracts Unit)

c: Board of Supervisors, Justice Deputies

Jeff Levinson, Interim Executive Officer, Board of Supervisors

Fesia Davenport, Chief Executive Officer

Sheila Williams, Senior Manager, Chief Executive Office (CEO)

Rene Phillips, Manager, CEO

Jocelyn Ventilacion, Principal Analyst, CEO

Anna Petrosyan, Senior Analyst, CEO

Bryan Bell, Budget Analyst, CEO

Dawyn R. Harrison, County Counsel

Elizabeth D. Miller, Chief Legal Advisor, Legal Advisory Unit

Cammy C. DuPont, Principal Deputy County Counsel, Legal Advisory Unit

April L. Tardy, Undersheriff

Jill Torres, Assistant Sheriff, CFAO

Jason A. Skeen, Chief of Staff, Office of the Sheriff

Conrad Meredith, Division Director, Administrative Services Division (ASD)

Brian Yanagi, Chief, Technology and Support Division (TSD)

John P. Burcher, Commander, TSD

Glen Joe, Assistant Division Director, ASD

Chris Kovac, Commander, TSD

Richard F. Martinez, Assistant Division Director, ASD

David E. Culver, Director, Financial Programs Bureau

Rick Cavataio, Director, Fiscal Administration Bureau (FAB)

David Sum, Captain, Communications & Fleet Management Bureau (CFMB)

John Cerda, Lieutenant, CFMB

Lewis N. Lim, Lieutenant, TSD

Rene A. Garcia, Lieutenant, ASD

Marshall R. Yelverton, Lieutenant, CFMB

Alex Madera, Administrative Services Manager (ASM) III, FAB, Contracts Unit (CU)

Erica A. Nunes, Sergeant, ASD

Kristine D. Corrales, Deputy, ASD

Tony Liu, ASM II, FAB, CU

Steve Lopez, ASM I, FAB, CU

(Contracts –ZETRON 03-01-24)

## SOLE SOURCE CHECKLIST

Department Name: Los Angeles County Sheriff





New Sole Source Contract



Existing Sole Source Contract

Date Sole Source Contract Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS</b> 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>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input type="checkbox"/>	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
<input type="checkbox"/>	➤ 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.
<input type="checkbox"/>	➤ 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.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input type="checkbox"/>	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost 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

**QUESTIONNAIRE FOR SOLE SOURCE CONTRACT FOR MAINTENANCE AND SUPPORT  
SERVICES FOR THE DEPARTMENT'S RADIO ACOM CONSOLE SYSTEM  
WITH ZETRON, INC.**

It is the policy of the County, to solicit the maximum number of bids/proposals for a commodity or service from the largest relevant market and to select vendors on a competitive basis.

There are certain acquisitions which when in the best interest of the County, can only be obtained from a sole source. Sole source acquisitions must be justified in sufficient detail to explain the basis for suspending the usual competitive procurement process.

**NOTE:** Please refer to Procedure P-3700 of the ISD Purchasing Policies on Procedures Manual.

**DOCUMENTATION FOR SOLE SOURCE JUSTIFICATION MUST INCLUDE RESPONSES TO THE  
FOLLOWING QUESTIONS:**

- 1. What is being requested?**  
A new sole source contract with Zetron for continued maintenance and support of its Radio Acom Console System, currently used by the Sheriff's and Fire Departments.
- 2. Why is the product needed – how will it be used?**  
The product is needed for the continuation of both maintenance and support of existing hardware and software for the Zetron Radio Switch Consoles. The Department's Radio Console Switch System is a critical component of the Department's voice communication system, which connects the Department's Computer Aided Dispatch system with the voice radio system, including dispatchers in the Department's Communications Center. It is imperative that these systems are maintained to avoid any interruption in the critical services provided.
- 3. Is this "brand" of product the only one that meets the user's requirements? If yes, what is unique about the product?**  
Both the system and services are proprietary to Zetron. Zetron does not train third-parties to provide support or maintenance of its technology.
- 4. Have other products/vendors been considered? If yes, which products/vendors have been considered and how did they fail to meet the user's requirements?**  
Not applicable.
- 5. Will purchase of this product avoid other costs, e.g. data conversion, etc? Or will it incur additional cost, e.g. training, conversion, etc?**  
Not applicable.
- 6. Is the product proprietary or is it available from various dealers? Have you verified this?**  
The Department has verified that both the system and services are proprietary to Zetron.
- 7. Reasonableness of Price. Does the County obtain a percentage discount or special discount not available to the private sector?**

Not applicable.

- 8. What is the dollar value of existing equipment and the Purchase Order No. for the existing equipment?**

Not applicable.



# BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter

☒ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	3/20/2024	
<b>BOARD MEETING DATE</b>	N/A	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	County of Los Angeles Fire Department	
<b>SUBJECT</b>	Zetron Dispatch Console System Service Contract	
<b>PROGRAM</b>	Continuation of annual maintenance services.	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: Zetron is the only entity authorized to maintain and service the proprietary technology that comprises the Dispatch Console System.	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The current Zetron Dispatch Console System maintenance service agreement will end 7/31/2024.	
<b>COST &amp; FUNDING</b>	Total cost: TBD	Funding source: District's Special Services Budget Unit
	TERMS (if applicable): TBD	
	Explanation: The District, as a Special District, is funded independently from the County's General Fund, and relies primarily on property tax revenue to provide essential fire protection and life safety services. There is no impact to net County cost.	
<b>PURPOSE OF REQUEST</b>	Approval of a Sole Source contract with Zetron for maintenance services.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The District, in joint requisition with the Los Angeles County Sheriff's Department (Sheriff's), purchased Dispatch Console Systems. Each department has its own dispatch systems for redundancy, by providing backup dispatch capabilities between the District and Sheriff's. Both the District and Sheriff's will establish individual new Zetron service contracts for the continuation of Zetron Dispatch Console annual maintenance services for another 5 years to cover years 6-10. Each department will prepare a separate Zetron Maintenance Service Contract, Board Letter, and other documentation to present to the Board of Supervisors for approval.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email:  <ul style="list-style-type: none"> <li>Nicholas Berkuta, Acting Assistant Fire Chief, (323) 881-2370, <a href="mailto:Nicholas.Berkuta@fire.lacounty.gov">Nicholas.Berkuta@fire.lacounty.gov</a></li> <li>Carlos Santiago, Contracts Administrator, (323) 838-2365, <a href="mailto:Carlos.Santiago@fire.lacounty.gov">Carlos.Santiago@fire.lacounty.gov</a></li> </ul>	



ANTHONY C. MARRONE  
FIRE CHIEF  
FORESTER & FIRE WARDEN

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

## COUNTY OF LOS ANGELES FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE  
LOS ANGELES, CALIFORNIA 90063-3294  
(323) 881-2401  
[www.fire.lacounty.gov](http://www.fire.lacounty.gov)



