

Voting Members

Donald Dear
Chair

Gerald McCallum
1st Vice-Chair

Margaret Finlay
2nd Vice-Chair

Kathryn Barger
John Lee
Robert Lewis
John Mirisch
Holly Mitchell
Francine Oschin

Alternate Members

Anthony Bell
Michael Davitt
Hilda Solis
Vacant
(City of Los Angeles)
Vacant
(Public Member)
Vacant
(Special District Member)

Staff

Paul Novak
Executive Officer

Adriana Romo
Deputy Executive Officer

Amber De La Torre
Doug Dorado
Adriana Flores
Taylor Morris
Alisha O'Brien

80 South Lake Avenue
Suite 870
Pasadena, CA 91101
Phone: 626.204.6500
Fax: 626.204.6507

www.lalafco.org

LIVE VIRTUAL COMMISSION MEETING

LOCAL AGENCY FORMATION COMMISSION

Wednesday, November 8th, 2023

8:30 a.m.

Room 381-B

Kenneth Hahn Hall of Administration
500 West Temple Street, Los Angeles 90012

Entrance to the Commission Meetings requires entry through security screening at any of the public entrances to the Kenneth Hahn Hall of Administration (KHHA):

- 500 West Temple Street (third floor of KHHA)
- 225 N. Hill Street (first floor of KHHA)
- 222 N. Grand Avenue (fourth floor of KHHA)
- Civic Mall/ Grand Park, between KHHA and the Civil Court Building (second floor of the KHHA)

Entrance through any other exterior door of the KHHA is prohibited (all other entrances are locked) due to County of Los Angeles security restrictions.

A person with a disability may contact the LAFCO office at (626)204-6500 at least 72 hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

This meeting is also available for members of the public to attend virtually by phone or web access as follows:

FOR MEMBERS OF THE PUBLIC

TO LISTEN BY TELEPHONE AND PROVIDE PUBLIC COMMENT

DIAL:

1-213-306-3065

Access Code: 2594 548 7232 (English)

Password: 782542

OR TO LISTEN VIA WEB AND PROVIDE COMMENT:

<https://lacountyboardofsupervisors.webex.com/lacountyboardofsupervisors/j.php?MTID=md6a6d4950f96c07ebe9a15a0ba1548b2>

TO PROVIDE WRITTEN PUBLIC COMMENT: Any interested person may submit written opposition or comments by email at info@lalafco.org prior to the conclusion of the Commission Meeting or by mail to the LAFCO Office at 80 S. Lake Avenue, Suite 870, Pasadena, CA 91101, no later than 5:00 p.m. on the business day preceding the date set for hearing/proceedings in order to be deemed timely and to be considered by the Commission.

The entire agenda package and any meeting related writings or documents provided to a majority of the Commissioners after distribution of the agenda package, unless exempt from disclosure pursuant to California Law, are available at www.lalafco.org

1. CALL MEETING TO ORDER

- a. Commissioner(s) request to participate remotely pursuant to Government Code § 54953.(f)(2):

2. PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIR DEAR

3. DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

4. SWEARING-IN OF SPEAKER(S)

5. PUBLIC COMMENT

This is the opportunity for members of the public to address the Commission on any items, including those items that are on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Public comments are limited to three minutes.

6. CONSENT ITEM(S)

All matters are approved by one motion unless held by a Commissioner or member(s) of the public for discussion or separate action.

- a. Approve Minutes of October 11, 2023.
- b. Approve Operating Account Check Register for the month of October, 2023.
- c. Receive and file Update on Pending Proposals.
- d. Legislative Update. (None.)
- e. Executive Officer's Written Report.
- f. Information Item(s) – Government Code § 56751 (city proposal). (None.)
- g. Information Item(s) – Government Code § 56857 (district proposal). (None.)
- h. Miscellaneous Communications –
 - i. Letter of September 26, 2023 from the Special District Risk Management Authority (SDRMA) to Chair Dear concerning five consecutive years of no paid claims.

7. **PUBLIC HEARING(S)**

- a. None.

8. **PROTEST HEARING(S)**

- a. None.

9. **OTHER ITEMS**

- a. Interview Finalists for Alternate Public Member and Appoint the Alternate Public Member.
- b. Proposed Support of the Draft Los Angeles County Water Plan.
- c. Notice Period (Cancellation Option) for Office Lease (80 South Lake Avenue).

10. **REQUESTED POSITION(S) ON LEGISLATION**

- a. None.

11. **COMMISSIONERS' REPORT**

Commissioners' questions for staff, announcements of upcoming events and opportunity for Commissioners to briefly report on their LAFCO-related activities since last meeting.

12. **EXECUTIVE OFFICER'S REPORT**

Executive Officer's announcement of upcoming events and brief report on activities of the Executive Officer since the last meeting.

- a. Written Update
- b. Verbal Update

13. **PUBLIC COMMENT**

This is the opportunity for members of the public to address the Commission on items not on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Speakers are reminded of the three-minute time limitation.

14. **FUTURE MEETINGS**

January 10, 2024
February 14, 2024
March 13, 2024

15. **ADJOURNMENT**

LAFCO

Local Agency Formation Commission
for the County of Los Angeles

DRAFT

Voting Members

Donald Dear
Chair

Gerald McCallum
1st Vice-Chair

Margaret Finlay
2nd Vice-Chair

Kathryn Barger
John Lee
Robert Lewis
John Mirisch
Holly Mitchell
Francine Oschin

Alternate Members

Anthony Bell
Michael Davitt
Hilda Solis
Vacant
(City of Los Angeles)
Vacant
(Public Member)
Vacant
(Special District
Member)

Staff

Paul Novak
Executive Officer

Adriana Romo
Deputy Executive Officer

Amber De La Torre
Doug Dorado
Adriana Flores
Taylor Morris
Alisha O'Brien

80 South Lake Avenue
Suite 870
Pasadena, CA 91101
Phone: 626.204.6500
Fax: 626.204.6507

www.lalafco.org

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES

October 11, 2023

Present:

Donald Dear, Chair

Kathryn Barger
Margaret Finlay
John Lee
Robert Lewis
Gerard McCallum
John Mirisch
Holly Mitchell

Anthony Bell, Alternate

Paul Novak, Executive Officer
Tiffani Shin, Legal Counsel

Absent:

Francine Oschin

Michael Davitt, Alternate
Hilda Solis, Alternate

Vacant:

City of Los Angeles, Alternate Member
Alternate General Public Member
Independent Special District, Alternate Member

1 CALL MEETING TO ORDER

The meeting was called to order at 9:03 a.m. as both an in-person and virtual meeting.

The following item was called up for consideration:

- a. Commissioners request to participate remotely pursuant to Government Code § 54953(f)(2):

(None).

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Dear.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

The Executive Officer (EO) read an announcement, asking if any Commissioners had received a campaign contribution that would require disclosure or any other issue requiring recusal from any item on today's agenda (None).

ANNOUNCEMENTS

The EO announced that the agenda for today's meeting was posted on the LAFCO website on Tuesday, October 3, 2023; and posted at the Kenneth Hahn Hall of Administration on Wednesday, October 4, 2023; in accordance with State law.

Chair Dear announced Carole Suzuki's retirement with the County of Los Angeles, as Senior Deputy County Counsel, and LAFCO's legal counsel, in late October. The Commission and staff congratulated Mrs. Suzuki on her retirement and thanked her for her legal services to LAFCO. Mrs. Suzuki, who attended virtually, indicated it was a pleasure working with the Commission and staff.

4 SWEARING-IN OF SPEAKER(S)

The EO asked if any members of the audience planned to testify (None).

5 PUBLIC COMMENT

(None).

6 CONSENT ITEM(S)

The Commission took the following actions under Consent Item(s):

- a. Approved Minutes of September 13, 2023.
- b. Approved Operating Account Check Register for the month of September 2023.
- c. Received and filed update on Pending Proposals.
- d. Received and filed the Legislative Update.
- e. Received and filed the Executive Officer's Written Report.
- f. Information Item(s) – Government Code §§ 56751 (city proposal).
(None).
- g. Received and filed Information Item(s) – Government Code §§ 56857 (district proposal).
(None).
- h. Miscellaneous Communications.
(None).

MOTION: Finlay SECOND: Barger APPROVED: 9-0-0
AYES: Barger, Bell (Alt. for Oschin), Finlay, Lee, Lewis, McCallum,
Mirisch, Mitchell, Dear
NOES: None.
ABSTAIN: None.
ABSENT: Oschin

7 PUBLIC HEARING(S)

(None).

8 PROTEST HEARING(S)

(None).

9 OTHER ITEMS

The following item was called up for consideration:

- a. Potential Cancellation of the December 13, 2023 Meeting.

The EO summarized the staff report concerning this item.

The Commission took the following action:

- Canceled the December 13, 2023 Commission Meeting, and directed the Executive Officer to send notice via the LAFCO e-mail alert notification system and post associated notice regarding the new Alternate Public Member on the LAFCO website.

MOTION: Mitchell SECOND: Barger APPROVED: 9-0-0
AYES: Barger, Bell (Alt. for Oschin), Finlay, Lee, Lewis, McCallum,
Mirisch, Mitchell, Dear
NOES: None.
ABSTAIN: None.
ABSENT: Oschin

9 OTHER ITEMS

The following item was called up for consideration:

- b. Proposed Commission Meeting Schedule for 2024.

The EO summarized the staff report on this item.

The Commission took the following actions:

- Adopted a Commission Meeting Schedule for Calendar Year 2024; and
- Directed staff to post the adopted Commission Meeting Schedule for Calendar Year 2024 to the LAFCO website.

MOTION: McCallum SECOND: Finlay APPROVED: 9-0-0
AYES: Barger, Bell (Alt. for Oschin), Finlay, Lee, Lewis, McCallum,
Mirisch, Mitchell, Dear
NOES: None.
ABSTAIN: None.
ABSENT: Oschin

9 OTHER ITEMS

The following item was called up for consideration:

- c. FY 2022-23 Davis Farr Audit Planning Letter to the Commission.

Adraina Romo (Deputy Executive Officer) summarized the staff report on this item.

The Commission took the following action:

- Received and filed the Davis Farr Audit Planning Letter to the Commission dated September 27, 2023.

MOTION: McCallum SECOND: Finlay APPROVED: 9-0-0
AYES: Barger, Bell (Alt. for Oschin), Finlay, Lee, Lewis, McCallum,
Mirisch, Mitchell, Dear
NOES: None.
ABSTAIN: None.
ABSENT: Oschin

10 REQUESTED POSITION(S) ON LEGISLATION

(None).

11 COMMISSIONERS' REPORT

Commissioner Finlay asked when the next Southern Region California Local Agency Formation Commissions (CALAFCO) meeting will be held. The EO indicated that the next Southern Region CALAFCO meeting will be held at the 2023 CALAFCO Annual Conference in Monterey, and in January 2024, most likely as a virtual meeting.

12 EXECUTIVE OFFICER'S REPORT

The EO noted that Assembly Bill 557 and Assembly Bill 399 are awaiting the Governor's signature, and that he would report back to the Commission at next month's meeting.

13 PUBLIC COMMENT

(None).

14 FUTURE MEETINGS

November 8, 2023 (Meeting begins at 8:30 a.m. instead of at 9:00 a.m.)
December 13, 2023 (Canceled)
January 10, 2024

/////
/////
/////
/////
/////
/////

/////
/////
/////

15 ADJOURNMENT

Chair Dear adjourned the in-person and virtual meeting at 9:19 a.m.

Respectfully submitted,

Paul Novak, AICP
Executive Officer

12:10 PM
10/26/23
Cash Basis

LA LAFCO
Register Report
October 2023

Type	Date	Num	Name	Paid Amount	Balance
Oct 23					
Check	10/02/2023	WIRE	TRPF 80 South Lak...	-10,929.02	-10,929.02
Bill Pmt -Check	10/11/2023	11682	Certified Records M...	-1,585.07	-12,514.09
Bill Pmt -Check	10/11/2023	11683	Charter Communica...	-447.90	-12,961.99
Bill Pmt -Check	10/11/2023	11684	CTS Clouds LLC	-1,035.00	-13,996.99
Bill Pmt -Check	10/11/2023	11685	Eide Bailly	-356.65	-14,353.64
Bill Pmt -Check	10/11/2023	11686	FedEx	-95.64	-14,449.28
Bill Pmt -Check	10/11/2023	11687	LACERA-OPEB	-1,807.88	-16,257.16
Bill Pmt -Check	10/11/2023	11688	Lagerlof, LLP	-505.96	-16,763.12
Bill Pmt -Check	10/11/2023	11689	ODP Business Solut...	-1,151.76	-17,914.88
Bill Pmt -Check	10/11/2023	11690	Quadient Leasing U...	-501.22	-18,416.10
Bill Pmt -Check	10/11/2023	11691	SP Plus Corporation	-405.00	-18,821.10
Bill Pmt -Check	10/11/2023	11692	Transamerica Life In...	-180.00	-19,001.10
Bill Pmt -Check	10/11/2023	11693	Yvonne Green CPA	-312.50	-19,313.60
Check	10/13/2023	DD	Federal Tax Deposit	-6,697.80	-26,011.40
Check	10/13/2023	DD	State Income Tax	-1,855.23	-27,866.63
Check	10/13/2023	DD	Ambar De La Torre	-2,612.82	-30,479.45
Check	10/13/2023	DD	Douglass S Dorado	-3,792.80	-34,272.25
Check	10/13/2023	DD	Adriana L Flores	-1,379.26	-35,651.51
Check	10/13/2023	DD	Taylor J Morris	-2,496.03	-38,147.54
Check	10/13/2023	DD	Paul A Novak	-6,297.51	-44,445.05
Check	10/13/2023	DD	Alisha O'Brien	-2,794.80	-47,239.85
Check	10/13/2023	DD	Adriana Romo	-4,480.52	-51,720.37
Bill Pmt -Check	10/16/2023	11694	Canon Financial Ser...	-222.93	-51,943.30
Bill Pmt -Check	10/16/2023	11695	Wells Fargo-Elite C...	-243.55	-52,186.85
Bill Pmt -Check	10/16/2023	11696	Tiffani Shin	-377.80	-52,564.65
Check	10/24/2023	WIRE	Davis Farr LLP	-4,000.00	-56,564.65
Bill Pmt -Check	10/26/2023	11697	ATT	-268.33	-56,832.98
Bill Pmt -Check	10/26/2023	11698	CSDA	-1,715.00	-58,547.98
Bill Pmt -Check	10/26/2023	11699	ESRI	-3,740.00	-62,287.98
Bill Pmt -Check	10/26/2023	11700	LACERA	-21,421.10	-83,709.08
Bill Pmt -Check	10/26/2023	11701	SP Plus Corporation	-630.00	-84,339.08
Bill Pmt -Check	10/26/2023	11702	The Lincoln National	-326.18	-84,665.26
Check	10/30/2023	DD	Ambar De La Torre	-2,612.83	-87,278.09
Check	10/30/2023	DD	Douglass S Dorado	-3,792.80	-91,070.89
Check	10/30/2023	DD	Adriana L Flores	-1,616.32	-92,687.21
Check	10/30/2023	DD	Taylor J Morris	-2,496.03	-95,183.24
Check	10/30/2023	DD	Paul A Novak	-6,340.06	-101,523.30
Check	10/30/2023	DD	Alisha O'Brien	-2,794.79	-104,318.09
Check	10/30/2023	DD	Adriana Romo	-4,419.23	-108,737.32
Check	10/30/2023	90269...	Kathryn Barger	-265.35	-109,002.67
Check	10/30/2023	90269...	Margaret E Finlay	-277.05	-109,279.72
Check	10/30/2023	DD	Anthony E Bell	-138.52	-109,418.24
Check	10/30/2023	DD	Donald Dear	-138.52	-109,556.76
Check	10/30/2023	DD	John S Lee	-138.52	-109,695.28
Check	10/30/2023	DD	Robert W Lewis	-138.53	-109,833.81
Check	10/30/2023	DD	Gerard McCallum II	-138.53	-109,972.34
Check	10/30/2023	DD	John A Mirisch	-268.92	-110,241.26
Check	10/30/2023	DD	Holly J Mitchell	-267.93	-110,509.19
Check	10/30/2023	DD	Federal Tax Deposit	-7,041.36	-117,550.55
Check	10/30/2023	DD	State Income Tax	-1,878.69	-119,429.24
Oct 23				-119,429.24	-119,429.24

AGENDA ITEM NO. 6.c. November 8th, 2023						
PENDING PROPOSALS As of October 31st, 2023						
		LAFCO Designation Number	Applicant	Description	Status	Est. Date of Completion
1	DD	Annexation 2006-12 to Los Angeles County Waterworks District No. 40, Antelope Valley	Land Resource Investors	Annex 20 acres of vacant land located at the northeast corner of Avenue J and 37th Street East, City of Lancaster. Will be developed into 80 single family homes.	Incomplete application. Email dated 1-30-13 waterworks stopped working on TTR, no water commitment. Emailed applicant 2-6-22	Unknown
2	DD	Annexation No. 2006-46 to Los Angeles County Waterworks District No. 40, Antelope Valley	Los Angeles County Waterworks District No. 40, Antelope Valley	Annex 1,567 acres of vacant land located near Lake Elizabeth Road and Avenue S in the city of Palmdale. Will be developed into 313 single family home.	Incomplete application. Email dated 1-30-13 waterworks stopped working on TTR, no water commitment. Emailed applicant 2-6-23	Unknown
3	DD	Annexation No. 2011-17 (2006-50) to Los Angeles County Waterworks District No. 40, Antelope Valley	Behrooz Haverim/Kamyar Lashgari	Annex 20.62 acres of vacant land located south of Avenue H between 42nd Street West and 45th Street West in the City of Lancaster. To be developed into single family homes	Incomplete application. Email dated 1-30-13 waterworks stopped working on TTR, no water commitment. Emailed applicant 2-6-24	Unknown
4	DD	Annexation 2008-13 to Los Angeles County Waterworks District No. 40	Lancaster School Dist.	Annex 20.47 acres of vacant land located 2 miles west of the Antelope Valley fw. And the nearest paved major streets are ave. H, And Ave. I, in the City of Lancaster. For future construction of a school.	Application complete, missing BOE fees to place on agenda for approval. Emailed district for fees on 4-18-17	Unknown
5	DD	Reorganization 2010-04 Los Angeles County Waterworks District No. 29	Malitex Partners, LLC	Detach 88 acres of vacant land from the Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No 29 and West Basin Municipal Water District. The project includes future construction of three homes and dedicates open space. The project site is located north of Pacific Coast Highway at the end of Murphy Way, in the unincorporated area adjacent to Malibu.	Notice of Filing sent 07-15-10. Incomplete filing: CEQA. EIR on hold 4-14-15. Applicant requested to keep this file open, pending details how to proceed with the project 04/29/15.	Unknown
6	DD	City of Palmdale Annexation 2010-05	City of Palmdale	49.6 acres located adjacent to residential properties to the southwest, southeast, and separated by the Amargosa Creek to the north.	Notice of Filing sent 1-3-11 Incomplete filing: property tax transfer resolution, insufficient CEQA, unclear pre-zoning ordinance, approved map and legal. Need to include DUC.	Unknown
7	DD	Reorganization No. 2014-03 to the City of Calabasas	City of Calabasas	176± acres immediately north of and adjacent to the 101 freeway between the City of Calabasas and Hidden Hills.	Notice of Filing sent 1-8-15. Incomplete filing: property tax transfer resolution and approved map and legal.	Unknown
8	DD	Annexation No. 2015-10 to the City of Agoura Hills	City of Agoura Hills	117 acres uninhabited territory. Located northeast and southwest of Chesebro Road directly north of the Highway 101	Notice of Filing sent 11-3-15 Incomplete filing: property tax transfer resolution.	Unknown
9	DD	Reorganization No. 2016-01 to the Las Virgenes Municipal Water District	Las Virgenes Municipal Water District	Detachment from West Basin Municipal Water District, and annexation to the Las Virgenes Municipal Water District. Both districts require SOI amendments. The territory consists of 26 single-family homes, generally located south of Cairnloch Street, west of Summit Mountain Way, all within the City of Calabasas.	Notice of Filing sent 04-19-16 Incomplete filing: property tax transfer resolution, and map and legal not approved.	Unknown
10	DD	Annexation No. 2017-09 to the Wilmington Cemetery District	Wilmington Cemetery District	inhabited territory around Wilmington	Notice of Filing sent 6-10-17 Incomplete filing: property tax transfer resolution	Unknown

		LAFCO Designation Number	Applicant	Description	Status	Date Filed	Est. Date of Completion
11	DD	Annexation No. 2018-12 to the City of Agoura Hills	City of Agoura Hills	82.58± acres of inhabited territory to the City of Agoura Hills. Area A of the affected territory is generally located east of the intersection of Liberty Canyon Road and Agoura Road and Area C is generally located west of the intersection of Liberty Canyon Road and Revere Way, in Los Angeles County unincorporated territory adjacent to the City of Agoura Hills	Notice of Filing sent 11-20-18 Incomplete filing: property tax transfer resolution, CEQA, map of limiting addresses, pre-zoning, register voter labels, approved map and geographic description.	11/19/2018	Unknown
12	DD	Reorganization No. 2019-01 to the City of Rancho Palos Verdes	Rajendra Makan	1.17± acres of uninhabited territory located along Re Le Chardlene, east of the intersection of Chandeleur and Rue Le Charlene, in the City of Los Angeles.	Notice of Filing Sent 5-14-19 Incomplete filing: property tax transfer resolution and approved map and legal.	5/14/2019	Unknown
13	DD	Formation No. 2019-06 of the Lower Los Angeles River Recreation and Park District	City of South Gate	Inhabited territory, along the Los Angeles River between Vernon and Long Beach	TTR/Auditors determination, plan for services, and approved map and geographic description.	10/2/2019	Unknown
14	DD	Formation No. 2019-04 of the Acton/Agua Dulce Garbage Disposal District	County of Los Angeles	150,982 acres of inhabited territory. The affected territory is located in the unincorporated county area of Acton and Agua Dulce	Notice of Filing sent 9-29-21 financial info, CEQA, and approved map and geographic description.	9/14/2021	Unknown
15	DD	Formation No. 2019-05 East Antelope Valley Garbage Disposal District	County of Los Angeles	459,925 acres of inhabited territory. The affected territory is located in the unincorporated county area of the Antelope Valley, east of state route 14.	Notice of Filing sent 9-29-21 financial info, CEQA, and approved map and geographic description.	9/14/2021	Unknown
16	DD	Formation No. 2019-06 of the West Antelope Valley Garbage Disposal District	County of Los Angeles	293,394 acres of inhabited territory. The affected territory is located in the unincorporated county area of the Antelope Valley, west of state route 14.	Notice of Filing sent 9-29-21 financial info, CEQA, and approved map and geographic description.	9/14/2021	Unknown
17	DD	Formation No. 2021-07 of the Quartz Hill Garbage Disposal District	County of Los Angeles	6,575 acres of inhabited territory. The affected territory is located in the unincorporated county area of Quartz Hill	Notice of Filing sent 9-29-21 financial info, CEQA, and approved map and geographic description.	9/14/2021	Unknown
18	AOB	Reorganization No. 2021-03 for the Artesia Cemetery District, the Downey Cemetery District, and the Little Lake Cemetery District	Artesia Cemetery District, and behalf of Downey Cemetery District and Little Lake Cemetery District	Reorganization of territories located within Cities of Bellflower, Bell Gardens, Cerritos, Downey, La Mirada, Lakewood, Norwalk, Paramount, Santa Fe Springs, South Gate, and Los Angeles County unincorporated territory (South Whittier).	Notice of Filing Sent 12-22-21 Incomplete filing: property tax transfer resolution.	12/20/2021	Unknown
19	DD	Annexation No. 2021-10 to the City of Bradbury	City of Bradbury	.66± acres of uninhabited territory. The affected territory is located along Royal Oaks Drive North between Braewood Drive and Woodlyn Lane, adjacent to the City of Bradbury.	continued to June 2023	11/29/2021	Unknown
20	DD	Annexation No. 2021-09 to the City of Whittier	City of Whittier	58± acres of inhabited territory. The affected territory is located along Whittier Blvd. between Interstate 605 and Sorensen Ave, adjacent to the City of Whittier.	Notice of Filing sent 12-22-21 Incomplete Filing: property tax transfer resolution, limiting addresses map and list, approved map and geographic description, and BOE fees	12/13/2021	Unknown

		LAFCO Designation Number	Applicant	Description	Status	Date Filed	Est. Date of Completion
21	DD	Reorganization No. 2019-04 to the City of La Verne	Saint George Properties, LLC	19.44± acres of uninhabited territory. The affected territory is located north of Baseline Road and Japonica Avenue, adjacent to the City of La Verne.	Notice of Filing sent 12-22-21 Incomplete Filing: property tax transfer resolution, BOE fees and 2nd application submittal	12/21/2021	Unknown
22	DD	Reorganization No. 2021-11 to the City of Los Angeles	Television City Studios, LLC	.64± acres of uninhabited territory. The affected territory is located south of the intersection of Beverly Blvd and Genesee Ave, surrounded by the City of Los Angeles.	Notice of Filing sent 3-9-22: property tax transfer resolution, limiting address map & list, pre-zoning ordinance, and BOE fees	12/29/2021	Unknown
23	AD	Annexation 58 to District no. 2	Los Angeles County Sanitation Districts	7.37 acres of uninhabited territory. The affected territory is located on the northwest corner of Marianna Avenue and Worth Street, all within the City of Los Angeles.	Notice of Filing Sent 09-29-22 Incomplete filing: property tax transfer resolution. NOTICE OF FILING SENT NOT SENT.	9/27/2022	Unknown
24	DD	Annexation No. 2022-06 to the Los Angeles County Waterworks District No. 40, Antelope Valley	New Anaverde, LLC	1,553 acres of uninhabited territory. The affected territory is generally located southeast of the intersection of Elizabeth Lake Road and Ranch Center Drive.	Need better map and geographic description to start. Incomplete filing: property tax transfer resolution, NOD, LLC documentation, approved map and geographic description.	9/29/2022	Unknown
25	AD	Annexation 767 to District no. 21	Los Angeles County Sanitation Districts	0.32 acres of uninhabited territory. The affected territory is located on the east side of Garey Avenue approximately 100 feet south of White Oak Drive, all within unincorporated Los Angeles County.	Notice of Filing Sent 10-19-22 Incomplete filing: property tax transfer resolution.	10/13/2022	Unknown
26	AD	Annexation 440 to District no. 22	Los Angeles County Sanitation Districts	1.1 acres of uninhabited territory. The affected territory is located on the south side of Holt Avenue approximately 350 feet east of Grand Avenue, all within the City of West Covina.	Notice of Filing Sent 10-19-22 Incomplete filing: property tax transfer resolution.	10/13/2022	Unknown
27	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1107	Los Angeles County Sanitation Districts	9.68 acres of uninhabited territory. The affected territory is located on the west side of Sierra Highway at Soledad Canyon Road, all within the City of Santa Clarita.	Notice of Filing Sent 10-19-22 Incomplete filing: property tax transfer resolution.	10/13/2022	Unknown
28	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1108	Los Angeles County Sanitation Districts	4.41 acres of uninhabited territory. The affected territory is located on the east side of Alderbrook Drive approximately 100 feet north of Oak Orchard Road, all within the city of Santa Clarita.	Notice of Filing Sent 10-19-22 Incomplete filing: property tax transfer resolution.	10/13/2022	Unknown
29	AD	Annexation 769 to District no. 21	Los Angeles County Sanitation Districts	2.36 acres of uninhabited territory. The affected territory is located on the east side of Fruit Street approximately 600 feet north of Foothill Boulevard, all within the City of La Verne.	Notice of Filing Sent 10-25-22 Incomplete filing: property tax transfer resolution.	10/13/2022	Unknown
30	AD	Annexation 439 to District no. 22	Los Angeles County Sanitation Districts	4.29 acres of uninhabited territory. The affected territory is located on Winston Avenue approximately 200 feet south of Lemon Avenue, all within the City of Bradbury.	Notice of Filing Sent 10-25-22 Incomplete filing: property tax transfer resolution.	10/13/2022	Unknown
31	AD	Annexation 765 to District no. 21	Los Angeles County Sanitation Districts	0.75 acres of uninhabited territory. The affected territory is located on the south side of Annellen Street approximately 300 feet east of Hacienda Boulevard, all within unincorporated Los Angeles County.	Notice of Filing Sent 11-22-22 Incomplete filing: property tax transfer resolution.	11/21/2022	Unknown
32	AD	Annexation 438 to District no. 22	Los Angeles County Sanitation Districts	0.98 acres of uninhabited territory. The affected territory is located on Cameron Avenue approximately 160 feet south of Navaro Lane, all within the City of West Covina.	Notice of Filing Sent 11-22-22 Incomplete filing: property tax transfer resolution.	11/21/2022	Unknown
33	DD	Detachment No. 2022-08 from Los Angeles County Waterworks District No. 36, Val Verde	Claremont Homes, Inc.	73 acres of uninhabited territory. The affected territory is located southwest corner of Mandolin Canyon Road and Sloan Canyon Road, all within unincorporated Los Angeles County (Castaic)	Received application packet 3-15-23 Notice of Filing sent 4-3-23 Incomplete filling: property tax transfer resolution	12/13/2022	Unknown
34	AD	Annexation 437 to District no. 14	Los Angeles County Sanitation Districts	1,257 acres of uninhabited territory. The affected territory is located on the southeast corner of Market Street and Enterprise Parkway, all within the City of Lancaster.	Notice of Filing Sent 03-08-23 Incomplete filing: property tax transfer resolution.	1/23/2023	Unknown
35	AD	Annexation 441 to District no. 22	Los Angeles County Sanitation Districts	1,185 acres of uninhabited territory. The affected territory is located on Rancho Del Monico Road approximately 200 feet east of Banna Avenue, all within the City of Covina.	Notice of Filing Sent 03-14-23 Incomplete filing: property tax transfer resolution.	3/14/2023	Unknown

		LAFCO Designation Number	Applicant	Description	Status	Date Filed	Est. Date of Completion
36	AD	Annexation 770 to District no. 21	Los Angeles County Sanitation Districts	1,226 acres of uninhabited territory. The affected territory is located on the southeast corner of Padua Avenue and Lamonette Street, all within the City of Claremont.	Notice of Filing Sent 03-14-23 Incomplete filing: property tax transfer resolution.	3/14/2023	Unknown
37		Annexation No. 2023-01 to the Los Angeles County Waterworks District No. 40, Antelope Valley	Robert Sarkissian	The application proposes to annex approximately 78.97± acres of uninhabited territory to the Los Angeles County Waterworks District No. 40, Antelope Valley. The affected territory is located southwest of the intersection of Blackbird Way and Lockheed Way, in the City of Palmdale.	Notice of Filing sent 2-15-23 Incomplete filing: property tax transfer resolution, map and geographic description	2/15/2023	Unknown
38	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1115	Los Angeles County Sanitation Districts	62.093 acres of uninhabited territory. The affected territory is located on the south side of Bouquet Canyon Road north of Nickie Lane, all within the City of Santa Clarita.	Notice of Filing Sent 04-11-23 Incomplete filing: property tax transfer resolution is missing.	4/4/2023	Unknown
39	AD	Annexation 442 to District no. 22	Los Angeles County Sanitation Districts	0.42 acres of uninhabited territory. The affected territory is located on the north side of Covina Hills Road approximately 200 feet west of San Joaquin Road, all within the City of Covina.	Notice of Filing Sent 04-18-23 Incomplete filing: property tax transfer resolution is missing.	4/5/2023	Unknown
40	AD	Annexation 443 to District no. 22	Los Angeles County Sanitation Districts	39.61 acres of uninhabited territory. The affected territory is located at the northern terminus of Hilltop Drive approximately 120 feet east of Ridge View Drive, all within Unincorporated Los Angeles County.	Notice of Filing Sent 04-11-23 Incomplete filing: property tax transfer resolution is missing.	4/6/2023	Unknown
41	AOB	Reorganization No. 2023-02 to the City of Monrovia (Detachment from the City Arcadia, Annexation to the City of Monrovia)	Elizabeth and Jimmy Kho	0.46 acres of uninhabited territory. The affected territory is generally located at the terminus of El Norte Avenue and 10th Avenue, all within the City of Arcadia. SOI amendments for both the City of Monrovia and the City of Arcadia.	Notice of Filing Sent 05-01-23 Incomplete filing: property tax transfer resolution, approved map and geographic description	4/24/2023	Unknown
42	AOB	Annexation No. 2023-03 to the Los Angeles County Waterworks District No. 40, Antelope Valley	San Yu Enterprises (NorthPoint Development)	121 acres of uninhabited territory. The affected territory is generally located at the intersection of 20th Street West and Avenue F, all within the unincorporated County territory.	Notice of Filing Sent 05-09-23 Incomplete filing: property tax transfer resolution, CEQA	5/4/2023	Unknown
43	AOB	Annexation No. 2023-05 to the Los Angeles County Waterworks District No. 40, Antelope Valley	Real Holdings, LLC (NorthPoint Development)	38 acres of uninhabited territory. The affected territory is located at the corner of West Avenue G and 45th Street West, all within the City of Lancaster	Notice of Filing Sent 06-08-23 Incomplete filing: property tax transfer resolution, CEQA, approved map and geographic description	5/31/2023	Unknown
44	DD	Annexation No. 2023-07 to the City of Duarte	HumanGood	19 acres of inhabited territory. The affected territory is located north of Royal Oaks Drive between Braewood Drive and Woodlyn Lane, in Los Angeles County unincorporated territory adjacent to the City of Duarte.	Notice of Filing sent 6-7-23 Incomplete filing: TTR, pre-zoning, party disclosure, limiting addresses, radius map, mailing labels, approved map and legal	5/31/2003	Unknown
45	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1112	Los Angeles County Sanitation Districts	1.15 acres of uninhabited territory. The affected territory is located on the northeast corner of Church Street and Cherry Drive, all within Unincorporated Los Angeles County.	Notice of Filing sent 6/6/23 Incomplete filing: property tax transfer resolution is missing.	5/30/2023	Unknown
46	AD	Annexation 438 to District no. 14	Los Angeles County Sanitation Districts	121.46 acres of uninhabited territory. The affected territory is located on the southeast corner of 10th Street West and Avenue M/Columbia Way, all within the City of Palmdale.	Notice of Filing sent 6/6/23 Incomplete filing: property tax transfer resolution is missing.	5/30/2023	Unknown
47	AD	Annexation 101 to District no. 20	Los Angeles County Sanitation Districts	39.29 acres of uninhabited territory. The affected territory is located on the north side of Pear Blossom Highway, southeast of Fort Tejon Road, all within the City of Palmdale.	Notice of Filing sent 6/6/23 Incomplete filing: property tax transfer resolution is missing.	5/30/2023	Unknown
48	AD	Annexation 439 to District no. 14	Los Angeles County Sanitation Districts	17.52 acres of uninhabited territory. The affected territory is located on the north side of Avenue J-12 and the west side of 60th Street West, all within the City of Lancaster.	Notice of Filing sent 6/8/23 Incomplete filing: property tax transfer resolution is missing.	5/30/2023	Unknown
49	AD	Annexation 440 to District no. 14	Los Angeles County Sanitation Districts	1.26 acres of uninhabited territory. The affected territory is located on the north side of Avenue L approximately 500 feet west of 50th Street West, all within unincorporated Los Angeles County.	Notice of Filing sent 6/8/23 Incomplete filing: property tax transfer resolution is missing.	5/30/2023	Unknown

