

INTRODUCED: July 23, 2018

AN ORDINANCE No. 2018- 204

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Lease Agreement between the City of Richmond as lessor and Capital Area Health Network, doing business as the Vernon J. Harris East End Community Health Center, as lessee for the purpose of providing health center office space for the Vernon J. Harris East End Community Health Center at 719 North 25<sup>th</sup> Street.

\_\_\_\_\_  
Patron – Mayor Stoney

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: SEPT 10 2018 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Lease Agreement between the City of Richmond as lessor and Capital Area Health Network, doing business as the Vernon J. Harris East End Community Health Center, as lessee for the purpose of providing health center office space for the Vernon J. Harris East End Community Health Center at 719 North 25th Street. Such Lease Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

AYES:            9            NOES:            0            ABSTAIN:            \_\_\_\_\_

ADOPTED:    SEPT 24 2018    REJECTED:    \_\_\_\_\_    STRICKEN:    \_\_\_\_\_

§ 2. This ordinance shall be in force and effect upon adoption.



# CITY OF RICHMOND

INTRACITY CORRESPONDENCE

RECEIVED

JUL 16 2018

OFFICE OF CITY ATTORNEY

O&R

**REQUEST** **O & R REQUEST**

**DATE:** July 13, 2018 **EDITION:** 1 4-7982  
JUL 13 2018

**TO:** The Honorable Members of City Council Office of the  
Chief Administrative Officer

**THROUGH:** The Honorable Levar M. Stoney, Mayor *JS* 7/16/18

**THROUGH:** Selena Cuffee-Glenn, Chief Administrative Officer *SC*

**FROM:** Peter L. Downey, Deputy CAO of Economic Development & Planning *PLD*  
7-13-18

**RE:** TO AUTHORIZE THE CHIEF ADMINISTRATIVE OFFICER TO ENTER INTO A LEASE AGREEMENT WITH VERNON J. HARRIS EAST END COMMUNITY HEALTH CENTER, INC. AT 719 N. 25<sup>TH</sup> STREET.

**ORD. OR RES. No.** \_\_\_\_\_

**PURPOSE:** To authorize the Chief Administrative Officer to enter into a lease agreement with Vernon J. Harris East End Community Health Center, Inc., for building located at 719 N. 25th Street.

**REASON:** The Vernon J. Harris East End Community Health Center, Inc. desires to continue leasing space at 719 N. 25th Street as a community based health center.

**RECOMMENDATION:** Approval is recommended by the City Administration.

**BACKGROUND:** The Vernon J. Harris East End Community Health Center, Inc., ("also referred to as the Health Center") a community based corporation, is committed to enhancing the quality of life for East End residents. The Health Center seeks to provide comprehensive, affordable and accessible preventive and primary care services to the medically underserved population in the East End. Under the terms of the Lease, Vernon J. Harris East End Community Health Center, Inc., will pay a nominal sum of \$1 per year for the space occupied and would be responsible for all utilities, maintenance, repairs and improvements to include capital repairs and improvements to the leased premises. The Lease is for a period of five (5) years. The Vernon J. Harris East End Community Health Center has received a \$1 million grant from the US Department of Health and Human Services (HRSA) to be used to make improvements to the premises. As a condition of the grant, the City must sign both a Notice of Federal Intent which restricts the use of the premises to health center indefinitely. The City must also execute a Landlord Letter of Consent, which contains certain additional terms related to the grant. At the expiration of the lease term the grant recipient may request

removing the Health Center use restriction on the premises by petitioning HRSA, which has sole discretion to remove it and by repaying HRSA the then current fair market value of the original grant.

**FISCAL IMPACT /COST:** None.

**FISCAL IMPLICATIONS:** None

**BUDGET AMENDMENT NECESSARY:** None

**REVENUE TO CITY:** A minimum of \$1 a year.

**DESIRED EFFECTIVE DATE:** Upon Adoption

**REQUESTED INTRODUCTION DATE:** July 23, 2018

**CITY COUNCIL PUBLIC HEARING DATES:** September 24, 2018

**REQUESTED AGENDA:** Consent

**RECOMMENDED COUNCIL COMMITTEE:** Land Use, September 18, 2018

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None

**AFFECTED AGENCIES:** Mayor's Office, Chief Administrative Office, Budget, Finance, Law Department and Economic Development.

**RELATIONSHIP TO EXISTING ORD. OR RES.:** None

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** Lease

**STAFF:** Jane Ferrara, Economic Development 646-6737  
Paul McClellan, Economic Development 646-3061

## **LEASE**

THIS LEASE (the "Lease") is made this \_\_\_\_ day of \_\_\_\_\_, 2018 (the "Effective Date"), by and between THE CITY OF RICHMOND, a municipal corporation of the Commonwealth of Virginia ("Landlord"), and CAPITAL AREA HEALTH NETWORK, d/b/a VERNON J. HARRIS EAST END COMMUNITY HEALTH CENTER, a Virginia nonprofit corporation ("Tenant"). Landlord and Tenant are at times collectively referred to hereinafter as the "Parties" or individually as a "Party."

### **RECITALS**

- A. Landlord owns that certain real property located at 700 N. 26<sup>th</sup> Street, Richmond, Virginia 23224, shown on the Tax Map for the City of Richmond, Virginia as Tax Parcel No. E0000381001 (the "Property"), together with all improvements thereon and appurtenances thereto.
- B. Tenant desires to lease from Landlord a portion of the Property commonly known as the first and second floors of 719 North 25<sup>th</sup> Street, Richmond, Virginia 23224, totaling approximately 10,960 square feet, plus the basement of that structure (the "Leased Premises"), shown on the illustration attached hereto as "Attachment A" and incorporated herein.
- C. Landlord desires to lease the Leased Premises to Tenant in accordance with the terms of this Lease.

### **AGREEMENT**

NOW, THEREFORE, for an in consideration of the mutual covenants and conditions set forth herein, the Landlord and Tenant agree as follows:

- 1.0 Recitals.** The foregoing Recitals are true and correct and are incorporated herein by reference.
- 2.0 Definitions.**
- 2.1 CAO.** CAO means the Chief Administrative Office of the City of Richmond.
- 2.2 Hazardous Substances and Wastes.** Hazardous Substances and Wastes means those hazardous substances and hazardous wastes as defined in the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., and the Resource Conservation and Recovery Act, 42 U.S.C. §§9601 et seq., respectively, and any regulations promulgated thereto.
- 2.3 Health Center.** Health Center means a "health center" as that term is defined in 42 U.S.C. 254b(a).