### BOARD OF SUPERVISORS

LINDSEY P. HORVATH, CHAIR  
THIRD DISTRICT

HILDA L. SOLIS  
FIRST DISTRICT

JANICE HAHN  
FOURTH DISTRICT

HOLLY J. MITCHELL  
SECOND DISTRICT

KATHRYN BARGER  
FIFTH DISTRICT

March 20, 2024

TO: EACH SUPERVISOR

FROM: ANTHONY C. MARRONE, FIRE CHIEF

### NOTICE OF INTENT TO NEGOTIATE A SOLE SOURCE CONTRACT WITH ZETRON, INC., FOR ANNUAL MAINTENANCE SERVICES

In accordance with Board Policy 5.100, Sole Source Contracts, this is to notify your Honorable Board that the Consolidated Fire Protection District of Los Angeles County (District) intends to enter into negotiations with Zetron, Inc., (Zetron) for a new sole source contract.

Zetron is the sole source manufacturer of the District's Dispatch Console and Console Switch Interface System (System). Zetron's System allows the District's Dispatch Console to interface and communicate with units in the field via voice or data. As the owner of the intellectual property rights, Zetron is the only entity authorized to maintain the System.

In 2019, the District, in joint requisition with the Los Angeles County Sheriff's Department (Sheriff's), purchased a new Dispatch Console/CSI system. Raytheon was awarded the contract, which included five-year warranty/annual maintenance services. On August 1, 2021, Raytheon transferred over the annual maintenance services to Zetron, which will be expiring on July 31, 2024. Both the District and Sheriff's will need to establish new Zetron service contracts for the continuation of Zetron Dispatch Console annual maintenance services.

If no objection is received from your Board within four weeks, the District will proceed with negotiations to establish a new sole source contract and return to your Board for approval of the sole source contract later this year.

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

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

CARSON  
CERRITOS  
CLAREMONT  
COMMERCE  
COVINA  
CUDAHY  
DIAMOND BAR  
DUARTE

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

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

LAWDALE  
LOMITA  
LYNWOOD  
MALIBU  
MAYWOOD  
NORWALK  
PALMDALE  
PALOS VERDES ESTATES  
PARAMOUNT

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

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

Each Supervisor  
March 20, 2024  
Page 2

If you have any questions, please contact Theresa R. Barrera, Chief Deputy, Business Operations, at (323) 881-2478 or via email at [Theresa.Barrera@fire.lacounty.gov](mailto:Theresa.Barrera@fire.lacounty.gov).

ACM:cs

c: Fesia Davenport  
Jeff Levinson  
Sheila Williams  
David Chen  
Each Board Deputy

## SOLE SOURCE CHECKLIST

Department Name: \_\_\_\_\_

☐ New Sole Source Contract

☐ Existing Sole Source Contract      Date Sole Source Contract Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS</b> 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>
	➤ 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.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ 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.
	➤ 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.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost 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.

*Rene' Phillips*

\_\_\_\_\_  
Chief Executive Office

\_\_\_\_\_  
Date

### **What is being requested?**

The continuation of **Dispatch Console System Annual Maintenance Services**. Due to exceeding the \$200,000 threshold for services, ISD is unable to continue to process purchase orders for these maintenance services and a Board contract is necessary.

### **Background**

The Dispatch Console/Console Switch Interface (CSI) is a system that allows Dispatch to interface and communicate with units in the field via voice or data. In 2019, the District, in joint requisition with the Los Angeles County Sheriff's Department (Sheriff's), purchased new Dispatch Console/CSI systems. Raytheon was awarded the contract, which included 5-year warranty/annual maintenance services. On August 1, 2021, Raytheon transferred over the annual maintenance services to Zetron Inc. (Zetron). Both the District and Sheriff's will need to establish new Zetron service contracts for the continuation of Zetron Dispatch Console annual maintenance services.

### **Sole Source Justification**

Zetron is the sole manufacturer of the Acom console system installed at the District's Command & Control Facility. Zetron owns the intellectual property rights in the Acom system and as such, Zetron is the only entity authorized to maintain the Acom system. (Letter from Zetron attached).

### **Purchase Orders**

Purchase orders associated with the procurement of the Dispatch Console/CSI system:

PO-FR-12323785-1=\$5,841,145.05  
PO-FR-16325218-1 = \$ 2,435,534.30  
PO-FR-17322303-2 = \$ 2,800,000

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter

☐ Board Memo

☒ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	3/20/2024	
<b>BOARD MEETING DATE</b>	4/9/2024	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	County Counsel (w/ Department of Consumer and Business Affairs)	
<b>SUBJECT</b>	Fair Workweek Ordinance	
<b>PROGRAM</b>		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	N/A	
<b>COST &amp; FUNDING</b>	Total cost: \$N/A	Funding source: N/A
	TERMS (if applicable): N/A	
	Explanation: N/A	
<b>PURPOSE OF REQUEST</b>		
<b>BACKGROUND</b> (include internal/external issues that may exist including any related motions)		
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how:	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email:  Michael Buennagel, Sr. Dep. CoCo, 213.974.1833, <a href="mailto:mbuennagel@counsel.lacounty.gov">mbuennagel@counsel.lacounty.gov</a> Lucia Gonzalez, Sr. Dep. CoCo, 213.974.1831; <a href="mailto:lgonzalez@counsel.lacounty.gov">lgonzalez@counsel.lacounty.gov</a>	



COUNTY OF LOS ANGELES  
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET  
LOS ANGELES, CALIFORNIA 90012-2713

TELEPHONE  
(213) 974-1831  
FACSIMILE  
(213) 617-7182  
TDD  
(213) 633-0901

DAWYN R. HARRISON  
County Counsel

April 9, 2024

Agenda No. 15  
12/20/22

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


**Re: Amendment to Title 8 – Consumer Protection, Business, and  
Wage Regulations, Related to Establishing a Fair Workweek  
Ordinance**

Dear Supervisors:

On December 20, 2022, your Board directed our office, with support from the Department of Consumer and Business Affairs and the Department of Economic Opportunity, to return to the Board with a Fair Workweek Ordinance that would require all retail businesses in the unincorporated areas of Los Angeles County, with 300 or more employees globally, to provide their employees with various protections related to their work schedule and working hours. The analysis and ordinance are enclosed for your consideration.