		LAFCO Designation Number	Applicant	Description	Status	Date Filed	Est. Date of Completion
50	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1128	Los Angeles County Sanitation Districts	1.11 acres of uninhabited territory. The affected territory is located on Trail Ridge Road south of Live Oak Springs Canyon Road, all within the City of Santa Clarita.	Notice of Filing sent 6/8/23 Incomplete filing: property tax transfer resolution is missing.	5/30/2023	Unknown
51	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1110	Los Angeles County Sanitation Districts	4.41 acres of uninhabited territory. The affected territory is located on the south side of Lost Canyon Road approximately 900 feet east of Sand Canyon Road, all within the City of Santa Clarita.	Notice of Filing sent 6/8/23 Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
52	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1111	Los Angeles County Sanitation Districts	0.95 acres of uninhabited territory. The affected territory is located on the southeast corner of Clearlake Drive and Live Oak Springs Canyon Road, all within the City of Santa Clarita.	Notice of Filing sent 6/8/23 Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
53	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1117	Los Angeles County Sanitation Districts	0.65 acres of uninhabited territory. The affected territory is located on the north side of Beneda Lane approximately 120 feet east of Stonehill Way, all within the City of Santa Clarita.	Notice of Filing sent 06/14/23. Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
54	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1118	Los Angeles County Sanitation Districts	0.69 acres of uninhabited territory. The affected territory is located on the northeast east corner of Scherzinger Lane and Sierra Highway, all within the City of Santa Clarita.	Notice of Filing sent 6/8/23 Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
55	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1119	Los Angeles County Sanitation Districts	0.9 acres of uninhabited territory. The affected territory is located on the southwest corner of Sierra Highway and Sierra Cross Avenue, all within the City of Santa Clarita.	Notice of Filing sent 6/8/23 Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
56	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1123	Los Angeles County Sanitation Districts	2.12 acres of uninhabited territory. The affected territory is located southwest of Stonehill Wy and North of Beneda Ln, all within the City of Santa Clarita.	Notice of Filing sent 06/14/23. Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
57	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1125	Los Angeles County Sanitation Districts	0.54 acres of uninhabited territory. The affected territory is located between Alderbrook Dr, and Hacienda Ln, all within the City of Santa Clarita.	Notice of Filing sent 06/14/23. Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
58	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1126	Los Angeles County Sanitation Districts	1.4 acres of uninhabited territory. The affected territory is located south of Oak Orchard Rd, and north of Placeritos Blvd, all within the City of Santa Clarita.	Notice of Filing sent 06/14/23. Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
59	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1127	Los Angeles County Sanitation Districts	0.35 acres of uninhabited territory. The affected territory is located to the west of Scherzinger Ln and north of Sierra Cross Avenue, all within the City of Santa Clarita.	Notice of Filing sent 06/14/23. Incomplete filing: property tax transfer resolution is missing.	6/1/2023	Unknown
60	AD	Annexation 771 to District no. 21	Los Angeles County Sanitation Districts	5.73 acres of uninhabited territory. The affected territory is located on the south side of Amherst Street approximately 200 feet west of Williams Avenue, all within the City of La Verne.	Notice of Filing sent 07-18-23 Incomplete filing: property tax transfer resolution is missing.	6/21/2023	Unknown
61	AD	Annexation 444 to District no. 22	Los Angeles County Sanitation Districts	0.3 acres of uninhabited territory. The affected territory is located north of Covina Hills Rd and approximately 350 feet west of San Joaquin Rd, all within the City of Covina.	Notice of Filing sent 07-18-23 Incomplete filing: property tax transfer resolution is missing.	6/21/2023	Unknown
62	AD	Annexation 445 to District no. 22	Los Angeles County Sanitation Districts	1.02 acres of uninhabited territory. The affected territory is located on the north side of Holt Avenue approximately 300 feet east of grand avenue, all within the City of West Covina.	Notice of Filing sent 07-18-23 Incomplete filing: property tax transfer resolution is missing. Incomplete filing: CEQA, map of	6/21/2023	Unknown
63	AOB	Out-Of-Agency Service Agreement No. 2023-12 (Paradise Ranch Mobile Home Park)	Paradise Ranch, LLC	24 acres of inhabited territory. The affected territory is located east of Interstate 5 Freeway at Templin Highway Exit, in the unincorporated territory of Castaic.	the affected territory, statement from SCVWA indicating its willingness to continue to provide hauled water, and SCVWA to provide documentation of a threat to the health and safety of the affected residents.	6/26/2023	Sept/Oct 2023
64	AOB	Annexation No. 2023-09 to the Los Angeles County Waterworks District No. 40, Antelope Valley	AV Lands, LLC and Reitzell Jeanie MLR Trust (NorthPoint Development)	39 acres of uninhabited territory. The affected territory is located west of State Route 14, north of Avenue G, and 30th Street West, all within the City of Lancaster.	Notice of Filing Sent 7-13-23 Incomplete filing: property tax transfer resolution, CEQA, approved map and geographic description.	6/26/2023	Unknown

		LAFCO Designation Number	Applicant	Description	Status	Date Filed	Est. Date of Completion
65	AD	Annexation 442 to District no. 14	Los Angeles County Sanitation Districts	9.76 acres of uninhabited territory. The affected territory is located on the east side of 65th Street West approximately 1,300 feet north of Avenue J West, all within the City of Lancaster.	Notice of Filing sent 09-07-23 Incomplete filing: property tax transfer resolution is missing.	6/28/2023	Unknown
66	AD	Annexation 443 to District no. 14	Los Angeles County Sanitation Districts	12.26 acres of uninhabited territory. The affected territory is located on the northwest corner of Avenue J and 60th Street West, all within the City of Lancaster.	Notice of Filing sent 09-07-23 Incomplete filing: property tax transfer resolution is missing.	6/28/2023	Unknown
67	AD	Annexation 444 to District no. 14	Los Angeles County Sanitation Districts	40.24 acres of uninhabited territory. The affected territory is located on the southeast corner of 60th Street West and Avenue K-4, all within the City of Lancaster.	Notice of Filing sent 09-07-23 Incomplete filing: property tax transfer resolution is missing.	6/28/2023	Unknown
68	AD	Annexation 103 to District no. 20	Los Angeles County Sanitation Districts	238 acres of uninhabited territory. The affected territory is located on the south side of Elizabeth Lake Road at Ranch Center Drive and north of Avenue S at Westland Drive, all within the City of Palmdale.	Notice of Filing sent 7-18-23 Incomplete filing: property tax transfer resolution is missing. Fees are missing	6/28/2023	Unknown
69	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1113	Los Angeles County Sanitation Districts	4.32 acres of uninhabited territory. The affected territory is located on the west side of Sierra Highway, approximately 600 feet south of Newhall Avenue, all within the City of Santa Clarita.	Notice of Filing sent 7-18-23 Incomplete filing: property tax transfer resolution is missing. Fees are missing	6/28/2023	Unknown
70	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1121	Los Angeles County Sanitation Districts	39.42 acres of inhabited territory. The affected territory is located on the north and south sides of Placerita Canyon Road west of Golden Oak Lane, all within the City of Santa Clarita.	Notice of Filing sent 7-18-23 Incomplete filing: property tax transfer resolution is missing. Fees are missing	6/28/2023	Unknown
71	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1122	Los Angeles County Sanitation Districts	186.44 acres of uninhabited territory. The affected territory is located at the southern terminus of Mandolin Canyon Road, north and south of Canyon Hill Road/Sloan Canyon Road, and east of Valley Creek Road, all within Unincorporated Los Angeles County.	Notice of Filing sent 7-18-23 Incomplete filing: property tax transfer resolution is missing. Fees are missing	6/28/2023	Unknown
72	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1129	Los Angeles County Sanitation Districts	0.81 acres of uninhabited territory. The affected territory is located on the south side of Violin Canyon Road approximately 650 southeast of Lake Hughes Road, all within unincorporated Los Angeles County.	Notice of Filing sent 7-18-23 Incomplete filing: property tax transfer resolution is missing. Fees are missing	6/28/2023	Unknown
73	AOB	Annexation No. 2023-08 to the Resource Conservation District of the Santa Monica Mountains	Resource Conservation District of the Santa Monica Mountains	Acreage TBD. Inhabited territory. The affected territory to include the entire San Fernando Valley and the eastern Santa Monica Mountains (including Hollywood Hills and Griffith Park), the Verdugo Mountains and lower San Gabriel Foothills as far east as the Arroyo Seco, south through Northeast City of Los Angeles (including Elysian Park) to Downtown Los Angeles.	Notice of Filing TBD. Incomplete filing: property tax transfer resolution, CEQA, approved map and description.	6/29/2023	Unknown
74	AOB	Annexation No. 2023-06 to the Los Angeles County Waterworks District No. 40, Antelope Valley	TDC Palmdale LLC	158 acres of uninhabited territory. The affected territory is located at the northeast corner of 30th Street East and East Avenue M, all within the City of Palmdale.	Notice of Filing 8-15-23. Incomplete filing: property tax transfer resolution, CEQA, approved map and description.	8/7/2023	Unknown
75	DD	Formation No. 2023-11 of the Lower San Gabriel River Recreation and Park District	City of Pico Rivera	32,000 acres of inhabited territory. The affected territory is located along the San Gabriel River.	Notice of Filing 8-28-23 Incomplete filing: map, geographic description, auditors determination, plan for service	6/28/2023	Unknown
76	AD	Annexation 772 to District no. 21	Los Angeles County Sanitation Districts	11.55 acres of uninhabited territory. The affected territory is generally located on the northeast corner of Brea Canyon Cutoff Rd approximately 200 feet South of Colima Rd, all within the unincorporated Los Angeles County.	Notice of Filing sent 09-07-23 Incomplete filing: property tax transfer resolution is missing. Fees are missing	9/5/2023	Unknown

Staff Report

November 8, 2023

Agenda Item No. 6.e.

Executive Officer's Written Report

The Executive Officer reports the following:

- **CALAFCO 2023 Annual Conference:** On October 18-20, CALAFCO hosted its annual conference in Monterey. Commissioner John Mirisch, attorneys Miguel Dager and Tiffani Shin, Executive Officer Paul Novak, and Deputy Executive Officer Adriana Romo represented LA LAFCO at the conference, attending several informative seminars.
- **City of Hidden Hills General Plan Amendment:** Upon its approval (September, 2020) of the Municipal Service Review (MSR) for the Cities of Agoura Hills, Calabasas, Hidden Hills, and Westlake Village, the Commission imposed a condition which required the City of Hidden Hills to amend its General Plan within three (3) years to reflect a revised Sphere of Influence (SOI). Staff is pleased to report that the Hidden Hills City Council adopted the corresponding General Plan amendment at its October 23, 2023 meeting; the City of Hidden Hills is now fully compliant with LAFCO's MSR condition. Staff would like to recognize and thank Hidden Hills City Manager Kerry Kallman and City Engineer Dirk Lovett for their efforts to see this item through to City Council approval.
- **Legislative Update:** Because the 2022-23 Legislative Session has concluded, there is no Legislative Update (typically Agenda Item no. 6.d.) this month. The Legislature reconvenes in early January, 2024. Staff anticipates that monthly legislative updates will resume at your February, 2024 Meeting.

Staff Recommendation:

1. Receive and file the Executive Officer's Report.

September 26, 2023

Mr. Donald Dear
Board President
Local Agency Formation Commission for Los Angeles County
80 S. Lake Avenue, Suite 870
Pasadena, California 91101

REC'D LAFCO
OCT 5 2023 PM12:48

Re: President's Special Acknowledgement Award - Workers' Compensation Program

Dear Mr. Dear,

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Local Agency Formation Commission for Los Angeles County's Governing Body, management, and staff towards proactive loss prevention and workplace safety for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Workers' Compensation Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. Your agency's efforts have resulted in no "paid" workers' compensation claims for the prior five consecutive program years from 2018-23. This is an outstanding accomplishment that serves as an example for all SDRMA members!

In addition to this annual recognition, members with no "paid" claims during 2022-23 earned one credit incentive point (CIP) reducing their annual contribution amount, and members with no "paid" claims for the prior five consecutive program years earned three additional bonus CIPs. Also, members without claims receive a lower "experience modification factor" (EMOD), which also reduces their annual contribution amount.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate your Governing Body, management, and staff for your commitment to proactive loss prevention and safety in the workplace.

Sincerely,
Special District Risk Management Authority



Sandy A. Seifert-Raffelson, President
Board of Directors



President's Special Acknowledgement Award

The President of the Special District Risk Management Authority

Hereby gives special recognition to

Local Agency Formation Commission for Los Angeles County

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Workers' Compensation Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period. Congratulations on your excellent claims record!

Sandy A. Seifert-Raffelson, SDRMA Board President

September 26, 2023

Date

Staff Report

November 8, 2023

Agenda Item No. 9.a.

Interview Finalists for the Alternate Public Member Vacancy and Appoint the Alternate Public Member

Government Code § 56326(f) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the “Act”) requires LAFCO to have a public member appointed by the Commission and permits the Commission to appoint an alternate public member. The Alternate Public Member may serve and vote in place of the regular Public Member when that member is absent or disqualifies himself/herself from participating in a Commission meeting.

The Alternate Public Member position on the Commission became vacant in December of 2022. Since that time, the Commission conducted two exhaustive outreach and public awareness programs; as a result, sixteen (16) individuals filed applications for this position. An Ad Hoc Committee (composed of Second Vice-Chair Margaret Finlay, Commissioner Kathryn Barger, Commissioner Holly Mitchell and Commissioner John Mirisch) convened to review all applications, and the Committee identified six (6) finalists.

After consultation with the Commission, staff scheduled today’s interviews, and confirmed that the six (6) finalists are available.

Once the interview process has ended, the Commission may proceed to select an Alternate Public Member. The other members of the Commission may appoint the Alternate Public Member pursuant to Government Code Section 56326(f). Note that Commissioner McCallum, as the current public member, is not permitted to participate in the vote to appoint the Alternate Public Member pursuant to the Act.

Recommended Action:

1. Interview the finalists present at today’s meeting for the Alternate Public Member vacancy; and
2. Vote to appoint a new Alternate Public Member.

Staff Report

October 11, 2023

Agenda Item No. 9.b.

Proposed Support of the Draft Los Angeles County Water Plan

The Los Angeles County Department of Public Works has prepared a draft Los Angeles County Water Plan (CWP), which County staff hope to schedule for consideration by the Los Angeles County Board of Supervisors in early 2024. Enclosed are copies of the complete draft CWP as well as an Executive Summary.

As noted in these documents, “the CWP articulates a shared, inclusive, regional path forward to sustainably achieve safe, clean, and reliable water resources for Los Angeles County.” The draft CWP identifies four (4) key focal areas (regional water supply reliability; groundwater management and quality; small, at-risk system resilience and drinking water equity; and watershed sediment management) as well as fourteen (14) strategies to achieve those goals. County staff requests that the Commission endorse the proposed CWP.

Staff has reviewed the draft CWP and recommends that the Commission endorse the effort. Staff is particularly impressed by the portions focused on the challenges for small, at risk water systems.

Recommended Action:

Staff recommends that the Commission:

1. Direct the Commission Chair to sign a letter to the Los Angeles County Board of Supervisors in support of the draft Los Angeles County Water Plan (CWP); and
2. Direct staff to transmit said letter to the Los Angeles County Board of Supervisors.

LA COUNTY WATER PLAN

LOS ANGELES COUNTY WATER PLAN

Our Route to Water Supply Resilience

July 2023 | Draft

local

water

resources

collaboration

relationships

regional

resilience

equity
sustainability
opportunity

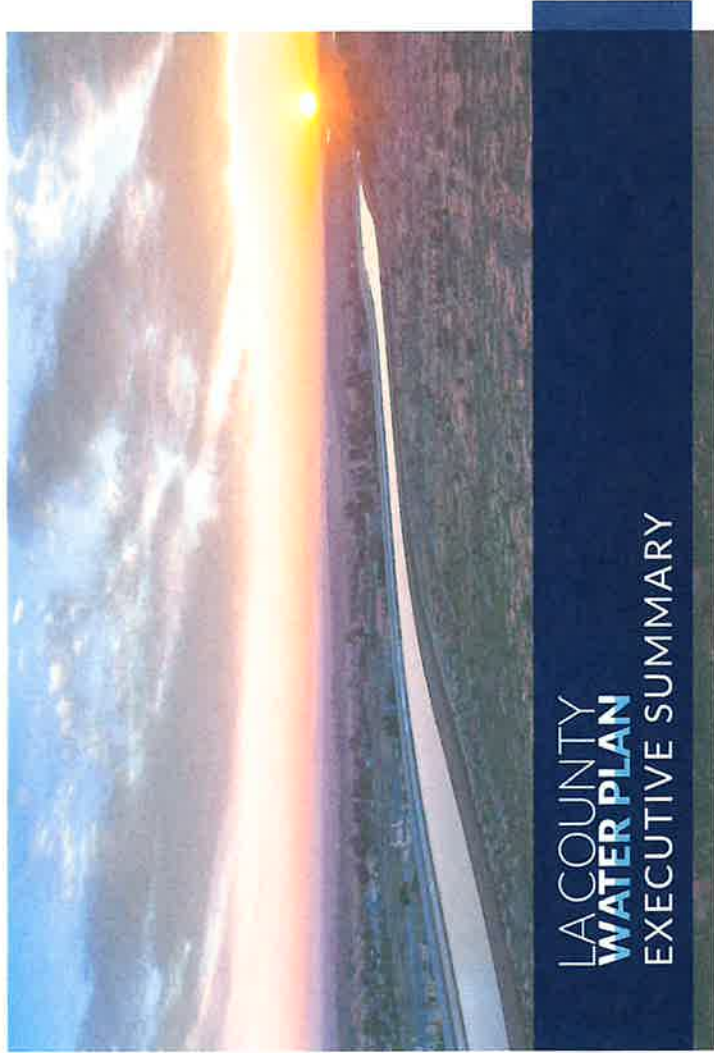
The County of Los Angeles recognizes that we occupy land originally and still inhabited and cared for by the Tongva, Tataviam, Serrano, Kizh, and Chumash Peoples. We honor and pay respect to their elders and descendants – past, present, and emerging – as they continue their stewardship of these lands and waters. We acknowledge that settler colonization resulted in land seizure, disease, subjugation, slavery, relocation, broken promises, genocide, and multigenerational trauma. This acknowledgment demonstrates our responsibility and commitment to truth, healing, and reconciliation and to elevating the stories, culture, and community of the original inhabitants of Los Angeles County. We are grateful to have the opportunity to live and work on these ancestral lands. We are dedicated to growing and sustaining relationships with Native peoples and local tribal governments, including (in no particular order) the

Fernandeño Tataviam Band of Mission Indians
Gabrielino Tongva Indians of California Tribal Council
Gabrieleno/Tongva San Gabriel Band of Mission Indians
Gabrieleño Band of Mission Indians - Kizh Nation
San Manuel Band of Mission Indians
San Fernando Band of Mission Indians

To learn more about the First Peoples of Los Angeles County, please visit the Los Angeles City/County Native American Indian Commission website at lanai.lacounty.gov.

The Los Angeles County Water Plan (CWP) would not have been possible without the guidance, contribution, and support from numerous groups and individuals. Please see Appendix G for a full list of contributors.

PAGE LEFT INTENTIONALLY BLANK



LACOUNTY WATER PLAN EXECUTIVE SUMMARY

OUR ROUTE TO RESILIENCE, TOGETHER

Climate change is establishing a “new normal” of more frequent and intense droughts, coupled with less frequent but more torrential rains. Recognizing this new climate reality and the need to be thoughtful stewards of future water supplies, the Los Angeles County Board of Supervisors envisioned the development of a countywide water plan focused on collaborative management of Los Angeles County’s water resources. Los Angeles County Public Works (Public Works) developed this Los Angeles County Water Plan (CWP), together with water resources organizations and an array of diverse stakeholders, to secure Los Angeles County’s water future and achieve our collective vision of equitable and sustainable water resources for everyone. The CWP builds upon the Infrastructure LA initiative, establishing the path to realizing our vision that is rooted in cross-sector collaboration and coalition building.

VISION

The CWP articulates a shared, inclusive, regional path forward to sustainably achieve safe, clean, and reliable water resources for Los Angeles County.

SHARED OPPORTUNITIES FOR WATER RESILIENCE

THE CWP FOCUSES ON ACHIEVING REGIONAL WATER RESILIENCE THROUGH COLLABORATIVE STRATEGIES. Over 200 agencies in Los Angeles County manage a complex network of water systems to meet the needs of our communities and environment. To achieve sustainability and resilience, cross-sector teamwork and a holistic approach to best leverage natural systems and infrastructure are essential. The CWP is a living document. The Targets, Strategies, and Actions are a starting point in this effort.

It is not intended to address every water-related issue in Los Angeles County. Instead, it builds upon and complements the many existing local and regional water planning efforts by focusing on four key focal areas where new or additional regional collaboration can add value. These four key focal areas were established through a gaps analysis, which included a review of local and regional planning documents, along with initial stakeholder discussions encompassing a variety of perspectives. For each of the four key focal areas, the CWP describes shared desired outcomes, identified by Public Works through discussions with numerous groups and individuals. The CWP provides an approach for achieving these desired outcomes through collaboration and a platform for measuring progress.

CWP Four Key Focal Areas



REGIONAL WATER SUPPLY RELIABILITY

Improving regional water supply reliability by better leveraging our collective local and imported water resources and infrastructure.



GROUNDWATER MANAGEMENT AND QUALITY

Realizing our shared groundwater management opportunities by sharing expertise and resources to overcome challenges.



SMALL, AT-RISK SYSTEM RESILIENCE AND DRINKING WATER EQUITY

Ensuring a consistently high standard of water service for everyone in Los Angeles County by providing regional support for small systems, with focused attention to underserved communities.



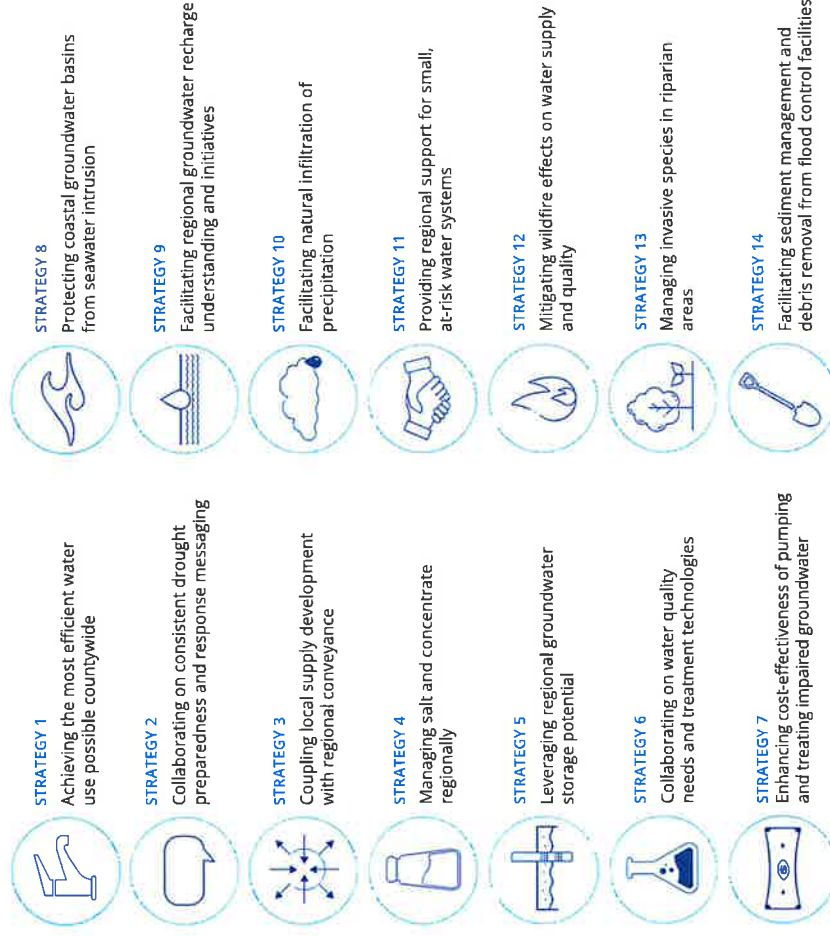
WATERSHED SEDIMENT MANAGEMENT

Mitigating the impacts of wildfire on our water supplies through coordinated efforts between land and water managers.

REGIONAL STRATEGIES, REGIONAL BENEFITS

The CWP is organized around a framework of targets and strategies, which are supported by specific actions. Targets measure collective progress toward the shared desired outcomes for the key local areas of the CWP. These targets are intended to help Los Angeles County achieve regional water resilience by 2045. See Chapter 2 for more on targets. We will publish an interactive dashboard to track progress toward these targets. Strategies provide the overarching approaches to achieving the targets. Actions support the strategies and include specific steps to drive results, along with timing, and responsible agencies.

Strategies for a Resilient Water Future



VALUES GUIDING FUTURE ACTION

At the onset of CWP development, Public Works proactively reached out to a diverse group of stakeholders to understand what matters to them. We identified several broad, overarching values for the CWP through these conversations. Some of these values provided core tenets to our overall process for preparing the CWP. Others guided us in establishing targets, strategies, and actions. Other values, while not directly addressed through the actions in the CWP, will continue to inform how water resource management is approached. Each of these values will guide future iterations of the plan, as well as steps taken throughout CWP implementation.

These values are aligned with LA County's Anti-Racism, Diversity, and Inclusion (ARDI) Initiative, which aims to guide the County by offering training and capacity building, technical assistance and planning, policy analysis and development, data collection, analysis and reporting, community and stakeholder engagement, and equity infused resourcing and programming to help reach its goals.

CWP VALUES

- Consider equitable benefits and impacts of water resource management decisions
- Ensure inclusive, diverse, multigenerational, and sustained community engagement
- Use data to inform policies, priorities, and practices
- Encourage multi-benefit projects and green infrastructure
- Integrate vegetated and nature-based solutions
- Promote capacity building of a local skilled workforce
- Incorporate tribal knowledge into water management
- Ensure CWP is actionable and adaptable
- Address climate resiliency
- Establish clear communications—outline priorities, listen, incorporate feedback, maintain dialogue



The CWP aims for sound stewardship of all watersheds and groundwater basins that uplifts all communities. The CWP outlines a path to achieve a resilient water future for all Los Angeles County residents. Everyone has a role in successfully realizing the CWP. By working across County departments and with other partners, actively engaging stakeholders, seeking funding to support CWP implementation, and tracking and reporting on progress, we are committed to facilitating the ongoing collaboration that is core to making the CWP successful.

TABLE OF CONTENTS

Los Angeles County Water Plan Executive Summary	4
Chapter 1: Los Angeles County Water Plan Vision	10
Achieving Regional Water Resilience through Collaboration	10
Focusing on Regional Challenges	12
CWP Structure	14
Values Guiding Future Action	15
Working Together to Develop the CWP	16
Chapter 2: Targets for a Resilient Water Future	18
Regional Water Supply Reliability	20
Groundwater Management and Quality	21
Small, At-Risk System Resilience and Drinking Water Equity	22
Watershed Sediment Management	23
Chapter 3: Strategies and Actions for a Resilient Water Future	24
Strategy 1: Achieving the most efficient water use possible countywide	26
Strategy 2: Collaborating on consistent drought preparedness and response messaging	28
Strategy 3: Coupling local supply development with regional conveyance	30
Strategy 4: Managing salt and concentrate regionally	32
Strategy 5: Leveraging regional groundwater storage potential	34
Strategy 6: Collaborating on water quality needs and treatment technologies	36
Strategy 7: Enhancing cost-effectiveness of pumping and treating impaired groundwater	38

Strategy 8: Protecting coastal groundwater basins from seawater intrusion	40
Strategy 9: Facilitating regional groundwater recharge understanding and initiatives	42
Strategy 10: Facilitating natural infiltration of precipitation	44
Strategy 11: Providing regional support for small, at-risk water systems	46
Strategy 12: Mitigating wildfire effects on water supply and quality	48
Strategy 13: Managing invasive species in riparian areas	50
Strategy 14: Facilitating sediment management and debris removal from flood control facilities	52
Chapter 4: Working Together for a Resilient Water Future	56
Facilitating the CWP Program	57
Engaging in the CWP Program	59
Our Road to Water Resilience Together	59

Appendices

Appendix A: Two-Year Action Plan	
Appendix B: CWP Targets	
Appendix C: Related Planning Efforts	
Appendix D: CWP Development Meetings and Outcomes	
Appendix E: Strategies and Actions Crosswalk to Existing Planning Efforts	
Appendix F: Acknowledgements	
Appendix G: Abbreviations	



CHAPTER 1 ACHIEVING REGIONAL WATER RESILIENCE THROUGH COLLABORATION

The Los Angeles County Water Plan (CWP) focuses on achieving countywide water resilience through collaborative strategies. Over 200 agencies manage a complex network of water systems to meet the needs of our communities and environment. Cross-sector teamwork and a holistic approach to best leverage natural and engineered systems are essential to achieve safe, clean, and reliable water resources for the present and future generations of Los Angeles County. This chapter provides the vision for the CWP, along with an overview of the CWP development process and outcomes.

VISION

The CWP articulates a shared, inclusive, regional path forward to sustainably achieve safe, clean, and reliable water resources for Los Angeles County.

While the opportunities for more effective water management are great, water resources in Los Angeles County are becoming increasingly stressed. Climate change is establishing a “new normal” of more frequent and intense droughts, coupled with less frequent but more torrential rains. Groundwater basin levels are declining, and some of our most underserved communities do not have equitable access to consistently reliable, high-quality drinking water. California wildfires, sometimes fueled by invasive species, can impact water supplies and water quality. At the same time, water management in Los Angeles County is already rapidly evolving to address many of the region’s most pressing water issues. **Water agencies throughout Los Angeles County are working to solve these challenges.**

Regional programs that capture stormwater or produce recycled water are contributing significantly to the region’s objectives. Recognizing the value in working together, these agencies are eager to collaborate with each other and community stakeholders to develop integrated programs and projects that provide innovative solutions to complex problems.

In 2016, in the face of a new climate reality and recognizing the need to be thoughtful stewards of water supplies, the Los Angeles County Board of Supervisors called for the articulation of specified actions to secure Los Angeles County’s water future. Public Works – as a regional entity with integrated interests – is well-positioned to facilitate countywide coordination to enhance water resilience, building upon the cross-sector collaboration that is being facilitated through the Infrastructure LA Initiative. Working together with water resources organizations and a diverse array of stakeholders in Los Angeles County, we developed this CWP to achieve our collective vision of equitable and sustainable water resources for everyone.



Castaic Lake: Clean water and healthy watersheds are vital resources to Los Angeles County residents



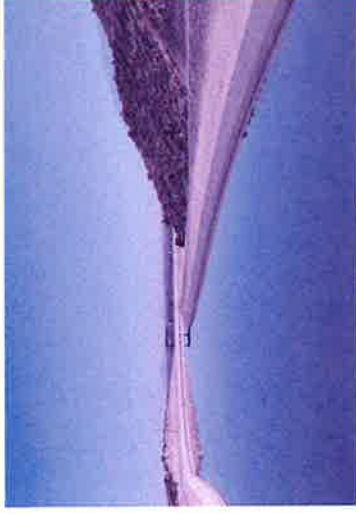
All residents of Los Angeles County, present and future generations, deserve safe, clean, and reliable water resources

ESTABLISHING FOCAL AREAS

Since water resilience is of shared interest across agencies and customers, planning for our future water resources is a shared responsibility. Working together with water resource managers and diverse stakeholders in Los Angeles County, we developed the CWP to complement existing local and regional efforts, specifically focusing on challenges where collaboration can add value.

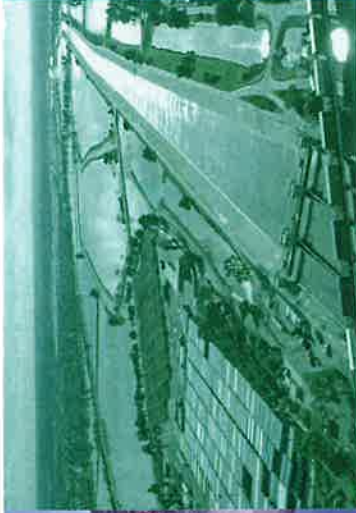
The key focal areas for this first iteration of the CWP reflect a subset of the opportunities to improve water resource management through regional collaborative approaches, in particular those not currently being provided through other efforts. The CWP is a living document and future iterations of the CWP may focus on additional or different issues as water resource needs in Los Angeles County continue to evolve. The CWP is not intended to address every water-related issue in Los Angeles County, but to make progress in the following four key focal areas.