**2.4 HRSA.** HRSA means the Health Resources and Services Administration of the United States Department of Health and Human Services.

**2.5 Laws.** Laws means all applicable laws, rules, regulations, ordinances, directives, covenants, easements, zoning and land use regulations, restrictions of record, permits, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect.

**2.6 Notice of Award.** Notice of Award means that document, attached hereto as "Attachment B," describing the amount and conditions of a grant from HRSA to Tenant for the purpose of making improvements to the Leased Premises.

**2.7 Notice of Federal Interest.** Notice of Federal Interest means that document, attached hereto as "Attachment C," establishing an interest of the United States government in the Leased Premises, as further described therein.

**2.8 Project.** Project means the alterations and renovations Tenant will construct on the Leased Premises.

**2.9 Rent.** Rent means the annual payment Tenant must pay Landlord during the Term.

**2.10 Term.** Term means the period during which this Lease will be effective, as set forth in Section 4.0 herein.

**3.0 Leased Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Leased Premises, of which Tenant shall have exclusive use and possession during the Term. The Parties agree that the bounds of Leased Premises will not extend beyond the outermost portions of the building located at 719 North 25th Street, as shown on Attachment A.

**4.0 Term.** The Term will be five (5) years, to commence on the Effective Date and to expire at 12:00 AM on that same day and month in the year 2023.

**5.0 Rent.** Tenant shall annually pay Landlord one dollar (\$1.00) as Rent, the first of which payments Tenant shall make within ten (10) days following the Effective Date, and the remainder of which payments Tenant shall make on each anniversary of the Effective Date during the Term.

**6.0 Use of Leased Premises; Access.**

**6.1 Use as Health Center.** Tenant agrees to use the Leased Premises as a Health Center and will have the right at all times during the Term to so use the Leased Premises. Tenant shall not make any other use of the Leased Premises without the prior written consent of Landlord.

**6.2 Change in Use.** In the event either Tenant or Landlord seeks to use the Leased Premises as anything other than a Health Center, Tenant agrees to (i) provide Landlord with any information and assistance Landlord may request and (ii) to remit to HRSA whatever monetary compensation HRSA may require for the purpose of obtaining agreement from HRSA to release the Leased Premises from the Notice of Federal Interest. The provisions of this paragraph shall survive expiration or termination of this Lease.

**6.3 Access to Leased Premises.** Tenant and its agents, contractors, subcontractors, employees, invitees and licensees may cross paved portions of the Property not included within the Leased Premises for the sole purposes of (i) pedestrian and vehicular ingress and egress, including trucks and construction equipment and (ii) the staging of construction equipment during Tenant's construction of the Project; provided, however, Tenant, before beginning the Project, shall obtain Landlord's written consent as to that portion of the Property Tenant may use as a staging area for constructing the Project. Tenant shall restore to its original condition, as reasonably determined by Landlord, any portion of the Property damaged or disturbed by Tenant or its agents, contractors, subcontractors, employees, invitees or licensees during the Term.

**7.0 Maintenance; Improvements; Ownership.**

**7.1 Tenant to Maintain Leased Premises.** Landlord will deliver the Leased Premises in "as is" condition and will have no obligation to make any improvements to the Leased Premises or provide any maintenance, repair or other services thereto. Tenant shall maintain the Leased Premises in good order and state of repair, shall not commit or allow any waste or damage to be committed on or to any portion of the Leased Premises, and shall make such repairs to the Leased Premises as may be required to keep the Leased Premises in compliance with the Laws.

**7.2 Tenant May Improve Leased Premises; Notice of Federal Interest.** Notwithstanding anything to the contrary in this Lease, Landlord agrees that Tenant may construct the Project and install signs on the Leased Premises in accordance with (i) the Laws and (ii) the terms and conditions of both this Lease and the Notice of Award. Landlord further agrees to encumber the Leased Premises in the manner set forth in the Notice of Federal Interest so that Tenant may obtain those funds described in the Notice of Award for purposes of constructing the Project. Tenant shall not apply for any permit or authorization required by the Laws to begin construction of the Project without first obtaining written consent from Landlord's Chief Administrative Officer, or her designee, as to all Project plans and specifications, which consent will not guarantee issuance by Landlord of any such permits or authorizations. Tenant agrees, within forty-five (45) days after completion of the Project, to provide Landlord, in a form reasonably satisfactory to Landlord, an appraisal of the Leased Premises as improved by the completed Project.

**7.3 Ownership of Improvements.** The Parties agree that upon termination or expiration of this Lease, any improvements made to the Leased Premises as part of the Project will become the property of Landlord without payment of any kind by Landlord to Tenant.

**8.0 Utilities.** Tenant shall pay all costs and charges for utilities in connection with Tenant's occupation, operation, maintenance and improvement of the Leased Premises.

**9.0 Tenant's Covenants.** Tenant shall not, without prior written consent of Landlord:

(a) make any structural alterations, or other major additions or improvements in, to or about the Leased Premises, except as part of Tenant's construction of the Project;

(b) abandon the Leased Premises or permit the Leased Premises to become vacant or deserted; or

(c) permit any noxious or offensive activity within the Leased Premises that interferes with the conduct of business within or the peaceful occupancy of the Property.

**10.0 Termination.**

**10.1 Effect of Termination.** Termination of this Lease shall render this Lease null and void, and the Parties shall have no further obligations under this Lease except for those provisions herein which expressly survive a termination of this Lease, and except that any monies owed up to the date of termination shall be paid within sixty (60) days following that date.

**10.2 Termination for Casualty.** In the event of damage by fire or other casualty to the Leased Premises that renders the Leased Premises untenable for Tenant's use, this Lease shall terminate.

