



# Board of Supervisors Operations Cluster Agenda Review Meeting

**DATE:** September 23, 2026

**TIME:** 2:00 p.m. – 4:00 p.m.

**MEETING CHAIR:** Tami Omoto-Frias, 1<sup>st</sup> Supervisorial District

**CEO MEETING FACILITATOR:** Dardy Chen

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

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

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

To participate in this meeting virtually, please call teleconference number

1 (323) 776-6996 and enter the following 359163428# or [Click here to join the meeting](#)

Teams Meeting ID: 296 429 091 989 41

Passcode: jZ9Ch2sJ

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

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

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

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

## 1. CALL TO ORDER

## 2. INFORMATIONAL ITEM(S):

[Any informational item is subject to discussion and/or presentation at the request of two or more Board offices with advance notification]

### A) Board Letter:

TEN-YEAR LEASE

SHERIFF'S DEPARTMENT

12440 EAST IMPERIAL HIGHWAY, NORWALK

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

B) **Board Letter:**  
FIVE-YEAR LEASE  
SHERIFF'S DEPARTMENT  
301 SOUTH CENTRAL AVENUE, LOS ANGELES  
CEO/RE - Alexandra Nguyen-Rivera, Section Chief, Leasing

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

None.

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

A) **Board Letter:**  
APPROVAL TO EXECUTE A SOLE SOURCE AMENDMENT FOR CONTINUED USE  
OF THE COMMUNITY AND SENIOR CENTER CLIENT TRACKING SYSTEM  
AD/CIO - Anna Avdalyan, Assistant Director and  
Ivan Pacheco, Department Chief Information Officer

B) **Board Memo:**  
ADVANCE NOTIFICATION OF INTENT TO ENTER INTO NEGOTIATIONS FOR SOLE  
SOURCE CONTRACTS WITH ACCENTURE LLP TO PROVIDE SERVICES AND  
SUPPORT OF LACES DATA AND ANALYTICS PORTAL  
A-C - Majida Adnan, Assistant Auditor-Controller

C) **Board Letter:**  
GRTF RECOMMENDATIONS TO ESTABLISH THE ELECTED COUNTY EXECUTIVE,  
DIRECTOR OF BUDGET AND MANAGEMENT, AND COUNTY LEGISLATIVE  
ANALYST  
BOS - David Phelps, Co-Chair of the Elected Executive Ad Hoc and  
Nancy Yap, GRTF Chair

**5. PUBLIC COMMENT**

**6. ADJOURNMENT**

**UPCOMING ITEMS FOR SEPTEMBER 30, 2026:**

None.

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

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

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CLUSTER AGENDA REVIEW DATE</b>                                                                 | 9/23/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                              |
| <b>BOARD MEETING DATE</b>                                                                         | 10/20/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                              |
| <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 checked="" type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                              |
| <b>DEPARTMENT(S)</b>                                                                              | Sheriff's Department                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                              |
| <b>SUBJECT</b>                                                                                    | Ten-year Lease Renewal for 103,942 SF at 12440 East Imperial Highway, Norwalk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                              |
| <b>PROGRAM</b>                                                                                    | Sheriff's Data Systems Bureau and Technology and Support Division Headquarters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                              |
| <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<br>If Yes, please explain why:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                              |
| <b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>                      | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable<br>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                              |
| <b>DEADLINES/ TIME CONSTRAINTS</b>                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                              |
| <b>COST &amp; FUNDING</b>                                                                         | Total cost:<br>\$36,583,000 for the initial 10 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Funding source:<br>The rental cost for Sheriff will be funded 100 percent by net County cost (NCC) that is already included in Sheriff's existing budget. The Sheriff will not be requesting additional NCC for this action. |
|                                                                                                   | <b>TERMS (if applicable):</b><br>The proposed lease renewal will have an estimated maximum first year base rental cost of \$2,582,000 but with a rental abatement of \$22,000, parking costs of \$129,000 and average electricity costs of \$589,000 will equal \$3,278,000. The Landlord will be responsible for all operating costs except the County will be responsible for their own electricity costs.                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                              |
|                                                                                                   | Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2026-27 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its Fiscal Year 2026-27 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 the Sheriff.                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                              |
| <b>PURPOSE OF REQUEST</b>                                                                         | Approval of the recommended action will authorize and provide use of office space and parking for the Sheriff.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                              |
| <b>BACKGROUND (include internal/external issues that may exist including any related motions)</b> | The Sheriff has occupied the Premises since January 2000 under two separate leases, which houses its Data Systems Bureau (DSB), and its Technology and Support Division Headquarter (TSD-HQ). The existing lease that houses TSD-HQ is currently under one lease with the County departments of Public Social Services, Children and Family Services, and Animal Care and Control. Since both existing leases will expire on October 29, 2026, the Sheriff requested that the two leases for its department be consolidated into a single lease for a collective 103,942 square feet. The existing lease with the other County departments will terminate SH's portion and as the County departments renew under separate lease agreements, CEO will return to the Board for approval as needed. |                                                                                                                                                                                                                              |
| <b>EQUITY INDEX OR LENS WAS UTILIZED</b>                                                          | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If Yes, please explain how:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                              |
| <b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>                                                  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If Yes, please state which one(s) and explain how:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                              |
| <b>DEPARTMENTAL CONTACTS</b>                                                                      | Alexandra Nguyen-Rivera<br>Section Chief, Leasing<br>CEO Real Estate Division<br>213-974-4189<br><a href="mailto:arivera@ceo.lacounty.gov">arivera@ceo.lacounty.gov</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                              |



## **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**

Joseph M. Nicchitta

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

October 20, 2026

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:

**TEN-YEAR LEASE  
SHERIFF'S DEPARTMENT  
12440 EAST IMPERIAL HIGHWAY, NORWALK  
(FOURTH DISTRICT) (3-VOTES)**

#### **SUBJECT**

Approval of a proposed ten-year lease to renew an existing lease to provide the Sheriff's Department (Sheriff) continued use of 103,942 square feet of office space and 416 on-site parking spaces for the Sheriff's Data Systems Bureau (DSB) and Technology and Support Division Headquarters (TSD-HQ).

#### **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 his designee, to execute the proposed lease with SONNENBLICK DEL RIO NORWALK, LLC, a Delaware limited liability company (Landlord), for approximately 103,942 square feet of office space and 416 on-site parking spaces located at 12440 East Imperial Highway, Suites B130, B140, B150, B170, B190, 120, 130, 400 and 650, Norwalk (Premises) to be occupied by the Sheriff. The proposed lease is for a term of ten years. The estimated maximum first year base rental cost is approximately \$2,582,000, with a rent abatement of approximately \$22,000, parking costs of \$129,000, and average electricity costs of \$589,000, which equals \$3,278,000. The estimated

total proposed lease cost is approximately \$36,583,000 over the ten-year term. The rental cost for the Sheriff will be funded 100 percent by net County cost (NCC) that is already included in the Sheriff's existing budget. The Sheriff will not be requesting additional NCC for this action.

3. Authorize and direct the Chief Executive Officer, or his 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 the early termination rights and one option to extend at fair market value for an additional five years. If this option is exercised, the total term of the proposed lease will be up to 15 years.

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

The Sheriff has occupied the Premises since January 2000 under two separate leases, which houses its DSB, and its TSD-HQ. The existing lease that houses the TSD-HQ is currently under one lease with the County departments of Public Social Services, Children and Family Services, and Animal Care and Control. Since both existing leases will expire on October 29, 2026, the Sheriff requested that the two leases for its department be consolidated into a single lease for a collective 103,942 square feet. The existing lease with the other County departments will terminate the Sheriff's portion and as the County departments renew under separate lease agreements, the Chief Executive Office will return to the Board of Supervisors (Board) for approval as needed.

The DSB, currently located in 98,840 square feet, plans, develops, coordinates, and manages the automated systems for the Sheriff, including systems and data connections supporting or interfacing with County, State, and Federal criminal justice agencies. The DSB is responsible for the Mainframe Systems Support, Sheriff's Data Network, Systems Development Section, Law Enforcement Information Sharing Program, Los Angeles Regional Crime Information System, Custody Automation, Jail Hospital Information System, Jail Information Management System, and Data Center Administration.

The TSD-HQ, currently located in 5,102 square feet, is an administrative function that provides technical support services and management of the Sheriff's communications, vehicle fleet, data and information systems, records, criminal justice databases, acquisition, scientific services, and investigations. Bureaus under TSD-HQ include Communications and Fleet Management Bureau, Records and Identification Bureau, and Scientific Services Bureau.

The Premises houses approximately 375 staff members using 375 workstations. Telework is not a suitable option for the Sheriff due to personnel required to be physically present on-site to manage the systems and data connections supporting or interfacing with County, State, and Federal criminal justice agencies, as well as providing technical support services and management of the Sheriff's communications, vehicle fleet, data and information systems, records, criminal justice databases, crime lab, and crime scene

investigations.

The proposed lease will enable the Sheriff to remain and serve the County of Los Angeles (County), avoid relocation costs, and interruption of services. The Premises are easily accessible to public transportation.

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

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

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

The proposed lease supports the above goals and objectives by providing the Sheriff with adequate office space in the appropriate service area, avoiding relocation costs and interruption of service.

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 approximately \$2,582,000, with rent abatement of approximately \$22,000, parking cost of \$129,000, and average electricity costs of \$589,000 will equal \$3,278,000. The aggregate cost associated with the proposed lease over the entire term, including rent abatement, parking and electricity, is approximately \$36,583,000, as shown in Enclosure B-1. The proposed lease costs for the Sheriff will be funded 100 percent by NCC that is already included in the Sheriff’s existing budget. The Sheriff will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2026-27 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its Fiscal Year 2026-27 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 the Sheriff.

### **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 \$25.80 per square foot, per year, to \$24.84 per square foot, per year. Base rent is subject to fixed annual increases of 3 percent.
- The Sheriff will get an equivalent of one month's rent abatement, which will be applied equally over the lease term.
- The Landlord, at its sole cost, will be responsible for performing certain work to refresh the space as required by the Sheriff within six months from the proposed commencement date.
- The Sheriff shall have the right, at its sole cost, to install and connect a second backup generator, at a mutually agreeable location with no additional rent cost over the lease term, that will provide backup power to create a redundant system and optimize pump separation.
- The Landlord is responsible for all operating and maintenance costs of the building. The County is responsible for electric costs within the Premises.
- The current annual parking rate will increase from no cost to \$300 per unreserved parking space, for 396 unreserved parking spaces. The current annual parking rate will decrease from \$504 to \$480 per reserved parking space, for 20 reserved parking spaces.
- A comparison of the existing leases and the proposed lease terms is shown in Enclosure B-2.
- The proposed lease includes a ten-year initial term with an option to extend the lease for an additional five years, with six months' written notice, at fair market rent. If the option is exercised, the total term of the proposed lease would be 15 years.
- The County has the right to terminate the proposed lease early any time after 96 months, with 180 days' written notice.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions, and the monthly base rent will be adjusted by the regular annual 3 percent increase during the first six months of the holdover period. Should the holdover period extend beyond six months, the rent will increase by 25 percent. The Landlord has agreed to credit any holdover fee toward the base rent upon extension of a new lease term.

- 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 October 30, 2026.
- The County shall have the Right of First Offer to lease any available space in the building.

Since the Sheriff wanted to remain in the Premises, a flyer was not issued seeking new space. The Chief Executive Office conducted a market search of available office space for lease, to negotiate an appropriate rental rate. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$25.20 and \$36.60 per square foot, per year. The base annual rental rate of \$24.84 per square foot, per year, for the proposed lease 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 Premises as the most suitable to meet the County's space requirements.

Co-working office space is not suitable for this requirement due to the nature of services provided by the Sheriff at the Premises.

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 Norwalk has been sent in accordance with Government Code Section 25351.

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

The proposed lease will continue to provide a suitable location for the Sheriff's programs, which are 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 and with the State Clearinghouse in the Office of Land Use and Climate Innovation in accordance with section 21152, subdivision (a) of the California Public Resources Code and will be posted to the County's website, pursuant to section 21092.2.

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

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

Respectfully submitted,

JOSEPH M. NICCHITTA  
Chief Executive Officer

JMN:JG:JTC  
JLC:ANR:MT:ja

Enclosures

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

**SHERIFF'S DEPARTMENT  
12440 EAST IMPERIAL HIGHWAY, NORWALK**

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

|                                                              |                                    |                                                                                                                                                                                                               |            |           |            |  |
|--------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|------------|--|
| <b>1.</b>                                                    | <b><u>Occupancy</u></b>            |                                                                                                                                                                                                               | <b>Yes</b> | <b>No</b> | <b>N/A</b> |  |
|                                                              | A                                  | Does lease consolidate administrative functions? <sup>2</sup>                                                                                                                                                 | <b>X</b>   |           |            |  |
|                                                              | B                                  | Does lease co-locate with other functions to better serve clients? <sup>2</sup>                                                                                                                               |            |           | <b>X</b>   |  |
|                                                              | C                                  | Does this lease centralize business support functions? <sup>2</sup>                                                                                                                                           |            |           | <b>X</b>   |  |
|                                                              | D                                  | Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>Based on 375 staff there is 277 SF per person due to conference rooms, large server rooms, and storage of evidence.</b> |            | <b>X</b>  |            |  |
|                                                              | E                                  | Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup>                                                                                                                                      | <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? <sup>2</sup>                                                                                                                                                 |            |           | <b>X</b>   |  |
| <b>3.</b>                                                    | <b><u>Portfolio Management</u></b> |                                                                                                                                                                                                               |            |           |            |  |
|                                                              | A                                  | Did department use CEO Space Request Evaluation (SRE)?                                                                                                                                                        | <b>X</b>   |           |            |  |
|                                                              | B                                  | Was the space need justified?                                                                                                                                                                                 | <b>X</b>   |           |            |  |
|                                                              | C                                  | If a renewal lease, was co-location with other County departments considered?                                                                                                                                 |            | <b>X</b>  |            |  |
|                                                              | D                                  | Why was this program not co-located with other County departments?                                                                                                                                            |            |           |            |  |
|                                                              |                                    | 1. ____ The program clientele requires a "stand alone" facility.                                                                                                                                              |            |           |            |  |
|                                                              |                                    | 2. ____ No suitable County occupied properties in project area.                                                                                                                                               |            |           |            |  |
|                                                              |                                    | 3. <b><u>X</u></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? <sup>2</sup> <b>County pays electricity costs.</b>                                                                                                                             |            | <b>X</b>  |            |  |
|                                                              | F                                  | Has growth projection been considered in space request?                                                                                                                                                       | <b>X</b>   |           |            |  |
|                                                              | G                                  | <sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?                                                                                                                                 | <b>X</b>   |           |            |  |
| <sup>1</sup> As adopted by the Board of Supervisors 11/17/98 |                                    |                                                                                                                                                                                                               |            |           |            |  |
| <sup>2</sup> If not, why not?                                |                                    |                                                                                                                                                                                                               |            |           |            |  |

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

12440 E. Imperial Highway, Norwalk  
Sheriff's Department

Basic Lease Assumptions

|                                       |                   |
|---------------------------------------|-------------------|
| Leased Area (sq.ft.)                  | 103,942           |
|                                       |                   |
|                                       | MonthlyAnnual     |
| Base Rent                             | \$2.07\$24.84     |
| Rent Abatement (Months)               | 1                 |
| Term                                  | 12010             |
| Annual Rent Adjustments               | 3.00%             |
|                                       |                   |
|                                       | MonthlyAnnual     |
| Parking                               |                   |
| 396 Unreserved Parking Spaces at \$25 | \$9,900\$118,800  |
| 20 Reserved Parking Spaces at \$40    | \$800\$9,600      |
| Total Parking Cost                    | \$10,700\$128,400 |

|                                  | 1 <sup>st</sup> Year | 2nd Year    | 3rd Year    | 4th Year    | 5th Year    | 6th Year    | 7th Year    | 8th Year    | 9th Year    | 10th Year   | Total 10 Years<br>Rental Costs |
|----------------------------------|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------------------|
| Annual Base Rent Costs           | \$2,582,000          | \$2,660,000 | \$2,740,000 | \$2,823,000 | \$2,908,000 | \$2,996,000 | \$3,086,000 | \$3,179,000 | \$3,275,000 | \$3,374,000 | \$29,623,000                   |
| Rent Abatement <sup>(1)</sup>    | (\$22,000)           | (\$22,000)  | (\$22,000)  | (\$22,000)  | (\$22,000)  | (\$22,000)  | (\$22,000)  | (\$22,000)  | (\$22,000)  | (\$22,000)  | (\$220,000)                    |
| Parking                          | \$129,000            | \$129,000   | \$129,000   | \$129,000   | \$129,000   | \$129,000   | \$129,000   | \$129,000   | \$129,000   | \$129,000   | \$1,290,000                    |
| Electricity Costs <sup>(2)</sup> | \$589,000            | \$589,000   | \$589,000   | \$589,000   | \$589,000   | \$589,000   | \$589,000   | \$589,000   | \$589,000   | \$589,000   | \$5,890,000                    |
| Total Annual Lease Costs         | \$3,278,000          | \$3,356,000 | \$3,436,000 | \$3,519,000 | \$3,604,000 | \$3,692,000 | \$3,782,000 | \$3,875,000 | \$3,971,000 | \$4,070,000 | \$36,583,000                   |

Footnotes

<sup>(1)</sup> Rent Abatement is an equivalent of one month rent which will be applied equally over the ten year term.  
<sup>(2)</sup> Based on average costs for the 2025 calendar year. Electrical cost are estimated and subject to annual increases. County reimburses landlord.  
**\*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.**

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

|                                              | Existing Leases:<br><br><b>12440 East Imperial Highway, Norwalk</b><br><br>(two separate leases) <sup>(1)</sup> | Proposed Lease:<br><br><b>12440 East Imperial Highway, Norwalk</b><br><br><b>(consolidate into one lease)</b> | Change                                         |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| Area (Square Feet)                           | Lease #1: 98,840 sq. ft.<br>Lease #2: 5,102 sq. ft<br>Total: 103,942 sq. ft                                     | 103,942 sq. ft.                                                                                               | No change                                      |
| Term (years)                                 | Seven years.                                                                                                    | Ten years plus one, five-year option to renew.                                                                | Ten years plus one, five-year option to renew. |
| Annual Base Rent                             | Lease #1: \$2,556,000<br>Lease #2: \$132,000<br>Total: \$2,688,000                                              | \$2,582,000 <sup>(2)</sup>                                                                                    | -\$106,000                                     |
| Annual Parking Cost                          | Lease #1: \$6,600<br>Lease #2: \$11,000<br>Total: \$17,600                                                      | \$129,000                                                                                                     | +\$111,400                                     |
| Annual Electricity Costs <sup>(3)</sup>      | Lease #1: \$583,000<br>Lease #2: \$6,000<br>Total: \$589,000                                                    | \$589,000                                                                                                     | No change                                      |
| Total Annual Lease Costs payable to Landlord | \$3,294,800                                                                                                     | \$3,300,000 <sup>(1)</sup>                                                                                    | +\$5,400                                       |
| Rental rate adjustment                       | Annual CPI adjustments capped at three percent with no minimum.                                                 | Annual three percent increase.                                                                                | Annual three percent increase.                 |

**\*All numbers are rounded up.**

<sup>(1)</sup> Lease #1 is Lease No. 72575 and Lease #2 is Lease No. 72577

<sup>(2)</sup> Does not include rent abatement.

<sup>(3)</sup> Based on actual usage for calendar year 2025.

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

| <b>LACO</b> | <b>Name</b>                                     | <b>Address</b>                                    | <b>Ownership</b>        | <b>Gross<br/>SQFT</b> | <b>Available</b> |
|-------------|-------------------------------------------------|---------------------------------------------------|-------------------------|-----------------------|------------------|
| A068        | Norwalk Courthouse                              | 12720 Norwalk Blvd, Norwalk,<br>CA 90650          | CA State & LA<br>County | 11,393                | None             |
| 5685        | Norwalk Courthouse                              | 12720 Norwalk Blvd, Norwalk,<br>CA 90650          | CA State & LA<br>County | 191,330               | None             |
| A685        | Norwalk Courthouse                              | 12720 Norwalk Blvd, Norwalk,<br>CA 90650          | CA State & LA<br>County | 16,591                | None             |
| A355        | DCFS - Santa Fe Springs<br>(SPA 7)              | 10355 Slusher Dr, Santa Fe<br>Springs, CA 90670   | Leased                  | 67,359                | None             |
| A566        | Sheriff - So Cal High Tech<br>Task Force        | 9900 Norwalk Blvd, Santa Fe<br>Springs, CA 90670  | Leased                  | 22,880                | None             |
| A358        | DPSS - Information<br>Technology Division (ITD) | 14714 Carmenita Rd, Norwalk,<br>CA 90650          | Leased                  | 44,250                | None             |
| A176        | Health Services - Ems                           | 10100 Pioneer Blvd, Santa Fe<br>Springs, CA 90670 | Leased                  | 41,720                | None             |

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease:** Sheriff's Department– 12440 East Imperial Highway, Norwalk– Fourth District.

**A. Establish Service Function Category** – Administrative function for the Sheriff's Data Systems Bureau and Technology and Support Division Headquarters.

**B. Determination of the Service Area** – The proposed lease will enable Sheriff to remain and serve Los Angeles County.

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

- Need for proximity to service area and population: Continued use as a centralized location for administrative office use.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., Norwalk Transit System bus routes 3, 4, 7 and Metrolink Norwalk/Santa Fe Spring station.
- 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-owned buildings available to meet Sheriff's needs.
- Compatibility with local land use plans: The City of Norwalk has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire term is approximately \$36,583,000.

**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 \$25.20 and \$36.60 per square foot, per year. The base annual rental rate of \$24.84 per square foot, per year for the proposed lease 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.

