

**Harbor Community Benefit Foundation
Health Care Grant Program
Grant Agreement
for Renovation of Medical Clinic**

SUMMARY OF BASIC GRANT INFORMATION

This Summary of Basic Grant Information is hereby incorporated by reference into the attached Grant Agreement. Each reference in the Agreement to any term of this Summary shall have the meaning as set forth in this Summary. In the event of a conflict between the terms of this Summary and the Agreement, the terms of the Agreement shall prevail. Any initially capitalized terms used, but not defined in this Summary, shall have the meaning as set forth in the Agreement.

<u>TERMS OF GRANT</u>	<u>DESCRIPTION</u>
1. Effective Date:	Upon signature by Grantor.
2. Contract Term:	3 years following Completion of the Project
3. Grantor/HCBF:	Harbor Community Benefit Foundation, Inc., a California non-profit public benefit corporation, as grantor
4. Address of HCBF:	150 W. 6 th Street, Suite 100-B San Pedro, CA 90731 Attention: Executive Director Telephone: (562) 743-3448
5. Grantee/Provider:	Los Angeles Biomedical Research Institute at Harbor-UCLA Medical Center for Wilmington Health Center, as grantee
6. Address of Provider:	Los Angeles Biomed Attention: Rosemary Madnick 1124 W. Carson St. Torrance, CA 90502 Telephone: (310) 222-3621
7. Facility:	Wilmington Health Center Attention: Thuy Banh 1325 Broad Avenue Wilmington, CA 90744
8. Grant Amount:	Not to exceed \$172,500.00
9. Allocation of Costs and Expenses:	All costs incurred by the Provider in the application for and documentation of the Grant shall be borne by the Provider.
10. Additional Terms:	Provider must represent and warrant that all Work has been performed in compliance with all Legal Requirements.

**GRANT AGREEMENT
FOR RENOVATION OF MEDICAL FACILITY**
Los Angeles Biomedical Research Institute at Harbor-UCLA Medical Center for
Wilmington Health Center

This Facilities Development Grant Agreement for Renovation of Medical Facility is dated as of the Effective Date set forth in Section 1 of the Summary, between Harbor Community Benefit Foundation ("HCBF" or "Grantor") and Los Angeles Biomedical Research Institute at Harbor-UCLA Medical Center ("Provider" or "Grantee") each a "Party" and referred to collectively as the "Parties".

RECITALS

- A. Provider previously submitted to HCBF an Application for certain funds (the "Grant") to remodel, reconfigure and furnish an under-utilized space of the Facility.
- B. Provider proposes to make certain improvements to the Facility in order to add a primary care pulmonology clinic. These improvements are described in the Scope of Work, and are estimated to cost the amounts set forth in the Project Budget.
- C. The clinic will provide pulmonary health care to mitigate harm from air pollution in the community of Wilmington, which is significantly impacted by Port-related operations.
- D. HCBF has agreed to make the Grant to Provider, subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual agreements, obligations, and representations, and in further consideration for the making of this Grant, HCBF and Provider agree as follows:

- 1. Grant Terms; Summary; Glossary. The Summary and the Glossary are hereby made a part of this Agreement and are incorporated herein by reference.
 - 1.1 Disbursement and Use of Grant Proceeds.
 - (a) Disbursements. HCBF shall make all disbursements of the Grant subject to the conditions set forth in Section 1.2 and 1.3.
 - (b) Use of Grant Proceeds. Provider agrees to use the Grant Proceeds disbursed solely in conformity with the Scope of Work and the Project Budget.
 - (c) Disbursements for Q 1; Failure to Commence Construction. The parties acknowledge and agree that Provider will be entitled to receive Grant Proceeds for the payment of certain costs in order to determine the feasibility of pursuing the performance of the Work and obtain the necessary permits during Q1 as provided on the Budget/Disbursement Proposal. Provider's subsequent failure to secure permits and commence construction shall constitute the immediate right of HCBF, upon delivery of written notice, to terminate this Agreement, whereupon: (i) HCBF shall have no further obligations under this Agreement; and (ii) Provider shall be excused from any further obligations under this Agreement, with the exception of any and all indemnification provisions in this Agreement.

1.2 Disbursement Conditions.

(a) HCBF shall have no obligation to disburse the Grant Proceeds until Provider fulfills all the following Closing Conditions at Provider's sole cost and expense and in a manner acceptable to HCBF.