**11.0 Removal at End of Term.** Tenant shall, upon expiration of the Term, or within thirty (30) days after any earlier termination of this Lease, have removed all of its personal property from the Leased Premises and restored the Leased Premises to its prior condition of cleanliness, good order and repair, reasonable wear and tear and casualty damage excepted. If Tenant does not remove its personal property from the Leased Premises within thirty (30) days following the expiration or termination of this Lease, Landlord may do so at the cost and expense of Tenant, without liability to Landlord for damages that may directly or indirectly result therefrom, or Landlord may allow such personal property to remain on the Leased Premises, and fee simple title to such property will vest in Landlord. For purposes of this paragraph, personal property will not mean improvements made to the Leased Premises as part of the Project.

**12.0 Holdover.** Tenant has no right to retain possession of the Leased Premises or any part thereof beyond the expiration or termination of this Lease, except that 30-day removal period in the case of termination of this Lease as set forth in Section 11.0 herein. In no circumstance shall a periodic tenancy be deemed created regardless of the actions or lack thereof of Tenant or Landlord, including but not limited to, Tenant's possession of the



Leased Premises and payment to Landlord and Landlord's acceptance of payment and failure to evict Tenant from the Leased Premises.

**13.0 Subordination; Non-Disturbance.** At Landlord's option, and subject to the terms of the Notice of Federal Interest, this Lease may be subordinate to any mortgage by Landlord which may now or hereafter affect all of the Property, including the Leased Premises, provided that any such mortgage shall recognize the validity of this Lease in the event of foreclosure of Landlord's interest and also recognize Tenant's right to remain in possession and have access to the Leased Premises. In the event that the Leased Premises is encumbered by a mortgage, Landlord shall obtain and furnish Tenant with a fully executed non-disturbance and attornment agreement reasonably acceptable to Tenant for each such mortgage in recordable form. Tenant shall execute any instruments that may reasonably be required to give effect to this subordination clause.

**14.0 Quiet Enjoyment.** Landlord covenants that Tenant, on paying the Rent and performing the covenants herein, shall peaceably and quietly have, hold and enjoy the Leased Premises. In the event activity by another tenant of the Property interferes with Tenant's quiet use and enjoyment of the Leased Premises, Landlord will promptly take reasonable action to cause such interference to cease.

**15.0 Right of Entry.** At any time during the Term, Landlord and any representative of Landlord's choosing shall have the right to enter the Leased Premises at reasonable times with reasonable notice to inspect the Leased Premises, to ensure compliance with the terms of this Lease, and for any other lawful reason contemplated under this Lease.

**16.0 No Liens.** Neither Tenant nor Landlord has authority to encumber the Premises with any materialmen's or mechanic's lien, nor shall either suffer or permit any such lien to exist. Should any such lien hereafter be filed as a result of either party's actions or failure to act, such party shall at its sole cost within thirty (30) days after the lien is filed, discharge the lien or post a bond in the amount of the lien.

**17.0 Hazardous Substances.**

**17.1 Generally.** Tenant understands that tests for the presence of lead, asbestos, radon, freon, methane and other gases have not been conducted on the Leased Premises. In the event that either Tenant or Landlord discovers the presence on the Property of any of the Hazardous Substances and Wastes or another public hazard that renders the property uninhabitable, this Lease shall immediately become null and void and, at the request of the Landlord, Tenant agrees to vacate the property immediately.

**17.2 No Illegal Use.** Tenant shall not, either with or without negligence, cause or permit the use, storage, generation, escape, disposal or release of any Hazardous Substances and Wastes within, over or under the Leased Premises in any manner not sanctioned by the Laws, and Tenant shall be exclusively responsible for the correction of any environmental conditions on the Property caused primarily by Tenant's acts or omissions.

**17.3 Indemnification.** In all events, Tenant shall indemnify and hold Landlord harmless from any and all claims, damages, fines, judgments penalties, costs, liabilities or losses, including, but not limited to, any and all sums paid for settlement of claims, attorneys' fees, consultants' fees and experts' fees, arising from the presence or release of any of the Hazardous Substances and Wastes on the Leased Premises if caused by Tenant or persons acting under the direction or control of Tenant. The indemnification contained in this provision specifically includes costs incurred in connection with any investigation or audit of site conditions and any remedial, removal, or restoration work required by any governmental authority.

**17.4 Survival.** Notwithstanding any other provisions in this Lease, the provisions of this Section shall survive the expiration or termination of this Lease.

**18.0 Indemnification.** Tenant agrees to indemnify, defend and hold Landlord and Landlord's officers, agents, contractors and employees harmless against and from any and all actual, threatened or alleged claims of liability or loss, causes of action, judgments, penalties, fines, administrative actions and costs, including without limitation attorney's fees and court costs, relating to, resulting from or arising out of either a breach of this Lease, Tenant's receipt of grant funds from HRSA, or any willful misconduct or negligent act or omission by Tenant, or Tenant's officers, employees, agents, contractors, subcontractors, invitees or licensees, in connection with Tenant's use or occupation of the Leased Premises. Nothing herein may be construed as a waiver of the sovereign immunity granted to City by the Commonwealth of Virginia Constitution, statutes, and applicable case law. This paragraph will survive the termination or expiration of this Agreement.

**19.0 Insurance.** Throughout the Term, Tenant shall, at its own expense, maintain liability insurance policies in a form reasonably acceptable to Landlord. Upon request, Tenant shall provide a certificate of liability insurance demonstrating that Tenant is maintaining the insurance requirements of this paragraph. Each certificate shall include Landlord as an additional insured as its interest may appear. Such policies shall be issued by companies duly authorized or permitted to conduct business in the Commonwealth of Virginia. Such policies shall insure Tenant and, excluding Workers' Compensation and Employer's Liability, include Landlord as an additional insured as its interest may appear. Tenant shall include the following among such policies:

- (a) Commercial General Liability insurance with limits of not less than one million dollars (\$1,000,000) combined single limit for each occurrence for bodily injury and property damage;
- (b) Commercial Automobile Liability Insurance with limits of not less than one million dollars (\$1,000,000) combined single limit for each accident for bodily injury and property damage;
- (c) Workers' Compensation insurance meeting all statutory requirements of the Commonwealth of Virginia;

(d) Employer's Liability insurance with limits of not less than one million dollars (\$1,000,000) each accident/disease/policy limit;

(e) Umbrella Liability insurance shall be maintained above the primary Commercial General Liability, Commercial Automobile Liability, and Employers' Liability policies required herein. The limit of such Umbrella Liability insurance shall not be less than two million dollars (\$2,000,000) each occurrence and aggregate.

