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

FIRST AMENDMENT TO AMENDED AND RESTATED LEASE NO. 35432 35432

THIS FIRST AMENDMENT TO AMENDED AND RESTATED LEASE NO. March 29, 2022, pursuant to a minute order adopted by the City Council of the City of Long Beach, at its meeting held on February 15, 2022, by and between MWN COMMUNITY HOSPITAL, LLC, a California limited liability company ("Tenant"), and the CITY OF LONG BEACH, a municipal corporation ("Landlord" or "City").

WHEREAS, Landlord and Tenant entered into that certain Amended and Restated Lease (No. 35432) dated as of October 15, 2019 (the "Lease") pursuant to which City leases to Tenant the certain City-owned property and improvements thereon commonly known as "Community Hospital Long Beach" and as more particularly described in the Lease ("Premises"); and

WHEREAS, Tenant has determined that there is no longer Economic Justification for Tenant to operate the Premises as required by the Lease, and has delivered written notice of the same to Landlord; and

WHEREAS, after delivery of such notice, the Lease requires a certain process be followed by the parties, which process will ultimately result in the Premises being transferred to Tenant ("Tenant Sale Option") or a third-party ("Market Sale Option"), each in accordance with, and subject to, the applicable provisions of the Lease; and

WHEREAS, the acute-care hospital has closed, and Landlord and Tenant are currently in the process of preparing, exchanging, reviewing and approving various documentation as required by the Lease with respect to the Premises and the operation thereof, in preparation for the potential transfer of the Premises; and

WHEREAS, Landlord and Tenant wish to amend certain terms of the Lease to, among other things, (i) accommodate continued health-care related operations at the Premises and (ii) update certain dates, deadlines and noticing provisions.

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NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions herein contained, the parties agree as follows:

- Capitalized terms used herein without definition shall have the meaning given them in the Lease.
- Beginning on January 1, 2022, notwithstanding anything to the 2. contrary contained in the Lease (including without limitation Section 3.A.), Tenant shall use the Premises for the provision of medical, health-care and related services, including without limitation recuperative care, social services, behavioral health, and health-related education, government offices, housing and other specialized services. The provision of acute-care services at the Premises will no longer be required.
 - 3. Section 3.F. is amended and restated in its entirety to read as follows:
 - "F. Tenant shall at all times as long as the City's Sexual Assault Response Team ("SART") is in existence continue to sublease a portion of the Premises to SART upon terms and conditions similar to those contained in that certain Standard Multi-Tenant Office Lease -- Gross dated as of July 5, 2018, executed by and between the City of Long Beach and Forensic Nursing Specialists, Inc."
- 4. The last sentence of Section 11.A. of the Lease is hereby amended so that the reference to "Hospital Capital Costs Payment" shall be "Net Hospital Capital Costs Payment".
- 5. Section 14 of the Lease is hereby amended to reflect the following updated notices addresses:

Tenant:

MWN Community Hospital, LLC 211 E. Ocean Blvd., Suite 550

Long Beach, CA 90802

Attention: CEO

Email: john.molina@pacificsix.com

With a copy to:

Keesal, Young & Logan 400 Oceangate #1400 Long Beach, CA 90802

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City of Long Beach

Attention: Robert Stemler Email: robert.stemler@kyl.com

Landlord:

411 W. Ocean Blvd., 10th Floor

Long Beach, CA 90802

Email: john.keisler@longbeach.gov

- 6. Section 27.D. is amended so that City has no further obligation to pursue and apply for Hospital Grant Funds.
- 7. Landlord recognizes the validity of the Lease Termination Notice from Tenant to Landlord dated September 27, 2021 notwithstanding the fact that such Lease Termination Notice did not establish a Lease Termination Date and did not include Tenant's calculation of the estimated Net Hospital Capital Costs as required by Section 28.B. of the Lease. Rather than a date certain, Landlord and Tenant agree that the Lease Termination Date shall be the date on which the escrow for the Tenant Sale Option or Market Sale Option, as applicable, closes.
- 8. Section 28.B. of the Lease is amended so that (i) the "Termination" Date Cost Statement" shall set forth Tenant's good faith calculation of the actual cumulative Net Hospital Capital Costs incurred between the Effective Date and through December 31, 2021, and (ii) Tenant shall provide such Termination Date Cost Statement to Landlord on or before March 1, 2022.
- 9. Landlord and Tenant acknowledge and agree that the Hospital ceased operations on January 1, 2022, and that therefore "Net Hospital Capital Costs", "Hospital Capital Costs", "Hospital Net Losses" and "Hospital Net Profits", each as defined in Section 28.H. of the Lease, shall not include any costs, expenses, revenues, losses or profits incurred or resulting from operations after December 31, 2021.
- 10. Except as expressly amended by this Amendment, the remaining provisions of the Lease remain in full force and effect.

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1 IN WITNESS WHEREOF, the parties have caused this document to be duly executed with all formalities required by law as of the date first stated above. 2 3 MWN COMMUNITY HOSPITAL, LLC, a California limited liability company 4 MAR 2 5 2022 5 2022 By: Name: 6 Title: 7 MAR 2 5 2022 2022 By: 8 Name: OD EMMIS Title: 9 "Tenant" 10 CITY OF LONG BEACH, a municipal 11 corporation OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 411 West Ocean Boulevard, 9th Floor Long Beach. CA 90802-4664 12 March 29 2022 13 14 SECTION 301 OF "Landlord" This First Amendment to Amended and Restated Lease 15 March 16 approved as to form on _ 2022. 17 CHARLES PARKIN, City Attorney 18 19 **Deputy** 20 21 22 23 24 25 26 27 28