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

The proposed lease will provide adequate and efficient office space for 375 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  
SONNENBLICK DEL RIO NORWALK LLC – Landlord**

**12440 IMPERIAL HIGHWAY  
NORWALK, CALIFORNIA**



## TABLE OF CONTENTS

|                                                            | Page |
|------------------------------------------------------------|------|
| 1. BASIC LEASE INFORMATION .....                           | 1    |
| 1.1 Terms.....                                             | 1    |
| 1.2 Defined Terms Relating to Landlord's Work Letter ..... | 4    |
| 1.3 Exhibits to Lease.....                                 | 4    |
| 2. PREMISES .....                                          | 5    |
| 2.1 Lease of Premises .....                                | 5    |
| 2.2 Measurement of Premises .....                          | 5    |
| 3. COMMON AREAS.....                                       | 5    |
| 4. COMMENCEMENT AND EXPIRATION DATES .....                 | 5    |
| 4.1 Term.....                                              | 5    |
| 4.2 Termination Right.....                                 | 5    |
| 4.3 Early Entry .....                                      | 6    |
| 4.4 Early Termination.....                                 | 6    |
| 4.5 Lease Expiration Notice .....                          | 6    |
| 5. RENT .....                                              | 6    |
| 5.1 Base Rent .....                                        | 6    |
| 5.2 Method of Payment and Required Information .....       | 6    |
| 5.3 Rent Abatement.....                                    | 6    |
| 5.4 Base Rent Adjustments .....                            | 7    |
| 6. USES .....                                              | 7    |
| 7. HOLDOVER.....                                           | 7    |
| 8. COMPLIANCE WITH LAW .....                               | 7    |
| 9. DAMAGE OR DESTRUCTION.....                              | 8    |
| 9.1 Damage .....                                           | 8    |
| 9.2 Tenant Termination Right .....                         | 8    |
| 9.3 Damage In Last Year .....                              | 8    |
| 9.4 Default By Landlord .....                              | 9    |
| 10. REPAIRS AND MAINTENANCE .....                          | 9    |
| 10.1 Landlord Representations.....                         | 9    |
| 10.2 Landlord Obligations .....                            | 11   |
| 10.3 Tenant Obligations.....                               | 12   |
| 10.4 Tenant's Right to Repair .....                        | 12   |
| 11. SERVICES AND UTILITIES .....                           | 13   |
| 11.1 Services .....                                        | 13   |
| 11.2 Utilities .....                                       | 15   |
| 12. TAXES .....                                            | 16   |
| 13. LANDLORD ACCESS .....                                  | 16   |
| 14. TENANT DEFAULT .....                                   | 16   |
| 14.1 Default.....                                          | 16   |
| 14.2 Termination .....                                     | 16   |
| 14.3 No Effect on Indemnity.....                           | 17   |
| 15. LANDLORD DEFAULT .....                                 | 17   |
| 15.1 Remedies.....                                         | 17   |
| 15.2 Waiver.....                                           | 17   |
| 15.3 Emergency.....                                        | 17   |
| 16. ASSIGNMENT AND SUBLETTING.....                         | 18   |
| 16.1 Assignment and Subletting .....                       | 18   |
| 16.2 Sale.....                                             | 18   |



|       |                                                            |    |
|-------|------------------------------------------------------------|----|
| 17.   | ALTERATIONS AND ADDITIONS.....                             | 19 |
| 17.1  | Landlord Consent.....                                      | 19 |
| 17.2  | End of Term .....                                          | 19 |
| 18.   | CONDEMNATION .....                                         | 19 |
| 18.1  | Controlling Terms.....                                     | 19 |
| 18.2  | Total Taking .....                                         | 19 |
| 18.3  | Partial Taking .....                                       | 20 |
| 18.4  | Restoration.....                                           | 20 |
| 18.5  | Award.....                                                 | 20 |
| 18.6  | Waiver of Statute .....                                    | 20 |
| 19.   | INDEMNIFICATION.....                                       | 21 |
| 19.1  | Landlord's Indemnity .....                                 | 21 |
| 19.2  | Tenant's Indemnity.....                                    | 21 |
| 20.   | INSURANCE.....                                             | 21 |
| 20.1  | Waiver .....                                               | 21 |
| 20.2  | General Insurance Provisions – Landlord Requirements ..... | 21 |
| 20.3  | Insurance Coverage Types And Limits .....                  | 24 |
| 20.4  | Landlord Requirements.....                                 | 25 |
| 21.   | PARKING.....                                               | 25 |
| 21.1  | Tenant's Rights .....                                      | 25 |
| 21.2  | Remedies.....                                              | 26 |
| 21.3  | Alternative Parking.....                                   | 26 |
| 22.   | ENVIRONMENTAL MATTERS.....                                 | 27 |
| 22.1  | Hazardous Materials .....                                  | 27 |
| 22.2  | Landlord Indemnity .....                                   | 27 |
| 23.   | ESTOPPEL CERTIFICATES.....                                 | 28 |
| 24.   | TENANT IMPROVEMENTS .....                                  | 28 |
| 25.   | LIENS .....                                                | 28 |
| 26.   | SUBORDINATION AND MORTGAGES.....                           | 28 |
| 26.1  | Subordination and Non-Disturbance.....                     | 28 |
| 26.2  | Existing Deeds of Trust.....                               | 28 |
| 26.3  | Notice of Default .....                                    | 28 |
| 27.   | SURRENDER OF POSSESSION .....                              | 29 |
| 28.   | SIGNAGE .....                                              | 29 |
| 29.   | QUIET ENJOYMENT.....                                       | 29 |
| 30.   | GENERAL.....                                               | 29 |
| 30.1  | Headings.....                                              | 29 |
| 30.2  | Successors and Assigns.....                                | 29 |
| 30.3  | Brokers.....                                               | 29 |
| 30.4  | Entire Agreement.....                                      | 30 |
| 30.5  | Severability .....                                         | 30 |
| 30.6  | Notices .....                                              | 30 |
| 30.7  | Governing Law and Venue .....                              | 30 |
| 30.8  | Waivers .....                                              | 30 |
| 30.9  | Time of Essence .....                                      | 31 |
| 30.10 | Consent.....                                               | 31 |
| 30.11 | Community Business Enterprises .....                       | 31 |
| 30.12 | Memorandum of Lease .....                                  | 31 |
| 30.13 | Counterparts; Electronic Signatures .....                  | 31 |

|      |                                                     |    |
|------|-----------------------------------------------------|----|
| 31.  | AUTHORITY .....                                     | 32 |
| 32.  | ACKNOWLEDGEMENT BY LANDLORD.....                    | 32 |
| 32.1 | Consideration of GAIN Program Participants .....    | 32 |
| 32.2 | Solicitation of Consideration .....                 | 32 |
| 32.3 | Landlord Assignment .....                           | 33 |
| 32.4 | Smoking in County Facilities.....                   | 34 |
| 33.  | IRREVOCABLE OFFER.....                              | 35 |
| 34.  | RIGHT OF FIRST OFFER TO LEASE ADDITIONAL SPACE..... | 35 |
| 35.  | OPTION TO EXTEND .....                              | 36 |



## **EXHIBITS**

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

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ between Sonnenblick Del Rio Norwalk LLC, a Delaware Limited Liability Company ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

**1. BASIC LEASE INFORMATION**

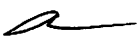
Terms

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

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) Landlord's Address for Notices: | 12440 Imperial Highway<br>Office of the Building, Suite 101<br>Norwalk, CA 90650<br>Email: bob@sonndev.com,<br>nelson.delrio@icloud.com                                                                                                                                                                                                                                                                                |
| (b) Tenant's Address for Notices:   | County of Los Angeles<br>Chief Executive Office - Real Estate Division<br>555 West 5 <sup>th</sup> Street, 36th Floor<br>Los Angeles, CA 90013<br>Attention: Director of Real Estate<br><br>With a copy to:<br><br>County of Los Angeles<br>Office of the County Counsel<br>648 Kenneth Hahn Hall of Administration<br>500 West Temple Street, Suite 648<br>Los Angeles, CA 90012-2713<br>Attention: Property Division |
| (c) Premises:                       | Approximately 103,942 rentable square feet (RSF) identified on the Floor Plan (attached as Exhibit A), and comprised of approximately:<br><br>5,102 RSF in Suite 650<br>58,642 RSF in Suite 400<br>1,932 RSF in Suite 120<br>3,577 RSF in Suite 130                                                                                                                                                                    |

|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                            | <p>20,955 RSF in the Basement Suites B140, B150 and B190<br/> 5,383 RSF in the Basement Suite B130<br/> 8,351 RSF in the Basement Suite B170</p> <p>(collectively the "Premises") located at 12440 Imperial Highway, Norwalk, California, 90650, APN's: 8047-006-004 and 8047-006-007 in the Building (defined below), as shown on Exhibit A attached hereto.</p>                                                                                                                                                                                                                                                                                                                                                |
| (d) Building:                                              | <p>The Building (the "Building") located at 12440 Imperial Highway, Norwalk, California, which is currently assessed by the County Assessor as APN 8047-006-004 and 8047-006-007 (collectively, the "Property").</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (e) Term:                                                  | <p>Ten (10) years, commencing on the latter of i) 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 or ii) October 30, 2026 (the "Commencement Date"), and terminating at midnight on the day before the tenth (10<sup>th</sup>) 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.</p> |
| (f) Estimated Commencement Date:                           | <p>October 30, 2026</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| (g) Irrevocable Offer Expiration Date:<br>(see Section 33) | <p>October 1, 2026</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| (h) Base Rent:                                             | <p>*\$215,159.94 per month (\$2.07 per rentable square foot per month)</p> <p>(i.e., \$2,581,919.28 per year)</p> <p>*The Base Rent shall be abated in the amount of one month's rent and shall be provided through a pro rata monthly credit over the Lease Term in the amount of \$1,793.00 following the Commencement Date.</p>                                                                                                                                                                                                                                                                                                                                                                               |

|                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) Early Termination<br>(see Section 4.4)   | Tenant will have the right to terminate the Lease for any reason after the ninety-sixth (96th) month following the Commencement Date of the Lease with 180 days written notice to Landlord.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (j) Rentable Square Feet in<br>the Premises: | 103,942 rentable square feet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| (k) Initial Departmental Use:                | Sheriff's Department, subject to Section 6.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (l) Parking Spaces:                          | <p>396 unreserved parking spaces at a cost of twenty-five dollars (\$25.00) per parking space per month, fixed for the initial term of the Lease and 20 reserved parking spaces (in a mutually agreeable location) at a cost of forty dollars (\$40.00) per parking space per month, fixed for the initial term of the Lease, for a total of 416 parking spaces (i.e., 4 parking spaces/1,000 RSF).</p> <p>Tenant may request, with 30 days written notice to the Landlord, supplemental parking spaces (Supplemental Parking), if available, at a monthly cost of forty dollars (\$40.00) per parking space per month, fixed for the initial term of the Lease, however, Landlord shall have the right to recapture any Supplemental Parking should such parking be required for other tenancies.</p> <p>Upon Tenant's request, Landlord shall designate signage for the reserved parking spaces to the Sheriff's program utilizing the parking, and the requested signage shall be a Tenant cost.</p> |
| (m) Tenant's Hours of<br>Operation:          | 6 a.m. to 6 p.m. Monday through Friday, and 6 a.m. to 12 p.m. on Saturdays, except for legal holidays.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| (n) Asbestos Report:                         | A report dated March 7, 2019 prepared by Partner Engineering North Carolina, PLLC, a licensed California Asbestos contractor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| (o) Seismic Report                           | A report dated March 7, 2019 prepared by Partner Engineering North Carolina, PLLC and a report dated March 10, 2022, prepared by the Department of Public Works.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| (p) Disabled Access Survey                   | A report dated December 22, 2011, prepared by County of Los Angeles County Affirmative Action.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



1.2 Defined Terms Relating to Landlord's Work Letter

|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) Landlord's TI Allowance:                                                                       | Not applicable                                                                                                                                                                                                                                                                                                                                                                                        |
| (b) Tenant's TI Contribution:                                                                      | Not applicable                                                                                                                                                                                                                                                                                                                                                                                        |
| (c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:         | Not applicable                                                                                                                                                                                                                                                                                                                                                                                        |
| (d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance | Not applicable                                                                                                                                                                                                                                                                                                                                                                                        |
| (e) Tenant's Work Letter Representative:                                                           | Not applicable                                                                                                                                                                                                                                                                                                                                                                                        |
| (f) Landlord's Work Letter Representative:                                                         | Nelson Del Rio                                                                                                                                                                                                                                                                                                                                                                                        |
| (g) Landlord's Address for Work Letter Notices:                                                    | Sonnenblick Del Rio Norwalk LLC<br>12440 E Imperial Highway, Suite 100<br>Norwalk, CA 90650<br>Email: bob@sonndev.com,<br>nelson.delrio@icloud.com                                                                                                                                                                                                                                                    |
| (h) Tenant's Address for Work Letter Notices:                                                      | County of Los Angeles<br>Chief Executive Office - Real Estate Division<br>555 West 5 <sup>th</sup> Street, 36th Floor<br>Los Angeles, CA 90013<br>Attention: Director of Real Estate                                                                                                                                                                                                                  |
| 1.3 <u>Exhibits to Lease</u>                                                                       | Exhibit A - Floor Plan of Premises<br>Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms<br>Exhibit C - HVAC Standards<br>Exhibit D - Cleaning and Maintenance Schedule<br>Exhibit E - Subordination, Non-Disturbance and Attornment Agreement<br>Exhibit F - Tenant Estoppel Certificate<br>Exhibit G - Community Business Enterprises Form<br>Exhibit H - Memorandum of Lease |

## **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. Landlord shall have the right to make changes to the Common Areas, in Landlord's sole discretion, from time to time provided such changes do not unreasonably interfere with Tenant's use of or access to the Premises or availability of parking. 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 ten (10) years, commencing upon the latter of (i) the first day of the month following approval of the Lease by the Board of Supervisors and full execution of the Lease by both parties or (ii) October 30, 2026, and ending ten (10) years thereafter.



4.2 Termination Right

Intentionally omitted.

4.3 Early Entry

Intentionally omitted.

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time during the Early Termination period specified in Section 1.1, by giving Landlord not less than one hundred and eighty (180) 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, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

5.2 Method of Payment and Required Information

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

Subject to Section 5.1, the Landlord shall provide the A-C with electronic banking and related information for the Landlord and/or any other payee that the Landlord designates to receive payment pursuant to this Lease. Such electronic banking and related information includes, but is not limited to: bank account number and routing number, legal business name, valid taxpayer identification number or TIN,



a working e-mail address capable of receiving remittance advices and other payment related correspondence, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

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

### 5.3 Rent Abatement

The Base Rent, for a total of one month's rent (\$215,159.94) of the initial Term, shall be abated. The rent abatement shall be provided through a pro rata monthly credit over the Lease Term in the amount of \$1,793.00.

### 5.4 Base Rent Adjustments

The Base Rent will be subject to three percent (3%) fixed increases, per annum as set forth in the schedule below.

| Months  | Rate   | Monthly Rent |
|---------|--------|--------------|
| 1-12    | \$2.07 | \$215,159.94 |
| 13-24   | \$2.13 | \$221,614.74 |
| 25-36   | \$2.20 | \$228,263.18 |
| 37-48   | \$2.26 | \$235,111.08 |
| 49-60   | \$2.33 | \$242,164.41 |
| 61-72   | \$2.40 | \$249,429.34 |
| 73-84   | \$2.47 | \$256,912.22 |
| 85-96   | \$2.55 | \$264,619.59 |
| 97-108  | \$2.62 | \$272,558.17 |
| 109-120 | \$2.70 | \$280,734.92 |

## 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, office use, data center, storage, or other lawful purposes that do not materially adversely interfere

with other uses or occupants in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

**7. HOLDOVER**

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease ("Holdover Period"), 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.

During the first six (6) months of the Holdover Period, Base Rent shall be at the last monthly Base Rent payable under this Lease prior to the Holdover Period, plus any other charges payable under this Lease, and subject to all of the terms, covenants, and conditions of this Lease. After the aforementioned initial six (6) months of the Holdover Period(s), Base Rent shall increase by 125% of the Base Rent ("Holdover Fee") and monthly Base Rent shall remain at this rate. In the event Tenant elects to renew its Lease, then Landlord shall credit to Tenant as a credit against Base Rent next due for any Holdover Fee paid by Tenant, equaling the amount of monthly Base Rent paid by Tenant during the Holdover period which exceeds the monthly base rent due as of the expiration of the Lease and the start of a new Lease.

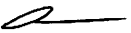
**8. COMPLIANCE WITH LAW**

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

**9. DAMAGE OR DESTRUCTION**

**9.1 Damage**

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



## 9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten (10) days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages and Tenant shall continue to pay Base Rent subject to abatement to the extent that the Premises are unusable by Tenant.

## 9.3 Damage In Last Year

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

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

## 9.4 Default By Landlord

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

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

# 10. REPAIRS AND MAINTENANCE

## 10.1 Landlord Representations

- (a) Landlord represents to Tenant that, to the Landlord's knowledge, as of the date hereof and on the Commencement Date:
  - i. The Premises, the Building, and all Common Areas (including electrical, heating (Premises only), ventilating, and air conditioning

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

(c) CASp Inspection:

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

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

☐ Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp



inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

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

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

- (d) Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1, except in the case such damages, costs, and expenses arise from or are related to the Tenant's or Tenant's vendors, employees, agents, invitees, and visitors use or alteration of the Premises.

## 10.2 Landlord Obligations

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



- v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense unless otherwise stated herein, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. For repairs that require the services of an environmental consultant, including but not limited to mold/water intrusion, asbestos, soil gases, etc., Landlord shall retain the services of a qualified vendor that possess, at minimum, the professional qualifications required of a Los Angeles County Facilities Ancillary Services Master Agreement (FASMA) vendors. Landlord's repair and maintenance obligations include, without limitation, maintenance of, or repairs to, or replacements of:
- i. Spot clean floor covering if it will properly remove/address any soiled conditions; and/or replace carpet tiles in the affected area, at Tenant's expense, if cleaning does not properly remove/address any soiled conditions;
  - ii. interior partitions;
  - iii. doors, door frames and hardware;
  - iv. spot clean the interior side of demising walls and/or spot paint walls, at Tenant's expense, if cleaning does not properly remove/address any stained conditions;
  - v. signage, excepting Tenant's personal signage within the Premises;
  - vi. emergency exit signage and battery replacement;
  - vii. VAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment (at Tenant's expense and with Tenant's assigned Chief Executive Office Property Manager's review and written approval of said costs in advance of any material work to be performed that is not otherwise scheduled repair and maintenance);
  - viii. Light fixtures, bulbs, tubes, and ballasts
  - ix. Parking areas (including resurfacing, restriping, landscaping, sweeping, and lighting as applicable); and
  - x. Furniture systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system, on an annual basis at Tenant's sole cost and expense.
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.



### 10.3 Tenant Obligations

Without limiting Landlord's repair and maintenance obligations, Tenant shall be responsible for the cost of (i) repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, (ii) the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant, (iii) reimbursing the Landlord for the cost of repair, maintenance, or replacement of Tenant's VAC serving its computer server room pursuant to the terms in Section 10.2(b) (vii) above), and (iv) repair, maintenance, or replacement of any Tenant fixtures, furniture and equipment, including telephones, and computers. All repairs and replacements shall:

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

### 10.4 Tenant's Right to Repair

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

Landlord shall furnish Premises Heating within the Premises, and Building ventilation and air conditioning ("VAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit C attached hereto. All heat provided to the Premises is derived from electric in-duct heat boxes within the Premises and all such heat boxes are to be connected to the Tenant's metered electric panel and the cost of operation of such boxes is a Tenant expense. Tenant shall have the right to install and maintain, at Tenant's expense, any VAC required for its computer server rooms as currently exists in the Premises. Landlord shall repair and maintain such systems, as directed by Tenant. All costs of repair, maintenance, replacement, and operations (including but not limited to the cost of electricity required to deliver water to and from server room cooling systems) of such systems shall be Tenant's responsibility.

Landlord also shall provide VAC services during hours other than Tenant's Hours of Operation ("After Hours VAC"), subject to the following terms and conditions:

(1) Landlord shall provide the After Hours VAC if Tenant gives Landlord advance notice of its need for such service no later than 24 hours before such need on Monday through Friday (except holidays referred to above) that Tenant requires the services, and no later than 24 hours before the end of the last business day preceding the weekend or holiday that Tenant requires the service. In addition and notwithstanding the foregoing, Tenant may contact the Building manager or on-site Building engineer at any reasonable time to order After Hours VAC, and Landlord shall, to the extent reasonably practicable and at Tenant's expense to the extent of actual reasonable labor costs incurred, provide After Hours VAC service as requested by Tenant, even if Tenant failed to give notice within the time periods specified above.

(2) Landlord will provide the After Hours VAC at "Actual Cost", defined herein as the actual costs incurred by Landlord in providing any particular service (including Landlord's reasonable estimate of related administrative cost for the cost of such service (to the extent not duplicative of costs included in Operating Costs) and applicable depreciation related to the increased utilization of equipment used in providing the service). There



shall be no start-up charges and minimum usage for After Hours VAC service. The foregoing direct charges shall be payable by Tenant as Additional Rent. The rate for After Hours VAC currently is Eighty Five Dollars (\$85.00) per hour, which Landlord and Tenant acknowledge is appropriate in accordance with the foregoing. Landlord shall be entitled to increase such charge from time to time, upon at least thirty (30) days prior written notice to Tenant, but only to reflect increases in the cost of labor, electricity, water, and water treatment in connection therewith.

(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 Premises Heating and VAC, 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. The Premises shall be metered for electricity by a meter installed by Landlord at Landlord's cost and expense. If Landlord elects to furnish non-public utility sourced electrical service to the Premises, Tenant must purchase its requirements thereof from Landlord and Tenant shall be billed monthly for its actual usage at a cost never to exceed 97% of the cost of similar electricity offered directly by the local public utility over the same billing period (local utility per kWh charge for any given month for similar load shall be included on all billing). Tenant shall have the option to pay Lessor for the cost of Premises metered electricity either (i) within fifteen (15) business days of billing or (ii) pre-pay an amount equal to one month of trailing twelve month average electrical costs in advance as a deposit, and then reimbursing Landlord monthly, upon 30 days of receipt of charge, for the actual cost of sub metered power provided to the Premises each month. If a deposit is made, for a month mutually agreeable to both Landlord and Tenant, the Landlord shall provide the Tenant a trailing twelve month analysis of the electricity cost for the Premises and a new trailing twelve month monthly average deposit shall be determined. The County will be billed any increase or receive a rent credit in the amount of any excess.

If Tenant requires additional telecommunications service, Landlord shall arrange it at Tenant's expense and Landlord will cooperate.

(c) Elevators

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



(d) Water

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

(e) Janitorial

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

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building. If required, Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense. Tenant shall pay Landlord Ten Dollars (\$10.00) for any replacement or additional building access cards or fobs required.

(g) Pest Control

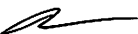
Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay when due, whether reimbursed pursuant to the terms of this Lease or not, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, Premises Heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the Premises Heating and VAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

12. TAXES

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



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

### **13. LANDLORD ACCESS**

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

Landlord and its vendors and contractors shall at all times be accompanied by a member of Sheriff's staff (except in the case of an emergency) for any visitors to the data center. Notwithstanding the foregoing or any language to the contrary contained within this Lease, all Landlord vendors and contractors accessing the Premises (except in the case of an emergency) are subject to the Sheriff's background check process, which requires, but is not limited to, an interview, completion of forms/documentation, submittal of personal identification.

### **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 or otherwise transfer this Lease or sublet the whole or any part of the Premises without providing prior written notice to Landlord; provided (i) the intended use of any such assignment or transfer is allowed under the terms of the GSA Lease for FBI and Homeland Security within the Building, and (ii) no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

### **16.2 Sale**

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

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

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

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



## **17. ALTERATIONS AND ADDITIONS**

### **17.1 Landlord Consent**

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

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

### **17.2 End of Term**

Any Alterations, fixtures, equipment, and all other personal property placed or installed in or upon the Premises or otherwise owned by Tenant, or under its authority (including any modular furniture) shall, if Landlord so requests, be removed by Tenant at the end of the Term. Any Alterations, fixtures equipment and all other personal property owned, placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture) not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

## **18. CONDEMNATION**

### **18.1 Controlling Terms**

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

### **18.2 Total Taking**

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

### 18.3 Partial Taking

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

### 18.4 Restoration

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

### 18.5 Award

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

### 18.6 Waiver of Statute

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



## **19. INDEMNIFICATION**

### **19.1 Landlord's Indemnity**

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

### **19.2 Tenant's Indemnity**

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions, negligence or willful misconduct of Tenant, or its contractors, licensees, agents, employees, guests or visitors, or arising from any breach or default under this Lease 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 additional insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.



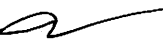
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days after the Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number or the Premises, and be signed by an authorized representative of the insurer(s). The Tenant shall be named as an additional insured (or its equivalent) for the Premises only. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding one hundred thousand dollars (\$100,000.00) dollars, and list any Tenant-required endorsement forms.
- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles  
Chief Executive Office - Real Estate Division  
555 West 5th Street, 36th Floor  
Los Angeles, CA 90013  
Attention: Director of Real Estate

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

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents"), shall be provided additional insured status under Landlord's General Liability policy with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the Premises with respect to the Tenant. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured with respect to Tenant's use of the Premises as stated in Section 1.1(k) of the Lease, even if they exceed the Tenant's minimum Required Insurance specifications herein.



Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Changes in Insurance

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

(d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a Landlord Default. In lieu of treating the failure as a Landlord Default, the County in its sole discretion may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California, with an A.M. Best rating of not less than A:VII, 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: | \$ 2 million |
| Personal and Advertising Injury:         | \$ 1 million |
| Each Occurrence:                         | \$ 1 million |
| Damage to the Premises:                  | \$1 million  |
| Medical Expense Limit:                   | \$10,000     |

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request. Notwithstanding Tenant's right to self-insure, Landlord shall not waive its right to tender third party claims to Tenant caused by Tenant's



intentional or negligent acts or omissions or such intentional or negligent acts or omissions of Tenant's contractors, invitees and/or licensees.

#### 20.4 Landlord Requirements

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

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

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

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

- i. Provide coverage for tenant improvements and betterments that constitute "fixtures" (excludes all other furniture, fixtures, and equipment, including but not limited to the computer server room and any equipment therein); this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no higher than the greater of \$250,000 or 5% of the Property value. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear, and be utilized for repair and restoration of the Premises or Landlord's property, as determined by the nature of the loss.

