MEMORANDUM TO FILE

DATE: July 3, 2006

COUNCIL FILE NO.: 92-2425

PLACE IN FILES

JUL 0 3 2006

DEPUTY

RE: EXPIRED COUNCIL FILE

This memorandum notes the expiration of the accompanying Council file/contents; the file is deemed terminated (received and filed) and the subject matter contained herein is closed. No other action is forthcoming.

Pursuant to Council action of September 13, 2005, all Council files pending before the City Council, which have not been placed on a Council or Committee agenda for consideration for a period of two years or more, are deemed received and filed (CF 05-0553). City Clerk, Council File Index Section: 213.978.1044

Brian Walters
Legislative Assistant

cc: Index Section

O:\Docs\Reports\expfiles

[redacted] [redacted] OT 92-2425

Department of Water and Power the City of Los Angeles

TOM BRADLEY
Mayor

Commission
MICHAEL J. GAGE, *President*
RICK J. CARUSO, *Vice President*
ANGEL M. ECHEVARRIA
DOROTHY GREEN
CONSTANCE L. RICE
JUDITH K. DAVISON, *Secretary*

DANIEL W. WATERS, *General Manager and Chief Engineer*
ELDON A. COTTON, *Assistant General Manager - Power*
JAMES F. WICKSER, *Assistant General Manager - Water*
PHYLLIS E. CURRIE, *Chief Financial Officer*

February 16, 1993

Property Management File

The Honorable Joan Milke Flores
Chairperson, Commerce, Energy and
Natural Resources Committee
Los Angeles City Council
Room 230, City Hall
Los Angeles, California 90012

Dear Councilwoman Flores:

Motion 58-A
Efforts to Retain
U.S. Air Force Space and Missile Systems Center
Los Angeles Area

This is in compliance with the above-referenced Motion that the Department of Water and Power (DWP) submit a written report to identify certain DWP-owned properties which may be available to offset Los Angeles Unified School District's lease of property to the Air Force.

The following properties have been declared excess to the DWP's needs and are available at this time:

FILE NO.	NAME OF PROPERTY	LOCATION	AREA
W-40302	Woodward Wells Nos. 1 and 2	Fenwick Street and Woodward Avenue	27,428 sq. ft.
W-58949	Unused Aqueduct Right of Way	Kern County	12.08 acres
P-59878	Victorville Well Site	Near Victorville Switching Station	21,600 sq. ft.
W-64471	Sagamore Reservoir	Yosemite Way and Yosemite Drive	5,353 sq. ft.
W-67283	Tujunga Well No. 4	Bakman Avenue and Valerio Street	6,250 sq. ft.
W-69161	Well Site	733 Priscilla Lane, Burbank	6,885 sq. ft.

Water and Power Conservation . . . a way of life

111 North Hope Street, Los Angeles, California ☐ *Mailing address:* Box 111, Los Angeles 90051-0100
Telephone: (213) 481-4211 *Cable address:* DEWAPOLA *FAX:* (213) 481-8701

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CITY CLERK'S OFFICE
'93 FEB 23 A11 :13
ELIAS MARTINEZ
CITY CLERK
BY _____
DEPUTY

FILE NO.	NAME OF PROPERTY	LOCATION	AREA
P-71842	Distributing Station 105	Normandie Boulevard and 182nd Street	.821 acre

If you have any questions or require additional information, please contact me at (213) 481-6353 or have your staff contact Ms. Sandra S. Tanaka at (213) 481-6321.

Sincerely,

Daniel W. Waters

DANIEL W. WATERS
General Manager and Chief Engineer

c: Councilwoman Ruth Galanter
Councilman John Ferraro
Mr. Konrad Carter, Legislative Assistant
Mr. William R. McCarley, Chief Legislative Analyst
Ms. Sandra S. Tanaka

REPORT FROM

CITY ADMINISTRATIVE OFFICER

TO	DATE	CAO FILE No.
Commerce, Energy and Natural Resources Committee	1/11/93	0640-00001
REFERENCE Council motion approved December 22, 1992		**COUNCIL FILE No.** 92-2425
SUBJECT Alternative land sites for transaction with Los Angeles Unified School District and U.S. Air Force		**COUNCIL DISTRICT** Various

SUMMARY

On December 22, 1992, the Council approved a motion pledging the City's support in a transaction whereby the Los Angeles Unified School District (LAUSD) provides a lease of property to the Air Force for military housing at Fort MacArthur in San Pedro. In exchange for the lease, LAUSD requires that land of equal value be provided for School District needs. A site in central Los Angeles has been identified by the State of California as the likely site for this transaction. However, the State has stipulated that the land be provided on the condition the City and County of Los Angeles provide alternative sites in the event the proposed site cannot be used by LAUSD for educational purposes.

The Council requested that the City Administrative Officer and Departments of Airports, Harbor and Water and Power report to the Commerce, Energy and Natural Resources Committee identifying City-owned properties which may be available to help offset the LAUSD's lease of property to the Air Force, should the State's parcel not be acceptable.

Attached, per Council request, is a list of surplus City properties which may be considered as alternative sites. Should any of these properties be required at a later date, their intended use should be reviewed and their appraised value should be determined.

RECOMMENDATION

Receive and file.

KEK:dmf

20248B18

K. Connel

CITY ADMINISTRATIVE OFFICER

CAO 649

FILED
CITY CLERK'S OFFICE

'93 JAN 11 A10 :05

ELIAS MARTINEZ
CITY CLERK

BY. _____ DEPUTY

ATTACHMENT

LIST OF SURPLUS PROPERTIES

City Property

1. **Old Venice Library** (CD 6)
   610 California Avenue

   Will be occupied until new library is completed in fall 1994. Current plan is to use facility as a community center.

2. **Old Washington Irving Library** (CD 10)
   1803 S. Arlington Avenue

   Will be occupied until new library is open in fall 1995. Current plan is to use the facility as a community center. Requires seismic reinforcement.

3. **Old Junipero Serra Library** (CD 9)
   4255 S. Olive Street

   Vacant. No known intended use. Requires seismic reinforcement.

4. **Old Wilmington Library** (CD 15)
   309 W. Opp Street

   Currently vacant. Intended use is as a community center. Requires seismic reinforcement.

5. **Old Eagle Rock Library** (CD 14)
   2225 Colorado Boulevard

   Currently vacant. May be used as a community center. Requires seismic reinforcement.