REGIONAL WATER SUPPLY RELIABILITY



Throughout the County there is a focus on leveraging local resource development like maximizing recycled water through agency-led projects and the Safe, Clean Water Program that will create significant local supply through stormwater quality improvement. To address the challenges of climate change, water supply reliability must be considered through a regional and integrated view of supplies including natural rivers, streams, lakes, groundwater basins, and engineered systems throughout Los Angeles County. By viewing these systems as regional networks, water resource managers can adopt a collaborative planning perspective beyond individual jurisdictional boundaries, ownership factors, or singular functions. In turn, the region is able to better leverage the collective local and imported water resources, infrastructure, and relationships to improve regional water supply reliability.

GROUNDWATER MANAGEMENT AND QUALITY



Groundwater basins in Los Angeles County share management challenges and opportunities. Given that nearly all of Los Angeles County's groundwater basins are managed through formal adjudication agreements, management discussions are often separated by basin which has historically limited opportunities for collaboration. Regional collaboration to seek solutions that leverage collective expertise and resources to benefit Los Angeles County as a whole can help overcome shared challenges across groundwater basins.

SMALL, AT-RISK SYSTEM RESILIENCE AND DRINKING WATER EQUITY



Small water systems play a key role in providing water supply to communities in Los Angeles County but some small systems are particularly at risk due to a variety of circumstances including aging or inadequate infrastructure and lack of funding, especially within underserved communities. Regional support for small systems can ensure that a consistently high standard of service be achieved and maintained throughout Los Angeles County.

WATERSHED SEDIMENT MANAGEMENT



The increase in frequency and intensity of wildfires within Los Angeles County has both direct and indirect impacts on water supply and water quality. Land and water managers, together, can mitigate wildfire potential and manage the impacts from post-fire rainfall events to improve the resilience of our water supply and infrastructure.

CWP STRUCTURE

The CWP is organized around regional targets for water resilience, along with strategies and actions to support progress on these targets. The targets, strategies, and actions and their respective roles in addressing the CWP's focal areas are defined below.

Targets:

Targets provide a quantitative representation of shared desired outcomes for regional water resilience across Los Angeles County by 2045. Targets are intended to be met through CWP strategies and actions along with other local and regional efforts. These targets provide a metric to measure and track progress implementing the CWP. A detailed discussion of target development and analysis can be found in Appendix B.

Strategies:

Fourteen overarching strategies provide the regional, collaborative approaches to achieving the targets. The strategies can be implemented through the CWP directly or indirectly through acknowledgement or support of other programs and planning efforts that have a shared purpose. More information on related planning efforts is available in Appendix C.

Actions:

Actions include specific steps that can be carried out, through an ongoing CWP implementation process, to support the strategies. As many of the larger actions may require several interim steps to be completed, the CWP contains a two-year Action Plan (Appendix A). The Action Plan provides further specificity for potential next steps that can be used to advance the discussion of implementation and corresponding resources.

Equation for a Resilient Water Future

$$\text{CWP Strategies \& Actions} + \text{Other Local and Regional Efforts} = \text{CWP Targets}$$

VALUES GUIDING FUTURE ACTION

At the onset of CWP development, Public Works proactively reached out to a diverse group of stakeholders to understand what matters to them. We identified several broad, overarching values for the CWP through these conversations. Some of these values provided core tenets to our overall process for preparing the CWP. Others guided us in establishing the targets, strategies, and actions. Other values, while not directly addressed through the actions in the CWP, will continue to inform how the CWP approaches water resource management.

Although these values are not explicitly referenced within every target, strategy, and action, they are fundamental to the plan as a whole and will continue to guide future iterations of the plan, as well as steps taken throughout CWP implementation.

These values are aligned with LA County's Anti-Racism, Diversity, and Inclusion (ARDI) Initiative, which aims to guide the County by offering training and capacity building, technical assistance and planning, policy analysis and development, data collection, analysis and reporting, community and stakeholder engagement, and equity infused resourcing and programming to help reach its goals.

CWP VALUES

Consider equitable benefits and impacts of water resource management decisions

Ensure inclusive, diverse, multigenerational, and sustained community engagement

Use data to inform policies, priorities, and practices

Encourage multi-benefit projects and green infrastructure

Integrate vegetated and nature-based solutions

Promote capacity building of a local skilled workforce

Incorporate tribal knowledge into water management

Ensure CWP is actionable and adaptable

Address climate resiliency

Establish clear communications—outline priorities, listen, incorporate feedback, maintain dialogue

WORKING TOGETHER TO DEVELOP THE CWP

Building on the foundation of the OurCounty Sustainability Plan, the CWP was developed through a series of dialogues with nearly 100 water management agency representatives, tribes, non-governmental organizations, local governments, and stakeholders. After first defining the collective needs and desired outcomes for our region's water resilience, stakeholders progressed from development of targets to strategies and finally to a specific, implementable two-year Action Plan. Details on the meetings and workshops that supported CWP development are provided in Appendix D.

Identifying priorities

Prior to beginning CWP development, a gaps analysis was performed to understand water resource needs in Los Angeles County. This initial step included a review of local and regional planning (much of which was conducted on a watershed scale) and regulatory documents, and State and Federal legislation. To provide a better understanding of regional priorities, initial discussions were held with stakeholders representing a variety of perspectives. This gaps analysis provided diverse perspectives on water management challenges, initiatives, local planning efforts, and participation in the development of the CWP from entities throughout Los Angeles County, including the Santa Clarita Valley, Antelope Valley, and Greater Los Angeles area.

Previous work done through the Integrated Regional Water Management (IRWM) process informed much of the discussion including an understanding of existing local efforts that support equitable and sustainable water resources. The gaps analysis also considered input received during the OurCounty and the Safe, Clean Water Program initiatives. Significant recycled water programs are being spearheaded by agencies including the City of Los Angeles, Metropolitan Water District of Southern California, Los Angeles County Sanitation Districts, Las Virgenes Municipal Water District, and Santa Clarita Valley Water District. We will be building off the work they are doing to further regional collaboration that has already begun through these programs.



Establishing targets, strategies, and actions

Targets, strategies, and actions were developed through an iterative process, with multiple groups contributing ideas and building upon concepts identified by one another through a series of 45 workshops and listening sessions. Facilitated dialogue in workshop-style settings enabled content to be developed through discussion with stakeholders across multiple sectors. The CWP benefited from broad input across interests and geographies by partnering with the three IRWM regions in Los Angeles County and using their meetings to workshop ideas and concepts. Feedback received through other regional efforts, such as the Safe, Clean Water Program and OurCounty Sustainability Plan, also informed the CWP development. In addition to the workshops, many meetings were held with tribes, environmental and environmental justice organizations, water management entities, local governments, and other stakeholders across Los Angeles County. The workshops and other meetings helped to develop targets, identify regional strategies, and create a realistic action plan. The workshops and other meetings also provided opportunities for stakeholders to express their interest to participate in the CWP implementation.



CHAPTER 2 TARGETS FOR A RESILIENT WATER FUTURE

CWP targets reflect shared desired outcomes for regional water resilience across Los Angeles County by 2045. Meeting these targets requires successful implementation of both local and regional efforts, projects, and programs, including many efforts led outside of the CWP. Guided by implementable two-year action plans, CWP strategies and actions will support progress towards targets. The targets were developed to enable future progress tracking that leverages existing and easily reportable data sources in addition to any new information on benefits provided by stakeholder projects.

Targets that were meaningful and measurable were identified through the CWP planning effort. The resulting targets within each of the four focal areas are presented in this chapter with corresponding metrics and background context. Further details as to how each individual target was developed and how it will be tracked are included in Appendix B.

When stakeholders were asked their desired outcomes for future water resilience, some examples they gave were:

- “Equity, affordability and resilience”
- “Ability to withstand droughts”
- “Better connectivity between isolated systems”
- “Reduce fire-related damage”
- “Understanding of opportunities for partnerships”
- “Regional forum to discuss common concerns, issues, opportunities”

MEANINGFUL TO REFLECT DESIRED OUTCOMES

Within each of the focal areas, we asked the question “What are our desired outcomes for future water resilience?” Targets were formed to provide a meaningful yet quantifiable expression of those strongly- and commonly-held desired outcomes. Targets are intended to be County-wide or regional.

As an example, targets developed for the Regional Water Supply Reliability focal area reflect more than the desire to fully leverage local supply potential across Los Angeles County. They were also selected to provide regional consistency in how we address water use efficiency as well as drought and emergency response.



REGIONAL WATER SUPPLY RELIABILITY



GROUNDWATER MANAGEMENT AND QUALITY



SMALL, AT-RISK SYSTEM RESILIENCE AND DRINKING WATER EQUITY



WATERSHED SEDIMENT MANAGEMENT

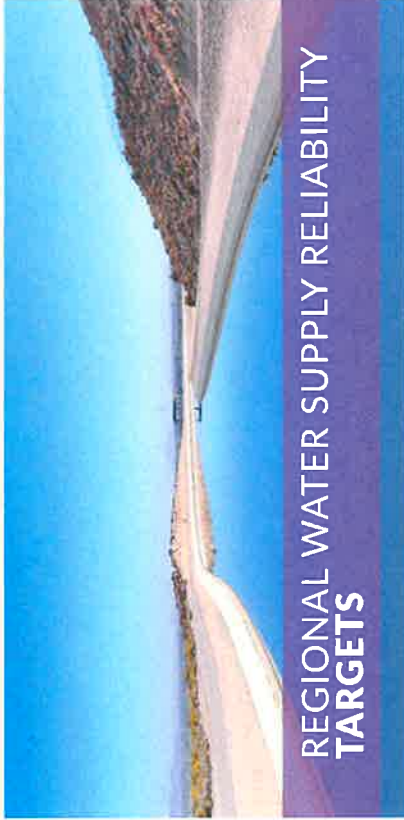
Targets reflect desired outcomes in each of the four CWP focal areas

MEASURABLE FOR FUTURE TRACKING

To ensure that progress in achieving CWP targets was trackable, a numeric element was added to each target concept. The numeric element was developed by first defining the current (or baseline) conditions and building upon the baseline to set an achievable goal by 2045. Sources and methods for acquiring data that can be used to track measurable progress toward that number were also considered. As an example, the targets created for the Groundwater Management and Quality focal area establish volumetric goals for both groundwater production and recharge that build upon current baseline levels. These targets were specifically selected to leverage data and information regularly reported through adjudication and/or other management frameworks.

TYPE	DATA SOURCE	METRIC	CALCULATION
How target can be quantified	How data will be collected	How target will be tracked	How data will be processed

We used a four-step process to develop both meaningful and measurable targets. Further details are provided in Appendix B.



REGIONAL WATER SUPPLY RELIABILITY TARGETS

A

Achieve 100% compliance with State Urban Water Use Objectives

Metric: Percent of suppliers that are meeting their State Urban Water Use Objective

B

Increase local supply sources by 580,000 AFY

Metric: Total water supply that is sourced within Los Angeles County

C

Meet 100% of water demands even in times of drought

Metric: Percent of water agencies that do not require Water Shortage Contingency Plans be implemented higher than Level 1

D

Maximize ability to meet health and safety needs following an emergency by maintaining access to six months of emergency supply

Metric: Percent of water agencies that have access to six months of water supply for an emergency

Providing reliable water supplies in drought conditions is an increasing challenge across Los Angeles County. The CWP defines water supply reliability as the ability to meet current and future needs 100% of the time, including during emergencies. The CWP targets indicate the desire for increases in water conservation and efficiency as well as the further development of local supplies to improve resilience in the face of both longer-term droughts as well as near-term emergencies.

The targets reflect an alignment with the upcoming State Water Use Objectives, which are being developed by the State Water Resources Control Board (SWRCB) and will be released after this initial iteration of the CWP. Although imported water will play a vital role in Los Angeles County in the foreseeable future, increasing local sources of water promotes water supply diversity, autonomy, and reliability as well as long-term drought resilience. In addition, water use efficiency and local supplies provide environmental benefits by reducing energy consumption and improving local water quality as well as increasing local workforce. Near-term emergency resilience is equally important and greatly enhanced by maintaining sufficient levels of locally-developed and stored supplies throughout the County.



GROUNDWATER MANAGEMENT AND QUALITY TARGETS

E

Optimize production of groundwater by maintaining at least 700,000 AFY baseline groundwater production

Metric: Average annual countywide AFY of groundwater production

F

Optimize production of groundwater by increasing production in areas overlying impaired groundwater by 18,000 AFY

Metric: Average annual production from new treatment projects, wells brought back online, and new wells (AFY)

G

Increase groundwater recharge and storage by enhancing regional facility recharge by 250,000 AFY

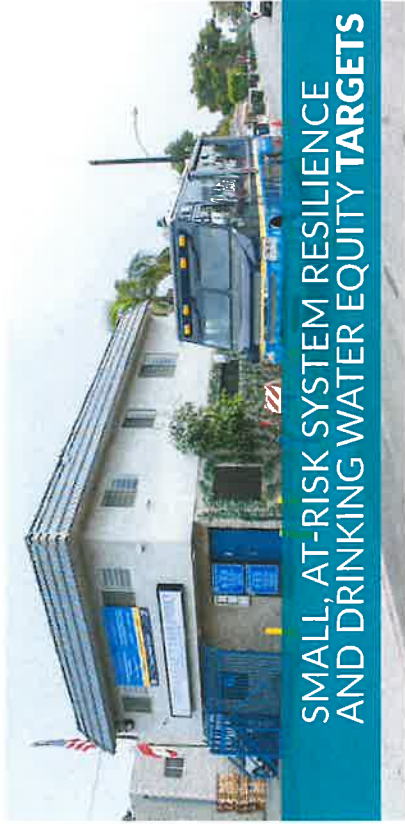
Metric: Average annual countywide AFY of groundwater recharge at existing and future facilities/spreading grounds

H

Increase groundwater recharge and storage by increasing decentralized infiltration by 30,000 AFY

Metric: Average annual countywide AFY of groundwater recharge outside of existing and future facilities/spreading grounds

Groundwater basins provide a critical source of local supply along with seasonal and annual storage that can be accessed during drought conditions. The ability to fully maximize groundwater basin potential for both supply and storage can be constrained by water quality regulations, sea level rise, poor water quality, and regulated remediation zones. While groundwater basins are managed in isolation of each other, these shared constraints can benefit from shared solutions. Unused local, impaired (or "stranded") groundwater is poorer quality water that would require additional relatively cost-ineffective treatment and/or conveyance for beneficial use. Being able to further tap into and use localized areas of impaired groundwater would enhance regional resilience. Additionally, leveraging combined groundwater storage potential through enhanced groundwater recharge of local and imported water would improve local emergency, seasonal, annual, and long-term supply reliability.



SMALL, AT-RISK SYSTEM RESILIENCE AND DRINKING WATER EQUITY TARGETS

I Reduce at-risk systems by 100%

Metric: Number of water systems classified as in the categories of failing, at-risk, or potentially at-risk

J 100% of water agencies in severely disadvantaged communities have affordable cost of water to meet health and safety needs

Metric: Percent of water agencies in severely disadvantaged communities where the cost of water for health and safety (6,000 gallons) does not exceed 2.5% median household income

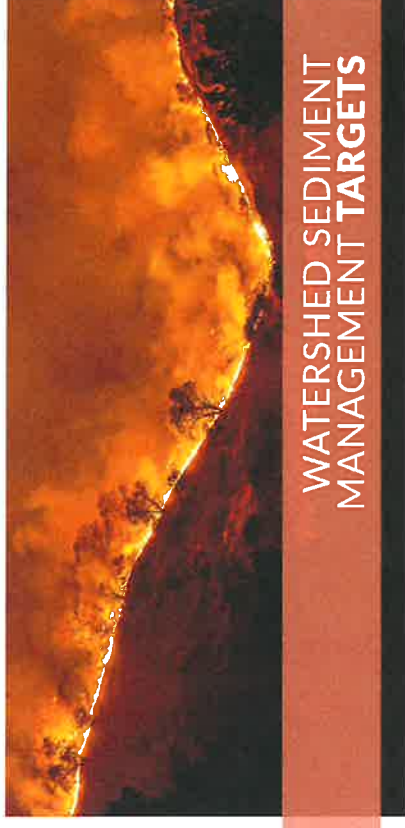
K Reduce color, taste, and odor drinking water quality issues by 50%

Metric: Number of customer complaints per 1,000 connections about color, taste, and/or odor

L Maximize ability to meet health and safety needs following an emergency by confirming 100% of small community water systems have access to alternative sources of supply

Metric: Percent of small community water systems that have access to at least one other secondary water supply

With over 200 water supply entities in Los Angeles County of various sizes and supply portfolios, not all systems are able to provide consistently high quality, reliable drinking water to their customers. Many small and at-risk systems provide water to underserved communities and have limited resources and revenue potential to address water quality and quantity needs. While recognizing the differing costs of water by source, these targets aim for improvement in the availability and affordability of water supply across Los Angeles County. Although maximum contaminant levels are seldom exceeded for primary regulated constituents, there are several areas that regularly experience color, odor, and taste issues. Customer satisfaction is a fundamental part of equitable water delivery and every resident in Los Angeles County should have access to high quality, clean water for drinking, bathing, and other household uses. Additionally, many smaller, at-risk systems have only one source of supply and have no real options if that source becomes impaired or is interrupted during an emergency. For these systems an intertie or connection to alternative sources of supply is essential.



WATERSHED SEDIMENT MANAGEMENT TARGETS

M Reduce fire-contributing species in riparian areas by 2,900 acres

Metric: Acres of riparian areas that have undergone at least one invasive species removal program

N Reduce human-caused ignitions by 50%

Metric: Count of fire ignitions in wildlands, rural, and the wildland-urban interface

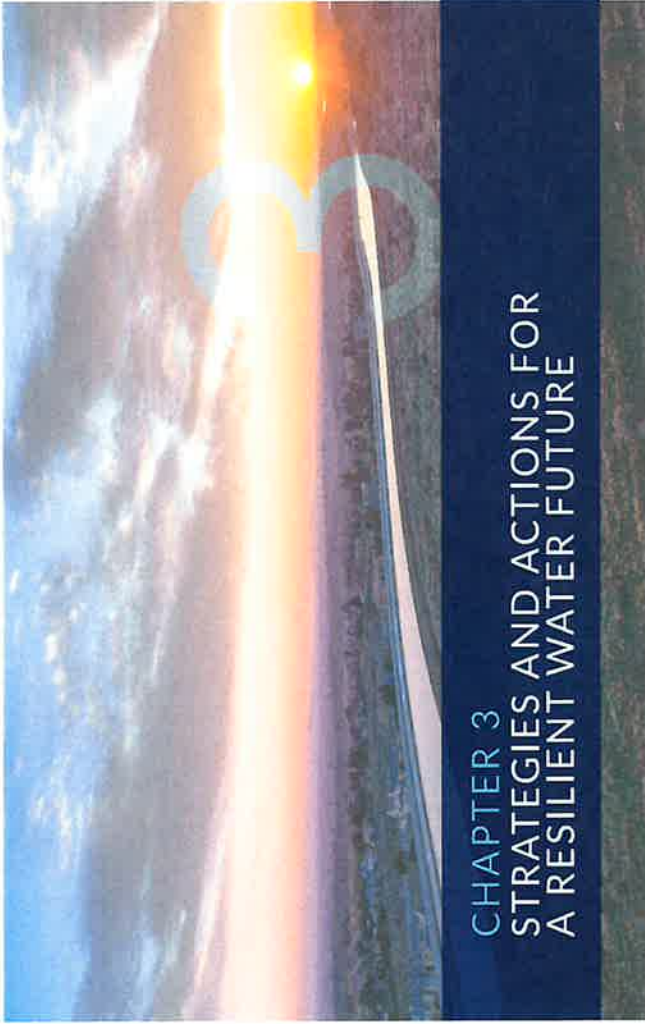
O Maintain a minimum of 75% average available capacity in debris basins and 80% average capacity in reservoirs

Metric: Percent of available capacity in debris basins and percent of available capacity in reservoirs

P Confirm 100% of water management agencies within the wildland-urban interface are implementing a wildfire resilience or mitigation plan

Metric: Percent of agencies that have implemented fire prevention measures and percent of agencies that have alternative or backup energy supply

Wildfire frequency, intensity, and rate of spread have increased within the wildland-urban interfaces in Los Angeles County. These events create direct impacts to local water resources through destruction or impairment of water supply and wastewater infrastructure, as well as indirect effects on surface water quality and watershed functionality. In addition, post-wildfire impacts of erosion and debris flows on watershed lands can create flood management emergencies as well as long-term reduction in debris basin functionality and reservoir storage and groundwater recharge potential. Reducing wildfire ignition sources and fire-contributing species that exacerbate wildfire impact are key areas to target for enhanced resilience. In addition, the ability to effectively manage existing flood control debris basins and reservoirs to their highest potential is critical to protecting the environment and communities as well as our ability to maximize stormwater capture during precipitation events. Water management agencies within wildland-urban interfaces need to be prepared for wildfire events and have plans in place for them to mitigate wildfire damage, respond during wildfire events, and minimize post-wildfire impacts.

















CHAPTER 3 STRATEGIES AND ACTIONS FOR A RESILIENT WATER FUTURE

Fourteen CWP strategies have been developed to capitalize on the opportunities identified for further regional collaboration to meet the shared CWP targets. Each strategy presented in this chapter is supported by a suite of detailed actions that will be facilitated throughout CWP implementation. The strategies and actions are aligned with the CWP values which include ensuring inclusive, diverse, multigenerational, and sustained community engagement and ensuring the CWP is actionable and adaptable. A table showing the alignment between CWP targets and strategies is provided at the end of this chapter. Collectively, these strategies and actions will help to meet multiple targets both directly and indirectly by leveraging resources across Los Angeles County that support and complement existing local and regional water resilience efforts, projects, and programs. These complementary and supported planning efforts are acknowledged in Appendix C.

Many of these strategies and actions will take time to fully realize but will provide interim benefits along the way. By continually identifying and taking near-term steps, we will facilitate consistent progress on targets, strategies, and actions. A two-year Action Plan, which identifies the steps and resources needed to implement actions within the current two-year period is included as Appendix A.

Strategies for a Resilient Water Future

 <p>STRATEGY 1 Achieving the most efficient water use possible countywide</p>	 <p>STRATEGY 8 Protecting coastal groundwater basins from seawater intrusion</p>
 <p>STRATEGY 2 Collaborating on consistent drought preparedness and response messaging</p>	 <p>STRATEGY 9 Facilitating regional groundwater recharge understanding and initiatives</p>
 <p>STRATEGY 3 Coupling local supply development with regional conveyance</p>	 <p>STRATEGY 10 Facilitating natural infiltration of precipitation</p>
 <p>STRATEGY 4 Managing salt and concentrate regionally</p>	 <p>STRATEGY 11 Providing regional support for small, at-risk water systems</p>
 <p>STRATEGY 5 Leveraging regional groundwater storage potential</p>	 <p>STRATEGY 12 Mitigating wildfire effects on water supply and quality</p>
 <p>STRATEGY 6 Collaborating on water quality needs and treatment technologies</p>	 <p>STRATEGY 13 Managing invasive species in riparian areas</p>
 <p>STRATEGY 7 Enhancing cost-effectiveness of pumping and treating impaired groundwater production</p>	 <p>STRATEGY 14 Facilitating sediment management and debris removal from flood control facilities</p>



STRATEGY 1

Achieving the most efficient water use possible countywide

The State's Urban Water Use Objectives (to be adopted by the SWRCB) are intended to establish a reasonable level of water use that will meet the unique demands within each of Los Angeles County's over 200 urban water supplier service areas. The ability to achieve the new standards countywide would be greatly enhanced through regional collaboration that sets consistent expectations on water use efficiency throughout Los Angeles County, while accommodating the unique needs of diverse communities.

Actions to support this strategy

1.1

Facilitate universal access to Los Angeles Region Imagery Acquisition Consortium
data sets to help urban water suppliers accurately estimate irrigable area and reasonable water use for their service area.

1.3

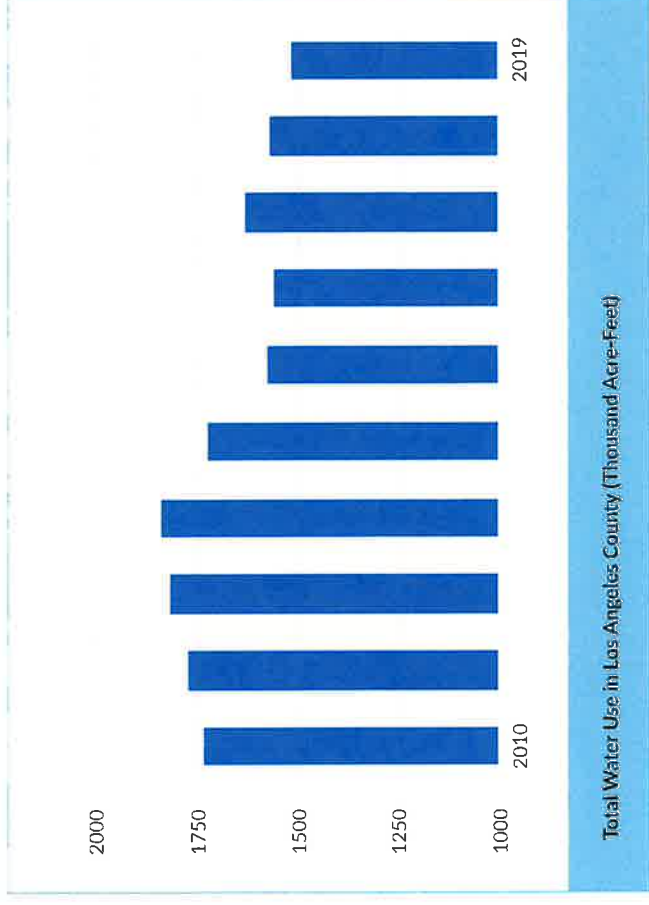
Provide access to Model Water Efficient Landscape Ordinance compliance training for all water suppliers in Los Angeles County.

1.2

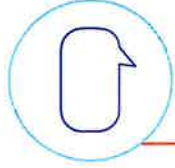
Coordinate outdoor landscaping ordinances between cities, County, wholesalers, retail water agencies, and other local agencies (e.g., non-functional turf ordinances, Senate Bill 1383 mulch and composting).

LA COUNTY WATER PLAN
On Target
Facilitating access to water use efficiency data and training as well as ordinance coordination will help meet the target to achieve 100% compliance with State Urban Water Use Objectives.

Why this strategy is needed



Los Angeles County has made significant strides in water use efficiency, reducing water use by approximately 13% since 2010 despite a 2% growth in population. Achieving the next level of efficiency to meet State objectives and improve resilience will require innovation and collaboration. In addition to improving water supply sustainability, using water efficiently also helps to improve water quality by reducing the amount of water that is conveyed and treated.



STRATEGY 2

Collaborating on consistent drought preparedness and response messaging

Given that people often live, work, and travel within different areas of Los Angeles County, collaboration between water agencies on messaging drought declarations and specific actions that the public can take to respond is critical in effectively preparing for and responding to future droughts.

Why this strategy is needed

Actions to support this strategy

2.1

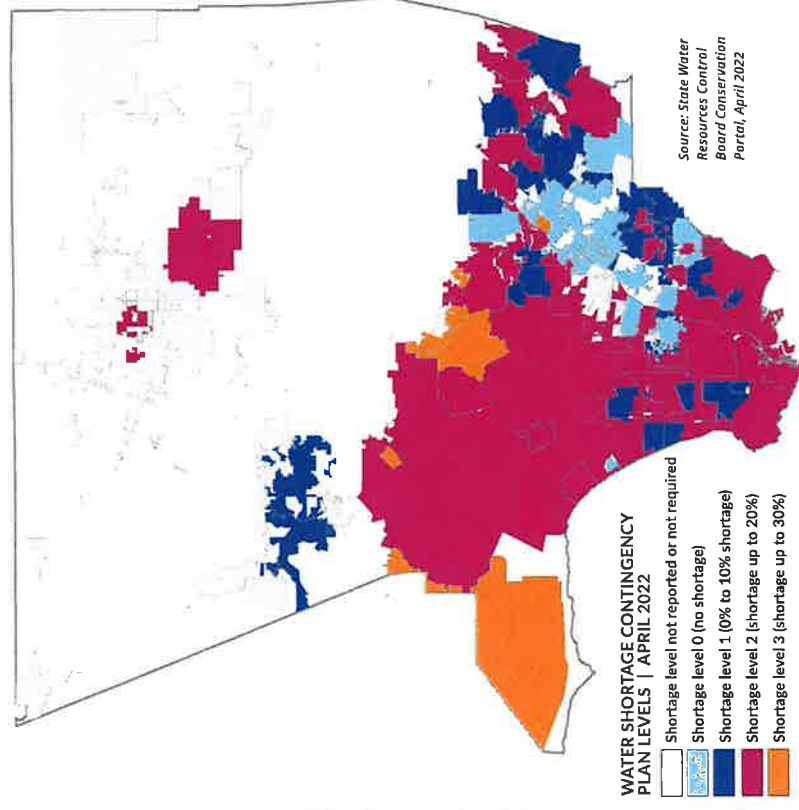
Collaborate on countywide drought response messaging that calls out steps that all water users in Los Angeles County can take, while directing the public to find the specific measures their water supplier is taking to respond to the local drought.

2.2

Expand upon ongoing efforts to create consistent messaging on the development of drought-resilient supplies.

LA COUNTY WATER PLAN On Target

Improving regional drought messaging will help us collectively achieve our target to meet 100% of water demands even in times of drought.



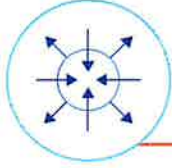
WATER SHORTAGE CONTINGENCY PLAN LEVELS | APRIL 2022

- Shortage level not reported or not required
- Shortage level 0 (no shortage)
- Shortage level 1 (0% to 10% shortage)
- Shortage level 2 (shortage up to 20%)
- Shortage level 3 (shortage up to 30%)

Source: State Water Resources Control Board Conservation Portal, April 2022

Variability in water supply conditions and shortage levels across the many water suppliers in Los Angeles County can create customer confusion and public messaging challenges.

Immediate public reduction in water use is the fastest way to respond to an existing drought; however, the opportunities to further reduce use in response to droughts becomes increasingly constrained as countywide normal water use efficiency continues to improve. Water supply agencies are finding it increasingly difficult to separate and elevate drought response messaging above regular messaging encouraging efficient water use as a way of life for Southern California. In addition, as shown in the above map, given the different water sources used by the over 200 water suppliers in Los Angeles County, there is often variability in drought conditions and associated public messaging that can create confusion for those living and working within different areas of the County.



STRATEGY 3

Coupling local supply development with regional conveyance

Partnerships between agencies on local supply development and regional conveyance can increase the overall volume of local supply that can be used countywide, increase overall cost-effectiveness, and increase the potential for outside funding. Viewing and using existing water infrastructure networks in Los Angeles County as interconnected systems can provide opportunities, where appropriate, to better connect sources of supply to demands and/or storage. Examples of these types of efforts include regional recycled water programs and the Safe, Clean Water Program. This will improve regional reliability while also ensuring sustainable groundwater levels for communities that rely on local groundwater resources.

Actions to support this strategy

3.1 Explore options to improve feasibility (e.g., cost-effectiveness) of beneficial reuse of recycled water within Antelope Valley and Upper Santa Clara River areas of Los Angeles County.

3.2 Encourage the use of Los Angeles County Flood Control District facilities to convey water supplies across Los Angeles County while mitigating known issues.

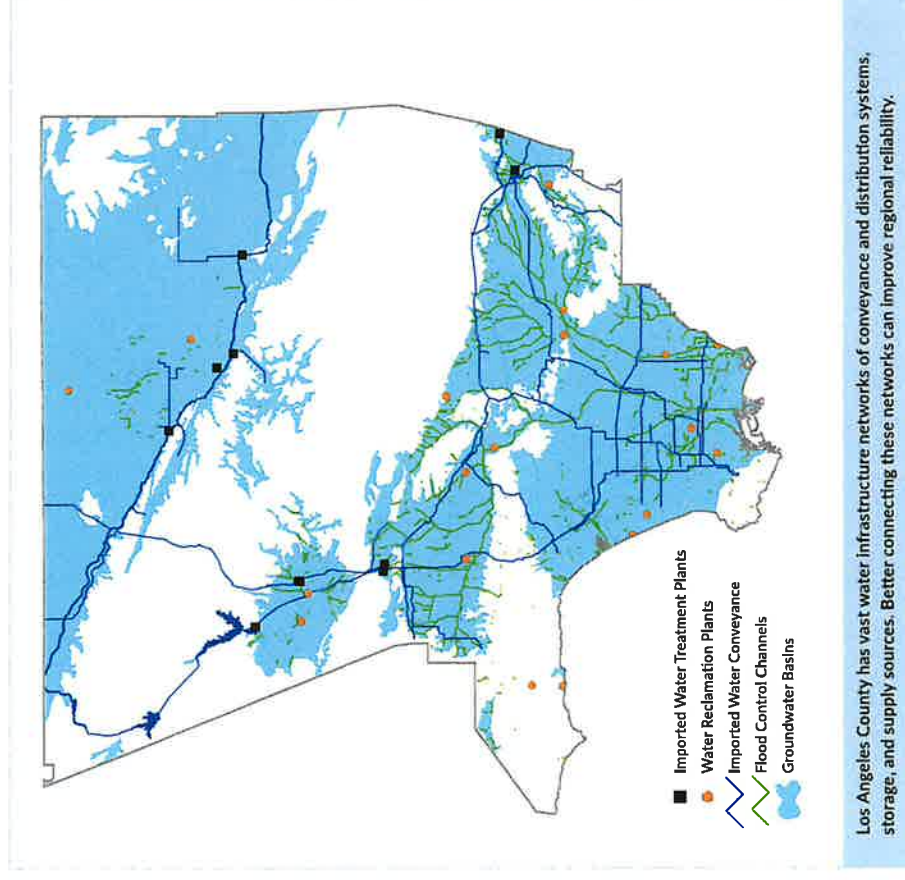
3.3 Promote use of smart technology to assess capacity and ability of wastewater systems to accept stormwater diversion flows in existing and planned infrastructure.