(i) Specific Conditions Precedent. With respect to the initial disbursement, each of the conditions precedent described on Exhibit A shall have been satisfied in full or waived in writing by HCBF.

(ii) Organizational Documents and Certificates; Evidence of Authority. Provider shall have provided evidence that the signatory has the capacity and authority to execute and deliver the Grant Documents.

(iii) Insurance. Provider shall have all of the insurance required pursuant to Exhibit E. Provider may satisfy this condition with a Certificate of County Self Funding of Insurance Obligation.

(iv) Taxes. If applicable, all taxes and assessments levied against or affecting the Property have been or will be paid current as of the Closing.

(v) Miscellaneous. Approval of all other items which are subject to the consent or approval of HCBF.

(b) Provider accepts any delays in the initial disbursement due to HCBF's need to verify fulfillment of all Closing Conditions.

(c) HCBF may waive a Closing Condition, but only in writing.

(d) HCBF may close the Grant and may disburse some or all of the Grant subject to Provider's compliance with any or all Conditions Subsequent. HCBF shall notify Provider in writing of any Conditions Subsequent that must be met and the time period(s) within which Provider is required to comply. If no time period for compliance is specified, then Provider shall comply within thirty (30) days after the date of Closing. Failure of Provider to comply with all Conditions Subsequent within the applicable time periods shall be an Event of Default.

1.3 Compensation and Payment. In consideration for performance of the services listed in the Scope of Work, Provider shall receive the compensation described in Exhibit B-2 to this Agreement.

(i) Payment Procedure. HCBF shall make all reasonable efforts to promptly process invoices after receipt of an itemized invoice submitted by Provider to HCBF based on the receipt of specified deliverables in Exhibit B-1, Scope of Work and B-2, the Project Budget/Disbursement Proposal. HCBF shall not pay interest or finance charges on any outstanding balances.

(ii) Provider shall submit invoices to HCBF on a monthly basis following the Effective Date of this Agreement performed during the preceding month. Costs must be identified on each invoice by line item and budget category in accordance with Exhibit B-2, and each invoice must be signed by an authorized representative of Provider certifying that

the expenditures claimed represent actual allowable expenses for committed effort and work performed under this Agreement.

(iii) Provider must include on the face of each itemized invoice submitted for payment its Taxpayer Identification Number. No invoice will be processed for payment by HCBF without this number shown thereon. All invoices shall be approved by HCBF prior to payment.

(iv) Provider shall submit appropriate supporting documents with each invoice. Such documents may include provider invoices, electronic progress reports, and final reports. Upon request by HCBF in the event of an audit, Provider shall provide all documents reasonably required to determine whether amounts on the invoice are allowable expenses under this Agreement.

(v) For payment and processing, all invoices should be mailed to:
Harbor Community Benefit Foundation
Attn: Mary Silverstein, Executive Director
150 West 6th Street, Suite 100B
Los Angeles, CA 90731

2. Covenants of the Provider.

2.1 Compliance with Law. Provider shall at all times comply with all Federal, State, and local laws. Provider specifically acknowledges that this Agreement is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this Agreement is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929 (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. Provider agrees that any interpretation of this Agreement and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

2.2 Property Information. Provider shall promptly deliver to HCBF copies of all contracts, leases, licenses and other agreements, relating to the ownership, operation, construction, renovation, and/or rehabilitation of the Property and the Facility. Provider shall deliver to HCBF any and all other information and documents relating to the Property and/or the Facility that HCBF reasonably requests within 15 days.

2.3 Permits, Licenses, and Approvals. Provider shall at all times comply with, any and all permits, licenses, and/or approvals required from governmental bodies in order to own, occupy, rehabilitate and lease the Property and to operate the Facility as a licensed medical facility. Provider shall deliver promptly to HCBF copies of all such permits, licenses, and approvals, and in any event within five (5) days after receipt thereof.

2.4 Site Visits. HCBF and its agents and representatives shall have the right to enter and visit the Property at any reasonable time for the purposes of observing the Project and examining all materials relating to the Project. HCBF has the right to examine, copy, and audit the books, records, accounting data and other documents of Provider and its agents and

contractors relating to the Project. In each instance, HCBF shall give Provider reasonable notice before entering the Property and make reasonable efforts to avoid interfering with Provider's use of the Property or the rights of tenants in possession. No site visit, observation, or examination by HCBF shall impose any liability on HCBF or establish any type of agency relationship with the Provider. HCBF owes no duty of care to protect Provider or any other party against, or to inform Provider or any other party of any adverse condition affecting the Property.

