

## Group Rental Agreement

This Group Rental Agreement (this “*Agreement*”) is entered into as of **Month Day**, 2020 (the “*Effective Date*”) between **[Owner & Property Name]** (the “*Hotel*”), whose principal offices are located at **[Property Address]**, and the City of **[City Name]** (the “*City*”), an **State** municipal corporation and home rule unit of government, through its Department of Assets, Information and Services (“*DAIS*”), whose principal offices are located at **[City Office address]**

### Background Information

- A. Due to the COVID-19 Pandemic the City is in immediate need for accommodations for persons who do not need treatment in hospitals but who may need to be isolated because they have contracted COVID-19 or quarantined either because they have been exposed to persons with COVID-19 or they are members of high risk groups who need to be protected from exposure to COVID-19 (the “*Group*”).
- B. The City desires to obtain accommodations for these people who do not need treatment in hospitals so that hospitals in the area will not be overburdened with caring for these people.
- C. The City desires to rent a block of rooms from the Hotel, which could consist of all rooms in the Hotel to provide for the above-described accommodations and the Hotel is willing to rent this block of rooms to the City pursuant to the terms and conditions of this Agreement.

### Statement of Agreement

The Parties acknowledge the foregoing Background Information, and in consideration for the covenants set forth herein, hereby agree as follows:

§1. Guest Room Accommodations. The City agrees to rent a block of **X** hotel rooms from the Hotel for a period of not less than 60 days, commencing **Start Date** through **End date** (as such period may be extended pursuant to §2 below, the “*Rental Period*”); provided, however, during the first 30 days of the Rental Period, the City may rent less than the full block of **X** hotel rooms as it ramps up occupancy, but in no event may the City rent less than **X** rooms during the initial 30 days, whether or not such rooms are occupied. The Hotel will not rent rooms to other guests during the Rental Period.

§2. City’s Right to Extend Rental Period. The City shall have the option of extending the Rental Period for up to four (4) additional 30 day periods provided that it gives the Hotel written notice (which may be accomplished through e-mail) of the exercise of the extension not less than 21 days prior to termination of the then pending Rental Period.

§3. Use of Guest Rooms. The City will use the rooms only for accommodations as typical hotel guest rooms for members of the Group and will not use the rooms to provide hospital services, sanitarium services, rehabilitation services, intermediate care services, sheltered care services, skilled nursing care or services or any other health care or services, in each case to the extent a facility license is required under **State** law for such services. The City’s Department of Public Health (“*CDPH*”) employees or other trained personnel will solely make all determinations

regarding those persons who are eligible to be members of the Group, including without limitation those persons who do not need hospital or more extensive health care services. Any health services that are provided to members of the Group while they are using any of the guest rooms will be in the nature of home health services or paramedic services provided to persons in their own homes and the City will only permit such services to be provided by duly licensed persons to the extent such person are required to be licensed to provide such services. There will be no general visitation by outsiders permitted. CDPH employees or other trained personnel will be responsible for screening and limiting visitors to any of the Guests (as defined below) occupying rooms.

§4. Reservation Method. City personnel will provide the Hotel general manager with a list of persons who will be occupying rooms pursuant to this Agreement (each a “*Guest*” and collectively “*Guests*”) and will update the list daily for any changes that occur, including all new arrivals and all departures. City personnel will be responsible for assigning rooms to Guests and will be responsible for determining any segregation of Guests on particular floors. Because the Hotel will not be renting rooms during the Rental Period to guests who are not members of the Group, the Hotel will not be operating the front desk or reservation system, but will make its reservation system available to the City upon request. All Guests shall be required to complete certain portions of the Hotel registration forms as the City and the Hotel mutually agree is necessary (for example, payment information will not be required).

§5 Hotel Services and Amenities. The parties shall provide the following services to each of the Guests during the Rental Period, subject to the limitations set forth below:

(a) Utilities. The Hotel shall provide all Guests with utilities, HVAC, cable television, internet access and internal telephone service. These services are included with the per Room charge.

(b) Housekeeping and Laundry. The Hotel will provide each of the Guests on a weekly basis linens and terry goods (towels, etc.), provided that all housekeeping services, except as set forth in (g) below, shall be provided by or arranged by CDPH employees or other trained personnel, including without limitation cleaning rooms, changing linens or terry goods or arranging for laundering of Guests’ clothing. CDPH employees or other trained personnel shall also be responsible for moving trash/waste from Guest rooms to the Hotel’s dumpsters. The Hotel currently sends all laundry offsite. CDPH employees or other trained personnel will deliver all dirty or soiled laundry, linens and terry to a centralized location at the Hotel, and the Hotel will arrange for it to be sent to the offsite laundry service. Hotel personnel will deliver laundered linens and terry to specified floors and those items will be taken to Guest rooms by CDPH employees or other trained personnel. The City and CDPH has represented that after departure of any Guests the rooms are not hazardous and do not pose a risk to persons cleaning them. Accordingly Hotel housekeepers will be required to clean rooms upon the departure and check-out of each Guest. If CDPH employees or other trained personnel determine that a room is hazardous or poses a risk to persons who would be cleaning the room, that room will be cleaned by CDPH employees or other trained personnel.