3.4 Promote use of both regional local supply development and distributed local supply development (e.g., cisterns, graywater systems in unsewered areas) and stormwater capture.

L.A. COUNTY WATER PLAN On Target

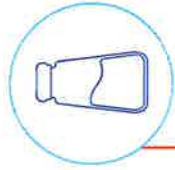
Connecting local supplies to local needs can provide alternative water supplies in alignment with the CWP target to **maximize ability to meet health and safety needs following an emergency by confirming 100% of small water systems have access to alternative sources of supply.**

Why this strategy is needed



Los Angeles County has vast water infrastructure networks of conveyance and distribution systems, storage, and supply sources. Better connecting these networks can improve regional reliability.

The total amount of untapped local water supply potential in Los Angeles County is significant and could greatly reduce our dependence on imported water. Without economies of scale, stormwater and recycled water supply projects are often cost-prohibitive for individual water agencies to implement locally. While there has been great progress on advancing regional recycled water program concepts, there are further opportunities for collaboration on supporting local supply development for the benefit of the entire region through partnerships on regional conveyance and using existing infrastructure. Local supply development also offers opportunities for local projects that use our local workforce.



STRATEGY 4

Managing salt and concentrate regionally

Regional cooperation is necessary to manage salt levels in our watersheds and groundwater basins. Concentrate management planning should accompany future regional recycled water program development. Collaboration with regulators to develop feasible options for regional concentrate management would help to maximize recycled water use as well as improve basin water quality.

Actions to support this strategy

4.1 Explore alternatives to restrictions on high total dissolved solids discharges to sewer systems and variable salinity water courses (e.g., Ballona Creek or Dominguez Channel), including measures to allow for salt cleanup projects and recover treatment costs for unavoidable salinity discharges (e.g., a salt surcharge).

4.2 Explore development of regional conveyance for concentrates, including co-location of concentrate pipelines with regional recycled water conveyance pipelines, considering treatment, discharge permitting, and actual costs.

4.3 Collaborate across water supply, groundwater cleanup, and recycled water programs to work with regulatory agencies on concentrate management permitting and regulations, across all areas of Los Angeles County.

LA COUNTY WATER PLAN On Target

Managing salt on a regional level will increase our ability to maximize recycled water for regional use and support the target to increase local supply sources by 580,000 AFY.

Why this strategy is needed

Unnatural salinity in water is produced from industrial processing, groundwater cleanups, desalters, and purified water concentrate. Excessive salt limits a supply's beneficial use and can interfere with the operations of water and wastewater treatment plants. Concentrate, a byproduct of the advanced water treatment of wastewater, is a commonly overlooked component of recycled water projects that can have significant ecological consequences and should be specifically considered for the planned expansion of regional recycled water programs in Los Angeles County.



In the Antelope Valley, brine from treatment processes is discharged to local evaporation ponds where salt is concentrated for disposal.



STRATEGY 5

Leveraging regional groundwater storage potential

Meeting all of Los Angeles County's water demands depends upon the use of groundwater basins that can provide water year-round, independent of the variability of precipitation events and surface flows. Since groundwater basins do not necessarily underlie the communities with the greatest needs for dry year storage, identification of groundwater storage that can be accessed and delivered on a regional scale is necessary. Existing regional conveyance infrastructure (e.g., imported water) can be used as connections between groundwater basins that will allow for stored water to be conveyed across Los Angeles County.

Actions to support this strategy

5.1

Facilitate development of regional banking agreements that promote increased groundwater replenishment and production, as well as infrastructure interconnections and enhancements to improve access to regional storage across Los Angeles County.

5.2

Expand regional Antelope Valley groundwater banking partnerships by assessing alternatives to mitigate capacity constraints of using imported water aqueducts that connect Antelope Valley to the Los Angeles Basin.

5.3

Engage in regional discussion of shared local water rights concerns and basin adjudication-based exporting restrictions.

LA COUNTY WATER PLAN On Target

Improving use of groundwater basins for storage provides significant opportunities to enhance local storage and support the target to maximize ability to meet health and safety needs following an emergency by maintaining access to 6 months of emergency supply.

Why this strategy is needed



Groundwater basin recharge and storage potential vary from basin to basin across Los Angeles County. Most climate change models predict a decrease in the frequency of precipitation events and snowpack storage, as well as increases in the intensity of local precipitation events. These changes in the way that water will be delivered to the region will necessitate enhancements in the collective ability to quickly capture and store larger volumes of water for use over extended periods of time. Additionally, planned and future regional water recycling programs are expected to produce a consistently large volume of supply that will need to be stored in groundwater basins. Coordination on timing of stormwater and recycled water recharge at centralized groundwater recharge facilities will be critical.



STRATEGY 6

Collaborating on water quality needs and treatment technologies

Improving the efficacy and cost-effectiveness of treating impaired water is a key strategy for enhancing the reliability of regional water supplies. As legacy pollutants and new constituents of concern are regulated, and water supply sources and systems become more integrated, new challenges and innovations in water quality treatment and management processes have emerged. Economies of scale and enhanced efficiencies can be achieved through technology sharing and regional collaboration.

Actions to support this strategy

6.1 Facilitate partnerships and information sharing between agencies within Los Angeles County to improve water treatment efficiency and cost through collaboration on piloting of and training for new technologies, working with drinking water regulators, sharing of information, lab sharing for emerging contaminant sample analysis (e.g., per- and polyfluoroalkyl substances (PFOS/PFOA)), public outreach, and leveraging of staff and funding resources. This action also supports Strategy 7.

6.2 Collaborate on proactive negotiations with Regional Water Quality Control Board(s) to provide a consistent regional voice on National Pollutant Discharge Elimination System permitting and future water quality regulations.

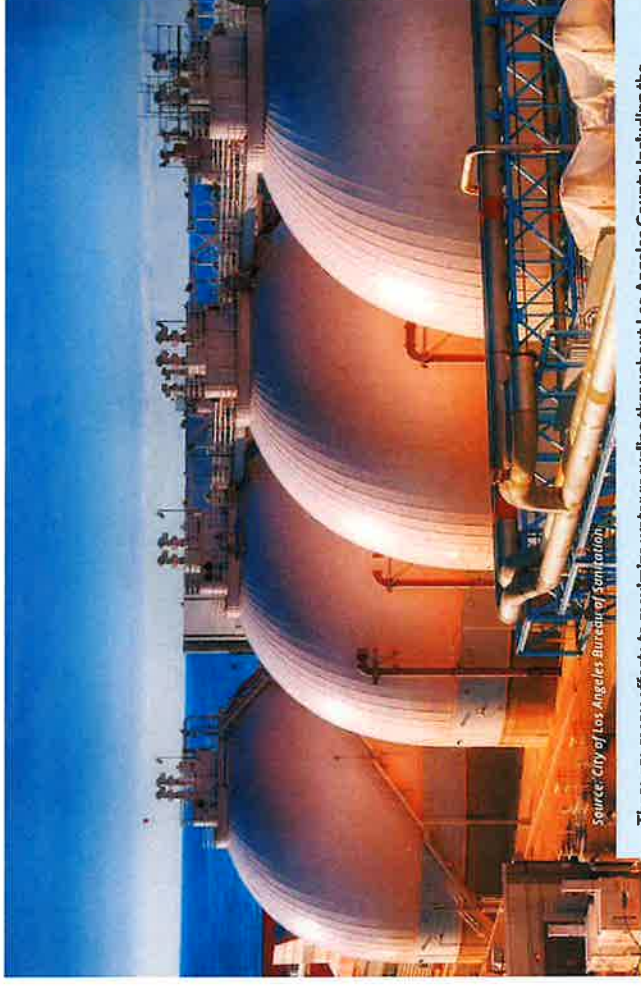
6.3 Advocate for State emerging contaminants source control policy and funding.

LA COUNTY WATER PLAN On Target

Partnering on treatment initiatives and regulatory collaboration will decrease the overall costs to individual agencies and support the target to improve drinking water equity and affordability so that the cost for water to meet health and safety needs does not exceed 2.5% of the median household income for severely disadvantaged communities.

Why this strategy is needed

The cost of treating and testing water to meet water quality regulations for potable use is a significant portion of the overall water rate passed along to customers. In many areas within Los Angeles County, the treatment of locally generated, drought-resilient supplies, such as recycled water and groundwater, to a level of potable quality can drive the unit cost above imported water. This can create a disincentive to develop local supply when imported water is cheaper. Many new treatment technologies and projects are developed and permitted in isolation of each other, limiting the ability to leverage knowledge and resources. Information sharing will also improve local workforce knowledge.



Source: City of Los Angeles Bureau of Sanitation

There are many efforts to maximize water recycling throughout Los Angeles County including the City of Los Angeles' plan to maximize beneficial reuse of Hyperion Water Reclamation Plant flow.



Enhancing cost-effectiveness of pumping and treating impaired groundwater

Improving production, cost-effectiveness, and accessibility to unused impaired groundwater supplies will allow for increased groundwater production and supply reliability for many communities across Los Angeles County. Regional collaboration on designating poor quality development zones could facilitate the development of production enhancement plans as well as find partnership implementation opportunities that can increase workforce training and funding.

Actions to support this strategy

7.1 Facilitate partnerships and information sharing between agencies within Los Angeles County looking to improve water treatment efficiency and cost through collaboration on piloting and training for new technologies, working with drinking water regulators, sharing of information, lab sharing for emerging contaminant sample analysis (e.g., PFAS/PHOA), public outreach, and leveraging of staff and funding resources. This action also supports Strategy 6.

7.3 Explore opportunities to use existing remediation operations as a potential water supply source.

7.4 Facilitate partnerships on regional treatment funding and financing opportunities, prioritizing supply diversity, water quality, and resilience of small at-risk systems.

7.2 Identify poor water quality development zones within all County groundwater basins that could be beneficially used and advocate for funding to create and implement production enhancement plans.

L.A. COUNTY WATER PLAN On Target

By working together with existing remediation initiatives and regulators on poor water quality development zones, we can work toward our target to optimize production of groundwater by increasing production in areas overlying impaired groundwater by 18,000 AFY.

Why this strategy is needed

122 wells are offline due to impaired groundwater*

The lost volume of groundwater is **37,000** acre-feet per year



The cost to treat impaired groundwater is **200%** more than imported water



*Source: Groundwater Ambient Monitoring and Assessment Program (GAMA)

Stranded groundwater accounts for a significant amount of potential new supply throughout Los Angeles County but treatment of that groundwater can be expensive relative to importing water.

Local groundwater can be stranded (or unused) because it is often poorer quality water that requires more intensive and cost-ineffective treatment and/or conveyance to be useful as a source of supply. There are several areas in Los Angeles County where the ability to fully maximize groundwater basin potential for both supply and storage has been limited due to water quality issues from seawater intrusion, legacy contamination, increased operating costs for small systems, and impaired water plumes as well as changing water quality regulations and recharge project supplies. Additionally, green house gas emissions could be reduced with future technologies, many of these groundwater basin areas underly small and at-risk systems that do not have the resources to develop and implement the necessary production enhancement plans to access that water supply.



STRATEGY 8

Protecting coastal groundwater basins from seawater intrusion

Groundwater basins located along Los Angeles County's coastline will need continued protection to limit the continued pressure of seawater intrusion from sea level rise that is predicted to result from climate change. Although existing barriers are solely owned and operated by the Los Angeles County Flood Control District, they benefit multiple agencies and stakeholders throughout Los Angeles County. As such, the ability to maintain and possibly further enhance protections and groundwater supply could benefit from regional collaboration.

Why this strategy is needed



Actions to support this strategy

8.1

Determine vulnerability of barrier programs to seawater intrusion as a result of future sea level rise and evaluate opportunities to optimize barrier system operations.

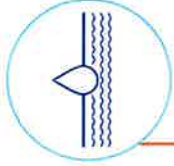
8.2

Explore partnership opportunities to create further investments and increase recharge potential at barriers to enhance protection and increase groundwater supply

LA COUNTY WATER PLAN On Target

Protecting our coastal groundwater basins from future sea water intrusion is critical to meeting the target to optimize production of groundwater by maintaining at least 700,000 AFY baseline groundwater production.

Some coastal groundwater basins in Los Angeles County are protected from seawater intrusion by rows of injection wells that pump freshwater in groundwater basins near the coast to form a barrier that pushes seawater away from the groundwater basin while enhancing groundwater supplies. Without these barriers, saltwater could infiltrate coastal aquifers and contaminate groundwater supplies. In addition to more intense and less frequent storm events and more frequent and more intense droughts, climate change models are also predicting sea level rise. Seawater barrier facilities and operations will need to continue to adapt to meet the challenges of climate change and the need to fully leverage groundwater basin recharge and storage.



STRATEGY 9

Facilitating regional groundwater recharge understanding and initiatives

Groundwater basins in Los Angeles County are managed locally and independent of each other. Collaborating to improve understanding of inter-basin flows and manage groundwater basins from a regional perspective while addressing mutual challenges will assist in maximizing groundwater supply and storage potential.

Actions to support this strategy

- 9.1 Facilitate collaboration between groundwater basins within Los Angeles County** to share information, resolve common impediments, and provide consistent guidance that will facilitate increased potential for groundwater recharge and accounting of anticipated and realized benefits provided.
- 9.2 Create a consolidated groundwater basin data platform** that highlights geohydrologic interconnections and flows with an information sharing system for use to develop regional storage and groundwater management partnerships.

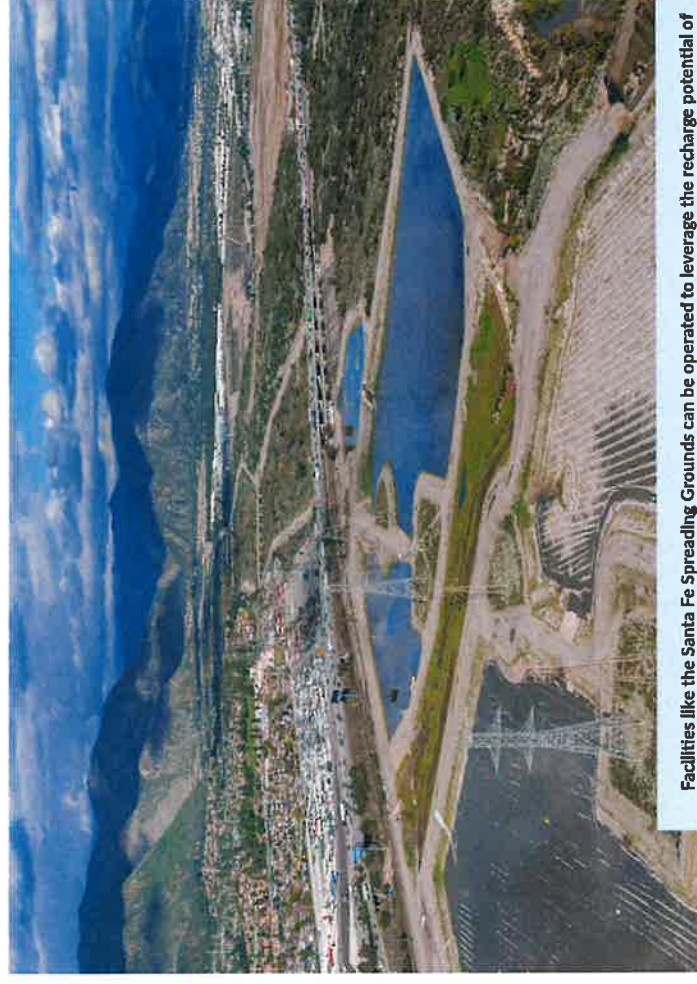
- 9.3 Facilitate discussions with regulators that will streamline permitting and facilitate further enhancement of groundwater recharge potential.**
- 9.4 Acknowledge Los Angeles County Flood Control District's Sediment Management Strategic Plan** to maximize recharge facility capture and infiltration rates and efforts to remove invasive species to improve groundwater recharge.

LA COUNTY WATER PLAN On Target

Collaboration between Los Angeles County's groundwater basin managers can improve overall understanding of interconnectivity and opportunities for regional initiatives that help meet the CWP target to increase groundwater recharge and storage by enhancing regional facility recharge by 250,000 AFY.

Why this strategy is needed

Although Los Angeles County is home to numerous regional groundwater recharge facilities and programs, there is a significant amount of uncaptured stormwater, recycled water, and wet year imported water that is not yet recharged into local groundwater basins. The ability to increase centralized groundwater recharge beyond current operations can be limited due to shared concerns such as retaining recharge water within local groundwater basins, regulatory issues around potential impacts to groundwater remediation operations, and the maintenance activities at spreading ground facilities to maximize recharge potential.



Facilities like the Santa Fe Spreading Grounds can be operated to leverage the recharge potential of local surface and recycled water supplies as well as additional imported water when available.



STRATEGY 10

Facilitating natural infiltration of precipitation

Collectively, local stormwater efforts can work to increase the overall permeability of County lands, potentially allowing for decentralized supply development while providing multiple benefits such as improving environmental water quality, ensuring adequate water supplies to ecosystems, and providing greening and recreational opportunities. Certain programmatic initiatives to increase decentralized stormwater recharge are managed locally and through the Los Angeles County Flood Control District's Safe, Clean Water Program. Further regional collaboration between stormwater and groundwater managers will help to facilitate implementation and maximize benefits.

Actions to support this strategy

10.1

Facilitate recharge partnerships between stormwater and groundwater managers by enhancing understanding of surface water rights and stormwater.

10.2

Conduct decentralized facility infiltration water quality impact analysis for groundwater basins to determine parameters for facility implementation and/or mitigation for changes to water quality

LA COUNTY WATER PLAN On Target

Improving collaboration between stormwater and groundwater managers can improve the feasibility of implementing projects that will help meet the target to increase groundwater recharge and storage by increasing decentralized infiltration by 30,000 AFY.

Why this strategy is needed

Large parts of Los Angeles County are urbanized with impermeable surfaces like buildings, roads, and parking lots. Impermeable surfaces do not allow precipitation or stormwater runoff to infiltrate naturally into groundwater basins and may reduce local stormwater capture and groundwater recharge. Implementing projects that increase stormwater recharge of groundwater basins can be challenging due to limited understanding of and/or disagreement over surface water rights as well as concerns about the infiltration of poor-quality surface water impacting groundwater basin water quality.



Although the majority of the Los Angeles River flows within engineered flood control channels, there are sections that allow for natural infiltration to occur.





STRATEGY 11

Providing regional support for small, at-risk water systems

A regional program to identify and support small, at-risk systems within Los Angeles County, including independent systems and private wells, would provide a better understanding of each system's unique needs, improve drinking water equity, increase workforce training, leverage funding opportunities, and tailor strategies to create longer-term resilience and higher-quality supplies.

Actions to support this strategy

11.1 Initiate a voluntary Small, At-Risk System Support Program or programs to promote small water system resiliency not just address near-term emergency needs.

11.2 Identify "at-risk" systems and technical, managerial, and financial needs by collecting existing data (such as the County Department of Public Health's ongoing system inspection (i.e., annual sanitary surveys)) and assessment program reports, drawing upon the United States Environmental Protection Agency technical, managerial, and financial assessment guidance.




11.3 Facilitate Small, At-Risk System Support Program to provide administrative and technical advisory support to small, at-risk yet viable purveyors to take a range of resiliency actions (e.g., create Water Master Plan and asset management program, ensure workforce succession planning, establish and check interconnections, ensure emergency storage, enhance cybersecurity, acquire emergency generators, provide resources for grant applications, regulatory compliance, and existing operations and maintenance, etc.)

11.4 Develop program to map, monitor, address, and alert the public to drinking water quality issues that originate from on-site plumbing issues including monitoring for color and odor issues in premise plumbing, especially in underrepresented communities.

11.5 Encourage all Los Angeles County water agencies to adopt and implement hazard mitigation plans and to join the California Water/Wastewater Agency Response Network (CalWARN).

11.6 Expand local agency participation in Water Information Sharing and Analysis Center to access the latest cybersecurity strategies.

Why this strategy is needed

	Failing	At-Risk	Potentially At-Risk
 Water Systems	11	23	33
 Population	11,722	249,198	512,463
 Funding Since 2017	\$995,000	\$500,000	\$2,738,793

Source: State Water Resource Control Board SAFER Program as of June 2022 (data updated daily)

There are a number of smaller, at-risk systems in Los Angeles County that could benefit from a regional support program.

Many small, at-risk systems serve disadvantaged communities within Los Angeles County. As a result, these communities are at a higher risk of not receiving the same level of drinking water quality and reliability as other communities within Los Angeles County. Compliance with regulated drinking water standards can still result in inequities in the taste, color and odor of water served. Although small, at-risk systems in Los Angeles County can be regulated by multiple entities, the SWRCB Division of Drinking Water is the only entity currently documenting underperforming systems through reporting of maximum contaminant level exceedances (e.g., Safe and Affordable Funding for Equity and Resilience program). Identifying systems that are at risk of providing poor water quality, unreliable supply, cybersecurity threats, and excessive cost to ratepayers can be more challenging at the state level. Additionally, there is limited regulatory oversight to ensure that these water systems are receiving enough revenue to adequately maintain their infrastructure. Currently, the primary strategy fostered by the SWRCB to mitigate underperforming water systems is consolidation into

larger, adjacent systems. This strategy is not always applicable, especially in more rural areas of Los Angeles County given the isolated locations of some small water systems (e.g., those in the Antelope and Santa Clarita Valleys), nor necessary if adequate supportive strategies are in place.

LA COUNTY WATER PLAN On Target

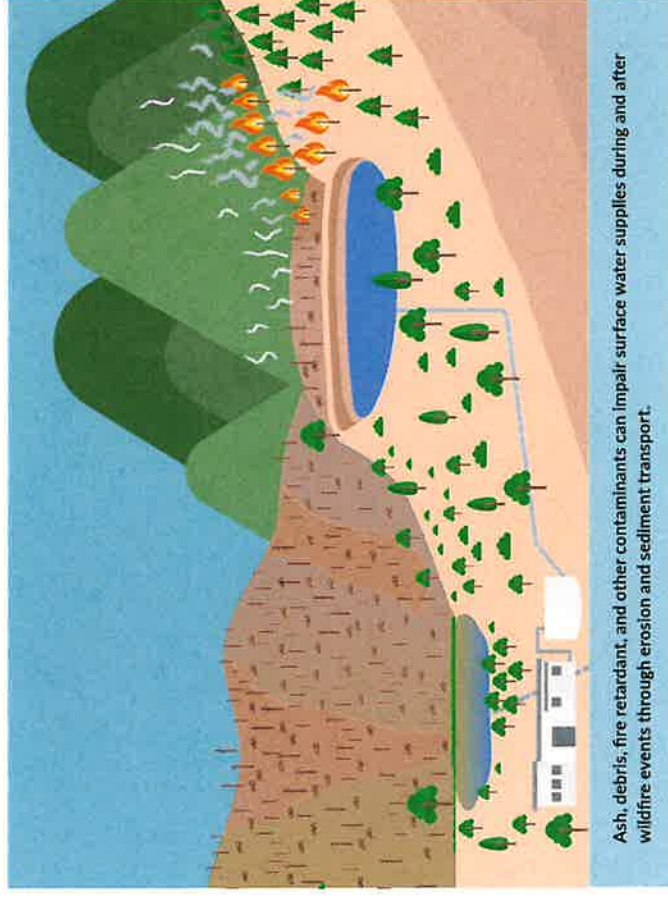
Providing direct support to smaller at-risk water systems through a focused, voluntary regional program will greatly increase the ability to meet the CWP target that seeks to **reduce at-risk systems by 100%.**



Mitigate wildfire effects on water supply and quality

Collaboration between water and land management entities on sharing information, planning ahead, supporting existing efforts, and implementing measures can leverage regional resources to help mitigate the impacts of wildfire on both drinking water supply and environmental water quality.

Why this strategy is needed



Ash, debris, fire retardant, and other contaminants can impair surface water supplies during and after wildfire events through erosion and sediment transport.

Actions to support this strategy

12.1 Organize a regional wildfire prevention collective

that brings together water, land, and fire managers to collaborate, share information, and explore opportunities for mutually beneficial watershed management programs and projects (e.g., fuel reduction, invasive species removal) for both riparian and upper watershed areas.

12.2 Create a programmatic permitting tool/process with the United States Army Corps of Engineers for the 404 permit for fuel reduction measures that applies to the entire County and with the Regional Water Quality Control Boards for the 401 Water Quality Certification.

12.3 Enhance existing low water use landscaping education programs

to include fire-scaping with information on species that contribute to wildfire spread (e.g., eucalyptus, palms, rosemary), fire starts, firesafe planting standards, landscaping choices, and water collection systems for use during fires.

12.4 Collaborate on identifying and pursuing funding opportunities

to support regional wildfire prevention programs.

12.5 Enhance existing hazard mitigation plans to include regional fire management strategies for agencies located within wildland-urban interfaces.

12.6 Advocate for modifications to existing air quality regulations

that allow water agencies to run emergency generators longer during fire events to maintain water supply.

12.7 Explore potential land, trail, and forestry management efforts

on wildfire prevention in upper watershed areas as well as along transportation and utility corridors to remove ignition sources as well as existing firefighting efforts to minimize dispersal in riparian areas.

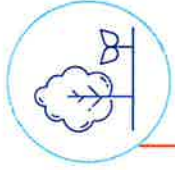
12.8 Support efforts exploring alternatives to fire retardants containing PFAS/PFOA

that may run off into streams and spreading grounds.

LA COUNTY WATER PLAN On Target

Working with land and fire managers on reducing the potential for and the water resource impacts from wildfires starts with the CWP target to confirm 100% of water management agencies within the wildland-urban interface are implementing a wildfire resilience or mitigation plan.

Wildfire frequency and intensity has been increasing across Los Angeles County and is a cause of great concern for water supplies and environmental water quality. Wildfires can interrupt power supply and damage infrastructure, directly impacting the ability to maintain water and wastewater systems during and after events. Wildfires increase pollutant loads and decrease watershed infiltration that can lead to flooding, erosion, and mass wasting of watershed lands - impacting communities as well as the quantity and quality of water resources.



STRATEGY 13

Managing invasive species in riparian areas

As many water resources related agencies also manage some watershed riparian areas, there is an opportunity for regional collaboration between watershed land and water management entities on invasive species removal done in an ecologically sensitive manner that restores native habitat. Removal of invasive species can be facilitated by wildfires and flooding if additional measures are taken following these events to fully remove and replant native species within damaged areas.

Actions to support this strategy

13.1

Enhance existing Weed Management Area for Greater Los Angeles to serve as an overall invasive management decision team with tiers of information sharing to support coordination among agencies (permitting, resource sharing, defensible space guidelines, etc.) with state and federal involvement and an invasive land coordinator.

13.4

Explore collaboration with United States Army Corps of Engineers, United States Forest Service, state and national parks, individual cities, nonprofits, and private landowners in invasive species removal in watershed areas managed by water and flood control agencies.

13.2

Share information on areas with invasive species of mutual concern across Los Angeles County as well as planning initiatives, programs, and measures being taken to reduce invasives in riparian areas.

13.3

Consider initiating an annual regional invasive species removal program and post-fire program to improve soil quality and reduce repropagation, further spreading, and biomass fuels.

Why this strategy is needed

While any type of invasive species can create watershed issues, those that infiltrate riparian corridors are of particular concern to Los Angeles County's water resources. Riparian invasives (e.g., Arundo donax, tamarisk, black mustard, etc.) can dramatically deplete surface water supplies relative to native species and are also known contributors to wildfire ignition and spreading potential. Removal of invasives and replanting with native species in riparian areas is a time-sensitive and cost-intensive process that needs to be maintained over time to remain effective.



Invasive plant species, such as Arundo donax, can increase the potential for wildfire ignitions as well as contribute to increased rates of wildfire spread and intensity.



STRATEGY 14

Facilitating sediment management and debris removal from flood control facilities

Regular and enhanced post-wildfire maintenance (e.g., removal of debris and management of sediment) of debris basins and reservoir facilities is critical to maximizing post-wildfire protection and enhancing regional water supplies. Improving prediction of wildfire-related sediment and debris loading impacts, as well as fostering regional support of the actions necessary to mitigate those impacts, will allow for enhanced flood risk mitigation and water supply benefits for the entire region.

Actions to support this strategy

14.1 Improve modeling and weather forecasting to predict the risk of sediment-laden flows after wildfires.

14.2 Increase understanding of how debris flows and fires impact percolation rates.

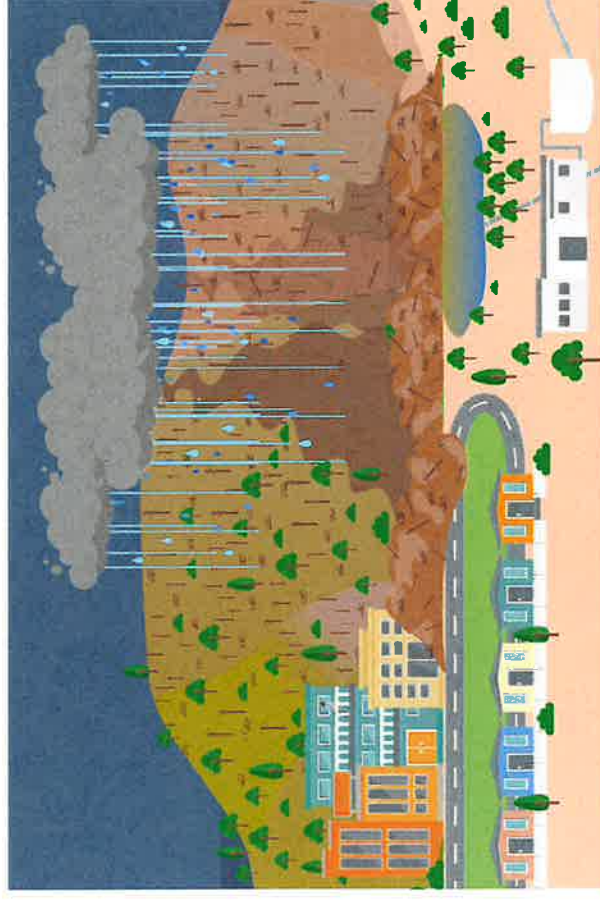
14.3 Advocate for policies of regulatory agencies that provide more flexibility for removal of vegetation and therefore sediment accumulating in debris basins, spreading basins, and reservoirs as well as erosion control measures.

14.4 Promote education and engagement at the community level as to the importance of sediment and debris management to maintain local flood protection.

LACOUNTY WATER PLAN On Target

Improving the understanding of post-fire impacts as well as facilitating effective debris basin management will help to achieve our target to maintain a minimum of 75% of available capacity in all debris basins and 80% of available capacity in reservoirs.

Why this strategy is needed



Burned areas are prone to landslides and debris flows during storm events, resulting in sediment and debris accumulation in flood control facilities. This process degrades water quality and decreases water storage capacity in our debris basins and reservoirs, reducing flood control and local water supply.

Burned areas are vulnerable to flash flooding and debris flows. Following large storm events, sediment and debris can accumulate in flood control facilities, resulting in reduced water storage capacity. The Los Angeles County Flood Control District captures and manages the majority of stormwater flows across Los Angeles County to protect communities from flood damage and increase capture of local water supplies. Eroded sediment and debris are collected and retained by a network of debris basins, reservoirs, and flood control channels, which support recharge of stormwater, recycled and imported water. The ability for the facilities to retain post-wildfire flows as well as facilitate recharge requires consistent removal of accumulated debris and vegetation growth which is often challenging given regulatory constraints and community concerns.

ALIGNING TARGETS AND STRATEGIES

Targets

Strategies	A. Achieve 100% compliance with State Urban Water Use Objectives	B. Increase local supply sources by 580,000 AFY	C. Meet 100% of water demands even in times of drought	D. Maintain access to 6 months of emergency supply	E. Maintain at least 700,000 AFY baseline groundwater production	F. Increase production in areas overlying impaired groundwater by 18,000 AFY	G. Enhance regional facility recharge by 250,000 AFY	H. Increase decentralized infiltration by 30,000 AFY	I. Reduce at-risk systems by 100%	J. Improve drinking water equity and affordability	K. Reduce color, taste and odor drinking water quality issues by 50%	L. Confirm 100% of small water systems have access to alternative sources of supply	M. Reduce fire-contributing species in riparian areas by 2,900 acres	N. Reduce human-caused ignitions by 50%	O. Maintain 75% capacity in all debris basins and 80% capacity in reservoirs	P. Implement a wildfire resilience or mitigation plan
1: Achieving the most efficient water use possible countywide	✓		✓						✓							
2: Collaborating on consistent drought preparedness and response messaging	✓	✓	✓						✓							
3: Coupling local supply development with regional conveyance		✓	✓	✓	✓				✓	✓				✓		
4: Managing salt and concentrate regionally		✓	✓		✓					✓		✓			✓	
5: Leveraging regional groundwater storage potential		✓	✓	✓	✓			✓	✓	✓	✓				✓	
6: Collaborating on water quality needs and treatment technologies		✓	✓		✓			✓	✓	✓	✓	✓			✓	
7: Enhancing cost-effectiveness of pumping and treating impaired groundwater		✓	✓		✓			✓	✓	✓	✓				✓	
8: Protecting coastal groundwater basins from seawater intrusion		✓	✓		✓			✓	✓							
9: Facilitating regional groundwater recharge understanding and initiatives		✓	✓	✓	✓			✓	✓	✓	✓	✓			✓	
10: Facilitating natural infiltration of precipitation		✓	✓	✓	✓			✓	✓				✓		✓	
11: Providing regional support for small, at-risk water systems	✓	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
12: Mitigating wildfire effects on water supply and quality		✓			✓			✓	✓				✓	✓	✓	✓
13: Managing invasive species in riparian areas		✓	✓					✓	✓				✓	✓	✓	✓
14: Facilitating sediment management and debris removal from flood control facilities																



CHAPTER 4 WORKING TOGETHER FOR A RESILIENT WATER FUTURE

The CWP is more than this initial document
– it is a **dynamic planning process rooted in the spirit of fostering ongoing regional collaboration**. Our values, including considering equitable benefits and impacts of water resource management decisions, will continue to drive our progress. The success of this planning effort will continue to involve many water management entities and stakeholders working together, with facilitation by Public Works, to realize our shared vision for future water resilience.