#### 21. PARKING

##### 21.1 Tenant's Rights

Tenant shall have the right to the number of parking spaces set forth in Section 1.1 for the Term of this Lease. No tandem parking shall be required or allowed except as provided below, and Tenant shall be entitled to full in/out access privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees, and permittees of the Building. Tenant shall have the right to increase or decrease the number of reserved and/or unreserved parking subject to availability and 30 days written notice to the Landlord; provided, however, Landlord shall have the right to recapture any increase in parking should such parking be required for other tenancies. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1,

if applicable. If additional access cards or key fobs are later required, lost, stolen, or replaced, Tenant shall pay ten dollars (\$10) per access card or key fob.

## 21.2 Remedies

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

- (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- (b) negotiate with Landlord for an equitable reduction in the monthly rent based upon the fair market value of such parking or the loss of such parking if not replaced.

## 21.3 Alternative Parking.

Notwithstanding the above, if during the Term (as it may be extended), Landlord is unable to provide all or any portion of the parking required under Lease, Landlord may, but is not required to, provide valet parking or such alternative parking that Landlord may reasonably believe will satisfy Tenant's parking needs or provide additional parking at an off-site location nor more than a three-minute drive from the Premises. In the event Landlord provides off-site parking Landlord shall provide a shuttle service from the off-site parking location to the Premises. Provided Landlord offers Tenant alternative parking pursuant to this paragraph, Landlord shall not be deemed in default of the Lease and the remedies as set forth in Paragraph 21.2 shall not be applicable. Landlord may also, offer stacked parking to satisfy Tenant's parking only if Landlord also provides valet parking at Landlord's sole cost and expense.

## 22. ENVIRONMENTAL MATTERS

### 22.1 Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability,

corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

## **22.2 Landlord Indemnity**

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

## **23. ESTOPPEL CERTIFICATES**

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

## **24. TENANT IMPROVEMENTS**

### **24.1 Landlord Work**

Landlord, at its sole cost and expense, shall perform all of the following work (the "Landlord's Work") within six months from the Commencement Date:

1. Install new exterior window blinds in all offices other than offices in the basement.
2. Suite 650- Resolve heating issue and conference room fan noise.
3. Deep clean all carpets and floor finishes such as VCT flooring.
4. Suite 120- Widen the door opening and provide "Dutch door" into the fingerprint room to provide public ADA/Wheelchair access.

Tenant shall have the right, during the term of the Lease and at Tenant's expense, to install and connect a second backup generator to the Sheriff backup generator currently providing backup power to the four water pumps or other Sheriff systems. Tenant will work with Landlord to create a redundant system and optimize pump separation at a location, with no rent cost and mutually agreeable to both Tenant and Landlord.

Landlord shall construct and deliver the Premises in accordance with the terms of the Lease and mutually approved plans per County specification. Landlord and Landlord's contractors shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. seq., if applicable. Should Tenant be required under the Lease to contribute towards any tenant improvement work, Landlord shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. seq.

## **25. LIENS**

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

## **26. SUBORDINATION AND MORTGAGES**

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

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

### **26.2 Existing Deeds of Trust**

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto, within sixty (60) days after the execution of this Lease.



### 26.3 Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten (10) days within which to cure such default.

## 27. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition, ordinary wear and tear, damage by earthquake, fire or the elements and other disaster or casualty excepted. Tenant and Landlord agree, Landlord may require Tenant to remove, at its own expense, during or at the expiration or other termination of the term of this Lease, or any termination of any extension or holdover period thereof, as the case may be, all furniture, fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

## 28. SIGNAGE

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

## 29. QUIET ENJOYMENT

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

## 30. GENERAL

### 30.1 Headings

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

### 30.2 Successors and Assigns

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



30.3 Brokers

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than CBRE, Inc. (the "Tenant'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 between Landlord and Tenant's Agent.

30.4 Entire Agreement

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

30.5 Severability

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

30.6 Notices

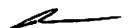
The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting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

30.7 Governing Law and Venue

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

30.8 Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval



of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

**30.9 Time of Essence**

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

**30.10 Consent**

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

**30.11 Community Business Enterprises**

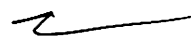
Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

**30.12 Memorandum of Lease**

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease 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**

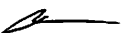
It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, 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) Except to an existing or future mortgagor or lender, Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.

#### 32.4 Smoking in County Facilities.

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



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

**33. IRREVOCABLE OFFER**

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

**34. 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 within the Building (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 34 shall be personal to the original Tenant and not apply to any sales or similar transfers of the Additional Premises.

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

(a) Option Terms. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have one (1) option to renew this Lease for an additional period of five (5) years, the "Extension Term".

(b) Exercise of Option. Tenant must exercise its option to extend this Lease by: (i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than six (6) months, nor earlier than three hundred sixty-five (365) days, prior to the end of the initial Term, as applicable, 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 Term. The Extension Term shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to Market Rental Value for the Premises as of the commencement of the applicable Extension Term (Market Rental Value") to be determined as set forth below, and Landlord shall have no additional obligation for free

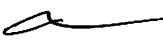


rent, leasehold improvements or for any other tenant inducements for the Extension Term.

(d) 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 shall be the Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its option to extend.

(e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the Norwalk/Santa Fe Springs sub-market 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 35, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

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

LANDLORD:

Sonnenblick Del Rio Norwalk LLC, a Delaware  
Limited Liability Company

By: 

Name: Sonnenblick Del Rio

Its: Co-Manager

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

JOSEPH M. NICCHITTA  
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:

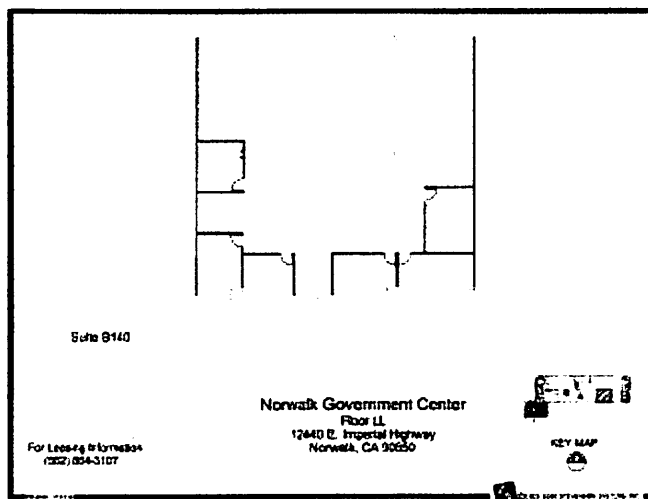
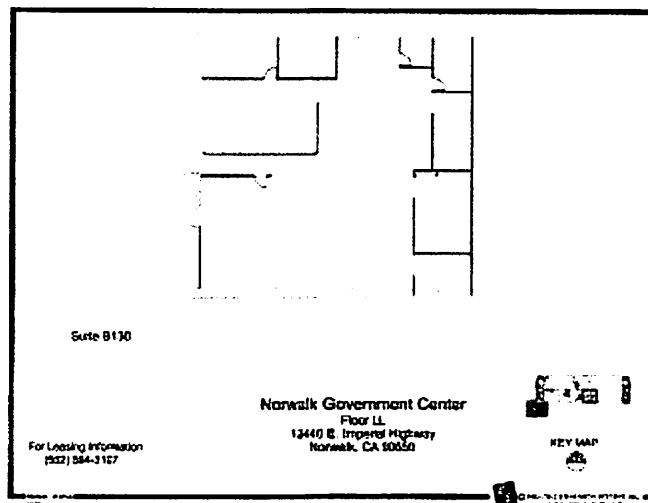
DAWYN R. HARRISON  
County Counsel

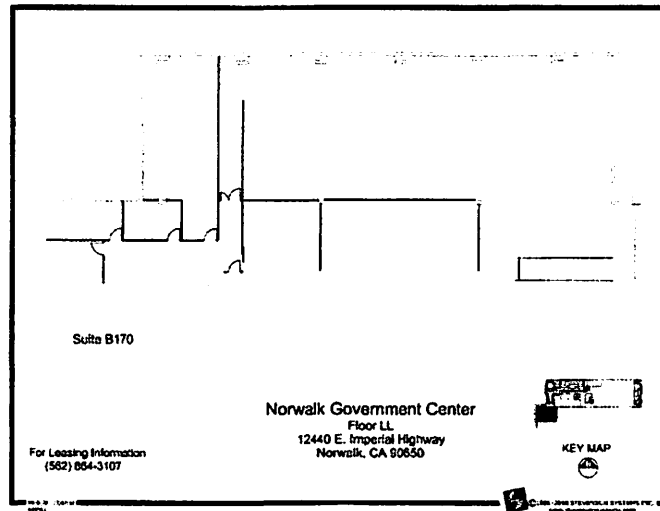
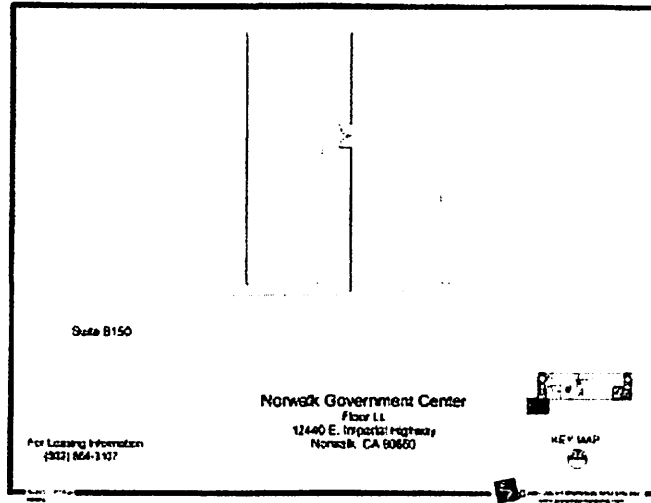
By: 

Amy J. Cooper

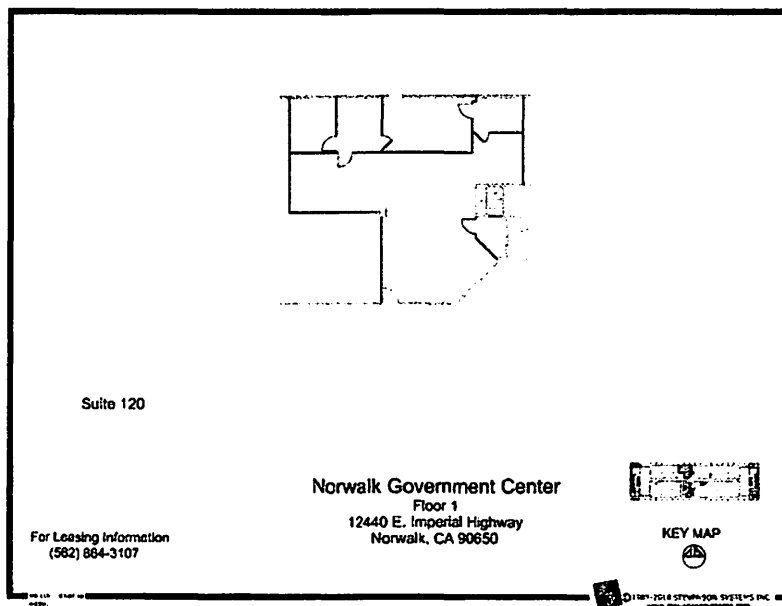
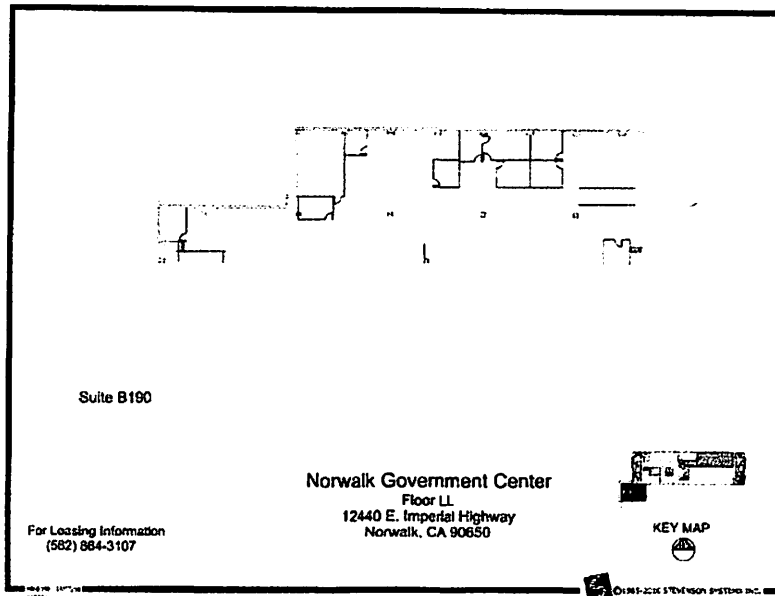
Deputy County Counsel

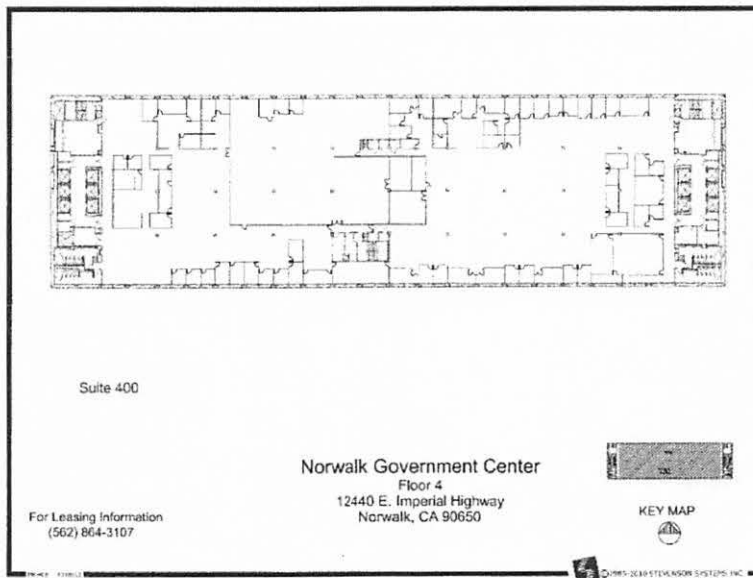
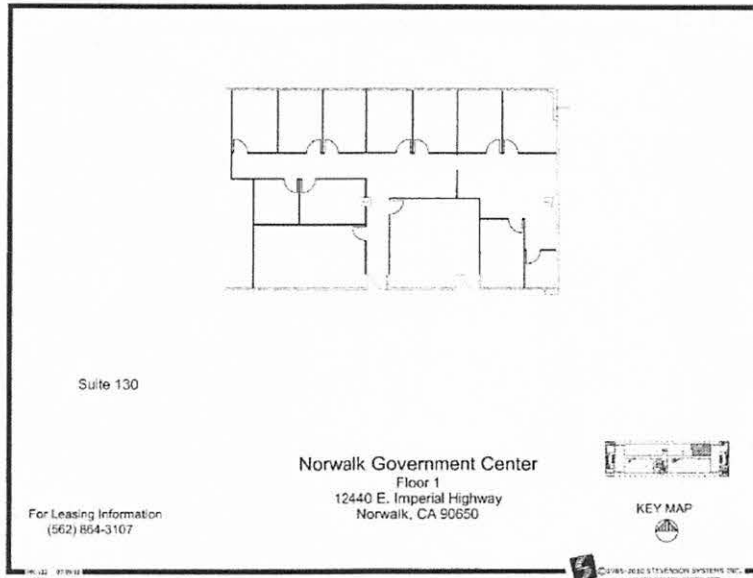
**EXHIBIT A**  
**FLOOR PLAN**

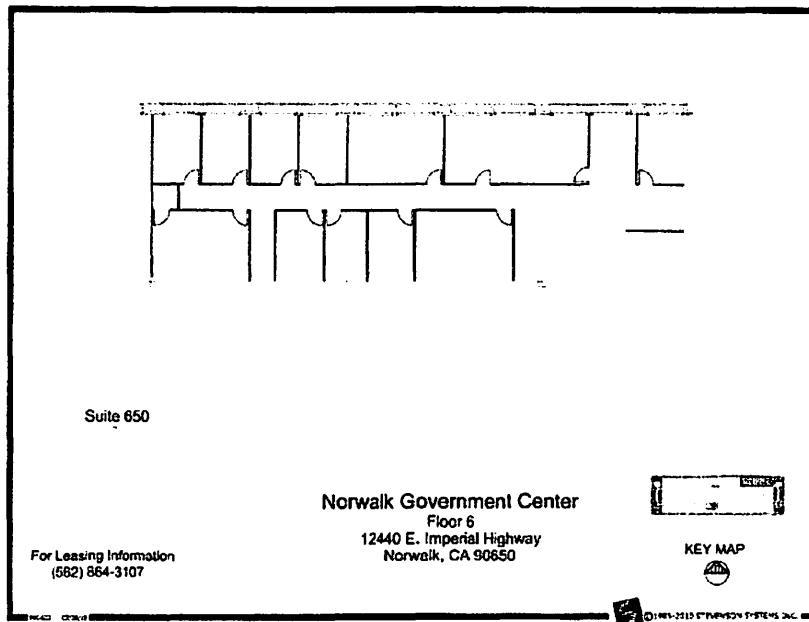




*a*







HOA.104476883.1

10034373.1

Exhibit A  
FLOOR PLAN OF PREMISES

**EXHIBIT B**

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

Intentionally Omitted

HOA.104476883.1

10034373.1

**Exhibit C  
HEATING, VENTILATION  
AND AIR CONDITIONING**



## **EXHIBIT C**

### **PREMISES HEATING, VENTILATION AND AIR CONDITIONING IN OTHER THAN DATA AND SERVER ROOMS**

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

## **EXHIBIT D**

### **CLEANING AND MAINTENANCE SCHEDULE**

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

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

#### **B. WEEKLY**

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

#### **C. MONTHLY**

16. Floors washed and waxed in uncarpeted office area.
17. High-reach areas, door frames and tops of partitions dusted.
18. Picture moldings and frames dusted.
19. Carpet professionally spot cleaned as required to remove stains.
20. VAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

21. Light fixtures cleaned and dusted
22. Wood furniture polished.
23. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
24. Upholstered furniture vacuumed, plastic and leather furniture wiped,
25. Wall vents and ceiling vents vacuumed,
26. Tenant VAC units maintained pursuant to Section 10.2(b)(vii) of the Lease to be inspected and serviced quarterly and related filters changed, as necessary.

E. SEMI-ANNUALLY

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

G. AS NEEDED

36. 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.



37. 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.
38. Interior and exterior pest control inspections and remediation frequency, as needed.
39. In addition to the Annual cleaning listed above, carpets are to be cleaned on an as needed basis at Tenant's expense. The initial schedule for as needed carpet cleaning is as follows:
  - i. heavy traffic areas cleaned as needed, with a minimum frequency of bi-monthly [six (6) times per year]; and
  - ii. moderate traffic areas cleaned as needed, with a minimum of once every six (6) months [two (2) times per year];

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

40. All VAC ducts cleaned as needed.

#### H. GENERAL

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

**EXHIBIT E**

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

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

**County of Los Angeles  
Chief Executive Office  
Real Estate Division  
555 W. 5<sup>th</sup> Street, 36th Floor  
Los Angeles, California 90013**

)  
)  
)  
)  
)  
)  
)

**Space above for Recorder's Use**

---

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

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

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

**Factual Background**

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated \_\_\_\_\_ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

**Agreement**

Therefore, the parties agree as follows:

1. 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  
555 W. 5<sup>th</sup> Street, 36th Floor  
Los Angeles, California 90013  
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: \_\_\_\_\_





**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)

|                                                                                                      |                                         |       |                                                                                           |       |           |       |
|------------------------------------------------------------------------------------------------------|-----------------------------------------|-------|-------------------------------------------------------------------------------------------|-------|-----------|-------|
| <b>I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)</b> |                                         |       |                                                                                           |       |           |       |
| 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                                                                                           |                                         |       |                                                                                           |       |           |       |
| <b>II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM</b>                                            |                                         |       |                                                                                           |       |           |       |
| 1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____           |                                         |       |                                                                                           |       |           |       |
| 2. Total Number of Ownership/Partners, Etc.: _____                                                   |                                         |       | <b>III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION</b>                                       |       |           |       |
| 3. Provide the percentage of ownership in each                                                       | All Employee                            | Women | Is your firm currently certified as a minority owned business firm by the:                |       |           |       |
| Black/African American                                                                               |                                         |       | State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No             |       |           |       |
| Hispanic/Latin American                                                                              |                                         |       | City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No             |       |           |       |
| Asian American                                                                                       |                                         |       | Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No              |       |           |       |
| Portuguese American                                                                                  |                                         |       | <b>Section D. OPTION TO PROVIDE REQUESTED INFORMATION</b>                                 |       |           |       |
| American Indian/Alaskan Native                                                                       |                                         |       | <input type="checkbox"/> We do not wish to provide the information required in this form. |       |           |       |
| All Others                                                                                           |                                         |       | Firm Name: _____                                                                          |       |           |       |
|                                                                                                      |                                         |       | Signature/Title: _____                                                                    |       |           |       |
|                                                                                                      |                                         |       | Date: _____                                                                               |       |           |       |

**EXHIBIT H**

**MEMORANDUM OF LEASE**

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

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
555 W. 5th Street, 36th Floor  
Los Angeles, California 90013  
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

JOSEPH M. NICCHITTA  
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:  \_\_\_\_\_  
Amy J. Cooper  
Deputy County Counsel



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



# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>CLUSTER AGENDA REVIEW DATE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                             | 9/23/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>BOARD MEETING DATE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 10/20/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>SUPERVISORIAL DISTRICT AFFECTED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                        | <input type="checkbox"/> All <input checked="" 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 (Sheriff)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>SUBJECT</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 5-year lease for 3,100 square feet of office space and 5 on-site parking spaces at 301 South Central Avenue, Los Angeles and 25 off-site parking spaces at 500 East 3rd Street, Los Angeles                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>PROGRAM</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Parole Compliance Team (PCT)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <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<br>If Yes, please explain why:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>                                                                                                                                                                                                                                                                                                                                                                                                  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable<br><br><b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>DEADLINES/ TIME CONSTRAINTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                            | The current lease will expire on October 29, 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>COST &amp; FUNDING</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">           Total cost:<br/>           \$961,000 over five years. SH will also be responsible for janitorial costs.         </td><td style="width: 50%;">           Funding source:<br/>           The proposed lease costs will be fully funded 100 percent by NCC that is already included in the Sheriff's existing budget.         </td></tr> <tr> <td colspan="2">           TERMS (if applicable): The proposed lease will have an annual cost of \$174,000 for the first year, where the Landlord will be responsible for the operating and maintenance cost of the building, and the County is responsible for electricity and janitorial costs.         </td></tr> <tr> <td colspan="2">           Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2026-27 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its Fiscal Year 2026-27 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 the Sheriff         </td></tr> </table> |  | Total cost:<br>\$961,000 over five years. SH will also be responsible for janitorial costs. | Funding source:<br>The proposed lease costs will be fully funded 100 percent by NCC that is already included in the Sheriff's existing budget. | TERMS (if applicable): The proposed lease will have an annual cost of \$174,000 for the first year, where the Landlord will be responsible for the operating and maintenance cost of the building, and the County is responsible for electricity and janitorial costs. |  | Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2026-27 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its Fiscal Year 2026-27 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 the Sheriff |  |
| Total cost:<br>\$961,000 over five years. SH will also be responsible for janitorial costs.                                                                                                                                                                                                                                                                                                                                                                                   | Funding source:<br>The proposed lease costs will be fully funded 100 percent by NCC that is already included in the Sheriff's existing budget.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| TERMS (if applicable): The proposed lease will have an annual cost of \$174,000 for the first year, where the Landlord will be responsible for the operating and maintenance cost of the building, and the County is responsible for electricity and janitorial costs.                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2026-27 Rent Expense budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its Fiscal Year 2026-27 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 the Sheriff |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>PURPOSE OF REQUEST</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Approval of the recommended actions will authorize continued use of office space and 5 on-site parking spaces plus exclusive use of adjacent parking lot with 25 parking spaces for \$4,200 per month.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>                                                                                                                                                                                                                                                                                                                                                                             | Sheriff has been at this location since 2013. The lease will expire on October 29, 2026. The proposed five-year lease renewal will allow Sheriff to continue occupying the Premises to house the Parole Compliance Team program (PCT). There is also one 4-year option and if the option is exercised, the total term of the lease will be 9 years.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>EQUITY INDEX OR LENS WAS UTILIZED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If Yes, please explain how:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>                                                                                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If Yes, please state which one(s) and explain how:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>DEPARTMENTAL CONTACTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Alexandra Nguyen-Rivera<br>Section Chief, Leasing<br>CEO Real Estate Division<br>213-974-4189<br><a href="mailto:arivera@ceo.lacounty.gov">arivera@ceo.lacounty.gov</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                             |                                                                                                                                                |                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |



## **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**

Joseph M. Nicchitta

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

October 20, 2026

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

Dear Supervisors:

**FIVE-YEAR LEASE  
SHERIFF'S DEPARTMENT  
301 SOUTH CENTRAL AVENUE, LOS ANGELES  
(FIRST DISTRICT) (3-VOTES)**

#### **SUBJECT**

Approval of a proposed five-year lease to renew an existing lease to provide the Sheriff's Department (Sheriff) continued use of 3,100 square feet of office space and five on-site parking spaces, along with use of an adjacent parking lot for 25 vehicles, for the Parole Compliance Team program (PCT).