The foregoing minimum limitations shall not prohibit Tenant from obtaining a liability insurance policy or policies in excess of such limitations.

**20.0 Limitation of Liability.** Except for indemnification pursuant to Sections 17 and 18 herein, neither party shall be liable to the other, or any of their respective agents, representatives, or employees, for any of the following: lost revenue; lost profits; loss of technology, rights or services; incidental, punitive, indirect, special or consequential damages; loss of data, and; interruption or loss of use of service, even if advised of the possibility of such damages, whether under theory of contract, tort (including negligence), strict liability or otherwise.

**21.0 Condemnation.** If the whole or any part of the Leased Premises or all means of access thereto is condemned or sold under threat of condemnation, this Lease shall terminate, and Tenant shall have no claim against Landlord to any portion of the award in condemnation for the value of any unexplored term of this Lease. However, this shall not limit Tenant's right to compensation from the condemning authority for the value of any of Tenant's property taken, other than Tenant's leasehold interest in the Leased Premises. In the event of a temporary taking, this Lease shall not terminate, but the Term shall be extended by the period of the taking, and the rent shall abate in proportion to the area taken for the period of such taking.

**21.0 Breach and Default.**

**21.1 Breach by Tenant.** In the event there is a breach by Tenant with respect to any of the provisions of this Lease or its obligations under it, Landlord shall give Tenant written notice of such breach. After receipt of such notice, Tenant shall have fifteen (15) days in which to cure any monetary breach and thirty (30) days in which to cure any non-monetary breach, provided Tenant shall have an additional thirty (30) days in which to cure a breach if the nature of the cure is such that it reasonably requires more than thirty (30) days and Tenant commences the cure within the initial thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. Landlord may not maintain any action or effect any remedies for default against Tenant unless and until Tenant has failed to cure the breach within the time periods provided in this Section.

**21.2 Breach by Landlord.** In the event there is a breach by Landlord with respect to any of the provisions of this Lease or its obligations under it, Tenant shall give Landlord written notice of such breach. After receipt of such written notice, Landlord shall have thirty (30)

days in which to cure any such breach, provided Landlord shall have an additional thirty (30) days in which to cure a breach if the nature of the cure is such that it reasonably requires more than thirty (30) days and Landlord commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion. Tenant may not maintain any action or effect any remedies for default against Landlord unless and until Landlord has failed to cure the breach within the time periods provided in this Section.

## **22.0 Remedies for Default.**

**22.1 Default by Tenant; HRSA Involvement.** Upon a default by Tenant, and notwithstanding paragraphs 22.2 and 22.3 below, Landlord agrees, in accordance with the terms of the Landlord Letter of Consent attached hereto and incorporated herein as "Attachment D," to notify HRSA and to permit HRSA to participate in the correction of Tenant's default. In the event HRSA i) does not participate in the correction of Tenant's default or ii) does so participate but does not reasonably correct Tenant's default as determined by Landlord, Landlord may correct the default or terminate this Lease in accordance with paragraphs 22.2 and 22.3 below.

**22.2 Non-Defaulting Party May Correct Default.** Upon a default, but subject to paragraph 22.1 above, the non-defaulting Party may, at its option but without obligation to do so, perform the defaulting Party's duty or obligation on the defaulting Party's behalf. The costs and expenses of any such performance by the non-defaulting Party shall be due and payable by the defaulting Party upon invoice therefor. This paragraph will survive termination or expiration of this Lease.

**22.3 Non-Defaulting Party May Terminate.** Subject to paragraph 22.1 above, in the event of a default by either Party with respect to a material provision of this Lease, without limiting the non-defaulting Party in the exercise of any right or remedy which the non-defaulting Party may have by reason of such default, the non-defaulting Party may terminate the Lease and pursue any remedy now or hereafter available to the non-defaulting Party under the Laws or the judicial decisions of the Commonwealth of Virginia.

## **23.0 Miscellaneous Provisions.**

**23.1 Assignment.** This Lease shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties hereto; provided, however, that in no event may Tenant assign, transfer or otherwise dispose of this Lease or any of its rights, benefits, duties or obligations without the prior written consent of both HRSA, as set forth in Attachment D, and Landlord, which consent Landlord will not be obligated to give.

**23.2 Captions.** All section titles or captions in this Lease are for convenience of reference only. They should not be deemed to be part of this Lease or to in any way define, limit, extend, or describe the scope or intent of any provisions of this Lease.

**23.3 Entire Agreement.** This Lease contains the entire understanding between the Parties and supersedes any prior understandings and written or oral agreements between

them respecting this subject matter. There are no representations, agreements, arrangements, or understandings, oral or written, between the Parties relating to the subject matter of this Lease that are not fully expressed in this Lease.

**23.4 Governing Law and Forum Choice.** All issues and questions concerning the construction, enforcement, interpretation and validity of this Lease, or the rights and obligations of Landlord and Tenant in connection with this Lease, shall be governed by, and construed and interpreted in accordance with, the laws of the Commonwealth of Virginia, without giving effect to any choice of law or conflict of laws rules or provisions, whether of the Commonwealth of Virginia or any other jurisdiction, that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Virginia. Any and all disputes, claims and causes of action arising out of or in connection with this Lease, or any performances made hereunder, shall be brought, and any judicial proceeding shall take place, only in the Circuit Court of the City of Richmond, Virginia. Tenant accepts the personal jurisdiction of any court in which an action is brought pursuant to this article for purposes of that action and waives all jurisdiction- and venue-related defenses to the maintenance of such action. Each Party shall be responsible for its own attorneys' fees in the event this Lease is subject to litigation.

**23.5 Modifications.** This Lease may be amended, modified and supplemented only by the written consent of both the Landlord and Tenant preceded by all formalities required as prerequisites to the signature by each Party of this Lease.

