LEASE

THIS LEASE is made and entered, in duplicate, as of December 1, 2022 pursuant to a minute order of the City Council of the City of Long Beach adopted at its meeting held on December 13, 2022, by and between MWN COMMUNITY HOSPITAL LLC, a California limited liability company, whose address is 1720 Termino Avenue, Long Beach, California 90804 ("Landlord"), and the CITY OF LONG BEACH, a municipal corporation, whose address is 411 W. Ocean Boulevard, 10th Floor, Long Beach, California 90802, Attention: Property Services Bureau Manager ("Tenant").

Landlord and Tenant, in consideration of the mutual terms, covenants, and conditions herein, agree as follows:

- 1. <u>Premises</u>. Landlord hereby leases to Tenant and Tenant hereby accepts and leases from Landlord those certain premises (i) containing approximately 18,140 rentable square feet located within the building commonly known as the Hatfield Building, located at 1720 Termino Avenue (the "Building"), (ii) appurtenant outdoor space to the Building, and (iii) such additional space located throughout the main hospital building as necessary to accommodate shuttle services and the flow of incoming or outgoing persons to the Premises (collectively, the "Premises"), such premises being more particularly depicted in Exhibit "A" attached hereto.
- 2. <u>Term</u>. The term of this Lease shall commence on December 16, 2022, and shall terminate at midnight on March 31, 2023.
- 3. Rent. Tenant shall pay to Landlord a monthly rental payment equal to Forty-Five Thousand Three Hundred Fifty Dollars (\$45,350), such rent to be prorated for any partial month, payable in advance on the first of the month.
- 4. <u>Use</u>. The Premises shall be used as a winter homeless shelter and shall include, among other things, the provision of temporary housing. Persons staying at the Premises may bring and keep service animals, emotional support animals, and other small pets under 30 pounds.

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- 5. Tenant's Obligations. Tenant, at its own expense, shall provide (i) two security guards at the Premises providing security 24 hours per day, 7 days per week, and (ii) one security guard at the professional office building adjacent to the Premises providing security between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday. Landlord and Tenant agree to meet on or about January 3, 2023 in order to determine if an addition or reduction to the security presence is warranted. Tenant shall keep the Premises in a neat, safe and sanitary condition, and in furtherance thereof shall procure, at its own cost and expense, standard janitorial services for the interior of the Premises. All other maintenance and repairs not specifically described immediately above shall be the responsibility of Landlord pursuant to Section 6.
- 6. Landlord's Obligations. Landlord shall manage and maintain the Building and make all necessary repairs to the Premises, including without limitation all surface and structural elements of the roof, bearing walls and foundations of the Building, all electrical, plumbing, HVAC systems and all other elements of the Building, and landscaping and pest control services. In addition to the rent payable pursuant to Section 3, Tenant shall (i) make a monthly payment to Landlord in the amount of \$2,350 (prorated for any partial months of the Lease term and payable in advance on the first of the month) to offset Landlord costs of providing Premises pest control, landscaping, maintenance and service calls, if any, and (ii) make a monthly payment to Landlord in the amount of \$4,000 (prorated for any partial months of the Lease term and payable in advance on the first of the month) to offset the cost of providing one on-call staffer to address major system maintenance at the Building, as needed. If Landlord fails to maintain the Premises as required herein, Tenant shall notify Landlord of such failure in writing. Landlord shall provide Tenant with approximately 12 parking spaces adjacent to the Premises, it being acknowledged and agreed that the number of such spaces may be decreased or increased based on Tenant's actual needs.
- 7. <u>Utilities</u>. Tenant shall pay the monthly costs associated with all utilities to the Premises resulting from its use of the Premises hereunder, determined as follows.

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Landlord shall provide Tenant with utility billing records for the most recent full billing cycle immediately prior to Tenant's occupancy of the Premises, the amount of each bill shall be the baseline amount for each such utility. Landlord shall provide Tenant with utility bills as they become available during the Lease term, and Tenant shall reimburse Landlord the difference between the actual bill amount and the baseline amount, payable within 30 days after receipt by Tenant of the actual utility bill amount.