#### **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 his designee, to execute the proposed lease with MP Capital, LLC, a California limited liability company (Landlord), for approximately 3,100 square feet of office space and five on-site parking spaces located at 301 South Central Avenue, Suite 100, Los Angeles and an adjacent 6,865 square foot parking lot located at 500 East 3rd Street, Los Angeles (Premises) to be occupied by the Sheriff. The estimated maximum first year base rental cost including parking is \$174,000. The estimated total proposed lease cost including parking and estimated electricity costs is \$961,000 over the five-year

term. The Sheriff will also be responsible for janitorial costs. The rental costs will be funded 100 percent by net County cost (NCC).

3. Authorize and direct the Chief Executive Officer, or his 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 the option to extend at fair market value for an additional four years. If this option is exercised, the total term of the proposed lease will be up to nine years.

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

The Sheriff has occupied the Premises since 2013, to house the PCT. The existing lease will expire on October 29, 2026. The PCT is responsible for conducting address verifications, locating persons who abscond from parole, and conducting compliance checks of the Los Angeles County (County) supervised parolees under Assembly Bill 109. The services provided at the Premises are not public facing.

The Premises currently accommodates approximately 12 staff members using 17 workstations. The existing premises was initially designed to house all 17 staff, however, over the years, PCT has experienced a reduction in staff due to personnel changes. Since it is costly to demise and reconfigure a small amount of space, the Sheriff does prefer to retain the existing space configuration and renew the proposed lease. The PCT staff does not telework because the services administered involve sensitive information and require on-site operations due to secure data networks, complete confidential documentation, storage of equipment, and maintenance of files. These systems and files may not be accessed remotely.

Although there are five on-site parking spaces, which results in a low parking ratio of 1.6 spaces for every 1,000 square feet, when including the adjacent parking lot, which has 25 additional parking spaces, the parking ratio is 9.6 space for every 1,000 square feet. The high parking ratio is to accommodate staff parking during their shifts and the Sheriff patrol vehicles that are also parked there.

The proposed lease will enable the Sheriff to remain at the Premises and serve the County, avoid relocation costs, and potential impacts to current operations. The Premises remains in a geographically appropriate location and is near public transportation.

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

The Countywide Strategic Plan North Star 2 – *“Foster Vibrant and Resilient Communities”* – supports that the investments in the lives of County residents are sustainable only when grounded in strong communities. LA County, with the support of a network of public/private partnering, faith-based organizations, community-based

organizations, philanthropic organizations, and local governments will foster vibrant and resilient communities.

The proposed lease is also consistent with the Strategic Asset Management Goal – Create a Countywide understanding of asset needs and priorities, and Key Objective No.5 Fund Highest Priority Needs.

The proposed lease supports the above goals and objectives by providing the Sheriff with adequate office space and parking in the service area to continue to serve 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 including parking is \$174,000. The aggregate cost associated with the proposed lease over the entire term, including parking and estimated electricity costs, is \$961,000, as shown in Enclosure B-1. The Sheriff will be responsible for janitorial costs. The proposed lease costs will be fully funded 100 percent by NCC that is already included in the Sheriff's existing budget.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2026-27 Rent Expense Budget and will be billed back to the Sheriff. The Sheriff has sufficient funding in its Fiscal Year 2026-27 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 the Sheriff.

### **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 \$42.00 per square foot, per year, to \$39.60 per square foot, per year. Base rent is subject to fixed annual increases of 3 percent.
- The Landlord is responsible for the operating and maintenance cost of the building. The County is responsible for its electricity and janitorial costs within the Premises.
- There are five on-site parking spaces included in the base rent at no additional cost.
- The County will pay \$4,200 per month for exclusive use of 25 parking spaces located in an adjacent parking lot to the Premises.

- A comparison of the existing lease and the proposed lease terms is shown in Enclosure B-2.
- The proposed lease includes a five-year initial term with an option to extend the lease for an additional four years with nine months' notice, at fair market rent. If all options are exercised, the total term of the proposed lease would be nine years.
- The County does not have the right to terminate the proposed lease early.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions. The monthly base rent during the holdover period will remain the same and subject to the regular fixed annual increases.
- The proposed lease will be effective upon approval by the Board of Supervisors (Board) and full execution of the proposed lease, but the term and rent will commence on the commencement date of October 30, 2026.

Since the Sheriff wanted to remain in the Premises, a flyer was not issued seeking new space. The Chief Executive Office conducted a market search of available office space for lease, to negotiate an appropriate rental rate. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$42.24 and \$48.24 per square foot, per year. The base annual rental rate of \$39.60 per square foot, per year, for the proposed lease 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 office space is not suitable for this requirement due to the nature of services provided by the Sheriff at the Premises.

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

The proposed lease will continue to provide a suitable location for the Sheriff'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 and with the State Clearinghouse in the Office of Land Use and Climate Innovation in accordance with section 21152 (a) of the California Public Resources Code and will be posted to the County's website, pursuant to section 21092.2.

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

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

Respectfully submitted,

JOSEPH M. NICCHITTA  
Chief Executive Officer

JMN:JG:JTC  
JLC:ANR:EG:OM:ja

Enclosures

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

**SHERIFF'S DEPARTMENT  
301 SOUTH CENTRAL AVENUE, LOS ANGELES**

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

|                                                              |                                    |                                                                                                                                                                                                                                                                                                                                                                              |     |    |     |
|--------------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|-----|
| 1.                                                           | <b><u>Occupancy</u></b>            |                                                                                                                                                                                                                                                                                                                                                                              | Yes | No | N/A |
|                                                              | A                                  | Does lease consolidate administrative functions? <sup>2</sup>                                                                                                                                                                                                                                                                                                                |     |    | X   |
|                                                              | B                                  | Does lease co-locate with other functions to better serve clients? <sup>2</sup>                                                                                                                                                                                                                                                                                              |     |    | X   |
|                                                              | C                                  | Does this lease centralize business support functions? <sup>2</sup>                                                                                                                                                                                                                                                                                                          |     |    | X   |
|                                                              | D                                  | Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>Based on 12 staff, 258 sq. ft per person due to breakroom, supply room, weapons storage room, and existing extra workstations.</b>                                                                                                                                                     |     | X  |     |
|                                                              | E                                  | Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>Five on-site parking spaces provides a 1.6/1000 ratio; this does not include the adjacent parking lot which provides an approximately 25 additional parking spaces. If including the additional parking, the parking ratio is 9.6/1,000 to accommodate staff parking and SH patrol vehicles.</b> |     | X  |     |
|                                                              | F                                  | Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>                                                                                                                                                                                                                                    | X   |    |     |
| 2.                                                           | <b><u>Capital</u></b>              |                                                                                                                                                                                                                                                                                                                                                                              |     |    |     |
|                                                              | A.                                 | Is it a substantial net County cost (NCC) program?                                                                                                                                                                                                                                                                                                                           | X   |    |     |
|                                                              | B                                  | Is this a long-term County program?                                                                                                                                                                                                                                                                                                                                          | X   |    |     |
|                                                              | C                                  | If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?                                                                                                                                                                                                                                                                                       |     | X  |     |
|                                                              | D                                  | If no, are there any suitable County-owned facilities available?                                                                                                                                                                                                                                                                                                             |     | X  |     |
|                                                              | E                                  | If yes, why is lease being recommended over occupancy in County-owned space?                                                                                                                                                                                                                                                                                                 |     |    | X   |
|                                                              | F                                  | Is Building Description Report attached as Enclosure C?                                                                                                                                                                                                                                                                                                                      | X   |    |     |
|                                                              | G                                  | Was build-to-suit or capital project considered? <sup>2</sup>                                                                                                                                                                                                                                                                                                                |     | X  |     |
| 3.                                                           | <b><u>Portfolio Management</u></b> |                                                                                                                                                                                                                                                                                                                                                                              |     |    |     |
|                                                              | A                                  | Did department use CEO Space Request Evaluation (SRE)?                                                                                                                                                                                                                                                                                                                       | X   |    |     |
|                                                              | B                                  | Was the space need justified?                                                                                                                                                                                                                                                                                                                                                | X   |    |     |
|                                                              | C                                  | If a renewal lease, was co-location with other County departments considered?                                                                                                                                                                                                                                                                                                |     | X  |     |
|                                                              | D                                  | Why was this program not co-located with other County departments?                                                                                                                                                                                                                                                                                                           |     |    |     |
|                                                              |                                    | 1. <u>  X  </u> The program clientele requires a "stand alone" facility.                                                                                                                                                                                                                                                                                                     |     |    |     |
|                                                              |                                    | 2. <u>  X  </u> No suitable County occupied properties in project area.                                                                                                                                                                                                                                                                                                      |     |    |     |
|                                                              |                                    | 3. <u>      </u> No County-owned facilities available for the project.                                                                                                                                                                                                                                                                                                       |     |    |     |
|                                                              |                                    | 4. <u>      </u> Could not get City clearance or approval.                                                                                                                                                                                                                                                                                                                   |     |    |     |
|                                                              |                                    | 5. <u>      </u> The Program is being co-located.                                                                                                                                                                                                                                                                                                                            |     |    |     |
|                                                              | E                                  | Is lease a full-service lease? <sup>2</sup> <b>County is responsible for electricity and janitorial costs.</b>                                                                                                                                                                                                                                                               |     | X  |     |
|                                                              | F                                  | Has growth projection been considered in space request?                                                                                                                                                                                                                                                                                                                      | X   |    |     |
|                                                              | G                                  | <sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?                                                                                                                                                                                                                                                                                                | X   |    |     |
| <sup>1</sup> As adopted by the Board of Supervisors 11/17/98 |                                    |                                                                                                                                                                                                                                                                                                                                                                              |     |    |     |

## OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

301 S. Central Avenue, Los Angeles, CA 90013

Sheriff's Department

### Basic Lease Assumptions

|                                       |                |               |
|---------------------------------------|----------------|---------------|
| Leased Area (sq.ft.)                  | 3,100          |               |
| Parking Spaces                        | 23             |               |
|                                       | <b>Monthly</b> | <b>Annual</b> |
| Rent (per sq. ft.)                    | \$3.30         | \$39.60       |
| Term (Months)                         | 60             | 5             |
| Annual Rent Adjustment (Initial Term) | 3%             |               |
| Supplemental Parking (Entire Lot)     | \$4,200        | \$50,400      |

|                                                     | 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 Rental Costs |
|-----------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------|
| Annual Base Rent Costs                              | \$123,000            | \$127,000            | \$131,000            | \$135,000            | \$140,000            | <b>\$656,000</b>   |
| Supplemental Parking                                | \$51,000             | \$51,000             | \$51,000             | \$51,000             | \$51,000             | <b>\$255,000</b>   |
| <b>Total Annual Lease Costs Payable to Landlord</b> | <b>\$174,000</b>     | <b>\$178,000</b>     | <b>\$182,000</b>     | <b>\$186,000</b>     | <b>\$191,000</b>     | <b>\$911,000</b>   |
| Electricity <sup>(1)</sup>                          | \$10,000             | \$10,000             | \$10,000             | \$10,000             | \$10,000             | <b>\$50,000</b>    |
| <b>Total Annual Lease Costs <sup>(2)</sup></b>      | <b>\$184,000</b>     | <b>\$188,000</b>     | <b>\$192,000</b>     | <b>\$196,000</b>     | <b>\$201,000</b>     | <b>\$961,000</b>   |

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

<sup>(1)</sup> Based on average actual usage for calendar year 2025 paid directly to utility provider. Rates subject to change.

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

|                                                                   | <b>Existing Lease:</b><br><b>301 South Central Avenue, Los Angeles</b> | <b>Proposed Lease:</b><br><b>301 South Central Avenue, Los Angeles</b> | <b>Change</b>                              |
|-------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------|
| Area (Square Feet)                                                | 3,100                                                                  | 3,100                                                                  | No change                                  |
| Term (years)                                                      | 8 years                                                                | 5 years plus one four-year option to renew                             | 5 years plus one four-year option to renew |
| Annual Base Rent<br>(Base rent includes 5 on-site parking spaces) | \$131,000                                                              | \$123,000                                                              | -\$8,000                                   |
| Annual Parking Cost<br>(Supplemental parking lot)                 | \$42,000                                                               | \$51,000                                                               | +\$9,000                                   |
| Total Annual Lease Costs payable to Landlord                      | \$173,000                                                              | \$174,000                                                              | +\$1,000                                   |
| Rental rate adjustment                                            | None. Fixed rent for term.                                             | Annual adjustments fixed at 3 percent.                                 | Annual adjustments fixed at 3 percent      |

Calculation Note: All Numbers are rounded up

## SHERIFF'S DEPARTMENT

**SPACE SEARCH – 3 MILE RADIUS FROM  
301 SOUTH CENTRAL AVENUE, LOS ANGELES**

| Property Name                                             | Address                                                 | Ownership | Property Type                     | Gross SQFT                         | Available |
|-----------------------------------------------------------|---------------------------------------------------------|-----------|-----------------------------------|------------------------------------|-----------|
| LA General Med Center                                     | 1200 N State St.,<br>Los Angeles, CA 90033              | Owned     | Multiple Use Building -<br>Office | Varies<br>depending<br>on building | NONE      |
| Medical Examiner - Public<br>Services/Skeleton Store      | 1104 N Mission Rd,<br>Los Angeles, CA 90033             | Owned     | Multiple Use Building -<br>Office | 18651                              | NONE      |
| DH- Homeless Services & Housing                           | 655 S. Maple Ave,<br>Los Angeles, CA 900014             | Leased    | Multiple Use Building -<br>Office | 36400                              | NONE      |
| Medical Center - Pediatric Clinic                         | 1240 N Mission Rd,<br>Los Angeles, CA 90033             | Owned     | Multiple Use Building -<br>Office | 4400                               | NONE      |
| LAC+USC -Recuperative Care<br>Village RTP                 | 1774 Zonal Ave Unit D,<br>Los Angeles, CA 90033         | Owned     | Multiple Use Building -<br>Office | Varies<br>depending<br>on building | NONE      |
| County Admin Offices - LA World<br>Trade Center           | 350 S Figueroa St.,<br>Los Angeles, CA 90071            | Leased    | Multiple Use Building -<br>Office | 25854                              | NONE      |
| DA - Metro Court/DCFS Metro<br>North/ERCP/Call Center     | 1933 S Broadway,<br>Los Angeles, CA 90007               | Leased    | Multiple Use Building -<br>Office | 6123                               | NONE      |
| Star Skid Row Office                                      | 238 E 6th St.,<br>Los Angeles, CA 90014                 | Leased    | Multiple Use Building -<br>Office | 4217                               | NONE      |
| DPSS - Wilshire Special District<br>Office                | 2415 W 6th St.,<br>Los Angeles, CA 90057                | Leased    | Multiple Use Building -<br>Office | 46228                              | NONE      |
| Ag Comm/Wts & Measures -<br>Downtown Market Office        | 1320 E Olympic Blvd,<br>Los Angeles, CA 90021           | Leased    | Multiple Use Building -<br>Office | 776                                | NONE      |
| HS - Office of Diversion and<br>Reentry                   | 222 S Hill St.,<br>Los Angeles, CA 90012                | Leased    | Multiple Use Building -<br>Office | 35397                              | NONE      |
| Medical Examiner -<br>Administration/Investigations Build | 1102 N Mission Rd,<br>Los Angeles, CA 90033             | Owned     | Multiple Use Building -<br>Office | 22479                              | NONE      |
| GCT                                                       | 555 W. 5 <sup>th</sup> Street,<br>Los Angeles, CA 90013 | Owned     | Multiple Use Building -<br>Office | 1500000                            | NONE      |
| PW Central Yard - Division<br>Administration              | 1525 Alcazar St.,<br>Los Angeles, CA 90033              | Owned     | Multiple Use Building -<br>Office | 10438                              | NONE      |
| DPSS - Metro East AP District<br>Office                   | 2855 E Olympic Blvd,<br>Los Angeles, CA 90023           | Owned     | Multiple Use Building -<br>Office | 63066                              | NONE      |
| Skid Row Care - HSH                                       | 442-444 S Crocker ST,<br>Los Angeles, CA 90013          | Leased    | Multiple Use Building -<br>Office | Varies                             | NONE      |
| 2200 W 3rd - Rampart/Westlake<br>Healthcare Clinic        | 2200 W 3rd St,<br>Los Angeles, CA 90057                 | Leased    | Multiple Use Building -<br>Office | 5901                               | NONE      |
| 325 W Adams Blvd - Assessor                               | 325 W Adams Blvd,<br>Los Angeles, CA 90007              | Leased    | Multiple Use Building -<br>Office | 32499                              | NONE      |
| DHS - Juvenile Court Health<br>Services                   | 1925 Daly St.,<br>Los Angeles, CA 90031                 | Owned     | Multiple Use Building -<br>Office | 16878                              | NONE      |
| DPSS - Civic Center District/Grow<br>Center Office        | 813 E 4th Pl,<br>Los Angeles, CA 90013                  | Owned     | Multiple Use Building -<br>Office | 39956                              | NONE      |
| L A CO CHILDREN AND FAMILIES<br>FIRST 5                   | 750 N Alameda St,<br>Los Angeles, CA 90012              | Leased    | Multiple Use Building -<br>Office | 17777                              | NONE      |
| Sheriff - Scientific Services Bureau<br>Laboratory        | 2020 W Beverly Blvd,<br>Los Angeles, CA 90057           | Owned     | Multiple Use Building -<br>Office | 34511                              | NONE      |

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease:** Sheriff's Department – 301 South Central Avenue, Los Angeles – First District.

**A. Establish Service Function Category –** Parole Compliance Team program (PCT)

**B. Determination of the Service Area –** The proposed lease will provide Sheriff continued used of office space and sufficient parking in a centrally located facility.

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

- Need for proximity to service area and population: Continued need to remain in the Southeast region of the County.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., Metro Rail lines, Metro local bus routes, and commuter bus routes. The location is near major highways 5, 10, 101, and 110.
- 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 County buildings available to meet the Department's 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 over the entire term is \$961,000.

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

Since Sheriff wanted to remain in the Premises, a flyer was not issued seeking new space. The Chief Executive Office conducted a market search of available office space for lease, to negotiate an appropriate rental rate. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$42.24 and \$48.24 per square foot, per year. The base annual rental rate of \$39.60 per square foot, per year for the proposed lease 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.

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

The proposed lease will provide adequate and efficient office space for 12 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 # 77848**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES - Tenant**

**MP CAPITAL, LLC – Landlord**

**301 SOUTH CENTRAL AVENUE**

**LOS ANGELES, CALIFORNIA**

## TABLE OF CONTENTS

|                                                      | Page |
|------------------------------------------------------|------|
| 1. BASIC LEASE INFORMATION.....                      | 1    |
| 1.1 Terms .....                                      | 1    |
| 1.2 Exhibits to Lease .....                          | 3    |
| 2. PREMISES.....                                     | 3    |
| 2.1 Lease of Premises.....                           | 3    |
| 2.2 Measurement of Premises .....                    | 3    |
| 3. COMMON AREAS .....                                | 3    |
| 4. COMMENCEMENT AND EXPIRATION DATES .....           | 3    |
| 4.1 Term .....                                       | 3    |
| 5. RENT .....                                        | 4    |
| 5.1 Base Rent.....                                   | 4    |
| 5.2 Base Rent Adjustments.....                       | 4    |
| 5.3 Method of Payment and Required Informaiton ..... | 4    |
| 6. USES .....                                        | 5    |
| 7. HOLDOVER .....                                    | 5    |
| 8. COMPLIANCE WITH LAW .....                         | 5    |
| 9. DAMAGE OR DESTRUCTION .....                       | 6    |
| 9.1 Damage.....                                      | 6    |
| 9.2 Tenant Termination Right.....                    | 6    |
| 9.3 Damage In Last Year .....                        | 6    |
| 9.4 Default By Landlord .....                        | 7    |
| 10. REPAIRS AND MAINTENANCE .....                    | 7    |
| 10.1 Landlord Representations .....                  | 7    |
| 10.2 Landlord Obligations .....                      | 9    |
| 10.3 Tenant Obligations .....                        | 10   |
| 10.4 Tenant's Right to Repair.....                   | 10   |
| 11. SERVICES AND UTILITIES.....                      | 11   |
| 11.1 Services.....                                   | 11   |
| 11.2 Utilities.....                                  | 12   |
| 12. TAXES .....                                      | 12   |
| 13. LANDLORD ACCESS .....                            | 12   |
| 14. TENANT DEFAULT .....                             | 12   |
| 14.1 Default .....                                   | 12   |
| 14.2 Termination .....                               | 13   |
| 14.3 No Effect on Indemnity .....                    | 13   |
| 15. LANDLORD DEFAULT .....                           | 13   |
| 15.1 Remedies .....                                  | 13   |
| 15.2 Waiver .....                                    | 14   |
| 15.3 Emergency .....                                 | 14   |
| 16. ASSIGNMENT AND SUBLETTING .....                  | 14   |
| 16.1 Assignment and Subletting .....                 | 14   |
| 16.2 Sale .....                                      | 14   |
| 17. ALTERATIONS AND ADDITIONS .....                  | 15   |
| 17.1 Landlord Consent .....                          | 15   |
| 17.2 End of Term.....                                | 15   |
| 18. CONDEMNATION.....                                | 15   |
| 18.1 Controlling Terms .....                         | 15   |
| 18.2 Total Taking.....                               | 16   |

|       |                                                            |    |
|-------|------------------------------------------------------------|----|
| 18.3  | Partial Taking .....                                       | 16 |
| 18.4  | Restoration .....                                          | 16 |
| 18.5  | Award .....                                                | 16 |
| 18.6  | Waiver of Statute .....                                    | 17 |
| 19.   | INDEMNIFICATION .....                                      | 17 |
| 19.1  | Landlord's Indemnity .....                                 | 17 |
| 19.2  | Tenant's Indemnity .....                                   | 17 |
| 20.   | INSURANCE .....                                            | 17 |
| 20.1  | Waiver .....                                               | 17 |
| 20.2  | General Insurance Provisions – Landlord Requirements ..... | 17 |
| 20.3  | Insurance Coverage Types And Limits.....                   | 20 |
| 20.4  | Landlord Requirements .....                                | 21 |
| 21.   | PARKING .....                                              | 21 |
| 21.1  | Tenant's Rights.....                                       | 21 |
| 21.2  | Remedies .....                                             | 21 |
| 22.   | ENVIRONMENTAL MATTERS .....                                | 22 |
| 22.1  | Hazardous Materials .....                                  | 22 |
| 22.2  | Landlord Indemnity .....                                   | 23 |
| 23.   | ESTOPPEL CERTIFICATES .....                                | 23 |
| 24.   | TENANT IMPROVEMENTS.....                                   | 23 |
| 25.   | LIENS.....                                                 | 23 |
| 26.   | SUBORDINATION AND MORTGAGES .....                          | 23 |
| 26.1  | Subordination and Non-Disturbance .....                    | 23 |
| 26.2  | Existing Deeds of Trust .....                              | 24 |
| 26.3  | Notice of Default.....                                     | 24 |
| 27.   | SURRENDER OF POSSESSION .....                              | 24 |
| 28.   | SIGNAGE .....                                              | 24 |
| 29.   | QUIET ENJOYMENT .....                                      | 24 |
| 30.   | GENERAL .....                                              | 24 |
| 30.1  | Headings .....                                             | 24 |
| 30.2  | Successors and Assigns .....                               | 24 |
| 30.3  | Brokers .....                                              | 25 |
| 30.4  | Entire Agreement .....                                     | 25 |
| 30.5  | Severability .....                                         | 25 |
| 30.6  | Notices .....                                              | 25 |
| 30.7  | Governing Law and Venue .....                              | 25 |
| 30.8  | Waivers .....                                              | 25 |
| 30.9  | Time of Essence.....                                       | 26 |
| 30.10 | Consent .....                                              | 26 |
| 30.11 | Community Business Enterprises.....                        | 26 |
| 30.12 | Memorandum of Lease .....                                  | 26 |
| 30.13 | Counterparts; Electronic Signatures.....                   | 26 |
| 31.   | AUTHORITY .....                                            | 27 |
| 32.   | ACKNOWLEDGEMENT BY LANDLORD .....                          | 27 |
| 32.1  | Consideration of GAIN Program Participants .....           | 27 |
| 32.2  | Solicitation of Consideration .....                        | 27 |
| 32.3  | Landlord Assignment.....                                   | 28 |
| 32.4  | Smoking in County Facilities .....                         | 30 |
| 33.   | IRREVOCABLE OFFER .....                                    | 30 |
| 34.   | OPTION TO EXTEND .....                                     | 30 |