6. **Old Fire Station 54** (CD 6)
   5730 Crenshaw Boulevard

   Currently vacant. Council Office has planned use. Requires seismic reinforcement.

7. **Old Fire Station 57** (CD 8)
   729 W. Manchester Avenue

   Currently vacant. Requires seismic reinforcement.

8. **Old Fire Station 68** (CD 10)
5213 W. Pico Boulevard

Currently vacant. Intended for sale. Requires seismic reinforcement.

9. **Old Fire Station 44** (CD 1)
929 Cypress Avenue

Currently vacant. Council Office has plans for future use. Requires seismic reinforcement.

10. **Old Fire Station 30** (CD 9)
1401 S. Central Avenue

Currently vacant. May be used as a cultural center. Historic monument. Requires seismic reinforcement.

11. **Former Ann Street Animal Shelter** (CD 14)
215 W. Ann Street

Animal shelter has been demolished. Approximately 27,000 square feet of vacant land.

12. **Old Lincoln Heights Jail** (CD 1)
401 Avenue 19

Five-story, 200,000 square foot building. 25,000 square feet basement storage space. Currently occupied by non-profit agency and contains a Recreation & Parks gymnasium. Approximately 70% vacant. Used by film industry.

13. **Lancer Site** (CD 9)

Approximately 15-20 acres of vacant land. Possible sale to Harbor Department.

Department of Airports Property

1. **Northside Development Property** (CD 6)
North of LAX between Lincoln and Pershing

Formerly residential property purchased in the 1960's for noise abatement purposes. Federal grants were used to purchase the property and would have to be reimbursed if the property were transferred.

Department of Water & Power Property

1. **Woodward Wells Nos. 1 and 2** (CD 2)
   Fenwick Street and Woodward Avenue

   27,428 square feet.

2. **Unused aqueduct right of way**
   Kern County

   12.08 acres of land.

3. **Victorville Well Site**
   Near Victorville switching station

   21,600 square feet.

4. **Sagamore Reservoir** (CD 14)
   Yosemite Way and Yosemite Drive

   5,353 square feet of hillside property.

5. **Tujunga Well No. 4** (CD 2)
   Bakman Avenue and Valerio Street

   6,250 square feet.

6. **Well site**
   733 Priscilla Lane

   6,885 square feet of land in Burbank.

7. **Distributing Station 105** (CD 15)
   Normandie Boulevard and 182nd Street

   .821 acres of land.

8. **Ocean Park Tank**
   Palm Boulevard and Grand View Boulevard

   .66 acres of land.

Harbor Department Property

None provided.

92-2425

City of Los Angeles Department of Airports
Tom Bradley, Mayor

Board of Airport Commissioners

Robert A. Chick
President
Leland Wong
Vice President
Johnnie L. Cochran, Jr.
Maria Elena Durazo
Jack Tenner

Clifton A. Moore
Executive Director

January 6, 1993

The Honorable Joan Milke Flores, Chair
The Honorable Ruth Galanter, Vice Chair
The Honorable John Ferraro
Commerce, Energy and Natural Resources Committee
Los Angeles City Council
Room 395, City Hall
Los Angeles, California 90012

Attention: Mr. Konrad Carter

Honorable Members:

Subject: Council Motion Re United States Air Force Space and Missile System Center

A recent Council Motion requested that the Department of Airports report to the Commerce, Energy and Natural Resources Committee as to the availability of "City-owned land which may be available to help offset the Los Angeles Unified School District's leasing of property to the Air Force."

The Department of Airports has under its jurisdiction and control approximately 138 acres of undeveloped land lying northerly of Westchester Parkway between Sepulveda Westway and Pershing Drive which, in a technical sense, is not required for the direct operating functions of Los Angeles International Airport. In addition, we have considerable acreage, that could be used for non-airport purposes, in the Palmdale area of Los Angeles County.

Since it is our impression that the Council Motion is directed to parcels of land available within the City of Los Angeles, we will focus our comments on the 138 acres located northerly of Los Angeles International Airport.

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CITY CLERK'S OFFICE

'93 JAN -8 P12:58

ELIAS MARTINEZ
CITY CLERK

BY. _____
DEPUTY

This property was acquired commencing in 1970 primarily for noise abatement purposes since the area was residential in character and heavily impacted, at that time, by the aircraft operations at Los Angeles International Airport. Subsequently, an extensive tract map/land use/environmental impact report process has been completed and the property is slated for future development to commercial and office park uses. At the present time, especially in view of the depressed real estate market in Los Angeles County and the lack of financing, we do not foresee the immediate development of this area. It would seem logical, however, that any future development should be to uses that are compatible with the operations of Los Angeles International Airport. State law reflects that school uses would be an incompatible use in this area. Additionally, should the property be leased or transferred to another entity, approval of the Federal government would be required (Federal Aviation Administration) since Federal funds were used to purchase the former dwelling units.

If we can provide any additional information, please let us know.

Cordially,

Donald A. Miller
Deputy Executive Director

DAM:jm

cc: Clifton A. Moore
William M. Schoenfeld
Frank J. Portnoy
Dennis L. Green

CITY OF LOS ANGELES
CALIFORNIA

ELIAS MARTINEZ
City Clerk

J. Michael Carey
Executive Officer

When making inquiries relative to this matter refer to File No.

92-2425

TOM BRADLEY
MAYOR

Office of
CITY CLERK
Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
Council File Information - 485-5703
General Information - 485-5705

Pat Letcher
Chief Legislative Assistant

L.A. Unified School District
P.O. Box 2298
Los Angeles, CA 90051

December 29, 1992

Councilmember Flores
City Administrative Officer
Airports Department
Community Redevelopment Agency
City Attorney
Honorable Tom Bradley, Mayor

Councilmember Ferraro
Harbor Department
Department of Water & Power
Public Works Department
Real Estate Division

RE: EFFORTS TO RETAIN THE U.S. AIR FORCE SPACE AND MISSILES SYSTEMS CENTER IN THE LOS ANGELES AREA

At the meeting of the Council held December 22, 1992, the following action was taken:

Attached report adopted	
" motion " (Flores-Ferraro)	x
" resolution " ( )	
Ordinance adopted	
Motion adopted to approve attached report	
" " " " " communication	
To the Mayor for concurrence	
To the Mayor FORTHWITH	
Mayor concurred	
Appointment confirmed	
Findings adopted	
Negative Declaration adopted	
Categorically exempt	x
Generally exempt	
EIR certified	
Tract map approved for filing with the County Recorder	
Parcel map approved for filing with the County Recorder	
Bond approved is No. _____ of Contract	
Resolution of acceptance of future street to be known as _____ adopted	
Attach a copy of follow-up Department Report to file	
Agreement mentioned therein is/are No. _____ of contracts	

Elias Martinez

City Clerk
ca

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58-A

MOTION

Local government officials have been working with business and community leaders, and the Governor to identify land to meet U.S. Air Force housing needs. The Air Force must have suitable housing for its personnel otherwise the Space and Missiles Systems Center in El Segundo could leave the Los Angeles region. Such a move would be devastating to our local economy. It would mean the loss of thousands of jobs and billion of dollars in annual expenditures into the local economy. The Federal process which decides base closures is now underway. Therefore immediate action from local officials is critically important.