(c) Food Service. Due to licensing requirements and quality control issues, all food and beverage to be served on the Hotel property (excluding commercially packaged snacks or convenience food delivered by CDPH employees or other trained personnel, such as candy,

chips and soda) must be supplied and prepared by the Hotel. During the Rental Period the Hotel shall prepare and provide three meals a day for each of the Guests and will package them and bundle them for delivery. The meals will be delivered to the Guests by CDPH employees or trained personnel. All menu selections will be determined by CDPH employees or trained personnel and shall be submitted at least 24 hours in advance. The Hotel will not operate room service.

(d) Amenities. Guests shall not be entitled to use or be given access to the lobby business center, printing, the fitness center, restaurants, the barista bar, the grab-n-go, public rest rooms or public telephones and the Hotel shall not operate or provide any of those services.

(e) Security. During the Rental Period, the City shall, at its own cost and expense, arrange for off duty policemen or other security, including any security necessary to enforce any restrictions imposed upon the Guests by the City or CDPH employees or other trained personnel.

(f) Fire Evacuation Protocol. The City shall develop a clear fire evacuation plan and protocol which shall be subject to the Hotel's review and approval, and it will implement such plan and protocol with respect to all Guests. The Hotel agrees to cooperate with the City to amend the Hotel's existing fire evacuation plan and protocol for the City's use.

(g) Room Cleaning After Discharge. During the Rental Period the Hotel shall provide cleaning services between room uses except if CDPH employees or other trained personnel determine the room is hazardous or poses a risk to the person cleaning the room (as provided in Section 5(b) above), and shall also be responsible for cleaning and maintaining all common areas.

For the avoidance of doubt, except as set forth in (g) above, the Hotel's employees or contractors will not access individual guest rooms of any quarantined or isolated Guest for any reason during the Rental Period, and Hotel shall be responsible for ensuring that employees and contractors comply with this restriction. Except as expressly set forth in (g) above, all in-room services shall be provided by CDPH employees or other trained personnel.

The City shall provide appropriate and complete training to the Hotel and **UniteHERE**, Local 1 employees by competent public health professionals with respect to the presence of hotel Guests at the Hotel in a room rented by the City, and shall provide employees with appropriate supplies and protective equipment, in accordance with recommendations of Centers for Disease Control and Prevention (CDC) and/or local public health agencies. Such training shall be provided to each employee before the employee begins work at the Hotel during the period the City rents the rooms. In the event that an employee has a reasonable concern that an assignment places the employee at risk of COVID-19 exposure, the employee may refrain from performing the assignment until the public health professionals are consulted.

§6. Agreement with **UniteHERE, Local X**. A condition to this Agreement becoming effective is the execution by the Hotel with **UniteHERE, Local X**, of a modification of the Collective Bargaining Agreement permitting the rental of rooms and provision of services as provided in this Agreement. This §6 does not apply to the City's employees.

§7. Fees and Expenses.

(a) Deposit. Upon execution of this Agreement, the City shall deposit with the Hotel the amount of \$X (the “*Deposit*”) by electronic payment to an account designated by the Hotel, which amount is equal to two weeks of single occupancy. The Hotel will hold the Deposit as security for any damage that may be caused to the Property by the City or any of its Invitees (as defined in Section 9(a)). The Hotel may use any and all of the Deposit that is necessary to pay for the repair of such damage. To the extent there is no damage to the Property (other than normal wear and tear) the Hotel shall apply the Deposit to any other amounts owed to it by the City. To the extent there are no additional amounts owed by the City, it shall return the Deposit to the City within thirty (30) days following the end of the Rental Period. The Hotel hereby reserves all other rights and remedies available to it at law or in equity for damage to the Property caused by the City or any of its Invitees. The Deposit will be held by the Hotel and may be commingled with other funds; any interest earned on the Deposit, if any, shall be the property of the Hotel.