Very truly yours,

DAWYN R. HARRISON  
County Counsel

By   
MICHAEL S. BUENNAGEL  
Senior Deputy County Counsel

APPROVED AND RELEASED:



JUDY W. WHITEHURST  
Chief Deputy

LG:MSB:ch  
Enclosure

HOA.104469928.4

## ANALYSIS

This ordinance amends Title 8 – Consumer Protection, Business, and Wage Regulations of the Los Angeles County Code by adding Chapter 8.102 – Fair Workweek to provide predictable working hours and related benefits to employees of certain retail businesses with more than 300 employees in the unincorporated areas of the County of Los Angeles.

Chapter 8.102 – Fair Workweek: (1) defines the retail employees and retail employers subject to the ordinance; (2) establishes requirements for employers to provide employees with predictable working hours and advance notice and information relating to work schedules; (3) prohibits retaliation against employees who exercise rights provided by this ordinance; (4) establishes penalties and fines for violations; (5) authorizes the Department of Consumer and Business Affairs to enforce the ordinance, including authorization to issue subpoenas; and (6) creates a violation appeals process.

DAWYN R. HARRISON  
County Counsel

By   
MICHAEL S. BUENNAGEL  
Senior Deputy County Counsel  
Government Services Division

MSB:ch

Requested: 09/07/23  
Revised: 12/22/23



**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 8 – Consumer Protection, Business, and Wage Regulations of the Los Angeles County Code by adding Chapter 8.102 – Fair Workweek to provide predictable working hours and related benefits to employees of certain retail businesses with more than 300 employees in the unincorporated areas of the County of Los Angeles.

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

**SECTION 1.** Chapter 8.102 is hereby added to read as follows:

**Chapter 8.102 FAIR WORKWEEK**

**8.102.010 Short Title.**

**8.102.020 Findings.**

**8.102.030 Definitions.**

**8.102.040 Good Faith Estimate of Work Schedule.**

**8.102.050 Right to Request Changes to Work Schedule.**

**8.102.060 Work Schedule.**

**8.102.070 Additional Work Hours Offered to Current Employees  
before Hiring New Workers.**

**8.102.080 Predictability Pay for Work Schedule Changes.**

**8.102.090 Coverage for Missing Work Shift.**

**8.102.100 Rest Between Shifts.**

**8.102.110 Notice of Retail Employee's Workweek Rights and Other  
Retail Employer Documentation.**

**8.102.120 Notice and Posting of Retail Employee's Workweek**

**Rights.**

**8.102.130 Employer Record Keeping and Access Requirements.**

**8.102.140 Electronic Notice.**

**8.102.150 Retaliation Prohibited.**

**8.102.160 Department of Consumer and Business Affairs—Powers**

**and Duties.**

**8.102.170 Complaints.**

**8.102.180 Investigations.**

**8.102.190 Notices of Violations.**

**8.102.200 Settlement.**

**8.102.210 Reconsideration of Wage Enforcement Order.**

**8.102.220 Appeals.**

**8.102.230 Restitution and Penalties Payable to Retail Employee**

**for Violations.**

**8.102.240 Administrative Fines Payable to County for**

**Violations.**

**8.102.250 Calculation and Payment of Penalties and Fines for**

**Violations.**

**8.102.260 Other Remedies Not Affected.**

**8.102.270 Waiver Prohibited.**

**8.102.280 Severability.**

**8.102.290**                    **Encouragement of More Generous Policies.**

**8.102.300**                    **Effective Date.**

**8.102.310**                    **Exemptions.**

**8.102.010**                    **Short Title.**

This Ordinance codified in Title 8, Chapter 8.102 will be known as, and may be cited as, the "Los Angeles County Fair Workweek Ordinance."

**8.102.020**                    **Findings.**

The Board of Supervisors of the County of Los Angeles finds and declares as follows:

The retail industry is a significant segment of the local economy. Retail workers are often paid low wages and work part time with unpredictable schedules that fluctuate weekly with little or no advanced notice of their work schedules or changes to their schedules. Retail employers will often ask workers to come in on their days off, expect them to have open availability and be "on-call," and commonly assign shifts which do not provide enough time for the worker to properly rest. With this uncertainty, retail employers are able to evade labor laws while dispossessing retail employees of their free time outside of work and time they anticipated being paid for.

In order to meaningfully support its retail workers, the County enacts these fair workweek protections to: (1) support retail workers in the County by providing fair workweek protections; and (2) promote the health, safety, and welfare of retail workers in the County by providing them with more predictable work schedules that ensure stability for themselves and their families and the opportunity to work more hours.

### **8.102.030 Definitions.**

In this Chapter, "may" is permissive and "must" is mandatory, and the terms below have the following meanings:

- A. "Correction Order" means the notice issued by the Department of Consumer and Business Affairs to a Retail Employer described in Section 8.102.190.
- B. "County" means the County of Los Angeles.
- C. "Days" means calendar days, which is all days including Saturdays, Sundays, and holidays, unless otherwise specified.
- D. "Department" and "DCBA" mean the Los Angeles County Department of Consumer and Business Affairs.
- E. "Director" means the Director of the DCBA or their designee.
- F. "Franchise" means a contract or agreement, either expressed or implied, whether oral or written, between two or more persons by which:
  - 1. A franchisee is granted the right to engage in the business of offering, selling, or distributing goods or services under a marketing plan or system prescribed in substantial part by a franchisor; and
  - 2. The operation of the franchisee's business pursuant to that plan or system is substantially associated with the franchisor's trademark, service mark, trade name, logotype, advertising, or other commercial symbol designating the franchisor or its affiliate; and
  - 3. The franchisee is required to pay, directly or indirectly, a Franchise fee.

G. "Good Faith Estimate of Work Schedule" means a reasonable, fact-based prediction of an existing Retail Employee's Work Schedule or a prospective Retail Employee's Work Schedule. This prediction can be based on forecasts, prior hours worked by a similarly situated retail employee, or other relevant information.

H. "Hearing Officer" means the person designated by the Director who will conduct a fair and impartial hearing under this Chapter, including, but not limited to, the Office of the County Hearing Officer, if one has been created.

I. "On-Call Shift" means any Shift for which a Retail Employee must, less than twenty-four (24) hours in advance of the start of the Shift, either contact the Retail Employer or Retail Employer's designee, or wait to be contacted by the Retail Employer or Retail Employer's designee, for the purpose of determining whether the Retail Employee must report to work.

J. "Person" means any person, association, organization, partnership, business trust, limited liability company, or corporation.

K. "Predictability Pay" means the compensation paid to an Employee for changes made by a Retail Employer to a Retail Employee's Work Schedule pursuant to Section 8.102.080 of this Chapter. Predictability Pay must be calculated on an hourly basis at the Retail Employee's regular rate of pay. Predictability Pay is in addition to any wages earned for work performed by a Retail Employee.

L. "Primary Languages" means English, Spanish, and any other language spoken by at least ten percent (10%) of the Retail Employees at a Retail Employer workplace or job site.