2.5 Notices. Provider shall notify HCBF promptly in writing of any event which materially affects the physical, financial or legal condition of the Property, or Scope of Work.

2.6 Performance of Acts. Upon HCBF's request, Provider shall perform all acts necessary or advisable to carry out the intent of the Grant Documents.

2.7 Notice of Change. Provider shall give HCBF prior written notice of any change in: (i) the location of Provider's place of business or individuals identified in this agreement as primary contacts; or (ii) Provider's name or business structure.

2.8 Indemnity Regarding Operation of Property and Other Risks. Except for the sole negligence or willful misconduct of the City, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, and of HCBF, Provider undertakes and agrees to defend, indemnify and hold harmless the City and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest and HCBF from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorneys' fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City and HCBF, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Provider's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement by Provider or its subcontractors of any tier. Rights and remedies available to the City and HCBF under this provision are cumulative of those provided for elsewhere in this Agreement and those allowed under the laws of the United States, the State of California, and the City.

2.9 Environmental Covenants. Provider shall: (a) at its expense, comply with all Environmental Laws, including but not limited to asbestos and lead abatement which may occur as part of the Project; and (b) not use or permit to be used any Hazardous Materials in the construction of the Project or operation of the Facility in violation of any Environmental Laws.

2.10 Negative Covenants. During the term of the grant, Provider shall not: (a) engage the Facility in any activities other than the operation of the renovated Wilmington Health Center and new primary care pulmonology clinic unless pre-approved by HCBF; (c) lease or dispose of all or a substantial part of Provider's business or Provider's assets; (d) take any action which results in the suspension or revocation of the Facility's status as a licensed medical facility or any other permit or license required to continue the operation of the Facility; (e) Provider agrees to use the Grant Proceeds disbursed solely in conformity with the Scope of Work and the Project Budget.

2.11 Obligation to Refrain from Discrimination. Provider shall not discriminate against or segregate any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, medical condition, disability, marital status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property and/or the Facility.

2.12 Provision of Services. Provider shall operate a primary care pulmonology clinic for not less than three years following the Completion of the Project.

2.13 Financial Statements of Provider and Other Financial Information. During the term of the Grant, upon HCBF's request, Provider shall provide to HCBF any relevant information requested regarding Provider's continued status as a non-profit organization.

3. Representations and Warranties. Provider promises that each representation and warranty set forth below is true, accurate and correct as of the date of this Agreement.

3.1 Authority; Enforceability. Provider has complied with all laws and regulations concerning its organization, existence, and the transaction of its business. Provider is authorized to execute, deliver, and perform under the Grant Documents. Provider warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

3.2 Compliance; No Violation. Provider has properly obtained all permits, licenses, and approvals necessary to operate the existing Facility and to proceed toward rehabilitation of the Facility as contemplated by the Project. No condition or fact exists that would cause Provider to reasonably believe that all permits, licenses, and approvals required to operate the Facility and renovate the Facility, will not be readily and properly obtainable prior to the time any funds are disbursed pursuant to this Agreement.

3.3 No Claims. No claims, actions, proceedings, or investigations are pending against Provider, or the Property or the Facility, except for those previously disclosed by Provider to HCBF in writing.

3.4 Taxes. To the extent applicable, Provider has filed all required state, federal, and local income tax returns and has paid all taxes when due and payable.

3.5 No Liens. There are no security agreements or financing statements affecting any of the Property other than as disclosed in writing by Providers to HCBF prior to the Effective Date.

4. Default and Remedies.

4.1 Events of Default. Provider shall be in default under this Agreement upon the following events:

(a) Provider fails to cause Completion of the Project within the period set forth in Section 2 of the Summary; or

(b) Provider becomes insolvent or is the subject of an Insolvency Proceeding. For purposes of this section, an involuntary bankruptcy shall not be considered an "Insolvency Proceeding" if it is either (i) consented to by HCBF; or (ii) has been dismissed within sixty (60) days of the filing thereof; or

- (c) Provider dissolves or liquidates; or
- (d) Any misrepresentation made or given in any written materials submitted pursuant to this Agreement; or
- (e) Withdrawal or suspension, of any license or permit, unless Provider takes steps to remove the effect of the order, requirement, withdrawal or suspension, and HCBF, determines that Provider is reasonably likely to prevail; or
- (f) Any material breach of this Agreement.

