

# **LEASE AGREEMENT**

(JAMES GEORGE BELL HOUSE)

This Lease Agreement (“**Lease**”) is made as of July 9, 2015 (“**Lease Date**”) by and between City OF BELL, a municipal corporation (“**City**”), and the BELL COMMUNITY HOUSING AUTHORITY, a public body corporate and politic (“**Tenant**”).

## **RECITALS:**

- A.** City owns that certain real property identified as APN 6317-021-900 in the County of Los Angeles which is improved with two (2) separate building (“**City Property**”): (i) 4401 Gage Avenue in the City of Bell which is improved with the James George Bell House as depicted on Exhibit A attached hereto (“**Bell House Property**”); and (ii) 4415 East Gage Avenue in the City of Bell which is improved with the City of Bell Library.
- B.** Tenant provides affordable housing services serving the citizens of the City of Bell.
- C.** Tenant desires to lease a portion of the Bell House Property consisting of Seven Hundred Eighty (780) square feet on first floor as depicted on Exhibit B (“**Lease Premises**”).
- D.** City desires to lease the Lease Premises to Tenant upon the terms and conditions set forth in this Lease.

NOW, THEREFORE, the parties agree as follows:

**1. LEASE PREMISES.** Subject to the terms and conditions of this Lease, City hereby leases to Tenant and Tenant leases from City the Lease Premises for its exclusive use together with the non-exclusive right to the common areas on the Bell House Property (“**Common Areas**”) including the ingress and egress to the building, restrooms and parking (collectively the “**Premises**”). Tenant covenants, as a material part of the consideration for this Lease, to keep and perform each and every term, covenant and condition of this Lease. Tenant accepts the Premises “As Is” without any representation or warranty as to the condition of the Premises or its suitability for Tenant’s purpose. Tenant shall assume all risks and liabilities arising out of any and all use of the Premises during the term of this Lease. Pursuant to California Civil Code Section 1938, Tenant is advised that the Premises has not undergone inspection by a Certified Access Specialist (CASp).

**2. USE OF THE PROPERTY:** The Premises shall be used by Tenant solely for the purpose of administering affordable housing administrative functions and no other purposes without the prior written consent of City at City’s sole discretion. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other parties or injure or annoy them or use or allow or permit the Premises to be used for any improper, immoral, unlawful or objectionable purpose. Tenant shall not cause, maintain or permit any nuisance in or about the Premises, or commit or suffer to be committed any waste in or upon the Premises. Tenant shall not do or permit anything to be done in or about the Premises, nor bring or keep anything therein, which will in any way increase the existing rate of or affect any fire or other insurance upon the Premises or

part thereof, or the contents of the Premises, or cause cancellation of any insurance policy covering the Premises, or part thereof, or its contents. Tenant shall comply with all applicable laws and regulations pertaining to the Bell House Property.

3. **PERMITS, FEES, AND LICENSES ASSESSMENTS.** Tenant shall obtain, at its sole cost and expense, all licenses, permits and approvals as may be required by law for the proposed use and the performance of any services required by this Lease. Tenant shall have the obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder.

4. **COMPLIANCE WITH LAW.** Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or other governmental rule or regulation now in force or which may hereinafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and other governmental rules, regulations or requirements now in force or which may hereinafter be enacted or promulgated, relating to, or affecting Tenant's use or occupancy of the Premises. The judgment of a court of competent jurisdiction or the admission by Tenant in any action against Tenant, whether City be a party thereto or not, that Tenant has violated any law, statute, ordinance or any other governmental rule or regulation shall be conclusive of that fact as between City and Tenant.

5. **TERM:**

A. **Term.** Unless earlier terminated in accordance with the terms of this Lease, the term of this Lease is one (1) year, commencing on July 1, 2015, and ending on June 30, 2016 ("**Term**"). Prior to the end of the Term, Tenant may submit a written request for an extension to City Manager who may consent to an extension, as evidenced in writing, on a month-to-month basis for up to a period of up to a maximum of one (1) year.