## **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 – Supplemental Parking

COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2026 between MP CAPITAL, 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: | MP CAPITAL, LLC<br>333 S Central Ave, 2 <sup>nd</sup> Floor<br>Los Angeles, CA 90013<br>Attn: Steve Lee<br>Email: steve.lee@steleeind.com                                                                                                                                                                                                                                                                              |
| (b) Tenant's Address for Notices:   | County of Los Angeles<br>Chief Executive Office - Real Estate Division<br>555 West 5 <sup>th</sup> Street, 36th Floor<br>Los Angeles, CA 90013<br>Attention: Director of Real Estate<br><br>With a copy to:<br><br>County of Los Angeles<br>Office of the County Counsel<br>648 Kenneth Hahn Hall of Administration<br>500 West Temple Street, Suite 648<br>Los Angeles, CA 90012-2713<br>Attention: Property Division |
| (c) Premises:                       | Approximately 3,100 rentable square feet in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto (the "Premises"), including five (5) parking spaces in the Building's parking area, at no additional cost to Tenant.                                                                                                                                                                            |

|                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (d) Building:                                           | The Building located at 301 South Central Avenue, Los Angeles, California 90013, which is currently assessed by the County Assessor as APN 5147-003-038 (the "Building") (collectively, the "Property");                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| (e) Term:                                               | Five (5) years, commencing upon the date following approval by the Board of Supervisors and full execution of the Lease by both parties, but not earlier than October 30, 2026 (the "Commencement Date"), and terminating at midnight on the day before the fifth (5 <sup>th</sup> ) 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:                        | October 30, 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| (g) Irrevocable Offer Expiration Date: (see Section 33) | December 1, 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| (h) Base Rent:                                          | \$3.30 per rentable square foot per month<br>(i.e., \$10,230 per month or \$122,760 per year)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (i) Rentable Square Feet in the Premises:               | 3,100 rentable square feet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| (j) Initial Departmental Use:                           | <u>Sheriff Department</u> , subject to Section 6.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| (k) Parking Spaces:                                     | Subject to Section 21.1 hereof, Tenant shall have the right to five (5) unreserved parking spaces (1.61 parking spaces/1,000 RSF) in the Building's onsite parking area at no additional cost to Tenant. Additionally, Landlord has or shall procure the entire 6,865 square foot supplemental parking lot located at 500 East 3 <sup>rd</sup> Street, Los Angeles, California, 90013, as identified in the attached Exhibit I for Tenant's exclusive use for parking and storage (the "Supplemental Parking").                                                                                                                                                           |

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (l) 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                                                                                                                                                                                                                                                                                                                                                                 |
| (m) Asbestos Report:             | Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                            |
| (n) Seismic Report               | Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                            |
| (o) Disabled Access Survey       | Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 1.2 <u>Exhibits to Lease</u>     | Exhibit A - Floor Plan of Premises<br>Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms<br>Exhibit C - HVAC Standards<br>Exhibit D - Cleaning and Maintenance Schedule<br>Exhibit E - Subordination, Non-Disturbance and Attornment Agreement<br>Exhibit F - Tenant Estoppel Certificate<br>Exhibit G - Community Business Enterprises Form<br>Exhibit H - Memorandum of Lease<br>Exhibit I - Supplemental Parking |

## 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

There shall be no right to remeasurement understanding Tenant is in occupancy of the Premises.

## 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 (5) years, commencing upon the

date following approval by the Board of Supervisors and full execution of the Lease by both parties, but not earlier than October 30, 2026 and ending sixty (60) months thereafter.

## **5. RENT**

### **5.1 Base Rent**

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

### **5.2 Base Rent Adjustments**

The Base Rent is subject to three percent (3%) fixed increases per annum following the Commencement Date, as set forth in the Base Rent schedule shown below:

| <b>Term (Months)</b> | <b>Monthly Base Rent</b> | <b>Annual Base Rent</b> |
|----------------------|--------------------------|-------------------------|
| 1-12                 | \$ 10,230.00             | \$ 122,760.00           |
| 13-24                | \$ 10,536.90             | \$ 126,442.80           |
| 25-36                | \$ 10,853.01             | \$ 130,236.12           |
| 37-48                | \$ 11,178.60             | \$ 134,143.20           |
| 49-60                | \$ 11,513.96             | \$ 138,167.52           |

### **5.3 Method of Payment and Required Information**

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

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

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

**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, provided that during any such holdover tenancy such monthly Base Rent

shall continue to be adjusted on each Adjustment Date at a rate three percent (3%) per annum, 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 or any Work Letter.

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

## 10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
  - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
  - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
  - iii. the Common Areas;
  - iv. exterior windows of the Building; and
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. For repairs that require the services of an environmental consultant, including but not limited to mold/water intrusion, asbestos, soil gases, etc., landlord shall retain the services of a qualified vendor that possess, at minimum, the professional qualifications required of a Los Angeles County Facilities Ancillary Services Master Agreement (FASMA) vendors. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
  - i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
  - ii. interior partitions;
  - iii. doors, door frames and hardware;
  - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
  - v. signage;
  - vi. emergency exit signage and battery replacement;
  - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
  - viii. Light fixtures, bulbs, tubes and ballasts.
- (c) Landlord shall, to the 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 County's Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to (i) the Work Letter provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant's remedies

found in said Work Letter; and (ii) compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to any Tenant Improvements as defined in Section 24.

## **11. SERVICES AND UTILITIES**

### **11.1 Services**

#### **(a) 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) 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.

#### **(d) Janitorial**

Tenant, at its sole cost and expense, shall provide its janitorial services in the Building. Landlord, at its sole cost and expense, shall be responsible for the cleaning and maintenance obligations as set forth in Exhibit D attached hereto.

#### **(e) 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.

(f) 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, 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. Tenant shall pay for its electrical use directly to the utility provider pursuant to a meter installed (as needed) and maintained by 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 or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:

- i. Name and address of new owner or other party to whom Base Rent should be paid
  - ii. Federal tax ID number for new owner
  - iii. Name of contact person and contact information (including phone number) for new owner
  - iv. Proof of insurance
- (c) A W-9 form for new owner.

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

## **17. ALTERATIONS AND ADDITIONS**

### **17.1 Landlord Consent**

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

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

### **17.2 End of Term**

Any Alterations 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  
555 West 5<sup>th</sup> Street, 36th Floor  
Los Angeles, CA 90013  
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 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.

### 21.3 Supplemental Parking

Landlord shall deliver and maintain the Supplemental Parking identified in Section 1.1 (k) for the Term of the Lease. Tenant, as additional rent, shall pay Landlord Forty Two Hundred Dollars (\$4,200) per month for the Term of the Lease for its Supplemental Parking with approximately 25 parking spaces.

## 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

Following the mutual execution of the Lease ("Effective Date") and within six (6) months from the Commencement Date, Landlord at its sole cost and expense, shall repair the gate leading to the parking structure is in good working order along with an additional five (5) properly functioning remote control devices for Tenant's use. Landlord shall coordinate with Tenant regarding the Landlord Work, which shall be completed after Tenant's regular business hours to ensure minimal disruption to the Tenant's business operations.

## 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 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 and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than Cushman & Wakefield of California, Inc. ("Tenant'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 commission due shall be pursuant to a separate commission agreement between Landlord and Tenant's Agent.

30.4 Entire Agreement

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

30.5 Severability

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

30.6 Notices

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

30.7 Governing Law and Venue

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

30.8 Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval

of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

30.9 Time of Essence

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

30.10 Consent

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

30.11 Community Business Enterprises

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

30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease 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 four (4) years (the "Extension Term").

(b) Exercise of Option. Tenant must exercise its option to extend this Lease by:

(i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no less than nine (9) 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 at the holdover rental rate as provided in this Lease. If Tenant fails to give written notice of its election to exercise the option 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 renewal option, and Tenant shall respond by the expiration of such ten (10) business day period by delivering written notice of its election to exercise such renewal option or election not to exercise such renewal option. Tenant's failure to notify Landlord of its election to exercise such renewal option, within ten (10) business day after receipt of such written notice shall terminate this Lease as of the 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 expiration or termination of this Lease.

(c) Terms and Conditions of the Extension Term. 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 Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, including, but not limited to, the comparable rental rate, escalation, abatement, tenant improvement allowances (after first reasonably deducting the value of the existing improvements) then being offered to renewing tenants leasing space within three (3) mile radius of the Building in Downtown Los Angeles without a minimum rental rate ("Market").

Notwithstanding any contrary provision contained herein, during the Extension Term, Landlord shall have the right, but only in connection with Landlord's redevelopment of the Building or Property, to terminate this Lease, without cause and without payment of any penalty to Tenant, upon delivering at least twenty-four (24) months prior written notice to Tenant (and, accordingly, the Lease shall terminate as of the last day of such twenty-four (24) month period).

(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 shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its option to extend.

(e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the Market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent. For purposes hereof, the term "comparable Premises" shall mean premises in a building similar in size and location to the Building in the Market, taking into

account any improvements installed by or on behalf of Tenant in the Building, the fact that Tenant is not required to pay operating expenses, insurance or taxes for the Premises and the fact that Tenant is not required to pay for electricity, water, sewer, trash and janitorial utilities and services for the Premises. In determining the Market Rental Value, additional 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 non-sublease, non-expansion, space for 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, and the fact that Tenant is not required to pay operating expenses, insurance or taxes pursuant to this Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent, tenant improvements and any other tenant inducements then being offered to renewing tenants leasing space in the Market, however, the fact that brokerage commissions are or are not payable for such comparable transactions shall be excluded from such calculation.

(f) Opinion. 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.

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

LANDLORD:

MP Capital, LLC, a California Limited Liability Company

By:   
Name: Steve Lee  
Its: Managing Member

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

JOSEPH M. NICCHITTA  
Chief Executive Officer

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

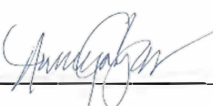
ATTEST:

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

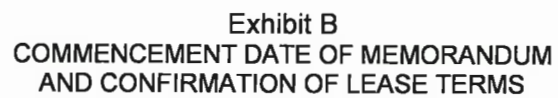
By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By:   
Amy J. Cooper  
Deputy County Counsel

## SITE 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 MP CAPITAL, LLC, a California Limited Liability Company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 301 South Central Avenue, Los Angeles, California 90013 ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 4) The Premises contain 3,100 rentable square feet of space; and
- 5) The Base Rent shall be in accordance with the schedule below:

| Term (Months) | Monthly Base Rent | Annual Base Rent |
|---------------|-------------------|------------------|
| 1-12          | \$ 10,230.00      | \$ 122,760.00    |
| 13-24         | \$ 10,536.90      | \$ 126,442.80    |
| 25-36         | \$ 10,853.01      | \$ 130,236.12    |
| 37-48         | \$ 11,178.60      | \$ 134,143.20    |
| 49-60         | \$ 11,513.96      | \$ 138,167.52    |

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

Tenant:

Landlord:

COUNTY OF LOS ANGELES,  
a body corporate and politic

MP Capital, LLC, a California Limited Liability  
Company

By: \_\_\_\_\_  
Joyce Chang  
Senior Manager

By: \_\_\_\_\_  
Name: Steve Lee  
Its: Managing Member

## **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. Bulb and tube replacements, as required.
2. Emergency exit signage and egress battery replacement (if applicable)
3. Graffiti expunged as needed within two working days after notice by Tenant

B. QUARTERLY

4. HVAC units serviced for preventative maintenance purposes, all filters changed.

C. AS NEEDED

5. 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.
6. 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.
7. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.
8. 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.
9. All HVAC ducts cleaned as needed, but no less than every five (5) years.

D. 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 )  
555 West 5<sup>th</sup> Street, 36th Floor  
Los Angeles, CA 90013

) Space above for Recorder's Use

---

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

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

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

**Factual Background**

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated \_\_\_\_\_ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

**Agreement**

Therefore, the parties agree as follows:

1. 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  
555 West 5<sup>th</sup> Street, 36th Floor  
Los Angeles, CA 90013  
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)

|                                                                                                      |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
|------------------------------------------------------------------------------------------------------|-----------------------------------------|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------|-------|
| <b>I. Minority/Women Participation in Firm</b> (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                                                                                           |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| <b>II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM</b>                                            |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| 1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____           |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| 2. Total Number of Ownership/Partners, Etc.: _____                                                   |                                         |       | <b>III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION</b>                                                                                                                                                                                                                                                                                      |                                                 |           |       |
| 3. Provide the percentage of ownership in each                                                       | All Employee                            | Women | Is your firm currently certified as a minority owned business firm by the:<br><br>State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No<br><br>City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No<br><br>Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No |                                                 |           |       |
| Black/African American                                                                               |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| Hispanic/Latin American                                                                              |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| Asian American                                                                                       |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| Portuguese American                                                                                  |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| American Indian/Alaskan Native                                                                       |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |
| All Others                                                                                           |                                         |       | <b>Section D. OPTION TO PROVIDE REQUESTED INFORMATION</b><br><br><input type="checkbox"/> We do not wish to provide the information required in this form.<br><br>Firm Name: _____<br>Signature/Title: _____<br>Date: _____                                                                                                              |                                                 |           |       |
|                                                                                                      |                                         |       |                                                                                                                                                                                                                                                                                                                                          |                                                 |           |       |

**EXHIBIT H**

**MEMORANDUM OF LEASE**

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

County of Los Angeles  
Chief Executive Office  
Real Estate Division  
555 West 5<sup>th</sup> Street, 36th Floor  
Los Angeles, CA 90013  
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

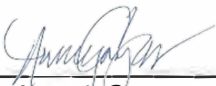
ATTEST:

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:  \_\_\_\_\_  
Amy J. Cooper  
Deputy County Counsel

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

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

On \_\_\_\_\_, before me,

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

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

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

WITNESS my hand and official seal.

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

Exhibit I

SUPPLEMENTAL PARKING

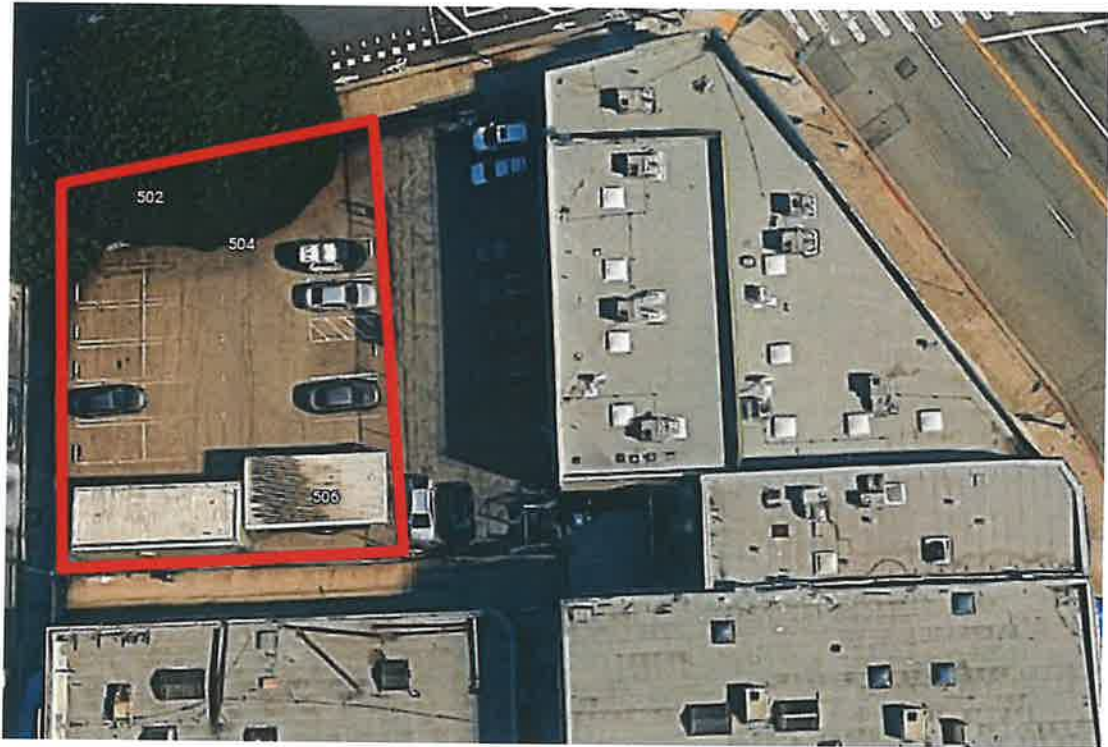


Exhibit I

SUPPLEMENTAL PARKING

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                  |
|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| <b>CLUSTER AGENDA REVIEW DATE</b>                                                                 | 9/23/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                  |
| <b>BOARD MEETING DATE</b>                                                                         | 10/20/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                  |
| <b>SUPERVISORIAL DISTRICT AFFECTED</b>                                                            | <input checked="" type="checkbox"/> All <input type="checkbox"/> 1st <input type="checkbox"/> 2nd <input type="checkbox"/> 3rd <input type="checkbox"/> 4th <input type="checkbox"/> 5th                                                                                                                                                                                                                                                                   |                                  |
| <b>DEPARTMENT(S)</b>                                                                              | Aging & Disabilities (AD)                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                  |
| <b>SUBJECT</b>                                                                                    | Approval To Execute A Sole Source Amendment For Continued Use Of The Community And Senior Center Client Tracking System.                                                                                                                                                                                                                                                                                                                                   |                                  |
| <b>PROGRAM</b>                                                                                    | Community and Senior Centers – Client Tracking and Reporting System (MySeniorCenter)                                                                                                                                                                                                                                                                                                                                                                       |                                  |
| <b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>                                                     | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                                                                                                                                                        |                                  |
| <b>SOLE SOURCE CONTRACT</b>                                                                       | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                                                                                                                                                        |                                  |
|                                                                                                   | If Yes, please explain why: A limited sole source extension keeps MySeniorCenter operational while ISD completes procurement and AD completes implementation and transition, if required. It prevents service and reporting disruptions and provides transition time, if needed.                                                                                                                                                                           |                                  |
| <b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable<br><br><b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>                                                                                                                                           |                                  |
| <b>DEADLINES/ TIME CONSTRAINTS</b>                                                                | The agreement expires November 15, 2026. Proposals were due August 6, 2026, and ISD is evaluating the submissions. Board approval is needed before expiration to avoid interruption of client tracking, Center operations, and required reporting.                                                                                                                                                                                                         |                                  |
| <b>COST &amp; FUNDING</b>                                                                         | Total cost: \$132,000 maximum                                                                                                                                                                                                                                                                                                                                                                                                                              | Funding source: Net County Cost. |
|                                                                                                   | TERMS (if applicable): One-year extension from November 16, 2026 through November 15, 2027, with two optional six-month renewals through November 15, 2028.                                                                                                                                                                                                                                                                                                |                                  |
|                                                                                                   | Explanation: \$66,000 for the initial year and \$33,000 for each optional six-month renewal, for a maximum potential cost of \$132,000. The proposed annual amount is \$5,390, or approximately 8.9 percent, higher than the current annual licensing fee of \$60,610. The second option provides contingency time for implementation and transition, if needed. AD is not presuming the evaluation outcome; options would be exercised only as necessary. |                                  |
| <b>PURPOSE OF REQUEST</b>                                                                         | To obtain delegated authority for a one-year extension and two optional six-month renewals while ISD completes procurement and AD completes any required implementation and transition.                                                                                                                                                                                                                                                                    |                                  |
| <b>BACKGROUND (include internal/external issues that may exist including any related motions)</b> | Since 2012, MySeniorCenter has supported AD client tracking and reporting. Proposals were due August 6 and remain under evaluation. The April 29 notice listed one six-month option; later planning supports a second for transition.                                                                                                                                                                                                                      |                                  |
| <b>EQUITY INDEX OR LENS WAS UTILIZED</b>                                                          | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If Yes, please explain how:                                                                                                                                                                                                                                                                                                                                                         |                                  |
| <b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>                                                  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>If Yes, please state which one(s) and explain how: Poverty Alleviation. Continued operation of MySeniorCenter supports the delivery and tracking of programs, services, and resources for older adults, including economically vulnerable residents, and helps prevent disruptions in access to those services.                                                                     |                                  |
| <b>DEPARTMENTAL CONTACTS</b>                                                                      | Anna Avdalyan, Assistant Director, (213) 200-2584, <a href="mailto:AAvdalyan@ad.lacounty.gov">AAvdalyan@ad.lacounty.gov</a> ;<br>Ivan Pacheco, Chief Information Officer, (323) 356-4672, <a href="mailto:IPacheco@ad.lacounty.gov">IPacheco@ad.lacounty.gov</a>                                                                                                                                                                                           |                                  |



October 20, 2026

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

Dear Supervisors:

**APPROVAL TO EXECUTE A SOLE SOURCE AMENDMENT FOR CONTINUED USE  
OF THE COMMUNITY AND SENIOR CENTER CLIENT TRACKING SYSTEM  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

The County of Los Angeles Aging & Disabilities Department (AD) seeks delegated authority to execute a sole source amendment to extend its existing agreement with Xavus Solutions, LLC (Xavus Solutions), for continued use of the MySeniorCenter client tracking system. The requested amendment would extend the agreement for one year, with two optional six-month extension periods, for a maximum potential extension of two years. The extension is necessary to maintain uninterrupted operations while AD works with the Internal Services Department (ISD) to complete the solicitation, selection, and contract award process and AD implements and transitions to the selected client tracking system, if applicable.

**IT IS RECOMMENDED THAT THE BOARD**

1. Authorize AD's Director, or designee, to execute a sole source contract amendment with Xavus Solutions, to extend the agreement for one year from November 16, 2026, through November 15, 2027; exercise up to two optional six-month extension periods through November 15, 2028; and increase the maximum contract sum by \$132,000 for a grand total of \$1,032,506, subject to available funding. AD will obtain County Counsel approval as to the form of the amendment prior to execution.
2. Delegate authority to AD's Director, or designee, to execute amendments that serve the best interests of the County during the contract term as follows: 1) add new, relevant, or updated federal, State, County and/or other contract terms and conditions; and, 2) increase or decrease the contract amounts (including but not limited to

**BOARD OF SUPERVISORS**

HILDA L. SOLIS  
First District

HOLLY J. MITCHELL  
Second District

LINDSEY P. HORVATH  
Third District

JANICE HAHN  
Fourth District

KATHRYN BARGER  
Fifth District



baseline funds, one-time-only funds, and/or supplemental monies), which may increase the maximum contract sum by no more than ten percent (10%), in response to the availability of funding and/or based on Contractor performance provided that: (a) the total allocation does not exceed available funding; (b) AD obtains County Counsel approval as to the form of the amendment prior to any such amendment; and, (c) AD provides written confirmation to the CEO within thirty (30) business days of completing this action.