The Los Angeles Unified School District (LAUSD) has approximately 20 acres of land available at the Upper Reservation of Fort MacArthur in San Pedro which would meet the Air Force needs. The LAUSD has Federal government restrictions which require that LAUSD receive land equal in value. The Governor has identified a land site in the central Los Angeles area which can be transferred to LAUSD as compensation. However, the State will provide the land site only on the condition that the City of Los Angeles and the County of Los Angeles join the State in providing alternative land to LAUSD, in the event that the identified State property cannot be used by LAUSD for educational purposes. There is no size requirement for the land parcels as long as LAUSD could use the site for some purpose such as schools, outreach education, administration, or storage. The City of Los Angeles has numerous parcels of land, including surplus land, which can be considered for conveyance to LAUSD. City owned land is a valuable asset to the City which must be carefully managed. In this case there should be recognition of the clear overriding importance of this Air Force retention project to the future health of the local economy.

An agreement is being prepared jointly by the City, LAUSD, and the State which will acknowledge the facts of the situation, including the need to provide land to the Air Force and the serious potential economic impact. It will also stipulate that the State of California, City of Los Angeles, and County of Los Angeles jointly and severally agree to transfer title of excess property owned by the State, County, or the City to the LAUSD equal in value to the property which LAUSD is providing to the U.S. Air Force.

I THEREFORE MOVE that the City Council authorize the Mayor to execute an agreement substantially in conformance with this motion between the City, Los Angeles Unified School District (LAUSD), County of Los Angeles, and the State of California which summarizes local and State government commitments to the effort to retain the U.S. Air Force Space and Missiles Systems Center in the Los Angeles area, subject to the approval of the City Attorney as to form and legality.

I FURTHER MOVE that the City Administrative Officer, Harbor Department, Department of Airports and Department of Water and Power submit by January 8, 1993 a written report to the Commerce, Energy and Natural Resources Committee identifying City owned land which may be available to help offset LAUSD's lease of property to the Air Force.

I FURTHER MOVE that the LAUSD be requested provide the housing land site to the U.S. Air Force with the condition that the Air Force comply with the recommendations developed by the Angels Gate Park Citizens Advisory Committee concerning the use of the site.

I FURTHER MOVE that the Community Redevelopment Agency submit by January 8, 1993 a written report to the Community Redevelopment and Housing Committee presenting the actions necessary to assist the LAUSD with the relocation of the Skills Center facilities at Angels Gate Park to Wilmington, including an identified relocation site.

I FURTHER MOVE that the Real Estate Division of the Department of Public Works be instructed to immediately prepare a Class C appraisal of the Upper Reservation, Fort MacArthur site which LAUSD has offered through a lease to the U.S. Air Force.

I FURTHER MOVE that the City Council find that this action is categorically exempt from CEQA pursuant to City CEQA guidelines, Article VII, Section 1, Class 12.

FLORES
FARRAND
CAO
HARBOR DEPT
AIRPORTS
DWP
LAUSD
CRA
PW, REAL ESTATE DIV
CITY ATTORNEY
MAYOR

SUBSTITUTE MOTION Presented by Joan Milke Flores

Joan Milke Flores
Councilwoman 15th District

ADOPTED
IN LIEU OF ORIG MOTION
DEC 22 1992
CAT EXEMPT APPROVED
LOS ANGELES CITY COUNCIL

Seconded by John Farrand

AGENDA NO. 58 YES: 11 NO: 0 ABS: 4 12/22/92 TIME: 12:00 00

BERNARDI	YES	BERNSON	YES	BRAUDE	YES	FLORES	YES
GALANTER	YES	PICUS	YES	RIDLEY-THOMAS	YES	WALTERS	YES
WOO	YES	YAROSLAVSKY	YES	FERRARO	YES	ALATORRE	ABS
HERNANDEZ	ABS	HOLDEN	ABS	WACHS	ABS		

MOTION

Local government officials have been working with business and community leaders, and the Governor to identify land to meet U.S. Air Force housing needs. The Air Force must have suitable housing for its personnel otherwise the Space and Missiles Systems Center in El Segundo could leave the Los Angeles region. Such a move would be devastating to our local economy. It would mean the loss of thousands of jobs and billion of dollars in annual expenditures into the local economy. The Federal process which decides base closures is now underway. Therefore immediate action from local officials is critically important.

The Los Angeles Unified School District (LAUSD) has approximately 20 acres of land available at the Upper Reservation of Fort MacArthur in San Pedro which would meet the Air Force needs. The LAUSD has Federal government restrictions which require that LAUSD receive land equal in value. The Governor has identified a land site in the central Los Angeles area which can be transferred to LAUSD as compensation. However, the State will provide the land site only on the condition that the City of Los Angeles and the County of Los Angeles join the State in providing alternative land to LAUSD, in the event that the identified State property cannot be used by LAUSD for educational purposes. There is no size requirement for the land parcels as long as LAUSD could use the site for some purpose such as schools, outreach education, administration, or storage. The City of Los Angeles has numerous parcels of land, including surplus land, which can be considered for conveyance to LAUSD. City owned land is a valuable asset to the City which must be carefully managed. In this case there should be recognition of the clear overriding importance of this Air Force retention project to the future health of the local economy.

A Side Letter of Agreement (attached) has been prepared jointly by the City, LAUSD, and the State which acknowledges the facts of the situation, including the need to provide land to the Air Force and the serious potential economic impact. It also stipulates that the State of California, City of Los Angeles, and County of Los Angeles jointly and severally agree to transfer title of excess property owned by the State, County, or the City to the LAUSD equal in value to the property which LAUSD is providing to the U.S. Air Force.