B. **Right of Early Termination.** In the event City should require the use of the Premises for any City related purpose during the Term, City may elect to terminate this Lease upon thirty (30) days prior written notice to Tenant. In the event that City elects to terminate under this Section 5.B., the Rent shall be prorated and any portion attributable to the remaining Term shall be returned to Tenant.

6. **RENT:** On July 1, 2015, Tenant shall pay to City the sum of Twenty Five Thousand Two Hundred Dollars (\$25,200) which is the rent for the entire Term ("**Rent**"). If the Term is extended as set forth in Section 5.B, on the first day of each month during such extension, Tenant shall pay to City the sum of Two Thousand One Hundred Dollars (\$2,100) per month without notice, demand or offset ("**Monthly Rent**").

7. **REPAIRS AND MAINTENANCE:** City, in its sole discretion and its cost and expense, may make any improvements or repairs to the Property during anytime of the Lease. Should City desire to make improvements to the Property during the Term, City shall provide reasonable notice to Tenant and endeavor to do so using reasonable efforts to minimize interference with Tenant's use of the Premises. During the Term, Tenant shall maintain the Lease Premises in good condition and repair at its sole cost and expense.

8. **ALTERATIONS, IMPROVEMENTS & MODIFICATIONS:** Tenant shall not make any repairs, improvements or modifications to the Premises without the prior written consent of City. However, Tenant may install office related equipment at Tenant's expense.

9. **VACATION OF PROPERTY:** If Tenant elects to vacate the Premises, Tenant shall provide at least ten (10) days prior written notice to City of its intention to vacate the Premises. Upon vacation of the Premises, Tenant shall deliver the Premises to City in the same condition as existed on the day possession of the Premises was received. Tenant's vacation of the Premises shall not be deemed to terminate this Lease and Tenant shall not be entitled to the return of any of the Rent.

10. **SIGNS.** Tenant shall not place any sign upon the Premises without City's prior written consent and approval thereof.

11. **DAMAGE TO PROPERTY:** Whether or not in actual possession, Tenant shall be liable for all damages to the Premises during the Term of this Lease.

12. **NUISANCE AND WASTE:** Tenant shall not commit, suffer or permit any nuisance or waste, damage or destruction to occur in or about the Premises and shall not permit the use of the Premises for any illegal or immoral purpose. Tenant further agrees to comply, and to ensure that Tenant and its employees, agents, officers and invitees comply, with all State and federal laws and local ordinances concerning the Premises. Upon termination of this Lease, Tenant, at its sole expense, shall repair any waste, damage or destruction and shall restore the Premises to that condition at the Lease Date. Should Tenant fail to vacate the Premises in a clean and undamaged condition, City may arrange for the cleaning and/or repair of the Premises, the cost of which will be immediately reimbursed by Tenant, and, in addition, Tenant will be penalized Two Hundred Fifty Dollars (\$250) per day, or portion thereof, that the Premises is in despair.

13. **INSURANCE:** Tenant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City during the entire Term, and any extension thereof, the following policies of insurance:

A. **Personal Property Insurance.** Throughout the Term, and any extensions thereof, Tenant shall, at its sole cost and expense, maintain fire and extended coverage insurance written on a per occurrence basis on its trade fixtures, equipment, personal property and inventory within the Premises from loss or damage to the extent of their full replacement value.

B. **Property Insurance.** Prior to commencement of construction of tenant improvements and betterments, or installation of equipment, Tenant shall obtain and maintain insurance on tenant's improvements and betterments. Policy shall be provided for replacement value on an "all risk" basis. There shall be no coinsurance penalty provision in any such policy.