M. "Reconsideration Determination" means the written response of the Director to a timely request for reconsideration of a Wage Enforcement Order as described in Section 8.102.210.

N. "Retail Employee" means any individual who:

1. In a particular Workweek performs at least two (2) hours of work within the Unincorporated Areas of the County for a Retail Employer;
2. Qualifies as an employee entitled to payment of a minimum wage from any Retail Employer under the California minimum wage law as provided under California Labor Code section 1197 and wage orders published by the California Industrial Welfare Commission; and
3. Is assigned a primary work location and duties that support retail operations, including, but not limited to, a retail store or warehouse.

For purposes of this Chapter, a Retail Employer has the burden to demonstrate that an individual otherwise covered under this Chapter is a bona fide independent contractor and not a Retail Employee.

O. "Retail Employer" means any Person who:

1. Is identified as a retail business in the North American Industry Classification System (NAICS) within the retail trade categories and subcategories 44 through 45; or any business, including non-profit organizations, whose revenues are generated primarily from the sale to end users of tangible products that are primarily for personal, household, or family purposes, including, but not limited to, appliances, clothing, electronics, groceries, and household items;

2. Directly, indirectly, or through an agent or any other Person, including through the services of a contractor, temporary service, or staffing agency, exercises control over the wages, hours, or working conditions of any Retail Employee; and

3. Employs three hundred (300) or more employees globally.

a. For the purposes of determining the number of employees, the following must be included:

i. Any employee over whom the Retail Employer directly, or through an agent or any other Person, including through the services of a contractor, temporary service, or staffing agency, exercises control over the wages, hours, or working conditions;

ii. Any employee of the Retail Employer's Subsidiary, provided that the Subsidiary qualifies as a retail business pursuant to Subsection O.1 of Section 8.102.030; and

iii. Any employee of any Person operating a business pursuant to a Franchise, provided that the franchisee's business is over 15,000 square feet and identified as a retail business pursuant to Subsection O.1 of Section 8.102.030.

b. Any Person or business whose employees are included in the count of total employees of the Retail Employer, including those identified in Subsections O.3.a.ii and O.3.a.iii, above, qualifies as a Retail Employer for purposes of Section 8.102.030.

c. Retail Employers associated with one or more NAICS codes will be associated with the NAICS code that corresponds to the business's principal business activity, which is the activity from which the business derives the largest percentage of its total receipts.

P. "Shift" means the consecutive hours a Retail Employee is required to work including meal and rest periods.

Q. "Subsidiary" means any business entity in which a Retail Employer has an ownership interest of more than fifty percent (50%).

R. "Unincorporated Areas" means any area in the County outside the jurisdictional boundaries of incorporated cities.

S. "Wage Enforcement Order" means the written order issued by the DCBA to a Retail Employer as described in Section 8.102.190.

T. "Work Schedule" means the schedule of the hours, days, work location, and times, including all On-Call Shifts, when a Retail Employer requires a Retail Employee to work or be on-call to work.

U. "Workweek" means any seven (7) consecutive days, starting with the same calendar day each week. A Workweek shall be a fixed and regularly occurring period of seven (7) consecutive twenty-four (24) hour periods which is equivalent to a period of one hundred and sixty-eight (168) hours.

V. "Written" or "In Writing" means a communication or documentation made on a physical surface, typically paper, with a pen, pencil, or similar implement, as well as electronic means, including text messaging, instant messages, and email. Any



requirement in this Chapter for a Retail Employer to obtain a Retail Employee's consent may be documented by a written record, inclusive of electronic means, of the Retail Employee's consent.

**8.102.040 Good Faith Estimate of Work Schedule.**

A. Before hiring a person for a position that will qualify the person as a Retail Employee, a Retail Employer must provide the prospective Retail Employee a written Good Faith Estimate of Work Schedule in the Primary Languages.

B. The Good Faith Estimate of Work Schedule provided before the time of hire must include the Notice of Retail Employee's Workweek Rights required by Section 8.102.120.

C. A Retail Employer must provide a written Good Faith Estimate of Work in the Primary Languages within ten (10) days of a current Retail Employee's request.

D. A Good Faith Estimate of Work Schedule does not constitute a binding contract or offer. However, if a Retail Employee's actual hours, days, location, or Shifts worked substantially deviate from the Good Faith Estimate of Work Schedule, the Retail Employer must have a documented, legitimate business reason, unknown at the time of providing the Good Faith Estimate of Work Schedule, to substantiate the deviation.

1. For purposes of this Section, "substantially deviate" means when any of the following occur in six Workweeks out of twelve consecutive Workweeks, and the occurrence is not due to documented Retail Employee-initiated or Retail Employee-approved changes:

- a. The number of actual hours worked differs by twenty percent (20%) or more from the expected hours in the Good Faith Estimate of Work Schedule;
- b. The actual days of the week worked differ from the expected days of the week indicated in the Good Faith Estimate of Work Schedule;
- c. The actual work location differs from the expected work location in the Good Faith Estimate of Work Schedule; or
- d. At least one actual Shift per week is outside of the potential Shifts indicated in the Good Faith Estimate of Work Schedule.

**8.102.050 Right to Request Changes to Work Schedule.**

A Retail Employee has a right to request a preference for certain hours, times, or locations of work. A Retail Employer may accept or decline the request, provided that the Retail Employer notifies the Retail Employee, in writing, of the reason for any denial.

**8.102.060 Work Schedule.**

A. A Retail Employer must provide a Retail Employee with notice of the Retail Employee's Work Schedule in the Primary Languages at least fourteen (14) days before the start of the work period by any one of the following:

- 1. Post the Work Schedule in a conspicuous and accessible location where employee notices are customarily posted and visible to all employees; or
- 2. Transmit the Work Schedule by electronic means or another manner reasonably calculated to provide actual notice to each Retail Employee.

B. A Retail Employer must transmit notice, by electronic means or another manner reasonably calculated to provide actual notice to each Retail Employee affected by a Work Schedule change, of any Retail Employer-initiated changes to the Work Schedule that occur after the advance notice required under Section 8.102.060.A.

C. A Retail Employee has a right to decline any hours, Shifts, or work location changes not included in the Work Schedule.

1. If a Retail Employee agrees to changes to the Work Schedule, the Retail Employee's consent must be documented.

2. The record of the Retail Employee's consent must show that the Retail Employer obtained it in advance of the change. General or ongoing consent is insufficient to meet this requirement.

D. A Retail Employee, who substantiates an ongoing concern for their or their family's personal safety, has a right to request that the Retail Employee's Work Schedule not be posted or transmitted to other employees, notwithstanding Subsection A.1 of Section 8.102.060. A request not to post or transmit to other employees may be submitted in writing or verbally. The Retail Employer must immediately implement the request, except a Work Schedule may be shared with any employee with a good faith business purpose for accessing a Work Schedule, such as an employee whose responsibilities include managing employee Shifts. A Retail Employer must implement a request from a Retail Employer not to post or transmit

their Work Schedule until the Retail Employee withdraws their request verbally or in writing.