**23.6 No Joint Venture.** The terms and conditions of this Lease shall not be construed or interpreted in any manner as creating or constituting Landlord as a partner or joint venture with Tenant, or as making Landlord liable for the debts, defaults, obligations or lawsuits of Tenant or its assigns, contractors or subcontractors.

**23.7 No Third-Party Beneficiaries.** Notwithstanding any other provision of this Lease, Landlord and Tenant hereby agree that, i) no individual or entity shall be considered, deemed or otherwise recognized to be a third-party beneficiary of this Lease; ii) the provisions of this Lease are not intended to be for the benefit of any individual or entity other than Landlord or Tenant; iii) no individual or entity shall obtain any right to make any claim against Landlord or Tenant under the provisions of this Lease; and (iv) no provision of this Lease shall be construed or interpreted to confer third-party beneficiary status on any individual or entity. For purposes of this section, the phrase "individual or entity" means any individual or entity, including, but not limited to, individuals, tenants, subtenants, contractors, subcontractors, vendors, sub-vendors, assignees, licensees and sub-licensees, regardless of whether such individual or entity is named in this Lease.

**23.8 Notices.** All notices, offers, consents, or other communications required or permitted to be given pursuant to this Lease shall be in writing and shall be considered as properly given or made if delivered personally, by messenger, by recognized overnight courier service or by registered or certified U. S. mail with return receipt requested, and addressed to the address of the intended recipient at the following addresses:

A. To Landlord:

City of Richmond  
Department of Economic & Community Development  
Suite 400  
1500 East Main Street  
Richmond, VA 23219  
Attn: Paul McClellan

with copy to:

Office of the City Attorney  
City of Richmond  
900 E. Broad Street, Room 400  
Richmond, Virginia 23219  
Attn: Neil Gibson

B. To Tenant:

Capital Area Health Network  
PO Box 27947  
Richmond, Virginia 23261  
Attn: Tracy Causey

Either Party may change any of its address information given above by giving notice in writing stating its new address to the other party.

**23.9 Waiver.** The failure of either of the Parties to insist upon the strict performance of any provision of this Lease shall not be deemed to be a waiver of the right to insist upon strict performance of such provision or of any other provision of this Lease at any time. Waiver of any breach of this Lease shall not constitute waiver of a subsequent breach.

**23.10 Signature Authority.** Following the authorization of this Lease by the Richmond City Council, the CAO shall have the authority to execute this Lease on behalf of Landlord, and the CAO or her designee shall have the authority to provide any notices or authorizations contemplated under this Lease on behalf of Landlord, including but not limited to executing to the Notice of Federal Interest and the Landlord Letter of Consent attached hereto.

<p><b>LESSOR</b>  <b>CITY OF RICHMOND</b>, as authorized by Ordinance No <u>2018-204</u> approved by City Council on <u>September 24, 2018</u></p> <p>By: <u><i>Selena Cuffee-Glenn</i></u>  Chief Administrative Officer</p> <p>Date: <u>10/12/18</u></p>	<p><b>LESSEE</b>  <b>VERNON J. HARRIS EAST END COMMUNITY HEALTH CENTER, INC.</b></p> <p>By: <u><i>Amy Conway</i></u>  Executive Director</p> <p>Date: <u>10/12/18</u></p>
<p><b>APPROVED AS TO FORM:</b></p> <p>By: <u><i>[Signature]</i></u>  Assistant City Attorney</p>	

COMMONWEALTH OF VIRGINIA  
CITY OF RICHMOND, to wit

The foregoing instrument was acknowledged before me, the undersigned notary public by Selena Cuffee-Glenn, on this 12th day of October, 2018.

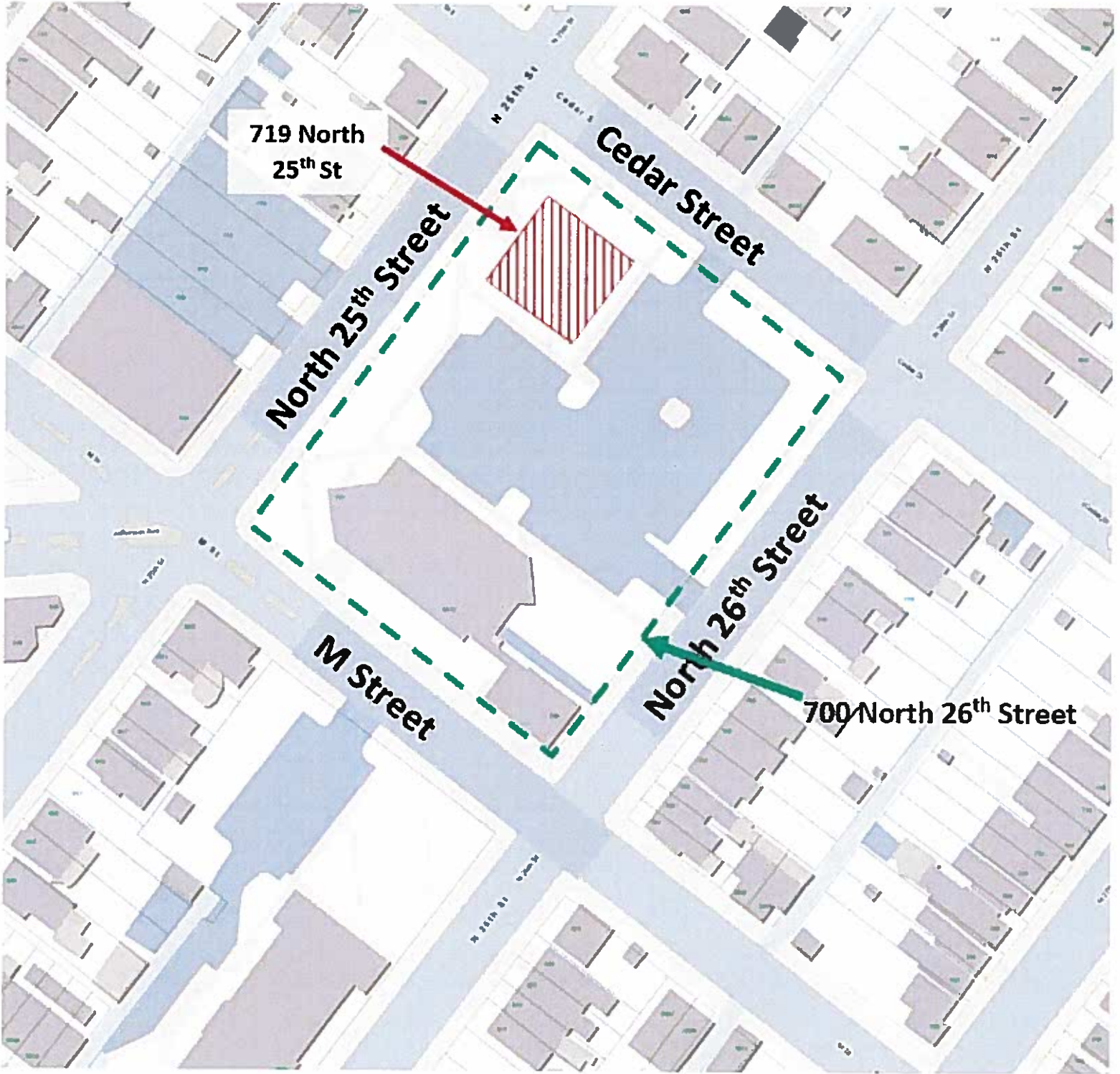
*Rena Diebel*  
Rena L. Diebel  
Notary Public

