

AGENDA



CITY OF HOPEWELL

AGENDA

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CITY COUNCIL

John B. Partin, Jr., Mayor, Ward #3
Rita E. Joyner, Vice Mayor, Ward #1
Michael B. Harris, Councilor, Ward #2
Ronnie Ellis, Councilor, Ward #4
Susan Daye, Councilor, Ward #5
Yolanda W. Stokes, Councilor, Ward #6
Lovena Rapole, Councilor, Ward #7

Michael C. Rogers, Interim City Manager
Anthony R. Bessette, City Attorney
Bishelya Howrad, City Clerk

October 30, 2025

SPECIAL MEETING

Open Session – 5:00 P.M.

Call to order and roll call

SPECIAL BUSINESS

SB-1 Resolution amending the Fiscal Year 2026 Budget and designate funds from Capital expenditures to Hope Center – Charles Bennett, Director of Economic Development

Adjournment

**RESOLUTION AMENDING THE FY 2026 BUDGET AND DESIGNATE FUNDS FROM
CAPITAL EXPENDITURES TO HOPE CENTER**

WHEREAS, the City Council of Hopewell, Virginia projected its budget for Fiscal Year 2026 and designated funds to Unallocated Capital Expenditures in the amount of \$421,300;

WHEREAS, Council wishes to designate \$90,000 of those funds to the City of Refuge;
and

WHEREAS, the City previously authorized funds for the maintenance of a warming shelter, however an additional \$90,000 is needed in order to provide homeless services year round; and now therefore,

BE IT RESOLVED that Council hereby designates an additional \$90,000 of Capital Expenditures, to the City of Refuge for the Hope Center's use as a homeless shelter. However, if the City of Refuge does not operate the Hope Center during the period November 15, 2025 to November 14, 2026; does not provide homeless outreach services; does not operate as a daily homeless shelter, at a minimum from 6pm-8am; does not provide quarterly updates; and does not offer its services at the Hope Center without respect to religious affiliation or any other status protected by law, then the City of Refuge will reimburse the City for the entire amount donated, no later than 14 days after it ceases to operate in accordance with the requirements of this resolution.

Witness this signature and seal

Johnny Partin, Mayor
Hopewell City Council, Ward 3

VOTING AYE:

VOTING NAY:

ABSTAINING:

ABSENT:

ATTEST:

Bishelya Howard, City Clerk

COMMERCIAL LEASE AGREEMENT

THIS COMMERCIAL LEASE AGREEMENT (this "Lease") is made as of the ____ day of _____, 2025 (the "Effective Date"), by THE CITY OF HOPEWELL, VIRGINIA, a political subdivision of the Commonwealth of Virginia (the "Landlord"), and CITY OF REFUGE HOPEWELL, INC, a Virginia non-stock corporation (the "Tenant") provides that:

SECTION 1 – GRANT, NO DUE DILIGENCE, COMMENCEMENT DATE AND USE

1.1. **Grant.** Landlord agrees to lease to Tenant, and Tenant agrees to lease from Landlord, certain real property located at 102 Tenth Street, Hopewell, Virginia, having a City of Hopewell, Virginia, tax parcel number of 0630007, and as more particularly depicted on the attached Exhibit A, together with all existing rights, easements, buildings (as of the Effective Date, there is one (1) building comprising approximately 7560 square feet (the "Building") and other improvements located thereon (collectively, "Property" or "Premises").

1.2. **No Due Diligence.** Tenant hereby accepts the foregoing on an "AS-IS," "WHERE-IS" basis. Tenant acknowledges that neither Landlord nor any representative of Landlord has made any representation as to the condition of the Property except as specifically set forth in this Lease. Pursuant to Section 5 of this Lease, Tenant shall maintain commercial general liability insurance with limits of at least \$_____ per occurrence and \$_____ aggregate and shall provide a certificate of insurance evidencing the same to Landlord upon request.

1.3. **Commencement Date.** The term of this Lease shall commence on _____, 2025 (the "Commencement Date").

1.4. **Permitted Use.** Tenant may, throughout the Term, use and occupy the Property for _____ (the "Permitted Use"), which includes use of the Property for general warehouse, offices and other related uses. Tenant shall not be prohibited from using the Property for any purpose incidental to the Permitted Use unless expressly restricted by this Lease or applicable "Laws", which shall mean all laws, statutes, codes, ordinances, governmental rules, regulations, or requirements, or judicial or administrative rules, orders, or decrees. Tenant acknowledges and agrees that the Permitted Use is a critical element of the bargain of the parties hereto and that actual and substantial detriment will result to Landlord in the event that a change or deviation in such uses shall occur or be permitted without the express written consent of Landlord. Notwithstanding the terms of this Section 1.4, Tenant shall not be obligated to occupy the Premises at all times during the Term.

1.5. **Nuisance.** Tenant shall not perform any acts or carry on any practices which may damage the Building or the Premises, violate any certificate of occupancy affecting same, constitute a public or private nuisance or a menace to the general public, produce undue noise, create obnoxious fumes or odors or otherwise cause unreasonable interference with Landlord, create any environmental hazard, all the foregoing as determined in the sole opinion of Landlord.