Facilitating the CWP Program

Public Works is committed to facilitating continued collaboration and success toward CWP targets, strategies, and actions, and tracking and reporting progress. Following CWP completion, Public Works will initiate the CWP Program. Our overall focus will be on bringing together the appropriate group of participants and resources to fulfill the vision of the CWP. Our role is to lead and facilitate the CWP Program, which will consist of three primary tasks: (1) develop and implement two-year Action Plans, (2) continue collaboration with stakeholders and other planning efforts, and (3) track and share progress.

Public Works will actively solicit participation in the CWP Program from stakeholders, leveraging the IRWM programs as well as other forums. We will also use the CWP Portal to seek and facilitate participation, highlighting opportunities for water management entities and other interested parties to get involved.

As water resource needs and opportunities in Los Angeles County continue to evolve, so will the CWP. Based on the input we received in this effort, future iterations could include topics such as ocean desalination.

Public Works will use the CWP Portal to track progress on the CWP. We will update the CWP Portal over time to reflect current implementation activities, identify additional actions, and seek participation. The CWP Portal will be a critical tool to measure success by tracking progress toward CWP targets. The CWP Portal will enable participants and the public to view the CWP's implementation progress.

Access the CWP Portal at
LACountyWaterPlan.org

IMPLEMENTING TWO-YEAR ACTION PLAN

As part of the CWP Program, we will maintain and implement an Action Plan, which identifies the specific steps to advance progress on CWP actions within a two-year period. Where appropriate, Public Works may directly lead an action. More often, we will primarily serve to encourage the collaboration among water management entities and stakeholders to support each action. Our first implementation step will be to pursue resources to establish and facilitate task forces that could advance specific actions. Additional resources will be required to implement the Plan.

Public Works, in collaboration with partners and stakeholders, will update the Action Plan every two years, building on prior accomplishments and considering the evolving water management needs, interests, and opportunities of Los Angeles County. The current Action Plan is included as Appendix A.

The two-year Action Plan provides specifics to support the pursuit of the necessary resources to advance each action.

The CWP is intended as a planning tool, or guide, for the development of a shared, inclusive, regional plan forward to sustainably achieve safe, clean, and reliable water resources for Los Angeles County. The CWP is a living document which contains concepts that will only become a reality if agencies and stakeholders continue to collaborate effectively and secure corresponding resources. The CWP is subject to change based on the changing needs of the region, new technologies, future legislation and regulations, the continued cooperation of participating entities, and the availability of state, federal, and other long-term stable funding sources. The CWP is intended to provide general direction, including collaborative targets, strategies, and actions. Nothing in the CWP should be construed as a commitment by any participating agency to fund the implementation of any specific actions identified herein. Adoption of the CWP is not intended to serve as approval or a authorization for any specific activity that would be considered a project under the California Environmental Quality Act (CEQA).

CONTINUING COLLABORATION

We will continue to work in concert with IRWM regions to implement the CWP, in particular to engage stakeholders and enhance the dialogue on additional opportunities to build resilience through regional collaboration. To support progress on the Los Angeles County targets established in the OurCounty Sustainability Plan, we will coordinate with the County Chief Sustainability Office on implementing strategies and actions to advance our mutual goals. We will also coordinate with and leverage Infrastructure LA, an existing countywide initiative leading regional collaboration to bring resources, including funding, to Los Angeles County. As a sister program to other Public Works-led programs like the Safe, Clean Water Program, the CWP Program will also seek opportunities to work collaboratively with those efforts.



SHARING PROGRESS

Public Works will track continued progress toward the CWP targets and share this progress tracking on the CWP Portal. To track long-term progress towards meeting the CWP targets, we will lead a process to collect data and information from entities throughout the County and State, leveraging the CWP Portal as well as outside data management platforms.

To encourage continued participation and highlight CWP successes, CWP annual implementation updates will be provided. The updates will highlight specific programmatic or project accomplishments throughout Los Angeles County that support CWP regional targets and strategies, including both those undertaken through the CWP and through other local and regional efforts.

Engaging in the CWP Program

All stakeholders with an interest in water resources management in Los Angeles County have a role to play in realizing the vision of the CWP. There are participation opportunities in all three tasks of the CWP Program.

CWP PROGRAM TASK

HOW TO GET INVOLVED

Implement Two-Year Action Plan

- Leading or participating in an action or Task Force
- Sharing information and resources

Continue Partnership

- Leveraging local and regional efforts to support the CWP vision
- Participating in opportunities for collaboration

Share Progress

- Reporting successes that align with CWP strategies and actions
- Providing data to support tracking progress on targets

Our Road to Water Resilience Together

This CWP is the work of a dedicated group of agencies, organizations, and individuals who truly care about the best interests of Los Angeles County's residents and are working to bring the CWP's vision to fruition. These contributors are acknowledged in Appendix G. As entities came together to produce this plan, they understood that Los Angeles County water managers, stakeholders, and the public are all in this together and have the opportunity to make things better for generations to come.

To achieve our collective vision of safe, clean, reliable water resources for Los Angeles County, it will be critical that we continue to work together. Public Works is committed to fostering continued collaboration on regional opportunities to generate innovative solutions to complex problems as water management in Los Angeles County evolves. **It will take all of us to achieve water resilience.**








LA COUNTY WATER PLAN
LACountyWaterPlan.org

sustainability
opportunity
water
resources
collaboration
relationships
regional
equity
local
resilience

Prepared by LA County Public Works with support from Woodard & Curran



LA COUNTY WATER PLAN

LOS ANGELES COUNTY WATER PLAN

Our Route to Water Supply Resilience

July 2023 | Draft

local

water

resources

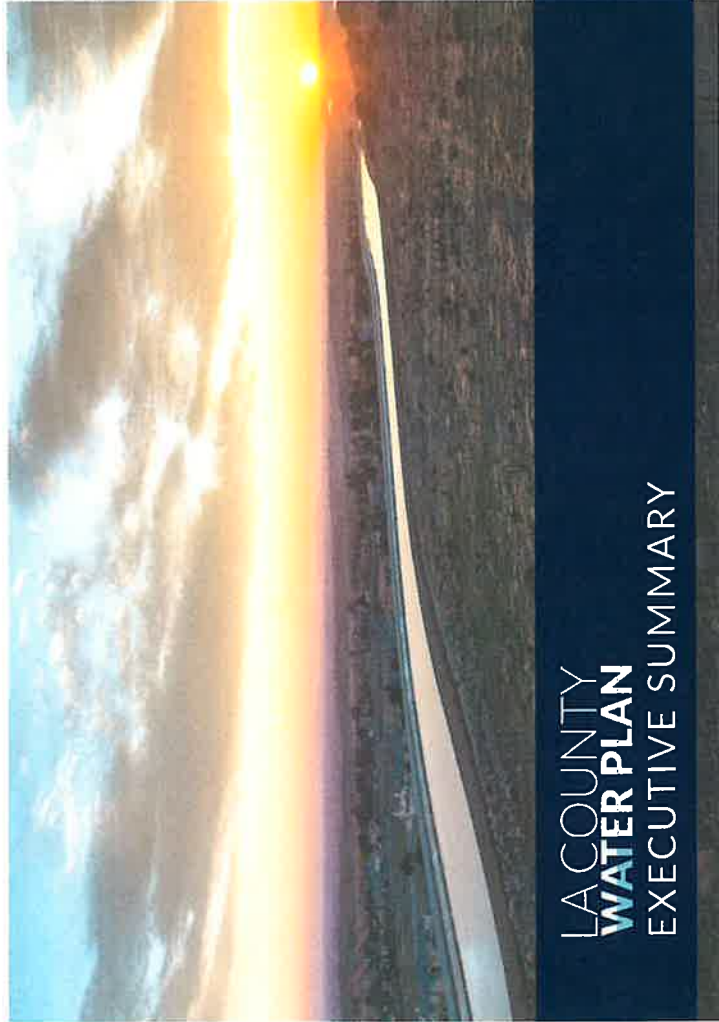
collaboration

relationships

regional

resilience

equity
sustainability
opportunity



LA COUNTY WATER PLAN EXECUTIVE SUMMARY

OUR ROUTE TO RESILIENCE, TOGETHER

Climate change is establishing a “new normal” of more frequent and intense droughts, coupled with less frequent but more torrential rains. Recognizing this new climate reality and the need to be thoughtful stewards of future water supplies, the Los Angeles County Board of Supervisors envisioned the development of a countywide water plan focused on collaborative management of Los Angeles County’s water resources. Los Angeles County Public Works (Public Works) developed this Los Angeles County Water Plan (CWP), together with water resources organizations and an array of diverse stakeholders, to secure Los Angeles County’s water future and achieve our collective vision of equitable and sustainable water resources for everyone. The CWP builds upon the Infrastructure LA initiative, establishing the path to realizing our vision that is rooted in cross-sector collaboration and coalition building.

VISION

The CWP articulates a shared, inclusive, regional path forward to sustainably achieve safe, clean, and reliable water resources for Los Angeles County.

SHARED OPPORTUNITIES FOR WATER RESILIENCE

THE CWP FOCUSES ON ACHIEVING REGIONAL WATER RESILIENCE THROUGH COLLABORATIVE STRATEGIES. Over 200 agencies in Los Angeles County manage a complex network of water systems to meet the needs of our communities and environment. To achieve sustainability and resilience, cross-sector teamwork and a holistic approach to best leverage natural systems and infrastructure are essential. The CWP is a living document. The Targets, Strategies, and Actions are a starting point in this effort.

It is not intended to address every water-related issue in Los Angeles County. Instead, it builds upon and complements the many existing local and regional water planning efforts by focusing on four key focal areas where new or additional regional collaboration can add value. These four key focal areas were established through a gaps analysis, which included a review of local and regional planning documents, along with initial stakeholder discussions encompassing a variety of perspectives. For each of the four key focal areas, the CWP describes shared desired outcomes, identified by Public Works through discussions with numerous groups and individuals. The CWP provides an approach for achieving these desired outcomes through collaboration and a platform for measuring progress.

CWP Four Key Focal Areas



REGIONAL WATER SUPPLY RELIABILITY

Improving regional water supply reliability by better leveraging our collective local and imported water resources and infrastructure.



GROUNDWATER MANAGEMENT AND QUALITY

Realizing our shared groundwater management opportunities by sharing expertise and resources to overcome challenges.



SMALL, AT-RISK SYSTEM RESILIENCE AND DRINKING WATER EQUITY

Ensuring a consistently high standard of water service for everyone in Los Angeles County by providing regional support for small systems, with focused attention to underserved communities.



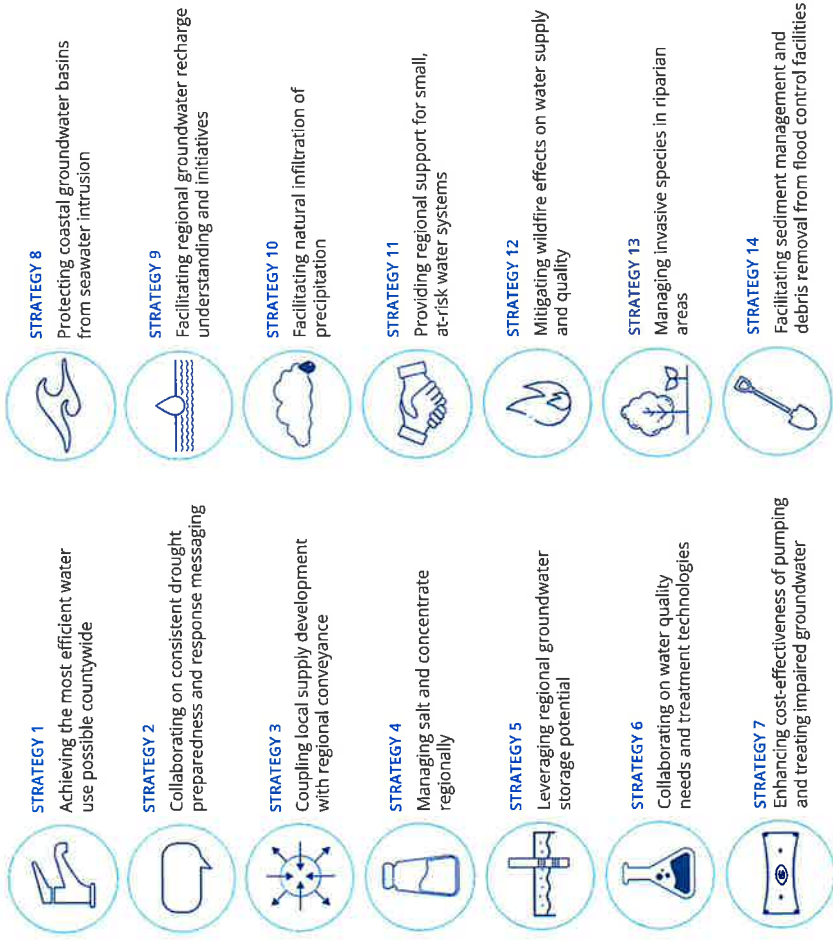
WATERSHED SEDIMENT MANAGEMENT

Mitigating the impacts of wildfire on our water supplies through coordinated efforts between land and water managers.

REGIONAL STRATEGIES, REGIONAL BENEFITS

The CWP is organized around a framework of targets and strategies, which are supported by specific actions. Targets measure collective progress toward the shared desired outcomes for the key focal areas of the CWP. These targets are intended to help Los Angeles County achieve regional water resilience by 2045. See Chapter 2 for more on targets. We will publish an interactive dashboard to track progress toward these targets. Strategies provide the overarching approaches to achieving the targets. Actions support the strategies and include specific steps to drive results, along with timing, and responsible agencies.

Strategies for a Resilient Water Future



VALUES GUIDING FUTURE ACTION

At the onset of CWP development, Public Works proactively reached out to a diverse group of stakeholders to understand what matters to them. We identified several broad, overarching values for the CWP through these conversations. Some of these values provided core tenets to our overall process for preparing the CWP. Others guided us in establishing targets, strategies, and actions. Other values, while not directly addressed through the actions in the CWP, will continue to inform how water resource management is approached. Each of these values will guide future iterations of the plan, as well as steps taken throughout CWP implementation.

These values are aligned with LA County's Anti-Racism, Diversity, and Inclusion (ARDI) Initiative, which aims to guide the County by offering training and capacity building, technical assistance and planning, policy analysis and development, data collection, analysis and reporting, community and stakeholder engagement, and equity infused resourcing and programming to help reach its goals.

CWP VALUES

- Consider equitable benefits and impacts of water resource management decisions
- Ensure inclusive, diverse, multigenerational, and sustained community engagement
- Use data to inform policies, priorities, and practices
- Encourage multi-benefit projects and green infrastructure
- Integrate vegetated and nature-based solutions
- Promote capacity building of a local skilled workforce
- Incorporate tribal knowledge into water management
- Ensure CWP is actionable and adaptable
- Address climate resiliency
- Establish clear communications—outline priorities, listen, incorporate feedback, maintain dialogue



The CWP aims for sound stewardship of all watersheds and groundwater basins that uplifts all communities. The CWP outlines a path to achieve a resilient water future for all Los Angeles County residents. Everyone has a role in successfully realizing the CWP. By working across County departments and with other partners, actively engaging stakeholders, seeking funding to support CWP implementation, and tracking and reporting on progress, we are committed to facilitating the ongoing collaboration that is core to making the CWP successful.




LA COUNTY WATER PLAN
LACountyWaterPlan.org

Prepared by LA County Public Works with support from Woodard & Curran

Public Works **Woodard & Curran**

equity **local** **sustainability** **water** **resources** **collaboration** **relationships** **regional** **resilience** **opportunity**



Staff Report

November 8, 2023

Agenda Item No. 9.c.

Notice Period (Cancellation Option) for Office Lease

In August of 2011, LAFCO entered into a ten-year lease for office space at 80 South Lake Avenue in Pasadena. The lease commenced in December of 2011, and it was set to expire in November, 2021.

In June of 2021, the Commission approved a five-year lease extension, which is scheduled to terminate in February, 2027. LAFCO currently pays \$10,180/month (\$3.55 per square foot of leasable space); with scheduled increases, LAFCO will pay \$11,125/month (\$3.88 per square foot of leasable space) in the final full year of the lease (December, 2025 to December, 2026).

The 2021 lease extension referred to as “Amendment 1” included a provision (“Exhibit A Cancellation Option”) which allows LAFCO to “opt out” of the lease at the end of the third year (in November of 2024). To avail itself of this option, LAFCO must notify the landlord (of LAFCO’s intent to leave in November of 2024) during the “notice period.” The three-month notice period begins on November 30, 2023 and it ends on February 29, 2024. Should the Commission choose this option and so notify the landlord, LAFCO is required to pay the landlord a “termination fee” of \$75,223.84. The termination fee was intended to enable the landlord to recover two costs: 1). the three months of rental abatement provided to LAFCO for rent which otherwise would have been due and payable by LAFCO in the months of December of 2021, January of 2022, and February of 2022; and 2). the difference in the broker’s commission (paid by landlord at the time the lease extension was negotiated) for a five-year lease versus a three-year lease (broker commissions are paid as a percentage of total rent paid over the term of the lease). The cancellation provision was an important deal point in the lease negotiations between LAFCO and the landlord, and it was both addressed in the staff report and discussed before the Commission voted unanimously to approve the lease extension during the June 2021 Commission Meeting.

Staff recommends that the Commission authorize staff to notify the landlord that it does not intend to leave in November of 2024, and plans to remain in its current location through the end of the five-year extension (through November of 2026), based upon the following considerations:

- a. The termination fee (\$75,223.84) represents a significant cost to LAFCO.
- b. LAFCO will incur one-time costs to hire furniture movers; pay vendors to relocate computer, server, and telephone systems; and print new business cards and stationery. Based upon the prior move (from Glendale to Pasadena) in 2011, staff anticipates costs of approximately \$25,000-\$30,000.

- c. Staff believes that the onetime costs (in “a” and “b,” above) would not be recovered in comparison to the savings that could be achieved in potentially lower lease rates over a two-year period. Current leasing rate averages for comparable office rental space do not achieve sufficient cost savings to recuperate the one-time costs for termination fees and moving costs. The broker who assisted LAFCO with our current lease extension provided staff with listings of comparable office space. Utilizing the average of the rental rates for all five listings, and comparing that to what LAFCO is scheduled to pay under our existing lease extension, it is estimated that LAFCO could potentially save approximately \$30,000 in rent over the remaining term of the lease amendment.
- d. Although it is difficult to quantify, there are additional losses in the productivity associated with staff labor to pack up the existing office, arrange things in a new office, and ensure that all equipment is working properly.

Staff is unable, therefore, to identify any appreciable advantage to terminating the lease at the end of 2024 and relocating to new office space.

Recommended Action:

1. Direct staff to remain in its current office space (through the end of the 2021 lease extension term previously approved by the Commission) ending in February of 2027.

Attachments:

- First Amendment to Standard Office Lease executed on June 10, 2021;
- June 9, 2021, Agenda Item 9.b. Staff Report for the Proposed Lease Extension for 80 South Lake Avenue, Pasadena

FIRST AMENDMENT TO STANDARD OFFICE LEASE

This First Amendment to Standard Office Lease (this "First Amendment") is made and entered into by and between **TRPF 80 SOUTH LAKE AVENUE LP**, a Delaware limited partnership ("Landlord"), as successor-in-interest to 80 South Lake, LLC ("Original Landlord"), and **LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES**, a governmental agency of the State of California ("Tenant"), and shall be effective for all purposes as of the date of the last signature as set forth on the signature page below (the "Effective Date").

WITNESSETH:

WHEREAS, Landlord and Tenant are parties to that certain Standard Office Lease dated as of August 11, 2011, originally entered into by and between Original Landlord and Tenant (the "Lease"), pursuant to which Tenant leases from Landlord certain premises designated as Suite 870, containing approximately 2,743 rentable square feet of space (subject to the re-measurement below) (the "Premises"), within the project located at 80 South Lake Avenue, Pasadena, California (the "Project"); and

WHEREAS, Landlord has succeeded to all the right, title and interest of Original Landlord in and to the Lease; and

WHEREAS, Landlord and Tenant desire to extend the Term of the Lease and modify certain other terms of the Lease, as more particularly described herein below;

NOW, THEREFORE, pursuant to the foregoing, and in consideration of the mutual covenants and agreements contained herein and in the Lease, the receipt and sufficiency of which are hereby acknowledged, the Lease is hereby amended as follows:

1. Defined Terms. All capitalized terms used herein shall have the same meaning as defined in the Lease, unless otherwise defined in this First Amendment.
2. Re-Measurement of Premises and Project. The Premises and the Project have been re-measured, and Landlord and Tenant agree that, notwithstanding anything in the Lease to the contrary, from and after the Extension Term Commencement Date (hereinafter defined): (i) the Premises shall be deemed to contain 2,865 rentable square feet of space, and (ii) the Project shall be deemed to contain 73,202 rentable square feet of space.
3. Extension of Term of the Lease. Landlord and Tenant hereby agree to extend the Term of the Lease (currently scheduled to expire on November 30, 2021) for an additional period of sixty-three (63) months, commencing on December 1, 2021 (the "Extension Term Commencement Date") and continuing through and expiring on February 28, 2027 (such period, the "Extension Term"), upon and subject to all of the existing terms of the Lease, except as otherwise hereinafter provided.
4. Basic Rental. Tenant shall continue to pay Basic Rental in accordance with the terms and provisions of the Lease applicable thereto; provided, however, commencing on the Extension Term Commencement Date and continuing throughout the remainder of the Extension Term, the amounts of Basic Rental due for the Premises shall be as follows:

<u>Period</u>	<u>Rate/RSF/Month</u> (approx. due to rounding)	<u>Monthly Installment</u> (based on 2,865 RSF)
12/01/2021 – 11/30/2022	\$3.45	\$9,884.25
12/01/2022 – 11/30/2023	\$3.55	\$10,180.78
12/01/2023 – 11/30/2024	\$3.66	\$10,486.20
12/01/2024 – 11/30/2025	\$3.77	\$10,800.79
12/01/2025 – 11/30/2026	\$3.88	\$11,124.81
12/01/2026 – 02/28/2027	\$4.00	\$11,458.55

* However, provided that Tenant is not then in default under the Lease (as amended herein), and has not been in default under the Lease, the monthly Basic Rental shall be abated for the three (3) month period commencing on December 1, 2021 and ending on February 28, 2022, as and when the same become due and payable (the "Basic Rental Abatement"), for a total Basic Rental Abatement equal to \$29,652.75. No such Basic Rental Abatement shall reduce any other amounts which are otherwise payable by Tenant under the Lease, including, without limitation, Tenant's Proportionate Share of Direct Costs. Tenant understands and agrees that the foregoing Basic Rental Abatement is conditioned upon Tenant not being in default under the Lease (as amended herein). Accordingly, upon the occurrence of any default under the Lease, the foregoing Basic Rental Abatement shall immediately become null and void and all Basic Rental that would have otherwise been due and payable in the absence of the Basic Rental Abatement shall immediately become due and payable by Tenant.

5. Additional Rent. Tenant shall continue to pay the Excess, along with all other sums due under the Lease, in accordance with the terms and provisions of the Lease applicable thereto; provided, however, for purposes of calculating the Excess payable for the Premises from and after the Extension Term Commencement Date, effective as of the Extension Term Commencement Date, (i) the "Base Year" shall be amended to be calendar year 2022 and (ii) "Tenant's Proportionate Share" shall be amended to be 3.9138% (2,865 RSF/73,202 RSF) (to reflect the re-measurement set forth in Paragraph 2 of this First Amendment).

6. Condition of Premises.

- (a) Notwithstanding anything herein or in the Lease to the contrary, Tenant agrees that Landlord has heretofore delivered the Premises to Tenant, and Tenant is in possession of and hereby agrees to accept the Premises in its existing "AS-IS", "WHERE-IS" and "WITH ALL FAULTS" condition, and Landlord shall have no obligation whatsoever to refurbish or otherwise improve the Premises at any time through the expiration of the Extension Term. Tenant agrees and warrants that it has investigated and inspected the condition of the Premises and the suitability of same for Tenant's purposes, and Tenant hereby waives and disclaims any objection to, cause of action based upon, or claim that its obligations hereunder should be reduced or limited because of the condition of the Premises or the suitability of same for Tenant's purposes. Tenant acknowledges that neither Landlord nor any agent or employee of Landlord has made any representations or warranty with respect to the Premises or with respect to its suitability for the conduct of Tenant's business and Tenant expressly warrants and represents that Tenant has relied

solely on its own investigation and inspection of the Premises in its decision to enter into this First Amendment and to continue to lease the Premises in its "AS-IS" condition.

- (b) Tenant acknowledges and agrees that any and all improvements or allowances originally required to be performed or provided by Landlord in the Lease, including, without limitation, those set forth in Exhibit "D" attached to the Lease, have been performed and/or satisfied in their entirety.
7. Cancellation Option. Tenant is hereby granted a cancellation option in accordance with and subject to the terms and conditions set forth in Exhibit A attached hereto and incorporated herein for all purposes.
8. No Other Preferential Rights or Options. Notwithstanding anything contained in the Lease to the contrary, other than the cancellation option set forth in Paragraph 7 of this First Amendment and Exhibit A attached hereto, Landlord and Tenant stipulate and agree that Tenant has no preferential rights or options under the Lease, as herein amended, such as any rights of renewal, expansion, reduction, refusal, offer, purchase, termination (other than the cancellation option set forth in Paragraph 7 of this First Amendment and Exhibit A attached hereto), relocation or any other such preferential rights or options, any such rights originally set forth in the Lease, being hereby null and void in their entirety and of no further force or effect.
9. Parking. Tenant shall continue to have its parking rights and obligations as set forth in the Lease, except that commencing on the Extension Term Commencement Date and continuing throughout the remainder of the Extension Term, Tenant shall only be required to take and pay for five (5) of the seven (7) parking passes allocated to Tenant pursuant to the Lease, and Tenant shall have the right, but not the obligation, to lease the remaining two (2) parking passes. All such parking passes shall continue to be at the prevailing rate charged from time to time based on the location of parking spaces, plus applicable taxes.
10. Security Deposit. Landlord and Tenant hereby acknowledge that Landlord currently holds a security deposit in the amount of \$8,231.68 (the "Existing Security Deposit"). Provided that no event of default then exists under the Lease, Landlord agrees to return the Existing Security Deposit to Tenant within ten (10) business days following the later of the Extension Term Commencement Date or the Tenant's written request, and upon such date the Security Deposit required under the Lease shall be amended to be \$0.00.
11. Cannabis. Tenant agrees that the Premises shall not be used for the use, growing, producing, processing, storing (short or long term), distributing, transporting, or selling of cannabis, cannabis derivatives, or any cannabis containing substances ("Cannabis"), or any office uses related to the same, nor shall Tenant permit, allow or suffer, any of Tenant's officers, employees, agents, servants, licensees, subtenants, concessionaires, contractors and invitees to bring onto the Premises, any Cannabis. Without limiting the foregoing, the prohibitions in this paragraph shall apply to all Cannabis, whether such Cannabis is legal for any purpose whatsoever under state or federal law or both. Notwithstanding anything to the contrary, any failure by Tenant to comply with each of the terms, covenants, conditions and provisions of this paragraph shall automatically and without the requirement of any notice be a default that is not subject to cure, and Tenant agrees that upon the occurrence of any such default, Landlord may elect, in its sole discretion, to exercise all of its rights and remedies under the Lease (as amended hereby), at law or in equity with respect to such default.

12. Force Majeure. Section 27 of the Lease (Inability to Perform) is hereby amended to include, immediately after the words "...acts of God", the following language: ", any restrictions, shutdowns, closures, or shortages related to COVID-19 or any similar viruses, epidemics or pandemics".
13. Landlord's Address. Landlord's address for all notices to be sent to Landlord under the Lease is hereby amended to be as follows (or such other address designated by Landlord in writing):

Project Management Office:

TRPF 80 South Lake Avenue LP
c/o I D S Real Estate Group
515 S. Figueroa Street, 16th Floor
Los Angeles, California 90071

With a copy to:

Nuveen
4675 MacArthur Court, Suite 1100
Newport Beach, California 92660
Attn: Lauren LaFever

All payments payable under this Lease shall be sent to Landlord as set forth below (or such other address designated by Landlord in writing):

Post Office Remittance Address:
TRPF 80 South Lake Avenue, LP
P.O. Box 748585
Los Angeles, California 90074-8585

Overnight Mail:
Bank of America Lockbox Services
Lockbox 748585
2706 Media Center Drive
Los Angeles, California 90065-1733

By Wire/ACH Payments:
Bank Name: Bank of America
ABA #: 121000358
Account Name: TRPF 80 SOUTH LAKE AVENUE LP
Account Number: 325000587952

14. CASp Disclosure. As of the Effective Date of this First Amendment, neither the Project nor the Premises has undergone inspection by a Certified Access Specialist (CASp). A CASp can inspect the Premises and determine whether the 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 Premises, Landlord may not prohibit Tenant from obtaining a CASp inspection of the Premises for the occupancy of Tenant, if requested by 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. Except as otherwise expressly

agreed upon in writing by Landlord, Landlord has no obligation for the payment of the CASp fee or the cost of making repairs pursuant thereto, nor shall Landlord have any liability to Tenant arising out of or related to the fact that neither the Premises nor the Project has been inspected by a CASp, and Tenant waives all such liability and acknowledges that Tenant shall have no recourse against Landlord or the Project as a result of or in connection therewith.

15. Brokers. Tenant warrants that it is not represented by any broker or agent in connection with the negotiation or execution of this First Amendment, other than System Real Estate Management, Inc. (the "Tenant's Broker") and Tenant agrees to indemnify Landlord and hold Landlord harmless from and against any and all costs, expenses, or liability for commissions or other compensations or charges claimed by any broker (except the Tenant's Broker) or agent claiming the same by, through or under Tenant with respect to this First Amendment. Tenant expressly acknowledges and agrees that I D S Real Estate Group (the "Landlord's Broker") exclusively represents only the Landlord in this transaction. Landlord warrants that it is not represented by any broker or agent in connection with the negotiation or execution of this First Amendment, other than the Landlord's Broker (as defined hereinabove), and Landlord agrees to indemnify Tenant and hold Tenant harmless from and against any and all costs, expenses, or liability for commissions or other compensations or charges claimed by any broker (including the Landlord's Broker) or agent claiming the same by, through or under Landlord with respect to this First Amendment.
16. Miscellaneous. With the exception of those terms and conditions specifically modified and amended herein, the herein referenced Lease shall remain in full force and effect in accordance with all its terms and conditions. In the event of any conflict between the terms and provisions of this First Amendment and the terms and provisions of the Lease, the terms and provisions of this First Amendment shall supersede and control.
17. Counterparts/Facsimiles. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts shall constitute one agreement. To facilitate execution of this First Amendment, the parties may execute and exchange telefaxed or e-mailed counterparts of the signature pages and such counterparts shall serve as originals. **FURTHER, THE PARTIES HERETO EXPRESSLY CONSENT AND AGREE THAT THIS FIRST AMENDMENT MAY BE ELECTRONICALLY SIGNED. THE PARTIES AGREE THE ELECTRONIC SIGNATURES APPEARING ON THIS FIRST AMENDMENT SHALL BE TREATED, FOR PURPOSES OF VALIDITY, ENFORCEABILITY AS WELL AS ADMISSIBILITY, THE SAME AS HAND-WRITTEN SIGNATURES.**

[Signatures Follow]

IN WITNESS WHEREOF, Landlord and Tenant, acting herein by duly authorized individuals, have caused these presents to be executed as of the dates set forth below, to be effective for all purposes, however, as of the Effective Date.

LANDLORD:

**TRPF 80 SOUTH LAKE AVENUE LP,
a Delaware limited partnership**

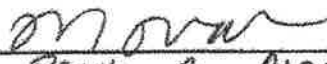
**By: TIAA-CREF Real Property GP LLC,
its General Partner**

By: Skylar Huth Digitally signed by Skylar Huth
Date: 2021.06.10 17:02:56 -04'00'
Name: Skylar Huth
Title: Authorized Signatory

Date: June 10, 2021

TENANT:

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES, a
governmental agency of the State of California**

By: 
Name: PAUL A. NOVAK
Title: Executive Officer
Date: June 10, 2021

APPROVED AS TO FORM:

**RODRIGO A. CASTRO-SILVA
County Counsel**

By: 
Deputy

EXHIBIT A

CANCELLATION OPTION

(a) Provided that Tenant is the Tenant originally named herein and no event of default shall then exist under the Lease and no condition shall then exist which with the passage of time or giving of notice, or both, would constitute an event of default under the Lease, Tenant shall have the right to send Landlord irrevocable written notice (the "Cancellation Notice") that Tenant has elected to terminate the Lease ("Cancellation Option"), effective on and as of November 30, 2024 (such date being the "Cancellation Date"), by delivering the Cancellation Notice to Landlord during the Cancellation Notice Period. The "Cancellation Notice Period" shall mean the period commencing on November 30, 2023 and ending on February 29, 2024.

(b) If Tenant elects to terminate the Lease pursuant to the immediately preceding paragraph, the effectiveness of such termination shall be conditioned upon Tenant paying to Landlord, simultaneously with Tenant's delivery of the Cancellation Notice to Landlord, a termination fee in the amount of \$75,223.84 (the "Termination Fee"). Such Termination Fee is consideration for Tenant's option to terminate and shall not be applied to rent or any other obligation of Tenant. Except as otherwise expressly set forth in the Lease (as amended hereby), Landlord and Tenant shall be relieved of all obligations accruing under the Lease after the Cancellation Date, but not any obligations accruing under the Lease prior to the effective date of such termination. Both Landlord and Tenant acknowledge and agree that it would be impracticable or extremely difficult to affix damages if Tenant terminates the Lease and that the Termination Fee set forth above represents a reasonable estimate of Landlord's damages in the event Tenant terminates the Lease under this Exhibit A. If Tenant does not timely deliver the Cancellation Notice or Termination Fee to Landlord, then this Cancellation Option shall become null and void and the Lease shall continue in full force and effect.