C. **Commercial General Liability Insurance.** Throughout the term hereof, at Tenant's sole cost and expense, Tenant shall keep or cause to be kept in full force and effect, for the mutual benefit of City and tenant, comprehensive broad form commercial general public liability insurance with coverage at least a broad as Insurance Services Office form CG 00 01, in an amount not less than One Million Dollars (\$1,000,000) per occurrence, Two Million

Dollars (\$2,000,000) general aggregate, for bodily injury, personal injury, and property damage arising from the use, occupancy, disuse, or condition of the Premises, improvement, adjoining areas or ways, including without limitation, blanket contractual liability.

**D. Worker's Compensation Insurance.** If applicable, Tenant shall, at its sole cost and expense, maintain a policy of Worker's Compensation Insurance in such amount as will fully comply with the laws of the State of California.

**E. Policy Form, Contents and Insurer.** All insurance required by express provision of this Lease shall be carried only in responsible insurance companies licensed to do business in the State of California. All such policies shall contain language to the effect that: (1) the policies are primary and noncontributing with any insurance that may be carried by City; (2) they cannot be canceled or materially altered except after thirty (30) days' notice by the insurer to City; and (3) shall list City, its officers, agents and employees as additional insureds. The insurers shall waive all rights of contribution they may have against City, its officers, employees and agents and their respective insurers. Prior to the commencement date of this Lease, Tenant shall provide City with certificates of insurance or appropriate insurance binders together with full copy of the policies evidencing the above insurance coverages written by insurance companies with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide. In the event any of said policies of insurance are cancelled or expire, Tenant shall, prior to the cancellation or expiration date, submit new evidence of insurance in conformance with this Section to City. Tenant may effect for its own account any insurance not required under this Lease.

**F. Failure to Maintain Insurance; Proof of Compliance.** If Tenant fails or refuses to procure or maintain insurance required by this Lease, or fails or refuses to furnish City with required proof that the insurance has been procured and is in full force and paid for, City shall have the right but not the obligation, at City's election and on five (5) days' notice, to procure and maintain such insurance. The premiums paid by City shall be treated as added rent due from Tenant with interest at the rate of ten percent (10%) per year or the maximum allowable legal rate in effect in the State of California on the date when the premium is paid, whichever is higher, to be paid on the first day of the month following the date on which the premium was paid. City shall give prompt notice of the payment of such premiums, stating the amounts paid and the names of the insurer or insurers, and interest shall run from the day of the notice. Notwithstanding that City may secure policies under this Section, the failure of Tenant to obtain and maintain insurance under this Lease shall also constitute a material default by Tenant.

**14. INSPECTION BY CITY:** Upon reasonable notice to Tenant (except in the event of an emergency), City, by and through its employees or agents, shall have the right to enter upon the Premises at all reasonable times during the Term for the purpose of inspecting the Premises and making such repairs as City may deem desirable.

**15. PERSONAL PREMISES LEFT ON PREMISES:** In the event that personal property is left at the Premises after termination of this Lease, City shall have the right to sell, destroy or

otherwise dispose of any personal property left on the Premises without notice or compensation to Tenant.

**16. DEFAULT.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

**A.** The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof by City to Tenant;

**B.** A failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of twenty (20) days after written notice thereof by City to Tenant; provided, however, that if the nature of the default involves such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within such thirty (30) day period and thereafter diligently prosecutes said cure to completion; or

Any notice required to be given by Landlord under this Section 16 shall be in lieu of and not in addition to any notice required under Section 1161 of the California Code of Civil Procedure.

**17. REMEDIES.** In the event of any such material default or breach by Tenant, City may at any time thereafter and without notice or demand and, without limiting City in the exercise of a right or remedy City may have by reason of such default or breach:

**A.** Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to City. In such event, City shall be entitled to recover from Tenant all damages incurred by City by reason of Tenant'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, for reasonable attorneys' fees and costs, any real estate commission actually paid, or 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 Tenant proves could be reasonably avoided. Unpaid installments of Rent or other sums shall bear interest from due date thereof at the rate of ten percent (10%) per annum or at the maximum legal rate then in effect in California, whichever is higher. In the event Tenant shall have abandoned the Premises, City shall have the option of (1) taking possession of the Premises and recovering from Tenant the amount specified in this subparagraph, or (2) proceeding under the provisions of the following subparagraphs.