TO CITY CLERK FOR PLACEMENT ON NEXT REGULAR COUNCIL AGENDA TO BE POSTED
#51
DEC 18 1992

Tues 12/22

I THEREFORE MOVE that the City Council approve the attached Side Letter Agreement between the City, Los Angeles Unified School District (LAUSD), County of Los Angeles, and the State of California which summarizes local and State government commitments to the effort to retain the U.S. Air Force Space and Missiles Systems Center in the Los Angeles area, subject to the approval of the City Attorney as to form and legality.

I FURTHER MOVE that the Mayor be authorized to execute the Side Letter on behalf of the City.

I FURTHER MOVE that the City Administrative Officer, Harbor Department, Department of Airports and Department of Water and Power submit by January 8, 1993 a written report to the Commerce, Energy and Natural Resources Committee identifying City owned land which could be used to fulfill the City commitment to help offset LAUSD's donation of property to the Air Force.

I FURTHER MOVE that the LAUSD be requested provide the housing land site to the U.S. Air Force with the condition that the Air Force comply with the recommendations developed by the Angels Gate Park Citizens Advisory Committee concerning the use of the site.

I FURTHER MOVE that the Community Redevelopment Agency work with the Department of Recreation and Parks to submit by January 8, 1993 a written report to the Community Redevelopment and Housing Committee presenting the actions necessary to assist the LAUSD with the relocation of the Skills Center facilities at Angels Gate Park to Wilmington, including an identified relocation site.

Presented by _____
Joan Milke Flores
Councilwoman 15th District

Seconded by _____

DEC 22 1992 - SEE SUBSTITUTE MOTION ADOPTED IN LIEU OF ORIGINAL MOTION

December 16, 1992

Los Angeles Unified School District
Attn: Sid Thompson, Superindendent
450 North Grand Avenue, Room A-223
Los Angeles, CA 90012

City of Los Angeles
Attn: Tom Bradley, Mayor
200 N. Spring Street, Room 23
Los Angeles, CA 90012

City of Los Angeles
Attn: Joan Milke Flores, Councilwoman
200 N. Spring Street, Room 23
Los Angeles, CA 90012

County of Los Angeles
Attn: Edmund D. Edelman
821 Hall of Administration, Room 381
500 W. Temple Street
Los Angeles, CA 90012

County of Los Angeles
Attn: Larry Monteilh, Executive Director
821 Hall of Administration, Room 383
500 W. Temple Street
Los Angeles, CA 90012

State of California
Attn: John Lockwood, Director
Department of General Services
1325 J Street, Suite 1910
Sacramento, CA 95814

This Side Letter Agreement (SLA) summarizes the agreement that has been verbally agreed upon between the undersigned entities after numerous meetings and telephone conferences in an attempt to retain the United States Air Force (USAF) and its facility known as the Los Angeles Air Force Base as a primary employer in the Los Angeles Basin, the benefit of which inures to the State of California, County of Los Angeles and City of Los Angeles.

The parties acknowledge the following facts:

1. The USAF has proposed moving its Los Angeles Base to another location outside of the State of California.

2. The facility supports a military and civilian population of 80,000, which represents an economic value to the state, county and city of approximately 8 billion dollars.

3. It is the desire of the above mentioned parties to retain the USAF and its base as a vital employer in the Los Angeles Basin.

4. The above mentioned parties have agreed that it is in their respective best interest to assist the USAF locate an acceptable location for the construction of affordable housing for Air Force personnel within close proximity to its military base.

5. The parties, including the USAF, have located acceptable property that meets the criteria established by the USAF. That property is owned by the Los Angeles Unified School District (LAUSD), and was formerly part of Fort McArthur military base and is more specifically described in Exhibit "A", attached hereto and incorporated by reference (hereafter called "the McArthur property" or "Leased Property").

6. The McArthur property was given to the LAUSD provided that it be capable for use for educational purposes. In the event the McArthur property is leased to the USAF for housing purposes, it is arguable that it is no longer capable for use for educational purposes. The reversionary interest holder is the Department of Education (DOE). DOE is prepared to waive any conditions on the future use of the McArthur property for educational purposes.

7. The Los Angeles School District is willing to lease the McArthur property to the USAF for a period of fifty (50) years, according to the terms and conditions provided for in the lease agreement between the parties, a copy of which is attached hereto marked Exhibit "B", and the state, county, and city are prepared to locate excess public property of equal fair market value to the McArthur property and transfer same to LAUSD for educational purposes.

The parties have agreed as follows:

In exchange for the LAUSD's agreement to enter into a long term lease agreement with the USAF, as set forth in Exhibit B, the state, county and city agree as follows:

1. To transfer title from excess property (hereinafter "Exchange Property") owned by the state, county or city, and located within the Los Angeles school district, real property of equal fair market value to the McArthur property being leased to the USAF, and capable for use for educational purposes to LAUSD. The exchange property to be transferred must be acceptable to the LAUSD.

2. The parties are presently considering an exchange property for purposes of this agreement. The proposed exchange property is owned by the state, but has not yet been accepted by the LAUSD. While the parties do not anticipate such a result they have expressly considered for this agreement the possibility that they will be unable to agree on an exchange property. Since their intent is for this agreement to be enforceable to the maximum extent allowed by law, they therefore expressly agree that, in the event agreement is not reach on an exchange property, be it the presently proposed exchange property owned by the state or other exchange property yet to be identified, the parties other than LAUSD will be jointly and severally liable to LAUSD for the appraised value of the property leased by LAUSD to USAF. LAUSD agrees not to unreasonably withhold its consent to proposed exchange property.

3 To be responsible for the cost of an appraisal of the exchange property to determine its fair market value. The appraisal shall be performed no later than June 30, 1993. The appraiser shall be mutually acceptable to all parties.

4. To be jointly and severally liable and responsible to perform all of the obligations set forth in this SLA.

5. It is the intent of this agreement that LAUSD be enabled to utilize the exchange property to the fullest extent for educational and/ or related purposes. Property being considered for the exchange purposes may have environmental issues to be resolved.

Accordingly, in consideration for LAUSD's lease to the USAF, the parties, and each of them, hereto further agree as follows:

(a) to fully participate in any effort, including administrative processes through their own agencies, to expedite, facilitate, and enable LAUSD to utilize the exchange property for LAUSD's intended educational and/ or related purposes.

(b) to take all steps necessary to enable LAUSD to obtain necessary environmental certification and approvals to allow for LAUSD's intended uses for the exchange property.