Staff Report

June 9, 2021

Agenda Item No. 9.b Proposed Lease Extension for 80 South Lake Avenue, Pasadena

Staff is requesting authorization to execute a lease extension for office space (Suite 870) at 80 South Lake Avenue in Pasadena.

In August of 2011, LAFCO entered into a ten-year lease for office space at 80 South Lake Avenue in Pasadena. The lease commenced in December of 2011, and the lease is set to expire in November of 2021.

In November of 2020, the Commission Chair appointed an ad hoc committee to advise staff concerning a potential lease extension. The members of the Ad Hoc Lease Extension Committee (Committee) are Commissioners Jerry Gladbach, Don Dear, and Gerard McCallum. The Committee met on January 19th and May 20th, and members have provided direction for staff's negotiations with the landlord.

At the direction of the Committee, LAFCO retained a real estate broker to handle the negotiations with IDS, LAFCO's landlord. LAFCO's broker has negotiated terms of a lease extension with an IDS representative for the past several months.

At the May 20th Committee Meeting, the Ad Hoc Committee considered the latest offer from IDS, and recommended that staff agendaize it for Commission for consideration.

The main components of the proposed lease extension are:

- Commencement: The lease extension would commence on December 1, 2021.
- Term: The term of the lease would be sixty-three (63) months, through March 1, 2027
- Rental Rate: The base rental rate would be \$3.40/square foot of space per month, and would increase by three-percent (3%) per year. At present, LAFCO pays \$3.00/square foot of space per month. Because LAFCO executed a ten-year lease in 2011—when rental rates were depressed—LAFCO is currently paying rental rate well below current market rate levels. Based upon rents being paid for comparable buildings, LAFCO's real estate broker is confident that the proposed rental rate is consistent with current market rents.
- Abatement: Rent would be abated (forgiven) for three months (December 2021, January 2022, and February, 2022).

- Termination Right: LAFCO would have a one time right to terminate the lease at the end of the thirty-sixth (36th) month. LAFCO would have to notify the landlord at least nine (9) months in advance and pay back the three months of rental abatement as well as a portion of the broker's commission (the landlord paid a commission for a 63-month lease, so LAFCO would pay for the commission representing the other 27 months).
- Security Deposit: The landlord will return to LAFCO the security deposit (\$8,231.68) that was paid in 2011 when the original lease was executed.
- Parking: LAFCO would be required to purchase five (5) parking passes per month, with an option to purchase an additional two (2) parking passes (the current lease obligates LAFCO to purchase seven (7) parking passes per month).

Retaining a real estate broker, as recommended by the Ad Hoc Committee, produced significant cost savings. Amongst other concessions, the broker successfully negotiated the rental abatement, the one-time cancellation right, the return of the security deposit, and the reduction in required parking passes.

Members of the Ad Hoc Committee, as well as staff, feel strongly that the one-time termination right is essential to any lease extension. This relatively short time-frame—three years—would allow LAFCO to ascertain a better sense of long-term office space needs and employee schedules. At present, it is too early to predict LAFCO's long-term space planning needs and employee schedules. Once COVID-19 restrictions are lifted entirely, members of the Ad Hoc Committee felt the Commission may wish to entertain a discussion of potential alternate work schedules (i.e., a "hybrid" of in-office working and remote working) for LAFCO employees. While that conversation is likely several months away, the need to address the short-term office space needs is a current, time-sensitive obligation.

Should LAFCO choose to exercise the one-time termination rights afforded in the proposed lease extension, the lease would terminate approximately three years from the renewal, in December of 2024. Should LAFCO choose not to exercise the one-time termination rights, the lease would terminate in March of 2027. Staff would return to the Commission with a recommendation in advance of the deadline, and the Commission would decide whether or not to exercise the termination rights.

Staff would like to acknowledge the hard work of Commissioners Jerry Gladbach, Don Dear, and Gerard McCallum, who served as the Ad Hoc Committee. Staff is grateful for their advice and support, which were extremely helpful.

Given the foregoing, staff requests authorization to execute a lease extension for office space (Suite 870) at 80 South Lake Avenue in Pasadena.

Recommended Action:

1. Authorize the Chair, on behalf of the Commission, to execute a lease extension with IDS Real Estate Group to continue leasing office space (Suite 870) in the building located at 80 South Lake Avenue in Pasadena: and
2. Direct staff to agendize a discussion, at a future Commission Meeting, of whether to exercise the one-term termination rights in the lease extension, in advance of the deadline specified in the lease extension.

Attachment: Proposed Lease Extension



June 2, 2021

Via E-Mail

Mr. Tony Maniscalchi and Mr. Mike Maniscalchi
System Real Estate Management, Inc.
700 North Brand Blvd., Suite 260
Glendale, CA 91203

**RE: LEASE RENEWAL COUNTER PROPOSAL – LOCAL AGENCY FORMATION COMMISSION
80 SOUTH LAKE AVENUE, SUITE 870
PASADENA, CALIFORNIA**

Dear Tony and Mike:

Thank you for your counter proposal on behalf of Local Agency Formation Commission (“Tenant”) for the space at 80 South Lake Avenue in Pasadena, California (“Building”). We value your client’s tenancy in the project and are pleased to have the opportunity to extend the term of their lease. On behalf of TRPF 80 South Lake Avenue LP (“Landlord”), we have been authorized to submit the following response:

- 1. Tenant:** Local Agency Formation Commission for the County of Los Angeles
- 2. Landlord:** TRPF 80 South Lake Avenue LP

A project of Nuveen Real Estate, an operating division of TIAA Global Asset Management and one of the largest real estate investment managers in the world.
- 3. Project:** 80 South Lake is an eight-story office building totaling approximately 73,200 Rentable Square Feet (RSF). The building is centrally located at the corner of Lake Avenue and Green Street in the heart of Pasadena’s financial corridor and South Lake Avenue’s shopping district.

More information and images of the project can be viewed at www.80southlake.com.
- 4. Premises:** The Premises has been re-measured in accordance with the ANSI/BOMA Z65.1-2017 standard and accompanying guidelines, and upon the commencement of the extension term, shall consist of 2,865 RSF.
- 5. Lease Commencement:** December 1, 2021.

6. **Lease Term:** The term of this Lease shall be for sixty-three (63) months.
7. **Base Rental Rate:** The initial monthly Base Rent shall be \$3.45 per rentable square foot, per month, FSG. The Monthly Base Rental Rate shall be adjusted each year on the Anniversary Date of the Lease Commencement Date by three percent (3%).
8. **Rental Abatement:** Rent shall be abated for three months (December 2021, January 2022, and February 2022).
9. **Tenant Improvements:** There shall be no tenant improvements.
10. **Termination Right:** Provided Tenant is not in default beyond any notice and cure periods, Tenant shall have the one (1) time personal right to terminate the Lease at the end of the thirty sixth (36th) month with no less than nine (9) and no more than twelve (12) months prior written notice ("Notice"). Tenant shall pay a Termination Fee along with the Notice equal to unamortized transaction costs (tenant improvement allowance, brokerage fees and Rent Abatement) at 8% and four months of Rent due immediately following the Termination Date. The Termination Fee shall be calculated and stated in the lease amendment.
11. **Security Deposit:** Landlord shall return Tenant's Security Deposit in the amount of \$8,231.68 upon Lease Commencement.
12. **Parking** Tenant shall lease five (5) parking passes on a monthly basis at the Building Standard Parking Rates. Tenant shall have the right but not the obligation to lease an additional two (2) parking passes.
13. **Operating Expenses:** Effective December 1, 2021, Tenant shall pay its proportionate share of increases in the Building's Operating Expenses and Property Taxes over a 2022 Base Year. Operating Expenses shall mean all costs reasonably incurred by Landlord which relate to the operation of the Building. Such Operating Expenses shall be grossed up as if the Building were 95% occupied.
14. **Broker:** Tenant represents that System Real Estate Management, Inc. is its sole Broker. Landlord and Tenant hereby acknowledge that IDS Real Estate Group represents the Landlord in the transaction contemplated herein.

15. Confidentiality:

The material contained herein is confidential. It is intended for the use of Tenant solely in determining whether they desire to enter into a lease amendment with Landlord and is not to be copied nor disclosed to any other person. In the event Tenant does not enter into the contemplated transaction, Tenant will continue to keep such information and material confidential.

This communication does not constitute an offer, acceptance, or binding contract and is not intended as a final expression of any agreement of the parties. Notwithstanding anything to the contrary contained herein, this Letter is non-binding and is not intended to establish any rights to lease all or any portion of the Property or any exclusive rights or obligations to negotiate, but merely is an expression of the terms upon which we are currently willing to negotiate, and this letter is in no way a contract or other agreement to negotiate of any kind whatsoever. Unless and until a binding Lease Agreement has been mutually executed and delivered, either party shall be free to elect not to proceed with the proposed lease transaction and/or with negotiations for same. Prior to the mutual execution and delivery of a binding Lease Agreement, Tenant (i) proceeds at its own risk, (ii) acknowledges that it is not and shall not rely on this letter, or any action or statement of Landlord or its agents that it has a right to lease the Property or that Landlord has an obligation to negotiate with Tenant or to lease the Property to Tenant, and (iii) understands that either party may elect for any reason to discontinue negotiations.

Mr. Tony Maniscalchi and Mr. Mike Maniscalchi
June 2, 2021
Page 4 of 4

If the foregoing meets your approval, please contact us and we will prepare a Lease Amendment, which upon full and mutual execution shall constitute the agreement between the parties. If you have any questions, please contact us.

Sincerely,



Lauren Allen
Manager
DRE Lic. #02018426

AGREED & ACCEPTED
Local Agency Formation Commission for the
County of Los Angeles

By

Its

Date

cc: TRPF 80 South Lake Ave, LP

STANDARD OFFICE LEASE

This Standard Office Lease ("Lease") is made and entered into as of this 11th day of August, 2011, by and between 80 South Lake, LLC, a Delaware limited liability company ("Landlord"), and the LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES, a governmental agency of the State of California ("Tenant").

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises described as Suite 870, as designated on the plan attached hereto and incorporated herein as Exhibit "A" ("Premises"), of the project ("Project") whose address is 80 South Lake Avenue, Pasadena, California, for the Term and upon the terms and conditions hereinafter set forth, and Landlord and Tenant hereby agree as follows:

ARTICLE 1

BASIC LEASE PROVISIONS

- A. Term: Ten (10) years.
- Commencement Date: December 1, 2011.
- Expiration Date: November 30, 2021.
- B. Square Footage of Premises: 2,743 rentable square feet
- C. Basic Rental:

<u>Period of Lease</u>	<u>Monthly Basic Rental</u>
12/01/2011 – 11/30/2012	\$6,308.90*
12/01/2012 – 11/30/2013	\$6,498.17*
12/01/2013 – 11/30/2014	\$6,693.11*
12/01/2014 – 11/30/2015	\$6,893.91*
12/01/2015 – 11/30/2016	\$7,100.72
12/01/2016 – 11/30/2017	\$7,313.74
12/01/2017 – 11/30/2018	\$7,533.16
12/01/2018 – 11/30/2019	\$7,759.15
12/01/2019 – 11/30/2020	\$7,991.93
12/01/2020 – 11/30/2021	\$8,231.68

* Subject to the Basic Rental Credit set forth in Article 2(a)(ii) below.

- D. Base Year: Calendar year 2012
- E. Tenant's Proportionate Share: 3.84%
- F. Security Deposit: A security deposit of \$8,231.68 shall be due and payable by Tenant to Landlord upon Tenant's execution of this Lease.
- G. Permitted Use: General office use
- H. Brokers: IDS Real Estate Group and Colliers International (for Landlord)
Coldwell Banker Commercial (for Tenant)
- I. Parking Passes: Tenant shall have the use of seven (7) unreserved parking passes, at the rate provided in Article 23 hereof.
- J. First Month's Rent: The first full month's rent of \$6,308.90 shall be due and payable by Tenant to Landlord upon Tenant's execution of this Lease.

ARTICLE 2

TERM/PREMISES

The Term of this Lease shall commence on the Commencement Date as set forth in Article 1.A. of the Basic Lease Provisions and shall end on the Expiration Date set forth in Article 1.A. of the Basic Lease Provisions. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12) month period during the Lease Term, with the first Lease Year commencing on the Commencement Date; however, (a) if the Commencement Date falls on a day other than the first day of a calendar month, the first Lease Year shall end on the last day of the eleventh (11th) month after the Commencement Date and the second (2nd) and each succeeding Lease Year shall commence on the first day of the next calendar month, and (b) the last Lease Year shall end on the Expiration Date. If Landlord is unable to deliver possession of the Premises to Tenant on or before the anticipated Commencement Date, Landlord shall not be subject to any liability for its failure to do so, and such failure shall not affect the validity of this Lease nor the obligations of Tenant hereunder. Landlord and Tenant hereby stipulate that the Premises contains the number of square feet specified in Article 1.B. of the Basic Lease Provisions, except that the rentable and usable square feet of the Premises and the Project are subject to verification from time to time by Landlord's architect/space planner. In the event that Landlord's architect/space planner determines that the amounts thereof shall be different from those set forth in this Lease, all amounts, percentages and figures appearing or referred to in this Lease based upon such incorrect amount (including, without limitation, the amount of the Basic Rental and Tenant's Proportionate Share), shall be modified in accordance with such determination. If such determination is made, it will be confirmed in writing by Landlord to Tenant. Landlord may deliver to Tenant a Commencement Letter in a form substantially similar to that attached hereto as Exhibit "C", which Tenant shall execute and return to Landlord within five (5) days of receipt thereof. Failure of Tenant to timely execute and deliver the Commencement Letter shall constitute an acknowledgment by Tenant that the statements included in such notice are true and correct, without exception.

ARTICLE 3

RENTAL

(a) Basic Rental.

(i) Tenant agrees to pay to Landlord during the Term hereof, at Landlord's office or to such other person or at such other place as directed from time to time by written notice to Tenant from Landlord, the initial monthly and annual sums as set forth in Article 1.C of the Basic Lease Provisions, payable in advance on the first day of each calendar month, without demand, setoff or deduction, and in the event this Lease commences or the date of expiration of this Lease occurs other than on the first day or last day of a calendar month, the rent for such month shall be prorated. Notwithstanding the foregoing, the first full month's Basic Rental shall be paid to Landlord in accordance with Article 1.J. of the Basic Lease Provisions.

(ii) Subject to the terms and conditions of this Article 3(a)(ii), provided that Tenant is not then in default under this Lease, and has not been in default under this Lease, Tenant shall be credited with the payment of the monthly Basic Rental due under this Lease for the months of January 2012, February 2012, January 2013, February 2013, January 2014, February 2014 and January 2015 only (collectively, the "Basic Rental Credit"), as and when the same becomes due and payable. Tenant agrees and acknowledges that the Basic Rental Credit has been granted to Tenant as additional consideration for entering into this Lease and agreeing to pay the rent and perform the terms and conditions otherwise required under this Lease. Without limiting the generality of the foregoing, upon the occurrence of any default under this Lease, the foregoing Basic Rental Credit shall immediately become null and void and of no further force or effect and any Basic Rental previously credited to Tenant shall immediately become due and payable, and Tenant shall no longer receive any credit on account of such Basic Rental Credit.

(b) Increase in Direct Costs. The term "Base Year" means the calendar year set forth in Article 1.D. of the Basic Lease Provisions. If, in any calendar year during the Term of this Lease, the "Direct Costs" (as hereinafter defined) paid or incurred by Landlord shall be higher than the Direct Costs for the Base Year, Tenant shall pay an additional sum for such and each subsequent calendar year equal to the product of the amount set forth in Article 1.E. of the Basic Lease Provisions multiplied by such increased amount of "Direct Costs." In the event either the Premises and/or the Project is expanded or reduced, then Tenant's Proportionate Share shall be appropriately adjusted, and as to the calendar year in which such change occurs, Tenant's Proportionate Share for such calendar year shall be determined on the basis of the number of days during that particular calendar year that such Tenant's Proportionate Share was in effect. In the event this Lease shall terminate on any date other than the last day of a calendar year, the additional sum payable hereunder by Tenant during the calendar year in which this Lease terminates shall be prorated on the basis of the relationship which the number of days which have elapsed from the commencement of said calendar year to and including said date on which this Lease terminates bears to three hundred sixty five (365). Any and all amounts due and payable by Tenant pursuant to Article 3(b), (c), (d) and (e) hereof shall be deemed "Additional Rent" and Landlord shall be entitled to exercise the same rights and remedies upon default in these payments as Landlord is entitled to exercise with respect to defaults in monthly Basic Rental payments.

(c) Definitions. As used herein the term "Direct Costs" shall mean the sum of the following:

(i) "Tax Costs", which shall mean any and all real estate taxes and other similar charges on real property or improvements, assessments, water and sewer charges, and all other charges assessed, reassessed or levied upon the Project and appurtenances thereto and the parking or other facilities thereof, or the real property thereunder (collectively the "Real Property") or attributable thereto or on the rents, issues, profits or income received or derived therefrom which are assessed, reassessed or levied by the United States, the State of California or any local government authority or agency or any political subdivision thereof, and shall include Landlord's reasonable legal fees, costs and disbursements incurred in connection with proceedings for reduction of Tax Costs or any part thereof. In no event shall

Tax Costs included in Direct Costs for any year subsequent to the Base Year be less than the amount of Tax Costs included in Direct Costs for the Base Year. In addition, when calculating Tax Costs for the Base Year, special assessments shall only be deemed included in Tax Costs for the Base Year to the extent that such special assessments are included in Tax Costs for the applicable subsequent calendar year during the Term.

(ii) **"Operating Costs"**, which shall mean all costs and expenses incurred by Landlord in connection with the maintenance, operation, replacement, ownership and repair of the Project, including, but not limited to, salaries, wages, medical, and other taxes and benefits for all persons who perform duties connected with the operation, maintenance and repair of the Project; a reasonable allowance for depreciation of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project; accountant's fees, legal fees, real estate tax consulting fees, personal property taxes on property used in the maintenance and operation of the Project; fees, costs, expenses or dues payable pursuant to the terms of any covenants, conditions or restrictions or owners' association pertaining to the Project; capital expenditures incurred to effect economies of operation of, or stability of services to, the Project and capital expenditures required by government regulations, laws, or ordinances including, but not limited to the American with Disabilities Act; costs incurred (capital or otherwise) on a regular recurring basis every three (3) or more years for certain maintenance projects (e.g., parking lot slurry coat or replacement of lobby and elevator cab carpeting); the cost of all charges for electricity, gas, water and other utilities furnished to the Project, including any taxes thereon; charges for insurance for the Project carried by Landlord; the cost of all building and cleaning supplies and materials; the cost of all charges for cleaning, maintenance and service contracts and other services with independent contractors and administration fees; a property management fee (which fee may be imputed if Landlord has internalized management or otherwise acts as its own property manager) and license, permit and inspection fees relating to the Project. In the event, during any calendar year, the Project is less than ninety-five percent (95%) occupied at all times, Operating Costs shall be adjusted to reflect the Operating Costs of the Project as though ninety-five percent (95%) were occupied at all times, and the increase or decrease in the sums owed hereunder shall be based upon such Operating Costs as so adjusted. In no event shall costs for any item of utilities included in Direct Costs for any year subsequent to the Base Year be less than the amount included in Direct Costs for the Base Year for such utility item. Notwithstanding anything to the contrary set forth in this Article 3, when calculating Operating Costs for the Base Year, Operating Costs shall exclude (a) market-wide labor-rate increases due to extraordinary circumstances including, but not limited to, boycotts and strikes, (b) utility rate increases due to extraordinary circumstances including, but not limited to, conservation surcharges, boycotts, embargoes or other shortages, and (c) amortization of any capital items including, but not limited to, capital improvements, capital repairs and capital replacements (including such amortized costs where the actual improvement, repair or replacement was made in prior years). In the event that a new item or category of Operating Costs is incurred by Landlord in any year subsequent to the Base Year (but such expense was not incurred by Landlord during the Base Year), then Landlord shall be permitted to include such new item or category of expenses in Operating Costs for such subsequent year only if Landlord was acting in a commercially reasonable manner consistent with institutional landlords of comparable buildings in the Pasadena, California office market during both the Base Year and the subsequent calendar year with respect to such new item or category of expenses.

(d) **Cost Pools.** Notwithstanding anything to the contrary contained in this Lease, Landlord shall have the right, from time to time, in Landlord's reasonable discretion, to allocate some or all of the Direct Costs for the Project into separate cost pools, including without limitation, for utilities and/or insurance costs (the "Cost Pools"). The Direct Costs within each such Cost Pool shall be allocated and charged to tenants in an equitable and consistent manner over the Base Year and all subsequent calendar years.

(e) **Determination of Payment.**

(i) If for any calendar year ending or commencing within the Term, Tenant's Proportionate Share of Direct Costs for such calendar year exceeds Tenant's Proportionate Share of Direct Costs for the Base Year, then Tenant shall pay to Landlord, in the manner set forth in Article 3(e)(ii) and (iii), below, and as additional rent, an amount equal to the excess (the "Excess"). If Landlord exercises its right to establish Cost Pools pursuant to Article 3(d) above, then (A) if Tenant's Proportionate Share of any Cost Pool for any year or partial year during the Term exceeds Tenant's Proportionate Share of such Cost Pool for the Base Year, then Tenant shall pay to Landlord, in the manner set forth in Article 3(e) hereof, as Additional Rent, an amount equal to such excess, calculated per Cost Pool (hereinafter, the "Cost Pooling Excess"), and (B) all references in the balance of this Article 3 to the term "Excess" shall mean and refer to the Cost Pooling Excess and all other Excess. In no event shall any decrease in the Direct Costs allocable to a particular Cost Pool be used to offset against, or decrease, any payments owed by Tenant for any other Direct Costs.

(ii) Landlord shall give Tenant a yearly expense estimate statement (the "Estimate Statement") which shall set forth Landlord's reasonable estimate (the "Estimate") of what the total amount of Direct Costs for the then-current calendar year shall be and the estimated Excess (the "Estimated Excess") as calculated by comparing Tenant's Proportionate Share of Direct Costs for such calendar year, which shall be based upon the Estimate, to Tenant's Proportionate Share of Direct Costs for the Base Year. The failure of Landlord to timely furnish the Estimate Statement for any calendar year shall not preclude Landlord from enforcing its rights to collect any Estimated Excess under this Article 3. If pursuant to the Estimate Statement an Estimated Excess is calculated for the then-current calendar year, Tenant shall pay, with its next installment of Monthly Basic Rental due, a fraction of the Estimated Excess for the then-current calendar year (reduced by any amounts paid pursuant to the last sentence of this Article 3(e)(ii)). Such fraction shall have as its numerator the number of months which have elapsed in such current calendar year to the month of such payment, both months inclusive, and shall have twelve (12) as its denominator. Until a new Estimate Statement is furnished, Tenant shall pay monthly, with the Monthly Basic Rental installments, an amount equal to one-twelfth (1/12) of the total Estimated Excess set forth in the previous Estimate Statement delivered by Landlord to Tenant.

(iii) In addition, Landlord shall endeavor to give to Tenant on or before the first day of April following the end of each calendar year, a statement (the "Statement") which shall state the Direct Costs incurred or accrued for such preceding calendar year, and which shall indicate the amount, if any, of the Excess. Upon receipt of the Statement for each calendar year during the Term, if amounts paid by Tenant as Estimated Excess are less than the actual

Excess as specified on the Statement, Tenant shall pay, with its next installment of Monthly Basic Rental due, the full amount of the Excess for such calendar year, less the amounts, if any, paid during such calendar year as Estimated Excess. If, however, the Statement indicates that amounts paid by Tenant as Estimated Excess are greater than the actual Excess as specified on the Statement, such overpayment shall be credited against Tenant's next installments of Estimated Excess. The failure of Landlord to timely furnish the Statement for any calendar year shall not prejudice Landlord from enforcing its rights under this Article 3. Even though the Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Proportionate Share of the Direct Costs for the calendar year in which this Lease terminates, if an Excess is present, Tenant shall immediately pay to Landlord an amount as calculated pursuant to the provisions of this Article 3(e). The provisions of this Article 3(e)(iii) shall survive the expiration or earlier termination of the Term.

(iv) If the Project is a part of a multi-building development, those Direct Costs attributable to such development as a whole (and not attributable solely to any individual building therein) shall be allocated by Landlord to the Project and to the other buildings within such development on an equitable basis.

(f) **Audit Right.** Provided that Tenant is not then in default beyond any applicable cure period of its obligations to pay rent, or any other payments required to be made by it under this Lease and provided further that Tenant shall have the right, once each calendar year, to cause a Qualified Person (as defined below) to reasonably review supporting data for any portion of the most recently delivered Statement of annual Direct Costs delivered by Landlord (provided, however, Tenant may not have an audit right to all documentation relating to Building operations if this would far-exceed the relevant information necessary to properly document a pass-through billing statement, but real estate tax statements, and information on utilities, repairs, maintenance and insurance will be available), in accordance with the following procedure:

(i) Tenant shall, within ninety (90) days after any Statement is delivered, deliver a written notice to Landlord specifying the portions of the Statement that are claimed to be incorrect, and Tenant shall simultaneously pay to Landlord all amounts due from Tenant to Landlord as specified in the Statement. In no event shall Tenant be entitled to withhold, deduct, or offset any monetary obligation of Tenant to Landlord under the Lease (including without limitation, Tenant's obligation to make all payments of rent and all payments of Tenant's Direct Costs) pending the completion of and regardless of the results of any review of records under this Paragraph. The right of Tenant under this Paragraph may only be exercised once for any Statement, and if Tenant fails to meet any of the above conditions as a prerequisite to the exercise of such right, the right of Tenant under this Paragraph for a particular Statement shall be deemed waived.

(ii) Tenant acknowledges that Landlord maintains its records for the Project at Landlord's main office, and Tenant agrees that any review of records under this Paragraph shall be at the sole expense of Tenant and shall be conducted by a Qualified Person. Tenant acknowledges and agrees that any records reviewed under this Paragraph constitute confidential information of Landlord, which shall not be disclosed to anyone other than the Qualified Person performing the review, the principals of Tenant who receive the results of the review, and Tenant's accounting employees. The disclosure of such information to any other person, whether or not caused by the conduct of Tenant, shall constitute a material breach of this Lease.

(iii) Any errors disclosed by the review shall be promptly corrected by Landlord, provided, however, that if Landlord disagrees with any such claimed errors, Landlord shall have the right to cause another review to be made by a Qualified Person. In the event of a disagreement between the two (2) reviews, the two (2) Qualified Persons who conducted Landlord's and Tenant's reviews shall jointly designate a third (3rd) Qualified Person, at Tenant's sole cost and expense, to conduct a review of Landlord's records. The review of such third (3rd) Qualified Person shall be deemed correct and binding upon the parties. In the event that the final results of such review of Landlord's records reveal that Tenant has overpaid obligations for the preceding period, the amount of such overpayment shall be credited against Tenant's subsequent installment obligations to pay the estimated Operating Expenses. If this Lease has expired and Tenant has no further liability to Landlord, Landlord shall return the amount of such overpayment to Tenant within thirty (30) days after such reviews have been made. In the event that such results show that Tenant has underpaid its obligations for a preceding period, the amount of such underpayment shall be paid by Tenant to Landlord with the next succeeding installment obligation of estimated Operating Expenses. A "Qualified Person" means an accountant or other person experienced in accounting for income and expenses of office projects engaged solely by Tenant on terms which do not entail any compensation based or measured in any way upon any savings in rent or reduction in Operating Expenses achieved through the inspection process.

ARTICLE 4

SECURITY DEPOSIT

Tenant has deposited with Landlord the sum set forth in Article 1.F. of the Basic Lease Provisions as security for the full and faithful performance of every provision of this Lease to be performed by Tenant. If Tenant breaches any provision of this Lease, including but not limited to the payment of rent, Landlord may use all or any part of this security deposit for the payment of any rent or any other sums in default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the security deposit to its original amount. Tenant agrees that Landlord shall not be required to keep the security deposit in trust, segregate it or keep it separate from Landlord's general funds but Landlord may commingle the security deposit with its general funds and Tenant shall not be entitled to interest on such deposit. At the expiration of the Lease Term, and provided there exists no default by Tenant hereunder, the security deposit or any balance thereof shall be returned to Tenant (or, at Landlord's option, to Tenant's assignee), provided that subsequent to the expiration of this Lease, Landlord may retain from said security deposit (i) an amount reasonably estimated by Landlord to cover potential Direct Cost reconciliation payments due with respect to the calendar year in which this Lease terminates or expires (such amount so

retained shall not, in any event, exceed ten percent (10%) of estimated Direct Cost payments due from Tenant for such calendar year through the date of expiration or earlier termination of this Lease and any amounts so retained and not applied to such reconciliation shall be returned to Tenant within thirty (30) days after Landlord's delivery of the Statement for such calendar year), and (ii) any and all amounts permitted by law or this Article 4. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code and all other provisions of law, now or hereafter in effect, which provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums specified in this Article 4 above and/or those sums reasonably necessary to compensate Landlord for any other loss or damage, foreseeable or unforeseeable, caused by the acts or omissions of Tenant or any officer, employee, agent, contractor or invitee of Tenant.

ARTICLE 5

HOLDING OVER

Should Tenant, without Landlord's written consent, hold over after termination of this Lease, Tenant shall become a tenant from month to month, only upon each and all of the terms herein provided as may be applicable to a month to month tenancy and any such holding over shall not constitute an extension of this Lease. During such holding over, Tenant shall pay in advance, monthly, rent at one hundred fifty percent (150%) of the rate in effect for the last month of the Term of this Lease. In all cases, such holdover rent shall be in addition to, and not in lieu of, all other payments required to be made by Tenant hereunder including but not limited to Tenant's Proportionate Share of any increase in Direct Costs. Nothing contained in this Article 5 shall be construed as consent by Landlord to any holding over of the Premises by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or earlier termination of the Term. If Tenant fails to surrender the Premises upon the expiration or termination of this Lease, Tenant agrees to indemnify, defend and hold Landlord harmless from all costs, loss, expense or liability, including without limitation, claims made by any succeeding tenant and real estate brokers claims and attorney's fees.

ARTICLE 6

PERSONAL PROPERTY TAXES

Tenant shall pay, prior to delinquency, all taxes assessed against or levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant located in the Premises. Tenant shall assume and pay to Landlord at the time of paying Basic Rental any excise, sales, use, rent, occupancy, garage, parking, gross receipts or other taxes (other than net income taxes) which may be imposed on or on account of letting of the Premises or the payment of Basic Rental or any other sums due or payable hereunder, and which Landlord may be required to pay or collect under any law now in effect or hereafter enacted. Tenant shall pay directly to the party or entity entitled thereto all business license fees, gross receipts taxes and similar taxes and impositions which may from time to time be assessed against or levied upon Tenant, as and when the same become due and before delinquency. Notwithstanding anything to the contrary contained herein, any sums payable by Tenant under this Article 6 shall not be included in the computation of "Tax Costs."

ARTICLE 7

USE

Tenant shall use and occupy the Premises only for the use set forth in Article 1.G. of the Basic Lease Provisions and shall not use or occupy the Premises or permit the same to be used or occupied for any other purpose without the prior written consent of Landlord, which consent may be given or withheld in Landlord's sole and absolute discretion, and Tenant agrees that it will use the Premises in such a manner so as not to interfere with or infringe the rights of other tenants in the Project. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental regulations or requirements now in force or which may hereafter be in force relating to or affecting (i) the condition, use or occupancy of the Premises or the Project excluding structural changes to the Project not related to Tenant's particular use of the Premises, and (ii) improvements installed or constructed in the Premises by or for the benefit of Tenant. Tenant shall not do or permit to be done anything which would invalidate or increase the cost of any fire and extended coverage insurance policy covering the Project and/or the property located therein and Tenant shall comply with all rules, orders, regulations and requirements of any organization which sets out standards, requirements or recommendations commonly referred to by major fire insurance underwriters. Tenant shall promptly upon demand reimburse Landlord for any additional premium charges for any such insurance policy assessed or increased by reason of Tenant's failure to comply with the provisions of this Article.

ARTICLE 8

CONDITION OF PREMISES

(a) Subject to Exhibit "D", attached hereto and incorporated herein by this reference, Tenant hereby agrees that, except as expressly provided in this Lease, the Premises shall be taken "as is", "with all faults", "without any representations or warranties", and Tenant hereby agrees and warrants that it has investigated and inspected the condition of the Premises and the suitability of same for Tenant's purposes. Tenant acknowledges that, except as expressly provided in this Lease, neither Landlord nor any agent nor any employee of Landlord has made any representations or warranty with respect to the Premises or the Project or with respect to the suitability of either for the conduct of Tenant's business and Tenant expressly warrants and represents that Tenant has relied solely on its own investigation and inspection of the Premises and the Project in its decision to enter into this Lease and let the Premises in an "as is" condition. The taking of possession of the Premises by Tenant shall conclusively establish that the Premises and the

Project were at such time in satisfactory condition. Tenant hereby waives Sections 1941 and 1942 of the Civil Code of California or any successor provision of law.

(b) Landlord reserves the right from time to time, but subject to payment by and/or reimbursement from Tenant as otherwise provided herein: (i) to install, use, maintain, repair, replace and relocate for service to the Premises and/or other parts of the Project pipes, ducts, conduits, wires, appurtenant fixtures, and mechanical systems, wherever located in the Premises or the Project, (ii) to alter, close or relocate any facility in the Premises or the Common Areas or otherwise conduct any of the above activities for the purpose of complying with a general plan for fire/life safety for the Project or otherwise and (iii) to comply with any federal, state or local law, rule or order with respect thereto or the regulation thereof not currently in effect. Landlord shall attempt to perform any such work with the least inconvenience to Tenant as possible, but in no event shall Tenant be permitted to withhold or reduce Basic Rental or other charges due hereunder as a result of same or otherwise make claim against Landlord for interruption or interference with Tenant's business and/or operations.