1.6. **Waste, Etc.** Tenant agrees not to (a) permit any unlawful or immoral practice to be carried on or committed on the Premises; (b) make any use of or allow the Premises to be used for any purpose that might invalidate the insurance thereof; (c) keep or use or permit to be kept or used on the Premises any inflammable fluids or explosives; (d) use the Premises for any purpose whatsoever which might create a nuisance or injure the reputation of the Premises or of Landlord; (e) deface or injure the Premises; (f) overload the floors; (g) sell or consume or allow the sale or consumption of alcoholic beverages on the Premises; or (h) commit or suffer any waste in or about the Premises. Tenant agrees to pay as additional rent any increase in the cost of insurance on the Premises to Landlord as a result of any unauthorized use of the Premises by Tenant, but such payment shall not constitute in any manner a waiver by Landlord of its rights to enforce all of the covenant and provisions of this Lease.

SECTION 2 – TERM AND SURRENDER/HOLDOVER

2.1. **Term.** The term of this Lease (the "Term") shall commence on the Commencement Date and expire twelve months immediately thereafter.

2.2. **Surrender; Hold Over.** On the expiration of the Term, Tenant shall surrender the Property to Landlord in substantially the same condition as of the Commencement Date, reasonable wear and tear and damage due to casualty and condemnation excepted; provided, however, Tenant may remove from the Property its furniture, trade and other fixtures, equipment, signs, vehicles, and other of Tenant's personal property located on the Property, provided Tenant repairs any damage resulting from such removal at Tenant's cost. If Tenant remains in possession of the Property after the scheduled Expiration Date, such holdover will not constitute an election to extend the Term as a month-to-month tenancy but shall create a tenant-at-sufferance. During such holdover, Landlord and Tenant will continue to be subject to the terms and conditions of this Lease, except that monthly Base Rent will increase by 115% for each month of such holdover. The increased Rent during such holding over is intended to compensate Landlord partially for losses, damages and expenses, including frustrating and delaying Landlord's ability to occupy the Premises. Such holdover may be terminated by Landlord or Tenant at any time upon 30 days' prior written notice to the other party.

SECTION 3 – RENT AND SECURITY DEPOSIT

3.1. **Base Rent.** Base Rent (defined below) shall abate and not be due during the first twelve (12) months of the Term (the "**Abatement Period**"). Subject to the remaining provisions of this Section 3, following the Abatement Period, Tenant agrees to pay to Landlord, at Landlord's notice address in Section 11 (or by electronic funds transfer (e.g., ACH), direct deposit, or on the closing statement at Closing) ("**Base Rent**"), in advance, in the amount of _____ Dollars (\$____.00) per square foot of leasable area, based on 7560 square feet of leasable square feet. Monthly Base Rent shall be payable on the first day of each month following the Abatement Period, provided that if the Abatement Period does not expire on the last day of a month, the first payment of monthly Base Rent shall include prorated monthly Base Rent for any portion of the prior month following the expiration of the Abatement Period.

3.2. **Additional Rent.** In addition to Base Rent, commencing on the Commencement Date (including during the Abatement Period), Tenant shall pay when due all amounts expressly required to be paid by Tenant pursuant to Sections 4, 5 and 6 of this Lease ("**Additional Rent**"); provided, however, notwithstanding any provision in this Lease to the contrary, in no event shall Additional Rent include Landlord's management, administrative, or related fees or the cost of (including reimbursement for) any capital repairs or replacements made by Landlord. The current estimate of the Additional Rent is \$_____ per square foot. Base Rent and Additional Rent are collectively referred to as "**Rent**". Rent shall be paid without notice, demand or offset, except as expressly set forth to the contrary in this Lease.

3.3. **Late Charge.** If any payment of Base Rent, Additional Rent or other charge payable under this Lease is not received by Landlord following its due date and such failure continues for a period of five (5) business days after written notice thereof from Landlord to Tenant, such payment shall be subject to a late payment fee of \$250.00 ("**Late Charge**").

3.4. **Security Deposit.** Tenant shall deposit with Landlord, upon execution of this Lease, _____ and 00/100 Dollars (\$____.00) as security for the faithful performance by Tenant of its commitments contained herein (the "**Security Deposit**"). Landlord may retain the Security Deposit if Tenant: (a) vacates the Premises leaving unpaid Base Rent or charges owed to Landlord, (2) leaves the Premises unclean or damaged beyond the limits of normal wear and tear, or (3) fails to keep current its obligation to pay Base Rent or other financial obligations due hereunder, or fails to perform any of its other obligations hereunder which result in costs or expenses to Landlord to perform Tenant's obligations, in which event the Security Deposit, or any portion thereof, may be applied by Landlord to fulfill such obligations. The provisions of this paragraph shall not limit the amount of any claim by Landlord against Tenant under any other terms or provisions of this Lease.