**8.102.070 Additional Work Hours Offered to Current Employees before Hiring New Workers.**

A. Before hiring a new Retail Employee or using a contractor, temporary service, or staffing agency to perform work, a Retail Employer must first offer the work to current Retail Employees if:

1. One or more of the current Retail Employees is qualified to do the work as reasonably determined by the Retail Employer; and
2. The additional work hours would not result in the payment of a premium rate under California Labor Code section 510.

B. A Retail Employer must make the offer for additional work hours contemplated by this Section to each current Retail Employee in the Primary Languages either in writing or by posting the offer in a conspicuous location in the workplace where notices to Retail Employees are customarily posted.

C. A Retail Employer must make the offer for additional work hours contemplated by this Section to current Retail Employees at least seventy-two (72) hours prior to hiring any new Retail Employee, using a contractor, temporary service, or staffing agency. Upon receipt of the offer, a Retail Employee must have forty-eight (48) hours to accept the offer of additional hours in writing. Upon the expiration of the forty-eight (48) hour period, the Retail Employer may hire new Retail Employees or retain the services of a contractor, temporary service, or staffing agency to work any additional

hours not accepted for work by current Retail Employees. At any time during the seventy-two (72) hour period, if the Retail Employer receives written confirmation from all its Retail Employees that they are not interested in accepting additional hours of work, the Retail Employer may immediately proceed with hiring new Retail Employees or retain a contractor, temporary service, or staffing agency. If more current Retail Employees accept the offer to work than hours are available, the Retail Employer must award the hours using a fair and equitable distribution method.

D. A Retail Employee who accepts additional hours pursuant to this Section is not entitled to Predictability Pay for those additional hours if it results in a schedule change from the Work Schedule.

#### **8.102.080 Predictability Pay for Work Schedule Changes.**

A. A Retail Employer must provide the Retail Employee with Predictability Pay under the following conditions:

1. A Retail Employer must compensate the consenting Retail Employee with one additional hour of pay at the Retail Employee's regular rate for each change in their Work Schedule made pursuant to Section 8.102.060.B to a scheduled date, time, or location that:

a. Results in no loss of time to the Retail Employee; or  
b. Results in additional work time that exceeds fifteen (15) minutes.

2. A Retail Employer must compensate a Retail Employee at one-half (1/2) of the Retail Employee's regular rate of pay for the time the Retail Employee does

not work for the following reasons if occurring after the advanced notice required in Section 8.102.060.A:

- a. Subtracting hours from a Shift before or after the Retail Employee reports for duty;
- b. Changing the start or end time of a Shift resulting in a loss of more than fifteen (15) minutes;
- c. Changing the date of a Shift;
- d. Cancelling a Shift; or
- e. Scheduling the Retail Employee for an On-Call Shift for which the Retail Employee is not called in.

B. Predictability Pay is not required if any of the following occur:

- 1. A Retail Employee initiates the requested Work Schedule change
- 2. A Retail Employee accepts a schedule change initiated by a Retail Employer due to an absence of another scheduled Retail Employee. The Retail Employer must communicate to the Retail Employee that acceptance of the hours is voluntary and the Retail Employee has a right to decline and must document the specific nature of the request and the Retail Employee's consent.
- 3. A Retail Employee accepts additional hours pursuant to Section 8.102.070.
- 4. A Retail Employee's hours are reduced due to the Retail Employee's violation of any existing law or of the Retail Employer's lawful policies and procedures.

5. The Retail Employer's operations are compromised pursuant to law.

6. Extra hours worked require the payment of an overtime premium under California Labor Code section 510.

**8.102.090 Coverage for Missing Work Shift.**

A Retail Employer may not require a Retail Employee to find coverage for a Shift or partial Shift if the Retail Employee is unable to work for reasons protected by law.

**8.102.100 Rest Between Shifts.**

A Retail Employer must not schedule a Retail Employee to work a Shift that starts less than ten (10) hours from the Retail Employee's last Shift, unless the Retail Employer obtains the Retail Employee's written consent and pays the Retail Employee a premium of time and a half for each hour of the second Shift not separated by at least ten (10) hours.

**8.102.110 Notice of Retail Employee's Workweek Rights and Other Retail Employer Documentation.**

- A. On or before July 1 of each year, the DCBA shall make available:
  - 1. A Notice of Retail Employee's Workweek Rights in order for Retail Employers to comply with Section 8.102.120.
  - 2. Templates for Good Faith Estimate of Work Schedule, Work Schedule and forms to notify Retail Employees of schedule changes to assist Retail Employers with the requirements of this Chapter.

B. The DCBA shall make available electronic and hardcopy versions of all notices and templates of this Section in English and Spanish, and additional languages at the discretion of the Director.

**8.102.120 Notice and Posting of Retail Employee's Workweek Rights.**

Every Retail Employer must post in a conspicuous place at any workplace or job site where any Retail Employee works, the Notice of Retail Employee's Workweek Rights published each year by the DCBA informing Retail Employees of their rights under this Chapter. Every Retail Employer must post notices in the Primary Languages. For Retail Employees who do not have regular access to the workplace or job site, the Retail Employer must provide a copy of the notice by electronic communication or US Mail annually.

**8.102.130 Employer Record Keeping and Access Requirements.**

A. A Retail Employer must retain all records required by this Chapter, for both current and former Retail Employees, in a printable electronic format, for a period of three (3) years. These records include:

1. Work Schedules for all Retail Employees;
2. Copies of written offers to Retail Employees for additional work hours and written responses from Retail Employees;
3. Written correspondence between the Retail Employer and Retail Employee regarding Work Schedule changes, including, but not limited to, requests,



approvals, and denials, and requests not to post or transmit Work Schedules to other employees;

4. Good Faith Estimate of Work Schedules provided to new and existing Retail Employees; and

5. Payroll records pertaining to each Retail Employee that document the name, address, occupation, dates of employment, rate or rates of pay, amount paid each pay period, the hours worked for each Retail Employee, the amount of Predictability Pay paid each pay period, the amount of premium pay paid each pay period for Shifts scheduled to close together pursuant to Section 8.102.100, and the formula by which each Retail Employee's wages are calculated.

B. To monitor and investigate compliance with the requirements of this Chapter or Chapter 8.100, every Retail Employer must:

1. Allow the DCBA access to such records required in Subsection A of Section 8.102.130;

2. Allow the DCBA to interview persons, including Retail Employees, during normal business hours, and shall cooperate with the DCBA investigators; and

3. Allow DCBA access to all workplaces subject to this Chapter during business hours to inspect books and records, to interview persons, including Retail Employees, and to investigate such matters necessary or appropriate to determine whether a Retail Employer has violated any provisions of this Chapter.