3. Delegate authority to AD's Director, or designee, to terminate the agreement upon Contractor's request, or to effectuate any of the termination provisions in the contract(s), including termination for the convenience of the County, provided: a) County Counsel's approval is obtained prior to termination of the contract, and b) the Director of AD, or designee, notifies the Board and the CEO in writing within ten (10) business days after such termination

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

MySeniorCenter is AD's hosted client tracking platform used by Community and Senior Centers to register participants, track attendance and services, manage reservations, integrate program data, and produce required reports. Approval of the recommended actions will allow AD to continue using MySeniorCenter without interruption while AD works with ISD to complete the competitive procurement for a replacement client tracking system and AD completes any required implementation and transition to the selected client tracking system. A lapse in access would disrupt Center operations and reporting.

ISD released the competitive solicitation on behalf of AD, and proposals were due on August 6, 2026. Following proposal evaluation, selection, and contract award, AD will establish the implementation and transition schedule based on the selected solution. The requested extension will allow sufficient time to complete these activities without interrupting current operations.

In its April 29, 2026, advance notice, AD advised the Board that it intended to negotiate a one-year extension with one optional six-month period. Subsequent planning identified the potential need for an additional six months to complete configuration, data conversion, integration, testing, staff training, deployment, and system stabilization. Accordingly, AD now requests two optional six-month extension periods. Each option would be exercised only if necessary and subject to available funding.

This structure limits the initial commitment to one year while providing sufficient flexibility to complete an orderly transition. If the transition is completed sooner, AD will not exercise any remaining option period and may terminate the existing agreement in accordance with its terms.

### **IMPLEMENTATION OF STRATEGIC PLAN**

The recommended actions support the following Countywide Strategic Plan Goals: The actions support North Star 2—Foster Vibrant and Resilient Communities, through technology for accessible Community and Senior Center programs, and North Star 3—

Realize Tomorrow's Government Today, through reliable operations and accurate data during procurement and transition.

### **FISCAL IMPACT/FINANCING**

The maximum potential cost of the proposed extension is \$132,000 of Net County Cost, consisting of \$66,000 for the initial 12-month term and \$33,000 for each optional six-month period. The proposed annual cost is \$5,390, or approximately 8.9 percent, higher than the current annual licensing fee of \$60,610. Each optional period is based on the same annual rate. The extension will be funded with Net County Cost. Funding for Fiscal Year (FY) 2026-27 is included AD's Final Adopted Budget, and funding for subsequent fiscal years will be requested through the applicable County budget process.

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

MySeniorCenter is used by AD's Community and Senior Centers to track clients, activities, and services provided to participants and to support program reporting.

The current agreement was originally awarded through a competitive Request for Proposals process and has subsequently been extended to maintain continuity of operations. The current term expires November 15, 2026. AD provided the Board with

advance notice of its intent to negotiate a sole source extension on April 29, 2026, in accordance with Board Policy No. 5.100. The CEO approved Sole Source Checklist is attached.

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

### **CONTRACTING PROCESS**

ISD, on behalf of AD, released a competitive solicitation for the replacement client tracking system, and proposals were due on August 6, 2026. ISD reviewed the submitted proposals and prepared them for AD's evaluation. AD is evaluating the proposals and will select the vendor that meets the solicitation requirements. Following contract award, AD will work with the selected vendor to establish the implementation and transition schedule, as applicable.

A sole source extension is necessary to keep MySeniorCenter operational until the competitive procurement and any required transition are completed. The extension is limited to the period reasonably needed to maintain continuity and support an orderly transition.

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

Approval will support uninterrupted client registration, service tracking, reservations, attendance reporting, and related Center operations during the procurement and transition period. Without the extension, AD could lose operational system access to MySeniorCenter after November 15, 2026, disrupting Community and Senior Centers operations and delaying required reporting.

**CONCLUSION**

Upon Board approval, AD will execute the sole source amendment with Xavus Solutions and exercise authorized option periods as necessary. The extension will maintain uninterrupted access to MySeniorCenter, support continued Community and Senior Center operations and required reporting, and provide sufficient time to complete an orderly transition to the selected client tracking system.

Should you have any questions, your staff may contact Anna Avdalyan, Assistant Director, at [AAvdalyan@ad.lacounty.gov](mailto:AAvdalyan@ad.lacounty.gov) or Ivan Pacheco, Chief Information Officer, at [IPacheco@ad.lacounty.gov](mailto:IPacheco@ad.lacounty.gov)

Respectfully submitted,

Reviewed By:

Maral V. Karaccusian  
Director

Peter Loo  
Chief Information Officer

MVK:VJ:SH:mt

c: Executive Office, Board of Supervisors  
Chief Executive Office  
County Counsel

Enclosure

**COMMUNITY AND SENIOR CENTERS AUTOMATION SOLUTION /  
CLIENT TRACKING SOFTWARE AGREEMENT**

**AMENDMENT THREE**

This Amendment is made and entered into by and between

**COUNTY OF LOS ANGELES THROUGH ITS  
AGING & DISABILITIES DEPARTMENT**  
("County" or "AD")

County's Business Address  
510 South Vermont Avenue  
Los Angeles, CA 90020

and

**XAVUS SOLUTIONS, LLC**  
("Contractor")

Contractor's Business Address  
68 Harrison Avenue, Suite 605, PMB 30713  
Boston, MA 02111-1929

**WHEREAS**, County and Contractor entered into that certain Community and Senior Centers Automation Solution/Client Tracking Software Agreement, effective May 30, 2012 (the "Original Agreement"), for Contractor to provide the MySeniorCenter hosted client tracking system and related licensing, hosting, maintenance, support, and services; and

**WHEREAS**, the Original Agreement provided for an initial term and two optional one-year extensions, through November 15, 2017; and

**WHEREAS**, County and Contractor entered into Amendment Number One to extend the Agreement through November 15, 2022, update certain provisions, and increase the Maximum Contract Sum to Five Hundred Ninety Thousand Five Hundred Dollars (\$590,500); and

**WHEREAS**, County and Contractor entered into Amendment Number Two to extend the Agreement for one firm year commencing November 16, 2022, with three optional one-year extension periods through November 15, 2026, update certain provisions, and increase the Maximum Contract Sum to Nine Hundred Thousand Five Hundred Six Dollars (\$900,506); and

**WHEREAS**, the Original Agreement, Amendment Number One, Amendment Number Two, and all duly executed Change Notices, if any, are collectively referred to as the "Agreement"; and

**WHEREAS**, it is the intent of the parties to also extend the Agreement for one year from November 16, 2026 through November 15, 2027, with two additional optional six-month extension periods through November 15, 2028, each exercisable only by affirmative written notice from County; and

**WHEREAS**, it is the intent of the parties to also amend this agreement to increase the Maximum Contract Sum by One Hundred Thirty-Two Thousand Dollars (\$132,000), from Nine Hundred Thousand Five Hundred Six Dollars (\$900,506) to One Million Thirty-Two Thousand Five Hundred Six Dollars (\$1,032,506); and

**WHEREAS**, it is the intent of the parties to also amend this Subaward to provide for other changes set forth herein; and

**WHEREAS**, the Agreement permits changes to its terms through a written amendment formally approved and executed by the parties.

**NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

- I. This Amendment will commence on **November 16, 2026**.
- II. Paragraph 1, Applicable Documents, Subparagraph 1.1 (Interpretation), of the Agreement is deleted in its entirety and replaced as follows:

The provisions of this Agreement (hereinafter "Base Agreement"), along with Exhibits A, B, C, D, E, F, G, H, I, M, N, O, P, and Q including all Attachments and Schedules thereto, attached hereto, and Exhibits J, K, and L (if any), not attached hereto, all described in this Paragraph 1.1 below and incorporated herein by reference, collectively form and throughout and hereinafter are referred to as interpretation of any word, responsibility, schedule or the contents or description of any task, subtask, deliverable, goods, service or other work, or otherwise, between this Base Agreement and the Exhibits, Attachments and Schedules or between the Exhibits, Attachments and Schedules, such conflict or inconsistency shall be resolved by giving precedence first to this Base Agreement, and then to the Exhibits,

Attachments and Schedules according to the following descending priority:

Exhibit A Statement of Work  
Attachment A.1 System Requirements  
Attachment A.2 System Configuration  
Attachment A.3 Baseline Application  
Attachment A.4 Client Environment Specifications  
Attachment A.5 Community and Senior Centers

Exhibit B Pricing Schedule  
Schedule B.1 Optional Work Schedule  
Schedule B.2 Extended Term Pricing  
Schedule B.3 Extended Term Pricing  
Schedule B.4 Extended Term Pricing

Exhibit C Project Schedule

Exhibit D Service Level Agreement  
Schedule D.1 Network Data Classification Standard  
Schedule D.2 IT Confidentiality and Acceptable Use Agreement

Exhibit E Administration of Agreement  
Exhibit F Contractor Acknowledgment, Confidentiality and Copyright Assignment Agreement  
Exhibit G  
Exhibit H Jury Service Program  
Exhibit I Safely Surrendered Baby Law  
Exhibit J Request for Proposals (incorporated by reference)  
Exhibit K  
Exhibit L Source Code Escrow Agreement (incorporated by reference)  
Exhibit M Contractor's Compliance with Encryption Requirements  
Exhibit N Business Associate Agreement Under the Health Insurance Portability  
Exhibit O Intentionally Omitted  
Exhibit P Information Security and Privacy Requirements  
Exhibit Q Intentionally Omitted  
Exhibit R (Digital Accessibility Requirements)

- III. Paragraph 7, Term, Subparagraph 7.2 (Extended Term) is deleted in its entirety and replaced as follows:

#### 7.2 EXTENDED TERM

At the end of the Initial Term, County may, at its sole option, extend this Agreement for up to six (6) additional consecutive one (1) earlier for convenience, non-appropriation of funds, default of Contractor, substandard performance of Contractor, non-responsibility of Contractor and any other term or condition of the Agreement providing for early termination of the Agreement by County. If County elects not to exercise its option to extend at the end of the Initial Term, or the Extended Term, as applicable, the remaining option(s) shall automatically lapse. County shall be deemed to have exercised its extension option(s) automatically, without further act, unless, no later than thirty (30) days prior to the expiration of the Initial Term or the Extended Term, as applicable, County notifies in writing Contractor that it elects not to extend the Agreement pursuant to this Paragraph 7.

As of Amendment No. 1, an additional one year was added to the Extended Term, effective November 16, 2017 through November 15, 2018, with only three (3) optional one-year extensions remaining.

As of Amendment No. 2, an additional one year was added to the Extended Term, effective November 16, 2022 through November 15, 2023, with only three (3) optional one-year extensions remaining.

As of Amendment No. 3, an additional one year was added to the Extended Term, effective November 16, 2026 through November 15, 2027, with two additional optional six-month extension periods through November 15, 2028.

County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise an Agreement term extension option.

- V. Paragraph 8, Contract Sum, Subparagraph 8.1 (Maximum Contract Sum) is deleted in its entirety and replaced as follows:

The Maximum Contract Sum shall be increased from Nine Hundred Thousand Five Hundred Six Dollars (\$900,506) to One Million Thirty-Two Thousand Five Hundred Six Dollars (\$1,032,506), which is an increase of One Hundred Thirty-Two Thousand Dollars (\$132,000) to accommodate continued licensing, hosting, data downloads and maintenance work required during the extended term of the Agreement as identified in Schedule B.4 Extended Term Pricing.

- VI. Paragraph 9.7 (UNRESOLVED DISALLOWED COSTS) is added as follows:

**9.7 UNRESOLVED DISALLOWED COSTS**

Contractor must not invoice County for disallowed costs. Contractor must not have unresolved disallowed costs in excess of One Hundred Thousand Dollars (\$100,000) that have been confirmed as disallowed by the contracting County department and remain unpaid for six months or more from the date of an Auditor-Controller report, unless the costs are the subject of current good-faith negotiations as determined by County. Noncompliance may constitute a material breach and may result in termination for default and disqualification from future County solicitations, in addition to any other available remedies.

- VII. Paragraph 83, COVID-19 Vaccinations of County Contractor Personnel, is deleted in its entirety and replaced as follows:

**83. COMPLIANCE WITH FAIR CHANCE EMPLOYMENT HIRING PRACTICES**

Contractor and its Subcontractors must comply with California Government Code Section 12952, California Code of Regulations Section 11017.1, and County Code Chapter 8.300 (Fair Chance Ordinance for Employers). Contractor and its Subcontractors may access applicable resources at <https://dcba.lacounty.gov/fairchance/> and <https://opportunity.lacounty.gov/fair-chance-hiring-campaign/>.

A violation may constitute a material breach. County may impose or pursue applicable administrative penalties and remedies under County Code Section 8.300.100 and may terminate the Agreement.

- VIII. Paragraph 87, Campaign Contribution Prohibition Following Final Decision in Contract Proceeding, is added as follows:

**87. CAMPAIGN CONTRIBUTION PROHIBITION FOLLOWING FINAL DECISION IN CONTRACT PROCEEDING**

Pursuant to Government Code Section 84308, Contractor and its Subcontractors are prohibited from making a contribution of more than Five Hundred Dollars (\$500) to a County officer for twelve months after the date of the final decision in the proceeding involving this Agreement. Failure to comply may constitute a material breach as determined by County.

IX. Paragraph 88, Digital Accessibility Requirements, is added as follows:

## 88. DIGITAL ACCESSIBILITY REQUIREMENTS

For any websites, webpages, software user interfaces, electronic documents, and mobile applications that Contractor designs, hosts, implements, provides, or manages on behalf of County under the Agreement, Contractor must comply with Exhibit R (Digital Accessibility Requirements), all applicable accessibility laws, rules, and regulations, including the Americans with Disabilities Act, and applicable Web Content Accessibility Guidelines, as amended or updated during the term. Contractor must promptly implement applicable amendments or updates without additional cost to County, except to the extent otherwise expressly approved in a written amendment.

X. Schedule B.4 (Extended Term Pricing), is added and is incorporated herein by reference.

XI. Exhibit E (Administration of Agreement) is deleted in its entirety and replaced with Exhibit E (Administration of Agreement) (Revised 9/2026) and incorporated herein by reference.

XII. Exhibit O (COVID-19 Vaccination Certification of Compliance) is deleted in its entirety and replaced with the attached “Exhibit O (Intentionally Omitted)”, which is incorporated herein by reference.

XIII. Exhibit Q (FEMA COVID-19 Provisions) is deleted in its entirety and replaced with the attached “Exhibit Q (Intentionally Omitted)”, which is incorporated herein by reference.

XIV. Exhibit R (Digital Accessibility Requirements), is added and is incorporated herein by reference.

**All other terms and conditions of the Contract will remain in full force and effect.**

[illegible]

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this **Amendment Three** to be subscribed on its behalf by the Director of Aging & Disabilities Department, and the Subrecipient has subscribed the same through its Authorized Representative. The Authorized Representative(s) signing on behalf of Subrecipient warrants under penalty of perjury that he or she is authorized to bind Subrecipient.

COUNTY OF LOS ANGELES

XAVUS SOLUTIONS, LLC

By: \_\_\_\_\_  
Maral V. Karaccusian, Director  
Aging & Disabilities Department

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

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

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

**APPROVED AS TO FORM:**

**DAWYN R. HARRISON**  
**County Counsel**

By: \_\_\_\_\_  
Deputy County Counsel

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

**EXHIBIT B – PRICING SCHEDULE  
SCHEDULE B.4 (EXTENDED TERM)  
AMENDMENT NO. 3**

**Schedule B.4 for Extended Term Pricing**

*November 16, 2026 through November 15, 2028*

| <b>Extension Periods<br/>Under Amendment No. 3</b>                          | <b>Contract Fee<br/>Components</b>                                            | <b>Period Fee</b> |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------|
| Firm 12-Month Extension<br>November 16, 2026 –<br>November 15, 2027         | License renewal,<br>hosting, technical<br>support, and product<br>maintenance | \$66,000          |
| First Optional 6-Month<br>Extension<br>November 16, 2027 – May 15,<br>2028  | License renewal,<br>hosting, technical<br>support, and product<br>maintenance | \$33,000          |
| Second Optional 6-Month<br>Extension<br>May 16, 2028 – November 15,<br>2028 | License renewal,<br>hosting, technical<br>support, and product<br>maintenance | \$33,000          |
| <b>Total</b>                                                                |                                                                               | <b>\$132,000</b>  |

**Note:** Each optional extension period is subject to affirmative written exercise by County in accordance with Paragraph 7.2 of the Agreement.

## SOLE SOURCE CHECKLIST

Department Name: Aging and Disabilities

☐

New Sole Source Contract

☒

Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: \_\_\_\_\_

| Check<br>(✓)                        | <b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS <u>AND AMENDMENTS</u></b><br>Identify applicable justification and provide documentation for each checked item.                                                                                                                                                                                                                                    |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/>            | ➤ 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 checked="" 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.                                                       |
| <input type="checkbox"/>            | ➤ 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 checked="" 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

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter

☒ Board Memo

☐ Other

|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CLUSTER AGENDA REVIEW DATE</b>                                                                 | 9/23/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <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>                                                                              | Auditor-Controller / ISD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>SUBJECT</b>                                                                                    | <b>ADVANCE NOTIFICATION OF INTENT TO ENTER INTO NEGOTIATIONS FOR SOLE SOURCE CONTRACTS WITH ACCENTURE LLP TO PROVIDE SERVICES AND SUPPORT OF LACES DATA AND ANALYTICS PORTAL</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>PROGRAM</b>                                                                                    | LACES Data and Analytics                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>                                                     | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>SOLE SOURCE CONTRACT</b>                                                                       | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>If Yes, please explain why: Accenture LLP designed, developed, and implemented the County's LACES DNA Portal and holds proprietary, project-specific knowledge of its Aspire-based architecture, metadata ingestion and indexing workflows, security framework, and enterprise integrations. This knowledge is specific to the County's implementation and was built over the course of the original engagement; it is not available "off the shelf" from another vendor, even one experienced with developing portal platforms generally. Transitioning these Aspire-driven services to a new vendor could result in schedule delays and increased costs associated with knowledge transfer, resource onboarding, and the redeployment of County and project resources to support the transition. Maintaining Accenture as the vendor will support continued Portal operations, preserve the integrity of the Aspire-based architecture, and help ensure the County's implementation timeline remains on track. Accenture was the sole respondent to the original ESMA solicitation for these services, underscoring the specialized nature of the required expertise. |
| <b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable<br><b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>DEADLINES/ TIME CONSTRAINTS</b>                                                                | Current Enterprise Services Master Agreement Work Order is set to expire on January 29, 2027.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>COST &amp; FUNDING</b>                                                                         | Total cost: \$838,000      Funding source: Net County Cost from the Integrated Applications Budget<br>TERMS (if applicable): County intends to maintain the Accenture contract through December 2028<br>Explanation: December 2028 corresponds with the anticipated completion of the LACES Financial and Human Resources upgrade implementation. Upon completion of these efforts, the A-C can evaluate its longer-term Portal support and maintenance needs and determine the appropriate procurement and service delivery approach.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>PURPOSE OF REQUEST</b>                                                                         | Provides advance notification to the Board of Supervisors (Board) that the Los Angeles County Auditor-Controller (A-C) intends to enter into sole source contract negotiations with Accenture LLP (Accenture) to provide development, maintenance, operational support, and enhancement services for the Los Angeles County Enterprise Systems Data and Analytics (LACES DNA) Portal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>BACKGROUND</b> (include internal/external issues that may exist including any related motions) | The County has deployed a cloud-based LACES DNA Portal using Azure, Aspire, Elasticsearch, Kubernetes, Databricks, and Power BI to securely ingest, curate, and deliver administrative data, with the goal of strengthening data sharing, improving data consumption, and providing a single entry point for DNA products as the County's enterprise information platform. Following the March 20, 2025 release of ESMA WO E2-261 for expanding and modernizing the DNA platform—including enhancements to data integrity, user experience, and advanced analytics—Accenture was the sole respondent and was selected through a competitive evaluation, leading to contract execution on June 9, 2025. An amendment was made on June 30, 2026 to align the project with evolving needs and the Countywide LACES Financials and HR upgrade, initiating the next phase of portal enhancements, with the current work order set to expire on January 29, 2027.                                                                                                                                                                                                                                                                                    |
| <b>EQUITY INDEX OR LENS WAS UTILIZED</b>                                                          | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If Yes, please explain how: N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>                                                  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>If Yes, please state which one(s) and explain how: The LACES DNA initiative makes enterprise administrative data—HR, Payroll, Budget, Procurement and Finance—more accessible and consumable across County departments. This directly or indirectly supports all nine Board-Directed Priorities by enabling faster, more informed decision-making and cross-departmental coordination.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>DEPARTMENT CONTACT</b>                                                                         | Majida Adnan, Assistant Auditor-Controller, (213) 974-0385, <a href="mailto:madnan@auditor.lacounty.gov">madnan@auditor.lacounty.gov</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

**OSCAR VALDEZ**  
AUDITOR-CONTROLLER

**CONNIE YEE**  
CHIEF DEPUTY AUDITOR-CONTROLLER

ASSISTANT AUDITOR-CONTROLLERS

**MAJIDA ADNAN**  
**RACHELLE ANEMA**  
**ROBERT G. CAMPBELL**

September 1, 2026

TO: Supervisor Hilda L. Solis, Chair  
Supervisor Holly J. Mitchell, Chair Pro Tem  
Supervisor Lindsey P. Horvath  
Supervisor Janice Hahn  
Supervisor Kathryn Barger

FROM: Oscar Valdez  
Auditor-Controller

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO  
NEGOTIATIONS FOR SOLE SOURCE CONTRACTS WITH  
ACCENTURE LLP TO PROVIDE SERVICES AND SUPPORT OF LACES  
DATA AND ANALYTICS PORTAL**

This memorandum provides advance notification to the Board of Supervisors (Board) that the Los Angeles County Auditor-Controller (A-C) intends to enter into sole source contract negotiations with **Accenture LLP (Accenture)** to provide development, maintenance, operational support, and enhancement services for the Los Angeles County Enterprise Systems Data and Analytics (LACES DNA) Portal.

This notice is provided in accordance with Board Policy 5.100, which requires County departments seeking Board approval of a sole source service contract to provide advance written notice to the Board at least four weeks prior to commencing negotiations for a new contract, and at least six months prior to the expiration of an existing contract when the department intends to execute a new sole source contract to replace existing services.

**BACKGROUND**

The County has implemented a cloud-based LACES DNA Portal, using Azure, Aspire, Elasticsearch, Kubernetes, Databricks, and Power BI tools, to host and serve the County's administrative data, including personnel, payroll, budget and accounting data. This platform establishes a secure cloud-based technical foundation for data ingestion from source databases, curation, and consumption. The key goal of this project is to enhance the existing DNA infrastructure by strengthening data sharing and consumption

capabilities and to establish a single-entry point for LACES DNA products. The DNA Portal will serve as the County's Enterprise information and data delivery platform, leveraging modern cloud-based technologies to transform information and data sharing across the County.

On March 20, 2025, the ESMA WO E2-261 (DNA Data Hub DNA Expansion) Solicitation was released by ISD to qualified contractors on ISD's ESMA Category 4D - Analytics, Business Intelligence, Visualization and Reporting Services. This WO covered upgrading the DNA platform by enhancing data integrity, user experience, and data sharing capabilities, creating a centralized data portal to simplify access and usage of information delivery products, and setting up a foundation for advanced analytics and AI-driven insights to transform and modernize countywide information delivery.

On April 16, 2025, as a result of a competitive solicitation, A-C received proposal from one (1) vendor: Accenture. The proposal was reviewed by an Evaluation Committee consisting of independent evaluators, and Accenture was recommended as a qualified vendor to award this WO. On June 9, 2025, A-C Executed WO E2-261 DNA Data Hub DNA Expansion. In order to meet evolving technological and business demands and to align this initiative with the LACES upgrade, an amendment to this WO was executed on June 30, 2026, in accordance with ESMA policy. This amendment initiated the next phase of DNA, encompassing Portal enhancements designed to support critical milestones for the Countywide LACES Financials and Human Resources upgrade. The current WO is set to expire on January 29, 2027.

## **JUSTIFICATION**

Accenture LLP designed, developed, and implemented the County's LACES DNA Portal and holds proprietary, project-specific knowledge of its Aspire-based architecture, metadata ingestion and indexing workflows, security framework, and enterprise integrations. This knowledge is specific to the County's implementation and was built over the course of the original engagement; it is not available "off the shelf" from another vendor, even one experienced with developing portal platforms generally.