**B.** Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall be entitled to enforce all of City's rights and remedies under this Lease, including the right to recover Rent as it becomes due hereunder.

**C.** Pursue any other remedy now or hereafter available to City under the laws or judicial decisions of the State of California. Furthermore, Tenant agrees that no election by City as to

any rights or remedies available hereunder or pursuant to any law or judicial decisions of the State of California shall be binding upon City until the time of trial of any such action or proceeding.

**18. UTILITIES:** Tenant shall be responsible for any utilities chargeable to the Premises during the Term.

**19. DAMAGE BY FIRE:** In the event the Premises is destroyed or so damaged by fire or other casualty or act of God as to be rendered uninhabitable except if caused by Tenant's negligence or willful misconduct, this Lease shall terminate upon written notice by City to Tenant.

**20. ASSIGNMENT AND SUBLETTING:** Tenant shall not assign or transfer this Lease or any right hereunder to any other party or parties, nor shall Tenant sublet all or any portion of the Premises without first obtaining the written consent of City. Any transfer, assignment or subletting of the Premises without such prior written consent shall be void for all purposes and City may, at its option, declare a forfeiture of the same in any manner provided by law. Consent to any such transfer, assignment or subletting shall be at City's sole discretion and City is not required hereunder to consent to any such proposed transfer, assignment or subletting of the Premises.

**21. WAIVER:** The failure or omission of City to terminate or otherwise enforce this Lease for any violation of any of its terms, conditions or covenants, shall not be deemed to be a consent by City to such violation and shall not bar, stop or prevent City from terminating or otherwise enforcing this Lease thereafter, either for such or for any subsequent violation of any such term, condition or covenant.

**22. INDEMNIFICATION:** Tenant shall defend, indemnify, and hold City harmless from, and reimburse City for, any loss, cost, expense, liability, or damages of every kind or nature, including but not limited to injury to or death of any person or destruction of the Premises in connection with or related to, the use by Tenant or any third party (including officers, directors, employees and invitees) of the Premises or any facilities located thereon in connection with the business being conducted by Tenant. In addition, Tenant shall defend, indemnify, and hold City harmless from any breach or default in the performance of any obligation to be performed by Tenant under this Lease; any violation of governmental law or regulation, or any intentional misconduct or negligence of Tenant, or any officer, agent, employee, guest, or invitee of Tenant, regardless of whether such intentional misconduct or negligence was active or passive. In the event of the occurrence of any event which is an indemnifiable event pursuant to this Section, Tenant shall notify City promptly and, if such event involves the claim of any third person, Tenant shall assume all expenses with respect to, the defense, settlement, adjustment, or compromise of any claim. Provided that City may, if it so desires, employ counsel at its own expense to assist in the handling of such claim, Tenant shall obtain the prior written approval of City, which shall not be unreasonably withheld, before entering into any settlement, adjustment or compromise of such claim. Tenant shall reimburse City or any third party (including officers, directors, and employees of City) for any legal expenses and costs incurred in connection with or in enforcing the indemnity herein provided. All indemnification obligations hereunder shall survive the expiration or earlier termination of this Lease. Notwithstanding the generality of the foregoing, the Tenant's obligation to indemnify City shall not extend to liability caused by the negligence or willful misconduct of City, its officers, employees or agents on the Premises, or events or activities conducted by City. The obligations in this Section shall survive the termination of this Lease.

23. **GOVERNING LAW:** This Lease shall be governed by, interpreted under, and constructed and enforced in accordance with the laws of the State of California.

24. **JURISDICTION:** If any legal action is necessary to enforce the terms and conditions of this Agreement, the parties agree that a court of competent jurisdiction in the County of Los Angeles shall be the sole venue and jurisdiction for the bringing of such action.