The parties further agree to the following terms and conditions:

1. In the event the USAF is prevented from consummating the aforementioned lease agreement with LAUSD by any occurrence that is beyond its control, or as determined by higher military authority, then the state, county and city shall be excused from any further performance of their obligations and undertakings under this SLA.

2. In the event, after executing the aforementioned lease agreement between the USAF and LAUSD, the USAF is prevented from performing its obligations of lease agreement, and the agreement is terminated for any reason resulting in the leased property reverting to LAUSD, then, and in the event, the entity, be it state, county or city, or any combination thereof, that transferred exchange property to LAUSD for educational purposes, shall have the exchange property returned to it by LAUSD in the same ratio of interest that such entity held at the time of transfer to LAUSD. Should the parties be unable to agree on their respective interests an equitable division of the exchange property shall be determined by arbitration, as set forth below. Should LAUSD not use the exchange property for educational and/ or operational purposes, any interest of such exchange property originally held by the state, county or city shall revert to that entity and such reversionary interest will be shown on the deed from that entity to LAUSD.

3. Any controversy between the parties regarding the construction or application of this SLA, and any claim arising out of this SLA or its breach or as provided in paragraph 2 above, shall be submitted to arbitration upon the written request of one of the parties after service of that request on the other parties.

4. This agreement supersedes any and all other agreements, either oral or in writing, between the parties with respect to the subject of this agreement. This agreement contains all of the

covenants and agreement between the parties, and each party to this agreement acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements embodied in this agreement. No agreement, statement, or promise not contained in this agreement shall be valid or binding.

5. If any legal action, including an action for declaratory relief, is brought to enforce the provisions of this agreement, the prevailing party shall be entitled to recover reasonable attorney's fees from the other party. These fees, which may be set by the court in the same action or in a separate action brought for that purpose, are in addition to any other relief to which the prevailing party may be entitled. This provision applies to the entire agreement.

6. This agreement consists of six (6) original documents and each party executes its own original. Their signatures on each original is deemed to be affixed on each other original.

If the above correctly expresses your understanding of the terms of our agreement, please sign, date, and return to the State of California, Business, Transportation and Housing Agency the enclosed copy of this SLA at your first opportunity.

Accepted:_____

Los Angeles Unified School District

by: _____
SYD THOMPSON, Superintendent

Accepted:_____

County of Los Angeles

by: _____
ED EDELMAN, Chairman, Board of Supervisors

by: _____
LARRY MONTEILH, Executive Officer
Board of Supervisors

Accepted: _____

City of Los Angeles

by: _____

TOM BRADLEY, Mayor

by: _____

JOAN MILKE FLORES, Councilwoman

Accepted: _____

State of California

by: _____

JOHN LOCKWOOD, Director
Department of General Services

LOS ANGELES UNIFIED SCHOOL DISTRICT

ADMINISTRATIVE OFFICES

450 NORTH GRAND AVENUE
LOS ANGELES, CALIFORNIA 90012
(213) 625-6251

SIDNEY A. THOMPSON
Superintendent of Schools

MEMBERS OF THE BOARD

LETICIA QUEZADA, PRESIDENT
BARBARA BOUDREAUX
WARREN FURUTANI
JEFF HORTON
JULIE KORENSTEIN
MARK SLAVKIN
ROBERTA WEINTRAUB

December 17, 1992

BY OVERNIGHT MAIL

The Honorable James F. Boatwright
Deputy Assistant Secretary - Installations
U. S. Airforce - M/A
The Pentagon
Washington, D.C. 20331-1000

RE: LEASE BY LOS ANGELES UNIFIED SCHOOL DISTRICT TO THE U.S. AIRFORCE--FT. MAC ARTHUR SITE

Dear Deputy Assistant Secretary Boatwright:

As part of the unified effort by the State of California, the City of Los Angeles, and the Los Angeles Unified School District (LAUSD) to maintain the presence of the U. S. Airforce in Los Angeles, I am pleased to send you the enclosed proposed lease, which I have today executed on behalf of the LAUSD, to lease to the U.S. Airforce certain property at the Ft. Mac Arthur site in Los Angeles, for a period of 50 years for Airforce housing.

Should you have any questions regarding the lease or any other aspect of this matter, please feel free to contact me. I should mention in this regard that, because of budget constraints, the District will, in effect, be closed down during the holiday season. We will return to work on Monday, January 4, 1993.

It is our sincere hope that the enclosed lease offer will meet the needs of the U. S. Airforce.

Sincerely,

Sidney A. Thompson
Superintendent of Schools

ldt

Enc.

c: Members, Board of Education
Governor's Office, State of California
Mayor's Office, City of Los Angeles
Richard K. Mason, Esq.
Dominic Shambra

LEASE BY UNITED STATES AIR FORCE OF LOS ANGELES UNIFIED SCHOOL DISTRICT PROPERTY AT FORT MACARTHUR SITE

1. Parties. This Lease is made and entered into this _____ day of _____, 19__, by and between LOS ANGELES UNIFIED SCHOOL DISTRICT OF LOS ANGELES COUNTY ("Lessor") and United States Air Force ("Lessee").

2. Premises. The premises subject to this Lease, hereinafter referred to as "the Premises," are the real property, and any improvements thereon, described in Exhibit A, which is attached to this Lease and incorporated herein by this reference.

3. Term.

3.1 Duration of Lease. The term of this Lease shall be for fifty (50) years, commencing on , and ending on unless sooner terminated pursuant to any provision hereof.

3.2 Possession of Premises.

Possession of the Premises shall be delivered to Lessee on commencement date of the Lease.

3.3 Commencement of Rent Obligation. Rent for the Premises shall be payable upon the delivery of possession.

4. Rent. Lessee shall pay to Lessor as rent for the Premises one (1) payment of fifty dollars ($50.00), constituting $1.00 per year for the term of the lease.

5. Use.

5.1 Use. The Premises shall be used and occupied only for United States Air Force housing and for no other purpose.

5.2 Compliance with Law. Lessee shall, at Lessee's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, covenants and restrictions of record, and requirements in effect during the term or any part of the term hereof regulating the use by Lessee of the Premises. Lessee shall not use nor permit the use of the Premises in any manner that will tend to create waste or a nuisance.