4.2 Period To Cure.

(a) If Provider is in default as defined in this Agreement, Provider has ninety (90) days after such written notice, to cure the failure, unless HCBF, exercising reasonable judgment, determines that the cure cannot be reasonably completed at or before expiration of the Initial Cure Period.

4.3 Remedies.

(a) If any Event of Default occurs, HCBF's obligation to disburse any remaining Grant Proceeds under the Grant Documents shall automatically terminate, and HCBF in its sole discretion may withhold any one or more such disbursements. No disbursement of Grant Proceeds by HCBF shall cure any default of Provider, unless HCBF agrees otherwise in writing in each instance.

(b) If any Event of Default occurs, HCBF reserves the right to all remedies provided in law and equity.

5. Miscellaneous Provisions.

5.1 No Waiver; Consents. Each waiver by HCBF must be in writing, and no waiver may be construed as a continuing waiver. All of HCBF's rights and remedies are cumulative.

5.2 Joint and Several Liability. If Provider consists of more than one person or entity, each shall be jointly and severally liable to HCBF for the faithful performance of this Agreement.

5.3 Notices. All notices given under this Agreement shall be in writing and be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing in Sections 4 and 6 of the Summary. As a proponent of green business practices, HCBF does not send or receive facsimile transmissions.

5.4 Actions. HCBF shall have the right, but not the obligation, to commence, appear in, and defend any action or proceeding that might affect its rights, duties, or liabilities relating to the Grant, the Property, the Facility or any of the Grant Documents. Provider shall pay promptly on demand all of HCBF's out-of-pocket costs, expenses, and reasonable legal fees and expenses of HCBF's counsel incurred in those actions or proceedings.

5.5 Resolution of Disputes. Except as provided otherwise by applicable law, the parties hereby agree that any controversy, dispute or claim arising out of or relating to this Agreement shall first be settled through good faith negotiation. If the dispute cannot be settled through negotiation it shall be submitted to binding arbitration administered by the American Arbitration Association, or other mediation service agreed to by the Parties.

5.6 Place of Arbitration. The arbitration will be conducted within thirty (30) miles of the offices of HCBF, or as otherwise mutually agreed to by the Parties.

5.7 Attorneys' Fees. In any lawsuit, reference, or arbitration arising out of or relating to this Agreement, the Grant Documents or the Grant, the prevailing party will be entitled to recover from the other party reasonable attorneys' fees and expenses. In all other actions or proceedings, including any matter arising out of or relating to any Insolvency Proceeding, Provider agrees to pay all of HCBF's costs and expenses, including reasonable attorneys' fees, incurred in enforcing or protecting HCBF's rights or interests. From the time(s) incurred until paid in full to HCBF, all such sums shall bear interest at the Default Interest Rate.

5.8 Assignment, Successors, and Assigns. Provider shall not assign this Agreement or any Grant Proceeds, or assign or delegate any of its rights or obligations, without the prior written consent of HCBF.

5.9 Severability; Amendment; Integration. The invalidity or unenforceability of any one or more provisions of this Agreement shall in no way affect any other provision. This Agreement may not be modified or amended except by a written agreement signed by the Parties. The Grant Documents integrate all the terms and conditions mentioned in or incidental to this Agreement.

5.10 Counterparts. This Agreement and any attached consents or exhibits requiring signatures may be executed in counterparts, and all counterparts constitute but one and the same document.

5.11 Survival. The representations, warranties, acknowledgments, and agreements set forth in sections 2.1, 2.8, and 2.11 herein shall survive the date of termination of this Agreement, repayment or forgiveness of the Grant.