(b) Rent for Guest Rooms. As provided in Section 1, the City will be renting a minimum of X rooms during the first 30 days of the Rental Period and then X rooms during the second 30 day period and during each renewal or extension period thereafter. The City shall pay, within ten days of billing, monthly rent for guest rooms calculated by multiplying X rooms times \$X per night per room, regardless of occupancy. Notwithstanding the foregoing, during the first 30 days of the Rental Period the monthly rent will be equal to \$X per night per room, calculated on the actual number of rooms occupied, provided that the City will pay for a minimum of 100 rooms per night during the first 30 day period, whether or not occupied. Additionally, because the City can take up to 7 days to clean and return the Property to the Hotel pursuant to Section 8, the City shall pay the Hotel reduced rent in the amount of \$X per night per room. for such 7 days, unless otherwise mutually agreed upon by the parties.

(c) Food Service Costs. All food and beverages provided by the Hotel pursuant to Section 5(c) shall be provided at the Hotel’s cost, it being understood that the Hotel will not earn a profit on this service. Costs shall include the cost of all food and beverages provided, supplies related to service, and all direct payroll and benefits of all food service personnel. The Hotel and the City will work together to develop a program where costs are targeted to be no more than \$X per day per Guest. However, such costs could be higher or lower depending upon a number of factors, including the actual occupancy of the guest rooms, and the City will reimburse actual costs whether or not higher or lower than \$X per day per Guest. The City shall have the right to review all Hotel payroll records, invoices, and other documents necessary to verify the Hotel’s costs, and the Hotel shall deliver such records upon the City’s request without delay.

(d) Additional Costs. In the event that the Hotel incurs any additional costs or expenses in order to accommodate special requests of the City or CDPH employees or other trained personnel to assist them in handling the COVID-19 pandemic, then the City shall reimburse all such additional costs and expenses, including without limitation, the \$X per hour premium payable to members of **UniteHERE, Local X**, who work in the Hotel during the Rental Period, and, in the event an insufficient number of employees are willing to work, any premium payable to obtain temporary help during the Rental Period. It is understood that the Hotel will not earn a profit under this paragraph (d) and the City will have access to records to verify costs as set forth in paragraph (c) above.

(e) Billing and Payment. The Hotel shall bill the City monthly for all rent for guest rooms, food service costs and any additional costs and expenses. The invoices shall include all cost detail for the food service component. Invoices shall be paid by the City within 10 days by electronic payment to an account designated by the Hotel.

§8. Surrender and Restoration. The City, at its sole cost and expense, shall restore any portion of the Hotel Property that it occupies (i.e., excluding the kitchen, the basement and any other portions of the Hotel that the City does not occupy under this Agreement) to the same condition as existed prior to the use by the City and its Invitees and shall be responsible for immediately repairing and/or restoring any damage to the Property and to any Hotel personal property to the extent that the City occupies such Property or uses such personal property. Within 7 days following the expiration of the Rental Period the City shall, at its sole cost and expense, cause all guest rooms and all other areas of the Hotel used by any of the Invitees to be cleaned and sanitized by a third party industrial cleaning company reasonably acceptable to the Hotel. Any improvements or betterments made by the City to the Hotel Property (which may only be made with the prior written consent of the Hotel) shall inure to and remain the property of the Hotel. The City specifically agrees to surrender and cease its use of the Property at the end of the Rental Period, and to return the same to the Hotel in the condition required above within 7 days following the end of the Rental Period. If the City or any of its Invitees fails to leave any of the guest rooms or fails to surrender any other area of the Property, the Hotel may charge the City a rental fee for each day that the City or such Invitee fails to surrender the guest room or other area in an amount that is equal to its standard room rates and the City shall pay all costs and expense incurred in evicting any Invitee who fails to leave any of the guest rooms at the end of the Rental Period. The City agrees that, in addition to the remedies expressly provided for herein, the Hotel shall have all remedies available at law or in equity for the City's failure to comply with this provision.

§9. General.

(a) Indemnification by the City. The City shall completely and unconditionally indemnify, defend and hold the Owner, its officers, managers, members, directors, employees, contractors, agents and representatives and their successors and assigns (collectively, the "**Hotel Parties**") harmless from and against any and all liabilities, losses, damages, causes of action, suits, claims, judgments or expenses, including reasonable attorneys' fees and court costs and expenses (collectively, "**Claims**"), asserted or arising out of or relating in any way, directly or indirectly from the use or occupancy of any part of the hotel property (the "**Property**") or the use of any hotel services ("**Services**") by the City or any of the City's servants, agents, licensees, employees, contractors, volunteers, or invitees (including without limitation any persons the City permits or causes to occupy any rooms in the hotel) (collectively, "**Invitees**") made or asserted directly by the Hotel or by any third parties (including any employees of the Hotel) for bodily injury, sickness, disease, loss of consortium or services, death or damage to property, by reason of or incident to the City's or its Invitees use of the Property or Services, excluding Claims arising from the gross negligence or willful misconduct of the Hotel Parties or a breach of the Hotel's obligations under this Agreement.

Notwithstanding anything set forth in this Agreement to the contrary, with respect to direct claims of the Hotel, the City shall not be required to pay the Hotel's attorneys' fees or costs and the City's obligation to indemnify shall be resolved on a comparative negligence basis.

Further, notwithstanding anything set forth in this Agreement to the contrary, Claims of the Hotel Parties shall be net of any insurance or other prior or subsequent recoveries (including under or pursuant to any insurance policy, indemnity, reimbursement agreement or contract pursuant to which or under which any Hotel Party is a party or has rights) actually received by the Hotel Parties in connection with the facts giving rise to the right of indemnification. Each Hotel Party shall use its reasonable best efforts to take all actions reasonably necessary to file claims pursuant to any applicable insurance policies. If, after using such reasonable best efforts, the Hotel Parties are unable to obtain recovery under an applicable insurance policy, then at City's request, the Hotel Parties shall reasonably cooperate with the City to take such actions as the City may reasonably request (in each case at the City's expense), including filing lawsuits or facilitating subrogation to the extent permitted by applicable law, in order to obtain recovery under the applicable insurance policies. During the Rental Period, the Hotel shall maintain all insurance policies in full force and effect as existed prior to the pandemic.

(b) Waiver and Release. Prior to permitting any of its Invitees to enter upon the Property or any part thereof, the City shall seek to obtain from each such Invitee (or the guardian of a minor or other person subject to guardianship) a signed liability waiver, in a form supplied by the Hotel, releasing and waiving the Hotel Parties from all liability for bodily injury, sickness, disease, loss of consortium or services, death or damage to property or other incidents that may occur while on the Property or using the Services.

(c) Insurance; Worker's Compensation. During the Rental Period the City shall carry and maintain for the mutual benefit of the Hotel and the City general public liability insurance against claims for personal injury, wrongful death or property damage occurring on or about the Property, naming the Hotel as an additional insured, in an amount of at least \$1 Million per occurrence and \$3 Million aggregate. The City shall obtain and maintain at all times during the Rental Period workers compensation coverage up to statutory limits covering all City employees providing services or working in the hotel Property. Any claims made by City employees shall be made to the City under its established worker's compensation process and the City will administer those claims. The City may self-insure for all insurance requirements.

(d) No Representations or Warranties Regarding Property. Notwithstanding anything herein to the contrary, the Hotel makes no representations or warranties regarding the condition of the Property. The City accepts the Property in its "AS IS, WHERE IS" condition with all faults.

(e) Licenses and Permits. The City shall, at its sole cost and expense, obtain any and all permits, licenses, and other approvals necessary for any activities or services it will conduct or provide on the Property. Nothing contained herein shall be deemed a representation by the Hotel that such use is allowable or that such permits, licenses, and other approvals are obtainable. The Hotel shall reasonably cooperate with the City, upon request, to obtain any such permits, licenses, and other approvals, provided that the Hotel shall not incur any cost or expense in connection therewith. The City shall have no right to create or place any liens on Hotel Property.

(f) Miscellaneous. This Agreement may be executed in any number of counterparts and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts shall constitute one and the same agreement. This Agreement may not be assigned

by any party without the prior written consent of the other party. This Agreement contains the entire agreement of the Parties and supersedes all prior discussions or understandings. This Agreement is for the sole benefit of the parties hereto and their respective successors and assigns and nothing herein shall confer any right, benefit or remedy to any third party. No agreement to modify this Agreement or to waive any provision of this Agreement will be effective unless in writing and executed by the Party against whom the modification or waiver is sought to be enforced. No failure by any party to insist upon strict compliance with any term of this Agreement shall constitute a waiver of the first party's right to enforce that term. The headings of the Sections and subsections of this Agreement are not part of the context of this Agreement but are only labels to assist in locating those provisions, and shall be ignored in construing this Agreement. The Parties hereby designate the federal and state courts located in or having jurisdiction over **City, State** as courts of jurisdiction and venue for any litigation relating to this Agreement, the Parties hereby consent to jurisdiction and venue in such courts and hereby waive any defenses of lack of jurisdiction or venue. This Agreement shall be governed by and construed in accordance with the laws of the State of **State**, exclusive of conflicts of law principles. The Parties are independent contractors and no agency, employment, joint venture or partnership has been or will be created between the Parties pursuant to this Agreement.

(g) Severability. If any provision of this Agreement is held or deemed to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions of this Agreement or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement does not affect the remaining portions of this Agreement or any part of it.

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**IN WITNESS WHEREOF**, the City and the Hotel have executed this Agreement as of the Effective Date.

**CITY OF** **City**, an **State** municipal corporation

By: \_\_\_\_\_

**Owner**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its \_\_\_\_\_