5.3 Condition of Premises. Lessee hereby accepts the Premises in their condition existing as of the Lease commencement date, subject to all applicable zoning, municipal, county, state, and federal laws, ordinances and regulations governing and regulating the use of the Premises, any covenants or restrictions of record, and accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Lessee acknowledges that Lessor has made no representation or warrants as to the suitability of the Premises for the conduct of Lessee's business.

6. Maintenance, Repairs and Alterations.

6.1 Lessee's Obligations. Lessee shall keep in good order, condition and repair the Premises and every part thereof, structural and nonstructural, (whether or not such portion of the Premises requiring repair, or the means of repairing the same are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises) including, without limiting the generality of the foregoing, all plumbing, heating, air conditioning, ventilating, electrical, lighting facilities and equipment within the Premises, fixtures, walls (interior and exterior), foundations, ceilings, roofs (interior and exterior), floors, windows, doors, plate glass and skylights located within the Premises, and all landscaping, driveways, parking lots, fences and signs located on the Premises and sidewalks and parkways adjacent to the Premises.

[illegible] Premises and sidewalks and parkways adjacent to the Premises.

6.2 Surrender. [illegible]e last day of the term hereof, o[illegible]ny sooner termination, Lessee shall surrender the Premises to Lessor in the same condition as when received, broom clean, ordinary wear and tear excepted. Lessee shall repair any damage to the Premises occasioned by the removal of Lessee's trade fixtures, furnishings and equipment pursuant to Paragraph 6.5, which repair shall include the patching and filling of holes and repair of structural damage.

6.3 Lessor's Rights. If Lessee fails to perform Lessee's obligations under this Paragraph 6, Lessor may at its option (but shall not be required to) enter upon the Premises, after ten (10) days prior written notice to Lessee, and put the same in good order, condition and repair, and the cost thereof together with interest thereon at the rate of 10% per annum shall become due and payable as additional rental to Lessor together with Lessee's next rental installment.

6.4 Lessor's Obligations. Except for the obligations of Lessor under Paragraph 13 (relating to condemnation of the Premises), it is intended by the parties hereto that Lessor have no obligation, in any manner whatsoever, to repair and maintain the Premises nor the building located thereon nor the equipment therein, whether structural or nonstructural, all of which obligations are intended to be those of the Lessee under Paragraph 6.1 hereof. Lessee expressly waives the benefit of any statute now or hereafter in effect which would otherwise afford Lessee the right to make repairs at Lessor's expense or to terminate this Lease because of Lessor's failure to keep the Premises in good order, condition and repair.

6.5 Alterations and Additions.

(a) Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee or for use in the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days notice prior to the commencement of any work in the Premises, and Lessor shall have the right to post notices of non-responsibility in or on the Premises as provided by law. If Lessee shall, in good faith, contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense, defend itself and Lessor against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against the Lessor or the Premises, upon the condition that if Lessor shall require, Lessee shall furnish to Lessor a surety bond satisfactory to Lessor in an amount equal to such contested lien, claim or demand indemnifying Lessor against liability for the same and holding the Premises free from the effect of such lien or claim. In addition Lessor may require Lessee to pay Lessor's attorneys fees and costs in participating in such action if Lessor shall decide it is to its best interest to do so.

(b) Unless Lessor requires their removal, all alterations, improvements, additions and Utility Installations (whether or not such Utility Installations constitute trade fixtures of Lessee), which may be made on the Premises, shall become the property of Lessor and remain upon and be surrendered with the Premises at the expiration of the term. Notwithstanding the provisions of this Paragraph 6.5(b), Lessee's machinery and equipment, other than that which is affixed to the Premises so that it cannot be removed without material damage to the Premises, shall remain the property of Lessee and may be removed by Lessee subject to the provisions of Paragraph 6.2.

7. Insurance.

7.1 Liability Insurance. Lessee shall take out and keep in force during the life hereof at Lessee's expense, public liability and property damage insurance in companies and through brokers approved by Lessor to protect the Lessor against any liability to the public, incident to the use of or resulting from any accident occurring in or about said Premises, in the amount of ONE MILLION DOLLARS ($1,000,000.00) to indemnify against the claim of one person, TWO MILLION FIVE HUNDRED THOUSAND DOLLARS ($2,500,000.00) against the claim of two or more persons, and FIVE HUNDRED THOUSAND DOLLARS ($500,000.00) against property damage. Said policy shall name the LOS ANGELES UNIFIED SCHOOL DISTRICT OF LOS ANGELES COUNTY as an insured and be placed on file with Lessor, and Lessee is to obtain a written obligation on the part of the insurance carriers to notify Lessor in writing prior to any cancellation thereof. Said policy shall also state that such insurance shall be determined to be primary over any other coverage available to the Lessor.

7.2 Insurance Policies. Insurance required hereunder shall be in companies holding a "General Policyholders Rating" of B plus or better as set forth in the most current issue of "Best's Insurance Guide". Lessee shall deliver to Lessor copies of policies of such insurance or certificates evidencing the existence and amount of such insurance with loss payable clauses

satisfactory to Lessor. No such policy shall be cancelable or subject to reduction of coverage or other modification except [redacted] ten (10) days prior written no[redacted] Lessor. Lessee shall, within ten (10) days prior to the [redacted]ation of such policies, furnish [redacted]or with renewals or "binders" thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee upon demand. Lessee shall not do or permit to be done anything which shall invalidate the insurance policies referred to in this Paragraph 7.2.

7.3 Waiver of Subrogation. Lessee and Lessor each hereby waive any and all rights of recovery against the other, or against the officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control to the extent that such loss or damage is insured against under any insurance policy in force at the time of such loss or damages. Lessee shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

8. Indemnity.

8.1 Indemnification by Lessee. Lessee shall indemnify and save harmless the Lessor, its officers and agents from all loss, expense, fines, suits, proceedings, claims, damages, actions, and judgments of any nature whatsoever arising out of or in any way connected with the occupancy, use or control of said demised Premises by the Lessee, and Lessee shall at its own expense, cost and risk, defend any and all actions, suits, or other proceedings that may be brought or instituted against the Lessor, its officers, agents or employees on any such claim, demand, or liability, and shall pay or satisfy any judgment that may be rendered against the Lessor, its officers, agents, or employees in any action suit or other proceedings as a result thereof.

8.2 Exemption of Lessor from Liability. Lessee hereby agrees that Lessor shall not be liable for injury to Lessee's business or any loss of income therefrom or for damage to the goods, wares, merchandise or other property of Lessee, Lessee's employees, invitees, customers or any other person in or about the Premises, nor shall Lessor be liable for injury to the person of Lessee, Lessee's employees, agents or contractors, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether the said damage or injury results from conditions arising upon the Premises or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Lessee. Lessor shall not be liable for any damages arising from any act or neglect of any other tenant, if any, of the building in which the Premises are located.