- 8. <u>Taxes</u>. Landlord shall be responsible for payment of all real property taxes.
- 9. Hazardous Materials. In the event any Hazardous Materials are detected during the Lease term which are not the result of Tenant's use of the Premises, such materials shall be removed promptly in accordance with applicable law at the sole cost and expense of Landlord. In the event Landlord determines it is cost prohibitive to remove such materials, Tenant shall have the option of terminating this Lease by giving written notice. No goods, merchandise, supplies, personal property, materials, or items of any kind shall be kept, stored, or sold in or on the Premises which are in any way explosive or hazardous. Tenant shall comply with California Health and Safety Code Section 25359.7 or its successor statute regarding notice to Landlord on discovery by Tenant of the presence or suspected presence of any hazardous material on the Premises. "Hazardous Materials" means any hazardous or toxic substance, material or waste which is or becomes regulated by the City, the County of Los Angeles, the State of California or the United States government.
- 10. Landlord Improvements. Landlord shall remove all equipment and fixtures from the Premises that are not needed for Tenant's use, and shall patch and paint the interior of the Premises, and otherwise ensure that all Building systems necessary for Tenant's use of the Premises are, and remain, in good working order. Tenant shall make a one-time \$25,000 payment to Landlord to offset such costs.
- 11. Default by Tenant. The occurrence of any of the following acts shall constitute a default by Tenant:

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a. Failure to pay rent when due after ten (10) days written notice;

b. Failure to perform any of the terms, covenants, or conditions of this Lease if said failure is not cured within thirty (30) days after written notice of said failure; or

Any attempted assignment, transfer, or sublease except as approved by Landlord or otherwise authorized pursuant to Section 16.

If Tenant does not comply with each provision of this Lease or if a default occurs, then Landlord may terminate this Lease and Landlord may enter the Premises and take possession thereof provided, however, that these remedies are not exclusive but cumulative to other remedies provided by law in the event of Tenant's default, and the exercise by Landlord of one or more rights and remedies shall not preclude Landlord's exercise of additional or different remedies for the same or any other default by Tenant.

- 12. <u>Default by Landlord</u>. The occurrence of any of the following acts shall constitute a default by Landlord:
- a. Failure to perform any of the terms, covenants, or conditions of this Lease if said failure is not cured within thirty (30) days after written notice of said failure.

If Landlord does not comply with each provision of this Lease or if a default occurs, then Tenant may terminate this Lease, provided, however, that this remedy is not exclusive but cumulative to other remedies provided by law in the event of Landlord's default, and the exercise by Tenant of one or more rights and remedies shall not preclude Tenant's exercise of additional or different remedies for the same or any other default by Landlord.

- Right of Entry. Landlord shall have the right of access to the Premises during normal business hours and with reasonable advance notice to inspect the Premises, to determine whether or not Tenant is complying with the terms, covenants, and conditions of this Lease, to serve, post, or keep posted any notice, and for any other legal purpose. Landlord shall also have the right to enter in case of emergencies.
- 14. Insurance. Concurrent with the execution of this Lease and as a condition of obtaining occupancy of the Premises, Tenant shall procure and maintain the

following types of insurance at Tenant's sole expense for the duration of this Lease, including any extensions, renewals, or holding over thereof, from insurance companies that are admitted to write insurance in the State of California or from authorized non-admitted insurers that have ratings of or equivalent to an A:VIII by A.M. Best Company:

- A. Commercial general liability insurance or self-insurance equivalent in coverage scope to ISO form CG 00 01 10 93 in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Five Million Dollars (\$5,000,000) annual aggregate. Such coverage shall include but is not limited to broad form contractual liability coverage, cross liability protection, sexual abuse and molestation, assault and battery, and products and completed operations. MWN Community Hospital LLC, and its employees and agents shall be added as additional insureds by an endorsement equivalent in coverage scope to ISO form CG 20 26 11 85 and such endorsement shall protect Landlord, and its employees, and agents from and against claims, demands, causes of action, expenses, costs, or liability for injury to or death of persons, or damage to or loss of property arising out activities performed by or on behalf of Tenant or from maintenance or use of the Premises. The coverage shall contain no special limitations on the scope of protection afforded to Landlord, and its employees, and agents.
- B. "All Risk" property insurance, in an amount sufficient to cover the full replacement value of Tenant's personal property and equipment on the Premises, whether owned, leased, or in the care, custody, or control of the Tenant, and of Landlord's personal property and equipment on the Premises including but not limited to furnishings, fine arts, and equipment. Landlord shall be named as an additional insured under a standard loss payable endorsement, as its interests may appear.
- C. Workers' compensation insurance or self-insurance required by the State of California and employer's liability insurance in an amount not less than One Million Dollars (\$1,000,000) per accident or occupational illness.
- D. With respect to damage to property, Landlord and Tenant hereby waive all rights of subrogation, one against the other, but only to the extent that collectible

commercial insurance is available for said damage.