Transitioning these Aspire-driven services to a new vendor could result in schedule delays and increased costs associated with knowledge transfer, resource onboarding, and the redeployment of County and project resources to support the transition. A new vendor would require considerable time to gain familiarity with the Aspire-based architecture, metadata ingestion and indexing workflows, security framework, data models, and enterprise integrations. This unfamiliarity will introduce added risk to metadata accuracy, system stability, and continuity of operations, and increase the likelihood of rework or disruption to planned releases. Maintaining Accenture as the vendor will support continued Portal operations, preserve the integrity of the Aspire-based architecture, and help ensure the County's implementation timeline remains on track.

Accenture LLP was the sole respondent to the original ESMA solicitation for these services, which suggests a specialized or limited vendor pool for this type of expertise. Given Accenture's demonstrated familiarity with the Aspire-based solution, along with the technical and operational risk that could accompany a transition to another vendor, Accenture LLP appears to be the most practical and feasible source currently positioned to complete the planned implementation and provide the required ongoing support during the LACES Financial and Human Resources upgrades.

## **CONCLUSION**

The A-C believes that continuing development, maintenance, and support of the LACES DNA Portal with Accenture LLP is in the County's best economic and long-term interests. The Portal represents a significant County investment in establishing a data and analytics platform that integrates the County's data within a governed and secure environment. Maintaining Accenture's specialized knowledge of the platform's architecture, metadata management, security framework, and enterprise integrations will protect this investment, ensure continuity of operations, and support the County's long-term enterprise data and analytics strategy while avoiding the costs, risks, and delays associated with transitioning to an alternative vendor.

Accordingly, the County intends to maintain the Accenture contract through December 2028, corresponding with the anticipated completion of the LACES Financial and Human Resources upgrade implementation. Upon completion of these efforts, the A-C can evaluate its longer-term Portal support and maintenance needs and determine the appropriate procurement and service delivery approach.

Pursuant to Board Policy 5.100, the A-C will proceed with sole source negotiations four weeks from the date of this memorandum, unless otherwise instructed by the Board. If contract negotiations are successful, the A-C will return to the Board to seek authorization to execute the proposed sole source agreement with Accenture LLP for continued development, maintenance, and support of the LACES DNA Portal.

If you have any questions please call me, or your staff may contact Majida Adnan, Assistant Auditor-Controller, at (213) 974-0385 or [MAdnan@auditor.lacounty.gov](mailto:MAdnan@auditor.lacounty.gov).

OV:CY:MA:KK

c: Joseph M. Nicchitta, Chief Executive Officer  
Edward Yen, Executive Officer, Board of Supervisors  
Michael Owh, Director, Internal Services Department

**SOLE SOURCE CHECKLIST**Department Name: Auditor-Controller

New Sole Source Contract



Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: \_\_\_\_\_

| Check<br>(✓)                        | <b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS</b><br>Identify applicable justification and provide documentation for each checked item.                                                                                                                                                                                                                                                              |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> | ➤ 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 checked="" type="checkbox"/> | ➤ Compliance with applicable statutory and/or regulatory provisions.                                                                                                                                                                                                                                                                                                                                             |
| <input checked="" type="checkbox"/> | ➤ Compliance with State and/or federal programmatic requirements.                                                                                                                                                                                                                                                                                                                                                |
| <input type="checkbox"/>            | ➤ Services provided by other public or County-related entities.                                                                                                                                                                                                                                                                                                                                                  |
| <input checked="" 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"/>            | ➤ 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.                                                                           |
| <input type="checkbox"/>            | ➤ 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 and time to replace an existing system or infrastructure, administrative cost and time savings and excessive learning curve for a new service provider, etc.). In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County. |

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

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter
 ☐ Board Memo
 ☐ Other

|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                     |
|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>CLUSTER AGENDA REVIEW DATE</b>                                                                 | 9/23/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                     |
| <b>BOARD MEETING DATE</b>                                                                         | 10/6/2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                     |
| <b>SUPERVISORIAL DISTRICT AFFECTED</b>                                                            | <input checked="" type="checkbox"/> All <input type="checkbox"/> 1st <input type="checkbox"/> 2nd <input type="checkbox"/> 3rd <input type="checkbox"/> 4th <input type="checkbox"/> 5th                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                     |
| <b>DEPARTMENT(S)</b>                                                                              | Executive Office of the Board of Supervisors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                     |
| <b>SUBJECT</b>                                                                                    | Receipt of Governance Reform Task Force Recommendations Related to the Establishment of the Office of the Elected County Executive, the Director of Budget and Management, and the County Legislative Analyst (November 26, 2024 Board Directive).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                     |
| <b>PROGRAM</b>                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                     |
| <b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>                                                     | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                     |
| <b>SOLE SOURCE CONTRACT</b>                                                                       | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If Yes, please explain why:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                     |
| <b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable<br><b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                     |
| <b>DEADLINES/ TIME CONSTRAINTS</b>                                                                | <ul style="list-style-type: none"> <li>County Legislative Analyst's Office to be fully operational: no later than October 1, 2027.</li> <li>CEO report on legislative/analytical position inventory for CLA redeployment: within 90 days.</li> <li>CEO transition plan for Director of Budget and Management: within 120 days.</li> <li>CEO transition report on Legislative Affairs and Intergovernmental Relations (LAIR): within 120 days.</li> <li>CEO transition report on constituent services / Office of Unincorporated Area Services: within 120 days.</li> <li>Classification and Compensation Division/County Counsel report on CLA enabling ordinance mechanics: within 120 days.</li> </ul>                                                                                          |                                                                                                                     |
| <b>COST &amp; FUNDING</b>                                                                         | Total cost:<br>N/A — specific funding requests to be presented through the annual budget process and the transition reports identified in Attachment 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Funding source:<br>To be determined; implementation to prioritize use and realignment of existing County resources. |
|                                                                                                   | TERMS (if applicable):<br>N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                     |
|                                                                                                   | Explanation:<br>Fiscal impacts occur in future fiscal years, including a transitional operating budget for the inaugural Elected County Executive beginning in FY 2029–30 and phased funding for the County Legislative Analyst's Office beginning with one-time preparatory funding, an initial cohort of positions in FY 2027–28, and expanded capacity in FY 2028–29.                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                     |
|                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                     |
| <b>PURPOSE OF REQUEST</b>                                                                         | The EO requests the Board receive the GRTF's recommendations related to the establishment of the Office of the Elected County Executive, the Director of Budget and Management, and the County Legislative Analyst, and direct the CEO, County Counsel, the Department of Human Resources, and other County departments, in collaboration with the EO, to take all necessary actions to implement the recommendations consistent with the phased timelines in Attachment 1.                                                                                                                                                                                                                                                                                                                       |                                                                                                                     |
| <b>BACKGROUND (include internal/external issues that may exist including any related motions)</b> | <p>On November 5, 2024, Los Angeles County voters approved Charter Amendment Measure G, establishing a new governance structure that includes an elected County Executive beginning in 2028, a nonpartisan County Legislative Analyst, and a Director of Budget and Management.</p> <p>Pursuant to the Board's November 26, 2024, directive, the GRTF established the Elected Executive Ad Hoc Subcommittee to develop recommendations guiding the transition. This report reflects the Ad Hoc's first round of recommendations, addressing the initial framework for the Office of the Elected County Executive, the transition of budget and fiscal functions to the Director of Budget and Management, and the phased establishment of an independent County Legislative Analyst's Office.</p> |                                                                                                                     |
| <b>EQUITY INDEX OR LENS WAS UTILIZED</b>                                                          | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If Yes, please explain how:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                     |
| <b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>                                                  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>If Yes, please state which one(s) and explain how:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                     |

|                                  |                                                                                                                                                                  |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                  | The recommended actions support North Star 3: Realize tomorrow's government today, Strategy G - Internal Controls and Processes, of the County's Strategic Plan. |
| <b>DEPARTMENTAL<br/>CONTACTS</b> | Name, Title, Phone # & Email:<br>Shadi Kardan, Assistant Executive Officer<br>(213) 974-4100<br>S.Kardan@bos.lacounty.gov                                        |

**EXECUTIVE OFFICE**



**BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES**

**EDWARD YEN**  
EXECUTIVE OFFICER

**COUNTY OF LOS ANGELES  
EXECUTIVE OFFICE  
BOARD OF SUPERVISORS**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 383  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1411 • [www.bos.lacounty.gov](http://www.bos.lacounty.gov)

**MEMBERS OF THE BOARD**

HILDA L. SOLIS

HOLLY J. MITCHELL

LINDSEY P. HORVATH

JANICE HAHN

KATHRYN BARGER

October 6, 2026

DRAFT

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

Dear Supervisors:

**RECEIPT OF GOVERNANCE REFORM TASK FORCE RECOMMENDATIONS  
RELATED TO THE ESTABLISHMENT OF THE OFFICE OF THE ELECTED COUNTY  
EXECUTIVE, THE DIRECTOR OF BUDGET AND MANAGEMENT, AND THE  
COUNTY LEGISLATIVE ANALYST  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

The Executive Office of the Board of Supervisors (EO) is requesting the Board of Supervisors (Board) to receive the Governance Reform Task Force's (GRTF) recommendations related to the establishment of the Office of the Elected County Executive, the Director of Budget and Management, and the County Legislative Analyst (CLA), developed pursuant to the Board's November 26, 2024, directive and in furtherance of the voter-approved Measure G Charter Amendment.

The EO further requests the Board direct the Chief Executive Office (CEO), County Counsel, the Department of Human Resources, and other County departments as applicable, in collaboration with the EO, to take all necessary actions to implement the GRTF recommendations, consistent with the phased timelines set forth in Attachment 1, in advance of the new governance structure taking effect in December 2028.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Receive the GRTF recommendations related to the establishment of the Office of the Elected County Executive, the Director of Budget and Management, and the County Legislative Analyst, consistent with the County Charter and Measure G. The GRTF recommendations, which address the initial framework for executive leadership and management, the transition of budget and fiscal functions to the Director of Budget and Management, and the phased establishment of an

independent County Legislative Analyst's Office, are set forth in detail in the GRTF report titled "Recommendations Related to the Establishment of the Office of the Elected Executive, the Director of Budget and Management, and the County Legislative Analyst" (Attachment 1).

2. Direct the CEO, County Counsel, the Department of Human Resources, and other County departments as applicable, in collaboration with the EO, to take all necessary actions to implement the GRTF recommendations set forth in Attachment 1, including directing the CEO to report back in writing to the Board and, as applicable, subsequently present the required reports to the Elected Executive Ad Hoc Subcommittee and the GRTF, within the timeframes specified therein.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

The purpose of the recommended actions is to implement the governance changes approved by the voters through the Measure G Charter Amendment, consistent with the Board's November 26, 2024, directive, which tasked the GRTF with developing recommendations to guide the transition to the elected County Executive, the Director of Budget and Management, and the County Legislative Analyst.

By approving and implementing the GRTF's recommendations, the Board ensures that:

- The County establishes a clear foundational framework for the future Office of the Elected County Executive, including its executive leadership functions, budgetary flexibility, department performance management responsibilities, and intergovernmental and constituent services roles.
- Core budget, fiscal, and administrative functions currently housed within the CEO are identified for an orderly transition to the Office of the Director of Budget and Management.
- An administratively independent, nonpartisan County Legislative Analyst's Office is established in phases, commences formal operations no later than October 1, 2027, and reaches full operating capacity by December 2028, when the new separation-of-powers structure takes effect, to provide the Board with policy, fiscal, operational, and legislative analysis.
- The implementation aligns with the voter-approved Measure G Charter Amendment and supports an orderly transition to the new governance structure by December 2028, consistent with the Board's directive to prioritize the use and realignment of existing County resources.

The GRTF recommendations are set forth in detail in the GRTF report (Attachment 1). The CEO will consult with departments and relevant stakeholders, including the GRTF, County Counsel, and the Department of Human Resources, as necessary while implementing the recommended actions.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended actions support North Star 3: Realize tomorrow's government today, Strategy G - Internal Controls and Processes, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

Implementation of the GRTF recommendations will result in fiscal impacts in future fiscal years, including a transitional operating budget for the inaugural Elected County Executive beginning in FY 2029–30 and phased funding for the County Legislative Analyst's Office beginning with one-time preparatory funding, an initial cohort of positions in FY 2027–28, and expanded capacity in FY 2028–29. Consistent with the Board's November 26, 2024, directive, implementation will prioritize the use and realignment of existing County resources, with specific funding requests to be presented through the annual budget process and the transition reports identified in Attachment 1.

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

The Board's November 26, 2024, directive instructed the EO, in consultation with County Counsel, to establish the GRTF and ensure the Task Force is empowered to make recommendations on governance reforms required by the voter-approved Measure G Charter Amendment, including the framework for the Office of the Elected County Executive, the Director of Budget and Management, and the County Legislative Analyst.

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

Implementation of the GRTF's recommendations is designed to establish the new governance structure required by Measure G while preserving continuity of County services. Departments will continue current operations while transition planning, reporting, and phased staffing occur in advance of the separation-of-powers structure taking effect in December 2028.

**CONCLUSION**

Upon the Board's receipt, the Executive Officer, Board of Supervisors, is requesting to return one received stamped Board Letter to the GRTF.

Respectfully submitted,

Edward Yen  
Executive Officer, Board of Supervisors

EY:SH:SK:ah

Enclosures

c: Chief Executive Officer  
County Counsel  
Department of Human Resources



**Los Angeles County**  
**Governance Reform Task Force**  
KENNETH HAHN HALL OF ADMINISTRATION  
500 W Temple Street, ROOM 383,  
LOS ANGELES, CA 90012



September 11, 2026

**TO:** Supervisor Hilda L. Solis, Chair  
Supervisor Holly J. Mitchell  
Supervisor Lindsey P. Horvath  
Supervisor Janice Hahn  
Supervisor Kathryn Barger

**FROM:** Los Angeles County Governance Reform Task Force

**SUBJECT: RECOMMENDATIONS RELATED TO THE ESTABLISHMENT OF THE  
OFFICE OF THE ELECTED COUNTY EXECUTIVE, THE DIRECTOR OF  
BUDGET AND MANAGEMENT, AND THE COUNTY LEGISLATIVE  
ANALYST**

**A. EXECUTIVE SUMMARY**

In November 2024, the voters of Los Angeles County approved Measure G, establishing a new governance structure for the County that includes the election of a County Executive beginning in 2028, the creation of an independent, nonpartisan County Legislative Analyst, and the establishment of a Director of Budget and Management. These changes represent a significant restructuring of the responsibilities and relationships among the County's executive and legislative functions and require careful planning to ensure an orderly transition to the new governance structure.

The Governance Reform Task Force (GRTF) established the Elected Executive Ad Hoc Subcommittee (Ad Hoc) to examine key policy, organizational, and transition questions associated with these changes and to develop recommendations to guide their implementation. The Ad Hoc's work has focused on establishing a foundational

framework for the future Office of the elected County Executive, clarifying the respective roles and responsibilities of the County Executive and Director of Budget and Management, consistent with the County Charter, and developing a pathway for establishing the County Legislative Analyst's Office and the analytical capacity necessary to support the Board of Supervisors under the new separation-of-powers structure.

The recommendations contained in this report are the product of an iterative process of research, public discussion, stakeholder engagement, and deliberation. Throughout its work, the Ad Hoc and full GRTF received research and analysis examining governance structures and practices in comparable jurisdictions, providing members with examples of how other large and complex county governments organize executive leadership, budgeting, legislative analysis, departmental oversight, and related functions.

Consistent with the November 26, 2024, Board Directive<sup>1</sup>, specifically Directive 2(a)(iv), the Ad Hoc studied potential organizational models for the offices of the future elected County Executive and Director of Budget and Management. These models were presented to the full GRTF on August 17, 2026, to facilitate discussion and solicit feedback. The Ad Hoc intends to continue evaluating and refining these organizational models and is currently conducting outreach to County department heads and other stakeholders to obtain additional input on the proposed allocation and alignment of functions. Following this outreach, the Ad Hoc will return to consider updated organizational and reorganization options and develop additional recommendations for the GRTF's consideration. Accordingly, this report represents the first round of the Ad Hoc's recommendations and is intended to establish a foundation for its continuing work on the future structure and organization of the County's executive branch.

The Board's November 26, 2024, Directive also establishes an important fiscal framework for this continuing work. In considering the implementation and ongoing operating costs associated with Measure G, the Ad Hoc will prioritize opportunities to reallocate and strategically use existing County resources, achieve operating efficiencies, reserve future revenues, earmark property tax growth, and identify alternative or new funding sources. Consistent with the Board's direction, these options should be thoroughly evaluated, individually and in combination, before considering austere spending strategies or service curtailments to fund either one-time implementation costs or ongoing operations. This approach will guide the Ad Hoc's continuing development and refinement of recommendations with the goal of

---

<sup>1</sup> Los Angeles County Board of Supervisors, [\*Los Angeles County Governance Reform: Implementing the Voter Mandate for a More Representative, Accountable, and Transparent Los Angeles County\*](#), Board Directive, November 26, 2024, Directive 2(a)(iv).

implementing the new governance structure in a fiscally responsible manner while protecting essential County services.

The Ad Hoc also regularly brought its work before the full GRTF for discussion, review and feedback. Presentations were made to the GRTF on June 24, July 8, August 7, August 12, August 17, August 21, and August 26, 2026. At these meetings, the Ad Hoc presented its research, emerging framework, and preliminary recommendations and received feedback from members of the full GRTF, organized stakeholder groups, and members of the public. This iterative process provided stakeholders and the public ample opportunity to consider, discuss, and respond to the Ad Hoc's preliminary recommendations before they were finalized. Feedback received through these meetings was carefully reviewed and considered by both the full GRTF and the Ad Hoc and was incorporated into subsequent deliberations. The Ad Hoc revisited its proposals in light of that input and refined the recommendations reflected in this report.

At the special meeting on August 17, the GRTF received presentations and written submissions from community organizations and municipal partners. Stakeholders emphasized the need for clear communication around the role of the future County Executive, transparent public reporting on budgets and service delivery, and continued public engagement, particularly with historically underserved and unincorporated communities.

On the evening of August 21, the GRTF hosted a community roundtable at the Hall of Administration which focused on collecting feedback from residents on their understanding and opinions of the future office. Participants called for plain-language and multilingual information about the future County Executive's role and authority, how responsibilities will be divided among the County Executive, the Board of Supervisors, departments, and cities, and where residents should turn for constituent assistance.

At its regular meeting on August 26th, the GRTF received the initial recommendations for the County Legislative Analyst, the nonpartisan office of the Board of Supervisors, established by Measure G. The presentation covered the office's purpose, its distinction from the County's existing legislative advocacy function, a three-phase approach to funding and staffing the office so that it is fully operational when the separation of powers takes effect in December 2028, a national search for the inaugural County Legislative Analyst, and the preparatory work of a scoping consultant, an inventory of existing County analytical resources, and a County Counsel report on the enabling ordinance.

Members discussed the recommendations and requested a series of revisions: placing the distinction between the County Legislative Analyst and the legislative advocacy

function at the front of the recommendations; prioritizing the redeployment of existing County positions in every phase; allowing the consultant solicitation to begin ahead of final funding identification; describing how existing positions would move and the anticipated effect on departments; and protecting the office's structure and resources through the enabling ordinance. Each requested revision was made and the County Legislative Analyst recommendations in Section III of this report incorporate those revisions and are presented for the GRTF's consideration.

Recognizing that the transition to the elected County Executive and creation of the County Legislative Analyst will affect communities and governmental partners throughout Los Angeles County, individual meetings, communications and conversations also occurred with community groups, city managers, councils of government and other civic partners. Presentations about Measure G and the future elected County Executive were provided to labor partners, including SEIU Local 721 and the Coalition of County Unions. The GRTF also welcomed input from the County's 88 cities and its unincorporated communities in the form of dozens of letters and messages submitted into the record as public comment. This engagement has helped inform the Task Force's understanding of how the new governance structure can strengthen coordination between County government and the communities it serves, particularly in areas such as constituent services, intergovernmental relations, regional coordination, and service delivery.

This report reflects the work completed to date, but it does not conclude the Elected Executive Ad Hoc's work or the GRTF's engagement with stakeholders and the public. The Ad Hoc and GRTF expect to continue engaging County departments and employees, organized stakeholder groups, the County's 88 cities, unincorporated communities, regional partners, and members of the public in the coming months as additional operating frameworks and transition plans are developed and outstanding governance and implementation questions are addressed.

The recommendations that follow establish an initial framework for the transition to the new governance structure. They seek to provide sufficient clarity regarding the authorities, responsibilities, resources, and institutional capacity necessary to implement Measure G while recognizing that substantial planning and implementation work remains between now and December 2028. The overarching objective is to ensure that Los Angeles County is prepared for an orderly transition and that the inaugural elected County Executive has the information, analysis, and options necessary to make informed decisions about how to organize and lead the executive branch within the framework established by the County Charter, the Board of Supervisors, and the mandate approved by the voters of Los Angeles County.

The recommendations in this report address three foundational components of the new governance structure. For the **elected County Executive**, they establish a framework for executive leadership and management, identify key functions that should transition to the new office, address the resources and flexibility needed to establish the office, and define responsibilities related to department performance, intergovernmental relations, and constituent services. For the **Director of Budget and Management**, the recommendations identify the core budget, fiscal, and administrative functions that should transition from the current Chief Executive Office and call for detailed transition planning to guide that realignment. For the **County Legislative Analyst**, the recommendations establish a pathway for creating an independent, nonpartisan office to provide the Board of Supervisors with policy, fiscal, operational, and legislative analysis, including a phased approach to staffing, funding, recruitment, and organizational development in advance of the new separation-of-powers structure taking effect in 2028, consistent with the County Charter. With this initial framework established, further development of the County Legislative Analyst and its role in supporting the Board's future legislative structure will transition to the Board Expansion Ad Hoc Subcommittee.

## **B. RECOMMENDATIONS**

### **I. County Executive**

Under Measure G, the elected Los Angeles County Executive will serve as the County's chief executive, providing leadership and accountability for the administration of County government. The County Executive will be responsible for setting executive priorities, overseeing departments and services, coordinating the work of the executive branch, implementing policies adopted by the Board of Supervisors, and representing the County in key intergovernmental matters.

**Recommendation #1: Consistent with the language adopted in Measure G, the position shall be publicly referred to as the Los Angeles County Executive.**

**1a.** The Board of Supervisors shall amend its Rules to discontinue use of the title "Mayor" by the Chair of the Board of Supervisors and request that County Counsel identify and prepare any conforming amendments to other governing documents necessary to eliminate references to the Board Chair as "Mayor" or "Mayor/Chair".

**1b.** The Board of Supervisors shall direct the Chief Executive Officer, through the Office of Countywide Communications, to develop and implement a focused public education and outreach campaign in advance of the inaugural election to familiarize residents and

stakeholders with the title, the roles and responsibilities of the office, and how those responsibilities differ from those of the Board of Supervisors, thereby promoting public understanding and informed voter participation.

**Recommendation #2: The County Executive shall be responsible for providing policy direction, operational coordination, and strategic management across the executive branch.**

**2a.** Functions currently housed within the Chief Executive Office that are executive in nature and support the administration, coordination, and implementation of County policy shall transition to the Office of the County Executive. These functions shall include, but are not limited to, Administrative Services; Countywide Communications; Legislative Affairs and Intergovernmental Relations; the Office of Emergency Management; Policy Implementation and Alignment; and Strategic Initiatives, along with the associated responsibilities necessary to support these functions.

**Recommendation #3: The Board of Supervisors shall provide the inaugural elected County Executive with the resources and flexibility necessary to establish, organize, and manage the Office of the elected County Executive and effectively administer the executive branch.** Consistent with Directive 1(j)(i)<sup>2</sup> in the Board of Supervisors' November 26, 2024, directive, implementation of this recommendation shall prioritize the use and realignment of existing County resources and identify funding sources for any additional resources necessary to support the transition to the new governance structure.

**3a.** For the initial implementation period between December 2028 and June 2029, the Board shall provide the inaugural elected County Executive with a transitional operating budget in the form of a discretionary appropriation, subject to standard County fiscal controls. This appropriation shall be in addition to the positions, personnel, resources, and functions that transition from the current Chief Executive Office to the elected County Executive and shall provide the County Executive with the flexibility to recruit and appoint the at-will and unclassified staff necessary to establish the office and effectively administer the executive branch.

**3b.** Beginning with the FY 2029–30 budget process, the elected County Executive shall submit a proposed operating budget for the Office of the County Executive as part of the draft County budget submitted to the Board of Supervisors for its consideration and approval.

---

<sup>2</sup> November 26, 2024 Board Directive, Directive 1 (j)(i)

**3c.** Within the funding appropriated by the Board of Supervisors, the elected County Executive shall have discretion to determine the size, composition, staffing, and organizational structure of the Office of the County Executive necessary to carry out its responsibilities. Consistent with Measure G and the Board's budgetary authority, the elected County Executive shall also have the flexibility to organize and manage executive functions and, through the annual budget process, submit recommendations regarding the creation, consolidation, transfer, or elimination of departments or major functions for consideration and approval by the Board of Supervisors.

**3d.** Consistent with Section 11.28 of the County Charter, the County Executive shall deliver an annual State of the County Address to the Board of Supervisors in conjunction with the proposed budget to report on the performance and condition of the County government, present executive policy and budget priorities for the coming fiscal year, recommend measures for consideration by the Board, and strengthen transparency, accountability, and public understanding of the County's strategic direction.

**Recommendation #4: Upon assumption of the Office, the elected County Executive shall have responsibility for the performance management and evaluation of executive branch department heads as a core component of the Executive's management authority.** The elected County Executive shall have the authority to assess the County's existing performance management practices, including the Management and Appraisal Performance Plan (MAPP) system, and determine whether to retain, modify, or replace those practices to support effective executive leadership, organizational performance, and accountability.

**4a.** To promote continuous improvement across the executive branch and support implementation of the organizational and governance reforms contemplated by Directive 1(j)(ii)<sup>3</sup> in the Board of Supervisors' November 26, 2024, directive, it is recommended that the elected County Executive establish an annual organizational review process as part of the County's budget development cycle. The review should draw upon department head performance evaluations, together with relevant operational, fiscal, and performance data, to assess departmental effectiveness, organizational performance, service delivery outcomes, and opportunities to improve efficiency, coordination, accountability, and County governance. The results of the annual organizational review may inform the elected County Executive's proposed budget and may serve as the basis for recommendations to the Board of Supervisors regarding the creation, consolidation, transfer, or elimination of departments or major functions.

---

<sup>3</sup> November 26, 2024 Board Directive, Directive 1 (j)(ii)

The Ad Hoc recognizes that the GRTF has an ongoing responsibility to develop recommendations regarding qualitative and quantitative performance measures and accountability mechanisms that should inform this organizational review process. Accordingly, the Ad Hoc will continue to review existing county performance management systems and relevant best practices, consult with County departments and other stakeholders, and develop more specific recommendations regarding performance measures, evaluation criteria, reporting, and accountability mechanisms for consideration by the GRTF in future reports. These recommendations should establish a framework that the future elected County Executive can implement and refine as part of the ongoing management of the executive branch.

**4b.** To implement this recommendation, the Board of Supervisors shall:

- Direct County Counsel to prepare the necessary amendments to the Los Angeles County Administrative Code, County ordinances, or other governing provisions to establish the elected County Executive's authority and responsibility for the performance management and evaluation of executive branch department heads and to reflect the County Executive's role in conducting an annual organizational review, consistent with the provisions of Measure G.
- Direct the current Chief Executive Officer to prepare a report assessing the County's existing department head performance management and evaluation process, including the MAPP system and any other relevant practices, policies, roles, and procedures. The report shall document the current process, identify opportunities and considerations for the transition of this responsibility to the elected County Executive, and be made publicly available sufficiently in advance of the inaugural elected County Executive taking office to inform the transition and provide a clear baseline for the incoming administration.

**Recommendation #5: The elected County Executive shall serve as the County's primary executive-branch representative for intergovernmental affairs and legislative advocacy, working in collaboration with the Board of Supervisors to advance the County's legislative and policy priorities at the local, state, and federal levels.** This responsibility shall include leading and coordinating the County's state and federal legislative advocacy; managing relationships with state and federal elected officials, agencies, and other governmental partners; engaging and coordinating with the County's 88 cities and unincorporated communities; and strengthening relationships with regional governmental bodies and agencies.

**5a.** To strengthen intergovernmental collaboration and regional coordination, it is recommended that the elected County Executive establish a regular and structured engagement program with the elected and appointed leadership of the County's 88

cities, representatives of unincorporated communities, and relevant regional partners. This engagement shall provide a forum to identify and understand local priorities; keep local partners informed of County policies and initiatives; strengthen coordination between the County, cities, and unincorporated communities; address shared regional challenges and service delivery issues; and, where interests align, develop coordinated legislative and policy strategies before state and federal policymakers.

**5b.** To support the transition of these responsibilities and further inform the development of the future intergovernmental affairs and legislative advocacy function, the Board of Supervisors shall direct the current Chief Executive Officer to prepare and make publicly available, within 120 days, a transition report assessing the existing structure, staffing, resources, responsibilities, and operations of the County's Legislative Affairs and Intergovernmental Relations (LAIR) function. The report shall assess how the current structure supports state and federal legislative advocacy, engagement with the County's 88 cities and unincorporated communities, and coordination with regional governmental partners, and shall provide recommendations for strengthening these functions under the new governance structure. The report shall be presented to the Ad Hoc and the GRTF to further inform their deliberations and allow for continued refinement of recommendations regarding the structure, responsibilities, and transition of this function before the inaugural elected County Executive takes office.

**Recommendation #6: The elected County Executive should establish a constituent services and public affairs function that serves as the point of coordination for executive-branch responses to community concerns, service delivery issues, and public engagement.** As the government that provides critical safety-net services for residents across Los Angeles County, the County has a particular responsibility to ensure that residents can access services effectively and that departments are coordinated and accountable for responding to community needs.

**6a.** The constituent services function should strengthen accountability for service delivery, improve coordination across County departments, and promote timely and effective responses to residents, with particular attention to the needs of unincorporated communities, where the County serves as both the provider of regional safety-net services and the primary local government.

**6b.** The elected County Executive's constituent services function should be designed to complement the constituent service role of the Board of Supervisors. Board Offices shall continue to advocate on behalf of their constituents, while the elected County Executive should focus on coordinating executive-branch action, resolving cross-departmental service issues, tracking implementation and follow-through, and improving the overall

responsiveness and accountability of County government. Consistent with the November 26, 2024, Board directive, specifically Directives 1(i) and 1(ii)<sup>4</sup>, the elected County Executive should establish quantitative and qualitative performance metrics and accountability mechanisms to regularly evaluate the effectiveness and responsiveness of the constituent services function. Such measures should include, as appropriate, the accessibility and timeliness of constituent services, resolution of service requests, effectiveness of cross-departmental coordination, follow-through on identified issues, and resident experience. The elected County Executive should use these measures to regularly assess performance, identify opportunities for improvement, and strengthen accountability for the delivery of constituent services across the executive branch.

**6c.** To support the transition of these responsibilities and further inform the development of the future constituent services function, the Board of Supervisors shall direct the current Chief Executive Officer to prepare and make publicly available, within 120 days, a transition report on the County's Office of Unincorporated Area Services and the County's existing and prior approaches to constituent services. Consistent with the Board of Supervisors' November 26, 2024 directives, specifically Directives 1(j)(i) and 1(j)(iii), the report shall provide the Ad Hoc and the GRTF with the information and analysis necessary to evaluate the County's approach to constituent services for residents of both incorporated and unincorporated communities, the future direction of and oversight of municipal services in unincorporated areas under the new county governance structure and opportunities to improve quality, responsiveness, coordination, and accountability of County services.

- The report shall describe the Office's current organizational structure, staffing, resources, responsibilities, and services; assess how the Office currently coordinates with County departments and Board Offices to address the needs of unincorporated communities; and identify existing gaps or challenges in service delivery and cross-departmental coordination. The report shall also describe existing mechanisms for coordinating constituent services and addressing service issues affecting county residents within incorporated cities.
- The report shall also include a summary and assessment of constituent service systems, platforms, and coordination models that have been implemented by the County in the past, including lessons learned regarding their effectiveness, limitations, utilization, and opportunities for improvement. Where available, the assessment shall include relevant performance data and information regarding the resident experience with these systems, including the experience of residents in both incorporated cities and unincorporated communities.
- The report shall provide recommendations regarding how the County can strengthen constituent services to incorporated and unincorporated communities,

---

<sup>4</sup> November 26, 2024 Board Directive, Directives 1 (j)(i) and 1 (j)(ii)

improve coordination and accountability across departments, clarify responsibility for resolving cross-departmental service issues, establish effective mechanisms for residents to access and track services, improve coordination with incorporated cities where County and municipal responsibilities intersect, and strengthen the County's overall approach to constituent services. The report shall be presented to the Ad Hoc and the GRTF to further inform their deliberations and allow for continued refinement of recommendations regarding the structure, responsibilities, and transition of the future County Executive's constituent services function.

## **II. Director of Budget & Management**

Under Measure G, the Director of Budget and Management will serve as the County's principal official responsible for budget development, fiscal stewardship, and countywide financial management, as directed by the elected County Executive. The Director will lead preparation and administration of the County budget, oversee key financial and administrative functions, and help ensure that resources are aligned with County priorities and long-term fiscal sustainability.

**Recommendation #1: Upon the installation of the inaugural elected County Executive in 2028, the County's core budget and fiscal stewardship functions currently housed within the Chief Executive Office shall transition to the Office of the Director of Budget and Management, consistent with the responsibilities and authorities established by Measure G.** The Director of Budget and Management shall report to the County Executive and, under the County Executive's direction, shall be responsible for providing the professional budget, financial, and administrative infrastructure necessary to develop and manage the County budget, promote long-term fiscal stability, and support effective stewardship of County resources.

**1a.** As part of the transition planning process, the office of the current Chief Executive Officer has identified a set of functions it considers to be core budget and finance operations that shall transition to the Office of the Director of Budget and Management. These include budget development and operations; budget policy and revenue alignment; finance, accounting, and financing districts; capital programs; classification and compensation; employee relations and benefits; risk management; administrative services; and asset management.

**1b.** The remaining functions currently housed within the Chief Executive Office that are principally executive in nature, including executive leadership, strategic initiatives, policy implementation and alignment, legislative and intergovernmental affairs, countywide communications, emergency management, and other executive management functions,

shall transition to the office of the elected County Executive or otherwise be appropriately aligned within the executive branch.

**Recommendation #2: The Board of Supervisors shall direct the current Chief Executive Officer to continue working with the Ad Hoc to prepare, within 120 days, a detailed transition plan identifying the positions, personnel, resources, programs, and responsibilities associated with the functions proposed to transition to the Office of the Director of Budget and Management.** This recommendation builds on work already underway between the Ad Hoc and the current Chief Executive Officer to evaluate the allocation of existing Chief Executive Office functions, resources, and responsibilities under the future governance structure. Consistent with Directive 1(j)(i)<sup>5</sup> in the Board of Supervisors' November 26, 2024, directive, implementation of this recommendation shall prioritize the use and realignment of existing County resources and identify funding sources for any additional resources necessary to support the transition to the new governance structure. The transition plan shall also identify any functions that require further evaluation because they include both budget and fiscal responsibilities and broader executive or policy responsibilities and provide recommendations regarding their appropriate placement under the new governance structure. The transition plan shall be made publicly available upon completion and presented to the GRTF for its review, providing the GRTF an opportunity to assess the proposed allocation of functions and make additional recommendations, if appropriate, before the new governance structure takes effect.

### **III. County Legislative Analyst**

In the forthcoming Measure G Separation of Powers, the future County Legislative Analyst (CLA) and the existing, but eventually revised County Legislative Affairs and Intergovernmental Relations (LAIR) function, will serve different purposes. The CLA is an independent, nonpartisan office of the Board of Supervisors that analyzes legislation, policy, and fiscal matters for the Board, consistent with the County Charter. LAIR conducts intergovernmental relations and external legislative advocacy on the County's adopted positions and, consistent with the recommendations related to the elected County Executive, is an executive-branch function that will reside with the elected County Executive and is not part of the CLA's Office.

**Recommendation #1: The CLA serves as an independent, nonpartisan office of the Board of Supervisors, separate from the executive branch and reporting directly to the Board, providing objective policy, fiscal, operational, and**

---

<sup>5</sup> November 26, 2024 Board Directive, Directive 1(j)(i)

**legislative analysis to support the Board's legislative, budgetary, and oversight responsibilities.**

**1a.** As used in this report, 'independent' and 'administratively independent' mean that the CLA's Office is a standalone office of the Board of Supervisors, established as its own budget unit and headed by the Board-Appointed County Legislative Analyst; that it reports directly to the Board and not through any other officer or office; that it is separate from the executive branch and is not embedded within, administered by, or subordinate to the Chief Executive Office, the future Office of the County Executive, the Executive Office of the Board of Supervisors, or any other County department, except for the transitional administrative support described in Recommendation 2d. These terms do not mean independence from the Board of Supervisors. The CLA's Office is a resource of the Board, and nothing in this report limits the Board's authority to organize, manage, direct, and set priorities for the office.

**Recommendation #2: The Board of Supervisors shall establish and fund a nonpartisan CLA's Office an administratively independent, nonpartisan CLA's Office providing the staffing, resources, and expertise necessary to support the Board of Supervisors and the legislative process, in three phases:** preparatory work funded from one-time resources identified by the Chief Executive Officer, an initial cohort of positions in the FY 2027-28 budget, and the build to full operating capacity in the FY 2028-29 budget, so that the office is fully operational when the inaugural elected County Executive takes office in December 2028 and separation of powers goes into effect, including the shift of legislative analysis as a supportive function to the Board of Supervisors. and additional capacity in the FY 2028-29 budget as the Board determines, so that the office is fully operational no later than October 1, 2027, more than a year before the inaugural elected County Executive takes office and separation of powers goes into effect. Funding shall support the phased recruitment of expertise in budget and fiscal analysis, public policy, legislative analysis, and program evaluation. Consistent with Recommendation #5, each phase shall prioritize the redeployment of existing County positions and vacant budgeted items before the creation of new positions. It is the GRTF's recommendation that the office be formally operative no later than the seating of the inaugural elected County Executive, and earlier in 2028 if County Counsel confirms the Board's authority under Recommendation #6; the Board shall set the effective date of the enabling ordinance when it adopts the ordinance, informed by County Counsel's report. It is the GRTF's recommendation that the Board of Supervisors appoint the inaugural County Legislative Analyst and that the CLA's Office be formally established and fully operational no later than October 1, 2027. Fully operational means that by that date: (1) the County Legislative Analyst has been

appointed by the Board; (2) the office is staffed with the deputy leadership for fiscal and budget analysis and for legislative and policy analysis, an analyst team in each, and the administrative support described in Recommendation 2b, including every position identified for FY 2027-28 redeployment under Recommendation #5; and (3) the office is delivering analysis to the Board under a first-year work plan, developed under Recommendation #4 and adopted by the Board with the appointment of the CLA, that prioritizes as a first step independent analysis of the FY 2028-29 County budget, including the Recommended Budget and the public budget hearings; analysis of motions and ordinances posted for Board action; and analysis of the Measure G transition actions coming before the Board in 2027 and 2028, including the executive-branch transition plans and reports directed by this report. To meet that date, the Board shall direct the Chief Executive Officer, the Executive Office, the Department of Human Resources, and County Counsel to complete the funding, classification, recruitment, transfer, and ordinance actions described in Recommendations #2 through #6 in time to meet it, using the mechanism identified under Recommendation #6 for establishing the office and its positions in advance of the effective date of Charter Section 10.28, and shall set the effective date of the enabling ordinance accordingly. This schedule relies on the funding sources and the redeployment of existing County resources already identified in Recommendations #2 and #5.

**2a.** The Board shall direct the Chief Executive Officer to identify one-time funding, to fund the preparatory work of establishing the office, beginning with the consultant engagement under Recommendation #4, and to report to the Board on the amount, source, and phasing. The Board shall further direct the Executive Office to initiate the consultant solicitation, through a Request for Information, Request for Statement of Qualifications, or master-agreement work order as appropriate, in advance of final funding identification, so the engagement can begin as soon as funding is available, with any award contingent on identified funding.

**2b.** In the FY 2027-28 budget, the Board shall fund an initial cohort of CLA positions, including the CLA, deputy CLA leadership for fiscal and budget analysis and for legislative and policy analysis, initial analyst teams in each, and administrative support, carried in the Executive Office's FY 2027-28 budget request and developed with the Chief Executive Office through the FY 2027-28 Recommended Budget process. Funding may be appropriated to the office's own budget unit or set aside in Provisional Financing Uses with release conditions established by the Board hiring and transfers shall be completed no later than October 1, 2027; and positions could be drawn from existing County resources to the extent the inventory under Recommendation #5 allows.

**2c.** In the FY 2028-29 budget, the Board shall fund any additional positions necessary to expand the office's capacity, informed by the County Legislative Analyst's first year of operation. In subsequent budgets, the Board shall review the office's size and structure as the Board expands to nine members and adopts any potential new committee structure.

**2d.** Until the office is established as its own budget unit, the Executive Office of the Board of Supervisors shall serve as the office's administrative home for payroll, human resources, procurement, and information technology support, as the Board has done in establishing other Board-reporting offices, with no role in the office's analytical work or products.

**2e.** For any period in which the office's staff are recruited or employed in advance of the office's formal commencement, the Board shall specify, in the enabling ordinance or by Board order, to whom such staff report; the preparatory work they may perform, including organizational design, analytical methods, data-access and budget-calendar protocols with the Chief Executive Office, and recruitment; and the conditions and schedule for release of any funds set aside for the office.

**2f.** Each phase shall include sufficient services-and-supplies funding for the office and contracting authority shall be delegated to the CLA to contract for the professional services and legal expertise required to carry out the office's legislative and analytical mission. This gives the office a mechanism to become operational quickly shall the transfer or hiring of legislative staff be delayed for any reason.

**Recommendation #3: The Board of Supervisors shall direct the Department of Human Resources, in coordination with the Executive Office, to procure an executive search firm to conduct a national search for the inaugural CLA and other key senior leadership positions in the future office of the CLA,** commencing as soon as funding is identified under Recommendation 2a and informed by the initial scoping under Recommendation #4. The search shall be scheduled so that the Board of Supervisors can appoint the inaugural CLA in time to meet the October 1, 2027, date in Recommendation #2. Establishing a new independent, nonpartisan office that is **fully operational** by October 1, 2027 will require a significant ramp-up period. The recruitment process shall be coordinated so that, once selected by the Board of Supervisors, the CLA can be engaged to lead the establishment of the office in advance of its formal commencement and can participate in the selection of the office's senior leadership team.

**Recommendation #4: The Board of Supervisors shall direct the Executive Office to procure, through the County's master agreement process, a legislative analyst subject-matter expert to serve as the office's scoping and implementation consultant until the inaugural CLA is seated.** The Board of Supervisors shall direct the Executive Office to procure, through the County's master agreement process, a legislative analyst subject-matter expert to serve as the office's scoping and implementation consultant until the inaugural CLA is seated. Deliverables shall include the office's functional scope, roles and responsibilities, and organizational framework; staffing profiles by classification level and division sufficient to identify the positions required and those that could transfer from existing County operations; classification specifications for the CLA and the office's analyst series, developed with the Chief Executive Office's Classification and Compensation Division; the office's FY 2027-28 budget request; information-sharing and budget-calendar protocols with the Chief Executive Office and the future Office of Budget and Management; the office's interface with the Board under the current cluster structure, adaptable to a future committee structure; a first-year work plan; and support for the executive search. The consultant shall not exercise the authority of the CLA.

**Recommendation #5: The Board of Supervisors shall direct the Chief Executive Officer, within 90 days, to inventory where legislative, policy, and fiscal analysis work already sits across County government,** including departmental legislative units, analytical functions within the Chief Executive Office and the Office of County Counsel, and vacant budgeted analyst items, and to recommend which positions could be redeployed to the CLA's Office in FY 2027-28 and FY 2028-29, so that the office is built, to the extent feasible, from existing budgeted resources rather than new ongoing net County cost. The inventory shall distinguish analytical functions from external legislative advocacy. The inventory shall also describe how positions would move, including the use of transfers and existing vacant, budgeted or ordinance-created items, and the anticipated effect on departments and service levels. The positions and work functions identified in the inventory for redeployment in FY 2027-28 shall be transferred into the CLA's Office no later than October 1, 2027, consistent with applicable Civil Service Rules and memoranda of understanding, so that the analytical work the County already performs moves with the office.

**Recommendation #6: The Board of Supervisors should direct the Chief Executive Office's Classification and Compensation Division, in coordination with County Counsel, to report within 120 days** on (a) the mechanism for establishing the office and its positions in advance of the effective date of Charter Section 10.28; (b) whether the office's positions shall be classified or unclassified, and the implications of each for

the office's independence, recruitment, and transfer of existing County employees; (c) the enabling ordinance prescribing the CLA's duties, as Section 10.28 requires; and (d) the permissible and recommended effective date of that ordinance, including what the Charter's provision that the office begins in 2028 permits and requires, and the actions required to establish the office and commence formal operations no later than October 1, 2027, in advance of the effective date of Charter Section 10.28, and to conform the office to Section 10.28 when that section takes effect; and (e) how the enabling ordinance can establish and protect the office's staffing structure and resources over time, including the security of future budget allocations, recognizing that Charter Section 10.28 names only the CLA, while preserving the Board's authority to organize and manage the office.

### **C. Next Steps**

The recommendations in this report establish an initial framework for implementing the governance changes approved by voters through Measure G. They are not the end of the GRTF's work on the elected County Executive. Over the next two years, the Task Force, will continue to develop the recommendations, operating frameworks, transition plans, and implementation actions necessary to prepare for the new governance structure.

The Elected Executive Ad Hoc Subcommittee recommends this work be guided by a clear goal: The County should be prepared for the transition by December 2028, and the inaugural elected County Executive should have the information, analysis, and options needed to make informed decisions about how to organize and lead the new executive branch.

Building on the foundational recommendations in this report, the 2027 phase of work should focus on developing the operating frameworks, resolving outstanding governance questions, and conducting the analysis necessary to prepare for implementation. Priorities should include:

1. **Supporting public understanding of the new governance structure**, including the respective roles and responsibilities of the elected County Executive and the Board of Supervisors.
2. **Developing organizational chart options and operating frameworks for key executive functions**, including Constituent Services, services to unincorporated communities, Emergency Management, Intergovernmental Relations, and Labor Relations.

3. **Clarifying areas of shared or intersecting executive and legislative authority**, including contracting, constituent services, land use, and other functions where clear roles, protocols, and working relationships will be important under the new separation-of-powers structure.
4. **Continued reviewing County departments, strategic initiatives, and other functions requiring alignment** within the future governance structure, including functions that may warrant transfer, consolidation, or further evaluation.
5. **Continued engagement with internal and external stakeholders** to gather input on the future operation of the executive branch and identify transition issues that require additional analysis or resolution.
6. **Working with County staff and the Board of Supervisors to finalize the transitional budget framework** for the inaugural elected County Executive, including the resources and flexibility necessary to establish the new office.

In 2028, the work should shift from policy development and organizational analysis toward transition readiness. Priorities for the GRTF could include:

1. **Finalizing transition plans for December 2028**, including the transfer of functions, personnel, resources, authorities, and responsibilities to the elected County Executive and Director of Budget and Management.
2. **Continuing and expanding public education and engagement** so that residents, stakeholders, County employees, candidates, and other partners understand the new governance structure and the respective responsibilities of the elected County Executive and Board of Supervisors.
3. **Preparing information, analysis, and organizational options for the incoming elected County Executive** to inform decisions about executive-branch organization, staffing, management systems, and priorities while preserving the incoming County Executive's ability to shape the administration consistent with the voter-approved Charter.
4. **Assessing longer term governance reform considerations**, such as ranked-choice voting, term limits for the elected County Executive, and other potential structural or electoral reforms that could strengthen County governance, accountability, representation, and public participation, and identifying those matters that may warrant additional study or future action beyond the initial implementation of Measure G.

By December 2028, this work should position Los Angeles County for an orderly transition and establish a strong foundation for the new governance structure. The GRTF's role is to ensure that the authorities, responsibilities, operating frameworks, and transition plans necessary to implement Measure G are clearly established, while preserving appropriate flexibility for the inaugural elected County Executive to organize and manage the executive branch within the parameters established by the County Charter, the Board of Supervisors, and the mandate approved by the voters of Los Angeles County.