C. There shall be a rebuttable presumption that a Retail Employer violated this Chapter if an allegation is made concerning a Retail Employee's entitlement to

compensation due under this Chapter and a Retail Employer does not maintain or retain records required by Subsection A of Section 8.102.130, or if a Retail Employer does not allow the DCBA reasonable access to such records.

D. Where a Retail Employer demonstrates to the DCBA that the Retail Employer shall incur a fee or charge for providing the records required in Subsection A of Section 8.102.130, the Retail Employer shall only be required to provide the DCBA with the prior two years of records unless the DCBA determines obtaining three years of records is reasonable and necessary for the enforcement of this Chapter.

#### **8.102.140 Electronic Notice.**

For purposes of this Chapter, an electronic communication shall be deemed a written notice as required of Retail Employers and are subject to all retention requirements of Section 8.102.130.

#### **8.102.150 Retaliation Prohibited.**

A. It shall be unlawful for a Retail Employer or any other person to discriminate in any manner or take adverse action against any person in retaliation for exercising rights protected under this Chapter. Rights protected under this Chapter include, but are not limited to: (1) the right to file a complaint or legal action or inform any Person about any other Person's alleged noncompliance with this Chapter; and (2) the right to inform any Person of his or her potential rights under this Chapter and to assist in asserting such rights. Protections of this Chapter shall apply to any Person who mistakenly, but in good faith, alleges noncompliance with this Chapter. Taking adverse action against a Person within ninety (90) days of the Person's exercise of

rights protected under this Chapter shall raise a rebuttable presumption of having done so in retaliation for the exercise of such rights. For retaliatory action by the Retail Employer, the Retail Employee shall be entitled to reinstatement of his or her prior position, assignment, or job, if applicable.

B. No Retail Employer or any other Person may communicate to a Retail Employee exercising rights protected under this Chapter, directly or indirectly, the willingness to inform a government employee that the Person is not lawfully in the United States, or to report, or to make an implied or express assertion of a willingness to report, suspected citizenship or immigration status of a Retail Employee or a family member of the Retail Employee to a State, federal, or local agency because the Retail Employee has exercised a right under this Chapter.

**8.102.160 Department of Consumer and Business Affairs—Powers and Duties.**

A. Enforcement and Investigations. The DCBA is authorized to take appropriate steps to enforce this Chapter, including conducting investigations of possible violations by a Retail Employer or other Person.

B. Access to Records. The DCBA shall have access to all workplaces subject to this Chapter during business hours to inspect books and records, to interview Persons, including Retail Employees, and to investigate such matters necessary or appropriate to determine whether a Retail Employer has violated any provisions of this Chapter. The Retail Employer is required to provide to the DCBA the legal name,

address, and telephone number of the Retail Employer and all Retail Employees in writing upon request.

C. Subpoenas. The Director is authorized to issue subpoenas for documents and to conduct examinations of Persons as witnesses under California Government Code section 53060.4 for the purpose of enforcing this Chapter. Each subpoena shall be prepared in consultation with County Counsel and, upon issuance, the Director shall notify the Board of Supervisors of the subpoena.

D. Rulemaking Authority. The DCBA shall establish rules, policies, and procedures governing the administration and enforcement of this Chapter, and prior to issuance, will provide a copy of the rules, policies, and procedures to the Board of Supervisors.

E. Confidentiality. The DCBA must encourage reporting and cooperation with investigations by keeping confidential, to the maximum extent permitted by law, the name, address, and other identifying information of each Retail Employee, person reporting a violation, or person aiding an investigation by providing information to the DCBA investigators. Provided, however, that with the authorization of such person, the DCBA may disclose his or her name and identifying information as necessary to enforce this Chapter or for other appropriate purposes. The DCBA must also protect proprietary business information to the maximum extent permitted by law.

F. Settlement Authority.

1. The DCBA is authorized to negotiate and approve settlements with Retail Employers, in consultation with County Counsel, where the DCBA determines settlement is in the best interest of the County and affected Retail Employees. Settlement agreements must be in writing and signed by the Director and the Retail Employer. Settlements authorized under this Subsection may provide Retail Employers with a repayment plan to be paid over time.

2. The DCBA may waive any additional fines owed to the County imposed under this Chapter, in whole or in part, if the DCBA determines the violation was not willful and that enforcement of the additional fines would not further the purposes of this Chapter.

3. The DCBA shall not reduce any monetary sum owed to a Retail Employee pursuant to this Chapter that a Retail Employer is determined to owe to a Retail Employee without the written consent of the affected Retail Employee. Amounts determined to be owed from a Retail Employer to a Retail Employee shall include interest at the rate specified in Subdivision (b) of section 3289 of the California Civil Code, which shall accrue from the date the amounts were due and payable as provided in Part 1 (commencing with section 200) of Division 2 of the California Labor Code, to the date immediately preceding the date the wages are paid in full.

G. Authority for Contracts. The DCBA shall have the authority to enter into contracts, with attorneys, consultants, non-profits, community-based organizations, and other Persons in accordance with the County's contracting rules

and procedures, to enforce and/or provide education and outreach as necessary to perform the Department's responsibilities under this Chapter.

**8.102.170                    Complaints.**

Any Person may file a complaint with the DCBA alleging a potential violation of this Chapter. A complaint should include a statement of the dates, places, and Persons or entities responsible for such violation. A complaint must be filed within three (3) years after the occurrence of the alleged violation of this Chapter.

**8.102.180                    Investigations.**

Upon receipt of a complaint that DCBA deems credible, or if the Director has reason to believe that any Person may be in violation of this Chapter, DCBA may conduct an investigation into the potential violation. DCBA may conduct site inspections, interview employees or other witnesses to alleged violations, take depositions, review document and records, and perform any other investigatory method reasonably necessary to determine whether a violation of this Chapter occurred. DCBA may issue a Correction Order at any time during the course of an investigation. Upon completion of an investigation, if DCBA determines a violation of this Chapter was committed, DCBA shall issue a Wage Enforcement Order to the Retail Employer or Person responsible for the violation.

**8.102.190                    Notices of Violations.**

A.     Correction Order. If, during the course of an investigation, the DCBA has determined a violation of this Chapter has occurred, the DCBA may issue and serve a Correction Order on the Retail Employer immediately. The Correction Order shall

identify the violation to be corrected and a reasonable amount of time to correct the violation. Failure to comply with the Correction Order may be included in a subsequent Wage Enforcement Order.

B. Wage Enforcement Order.

1. After completing an investigation, if the DCBA determines a Retail Employer has violated a provision of this Chapter, including, but not limited to, a failure to comply with a Correction Order, the DCBA shall prepare and serve a Wage Enforcement Order on the Employer.

2. A Wage Enforcement Order contains the DCBA's final determination concerning whether a Retail Employer violated this Chapter, the penalties and/or fines for each violation as specified in Sections 8.102.230 and 8.102.240, and that an amount is due and owing to either a Retail Employee, the County, or both. A Wage Enforcement Order shall include information as required in a notice of violation pursuant to Los Angeles County Code section 1.25.050.C, and may also contain the following:

- a. A description of any corrective action required, including reinstatement of any Retail Employee, if applicable;
- b. A statement explaining that each day of a continuing violation may constitute a new and separate violation;
- c. The amount of wages or other amounts due and the amount of interest, penalties, and administrative fines imposed for the violation(s);

d. A statement informing the Retail Employer that the administrative fines shall be paid to the County, the date by which the DCBA requires the administrative fines to be paid, the procedure for payment, and the consequences of failure to pay; and

e. The name and signature of the Director.

C. The Retail Employer must, within twenty-four (24) hours after receipt of a Wage Enforcement Order, post the Wage Enforcement Order by affixing the Wage Enforcement Order, or an exact copy, in a conspicuous place for a period of at least sixty (60) days at any workplace or jobsite located within the County where any Retail Employee works, and transmit electronically and by US Mail to all Retail Employees with no routine access to the physical posting.

#### **8.102.200 Settlement.**

The Director may convene an informal meeting with the Retail Employer to resolve the corrective action sought in the Wage Enforcement Order. The compliance period in Section 8.102.190 and the accrual of penalties and administrative fines may be temporarily suspended during settlement discussions. If, after meeting, the corrective actions are not resolved, the DCBA may issue a new compliance date to the Retail Employer and reinstate the accrual of penalties and administrative fines.

#### **8.102.210 Reconsideration of Wage Enforcement Order.**

A. Reconsideration by Director. A Retail Employer, Retail Employee, or any interested party, that is the subject of a Wage Enforcement Order, may file a written request for reconsideration of a Wage Enforcement Order with the DCBA. A



request for reconsideration of a Wage Enforcement Order by a Retail Employer shall be filed with the DCBA within twenty (20) days from the date the Wage Enforcement Order is served, unless extended by the Director upon a showing of good cause. A request for reconsideration by a Retail Employee shall be filed with the DCBA within twenty (20) days of posting of the Wage Enforcement Order by the Retail Employer pursuant to Section 8.102.190.C. In order to be considered timely, the request for reconsideration must be postmarked or actually received by the DCBA on or before the 20th day following the service of the Wage Enforcement Order on the Retail Employer. The request for reconsideration shall be in writing and filed with the DCBA and include the following information:

1. The alleged violation(s) being contested;
2. The reason, in detail, why each violation being contested should be reconsidered;
3. Any new facts or law not considered in the course of the DCBA's investigation that would aid in issuing a final determination;
4. The signature of the Person requesting reconsideration, under penalty of perjury; and
5. The return address where the Person or entity requesting reconsideration shall receive service of a Reconsideration Determination.

B. Stay of Enforcement. If administrative fines owed to the County are the subject of the request for reconsideration, then accrual of such administrative fines shall be stayed upon receipt of the request for reconsideration, until the

determination of such reconsideration is final. The payment of the contested amount of back wages and penalties owed to a Retail Employee during the pendency of any request for reconsideration shall be stayed, but shall continue to accrue until a determination of such appeal or review is final.

C. Reconsideration Determination. Within twenty (20) days of receipt of the written request for reconsideration, the Director shall respond to a request for reconsideration by issuing a written Reconsideration Determination. The Director may uphold or reject the Wage Enforcement Order, in whole or in part, or reduce, waive, or conditionally reduce the administrative fines stated in a Wage Enforcement Order if mitigating circumstances are shown. The Director may impose conditions and deadlines for the correction of violations or the payment of outstanding wages, penalties and administrative fines, and may include instructions for notifying Employees of the Reconsideration Determination. The Reconsideration Determination shall be served by mail to the Retail Employer, Retail Employee, and any other persons requesting notice. A Reconsideration Determination shall be final unless timely appealed pursuant to Section 8.102.220.

#### **8.102.220 Appeals.**

A. Administrative Appeal. After receiving a Reconsideration Determination from the DCBA, any person may file an administrative appeal of the Reconsideration Determination before a Hearing Officer appointed pursuant to Chapter 1.25, or through the Office of the County Hearing Officer if one has been created. No person may file an administrative appeal unless such Person has first

filed a request for reconsideration and received a Reconsideration Determination from the Director.

B. Judicial Review of Hearing Officer Decision. Pursuant to Chapter 1.25, or any Office of the County Hearing Officer ordinance if one has been adopted, any person may seek judicial review of a Hearing Officer's decision pertaining to the imposition of an administrative fine by filing an appeal with the Superior Court in accordance with the time periods, procedures, and other requirements set forth in California Government Code section 53069.4. If no appeal of the Hearing Officer's written decision is filed within the time period set forth in section 53069.4 of the California Government Code or as otherwise set forth in any Office of the County Hearing Officer ordinance if one has been created, the Hearing Officer's decision shall be deemed confirmed and final.

**8.102.230 Restitution and Penalties Payable to Retail Employee for Violations.**

A Retail Employer who violates the Los Angeles County Fair Workweek Ordinance shall pay restitution and a penalty as provided in this Section to each Retail Employee whose rights were violated. The DCBA shall impose and collect, on behalf of a Retail Employee, a one-time penalty for each violation. The violations in this Section do not accrue daily penalties. The fine and restitution may be assessed as part of a Wage Enforcement Order issued to the Retail Employer by the DCBA.

Violation	County Code Section	Penalty
Failure to provide a Good Faith Estimate of Work Schedule	Section 8.102.040	Up to \$500
Substantially deviating from Good Faith Estimate of Work Schedule	Section 8.102.040	Up to \$500
Failure to compensate Retail Employee at one and one-half times pay for working a Shift that begins less than ten (10) hours from the previous Shift	Section 8.102.100	Up to \$500
Failure to provide a Retail Employee with at least fourteen (14) calendar days' notice of Work Schedule	Section 8.102.060	Up to \$500
Failure to provide written notice of Work Schedule changes	Section 8.102.060	Up to \$500
Failure to comply with prohibitions against requiring a Retail Employee to find coverage for scheduled hours if the Retail Employee is unable to work for a reason covered by other laws	Section 8.102.090	Up to \$500
Failure to offer additional hours of work to current Retail Employees before hiring new workers	Section 8.102.070	Up to \$500
Retaliation for exercising rights under this Chapter	Section 8.102.150	Up to \$1,000

**8.102.240****Administrative Fines Payable to County for****Violations.**

A. Administrative Fines. An administrative fine payable to the County may be assessed for a violation of any provision of this Chapter as specified below. The administrative fine may be assessed as part of a Wage Enforcement Order issued to the Retail Employer by the DCBA.