ARTICLE 9

REPAIRS AND ALTERATIONS

Tenant shall keep the Premises in good condition and repair. All damage or injury to the Premises or the Project resulting from the act or negligence of Tenant, its employees, agents or visitors, guests, invitees or licensees or by the use of the Premises shall be promptly repaired by Tenant, at its sole cost and expense, to the satisfaction of Landlord; provided, however, that for damage to the Project as a result of casualty or for any repairs that may impact the mechanical, electrical, plumbing, heating, ventilation or air-conditioning systems of the Project, Landlord shall have the right (but not the obligation) to select the contractor and oversee all such repairs. Landlord may make any repairs which are not promptly made by Tenant after Tenant's receipt of written notice and the reasonable opportunity of Tenant to make said repair within five (5) business days from receipt of said written notice, and charge Tenant for the cost thereof, which cost shall be paid by Tenant within five (5) days from invoice from Landlord. Tenant shall be responsible for the design and function of all non-standard improvements of the Premises, whether or not installed by Landlord at Tenant's request. Tenant waives all rights to make repairs at the expense of Landlord, or to deduct the cost thereof from the rent. Tenant shall make no alterations, changes or additions in or to the Premises (collectively, "Alterations") without Landlord's prior written consent, which consent may be withheld and/or conditioned in Landlord's sole discretion. If permitted Alterations are made, they shall be made at Tenant's sole cost and expense and shall be and become the property of Landlord, except that Landlord may, by written notice to Tenant given at least thirty (30) days prior to the end of the Term, require Tenant at Tenant's expense to remove any Alterations installed by Tenant, and to repair any damages to the Premises caused by such removal. Any and all costs attributable to or related to the applicable building codes of the city in which the Project is located (or any other authority having jurisdiction over the Project) arising from Tenant's plans, specifications, improvements, alterations or otherwise shall be paid by Tenant at its sole cost and expense. With regard to repairs, Alterations or any other work arising from or related to this Article 9, Landlord shall be entitled to receive an administrative/supervision fee (which fee shall vary depending upon whether or not Tenant orders the work directly from Landlord) sufficient to compensate Landlord for all overhead, general conditions, fees and other costs and expenses arising from Landlord's involvement with such work.

ARTICLE 10

LIENS

Tenant shall keep the Premises and the Project free from any mechanics' liens, vendors liens or any other liens arising out of any work performed, materials furnished or obligations incurred by Tenant.

ARTICLE 11

PROJECT SERVICES

(a) Landlord agrees to furnish to the Premises, at a cost to be included in Operating Costs, from 8:00 a.m. to 6:00 p.m. Mondays through Fridays and 9:00 a.m. to 1:00 p.m. on Saturdays, excepting local and national holidays, air conditioning and heat all in such reasonable quantities as in the judgment of Landlord is reasonably necessary for the comfortable occupancy of the Premises. In addition, Landlord shall provide electric current for normal lighting and normal office machines, elevator service and water on the same floor as the Premises for lavatory and drinking purposes in such reasonable quantities as in the judgment of Landlord is reasonably necessary for general office use. Janitorial and maintenance services shall be furnished five (5) days per week, excepting local and national holidays. Tenant shall comply with all rules and regulations which Landlord may reasonably establish for the proper functioning and protection of the common area air conditioning, heating, elevator, electrical intrabuilding network cable and plumbing systems. Landlord shall not be liable for, and there shall be no rent abatement as a result of, any stoppage, reduction or interruption of any such services. Except as specifically provided in this Article 11, Tenant agrees to pay for all utilities and other services utilized by Tenant and additional building services furnished to Tenant not uniformly furnished to all tenants of the Project at the rate generally charged by Landlord to tenants of the Project.

(b) Tenant will not, without the prior written consent of Landlord, use any apparatus or device in the Premises which will in any way increase the amount of electricity or water usually furnished or supplied for use of the Premises as general office space; nor connect any apparatus, machine or device with water pipes or electric current (except through existing electrical outlets in the Premises), for the purpose of using electric current or water.

(c) If Tenant shall require electric current in excess of that which Landlord is obligated to furnish under Article 11(a) above, Tenant shall first obtain the written consent of Landlord, which Landlord may refuse in its sole and absolute discretion, to the use thereof and Landlord may cause an electric current meter or submeter to be installed in the

Premises to measure the amount of such excess electric current consumed by Tenant in the Premises. The cost of any such meter and of installation, maintenance and repair thereof shall be paid for by Tenant and Tenant agrees to pay to Landlord, promptly upon demand therefor by Landlord, for all such excess electric current consumed by any such use as shown by said meter at the rates charged for such service by the city in which the Project is located or the local public utility, as the case may be, furnishing the same, plus any additional expense incurred by Landlord in keeping account of the electric current so consumed. Notwithstanding the foregoing, if Tenant consumes electricity in the Premises in excess of the amount or type that Landlord determines is typical for general office use, but Landlord elects not to cause an electric meter or submeter to be installed in the Premises (which Landlord may elect in its sole and absolute discretion), then Tenant shall pay to Landlord, within five (5) days after written demand from time to time, the cost of such excess electricity (as determined by Landlord), together with all costs and expenses incurred by Landlord in connection therewith.

(d) If Tenant requires heating, ventilation and/or air conditioning during times other than the times provided in Article 11(a) above, Tenant shall give Landlord such advance notice as Landlord shall reasonably require and shall pay Landlord's standard charge for such after-hours use.

(e) Landlord may impose a reasonable charge for any utilities or services (other than electric current and heating, ventilation and/or air conditioning which shall be governed by Articles 11(c) and (d) above) utilized by Tenant in excess of the amount or type that Landlord reasonably determines is typical for general office use.

ARTICLE 12

RIGHTS OF LANDLORD

Upon reasonable advance oral or written notice (except in cases of emergency or for janitorial/maintenance purposes, in which case no notice shall be required), Landlord and its agents shall have the right to enter the Premises at all reasonable times for the purpose of cleaning the Premises, examining or inspecting the same, serving or posting and keeping posted thereon notices as provided by law, or which Landlord deems necessary for the protection of Landlord or the Property, showing the same to prospective tenants, lenders or purchasers of the Project, in the case of an emergency, and for making such alterations, repairs, improvements or additions to the Premises or to the Project as Landlord may deem necessary or desirable. If Tenant shall not be personally present to open and permit an entry into the Premises at any time when such an entry by Landlord is necessary or permitted hereunder, Landlord may enter by means of a master key or may enter forcibly, only in the case of an emergency, without liability to Tenant and without affecting this Lease.

ARTICLE 13

INDEMNITY; EXEMPTION OF LANDLORD FROM LIABILITY

(a) **Indemnity.** Tenant shall indemnify, defend and hold Landlord harmless from any and all claims arising from Tenant's use of the Premises or the Project or from the conduct of its business or from any activity, work or thing which may be permitted or suffered by Tenant in or about the Premises or the Project and shall further indemnify, defend and hold Landlord harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under this Lease or arising from any negligence of Tenant or any of its agents, contractors, employees or invitees, patrons, customers or members in or about the Project and from any and all costs, attorneys' fees, expenses and liabilities incurred in the defense of any claim or any action or proceeding brought thereon, including negotiations in connection therewith. Tenant hereby assumes all risk of damage to property or injury to persons in or about the Premises from any cause, and Tenant hereby waives all claims in respect thereof against Landlord, except to the extent caused by the gross negligence or willful misconduct of Landlord.

(b) **Exemption of Landlord from Liability.** Landlord shall not be liable for injury to Tenant's business, or loss of income therefrom, or for damage that may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees, customers, agents, or contractors, or any other person in, on or about the Premises directly or indirectly caused by or resulting from fire, steam, electricity, gas, water, or rain which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, light fixtures, or mechanical or electrical systems or from intrabuilding network cable, whether such damage or injury results from conditions arising upon the Premises or upon other portions of the Project or from other sources or places and regardless of whether the cause of such damage or injury or the means or repairing the same is inaccessible to Tenant. Landlord shall not be liable to Tenant for any damages arising from any act or neglect of any other tenant of the building. Tenant acknowledges that Landlord's election to provide mechanical surveillance or to post security personnel in the Project is solely within Landlord's discretion; Landlord shall have no liability in connection with the decision whether or not to provide such services and Tenant hereby waives all claims based thereon. Landlord shall not be liable for losses due to theft, vandalism, or like causes.

ARTICLE 14

INSURANCE

(a) **Tenant's Insurance.** Tenant, shall at all times during the Term of this Lease, and at its own cost and expense, procure and continue in force the following insurance coverage: (i) Commercial General Liability Insurance with a combined single limit for bodily injury and property damages of not less than Two Million Dollars (\$2,000,000) per occurrence and Three Million Dollars (\$3,000,000) in the annual aggregate, including products liability coverage if applicable, covering the insuring provisions of this Lease and the performance of Tenant of the indemnity and exemption of Landlord from liability agreements set forth in Article 13 hereof; (ii) a policy of standard fire, extended coverage and special extended coverage insurance (all risks), including a vandalism and malicious mischief endorsement, sprinkler

leakage coverage and earthquake sprinkler leakage where sprinklers are provided in an amount equal to the full replacement value new without deduction for depreciation of all (A) Tenant Improvements, Alterations, fixtures and other improvements in the Premises and (B) trade fixtures, furniture, equipment and other personal property installed by or at the expense of Tenant; (iii) Worker's Compensation coverage as required by law; and (iv) business interruption, loss of income and extra expense insurance covering failure of Tenant's telecommunications equipment and covering all other perils, failures or interruptions.

(b) **Form of Policies.** The aforementioned minimum limits of policies and Tenant's procurement and maintenance thereof shall in no event limit the liability of Tenant hereunder. The Commercial General Liability Insurance policy shall name Landlord, Landlord's property manager, Landlord's lender(s) and such other persons or firms as Landlord specifies from time to time, as additional insureds with an appropriate endorsement to the policy(s). All such insurance policies carried by Tenant shall be with companies having a rating of not less than A-VIII in Best's Insurance Guide. Tenant shall furnish to Landlord, from the insurance companies, or cause the insurance companies to furnish, certificates of coverage. No such policy shall be cancelable or subject to reduction of coverage or other modification or cancellation except after thirty (30) days prior written notice to Landlord by the insurer. All such policies shall be endorsed to agree that Tenant's policy is primary and that any insurance covered by Landlord is excess and not contributing with any Tenant insurance requirement hereunder. Tenant shall, at least twenty (20) days prior to the expiration of such policies, furnish Landlord with renewals or binders. Tenant agrees that if Tenant does not take out and maintain such insurance or furnish Landlord with renewals or binders, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf and charge Tenant the cost thereof, which amount shall be payable by Tenant upon demand with interest (at the rate set forth in Article 20(e) below) from the date such sums are extended.

(c) **Waiver of Subrogation.** Landlord and Tenant each agree to have their respective insurers waive any rights of subrogation that such companies may have against the other party. Tenant hereby waives any right that Tenant may have against Landlord and Landlord hereby waives any right that Landlord may have against Tenant as a result of any loss or damage to the extent such loss or damage is insurable under such policies.

ARTICLE 15

ASSIGNMENT AND SUBLETTING

Tenant shall have no power to, either voluntarily, involuntarily, by operation of law or otherwise, sell, assign, transfer or hypothecate this Lease, or sublet the Premises or any part thereof, or permit the Premises or any part thereof to be used or occupied by anyone other than Tenant or Tenant's employees without the prior written consent of Landlord which shall not be unreasonably withheld. If Tenant is a corporation, unincorporated association, partnership or limited liability company, the sale, assignment, transfer or hypothecation of any class of stock or other ownership interest in such corporation, association, partnership or limited liability company in excess of twenty-five percent (25%) in the aggregate shall be deemed an assignment within the meaning and provisions of this Article 15. Tenant may transfer its interest pursuant to this Lease only upon the following express conditions, which conditions are agreed by Landlord and Tenant to be reasonable:

(a) That the proposed transferee shall be subject to the prior written consent of Landlord, which consent will not be unreasonably withheld but, without limiting the generality of the foregoing, it shall be reasonable for Landlord to deny such consent if:

(i) The use to be made of the Premises by the proposed transferee is (a) not generally consistent with the character and nature of all other tenancies in the Project, or (b) a use which conflicts with any so-called "exclusive" then in favor of, or for any use which is the same as that stated in any percentage rent lease to, another tenant of the Project or any other buildings which are in the same complex as the Project, or (c) a use which would be prohibited by any other portion of this Lease (including but not limited to any Rules and Regulations then in effect);

(ii) The financial responsibility of the proposed transferee is not reasonably satisfactory to Landlord;

(iii) The proposed transferee is either a governmental agency or instrumentality thereof; or

(iv) Either the proposed transferee or any person or entity which directly or indirectly controls, is controlled by or is under common control with the proposed transferee (A) occupies space in the Project at the time of the request for consent, or (B) is negotiating with Landlord or has negotiated with Landlord during the six (6) month period immediately preceding the date of the proposed transfer, to lease space in the Project.

(b) Whether or not Landlord consents to any such transfer, Tenant shall pay to Landlord Landlord's then standard processing fee and reasonable attorneys' fees incurred in connection with the proposed transfer;

(c) That the proposed transferee shall execute an agreement pursuant to which it shall agree to perform faithfully and be bound by all of the terms, covenants, conditions, provisions and agreements of this Lease applicable to that portion of the Premises so transferred; and

(d) That an executed duplicate original of said assignment and assumption agreement or other transfer on a form reasonably approved by Landlord, shall be delivered to Landlord within five (5) days after the execution thereof, and that such transfer shall not be binding upon Landlord until the delivery thereof to Landlord and the execution and delivery of Landlord's consent thereto. It shall be a condition to Landlord's consent to any subleasing, assignment or other transfer of part or all of Tenant's interest in the Premises (hereinafter referred to as a "Transfer") that (i) upon Landlord's consent to any Transfer, Tenant shall pay and continue to pay seventy-five percent (75%) of any "Transfer Premium" (defined below), received by Tenant from the transferee; (ii) any sublessee of part or all of Tenant's interest in

the Premises shall agree that in the event Landlord gives such sublessee notice that Tenant is in default under this Lease, such sublessee shall thereafter make all sublease or other payments directly to Landlord, which will be received by Landlord without any liability whether to honor the sublease or otherwise (except to credit such payments against sums due under this Lease), and any sublessee shall agree to attorn to Landlord or its successors and assigns at their request should this Lease be terminated for any reason, except that in no event shall Landlord or its successors or assigns be obligated to accept such attornment; (iii) any such Transfer and consent shall be effected on forms supplied by Landlord and/or its legal counsel; (iv) Landlord may require that Tenant not then be in default hereunder in any respect; and (v) Tenant or the proposed subtenant or assignee (collectively, "Transferee") shall agree to pay Landlord, upon demand, as additional rent, a sum equal to the additional costs, if any, incurred by Landlord for maintenance and repair as a result of any change in the nature of occupancy caused by such subletting or assignment. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by a Transferee in connection with a Transfer in excess of the rent and Additional Rent payable by Tenant under this Lease during the term of the Transfer and if such Transfer is less than all of the Premises, the Transfer Premium shall be calculated on a rentable square foot basis. "Transfer Premium" shall also include, but not be limited to, key money, bonus money or other cash consideration paid by a transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to the Transferee and any payment in excess of fair market value for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to the Transferee in connection with such Transfer. Any sale assignment, hypothecation, transfer or subletting of this Lease which is not in compliance with the provisions of this Article 15 shall be void and shall, at the option of Landlord, terminate this Lease. In no event shall the consent by Landlord to an assignment or subletting be construed as relieving Tenant, any assignee, or sublessee from obtaining the express written consent of Landlord to any further assignment or subletting, or as releasing Tenant from any liability or obligation hereunder whether or not then accrued and Tenant shall continue to be fully liable therefor. No collection or acceptance of rent by Landlord from any person other than Tenant shall be deemed a waiver of any provision of this Article 15 or the acceptance of any assignee or subtenant hereunder, or a release of Tenant (or of any successor of Tenant or any subtenant). Notwithstanding anything to the contrary in this Lease, if Tenant or any proposed Transferee claims that Landlord has unreasonably withheld or delayed its consent under this Article 15 or otherwise has breached or acted unreasonably under this Article 15, their sole remedies shall be a declaratory judgment and an injunction for the relief sought without any monetary damages, and Tenant hereby waives all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable laws, on behalf of the proposed Transferee.

Notwithstanding anything to the contrary contained in this Article 15, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after Landlord's receipt of a request for consent to a proposed Transfer, to terminate this Lease as to the portion of the Premises that is the subject of the Transfer. If this Lease is so terminated with respect to less than the entire Premises, the Basic Rental and Tenant's Proportionate Share shall be prorated based on the number of rentable square feet retained by Tenant as compared to the total number of rentable square feet contained in the original Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon the request of either party, the parties shall execute written confirmation of the same.

ARTICLE 16

DAMAGE OR DESTRUCTION

If the Project is damaged by fire or other insured casualty and the insurance proceeds have been made available therefor by the holder or holders of any mortgages or deeds of trust covering the Premises or the Project, the damage shall be repaired by Landlord to the extent such insurance proceeds are available therefor and provided such repairs can, in Landlord's sole opinion, be completed within two hundred seventy (270) days after the necessity for repairs as a result of such damage becomes known to Landlord without the payment of overtime or other premiums, and until such repairs are completed rent shall be abated in proportion to the part of the Premises which is unusable by Tenant in the conduct of its business (but there shall be no abatement of rent by reason of any portion of the Premises being unusable for a period equal to one (1) day or less). However, if the damage is due to the fault or neglect of Tenant, its employees, agents, contractors, guests, invitees and the like, there shall be no abatement of rent, unless and to the extent Landlord receives rental income insurance proceeds. Upon the occurrence of any damage to the Premises, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Article 14(a)(ii)(A) above; provided, however, that if the cost of repair of improvements within the Premises by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as so assigned by Tenant, such excess costs shall be paid by Tenant to Landlord prior to Landlord's repair of such damage. If repairs cannot, in Landlord's opinion, be completed within one hundred eighty (180) days after the necessity for repairs as a result of such damage becomes known to Landlord without the payment of overtime or other premiums, Landlord may, at its option, either (i) make them in a reasonable time and in such event this Lease shall continue in effect and the rent shall be abated, if at all, in the manner provided in this Article 16, or (ii) elect not to effect such repairs and instead terminate this Lease, by notifying Tenant in writing of such termination within sixty (60) days after Landlord learns of the necessity for repairs as a result of damage, such notice to include a termination date giving Tenant sixty (60) days to vacate the Premises. In addition, Landlord may elect to terminate this Lease if the Project shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and the damage is not fully covered, except for deductible amounts, by Landlord's insurance policies. Finally, if the Premises or the Project is damaged to any substantial extent during the last twelve (12) months of the Term, then notwithstanding anything contained in this Article 16 to the contrary, Landlord shall have the option to terminate this Lease by giving written notice to Tenant of the exercise of such option within sixty (60) days after Landlord learns of the necessity for repairs as the result of such damage. A total destruction of the Project shall automatically terminate this Lease. Except as provided in this Article 16, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business or property arising from such damage or destruction or the making of any repairs, alterations or improvements in or to any portion of the Project or the Premises or in or to fixtures, appurtenances and equipment therein. Tenant understands that Landlord will not carry insurance of any kind on Tenant's furniture, furnishings, trade fixtures or equipment, and that Landlord shall not be obligated to repair any damage thereto or replace the same. Except for proceeds relating to Tenant's furniture,

furnishings, trade fixtures and equipment, Tenant acknowledges that Tenant shall have no right to any proceeds of insurance relating to property damage. With respect to any damage which Landlord is obligated to repair or elects to repair, Tenant, as a material inducement to Landlord entering into this Lease, irrevocably waives and releases its rights under the provisions of Sections 1932 and 1933 of the California Civil Code.

ARTICLE 17

SUBORDINATION

This Lease is subject and subordinate to all ground or underlying leases, mortgages and deeds of trust which affect the property or the Project, including all renewals, modifications, consolidations, replacements and extensions thereof; provided, however, if the lessor under any such lease or the holder or holders of any such mortgage or deed of trust shall advise Landlord that they desire or require this Lease to be prior and superior thereto, upon written request of Landlord to Tenant, Tenant agrees to promptly execute, acknowledge and deliver any and all documents or instruments which Landlord or such lessor, holder or holders deem necessary or desirable for purposes thereof. Landlord shall have the right to cause this Lease to be and become and remain subject and subordinate to any and all ground or underlying leases, mortgages or deeds of trust which may hereafter be executed covering the Premises, the Project or the property or any renewals, modifications, consolidations, replacements or extensions thereof; provided, however, that Landlord obtains from the lender or other party in question a written undertaking in favor of Tenant to the effect that such lender or other party will not disturb Tenant's right of possession under this Lease if Tenant is not then or thereafter in breach of any covenant or provision of this Lease. Tenant agrees, within ten (10) days after Landlord's written request therefor, to execute, acknowledge and deliver upon request any and all documents or instruments requested by Landlord or necessary or proper to assure the subordination of this Lease to any such mortgages, deed of trust, or leasehold estates. Tenant agrees that in the event any proceedings are brought for the foreclosure of any mortgage or deed of trust or any deed in lieu thereof, to attorn to the purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof as so requested to do so by such purchaser and to recognize such purchaser as the lessor under this Lease; Tenant shall, within five (5) days after request execute such further instruments or assurances as such purchaser may reasonably deem necessary to evidence or confirm such attornment. Tenant agrees to provide copies of any notices of Landlord's default under this Lease to any mortgagee or deed of trust beneficiary whose address has been provided to Tenant and Tenant shall provide such mortgagee or deed of trust beneficiary a commercially reasonable time after receipt of such notice within which to cure any such default. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale.

ARTICLE 18

EMINENT DOMAIN

If the whole of the Premises or the Project or so much thereof as to render the balance unusable by Tenant shall be taken under power of eminent domain, or is sold, transferred or conveyed in lieu thereof, this Lease shall automatically terminate as of the date of such condemnation, or as of the date possession is taken by the condemning authority, at Landlord's option. No award for any partial or entire taking shall be apportioned, and Tenant hereby assigns to Landlord any award which may be made in such taking or condemnation, together with any and all rights of Tenant now or hereafter arising in or to the same or any part thereof; provided, however, that nothing contained herein shall be deemed to give Landlord any interest in or to require Tenant to assign to Landlord any award made to Tenant for the taking of personal property and trade fixtures belonging to Tenant and removable by Tenant at the expiration of the Term hereof as provided hereunder or for the interruption of, or damage to, Tenant's business. In the event of a partial taking described in this Article 18, or a sale, transfer or conveyance in lieu thereof, which does not result in a termination of this Lease, the rent shall be apportioned according to the ratio that the part of the Premises remaining useable by Tenant bears to the total area of the Premises. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure.

ARTICLE 19

DEFAULT

Each of the following acts or omissions of Tenant or of any guarantor of Tenant's performance hereunder, or occurrences, shall constitute an "Event of Default":

(a) Failure or refusal to pay Basic Rental, Additional Rent or any other amount to be paid by Tenant to Landlord hereunder within five (5) business days after notice that the same is due or payable hereunder; said five (5) business day period shall be in lieu of, and not in addition to, the notice requirements of Section 1161 of the California Code of Civil Procedure or any similar or successor law;

(b) Except as set forth in items (a) above and (c) through and including (d) below, failure to perform or observe any other covenant or condition of this Lease to be performed or observed within thirty (30) days following written notice to Tenant of such failure. Such thirty (30) day notice shall be in lieu of, and not in addition to, any required under Section 1161 of the California Code of Civil Procedure or any similar or successor law;

(c) Abandonment or vacating or failure to accept tender of possession of the Premises or any significant portion thereof; or

(d) Tenant's failure to observe or perform according to the provisions of Articles 17 or 25 within two (2) business days after notice from Landlord.

All defaults by Tenant of any covenant or condition of this Lease shall be deemed by the parties hereto to be material.

ARTICLE 20

REMEDIES

(a) Upon the occurrence of an Event of Default under this Lease as provided in Article 19 hereof, Landlord may exercise all of its remedies as may be permitted by law, including but not limited to the remedy provided by Section 1951.4 of the California Civil Code, and including without limitation, terminating this Lease, reentering the Premises and removing all persons and property therefrom, which property may be stored by Landlord at a warehouse or elsewhere at the risk, expense and for the account of Tenant. If Landlord elects to terminate this Lease, Landlord shall be entitled to recover from Tenant the aggregate of all amounts permitted by law, including but not limited to (i) the worth at the time of award of the amount of any unpaid rent which had been earned at the time of such termination; plus (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and (v) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law. The term "rent" as used in this Article 20(a) shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in items (i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the rate set forth in item (e), below, but in no case greater than the maximum amount of such interest permitted by law. As used in item (iii), above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(b) Nothing in this Article 20 shall be deemed to affect Landlord's right to indemnification for liability or liabilities arising prior to the termination of this Lease for personal injuries or property damage under the indemnification clause or clauses contained in this Lease.

(c) Notwithstanding anything to the contrary set forth herein, Landlord's re-entry to perform acts of maintenance or preservation of or in connection with efforts to relet the Premises or any portion thereof, or the appointment of a receiver upon Landlord's initiative to protect Landlord's interest under this Lease shall not terminate Tenant's right to possession of the Premises or any portion thereof and, until Landlord does elect to terminate this Lease, this Lease shall continue in full force and effect and Landlord may enforce all of Landlord's rights and remedies hereunder including, without limitation, the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if Lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

(d) All rights, powers and remedies of Landlord hereunder and under any other agreement now or hereafter in force between Landlord and Tenant shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Landlord by law, and the exercise of one or more rights or remedies shall not impair Landlord's right to exercise any other right or remedy.

(e) Any amount due from Tenant to Landlord hereunder which is not paid when due shall bear interest at the lower of ten percent (10%) per annum or the maximum lawful rate of interest from the due date until paid, unless otherwise specifically provided herein, but the payment of such interest shall not excuse or cure any default by Tenant under this Lease. In addition to such interest: (i) if Basic Rental is not paid within ten (10) days after the same is due, a late charge equal to ten percent (10%) of the amount overdue or \$100, whichever is greater, shall be assessed and shall accrue for each calendar month or part thereof until such rental, including the late charge, is paid in full, which late charge Tenant hereby agrees is a reasonable estimate of the damages Landlord shall suffer as a result of Tenant's late payment and (ii) an additional charge of \$25 shall be assessed for any check given to Landlord by or on behalf of Tenant which is not honored by the drawee thereof; which damages include Landlord's additional administrative and other costs associated with such late payment and unsatisfied checks and the parties agree that it would be impracticable or extremely difficult to fix Landlord's actual damage in such event. Such charges for interest and late payments and unsatisfied checks are separate and cumulative and are in addition to and shall not diminish or represent a substitute for any or all of Landlord's rights or remedies under any other provision of this Lease.

ARTICLE 21

TRANSFER OF LANDLORD'S INTEREST

In the event of any transfer or termination of Landlord's interest in the Premises or the Project by sale, assignment, transfer, foreclosure, deed-in-lieu of foreclosure or otherwise whether voluntary or involuntary, Landlord shall be automatically relieved of any and all obligations and liabilities on the part of Landlord from and after the date of such transfer or termination, including furthermore without limitation, the obligation of Landlord under Article 4 and

California Civil Code 1950.7 above to return the security deposit, provided said security deposit is transferred to said transferee. Tenant agrees to attorn to the transferee upon any such transfer and to recognize such transferee as the lessor under this Lease and Tenant shall, within five (5) days after request, execute such further instruments or assurances as such transferee may reasonably deem necessary to evidence or confirm such attornment.

ARTICLE 22

BROKER

In connection with this Lease, Tenant warrants and represents that it has had dealings only with firm(s) set forth in Article 1.H. of the Basic Lease Provisions and that it knows of no other person or entity who is or might be entitled to a commission, finder's fee or other like payment in connection herewith and does hereby indemnify and agree to hold Landlord, its agents, members, partners, representatives, officers, affiliates, shareholders, employees, successors and assigns harmless from and against any and all loss, liability and expenses that Landlord may incur should such warranty and representation prove incorrect, inaccurate or false.

ARTICLE 23

PARKING

Tenant shall rent from Landlord, commencing on the Commencement Date, the number of unreserved parking passes set forth in Article 1(I) of the Basic Lease Provisions, which parking passes shall pertain to the Project parking facility. Tenant shall pay to Landlord for automobile parking passes the prevailing rate charged from time to time at the location of such parking passes, which rate is currently Eighty-Five and 00/100 Dollars (\$85.00) per unreserved parking pass per month. In addition, Tenant shall be responsible for the full amount of any taxes imposed by any governmental authority in connection with the renting of such parking passes by Tenant or the use of the parking facility by Tenant. Tenant's continued right to use the parking passes is conditioned upon Tenant abiding by all rules and regulations which are prescribed from time to time for the orderly operation and use of the parking facility where the parking passes are located, including any sticker or other identification system established by Landlord, Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations, and Tenant not being in default under this Lease. Landlord specifically reserves the right to change the size, configuration, design, layout and all other aspects of the Project parking facility at any time and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of rent under this Lease, from time to time, close-off or restrict access to the Project parking facility for purposes of permitting or facilitating any such construction, alteration or improvements. Landlord may delegate its responsibilities hereunder to a parking operator or a lessee of the parking facility in which case such parking operator or lessee shall have all the rights of control attributed hereby to the Landlord. The parking passes rented by Tenant pursuant to this Article 23 are provided to Tenant solely for use by Tenant's own personnel and such passes may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval. Tenant may validate visitor parking by such method or methods as the Landlord may establish, at the validation rate from time to time generally applicable to visitor parking.

ARTICLE 24

WAIVER

No waiver by Landlord of any provision of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. No provision of this Lease may be waived by Landlord, except by an instrument in writing executed by Landlord. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act of Tenant, whether or not similar to the act so consented to or approved. No act or thing done by Landlord or Landlord's agents during the Term of this Lease shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid unless in writing and signed by Landlord. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. Any payment by Tenant or receipt by Landlord of an amount less than the total amount then due hereunder shall be deemed to be in partial payment only thereof and not a waiver of the balance due or an accord and satisfaction, notwithstanding any statement or endorsement to the contrary on any check or any other instrument delivered concurrently therewith or in reference thereto. Accordingly, Landlord may accept any such amount and negotiate any such check without prejudice to Landlord's right to recover all balances due and owing and to pursue its other rights against Tenant under this Lease, regardless of whether Landlord makes any notation on such instrument of payment or otherwise notifies Tenant that such acceptance or negotiation is without prejudice to Landlord's rights.

ARTICLE 25

ESTOPPEL CERTIFICATE

Tenant shall, at any time and from time to time, upon not less than ten (10) days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing certifying the following information, (but not limited to the following information in the event further information is requested by Landlord): (i) that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as modified, is in full force and effect); (ii) the dates to which the rental and other charges are paid in advance, if any; (iii) the amount of Tenant's security deposit, if any; and (iv) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, and no events or conditions then in existence which, with the passage of time or notice or both, would constitute a default on the part of Landlord hereunder, or specifying

such defaults, events or conditions, if any are claimed. It is expressly understood and agreed that any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of the Real Property. Tenant's failure to deliver such statement within such time shall constitute an admission by Tenant that all statements contained therein are true and correct.

ARTICLE 26

LIABILITY OF LANDLORD

Notwithstanding anything in this Lease to the contrary, any remedy of Tenant for the collection of a judgment (or other judicial process) requiring the payment of money by Landlord in the event of any default by Landlord hereunder or any claim, cause of action or obligation, contractual, statutory or otherwise by Tenant against Landlord concerning, arising out of or relating to any matter relating to this Lease and all of the covenants and conditions or any obligations, contractual, statutory, or otherwise set forth herein, shall be limited solely and exclusively to an amount which is equal to the lesser of (i) the interest of Landlord in and to the Project, and (ii) the interest Landlord would have in the Project if the Project were encumbered by third party debt in an amount equal to ninety percent (90%) of the then current value of the Project (as such value is reasonably determined by Landlord). No other property or assets of Landlord, or any member, officer, director, shareholder, partner, trustee, agent, servant or employee of Landlord (the "Representative") shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to this Lease, Landlord's obligations to Tenant, whether contractual, statutory or otherwise, the relationship of Landlord and Tenant hereunder, or Tenant's use or occupancy of the Premises. Tenant further understands that any liability, duty or obligation of Landlord to Tenant, shall automatically cease and terminate as of the date that Landlord or any of Landlord's Representatives no longer have any right, title or interest in or to the Project.

ARTICLE 27

INABILITY TO PERFORM

This Lease and the obligations of Tenant hereunder shall not be affected or impaired because Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of any prevention, delay, stoppage due to strikes, lockouts, acts of God, or any other cause previously, or at such time, beyond the reasonable control or anticipation of Landlord (collectively, a "Force Majeure") and Landlord's obligations under this Lease shall be forgiven and suspended by any such Force Majeure.

ARTICLE 28

HAZARDOUS WASTE

(a) Tenant shall not cause or permit any Hazardous Material (as defined in Article 28(b) below) to be brought, kept or used in or about the Project by Tenant, its agents, employees, contractors, or invitees. Tenant indemnifies Landlord from and against any breach by Tenant of the obligations stated in the preceding sentence, and agrees to defend and hold Landlord harmless from and against any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, diminution in value of the Project, damages for the loss or restriction or use of rentable or usable space or of any amenity of the Project, damages arising from any adverse impact or marketing of space in the Project, and sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees) which arise during or after the Term of this Lease as a result of such breach. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present in the soil or ground water on or under the Project.

(b) As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California or the United States Government.

ARTICLE 29

SURRENDER OF PREMISES; REMOVAL OF PROPERTY

(a) The voluntary or other surrender of this Lease by Tenant to Landlord, or a mutual termination hereof, shall not work a merger, and shall at the option of Landlord, operate as an assignment to it of any or all subleases or subtenancies affecting the Premises.

