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OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Lona Beach. CA 90802-4664

LEASE

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THIS LEASE is made and entered, in duplicate, as of December 21, 2017 pursuant to a minute order of the City Council of the City of Long Beach adopted at its meeting held on December 5, 2017, by and between the CITY OF LONG BEACH, a municipal corporation, whose address is 333 W. Ocean Boulevard, 3rd Floor, Long Beach, California 90802, Attention: Department of Economic and Property Development ("Landlord"), and the UNITED STATES VETERANS INITIATIVE, a California nonprofit corporation, whose address is 2001 River Avenue, Long Beach, CA 90810 ("Tenant").

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

- 1. Premises. Landlord hereby leases to Tenant and Tenant hereby accepts and leases from Landlord those certain premises containing approximately 7,318 rentable square feet (the "Premises") located within the building located at 5571 Orange Avenue, Long Beach, California (the "Building"), such premises being more particularly depicted in Exhibit "A" attached hereto. The Premises shall be leased in "as is" condition.
- 2. Term. The term of this Lease shall commence on December 21, 2017, and shall terminate at midnight on March 31, 2018.
- 3. Rent. In lieu of monthly rent, Tenant shall make a one-time payment to Landlord, due and payable on or before January 1, 2018, in the amount of Twenty-One Thousand Dollars (\$21,000).
- Use. The Premises shall be used as a temporary winter homeless shelter.
- 5. Tenant's Maintenance Obligations. Tenant shall keep the Premises in a neat, safe and sanitary condition, and otherwise perform all "day-to-day" and operational maintenance at its own cost and expense. All other maintenance and repairs not specifically described immediately above shall be the responsibility of Landlord

pursuant to Section 6.

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- Landlord's Maintenance Obligations. Landlord shall manage and maintain the Building and make 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. Tenant shall notify Landlord of necessary repairs in writing, and Landlord shall thereafter promptly complete such repairs. Notwithstanding the foregoing, if Landlord determines that the costs of such repairs are more than Landlord is willing to pay, then Landlord shall not be obligated to complete such repairs, such failure by Landlord to complete repairs shall not constitute a default under Section 13, and Tenant's sole remedy for such failure shall be to promptly terminate this Lease without further obligation by either party to the other.
- 7. Tenant shall reimburse Landlord for all reasonably documented utility expenses incurred by Landlord at the Premises during Tenant's occupancy.
- 8. Taxes. Landlord shall be responsible for payment of all real property taxes.

9. Hazardous Materials.

- A. In the event any Hazardous Materials are detected during the Lease term, 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.
- В. 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

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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 of Long Beach ("City"), the County of Los Angeles, the State of California or the United States government.

10. 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:

Commercial general liability insurance equivalent in coverage Α. scope to ISO form CG 00 01 10 93 in an amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate. Such coverage shall include but is not limited to broad form contractual liability coverage, cross liability protection, and products and completed operations. The City of Long Beach, and its officials, employees, and agents shall be added as additional insureds by endorsement equivalent in coverage scope to ISO form CG 20 26 11 85 and such endorsement shall protect the City, and its officials, 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 the City, and its officials, employees, and agents, and Tenant agrees to obtain and furnish evidence to City of the waiver of Tenant's liability insurance carrier of any right of subrogation against the City.

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- B. If applicable, All Risk property insurance with the exception of earthquake and flood insurance, in an amount sufficient to cover the full replacement value of all buildings and structural improvements erected on the Premises. City shall be named as an additional insured under a standard loss payable endorsement.
- C. All Risk property insurance, with the exception of earthquake and flood insurance, in an amount sufficient to cover the full replacement value of Tenant's personal property, improvements and equipment on the Premises.
- D. Workers' compensation 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.
- E. 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.
- 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.
- G. 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 or self-insurance maintained by Landlord shall be excess to and shall not contribute to insurance or self-insurance maintained by Tenant.
- Η. Tenant shall deliver to Landlord certificates of insurance and the required endorsements for approval as to sufficiency and form prior to The certificates and endorsements for each commencement of this Lease.