5.12 Time is of the Essence. Time is of the essence in the performance of this Agreement and the other Grant Documents.

5.13 HCBF Not a Partner or Joint Venturer. None of the covenants or other provisions contained in this Agreement shall, or shall be deemed to create a partnership, joint-venture, or common interest between Provider and HCBF. HCBF neither undertakes nor assumes any responsibility or duty to Provider with respect to the Project or the Grant, except as expressly provided in the Grant Documents. Notwithstanding any other provision of the Grant Documents: (a) HCBF is not and shall not be construed as a partner, joint venturer, or other associate of or participant of any kind of Provider; (b) HCBF shall in no event be liable for any debts, expenses or losses incurred or sustained by Provider; and (c) HCBF shall not be deemed responsible for or a participant in any acts, omissions or decisions of Provider. HCBF and Provider disclaim any intention to create any partnership, joint venture, agency or common interest between HCBF and Provider, or any intention to create any sharing of liabilities, losses, costs or expenses.

5.14 Language Crediting HCBF. Provider shall include in all of its promotional literature and appropriate interior signage language, credit to HCBF as a financial supporter of Provider and this program.

5.15 Religious and Political Activities. Provider agrees that funds under this Agreement will be used exclusively for performance of the Work required under this Agreement, and that no funds made available under this Agreement shall be used to promote religious or political activities.

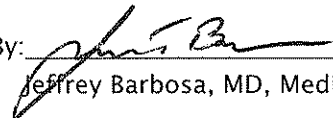
5.16 Governing Law. This Agreement shall be governed by the laws of the State of California.

5.17 No Third Party Beneficiaries. This Agreement is made and entered into for the sole benefit of the parties hereto. No other person shall have any right of action based upon any provision of this Agreement.

IN WITNESS WHEREOF, Provider and HCBF have executed this Agreement as of the date HCBF signs below.

PROVIDER/GRANTEE

Los Angeles County Department of Health
Services, Coastal Cluster Clinics

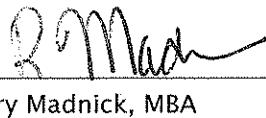
By: 
Jeffrey Barbosa, MD, Medical Director

Date: _____

By: 
Donna Nagaoka, CEO

Date: _____

Los Angeles Biomedical Research Institute at
Harbor-UCLA Medical Center

By: 
Rosemary Madnick, MBA

Assistant Vice President, Research Administration

Date: 5/25/12

Taxpayer ID Number: 952138184

HCBF/GRANTOR

HARBOR COMMUNITY BENEFIT FOUNDATION
a California non-profit public benefit corporation

By: _____
Mary Silverstein, Executive Director

Date: _____

GLOSSARY OF DEFINED TERMS

1. **Agreement** means the Grant Agreement for Renovation of Medical Facility.
2. **Ancillary Grant Documents** means those documents, identified as exhibits attached to the Agreement.
3. **Application** means the Application for HCBF Funding.
4. **City** means the City of Los Angeles.
5. **Closing** means the full execution of the Agreement by both Provider and HCBF.
6. **Closing Conditions** means the conditions set forth in Section 1.2 of the Agreement.
7. **Completion and Project Cost Certification** means Exhibit D as executed by a senior officer of Provider, certifying that all actions have been completed in accordance with the Scope of Work and that all costs incurred in connection therewith have been paid in full and that the Project Costs are less than or equal to the amounts set forth in the Project Budget.
8. **Completion of the Project** means completion of the Project in accordance with requirements set forth on Exhibit D of the Agreement, including delivery of the Completion and Project Cost Certification.
9. **Condition Subsequent** means any Closing Condition that Provider has not fulfilled before the Closing and which HCBF agrees may be fulfilled after the Closing.
10. **Environmental Activities** means the use, generation, transportation, treatment, storage or disposal of any Hazardous Materials at any time located or present on, under or about the Property and/or the Facility.
11. **Environmental Laws** means, collectively, all applicable laws, regulations, codes and ordinances relating to any Hazardous Materials or to any Environmental Activities, including, without limitation, obtaining and filing all applicable notices, permits, licenses and similar authorizations related to lead and asbestos abatement that may occur in connection with the Project.
12. **Event of Default** means the events set forth in Section 4.1 of the Agreement.
13. **Facility** means the health care facility identified in Section 7 of the Summary.
14. **Financial Information** means all financial statements and other financial information required under the Grant Documents and the Application.
15. **Grant** means the grant in the amount set forth in Section 8 of the Summary.
16. **Hazardous Materials** means any hazardous or toxic materials, pollutants, effluents, contaminants, radioactive materials, flammable explosives, chemicals known to cause cancer or reproductive toxicity, emissions or wastes and any other chemical, material or substance, the handling, storage, release, transportation, or disposal of which is or becomes prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, is or becomes known to pose a hazard to the health and safety of the occupants of the Property including, without limitation: (i)

asbestos, (ii) petroleum and petroleum by-products; (iii) urea formaldehyde foam insulation; (iv) polychlorinated biphenyls; and (v) all substances now or hereafter designated as "hazardous substances," "hazardous materials" or "toxic substances" pursuant to the Environmental Laws.