9. Taxes. Leasee shall pay any and all applicable taxes during the term of this Lease.

10. Utilities. Lessee shall pay for all water, gas, electricity, telephone, trash collection, and other utilities and services supplied to the Premises, together with any taxes thereon.

11. Assignment and Subletting.

11.1 Lessor's Consent Required. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of Lessee's interest in this Lease or in the Premises, without Lessor's prior written consent. Any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent shall be void, and shall constitute a breach of this Lease.

11.2 No Release of Lessee. No subletting or assignment shall release Lessee of Lessee's obligations or alter the primary liability of Lessee to pay the rent and to perform all other obligations to be performed by Lessee hereunder. The acceptance of rent by Lessor from any other person shall not be deemed to be a waiver by Lessor of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of default by any assignee of Lessee or any successor of Lessee in the performance of any of the terms hereof, Lessor may proceed directly against Lessee without the necessity of exhausting remedies against said assignee.

12. Defaults; Remedies.

12.1 Defaults. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Lessee:

(a) The vacating or abandonment of the Premises by Lessee.

(c) The vacating or abandonment of the Premises by Lessee.

(b) The failure by Lessee to make any payment of rent or any other payment required to be made by Lessee hereunder, as and when due, where such failure continues for a period of three (3) days after written notice thereof from Lessor to Lessee.

(c) The failure by Lessee to observe or perform any of the material covenants, conditions or provisions of this Lease to be observed or performed by Lessee other than described in Paragraph (b) above, where such failure continues for a period of five (5) days after written notice thereof from Lessor to Lessee; provided, however, that if the nature of Lessee's default is such that more than five (5) days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commenced such cure within said five (5) day period and thereafter diligently prosecutes such cure to completion.

(d) (i) The making by Lessee of any general assignment, or general arrangement for the benefit of creditors; (ii) the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days.

(e) The discovery by Lessor that any financial statement given to Lessor by Lessee, any assignee of Lessee, any subtenant of Lessee, any successor in interest of Lessee or any guarantor of Lessee's obligations hereunder was materially false.

12.2 Remedies. In the event of such default or breach by Lessee, Lessor may at any time thereafter, with or without notice or demand and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such default or breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Premises to Lessor. In such event Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default including, but not limited to, the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises and reasonable attorney's fees; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Lessee proves could be reasonably avoided.

(b) Maintain Lessee's right to possession, in which case this Lease shall continue in effect whether or not Lessee shall have abandoned the Premises. In such event Lessor shall be entitled to enforce all of Lessor's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

(c) Pursue any other remedy now or hereafter available to Lessor under the laws or judicial decisions of the State of California. Unpaid installments of rent and other unpaid monetary obligations of Lessee under the terms of his Lease shall bear interest from the date due at the maximum rate then allowable by law.

12.3 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or equity.

12.4 Default by Lessor. Lessor shall not be in default unless Lessor fails to perform obligations required of Lessor within a reasonable time, but in no event later than thirty (30) days after written notice by Lessee to Lessor specifying wherein Lessor has failed to perform such obligations; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days are required for performance then Lessor shall not be in default if Lessor commences performance within such 30-day period and thereafter diligently prosecutes the same to completion.

13. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the dates the

condemning authority takes title or possession, whichever first occurs. If more than ten percent (10%) of the floor area of improvements on the Premises, or more than twenty-five percent (25%) of the land area of the Premises which is not occupied by any improvements, is taken by condemnation, Lessee may, at Lessee's option, to be exercised in writing only within ten (10) days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within ten [10] days after the condemning authority shall have taken possession), terminate this Lease as of the date the condemning authority takes such possession. If Lessee

does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the proportion that the floor area taken bears to the total floor area of the building situated on the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, or for the taking of the fee, or as severance damages; provided, however, that Lessee shall be entitled to any award for loss or damages to Lessee's trade fixtures and removable personal property. In the event that this Lease is not terminated by reason of such condemnation, Lessor shall, to the extent of severance damages received by Lessor in connection with such condemnation, repair any damage to the Premises caused by such condemnation except to the extent that Lessee has been reimbursed therefor by the condemning authority. Lessee shall pay any amount in excess of such severance damages required to complete such repair.

14. Estoppel Certificate.

14.1 Certificate. Lessee shall at any time upon not less than ten (10) days prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing (i) certifying 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 so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises.

14.2 Failure to Deliver Certificate. At Lessor's option, Lessee's failure to deliver such statement within such time shall be a material breach of this Lease or shall constitute agreement by Lessee (i) that this Lease is in full force and effect, without modifications except as may be represented by Lessor, (ii) that there are no uncured defaults in Lessor's performance, and (iii) that not more than one (1) month's rent has been paid in advance, or such failure may be considered by Lessor as a default by Lessee under this Lease.

14.3 Financial Statement. If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee hereby agrees to deliver to any lender or purchaser designated by Lessor such financial statements of Lessee, any assignee of Lessee, any subtenant of Lessee, any successor in interest of Lessee or any guarantor of Lessee's obligations hereunder as may be required by such lender or purchaser. Such statements shall include the past three (3) years financial statements if same are required by any such lender or purchaser. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

15. Lessor's Liability. The term "Lessor" as used herein shall mean only the owner or owners at the time in question of the fee title or a lessee's interest in a ground lease of the Premises. In the event of any transfer of such title or interest, Lessor (and in case of any subsequent transfers then the grantor) shall be relieved from and after the date of such transfer of all liability with respect to Lessor's obligations thereafter to be performed. The obligations contained in this Lease to be performed by Lessor shall be binding on Lessor's successors and assigns only during their respective period of ownership.

16. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

17. Time of Essence. Time is of the essence.

18. Captions. Captions are not a part hereof.

19. Incorporation of Prior Agreements; Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification. Except as otherwise stated in this Lease, Lessee hereby acknowledges that neither Lessor nor any employees or agents of Lessor has made any oral or written warranties or representations to Lessee relative to the condition or use by Lessee of said Premises and Lessee acknowledges that Lessee assumes all responsibility regarding the Occupational Safety Health Act, the legal use and adaptability of the Premises and the compliance thereof with all applicable laws and regulations in effect during the term of this Lease except as otherwise specifically stated in this Lease.