Violation	County Code Section	Fine
Failure to post or provide Notice of Retail Employee's Workweek Rights under this Chapter	Section 8.102.120	Up to \$500
Failure to allow access for inspection of books, records, or to interview employees	Section 8.102.130	Up to \$500
Failure to maintain records required under this Chapter for three years	Section 8.102.130	Up to \$500
Failure to cooperate with a DCBA investigation	Section 8.102.180	Up to \$500
Failure to post Wage Enforcement Order or Reconsideration Determination (if ordered by the Director) in a conspicuous place for all Retail Employees to view	Section 8.102.190	Up to \$500

Violation	County Code Section	Fine
Retaliation for exercising rights under this Chapter	Section 8.102.150	Up to \$1,000

**8.102.250 Calculation and Payment of Penalties and Fines for Violations.**

A. Each and every day that a violation listed in Section 8.102.240 exists constitutes a separate and distinct violation. The maximum penalty and fine(s) pursuant to Sections 8.102.230 and 8.102.240 may be increased cumulatively by fifty percent (50%) for each subsequent violation of the same provision by the same Retail Employer within a three-year period. The maximum penalty and fine that may be imposed by a Wage Enforcement Order in a calendar year for each type of violation listed above shall be \$20,000 per Retail Employee, per year, with the exception of a retaliation violation, in which case the maximum penalty and fine shall be \$30,000 per Retail Employee, per year.

B. Payments to the County; Due Date; Late Payment Fee. Fines, penalties, and restitution payable to the County are due within thirty (30) days from the date of the Wage Enforcement Order, if applicable. The failure of any Retail Employer to pay within thirty (30) days shall result in the assessment of an additional late fee. The amount of the additional late fee shall be ten percent (10%) of the total amount assessed in the Wage Enforcement Order for each month the amounts are unpaid,

compounded to include already accrued late fines that remain unpaid. The DCBA may exercise its discretion regarding the fines, penalties, and fees levied based on the severity of the violation, the length of the violation, and whether the violation was the first of its kind for the Retail Employer.

C. Collections of Amounts Due. The failure of any Retail Employer to pay amounts owed to the County under this Chapter when due shall constitute a debt to the County. The County may file a civil action or, to the extent feasible under State law, create and impose a lien against any property owned or operated by a Retail Employer or other person who fails to pay the amounts assessed in a Wage Enforcement Order, or pursue any other legal remedy to collect such money.

D. County Licenses. The Director may recommend that any license issued by the County or any departments thereof, or the application for, or renewal or transfer of, a license of a Retail Employer determined to be in violation of this Chapter be suspended, revoked, or denied. In evaluating whether a license should be recommended for suspension, revocation, or denial, the Director may take into consideration factors, including, but not limited to: (1) whether the Retail Employer's violation was an inadvertent or clerical error; (2) whether the violation was the first violation by that Retail Employer; (3) whether any violation was corrected timely; and (4) whether any amounts due to Retail Employees or the DCBA as a result of the violation were timely paid. The decision to suspend, revoke, or deny a license based on a recommendation from the Director shall be made by the department issuing the license and done in accordance with applicable law.

E. Successor Liability. If any Retail Employer ceases its business operations, sells out, exchanges, or otherwise disposes of the Retail Employer's business or stock of goods, then any person who becomes a successor to the business shall become liable for the unpaid amount of the remedies defined in the Wage Enforcement Order if, at the time of the conveyance of the business, the successor has actual knowledge of the fact and amount of the Wage Enforcement Order.

F. Interest. In any administrative or civil action brought for the nonpayment of wages under this Chapter, the DCBA or the court, shall award interest on all due and unpaid wages, fines, and penalties at the rate of interest specified in subdivision (b) of section 3289 of the California Civil Code, which shall accrue from the date the wages were due and payable as provided in Part 1 (commencing with section 200) of Division 2 of the California Labor Code, to the date immediately preceding the date the wages are paid in full.

#### **8.102.260 Other Remedies Not Affected.**

A. The remedies, fines, penalties, and procedures provided under this Chapter are cumulative and are not intended to be exclusive of any other available remedies, fines, penalties, and procedures. By filing a claim with the DCBA, a Retail Employee is not precluded from being able to recover remedies available to them under any other code, regulation, or law. The procedures established in this Chapter shall be in addition to any other criminal, civil, or other remedy established by law which may be pursued to address violations of this Chapter. Any



administrative action issued by the DCBA pursuant to this Chapter shall not prejudice or adversely affect any other action, civil or criminal, that may be brought to prosecute or abate a violation or to seek compensation for damages suffered.

B. Any Retail Employee aggrieved by a violation of this Chapter, the DCBA, or any other Person or entity acting on behalf of the public as provided for under applicable State law, may bring a civil action in a court of competent jurisdiction against the Retail Employer violating this Chapter and, upon prevailing, shall be entitled to such legal or equitable relief as may be appropriate to remedy the violation, including, without limitation, the payment of any back wages unlawfully withheld, the payment of fines pursuant to Sections 8.102.230 and 8.102.240, reinstatement in employment and/or injunctive relief, and shall be awarded reasonable attorneys' fees and costs. Any person or entity enforcing this Chapter on behalf of the public as provided for under applicable State law, upon prevailing, shall be entitled only to equitable, injunctive or restitutionary relief, and reasonable attorneys' fees and costs. Nothing in this Chapter shall be interpreted as restricting, precluding, or otherwise limiting a separate or concurrent criminal prosecution under the Los Angeles County Code or State law. Jeopardy shall not attach as a result of any administrative or civil enforcement action taken pursuant to this Chapter.

**8.102.270 Waiver Prohibited.**

Any waiver by a Retail Employee of rights under this Chapter is void as contrary to public policy.

**8.102.280 Severability.**

If any section, subsection, sentence, clause or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The County Board of Supervisors hereby declares that it would have adopted this Chapter, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional, without regard to whether any portion of the ordinance would subsequently be declared invalid or unconstitutional.

**8.102.290 Encouragement of More Generous Policies.**

Nothing in this Chapter should be construed to discourage or prohibit a Retail Employer from the adoption or retention of policies more generous than what is required herein.

**8.102.300 Effective Date.**

This Chapter shall be effective on July 1, 2025.

**8.102.310 Exemptions.**

Public entities, including State, federal, County, city, and school district entities, are exempt from this Chapter.

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