(b) Upon the expiration of the Term of this Lease, or upon any earlier termination of this Lease, Tenant shall quit and surrender possession of the Premises to Landlord in as good order and condition as the same are now and hereafter may be improved by Landlord or Tenant, reasonable wear and tear and repairs which are Landlord's obligation excepted, and shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, telephone and data cabling and all articles of personal property installed or placed in the Premises, and Tenant shall repair all damage to the Premises resulting from the installation and removal of such items to be removed.

(c) All fixtures and Alterations attached to or built into the Premises prior to or during the Term, whether by Landlord or Tenant and whether at the expense of Landlord or Tenant, or of both, shall be and remain part of the Premises and shall not be removed by Tenant at the end of the Term unless otherwise expressly provided for in this Lease or unless such removal is required by Landlord. Such fixtures and Alterations shall include but not be limited to:

all floor and window coverings, built-in cabinetry, molding, doors, vaults (including vault doors), plumbing systems, security systems, electrical systems, lighting systems, silencing equipment, communication systems, and all fixtures and outlets for the systems mentioned above.

ARTICLE 30

DISCLOSURE

Tenant acknowledges that Landlord has advised Tenant that the Project contains or, because of its age, is likely to contain, asbestos-containing materials ("ACMs"). If Tenant undertakes any Alterations or repairs to the Premises (to the extent permitted under the terms and conditions of this Lease), Tenant shall, in addition to complying with all other terms and conditions of this Lease, undertake the Alterations or repairs in a manner that avoids disturbing any ACMs present in the Project. If ACMs are likely to be disturbed in the course of such work, Tenant shall encapsulate or remove the ACMs in accordance with an approved asbestos-removal plan and otherwise in accordance with all applicable environmental laws, including giving all notices required by the California Health and Safety Code.

ARTICLE 31

MISCELLANEOUS

(a) Severability: Entire Agreement. 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 such other provisions shall remain in full force and effect. This Lease and the Exhibits and any Addendum attached hereto constitute the entire agreement between the parties hereto with respect to the subject matter hereof, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or supplemented except by an agreement in writing signed by the parties hereto or their successor in interest.

(b) Attorneys' Fees: Waiver of Jury Trial.

(i) In any action to enforce the terms of this Lease, including any suit by Landlord for the recovery of rent or possession of the Premises, the losing party shall pay the successful party a reasonable sum for attorneys' fees in such suit and such attorneys' fees shall be deemed to have accrued prior to the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Tenant shall also reimburse Landlord for all costs incurred by Landlord in connection with enforcing its rights under this Lease against Tenant following a bankruptcy by Tenant or otherwise, including without limitation, legal fees, experts' fees and expenses, court costs and consulting fees.

(ii) Should Landlord, without fault on Landlord's part, be made a party to any litigation instituted by Tenant or by any third party against Tenant, or by or against any person holding under or using the Premises by license of Tenant, or for the foreclosure of any lien for labor or material furnished to or for Tenant or any such other person or otherwise arising out of or resulting from any act or transaction of Tenant or of any such other person, Tenant covenants to save and hold Landlord harmless from any judgment rendered against Landlord or the Premises or any part thereof and from all costs and expenses, including reasonable attorneys' fees incurred by Landlord in connection with such litigation.

(iii) [Intentionally Omitted]

(c) Time of Essence. Each of Tenant's covenants herein is a condition and time is of the essence with respect to the performance of every provision of this Lease.

(d) Headings: Joint and Several. The article headings contained in this Lease are for convenience only and do not in any way limit or amplify any term or provision hereof. The terms "Landlord" and "Tenant" as used herein shall include the plural as well as the singular, the neuter shall include the masculine and feminine genders and the obligations herein imposed upon Tenant shall be joint and several as to each of the persons, firms or corporations of which Tenant may be composed.

(e) Reserved Area. Tenant hereby acknowledges and agrees that the exterior walls of the Premises and the area between the finished ceiling of the Premises and the slab of the floor of the project thereabove have not been demised hereby and the use thereof together with the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires leading through, under or above the Premises in locations which will not materially interfere with Tenant's use of the Premises and serving other parts of the Project are hereby excepted and reserved unto Landlord.

(f) NO OPTION. THE SUBMISSION OF THIS LEASE BY LANDLORD, ITS AGENT OR REPRESENTATIVE FOR EXAMINATION OR EXECUTION BY TENANT DOES NOT CONSTITUTE AN OPTION OR OFFER TO LEASE THE PREMISES UPON THE TERMS AND CONDITIONS CONTAINED HEREIN OR A RESERVATION OF THE PREMISES IN FAVOR OF TENANT, IT BEING INTENDED HEREBY THAT THIS LEASE SHALL ONLY BECOME EFFECTIVE UPON THE EXECUTION HEREOF BY LANDLORD AND DELIVERY OF A FULLY EXECUTED LEASE TO TENANT.

(g) Use of Project Name: Improvements. Tenant shall not be allowed to use the name, picture or representation of the Project, or words to that effect, in connection with any business carried on in the Premises or otherwise (except as Tenant's address) without the prior written consent of Landlord. In the event that Landlord undertakes any additional improvements on the Real Property including but not limited to new construction or

renovation or additions to the existing improvements, Landlord shall not be liable to Tenant for any noise, dust, vibration or interference with access to the Premises or disruption in Tenant's business caused thereby.

(h) Rules and Regulations. Tenant shall observe faithfully and comply strictly with the Rules and Regulations attached to this Lease as Exhibit "B" and made a part hereof, and such other Rules and Regulations as Landlord may from time to time reasonably adopt for the safety, care and cleanliness of the Project, the facilities thereof, or the preservation of good order therein. Landlord shall not be liable to Tenant for violation of any such Rules and Regulations, or for the breach of any covenant or condition in any lease by any other tenant in the Project. A waiver by Landlord of any Rule or Regulation for any other tenant shall not constitute nor be deemed a waiver of the Rule or Regulation for this Tenant.

(i) Quiet Possession. Upon Tenant's paying the Basic Rent, Additional Rent and other sums provided hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term hereof, subject to all of the provisions of this Lease.

(j) Rent. All payments required to be made hereunder to Landlord shall be deemed to be rent, whether or not described as such.

(k) Successors and Assigns. Subject to the provisions of Article 15 hereof, all of the covenants, conditions and provisions of this Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

(l) Notices. Any notice required or permitted to be given hereunder shall be in writing and may be given by personal service evidenced by a signed receipt or sent by registered or certified mail, return receipt requested, or via overnight courier, and shall be effective upon proof of delivery, addressed to Tenant at the Premises with a copy to John Krattli, Office of the County Counsel, County of Los Angeles, 500 West Temple Street, Sixth Floor, Los Angeles, CA. 90012, or to Landlord at the management office for the project, with a copy to Landlord, c/o 80 South Lake, LLC, 515 South Figueroa Street, Suite 1600, Los Angeles, California 90071, Attn: David G. Mgrublian and Jeffrey C. Newman. Either party may by notice to the other specify a different address for notice purposes except that, upon Tenant's taking possession of the Premises, the Premises shall constitute Tenant's address for notice purposes. A copy of all notices to be given to Landlord hereunder shall be concurrently transmitted by Tenant to such party hereafter designated by notice from Landlord to Tenant. Any notices sent by Landlord regarding or relating to eviction procedures, including without limitation three day notices, may be sent by regular mail.

(m) Persistent Delinquencies. In the event that Tenant shall be delinquent by more than fifteen (15) days in the payment of rent on three (3) separate occasions in any twelve (12) month period, Landlord shall have the right to terminate this Lease by thirty (30) days written notice given by Landlord to Tenant within thirty (30) days of the last such delinquency.

(n) Right of Landlord to Perform. All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of rent. If Tenant shall fail to pay any sum of money, other than rent, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue beyond any applicable cure period set forth in this Lease, Landlord may, but shall not be obligated to, without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such other act on Tenant's part to be made or performed as is in this Lease provided. All sums so paid by Landlord and all reasonable incidental costs, together with interest thereon at the rate of ten percent (10%) per annum from the date of such payment by Landlord, shall be payable to Landlord on demand and Tenant covenants to pay any such sums, and Landlord shall have (in addition to any other right or remedy of Landlord) the same rights and remedies in the event of the nonpayment thereof by Tenant as in the case of default by Tenant in the payment of the rent.

(o) Access, Changes in Project, Facilities, Name.

(i) Every part of the Project except the inside surfaces of all walls, windows and doors bounding the Premises (including exterior building walls, core corridor walls and doors and any core corridor entrance), and any space in or adjacent to the Premises used for shafts, stacks, pipes, conduits, fan rooms, ducts, electric or other utilities, sinks or other building facilities, and the use thereof, as well as access thereto through the Premises for the purposes of operation, maintenance, decoration and repair, are reserved to Landlord.

(ii) Tenant shall permit Landlord to install, use and maintain pipes, ducts and conduits within the walls, columns and ceilings of the Premises.

(iii) Landlord reserves the right, without incurring any liability to Tenant therefor, to make such changes in or to the Project and the fixtures and equipment thereof, as well as in or to the street entrances, halls, passages, elevators, stairways and other improvements thereof, as it may deem necessary or desirable.

(iv) Landlord may adopt any name for the Project and Landlord reserves the right to change the name or address of the Project at any time.

(p) Signing Authority. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity.

(q) Substitute Premises. Landlord shall have the right at any time during the Term hereof, upon giving Tenant not less than thirty (30) days prior notice, to provide and furnish Tenant with space elsewhere in the Project of

approximately the same size and with substantially similar improvements as the Premises and remove and place Tenant in such space, with Landlord to pay all verified and previously approved costs and expenses incurred as a result of such movement to such new space. If Landlord moves Tenant to such new space, this Lease and each and all of its terms, covenants and conditions shall remain in full force and effect and shall be deemed applicable to such new space and such new space shall thereafter be deemed to be the "Premises" as though Landlord and Tenant had entered into an express written amendment of this Lease with respect thereto.

(r) Survival of Obligations. Any obligations of Tenant occurring prior to the expiration or earlier termination of this Lease shall survive such expiration or earlier termination.

(s) Confidentiality. Tenant acknowledges that the content of this Lease and any related documents are confidential information. Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Tenant's financial, legal and space planning consultants and any proposed subtenants or assignees.

(t) Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of California. No conflicts of law rules of any state or country (including, without limitation, California conflicts of law rules) shall be applied to result in the application of any substantive or procedural laws of any state or country other than California. All controversies, claims, actions or causes of action arising between the parties hereto and/or their respective successors and assigns, shall be brought, heard and adjudicated by the courts of the State of California, with venue in the County of Los Angeles. Each of the parties hereto hereby consents to personal jurisdiction by the courts of the State of California in connection with any such controversy, claim, action or cause of action, and each of the parties hereto consents to service of process by any means authorized by California law and consent to the enforcement of any judgment so obtained in the courts of the State of California on the same terms and conditions as if such controversy, claim, action or cause of action had been originally heard and adjudicated to a final judgment in such courts. Each of the parties hereto further acknowledges that the laws and courts of California were freely and voluntarily chosen to govern this Lease and to adjudicate any claims or disputes hereunder.

(u) Exhibits and Addendum. The Exhibits and Addendum, if applicable, attached hereto are incorporated herein by this reference as if fully set forth herein.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Lease, consisting of the foregoing provisions and Articles, including all exhibits and other attachments referenced therein, as of the date first above written.

"LANDLORD"

80 SOUTH LAKE, LLC,
a Delaware limited liability company

By: IDS REALTY JV, LLC,
a Delaware limited liability company,
Its: Sole Member

By: IDSREG Equities, LLC, a Delaware limited liability company
Its: Manager

By: _____
Name: David G. Mgrublian
Its: Managing Director

"TENANT"

LOS ANGELES FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES,

By: _____
Name : _____
Its: _____

By: _____
Name : _____
Its: _____

EXHIBIT "A"

PREMISES

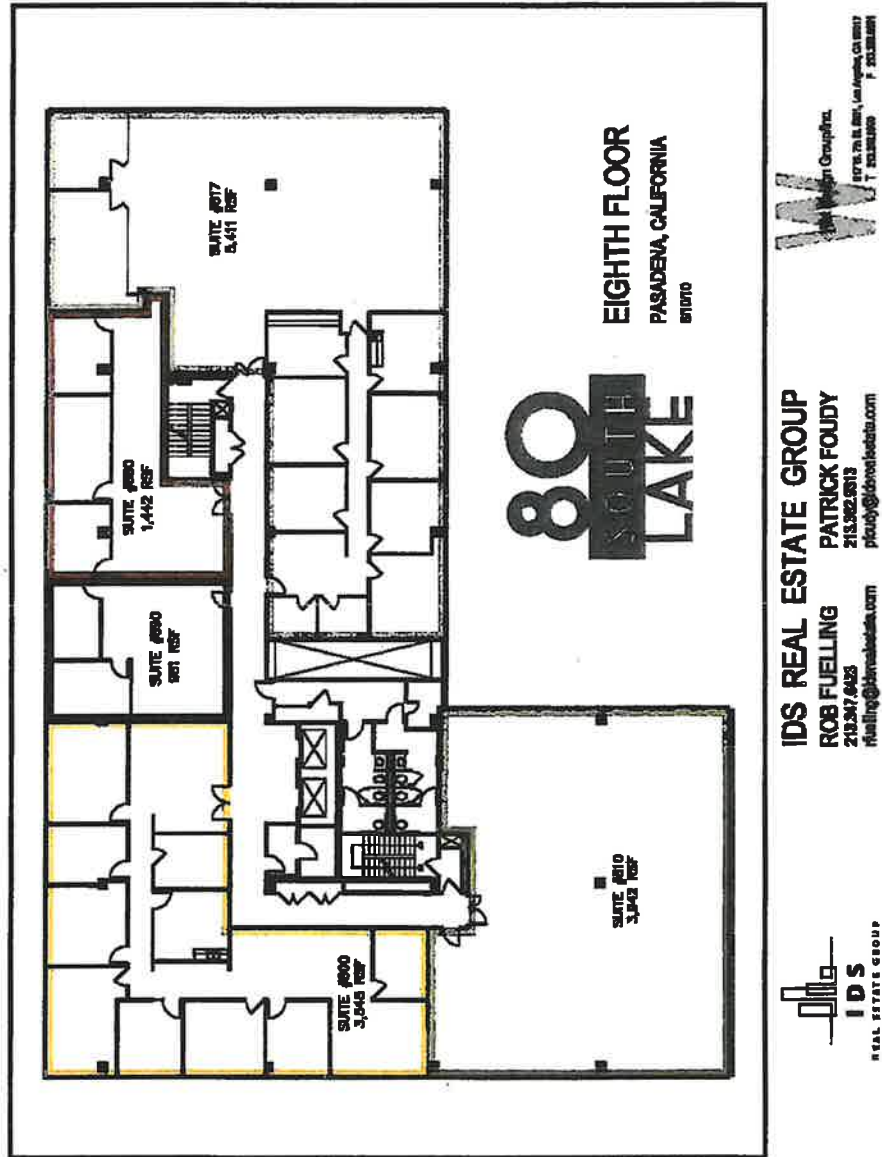


EXHIBIT "B"

RULES AND REGULATIONS

1. No sign, advertisement or notice shall be displayed, printed or affixed on or to the Premises or to the outside or inside of the Project or so as to be visible from outside the Premises or Project without Landlord's prior written consent. Landlord shall have the right to remove any non-approved sign, advertisement or notice, without notice to and at the expense of Tenant, and Landlord shall not be liable in damages for such removal. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed at the expense of Tenant by Landlord or by a person selected by Landlord and in a manner and style acceptable to Landlord.
2. Tenant shall not obtain for use on the Premises ice, waxing, cleaning, interior glass polishing, rubbish removal, towel or other similar services, or accept barbering or bootblackening, or coffee cart services, milk, soft drinks or other like services on the Premises, except from persons authorized by Landlord and at the hours and under regulations fixed by Landlord. No vending machines or machines of any description shall be installed, maintained or operated upon the Premises without Landlord's prior written consent.
3. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used for any purpose other than for ingress and egress from Tenant's Premises. Under no circumstances is trash to be stored in the corridors. Notice must be given to Landlord for any large deliveries. Furniture, freight and other large or heavy articles, and all other deliveries may be brought into the Project only at times and in the manner designated by Landlord, and always at Tenant's sole responsibility and risk. Landlord may impose reasonable charges for use of elevators after or before normal business hours. All damage done to the Project by moving or maintaining such furniture, freight or articles shall be repaired by Landlord at Tenant's expense. Tenant shall not take or permit to be taken in or out of entrances or passenger elevators of the Project, any item normally taken, or which Landlord otherwise reasonably requires to be taken, in or out through service doors or on freight elevators. Tenant shall move all supplies, furniture and equipment as soon as received directly to the Premises, and shall move all waste that is at any time being taken from the Premises directly to the areas designated for disposal.
4. Toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein.
5. Tenant shall not overload the floor of the Premises or mark, drive nails, screw or drill into the partitions, ceilings or floor or in any way deface the Premises. Tenant shall not place typed, handwritten or computer generated signs in the corridors or any other common areas. Should there be a need for signage additional to the Project standard tenant placard, a written request shall be made to Landlord to obtain approval prior to any installation. All costs for said signage shall be Tenant's responsibility.
6. In no event shall Tenant place a load upon any floor of the Premises or portion of any such flooring exceeding the floor load per square foot of area for which such floor is designed to carry and which is allowed by law, or any machinery or equipment which shall cause excessive vibration to the Premises or noticeable vibration to any other part of the Project. Prior to bringing any heavy safes, vaults, large computers or similarly heavy equipment into the Project, Tenant shall inform Landlord in writing of the dimensions and weights thereof and shall obtain Landlord's consent thereto. Such consent shall not constitute a representation or warranty by Landlord that the safe, vault or other equipment complies, with regard to distribution of weight and/or vibration, with the provisions of this Rule 6 nor relieve Tenant from responsibility for the consequences of such noncompliance, and any such safe, vault or other equipment which Landlord determines to constitute a danger of damage to the Project or a nuisance to other tenants, either alone or in combination with other heavy and/or vibrating objects and equipment, shall be promptly removed by Tenant, at Tenant's cost, upon Landlord's written notice of such determination and demand for removal thereof.
7. Tenant shall not use or keep in the Premises or Project any kerosene, gasoline or inflammable, explosive or combustible fluid or material, or use any method of heating or air-conditioning other than that supplied by Landlord.
8. Tenant shall not lay linoleum, tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Landlord.
9. Tenant shall not install or use any blinds, shades, awnings or screens in connection with any window or door of the Premises and shall not use any drape or window covering facing any exterior glass surface other than the standard drapes, blinds or other window covering established by Landlord.
10. Tenant shall cooperate with Landlord in obtaining maximum effectiveness of the cooling system by closing window coverings when the sun's rays fall directly on windows of the Premises. Tenant shall not obstruct, alter, or in any way impair the efficient operation of Landlord's heating, ventilating and air-conditioning system. Tenant shall not tamper with or change the setting of any thermostats or control valves.
11. The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the permitted use of the Premises. Tenant shall not, without Landlord's prior written consent, occupy or permit any portion of the Premises to be occupied or used for the manufacture or sale of liquor or tobacco in any form, or a barber or manicure shop, or as an employment bureau. The Premises shall not be used for lodging or sleeping or for any improper, objectionable or immoral purpose. No auction shall be conducted on the Premises.
12. Tenant shall not make, or permit to be made, any unseemly or disturbing noises, or disturb or interfere with occupants of Project or neighboring buildings or premises or those having business with it by the use of any musical instrument, radio, phonographs or unusual noise, or in any other way.

13. No bicycles, vehicles or animals of any kind shall be brought into or kept in or about the Premises, and no cooking shall be done or permitted by any tenant in the Premises, except that the preparation of coffee, tea, hot chocolate and similar items for tenants, their employees and visitors shall be permitted. No tenant shall cause or permit any unusual or objectionable odors to be produced in or permeate from or throughout the Premises. The foregoing notwithstanding, Tenant shall have the right to use a microwave and to heat microwavable items typically heated in an office. No hot plates, toasters, toaster ovens or similar open element cooking apparatus shall be permitted in the Premises.

14. The sashes, sash doors, skylights, windows and doors that reflect or admit light and air into the halls, passageways or other public places in the Project shall not be covered or obstructed by any tenant, nor shall any bottles, parcels or other articles be placed on the window sills.

15. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made in existing locks or the mechanisms thereof unless Landlord is first notified thereof, gives written approval, and is furnished a key therefor. Each tenant must, upon the termination of his tenancy, give to Landlord all keys and key cards of stores, offices, or toilets or toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys so furnished, such tenant shall pay Landlord the cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such change. If more than two keys for one lock are desired, Landlord will provide them upon payment therefor by Tenant. Tenant shall not key or re-key any locks. All locks shall be keyed by Landlord's locksmith only.

16. Landlord shall have the right to prohibit any advertising by any tenant which, in Landlord's opinion, tends to impair the reputation of the Project or its desirability as an office building and upon written notice from Landlord any tenant shall refrain from and discontinue such advertising.

17. Landlord reserves the right to control access to the Project by all persons after reasonable hours of generally recognized business days and at all hours on Sundays and legal holidays. Each tenant shall be responsible for all persons for whom it requests after hours access and shall be liable to Landlord for all acts of such persons. Landlord shall have the right from time to time to establish reasonable rules pertaining to freight elevator usage, including the allocation and reservation of such usage for tenants' initial move-in to their premises, and final departure therefrom.

18. Any person employed by any tenant to do janitorial work shall, while in the Project and outside of the Premises, be subject to and under the control and direction of the Office of the Project or its designated representative such as security personnel (but not as an agent or servant of Landlord, and the Tenant shall be responsible for all acts of such persons).

19. All doors opening on to public corridors shall be kept closed, except when being used for ingress and egress. Tenant shall cooperate and comply with any reasonable safety or security programs, including fire drills and air raid drills, and the appointment of "fire wardens" developed by Landlord for the Project, or required by law. Before leaving the Premises unattended, Tenant shall close and securely lock all doors or other means of entry to the Premises and shut off all lights and water faucets in the Premises.

20. The requirements of tenants will be attended to only upon application to the Office of the Project.

21. Canvassing, soliciting and peddling in the Project are prohibited and each tenant shall cooperate to prevent the same.

22. All office equipment of any electrical or mechanical nature shall be placed by tenants in the Premises in settings approved by Landlord, to absorb or prevent any vibration, noise or annoyance.

23. No air-conditioning unit or other similar apparatus shall be installed or used by any tenant without the prior written consent of Landlord. Tenant shall pay the cost of all electricity used for air-conditioning in the Premises if such electrical consumption exceeds normal office requirements, regardless of whether additional apparatus is installed pursuant to the preceding sentence.

24. There shall not be used in any space, or in the public halls of the Project, either by any tenant or others, any hand trucks except those equipped with rubber tires and side guards.

25. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Project must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord. Tenant shall not permit the consumption in the Premises of more than 22 watts per net usable square foot in the Premises in respect of office lighting nor shall Tenant permit the consumption in the Premises of more than 12 watts per net usable square foot of space in the Premises in respect of the power outlets therein, at any one time. In the event that such limits are exceeded, Landlord shall have the right to require Tenant to remove lighting fixtures and equipment and/or to charge Tenant for the cost of the additional electricity consumed.

26. Parking.

(a) Garage hours shall be 7:00 a.m. to 7:00 p.m., Monday through Friday, and closed on weekends, state and federal holidays excepted, as such hours may be revised from time to time by Landlord.

(b) Automobiles must be parked entirely within the stall lines on the floor.

(c) All directional signs and arrows must be observed.

(d) The speed limit shall be 5 miles per hour.

(e) Parking is prohibited in areas not striped for parking.

(f) Parking cards or any other device or form of identification supplied by Landlord (or its operator) shall remain the property of Landlord (or its operator). Such parking identification device must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be

obliterated. Devices are not transferable or assignable and any device in the possession of an unauthorized holder will be void. There will be a replacement charge to the Tenant or person designated by Tenant of \$25.00 for loss of any parking card. There shall be a security deposit of \$25.00 due at issuance for each card key issued to Tenant.

(g) The monthly rate for parking is payable one (1) month in advance and must be paid by the third business day of each month. Failure to do so will automatically cancel parking privileges and a charge at the prevailing daily rate will be due. No deductions or allowances from the monthly rate will be made for days parker does not use Parking Facilities.

(h) Tenant may validate visitor parking by such method or methods as the Landlord may approve, at the validation rate from time to time generally applicable to visitor parking.

(i) Landlord (and its operator) may refuse to permit any person who violates the within rules to park in the garage, and any violation of the rules shall subject the automobile to removal from the garage at the parker's expense. In either of said events, Landlord (or its operator) shall refund a prorata portion of the current monthly parking rate and the sticker or any other form of identification supplied by Landlord (or its operator) will be returned to Landlord (or its operator).

(j) Garage managers or attendants are not authorized to make or allow any exceptions to these Rules and Regulations.

(k) All responsibility for any loss or damage to automobiles or any personal property therein is assumed by the parker.

(l) Loss or theft of parking identification devices from automobiles must be reported to the garage manager immediately, and a lost or stolen report must be filed by the parker at that time.

(m) The Parking facilities are for the sole purpose of parking one automobile per space. Washing, waxing, cleaning or servicing of any vehicles by the parker or his agents is prohibited.

(n) Landlord (and its operator) reserves the right to refuse the issuance of monthly stickers or other parking identification devices to any Tenant and/or its employees who refuse to comply with the above Rules and Regulations and all City, State or Federal ordinances, laws or agreements.

(o) Tenant agrees to acquaint all employees with these Rules and Regulations.

(p) No vehicle shall be stored in the garage for a period of more than one (1) week.

27. The Project is a non-smoking Project. Smoking or carrying lighted cigars or cigarettes in the Premises or the Project, including the elevators in the Project, is prohibited.

EXHIBIT "C"

NOTICE OF LEASE TERM DATES
AND TENANT'S PROPORTIONATE SHARE

TO: _____ DATE: _____

RE: Lease dated _____, 20__ between _____ ("Landlord"), and
Suite _____, located at _____ ("Tenant"), concerning

Ladies and Gentlemen:

In accordance with the Lease, Landlord wishes to advise and/or confirm the following:

1. That the Premises have been accepted herewith by the Tenant as being substantially complete in accordance with the Lease and that there is no deficiency in construction.

2. That the Tenant has taken possession of the Premises and acknowledges that under the provisions of the Lease the Term of said Lease shall commence as of _____ for a term of _____ ending on _____.

3. That in accordance with the Lease, Basic Rental commenced to accrue on _____.

4. If the Commencement Date of the Lease is other than the first day of the month, the first billing will contain a prorata adjustment. Each billing thereafter shall be for the full amount of the monthly installment as provided for in said Lease.

5. Rent is due and payable in advance on the first day of each and every month during the Term of said Lease. Your rent checks should be made payable to _____ at _____.

6. The exact number of rentable square feet within the Premises is _____ square feet.

7. Tenant's Proportionate Share, as adjusted based upon the exact number of rentable square feet within the Premises is _____%.

AGREED AND ACCEPTED:

TENANT:

a _____

By: _____
Its: _____

EXHIBIT "D"

TENANT WORK LETTER

LOS ANGELES FORMATION COMMISSION

FOR THE COUNTY OF LOS ANGELES

This Tenant Work Letter shall set forth the terms and conditions relating to the renovation of the tenant improvements in the Premises. This Tenant Work Letter is essentially organized chronologically and addresses the issues of the construction of the Premises, in sequence, as such issues will arise.

SECTION 1

CONSTRUCTION DRAWINGS FOR THE PREMISES

Landlord shall construct the improvements in the Premises (the "Improvements") pursuant to that certain space plan attached hereto as "Schedule 1" (collectively, the "Plans"). Unless specifically noted to the contrary on the Plans, the Improvements shall be constructed using Project-standard quantities, specifications and materials as determined by Landlord. Based upon the Plans, Landlord shall cause the Architect to prepare detailed plans and specifications for the Improvements ("Working Drawings"). Landlord shall then forward the Working Drawings to Tenant for Tenant's approval. Tenant shall approve or reasonably disapprove any draft of the Working Drawings within three (3) business days after Tenant's receipt thereof; provided, however, that (i) Tenant shall not be entitled to disapprove any portion, component or aspect of the Working Drawings which are consistent with the Plans unless Tenant agrees to pay for the additional cost resulting from such change in the Plans as part of the Over-Allowance Amount pursuant to Section 2 below, and (ii) any disapproval of the Working Drawings by Tenant shall be accompanied by a detailed written explanation of the reasons for Tenant's disapproval. Failure of Tenant to reasonably disapprove any draft of the Working Drawings within said three (3) business day period shall be deemed to constitute Tenant's approval thereof. The Working Drawings, as approved by Landlord and Tenant, may be referred to herein as the "Approved Working Drawings." Tenant shall make no changes or modifications to the Plans or the Approved Working Drawings without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion if such change or modification would directly or indirectly delay the "Substantial Completion," as that term is defined in Section 5.1 of this Tenant Work Letter, of the Improvements in the Premises or increase the cost of designing or constructing the Improvements.

SECTION 2

OVER-ALLOWANCE AMOUNT

In the event that after Tenant's execution of the Lease, any revisions, changes, or substitutions shall be made to the Plans or the Approved Working Drawings or the Improvements, any additional costs which arise in connection with such revisions, changes or substitutions shall be considered to be an "Over-Allowance Amount." The Over-Allowance Amount shall be paid by Tenant to Landlord, as Additional Rent, within ten (10) days after Tenant's receipt of invoice therefor. The Over-Allowance Amount shall be disbursed by Landlord prior to the disbursement of any portion of Landlord's contribution to the construction of the Improvements.

SECTION 3

**RETENTION OF CONTRACTOR;
WARRANTIES AND GUARANTIES**

Landlord hereby assigns to Tenant, to the extent assignable, on a non-exclusive basis, all warranties and guaranties by the contractor who constructs the Improvements (the "Contractor") relating to the Improvements, and Tenant hereby waives all claims against Landlord relating to, or arising out of the construction of, the Improvements. The Contractor shall be designated and retained by Landlord to construct the Improvements.

SECTION 4

TENANT'S COVENANTS

Tenant shall, at no cost to Tenant, cooperate with Landlord and the space planner or architect retained by Landlord ("Architect") to cause a Notice of Completion to be recorded in the office of the Recorder of the County of Los Angeles in accordance with Section 3093 of the Civil Code of the State of California or any successor statute upon completion of construction of the Improvements.

SECTION 5

COMPLETION OF THE IMPROVEMENTS

5.1 **Substantial Completion.** For purposes of this Lease, "Substantial Completion" of the Improvements in the Premises shall occur upon the completion of construction of the Improvements in the Premises pursuant to the Approved Working Drawings, with the exception of any punch list items and any tenant fixtures, work-stations, built-in furniture, or equipment to be installed by Tenant.

SECTION 6

MISCELLANEOUS

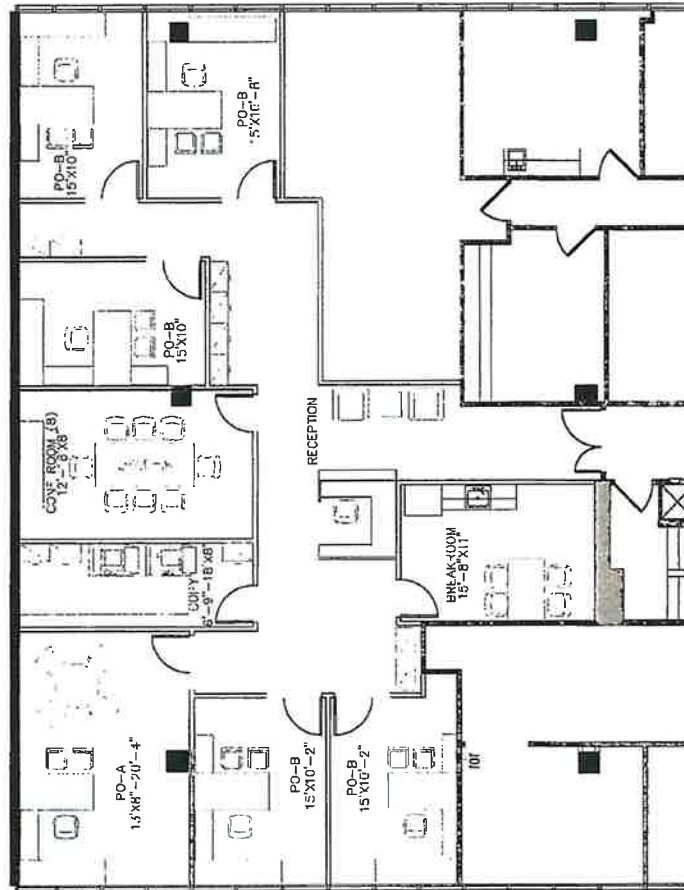
6.1 Tenant's Representative. Tenant has designated [REDACTED] as its sole representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Landlord, shall have full authority and responsibility to act on behalf of the Tenant as required in this Tenant Work Letter.

6.2 Landlord's Representative. Prior to commencement of construction of the Improvements, Landlord shall designate a representative with respect to the matters set forth in this Tenant Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Tenant Work Letter.

6.3 Time of the Essence in This Tenant Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days.

SCHEDULE 1

SPACE PLAN



TEST FIT PLAN 2 (2,743 RSF)

LAFCO
80 SOUTH LAKE, SUITE 817
PASADENA, CALIFORNIA

W Wirt Design Group

www.wirtdesign.com

101670v2

EXHIBIT ONLY
*****DO NOT SIGN*****

3703036v3

STANDARD OFFICE LEASE

BY AND BETWEEN

80 SOUTH LAKE, LLC,
a Delaware limited liability company,

AS LANDLORD,

AND

LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES
a governmental agency of the State of California

AS TENANT

SUITE 870

80 SOUTH LAKE AVENUE, PASADENA, CALIFORNIA