SECTION 4 – TAXES AND UTILITIES

4.1. **Utilities.** The Property has all typical and necessary public or private utilities (specifically including but not limited to water, gas, electric, sanitary sewer, storm sewer and data or telecommunications utilities) on and serving the Property. From and after the Commencement Date and throughout the Term, Tenant shall pay when due, all charges for utility services provided to the Property and used by Tenant. Tenant shall procure all desired utility services and provide all deposits required by the public utilities to provide utilities services to the Property during the Term, provided any deposits shall remain the property of Tenant. Landlord will not be liable to Tenant for an

interruption in utility services to the Property, unless the interruption lasts for more than 48 hours and is caused by the negligence or willful misconduct of Landlord or any Landlord Parties. In all events, Landlord will use commercially reasonable efforts to cause the resumption of utility services to the Property.

4.2. Taxes.

4.2.1. During the Term, Tenant shall reimburse Landlord, as and when due and before penalty accrues for nonpayment, any and all, if any, property taxes imposed upon the Property applicable to the period of the Term by any federal, state, county, municipal, or other governmental authority ("Taxes") as stated on the tax bill(s) received from Landlord in accordance with this Section 4.2.1, which amount shall be payable as Additional Rent on or before the first (1st) day of each month of the Term. Landlord shall submit to Tenant copies of the real estate tax bills for the tax year within 30 days of Landlord's receipt thereof along with a bill payable by Tenant pursuant to the provisions of this Section 4.2.1. In no event shall any administrative or management fees be added to the amount to be paid by Tenant. Landlord agrees that Taxes upon the Property shall be paid by Landlord to the applicable taxing authority prior to the last day that the same may be paid without penalty or interest, or if a discount shall be available for early payment, prior to the last day that such discount shall be available, conditioned upon Tenant timely paying the invoice for Taxes and Landlord timely billing Tenant as set forth herein.

4.2.2. Tenant shall have the right, at its sole option and at its sole expense, to appeal, challenge, or seek modification of any Tax assessment or billing for Taxes related to the Tenant's Personalty, defined below. If Landlord receives notice of any Personalty Tax assessment or other Tax which may affect Tenant, Landlord shall provide timely notice of the assessment to Tenant in sufficient time to pay said Tax assessment or to allow Tenant to consent to or challenge such assessment, whether in a court, administrative proceeding, or other venue, on behalf of Tenant.

SECTION 5 – INSURANCE

5.1. Tenant's Insurance. Tenant shall, at Tenant's cost, obtain and keep in full force during the Term of this Lease the following insurance:

5.1.1. "Commercial General Liability Insurance" written on an occurrence basis, with a combined single limit for bodily injury and property damages of not less than \$_____.00 per occurrence and \$_____.00 in the annual aggregate (with said policy limits capable of being met through a commercial "umbrella" policy).

5.1.2. These minimum limits of policies and Tenant's procurement and maintenance of insurance under this Section 5.1 shall not limit the liability of Tenant under this Lease. The Commercial General Liability Insurance policy shall name Landlord, and, at Landlord's request, Landlord's property manager and lender, if applicable, as additional insureds with an appropriate endorsement to the policy. On or before the Commencement Date, Tenant shall provide to Landlord a certificate of insurance evidencing the coverage in this Section 5.1. No such policy shall be cancelable except after 30 days prior written notice to Landlord. All such policies shall be endorsed to identify that Tenant's policy is primary and that any insurance carried by Landlord is in excess of, and not contributing with, any Tenant insurance required in this Section 5.1. Tenant shall, upon renewal of such policies, furnish Landlord with certificates of insurance. Tenant agrees that if Tenant does not take out and maintain such insurance or furnish Landlord with certificates in a timely manner, Landlord may (but shall not be required to) procure said insurance on Tenant's behalf and charge Tenant the cost for such insurance, which amount shall be payable by Tenant upon receipt of an invoice from Landlord, the amount being considered as Additional Rent. Tenant shall have the right to provide such insurance coverage pursuant to blanket policies obtained by Tenant, provided such blanket policies expressly afford coverage to the Property and to Tenant as required by this Lease.

5.2. Landlord Insurance. Landlord may, at Landlord's cost, obtain and keep in full force during the Term of this Lease, fire and extended coverage property building insurance ("all risk") in an amount equal to the full replacement value of the Property. Tenant shall reimburse Landlord for the insurance premiums applicable to the extended coverage property business insurance for the Property, which amount shall be payable as Additional Rent on or before the first (1st) day of each month of the Term and shall be equitably proportioned if such policy covers real property in addition to the Property. Landlord may, at its option and sole cost, maintain any other insurance

deemed necessary or desirable to Landlord in Landlord's discretion, including but not limited to lessor's risk insurance in such amounts as Landlord shall elect, business interruption insurance endorsement for loss of rents, and/or a Commercial General Liability Insurance policy. Any other insurance Landlord elects to maintain on its own behalf shall be independent of Tenant's insurance, and Tenant shall have no obligation to pay, or otherwise reimburse, Landlord for any of the same, except for the reimbursement of insurance premiums applicable to the extended coverage property building insurance for the Property.