Notary Registration Number: 7512785  
My commission expires: 07/31/2019



# ATTACHMENT A

## 719 North 25<sup>th</sup> Street Building





View NoA

**ATTACHMENT B**

NoA Terms & Conditions Award Email

1. DATE ISSUED: (MM/DD/YYYY) 08/03/2017 2. PROGRAM CFDA: 93.526

3. SUPERSEDES AWARD NOTICE dated: 04/26/2016 except that any additions or restrictions previously imposed remain in effect unless specifically rescinded.

4a. AWARD NO.: 6 C8DCS29682-01-01 4b. GRANT NO.: C8DCS29582 5. FORMER GRANT NO.:

6. PROJECT PERIOD: FROM: 05/01/2016 THROUGH: 04/30/2019

7. BUDGET PERIOD: FROM: 05/01/2016 THROUGH: 04/30/2019

8. TITLE OF PROJECT (OR PROGRAM): HEALTH INFRASTRUCTURE INVESTMENT PROGRAM

9. GRANTEE NAME AND ADDRESS: RICHMOND, CITY OF 2025 E Main St Richmond, VA 23223-7072 DUNS NUMBER: 123474140

11. APPROVED BUDGET (Excludes Direct Assistance) [X] Grant Funds Only [ ] Total project costs including grant funds and all other financial participation

Table with 2 columns: Item description and Amount. Includes rows for Salaries and Wages, Fringe Benefits, Personnel Costs, Consultant Costs, Equipment, Supplies, Travel, Construction/Alteration and Renovation, Other, Consortium/Contractual Costs, Trainee Related Expenses, Trainee Stipends, Trainee Tuition and Fees, Trainee Travel, TOTAL DIRECT COSTS, INDIRECT COSTS, and TOTAL APPROVED BUDGET.



AUTHORIZATION (Legislation/Regulation) Section 330(e)(3) of the Public Health Service Act, 42 U.S.C. 254b(e)(3); Section 10603(b) of the Patient Protection and Affordable Care Act of 2010, P.L. 111-148; and Division G, Title II, p. 2466, Consolidated and Further Continuing Appropriations

10. DIRECTOR: (PROGRAM DIRECTOR/PRINCIPAL INVESTIGATOR) Tracy Causey RICHMOND, CITY OF PO BOX 27947 Richmond, VA 23261-7947

12. AWARD COMPUTATION FOR FINANCIAL ASSISTANCE: Table with 2 columns: Description and Amount. Includes rows for Authorized Financial Assistance This Period, Less Unobligated Balance from Prior Budget Periods, AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION.

13. RECOMMENDED FUTURE SUPPORT: (Subject to the availability of funds and satisfactory progress of project)

Table with 2 columns: YEAR and TOTAL COSTS. Value: Not applicable

14. APPROVED DIRECT ASSISTANCE BUDGET: (In lieu of cash) Table with 2 columns: Description and Amount. Includes rows for Amount of Direct Assistance, Less Unawarded Balance of Current Year's Funds, Less Cumulative Prior Awards(s) This Budget Period, AMOUNT OF DIRECT ASSISTANCE THIS ACTION.

15. PROGRAM INCOME SUBJECT TO 45 CFR 75.307 SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES:

A=Addition B=Deduction C=Cost Sharing or Matching D=Other

Estimated Program Income: \$0.00

[A]

16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY HRSA, IS ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING:

a. The grant program legislation cited above. b. The grant program regulation cited above. c. This award notice including terms and conditions, if any, noted below under REMARKS. d. 45 CFR Part 75 as applicable. In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

REMARKS: (Other Terms and Conditions Attached [ X ] Yes [ ] No)

Electronically signed by Stephannie Young, Grants Management Officer on: 08/03/2017

17. OBJ. CLASS: 41.11 18. CRS-EIN: 1541884190A1 19. FUTURE RECOMMENDED FUNDING: \$0.00

Table with 7 columns: FY-CAN, CFDA, DOCUMENT NO., AMT. FIN. ASST., AMT. DIR. ASST., SUB PROGRAM CODE, SUB ACCOUNT

16-388160F

93.527

16C8DCS28582

\$0.00

\$0.00

CODE

16CFCAA-HIP

Close Window

 **View NoA**

NoA   **Terms & Conditions**   Award Email

### HRSA Electronic Handbooks (EHBs) Registration Requirements

The Project Director of the grant (listed on this NoA) and the Authorizing Official of the grantee organization are required to register (if not already registered) within HRSA's Electronic Handbooks (EHBs). Registration within HRSA EHBs is required only once for each user for each organization they represent. To complete the registration quickly and efficiently we recommend that you note the 10-digit grant number from box 4b of this NoA. After you have completed the initial registration steps (i.e., created an individual account and associated it with the correct grantee organization record), be sure to add this grant to your portfolio. This registration in HRSA EHBs is required for submission of noncompeting continuation applications. In addition, you can also use HRSA EHBs to perform other activities such as updating addresses, updating email addresses and submitting certain deliverables electronically. Visit <https://grants3.hrsa.gov/2010/WebEPSExternal/Interface/common/accesscontrol/login.aspx> to use the system. Additional help is available online and/or from the HRSA Call Center at 877-Go4-HRSA/877-484-4772.