17. **Indemnified Parties** means the City, HCBF, its shareholders, members, subsidiaries, and any affiliated companies, any assignees of any of HCBF's interest in the Grant or the Grant Documents, including, without limitation, any owners of participation or other interests in the Grant or the Grant Documents, any purchasers of the Property at any foreclosure sale or from HCBF or any of its affiliates. Each party is an "Indemnified Party."
18. **Initial Cure Period** means a period of thirty (90) consecutive days after any approval, license, or permit required for the Project and/or the operation of the Facility, is withdrawn or suspended.
19. **Insolvency Proceedings** means any bankruptcy or other voluntary or involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships.
20. **HCBF** means Harbor Community Benefit Foundation.
21. **Losses** means any and all actual or threatened liabilities, claims, actions, causes of action, judgments, orders, damages (including foreseeable and unforeseeable consequential damages), costs, expenses, fines, penalties, and losses (including sums paid in settlement of claims and all reasonable consultant, expert and legal fees and expenses of counsel), and any resulting damages, harm or injuries to the person or property of any third parties.
22. **Payment Request** means a written request signed by Provider and if required by HCBF, by any architect and/or contractor performing work for Provider, together with such documentation and information as HCBF may require setting forth, among other things, the total amount requested and a summary by budget category.
23. **Port** means Port of Los Angeles.
24. **Project** means the Project Budget and Scope of Work, collectively.
25. **Project Budget** means the amounts set forth on the budget attached as Exhibit B-2 to the Agreement.
26. **Project Costs** means the costs actually incurred in the Project.
27. **Property** means the property located at the address set forth in Section 7 of the Summary.
28. **Provider** means the entity set forth in Section 5 of the Summary.
29. **Scope of Work** means the improvements described on Exhibit B-1 attached to the Agreement.
30. **Summary** means the Summary of Basic Grant Information attached to the Agreement.
31. **Work** means all the work set forth in the Scope of Work.

EXHIBIT A
SPECIFIC CONDITIONS PRECEDENT TO GRANT AGREEMENT EXECUTION

1. Existing Lease Agreement/License Agreement. If Provider operates the Facility at its present location pursuant to a lease agreement, license agreement or some other similar agreement, then
 - (a) the terms and conditions of such agreement(s) may be reviewed by HCBF,
and
 - (b) the term during which Provider is entitled to operate the Facility pursuant to such agreement(s) shall not expire prior to the third (3rd) anniversary of the Completion of the Project
and
 - (c) Provider shall present evidence the proposed renovation of the Facility has been approved by Lessor.

2. Project Budget and Scope of Work. HCBF shall have approved the Project Budget and the Scope of Work.

3. Provider shall submit evidence of all applicable local City department approvals, deeming the Project permit ready.

**EXHIBIT B-1
SCOPE OF WORK**

The scope of work is for remodel and reconfiguration of an under utilized space into a primary care pulmonology clinic at the Wilmington Health Center, 1325 Broad Avenue, Wilmington CA 90744.

This exhibit will be replaced with a detailed Scope of Work prior to commencement of construction.

Schedule for Project Implementation:

(Breakdown for Deliverable Dates, if Applicable)

Month 1 - Month 6

- 1) Finalize architect plans, including demolition and environmental remediation (lead and asbestos, if applicable)
- 2) Provide permit-ready architectural plans for clinic room redesign
- 3) Obtain permits from Building & Safety and verification of insurance coverage
- 4) Final budget, approved by Harbor-UCLA Facilities Management, with an executed construction contract, not to exceed [\$]
- 5) Begin project
- 6) Remodel space: create two (2) exam rooms and one (1) nursing/provider station
- 7) Build a referral pool for patients to the asthma clinic
- 8) Develop a Provider Training Program
- 9) Prepare and submit six-month progress report

Month 7 - Month 12

- 1) Install fixtures and furnishings, to include specialized equipment
- 2) Finish construction and provide evidence of completion and permits
- 3) Launch Primary Care Pulmonology Clinic
- 4) Develop Process for Medical Home Referrals
- 5) Provide Patient Education
- 6) Annual report to include account of expenditures; sessions conducted, patients served, by zip code, describe community impact of new clinic

Month 18

- 1) Semi-annual report - patients served, by zip code, impact of new clinic

Month 24

- 1) Annual report - patients served, by zip code, impact of new clinic

**EXHIBIT B-2
PROJECT BUDGET/DISBURSEMENT PROPOSAL**

This exhibit will be replaced with a final Project Budget prior to commencement of construction. The preliminary Project Budget is not to exceed \$172,500.

Project Budget	HCBF Funds	Non-HCBF Funds	Final Budget
Clinic – Tenant Improvements	\$92,936	\$0	\$92,936
Permits	\$1,064	\$0	\$1,064
Clinic – Equipment/Furniture	\$8,000	\$20,000	\$28,000
Staff Training/Travel	\$3,000	\$0	\$3,000
Patient Education & Outreach	\$3,000	\$0	\$3,000
Patient Education Room	\$2,000	\$5,000	\$7,000
Project Coordinator	\$40,000	\$0	\$40,000
Personnel (1-2 sessions/week)	\$0	\$85,000	\$85,000
Administrative Fee 15%	\$22,500	\$0	\$22,500
TOTAL PROJECT BUDGET	\$172,500	\$110,000	\$282,500

Disbursement Proposal:

Schedule provided by Grantee. Timing of disbursements may be accelerated based on completion of improvements.

Q1: \$70,490

Q2: \$69,400

Q3: \$18,958

Q4: \$13,652

Q1: Includes permit costs. Construction to be completed in approximately nine months. Monthly progress payments to be made, less 10% holdback.

Q2: Monthly progress payments to be made, less 10% holdback.

Q3: Holdback (10% of construction related costs = \$11,650), to be paid at project completion based on audit of expenditures, final inspection(s), after receipt of all city/agency/inspector approvals and final certificate of occupancy.

Q4: Final installment to include furnishings. Annual report to include account of expenditures; sessions conducted, patients served, by zip code, track and describe community impact of new clinic.



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE
Risk Management Branch

3333 Wilshire Boulevard, Suite 820, Los Angeles, California 90010
(213) 351-5346 • Fax (213) 252-0405
<http://ceo.lacounty.gov>

May 22, 2012

Harbor Community Benefit Foundation (HCBF)
150 West 6th Street, Suite 100B
San Pedro, CA 90731

To Whom It May Concern:

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**CERTIFICATE OF COUNTY SELF-FUNDING OF INSURANCE OBLIGATION:
GRANT AGREEMENT FOR PULMONOLOGY CLINIC – WILMINGTON CENTER
COUNTY OF LOS ANGELES DEPARTMENT OF HEALTH SERVICES**

This Certificate of County Self-Funding of Insurance Obligation (Certificate) is the County of Los Angeles' (County) authorized statement that it has elected to self-fund its financial obligations pursuant to the above Grant Agreement. This self-funding of liability is limited to and determined solely by the terms of the Grant Agreement, and applies only to the extent permitted by State Law.

This Certificate is provided for informational purposes only, and does not affect or expand any of the County's obligations pursuant to the Grant Agreement. This Certificate also confirms that the County is not an insurance company, and that no insurance obligation or relationship exists or will be established in any manner whatsoever between the County and HCBF.

The County is permitted to self-fund its liabilities arising from acts or omissions of the County, its appointed and elected officers, employees and volunteers (except for actual fraud, corruption or malice) under California Government Code Section 989-991.2, County Code Chapter 5.32 and Articles 1 and 2 of the County Charter. The liabilities that the County self-funds include general, professional and automobile liability and workers compensation. The County will consider HCBF and the City of Los Angeles as additional covered parties under the self-funding with respect to liability arising from the acts or omissions of County employees.

Questions concerning this Certificate should be directed to the Chief Executive Office, Risk Management Branch, Risk Management Operations Section at (213) 738-2159. Claims for damages concerning the Grant Agreement must be filed in writing with the Executive Office of the Board of Supervisors, Kenneth Hahn Hall of Administration, Room 383, 500 West Temple Street, Los Angeles, CA 90012.

Sincerely,

Kerry Fuse
for

LAURIE MILHISER
Assistant Chief Executive Officer

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**