20. Notices. Any notice required or permitted to be given hereunder shall be in writing and may be given by personal delivery or by certified mail, and if given personally or by mail, shall be deemed sufficiently given if addressed to Lessee or Lessor as follows, or to such other address as the parties may designate in writing from time to time:

To Lessor: Los Angeles Unified School District of Los Angeles County
Real Estate Section
1425 South San Pedro Street
Room 101
Los Angeles, California 90015

Attention: Deputy Director of Real Estate

To Lessee: United States Air Force

Attention:

21. Waivers. No waiver by Lessor of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Lessee of the same of any other provision. Lessor's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to or approval of any subsequent act by Lessee. The acceptance of rent hereunder by Lessor shall not be a waiver of any preceding breach by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

22. Covenants and Conditions. Each provision of this Lease performable by Lessee shall be deemed both a covenant and a condition.

23. Binding Effect; Choice of Law. Subject to the provisions of Paragraph 11 hereof, this Lease shall bind the parties, their personal representatives, successors and assigns. This Lease shall be governed by the laws of the State of California.

24. Merger. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, or a termination by Lessor, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subtenancies or may, at the option of Lessor, operate as an assignment to Lessor of any or all of such subtenancies.

25. Consent. Wherever in this Lease the consent of one party is required to an act of the other party such consent shall not be unreasonably withheld.

26. Security Measures. Lessee hereby acknowledges that the rental payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same.

27. Easements. Lessor reserves to itself the right, from time to time, to grant such easements, rights and dedications that Lessor deems necessary or desirable, and to cause the recordation of

Parcel Maps and restrictions, so long as such easements, rights, dedications, Maps and restrictions do not materially interfere with the use of the Premises by Lessee. Lessee shall sign any of the aforementioned documents upon requests of Lessor and failure to do so shall constitute a material breach of this Lease.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

THE PARTIES SHALL RELY UPON THE ADVICE OF THEIR OWN LEGAL COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be duly executed on their behalf by their duly authorized officers on the day and year first above written.

APPROVED AS TO FORM AND CONTENT
Los Angeles Unified School District

By: _____
Richard K. Mason
Special Counsel

LESSOR

LOS ANGELES UNIFIED SCHOOL DISTRICT
OF LOS ANGELES COUNTY

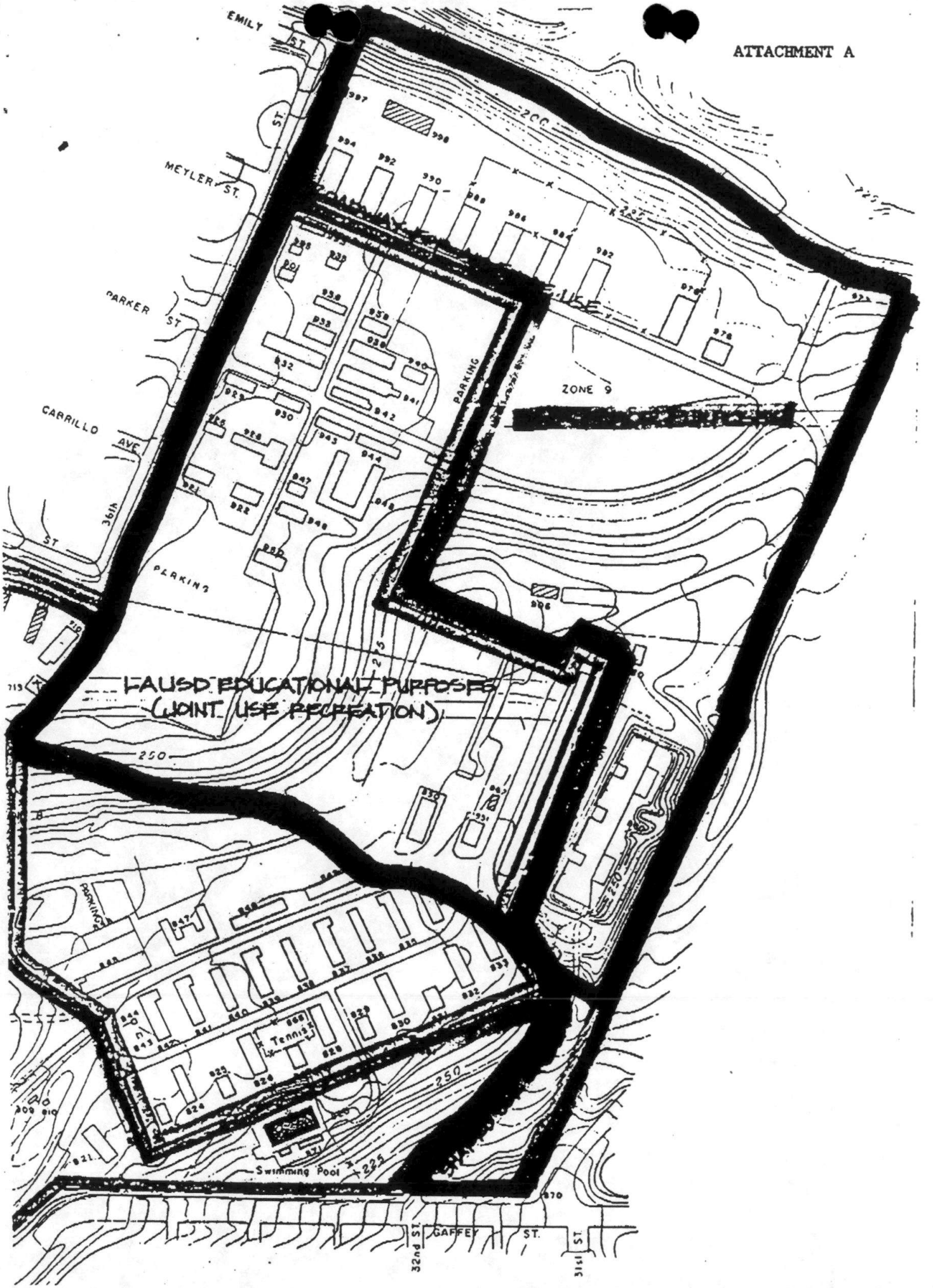
By: _____
Sidney A. Thompson
Superintendent of Schools

LESSEE

UNITED STATES AIR FORCE

By: _____

ATTACHMENT A



REVISED 9-2-92 TTN



TOTAL P.10