### Terms and Conditions

Failure to comply with the remarks, terms, conditions, or reporting requirements may result in a draw down restriction being placed on your Payment Management System account or denial of future funding.

#### Grant Specific Term(s)

1. Funds in this award associated with the proposed construction or alteration/renovation project are restricted and may not be drawn down until all program- and grant-specific conditions of this award have been met and lifted from the Notice of Award. The only exceptions to this restriction on drawdown are limited pre-construction activities related to meeting one of these conditions, such as expenses for completing architectural and engineering plans, meeting licensing and permitting requirements, historic preservation consultation with the State Historic Preservation Office/Tribal Historic Preservation Office, and preparing the Environmental Assessment.
2. Notice: This Notice of Award (NoA) reflects HRSA's decision to place this award on draw down restriction due to incomplete program and grant management conditions. All drawdown of Federal funds from the Payment Management System (PMS) concerning this grant must have approval of the Grants Management Officer before funds are drawn. Beginning immediately, by the 20th of each month or a minimum of 10 days before funds are needed, an original signed SF 270 must be submitted and subsequently approved for anticipated expenditures, along with documentation to substantiate the request. This restriction is expected to be temporary, pending resolution of the above concerns by your organization. HRSA will determine when such resolution has occurred, and will notify the grantee in writing when the restriction has been lifted. Form SF 270 is available at: <https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html#sorby=1>

All prior terms and conditions remain in effect unless specifically removed.

#### Contact(s)

#### NoA Email Address(es):

Name	Role	Email
Tracy Causey	Point of Contact	tcausey@cahealthnet.org
Tracy Causey	Authorizing Official, Program Director	tcausey@cahealthnet.org

Note: NoA emailed to these address(es)

#### Program Contact:

For assistance on programmatic issues, please contact Sadeeka Scott at:

5600 Fishers Ln  
Rockville, MD, 20852-1750  
Email: [SScott@hrsa.gov](mailto:SScott@hrsa.gov)  
Phone: (301) 443-3182

#### Division of Grants Management Operations:

For assistance on grant administration issues, please contact Marc Horner at:

MailStop Code: 5600 Fishers Lane  
OFAM  
5600 Fishers Lane  
Rockville, MD, 20857-  
Email: [mhorner@hrsa.gov](mailto:mhorner@hrsa.gov)  
Phone: (301) 443-4888

All submissions in response to conditions and reporting requirements must be uploaded into the EHBs.

Close Window

**ATTACHMENT C**

**NOTICE OF FEDERAL INTEREST**

On August 3, 2017, the US Department of Health and Human Services, HRSA, awarded Grant No. C8DCS29582 to Capital Area Health Network, d/b/a, Vernon J. Harris East End Community Health Center. The grant provides Federal funds for the proposed construction or alteration/renovation project which is located on the property described below in Richmond City, State of Virginia, which property is hereinafter referred to as the "Leased Premises":

Vernon J. Harris Medical Center at 719 N. 25<sup>th</sup> Street, Richmond, VA 23223. Located on the southeast corner of North 25<sup>th</sup> Street and Cedar Street in Church Hill North. The Leased Premises is solely composed of the building that houses the Vernon J. Harris Medical Center and is a portion of a larger parcel of real property identified as Tax Parcel No. E0000381001 on the tax maps of the City of Richmond, Virginia.

The Notice of Award for this grant includes conditions on use of the aforementioned Leased Premises and provides for a continuing Federal interest in the Leased Premises. Specifically, the Leased Premises may not be (1) used for any purpose inconsistent with the statute and any program regulations governing the award under which the Leased Premises was acquired; (2) mortgaged or otherwise used as collateral without the written permission of the Associate Administrator, Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA), or designee; or (3) sold or transferred to another party without the written permission of Associate Administrator, Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA), or designee. These conditions are in accordance with the statutory provisions set forth in Section 330(e)(3) of the Public Health Service Act, 42 U.S.C. 254b(e)(3), Title 45 CFR part 74 or 92 (as appropriate), the HHS Grants Policy Statement, and other terms and conditions of award.

These grant conditions and requirements cannot be nullified or voided through a transfer of ownership. Therefore, advance notice of any proposed change in usage or ownership must be provided to the Associate Administrator, Office of Federal Assistance Management (OFAM), Health Resources and Services Administration (HRSA), or designee.

Signature: *Selina Coffee-Glenn*

Typed/Printed Name: Selina Coffee-Glenn

Title: CAO

Date: 10/12/18



\* Description should include specificity to determine if the Federal Interest applies to the land, building, or part thereof. Street or campus address should be included whenever possible

Commonwealth of Virginia  
City of Richmond, to wit

The foregoing instrument was acknowledged before me, the undersigned notary of public by Selina Coffee-Glenn, on this 12<sup>th</sup> day of October, 2018.  
Rena Diebel, notary public, notary registration number: 7512785  
\*CO: 7/31/2019

**ATTACHMENT D**

City of Richmond, VA  
719 North 25th Street  
Richmond, VA 23223

**Landlord Letter of Consent**

Richmond City is the owner of the property known as Vernon J. Harris East End CHC, 719 North 25th Street, Richmond, VA, 23223 (Leased Premises). The Leased Premises is currently leased by the Capital Area Health Network, d/b/a Vernon J. Harris East End Community Health Center (Tenant). Richmond City currently has a lease agreement with Tenant for a period of 1 year that will expire on November 15, 2018.

Richmond City is in full agreement that Tenant may improve the aforementioned Leased Premises as part of the Health Resources and Services Administration (HRSA) Health Infrastructure Investment Program (HIIP) funding opportunity, and grants permission to Tenant to undertake such improvement.

Richmond City agrees to include the following restrictive terms in a new lease, which lease will be signed by both Richmond City and Tenant:

- a) The recipient agrees not to sublease, assign, or otherwise transfer the property, or use the property for a non-grant-related purpose(s) without the written approval from HRSA (at any time during the term of the lease/agreement, whether or not grant support has ended).
- b) The property owner will inform HRSA of any default by the recipient under the lease/agreement.
- c) HRSA shall have 60 days from the date of receipt of the property owner's notice of default in which to attempt to eliminate the default, and that the property owner will delay exercising remedies until the end of the 60-day period.
- d) HRSA may intervene to ensure that the default is eliminated by the recipient or another recipient named by HRSA.
- e) The property owner shall accept payment of money or performance of any other obligation by the HRSA's designee, for the recipient, as if such payment of money or performance had been made by the recipient.
- f) In the event that the recipient defaults, the grant is terminated, or the recipient vacates the property before the end of the lease term, HRSA shall have the right to designate a replacement for the recipient for the balance of the lease term, subject to approval by the property owner, which will not be withheld except for good reason.

Richmond City also acknowledges that there will be a Federal interest in the Leased Premises as a result of the improvement and Richmond City agrees to file a Notice of Federal Interest prior to work commencing, if required by HRSA.

Landlord/Corporation Signature/Date: *Selena Cuffee-Glen*  
10/12/18

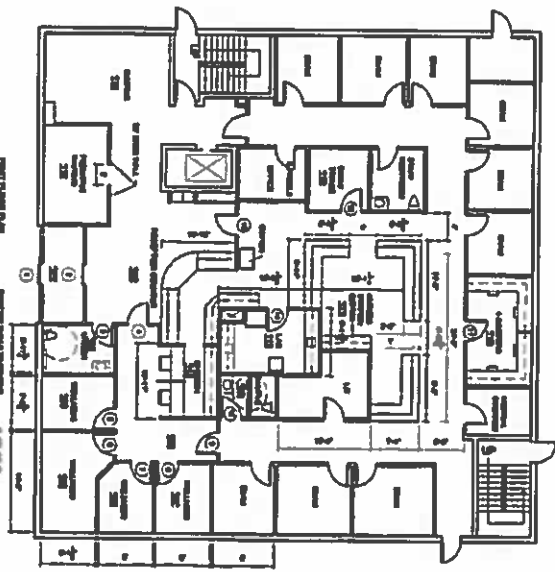
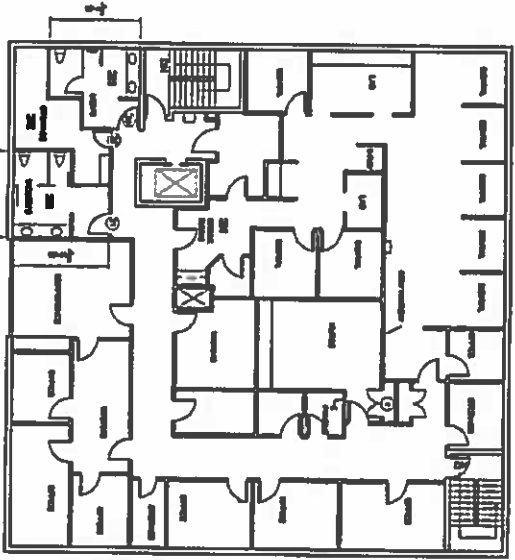
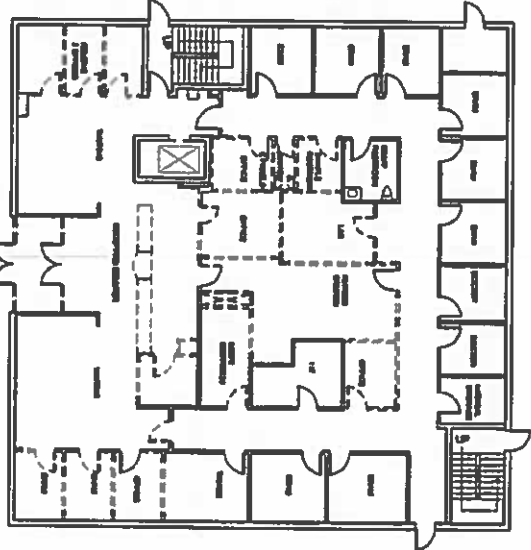
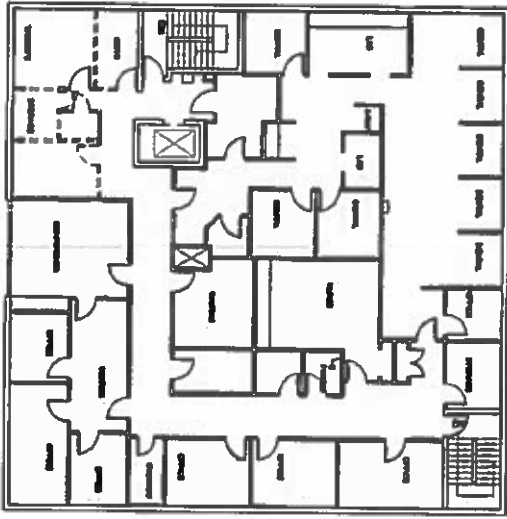
Typed Name: Kyle Branch

Title: Real Estate Officer

Date: December 1, 2017



*Commonwealth of Virginia  
City of Richmond, to wit  
The foregoing instrument was acknowledged before me, the undersigned notary  
of public by Selena Cuffee-Glen, on this 12th day of October, 2018  
Rena Diebel, notary public, notary registration number: 7512785*



**NOTES 2ND FLOOR**

1. EXISTING WALLS TO BE REMOVED
2. NEW WALLS TO BE CONSTRUCTED
3. NEW WALLS TO BE CONSTRUCTED
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**NOTES 1ST FLOOR**

1. EXISTING WALLS TO BE REMOVED
2. NEW WALLS TO BE CONSTRUCTED
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10. NEW WALLS TO BE CONSTRUCTED



**A-2**  
FIRST FLOOR PLAN  
SECOND FLOOR PLAN

PROJECT NUMBER: 1720  
DATE: MAY 14, 2017  
DRAWN BY: CHA

**VERNON J. HARRIS MEDICAL CENTER**  
719 N 25TH STREET  
RICHMOND, VA 23225