25. **SEVERABILITY:** If any paragraph, section, sentence, clause, or phrase contained in this Lease shall become illegal, null or void, against public policy, or otherwise unenforceable, for any reason, or held by any court of competent jurisdiction to be illegal, null or void, against public policy, or otherwise unenforceable, the remaining paragraphs, section, sentences, clauses or phrases contained in the Lease shall not be affected thereby.

26. **COVENANT AGAINST DISCRIMINATION:** Tenant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Lease and Licensee shall take affirmative action to insure that applicants are employed and that employees and volunteers are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

27. **TIME:** Time is of the essence of this Lease.

28. **SUCCESSORS:** Subject to the provisions of this Lease with respect to assignment and subletting, each and all of the covenants and conditions of this Lease shall be binding on and shall inure to the benefit of the successors of the respective parties.

29. **NOTICES:** Any notice required or permitted under the terms of this Lease shall be deemed served when personally served on Tenant or City or when the same has been placed in the United States mail, postage prepaid and addressed as follows:

Tenant: Bell Community Housing Authority  
6330 Pine Avenue  
Bell, California 90201  
Attention: Executive Director

City: City of Bell  
6330 Pine Avenue  
Bell, California 90201  
Attention: City Clerk

30. **EXECUTION BY CITY NOT A WAIVER:** Tenant understands and agrees that City, by entering into and executing this Lease, shall not have waived any right, duty, privilege, obligation or authority vested in City with respect to the Premises to approve, disapprove or conditionally approve any application which Tenant may be required to make under any laws, rules, ordinances or regulations

now or hereafter in effect which said City may be empowered to apply including, but not limited to, any use permit or approval, whether similar in nature or not.

**31. ENTIRE AGREEMENT:** This Lease contains the entire agreement between the parties and supersedes any other agreements, written or oral, prior to the Lease Date. No promise, representation, warranty, or covenant not included in this Lease has been or is relied on by either party. Each party has relied on his own examination of this Lease, the counsel of his own advisors, and the warranties, representations, and covenants in the Lease itself. The failure or refusal of either party to inspect the Premises or improvements, to read the Lease or other documents or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

**32. INDEPENDENT CONTRACTOR:** Neither City nor any of its employees shall have any control over the manner, mode, or means by which Tenant's agents or employees perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Tenant's employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service. Tenant shall perform all services required herein as an independent contractor with only such obligations as are consistent with that role. Tenant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Tenant in its business or otherwise, or a joint venturer or a member of any joint enterprise with Tenant.

**33. ATTORNEYS' FEES:** In the event that any action or proceeding is brought by either party to enforce any term or provision of this Lease, the prevailing party shall recover its reasonable attorneys' fees and costs incurred with respect thereto.

**34. AUTHORITY OF PARTIES:** Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is fully authorized to execute and deliver this Lease on behalf of Tenant and that this Lease is binding upon Tenant in accordance with its terms.

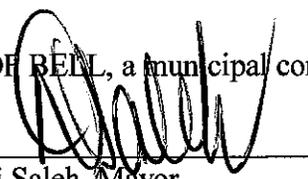
**35. EXHIBITS:** Exhibits A and B attached hereto is incorporated herein by reference.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the Lease Date.

CITY:

CITY OF BELL, a municipal corporation

By:   
Ali Saleh, Mayor

ATTEST:

  
Angela Bustamante, Acting City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

  
David J. Aleshire, City Attorney

TENANT:

BELL COMMUNITY HOUSING AUTHORITY,  
a public body corporate and politic

By:   
Jerry Groomes  
Interim Executive Director

  
Angela Bustamante, Acting Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

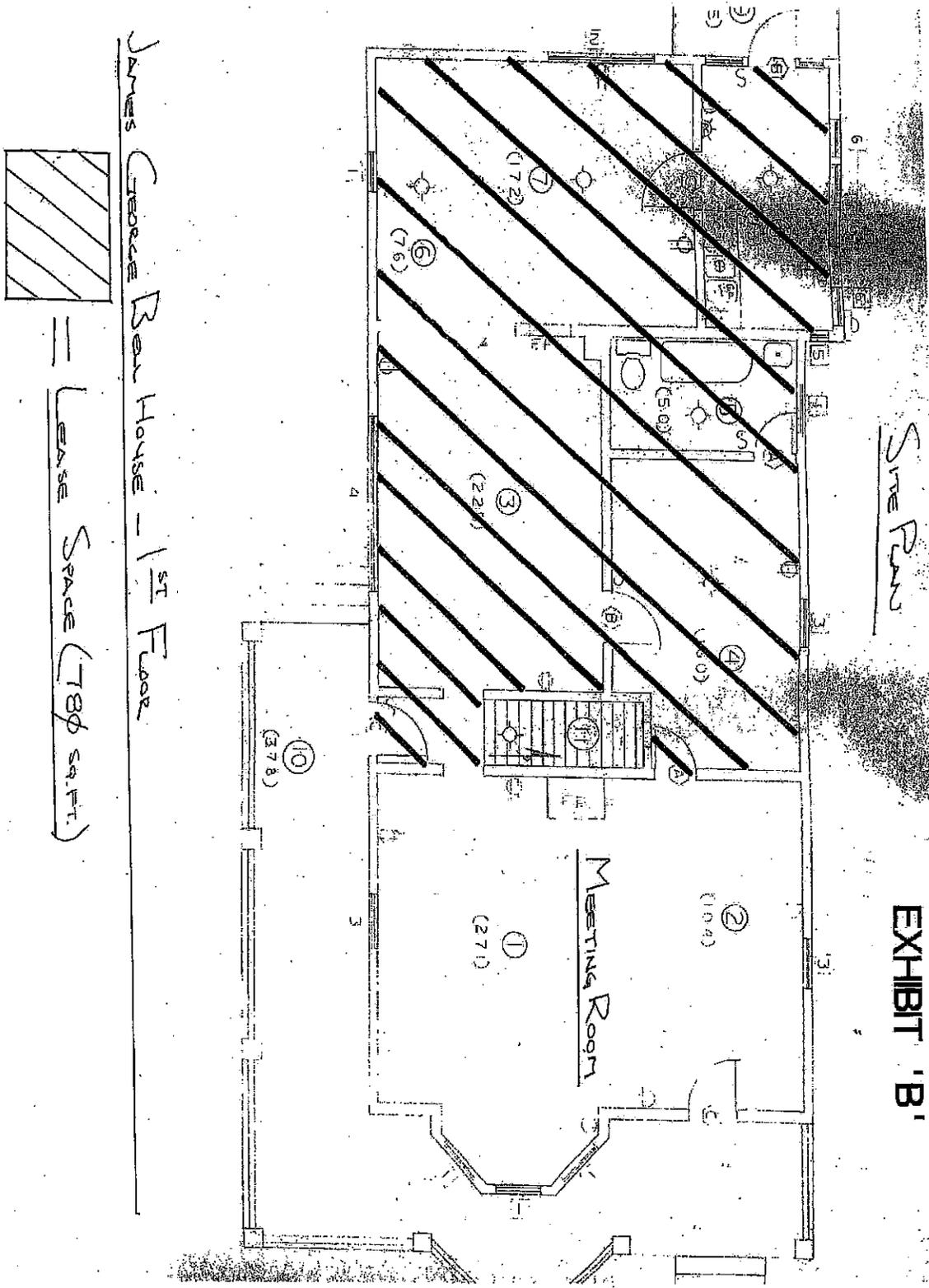
  
David J. Aleshire, Authority Attorney







**EXHIBIT B  
BELL HOUSE PROPERTY**



**EXHIBIT 'B'**