- E. Any self-insurance program or self-insured retention must be approved separately in writing by Landlord and shall protect Landlord, and its officials, employees, and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained retention provisions.
- F. Each insurance policy shall be endorsed to state that coverage shall not be cancelled, nonrenewed or changed by either party except after thirty (30) days prior written notice to Landlord and shall be primary to Landlord. Any insurance maintained by Landlord shall be excess to and shall not contribute to insurance or self-insurance maintained by Tenant.
- G. Tenant shall deliver to Landlord certificates of insurance or self-insurance and the required endorsements for approval as to sufficiency and form prior to commencement of this Lease. The certificates and endorsements for each insurance policy shall contain the signature of a person authorized by that insurer to bind coverage on its behalf. Tenant shall, at least thirty (30) days prior to expiration of such policies, furnish Landlord with evidence of renewals.
- H. Such insurance or self-insurance as required herein shall not be deemed to limit Tenant's liability relating to performance under this Lease. The procuring of insurance shall not be construed as a limitation on liability or as full performance of the indemnification and hold harmless provisions of this Lease. Tenant understands and agrees that, notwithstanding any insurance, Tenant's obligation to defend, indemnify, and hold Landlord, and its officials, agents, and employees harmless hereunder is for the full and total amount of any damage, injuries, loss, expense, costs, or liabilities caused by the Tenant related to the condition of the Premises or in any manner connected with or attributed to the acts or omissions of Tenant, its officers, agents contractors, employees, licensees, vendors, patrons, or visitors, or the operations conducted by or on behalf of Tenant, or Tenant's use, misuse, or neglect of the Premises.
 - I. Any modification or waiver of the insurance requirements herein shall

- 15. Condemnation. If the whole or any part of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain, then this Lease shall terminate as to the part taken or as to the whole, if taken, as of the day possession of that part or the whole is required for any public purpose, and on or before the day of the taking Tenant shall elect in writing either to terminate this Lease or to continue in possession of the remainder of the Premises, if any. All damages awarded for such taking shall belong to Landlord, whether such damages be awarded as compensation for diminution in value to the leasehold or to the fee provided, however, that Landlord shall not be entitled to any portion of the award made for loss of Tenant's business.
- 16. Assignment. Tenant shall not otherwise assign or transfer this Lease or any interest herein, nor sublease the Premises or any part thereof (collectively referred to as "transfer") to any party other than Landlord without the prior written approval of Landlord. Notwithstanding the foregoing, Landlord acknowledges and approves of Tenant's sublease of the Premises to First to Serve Ministries, Inc., a California nonprofit corporation, pursuant to a sublease dated as of even date herewith and containing terms and conditions with respect to use of the Premises substantially similar to the terms of this Lease.
- 17. <u>Signs</u>. Tenant may, at its own cost, install exterior signage on the Premises subject to Landlord's reasonable approval as to design, size and location.
- 18. <u>Access</u>. Tenant shall have access to the Premises twenty-four (24) hours per day, seven (7) days per week.
- 19. <u>Holding Over</u>. If Tenant holds over and remains in possession of the Premises or any part thereof after the expiration of this Lease with the express or implied consent of Landlord, then such holding over shall be construed as a tenancy from month to month at the monthly rent then in effect and otherwise on the same terms, covenants, and conditions contained in this Lease.
- 20. <u>Surrender of Premises</u>. On the expiration or sooner termination of this Lease, Tenant shall deliver to Landlord possession of the Premises in substantially the

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same condition that existed immediately prior to the date of execution hereof, reasonable wear and tear excepted.