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insurance policy shall contain the original 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. Landlord reserves the right to require complete certified copies of all said policies at any time.

- Such 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 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.
- J. Any modification or waiver of the insurance requirements herein shall be made only with the written approval of Landlord's Risk Manager or designee.

11. Indemnification.

A. Tenant shall indemnify, protect and hold harmless Landlord, its Boards, Commissions, and their officials, employees and agents ("Indemnified Parties"), from and against any and all liability, claims, demands, damage, loss, obligations, causes of action, proceedings, awards, fines, judgments, penalties, costs and expenses, including attorneys' fees, court costs, expert and witness fees, and other costs and fees of litigation, arising or alleged to have arisen, in whole or in part, out of or in connection with (1) the use of the Premises by Tenant, its officers,

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employees, agents, subcontractors, or anyone under Tenant's control, or (2) Tenant's breach or failure to comply with any of its obligations contained in this Lease (collectively "Claims" or individually "Claim").

- In addition to Tenant's duty to indemnify, Tenant shall have a В. separate and wholly independent duty to defend Indemnified Parties at Tenant's expense, from and against all Claims, and shall continue this defense until the Claims are resolved, whether by settlement, judgment or otherwise. No finding or judgment of negligence, fault, breach, or the like on the part of Tenant shall be required for the duty to defend to arise. Landlord shall notify Tenant of any Claim, shall tender the defense of the Claim to Tenant, and shall assist Tenant, as may be reasonably requested, in the defense.
- C. If a court of competent jurisdiction determines that a Claim was caused by the sole negligence or willful misconduct of Indemnified Parties, Tenant's costs of defense and indemnity shall be (1) reimbursed in full if the court determines sole negligence by the Indemnified Parties, or (2) reduced by the percentage of willful misconduct attributed by the court to the Indemnified Parties.
- D. The provisions of this Section 11 shall survive the expiration or termination of this Lease, up to and through the date of any applicable statute(s) of limitation.

12. Default by Tenant.

- The occurrence of any of the following acts shall constitute a Α. default by Tenant:
 - i. Failure to pay rent or any other amounts payable hereunder when due after ten (10) days written notice;
 - 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

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iii. Any attempted assignment, transfer, or sublease except as approved by Landlord.

В. 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.

13. Default by Landlord.

A. The occurrence of any of the following acts shall constitute a default by Landlord:

- i. 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.
- B. 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.
- 14. 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.
 - 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. <u>Assignment</u>. Tenant shall not assign or transfer this Lease or any interest herein, nor sublease the Premises or any part thereof (collectively referred to as "transfer") without the prior written approval of Landlord.
- 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 same condition that existed immediately prior to the date of execution hereof, reasonable wear and tear excepted.
- 21. <u>Notice</u>. 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. <u>Successors in Interest</u>. 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. <u>Partial Invalidity</u>. If any term, covenant, or condition of this Lease is held 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. <u>Time</u>. Time is of the essence in this Lease, and every provision

hereof.

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- 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.

1 2 formalities required by law as of the date first above written. 3 4 5 Name 6 7 2017 By 8 Title 9 "Tenant" 10 CITY OF 11 corporation OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach. CA 90802-4664 12 By 13 City Manager 14 "Landlord" 15 16 This Lease is hereby approved as to form on 17 18 19 20 21 22 23 24 25 26 27 28

IN WITNESS WHEREOF, the parties have executed this Lease with all of the UNITED STATES VETERANS INITIATIVE, a California nonprofit corporation Name LONG BEACH, a municipal Patrick H. West Tom Modica Assistant City Manager **EXECUTED PURSUANT** TO SECTION 301 OF THE CITY CHARTER CHARLES PARKIN, City Attorney Deputy

EXHIBIT "A" PREMISES

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach. CA 90802-4664