5.3. Indemnification. Except for the negligence or willful misconduct of Landlord and/or any Landlord Parties, Tenant shall indemnify, defend (with counsel reasonably acceptable to Landlord) and hold harmless Landlord and Landlord's employees and agents (collectively, "**Landlord Parties**") from and against any and all claims, actions, demands, liabilities, damages, costs, penalties, forfeitures, losses or expenses including, without limitation, reasonable attorneys' fees (collectively, "**Claims**"), arising from: (a) Tenant's use of the Property; and (b) the conduct of Tenant's business from, or any activity, work, or things done, permitted, or suffered by Tenant in, on, or about, the Property. The indemnity obligations of the parties in this **Section 5.3** shall survive any expiration or sooner termination of this Lease.

5.4. Waiver of Subrogation. Landlord and Tenant each waive all claims which arise or may arise in its favor and against the other during the Term for any and all loss of, or damage to, any of its property located within or upon, or constituting a part of, the Property, which loss or damage is covered by valid and collectible fire and extended coverage, general liability, liquor liability or worker's compensation insurance policies, to the extent such loss or damage is recoverable under such policies. Inasmuch as the above mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation (or otherwise) to an insurance company (or any other person), Landlord and Tenant each agree to give to each insurance company which has issued to it policies of insurance, written notice of the terms of said mutual waivers, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverages by reason of said waivers. The above waiver of subrogation applies whether or not there are any deductibles or self-insurance.

5.5. Damage or Destruction. If the Property is damaged by fire or any other casualty ("**Casualty Loss**"), Tenant shall give prompt written notice to Landlord and Tenant shall have the right to terminate this Lease upon written notice to Landlord. In the event of a Casualty Loss, if Tenant does not terminate this Lease, subject to the remaining provisions of this **Section 5.5**, Landlord shall, to the extent of the insurance proceeds received by Landlord for such repair and restoration, proceed to repair and restore the Property to substantially the same condition as existed before the damage with commercially reasonable promptness and diligence. No penalty shall accrue to Landlord for reasonable delay which may arise by reason of adjustment of insurance on the part of Landlord, or on account of labor problems, or any other cause beyond Landlord's reasonable control. Notwithstanding the above, if the Casualty Loss damages the Building to the extent of fifty percent (50%) or more of the cost of replacement, Landlord may, in its sole discretion, elect to terminate the Lease (which termination is deemed to be effective as of the date of the Casualty Loss) with no further obligation to repair or restore the Property being imposed upon Landlord otherwise required under this **Section 5.5**. Upon termination of this Lease in accordance with this **Section 5.5**, Tenant shall have no further obligation to pay Rent (and any Base Rent prepaid for the period after such termination shall be refunded to Tenant).

SECTION 6 – PREMISES CONDITION AND MAINTENANCE

6.1. Commencement Date Condition. On the Commencement Date, Tenant shall obtain exclusive possession of the Property and all Building systems in their then-current condition (the "**Commencement Date Condition**").

6.2. Landlord Repairs. During the Term, at its sole cost (and without reimbursement from Tenant), Landlord shall: (a) repair all damage to the Property caused by subsidence, settling of land or other structural or latent defects; (b) perform all ongoing maintenance, repairs and/or replacements to all structural elements of the Building, including, without limitation, the foundation, walls, floors, exterior doors and windows, framing, roof system, roof surfacing and support, gutters, downspouts, and canopy, and the parking lot, drive aisles, landscaping and other exterior improvements on the Property; (c) replace the Building systems and/or HVAC system(s) if necessary during the Term; and (d) be responsible for all capital improvements and replacements at or to the Property to improve or

increase its value, prolong its useful life or adapt it to new uses, as well as other improvements, the costs of which are required to be depreciated under generally accepted accounting principles (collectively, "**Landlord Repairs**"). Tenant shall promptly notify Landlord of the need for Landlord Repairs, and Landlord shall promptly perform such Landlord Repairs. Notwithstanding the foregoing, Tenant shall reimburse Landlord for the reasonable, actual costs of any Landlord Repairs which are caused by Tenant's (or its agents', employees' or contractors') gross negligence or willful misconduct, first occurring after the Commencement Date, within 30 days of Landlord's written demand therefor (such demand to be accompanied by reasonable documentation to support the cause and costs of the Landlord's Repairs). If Landlord fails to perform any Landlord Repairs within 60 days after receiving notice or knowledge of the need for Landlord Repairs (except in cases of emergency, including to remedy any condition where the Property may not be reasonably used for the Permitted Use, when Tenant may immediately perform such repairs and provide notice to Landlord as soon as commercially practicable after completion of same), such 60-day period being subject to reasonable extension if it reasonably takes Landlord more than 60 days to so perform, so long as Landlord commences such performance within such 60-day period and thereafter diligently prosecutes such performance to completion, then Tenant may, but shall have no obligation to, make such Landlord Repairs and all costs reasonably incurred by Tenant in performing such Landlord Repairs shall be reimbursed by Landlord within 60 days following Landlord's receipt from Tenant of an invoice and reasonable documentation of costs incurred.

6.3. Tenant Maintenance and Premises Care. Throughout the Term, except for the Landlord Repairs, Tenant shall be responsible for the routine maintenance and upkeep of the Property and at least quarterly maintain or repair the HVAC system(s) (collectively, "**Tenant Maintenance**"), such that the Property is kept in substantially the same condition as of the Commencement Date, reasonable wear and tear or casualty damages excepted. Tenant shall keep in force or maintain a contract for maintenance and repair of the HVAC systems at the Premises at Tenant's sole expense with a licensed contractor approved by Landlord. In no event is Tenant required to make any capital repairs or replacements.

Tenant shall not make any material alterations or installations in, on, under or about the Premises without Landlord's prior written consent, said consent may be withheld and/or conditioned. Tenant may, however, make non-structural installations to the interior of the Premises (excluding the roof), as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing bearing walls. Any alterations or installations that Tenant shall desire to make which require the consent of Landlord shall be presented to Landlord in written form with proposed detailed plans. All consents given by Landlord shall not be unreasonably withheld or delayed and shall be deemed conditioned upon: (a) Tenant's acquiring all applicable permits required by governmental authorities, (b) the furnishing of copies of such permits together with a copy of the plans and specifications to Landlord prior to commencement of the work thereon, and (c) the compliance by Tenant with all conditions of said permits in a prompt and expeditious manner. Any alterations or installations by Tenant during the term of this Lease shall be done in a good and workmanlike manner, with good and sufficient materials, and in compliance with all Laws. Tenant Maintenance shall include the repair of any damage occasioned by the installation, maintenance or removal of Tenant's trade fixtures, furnishings, equipment, alterations and/or installations.

Tenant's trade fixtures shall remain the property of Tenant and shall be removed by Tenant, subject to its obligation to repair the Premises pursuant to this Lease. All alterations and installations made to the Premises by Tenant shall be the property of and owned by Tenant but considered a part of the Premises. Unless removed by Tenant without materially damaging the Premises, all Tenant owned alterations and installations shall, at the expiration or earlier termination of this Lease, become the property of Landlord and remain upon and be surrendered by Tenant with the Premises.

If Tenant fails to perform any Tenant Maintenance within 30 days after receiving notice or knowledge of the need for Tenant Maintenance (except in cases of emergency, when Landlord may immediately perform such maintenance and provide notice to Tenant as soon as commercially practicable after completion of same), such 30-day period being subject to reasonable extension if it reasonably takes Tenant more than 30 days to so perform, so long as Tenant commences such performance within such 30-day period and thereafter diligently prosecutes such performance to completion, then Landlord may, but shall have no obligation to, perform such Tenant Maintenance and all costs reasonably incurred by Landlord in so performing shall be reimbursed by Tenant within 30 days following Tenant's receipt from Landlord of an invoice and reasonable documentation of costs incurred.

6.4. **Premises Care.** Tenant shall (a) perform all loading and unloading of goods shall be done only at such time, in the areas and through the entrances designated for such purposes by Landlord; (b) keep all garbage and refuse shall be kept in the kind of container specified by Landlord and shall be placed outside of the Premises prepared for collection in the manner and at the times and places specified by Landlord. Tenant shall pay the cost of removal of all of Tenant's refuse or rubbish; (c) keep the Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures; (d) keep the areas within and immediately adjacent to the Premises clean and free from debris and rubbish and snow as well as sweep the sidewalk in front of the Premises and keep the windows and sills clean; (e) ensure that the plumbing facilities shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be discarded therein; and (f) shall not burn any trash or garbage of any kind in or about the Premises.

6.5. **Mechanics' Liens.** Tenant will use all commercially reasonable efforts to prevent any mechanics' or materialmen's liens from attaching or being filed upon any portion of the Property as a result of any action by Tenant (or its agents, contractors or employees). Within thirty (30) days after receiving notice of any such lien, Tenant will remove or expeditiously contest such lien, in which case Tenant will post a bond (if required) in accordance with applicable Laws. If Tenant fails to act within such thirty (30)-day period, Landlord may take such steps as it deems reasonably necessary to remove the lien, including settlement and payment of the lien, and Tenant will reimburse Landlord upon demand for any amount so expended. Tenant agrees to indemnify, defend (with counsel acceptable to Landlord) and hold Landlord harmless from and against any and all Claims resulting from any mechanics' or materialmen's liens threatened or filed upon any portion of the Property as a result of any action by Tenant (or its agents, contractors or employees). Landlord agrees to indemnify, defend (with counsel acceptable to Tenant) and hold Tenant harmless from and against any and all Claims resulting from any mechanics' or materialmen's liens threatened or filed upon any portion of the Property as a result of any action by Landlord (or its agents, contractors or employees).

SECTION 7 – TRANSFERS

7.1. **Tenant Transfers.** Other than a transfer to an affiliate or successor ("**Permitted Transfer**"), which shall not require Landlord's consent, Tenant shall not assign this Lease (collectively, "**Transfer**") without Landlord's prior written consent. An "**affiliate or successor**" shall mean: (a) any entity that acquires all or substantially all of the assets of Tenant; (b) any entity that is the resulting entity of a merger or consolidation of Tenant with another entity; or (c) an entity which is controlled by, controls or is under common control with Tenant. No subletting of the Property or assignment of this Lease by Tenant will relieve Tenant of its liabilities or obligations under this Lease; provided that if Landlord and the assignee materially modify Tenant's obligations under this Lease without Tenant's consent, Tenant will not be liable for any obligations arising from such modification. An assignment other than a Permitted Transfer without Landlord's consent as required above shall be void and shall constitute an Event of Default by Tenant under this Lease. Landlord's consent to any assignment shall not operate as a waiver of the necessity for Landlord's prior written consent to any subsequent assignment.

7.2. **Landlord Transfers.** Landlord may transfer the Property and/or interests in Landlord from time to time, including without limitation, transfers to its affiliates or successors (collectively, "**Landlord Assignees**"), provided Landlord has notified Tenant in writing of such transfer, and provided, further, that the Landlord Assignee assumes the terms of this Lease. In the event that Landlord sells, assigns or otherwise transfers, in whole or part, Landlord's interest in the Property or this Lease to a Landlord Assignee, Landlord shall be released from any and all further liability to Tenant under this Lease accruing after the date of the transfer, provided that the Landlord Assignee assumes all obligations of Landlord accruing under this Lease after the date of the transfer.

7.3. **Landlord Financing; Estoppel Certificate.** Provided that the holder of any mortgage, deed of trust, ground or master lease, or other security instrument encumbering the Property ("**Encumbrance**") agrees not to disturb Tenant's rights under this Lease so long as there is no continuing Event of Default by Tenant, this Lease shall be and is subject and subordinate to the lien of any and all Encumbrances, and any and all renewals, modifications, consolidations, replacements and extensions of such Encumbrances. This subordination shall be self-operative, and no further instrument will be required in order to affect it; provided, however, if Tenant so requests, Landlord shall use commercially reasonable efforts to obtain from the holder of any Encumbrance as of the Effective Date a commercially reasonable subordination, non-disturbance and attornment agreement. Within 30 days after written request from Landlord in connection with a proposed sale, financing or refinancing of the Property, Tenant shall deliver to Landlord a statement in writing certifying: (a) that this Lease is unmodified and in full force and effect, or,

if modified, stating the nature of such modification; (b) that there are not, to Tenant's actual knowledge, any defaults (beyond all applicable cure periods) by Landlord or Tenant, or specifying the same if any are claimed; and (c) any other information reasonably requested by Landlord.

SECTION 8 – REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1. Tenant. Tenant represents, warrants, and covenants unto Landlord the following:

8.1.1. The person executing this Lease is fully authorized and empowered to execute this Lease and to bind Tenant. This Lease, when executed and delivered, shall be valid and binding upon Tenant.

8.1.2. Tenant's use of the Property shall comply with all applicable Laws, including, but not limited to, those relating to health, safety, or the environment ("**Environmental Laws**"). In no way limiting the generality of the foregoing, subject to the last sentence to this paragraph, Tenant shall not cause or permit the use, generation, storage, or disposal in or about the Property, of any substances, materials or wastes subject to regulation under legal requirements from time to time in effect concerning hazardous, toxic, or radioactive materials or contaminants ("**Hazardous Materials**") in violation of Environmental Laws. Notwithstanding anything to the contrary in this Lease, Hazardous Materials shall not include, and Tenant may handle, store, use or dispose of, products containing Hazardous Materials to the extent the same are customary in the ordinary course of Tenant's business, provided that Tenant shall in all events handle, store, use, and dispose of any such materials in compliance with Environmental Laws.

Upon not less than 48 hours' prior written notice (except in the case of an emergency, in which event Landlord shall provide written notice as soon as is practicable under the circumstances but Landlord agrees to make reasonable efforts to contact Tenant by telephone, text message, or Email), Tenant agrees to permit Landlord and its authorized representatives to enter, inspect, and assess the Property at reasonable times for the purpose of determining Tenant's compliance with the provisions of this Section 8.1.2; provided, however, Landlord agrees to use commercially reasonable efforts to avoid unreasonably interfering with Tenant's business operations during any such entry onto the Property.

8.2. Landlord. Landlord represents, warrants, and covenants unto Tenant the following:

8.2.1. The person executing this Lease is fully authorized and empowered to execute this Lease and to bind Landlord and the Property. This Lease, when executed and delivered, shall be valid and binding upon Landlord.

8.2.2. Landlord owns fee title interest in the Property and Landlord is authorized to grant to Tenant a leasehold interest in the Property under the terms of this Lease without reservation or approval by any other person or entity. Title to the Property is free of all monetary encumbrances other than those of public record by the holder of any Encumbrance.

8.2.3. The execution and performance of this Lease will not result in any breach of, or constitute a default under any instrument or document to which Landlord is a party, or its Property secured (including, without limitation, any Encumbrance), or by which it may be bound or affected, or violate the rights of any third parties or any governmental regulation, ruling or order.

8.2.4. Landlord waives and releases any and all liens, security interests, and rights of Landlord created, granted, or imposed by statute, law, or regulation ("**Statutory Liens**") on, in, or to any tangible personal property of Tenant located at any time on the Property ("**Tenant Personality**").

8.2.5. So long as no Event of Default by Tenant has occurred and shall be continuing, Tenant shall peaceably and quietly have, hold, and enjoy the Property for the Term, free of any claim or other action by Landlord or anyone claiming by, through or under Landlord.

8.3. Survival and Indemnity. All representations and warranties of Tenant and Landlord stated in this Section 8 shall survive the termination of this Lease with respect to any claims or liability accruing prior to such

termination.

SECTION 9 – EVENTS OF DEFAULT

9.1. Default by Tenant. The following events shall be deemed to be “**Events of Default**” by Tenant under this Lease:

9.1.1. Tenant shall fail to pay any installment of Rent or Additional Rent or other sum of money payable under this Lease, and such failure continues for a period of five (5) business days after written notice thereof from Landlord to Tenant (a “**Monetary Event of Default**”); provided, however, Landlord agrees that the first late payment in any calendar year shall not constitute a Monetary Event of Default if Tenant pays the delinquent amount within five (5) business days after receiving written notice from Landlord;

9.1.2. Tenant shall fail to comply with any term, provision, or covenant of this Lease, other than the payment of Rent or other sum of money payable under this Lease, and shall not cure such failure within 30 days after receiving written notice from Landlord; provided, however, if Tenant is not reasonably able to cure the default within a 30-day period, Tenant will have an additional reasonable period of time to cure the default as long as Tenant commences the cure within the 30-day period and diligently pursues the cure to completion;

9.1.3. Tenant shall admit in writing its inability to pay its debts as they become due or Tenant shall file a petition under any section or chapter of the U.S. Bankruptcy Act, as amended, or a receiver or trustee shall be appointed for all or substantially all of the assets of Tenant or any of Tenant’s property located on the Property, unless the receivership is terminated within 60 days of appointment; or

9.1.4. Tenant makes a representation or warranty in this Lease, or in any certificate, demand, or request made under this Lease, which proves to be incorrect, at any time, in any material respect.

9.2. Default by Landlord. The following events shall be deemed to be “**Events of Default**” by Landlord under this Lease:

9.2.1. Landlord shall fail to comply with any term, provision or covenant of this Lease and shall not cure such failure within 30 days after receiving written notice from Tenant; provided, however, if Landlord is not reasonably able to cure the default within a 30-day period, Landlord will have an additional reasonable period of time to cure the default as long as Landlord commences the cure within the 30-day period and diligently pursues the cure to completion; or

9.2.2. Landlord makes a representation or warranty in this Lease, or in any certificate, demand, or request made under this Lease, which proves to be incorrect, at any time, in any material respect.

9.3. Uncontrollable Forces. Any prevention, delay or stoppage due to strikes, lockouts, acts of God, enemy or hostile governmental action, civil commotion, epidemic/pandemic, fire or other casualty beyond the control of the party obligated to perform shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage, except the obligations imposed on the parties to satisfy such parties’ respective monetary obligations under this Lease, including, without limitation, Tenant’s obligation to pay Rent.

SECTION 10 – REMEDIES

10.1. Landlord’s Remedies.

10.1.1. Upon the occurrence of an Event of Default by Tenant, with or without notice or demand, except as otherwise expressly provided in this Lease or such other notice as may be required by statute and cannot be waived by Tenant, Landlord shall, as its sole and exclusive remedies, have the right and option to either: (a) terminate this Lease in which event all Base Rent shall be retained by Landlord as liquidated damages; or (b) if the default is not a Monetary Event of Default, cure such default on behalf of Tenant (and the reasonable cost of such curing shall be due and payable to Landlord, as Additional Rent, within 10 days after the date of Tenant’s receipt of written notice of such costs from Landlord).

10.1.2. The failure of Landlord to declare any default immediately upon occurrence of such default, or delay in taking any action in connection with such default, shall not waive such default, but Landlord shall have the right to declare any such default at any time and take such action as might be lawful or authorized under this Lease, at law or in equity. No act or omission by Landlord or Landlord's agents shall be deemed an acceptance of surrender by Landlord of the Property, and no agreement by Landlord to accept a surrender of the Property shall be valid unless it is in writing and signed by a duly authorized agent of Landlord. Upon any Event of Default by Tenant, Landlord shall use commercially reasonable efforts to mitigate damages, including, without limitation, reletting the Property.

10.1.3. Notwithstanding anything to the contrary in this Lease, in no event is Tenant or any Tenant Parties liable to Landlord or any other person for consequential, indirect, special, or punitive damages arising out of this Lease.

10.2. Tenant's Remedies. Upon any Event of Default by Landlord, Tenant may pursue any one or more of the following courses of action (in addition to enforcing all other rights or remedies provided under this Lease or at law or in equity):

10.2.1. Tenant may terminate this Lease; or

10.2.2. Tenant may waive the default, Tenant may elect to cure the default, in which event this Lease shall continue in full force and effect.

SECTION 11 – NOTICES

11.1. Notices and remittance shall be in writing and shall be given by personal delivery, overnight delivery, or electronic mail transmission ("**Email**"). If personally delivered, a notice shall be deemed given and received upon such delivery. If sent by overnight courier service, a notice shall be deemed given upon deposit with such courier and deemed received upon actual receipt or refusal of delivery at the notice address. If sent by Email, a notice shall be deemed given and received when such Email is transmitted to the notice address, using the time stamp on the sender's Email. The notice addresses for Landlord and Tenant are as follows (but may be changed upon notice given in accordance with these requirements).

Landlord:

City of Hopewell, Virginia
Office of the City Attorney
Attn: Anthony R. Bessette
300 N. Main street, Suite 219
Hopewell, VA 23860
Email: abessette@hopewellva.gov

Tenant:

City of Refuge Hopewell, Inc
Attn:
2300 Bluefield Street
Hopewell, VA 23860
Email:

SECTION 12 – GENERAL PROVISIONS

12.1. Entire Agreement. This Lease contains the entire agreement between the parties and all prior drafts, correspondence, and/or other communications are superseded. This Lease cannot be changed, modified, or amended unless such change, modification or amendment is in writing and executed by the party against which the enforcement of the change, modification or amendment is sought.

12.2. Incorporation of Exhibits. All exhibits attached to this Lease are incorporated into this Lease by this reference.

12.3. Partnerships. Nothing contained in this Lease shall be construed to make Landlord and Tenant partners or joint venturers or to render either party liable for any debts or the obligations (including, without limitation, any tax liabilities) of the other, but if there is more than one person or entity constituting Landlord or Tenant, the obligations imposed under this Lease upon Landlord or Tenant are joint and several.

12.4. Choice of Law. This Lease and the rights and obligations of the parties shall be interpreted and construed in accordance with and governed by the laws of the Commonwealth of Virginia.

12.5. Waiver of Jury Trial. IN ANY JUDICIAL PROCEEDING RELATING TO THIS LEASE, LANDLORD AND TENANT WAIVE VOLUNTARILY TRIAL BY JURY AND AGREE THAT THE PROCEEDING SHALL BE TRIED EXCLUSIVELY BY THE COURT AND NOT A JURY.

12.6. Attorneys' Fees. If Landlord commences a legal action against Tenant arising out of or in connection with this Lease, Landlord shall be entitled to recover from Tenant the reasonable attorneys' fees, court costs, investigation expenses, discovery costs and costs of appeal incurred by it in the legal action.

12.7. Time of the Essence. Time is of the essence with respect to all matters set forth in this Lease. However, if the terms of this Lease provide for the performance of any act or the expiration of any time period on a Saturday, Sunday, or holiday in the state in which the Property is located, the due date or the expiration date shall take place on the next date that is not a Saturday, Sunday, or holiday, as applicable.

12.8. Waiver. Any waiver of any right, remedy, or other term or provision of this Lease must be in writing, must expressly identify the provision waived and must be executed by the party or parties against whom such waiver is to be enforced. Without limiting the foregoing, the failure of either party to seek redress for violation of or to insist upon the strict performance of any term, covenant, or condition contained in this Lease shall not constitute a waiver of such provision on any subsequent occasion or of any other right and/or remedy available to such party under this Lease.

12.9. Construction of Lease; Severability. The captions of this Lease are for convenience and in no way define, limit, or describe the scope of this Lease or the intent of any provision of this Lease. This Lease has been negotiated between parties of comparable bargaining power with the assistance of counsel and shall be applied according to the normal meaning without regard to the general rule that contractual provisions are to be construed narrowly against the drafting party or any similar rule of construction. If any provision of this Lease is held to be unenforceable by a court of competent jurisdiction, the balance shall remain in full force and effect, and such unenforceable provision shall be construed or reformed by such court in order to give the maximum permissible effect to the intention of the parties as expressed.

12.10. Successors and Assigns; Third Party Beneficiaries; Definition of Landlord and Tenant. The covenants and agreements contained in this Lease shall bind and inure to the benefit of Landlord and its permitted successors and assigns and Tenant and its permitted successors and assigns. There are no third-party beneficiaries to this Lease. The terms "**Landlord**" and "**Tenant**" shall include each of Landlord and Tenant and its respective successors and permitted assigns and transferees.

12.11. Approval or Consent. Wherever in this Lease provision is made for the approval or consent of any party, unless expressly provided otherwise, such approval or consent shall not be unreasonably withheld, delayed, or conditioned by such party.

12.12. Brokers. None.

12.13. Counterparts; Electronic Signatures. This Lease may be executed in counterparts, all of which, together, shall constitute a single instrument. Signatures provided by email, through scanned or electronically transmitted .pdf or other commercially accepted format, shall be accepted as originals.

[SIGNATURE PAGE FOLLOWS]

Landlord and Tenant have executed this Lease Agreement as of the Effective Date.

LANDLORD:

THE CITY OF HOPEWELL, VIRGINIA,
a political subdivision of the Commonwealth of Virginia

By: _____
Name:
Title:

TENANT:

CITY OF REFUGE HOPEWELL, INC,
a Virginia non-stock corporation

By: _____
Name:
Title:

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

ADJOURNMENT