- 21. Notice. Any notice required hereunder shall be in writing and personally served or deposited in the U.S. Postal Service, first class, postage prepaid to Landlord and Tenant at the respective addresses first stated above. Notice shall be deemed effective on the date of mailing or on the date personal service is obtained, whichever first occurs. Change of address shall be given as provided herein for notice.
- 22. Waiver of Rights. The failure or delay of Landlord to insist on strict enforcement of any term, covenant, or condition herein shall not be deemed a waiver of any right or remedy that Landlord may have and shall not be deemed a waiver of any subsequent or other breach of any term, covenant, or condition herein. The receipt of and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default but shall only constitute a waiver of timely payment of rent. Any waiver by Landlord of any default or breach shall be in writing. Landlord's approval of any act by Tenant requiring Landlord's approval shall not be deemed to waive Landlord's approval of any subsequent act of Tenant.
- 23. Successors in Interest. This Lease shall be binding on and inure to the benefit of the parties and their successors, heirs, personal representatives, transferees. and assignees, and all of the parties hereto shall be jointly and severally liable hereunder.
- 24. Force Majeure. Except as to the payment of rent, in any case where either party is required to do any act, the inability of that party to perform or delay in performance of that act caused by or resulting from fire, flood, earthquake, explosion, acts of God, war, strikes, lockouts, or any other cause whether similar or dissimilar to the foregoing which is beyond the control of that party and not due to that party's fault or neglect shall be excused and such failure to perform or such delay in performance shall not be a default or breach hereunder. Financial inability to perform shall not be considered cause beyond the reasonable control of the party.
 - 25. Partial Invalidity. If any term, covenant, or condition of this Lease is held

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by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

- 26. Time. Time is of the essence in this Lease, and every provision hereof.
- 27. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of California.
- 28. Integration and Amendments. This Lease represents and constitutes the entire understanding between the parties and supersedes all other agreements and communications between the parties, oral or written, concerning the subject matter herein. This Lease shall not be modified except in writing signed by the parties and referring to this Lease.
- 29. Joint Effort. This Lease is created as a joint effort between the parties and fully negotiated as to its terms and conditions and nothing contained herein shall be construed against either party as the drafter.
 - 30. No Recordation. This Lease shall not be recorded.
- 31. Attorney's Fees. In any action or proceeding relating to this Lease, the prevailing party shall be entitled to its costs, including a reasonable attorney's fee.
- 32. Captions and Organization. The various headings and numbers herein and the grouping of the provisions of this Lease into separate sections, paragraphs and clauses are for convenience only and shall not be considered a part hereof, and shall have no effect on the construction or interpretation of this Lease.
- 33. Relationship of Parties. The relationship of the parties hereto is that of Landlord and Tenant, and the parties agree that nothing contained in this Lease shall be deemed or construed as creating a partnership, joint venture, association, principal-agent or employer-employee relationship between them or between Landlord or any third person or entity.

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach. CA 90802-4664

1	IN WITNESS WHEREOF, the parties have executed this Lease with all of the		
2	formalities required by law as of the date first above written.		
3		"Landlord"	
4		MWN COMMUNITY HOSPITAL LLC,	
5	·	a California limited liability company	
6	Date:, 2022	By:	
7		Name:Title:	
8	·	"Toponé"	
9		"Tenant"	
10		CITY OF LONG BEACH, a municipal corporation	
11	Date: /2/1/4 , 2022	Du Sand 7 Jatrum	
12	Date	By Sunda J. Jatrum City Manager	
13	This Lease is hereby approved as to form this 15 day of December		
14	2022.	loved as to form this day of	
15		CHARLES PARKIN, City Attorney	
16		By S	
17		Deputy	
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	1	IN WITNESS WHEREOF, the parties have executed this Lease with all of the		
	2	formalities required by law as of the date first above written.		
	3		'Landlord"	
	4		MWN COMMUNITY HOSPITAL LLC, a California limited liability company	
	5		a California limited liability company	
	6	Date: <u>DEC 15</u> , 2022	By: PRANCIAL POWLING	
	7		Name BRANDON SOWLING Title: CHIEP OF STAFF	
	8		'Tenant''	
	9		CITY OF LONG BEACH, a municipal	
	10		corporation	
57 197 100r	11	Date:, 2022	Ву	
TORNI Attorne 9th Fl	12 13		By City Manager	
TY AT V. City Jlevard 90802	14	This Lease is hereby appro	ved as to form this day of	
OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach. CA 90802-4664	15	2022.	CHADLES DADKIN, City Attornov	
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EXHIBIT "A"

PREMISES

The Hatfield Building, adjacent open space and appurtenant parking spaces as depicted below:

