

RESOLUTION NO. 30187

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT, IN SUBSTANTIALLY THE FORM ATTACHED, WITH THE HAMILTON COUNTY, TENNESSEE, BOARD OF EDUCATION FOR A PORTION OF TAX PARCEL NO. 126L-C-001, FOR A TERM OF ONE (1) YEAR AT THE CONSIDERATION OF TWO DOLLARS (\$2.00) TO ALLOW FOR THE DEMOLITION AND REMOVAL OF THE MANUFACTURED UNIT AND OTHER ITEMS LOCATED ON THE PREMISES LOCATED AT 1510 HAMILTON AVENUE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, that it is hereby authorizing the Mayor to enter into a Lease Agreement, in substantially the form attached, with the Hamilton County, Tennessee, Board of Education for a portion of Tax Parcel No. 126L-C-001, for a term of one (1) year at the consideration of \$2.00 to allow for the demolition and removal of the manufactured unit and other items located on the premises located at 1510 Hamilton Avenue.

ADOPTED: January 14, 2020

/mem

LEASE AGREEMENT

This Lease Agreement (“Agreement”) is entered into as of the stated Effective Date by and between the Lessor and Lessee (collectively, “Parties”) identified in SECTION 1 for use of the lands as further identified in SECTION 1.

RECITALS

WHEREAS, Lessee desires to lease property from Lessor to be used exclusively for the purpose as stated in SECTION 1; and

WHEREAS, Lessor has the appropriate authority to, and hereby agrees to lease to Lessee that certain property situated in the City of Chattanooga, Hamilton County, Tennessee and outlined in red on **Exhibit A**;

NOW, THEREFORE, in consideration of the faithful performance of the terms, covenants, and conditions and the mutual obligations of the parties as set forth herein, the parties agree as follows:

SECTION 1. General Terms.

Effective Date	January 1, 2020
Leased Premises Address	1510 Hamilton Avenue (“Leased Premises”) Chattanooga, TN
Lessor	Hamilton County Board of Education 3074 Hickory Valley Road Chattanooga, TN 37421
Lessee	City of Chattanooga, a Tennessee municipal corporation 101 East 11th Street Chattanooga, TN 37402
Tax Map No.	A portion of 126L-C-001 Outlined in red on Exhibit A
Legal Description	The Leased Premises occupy the property outlined in red on Exhibit A .

Lease Term	This Lease shall be in effect for a term of one (1) year from the Effective Date
Lease Purpose	Lessor authorizes the Lessee to demolish and remove the manufactured unit located on the Leased Premises, which is owned by Lessee. Lessee agrees to seed and straw the grounds following removal.
Fair Market Rental Value Calculation	Lessee shall pay to Lessor nominal rent in the amount of \$2.00 for the Lease Term.
Notice to Lessor	<p>Hamilton County Board of Education Attn: Director of Auxiliary Services 3074 Hickory Valley Road Chattanooga, TN 37421</p> <p>With a copy to:</p> <p>D. Scott Bennett, Esq. Flatiron Building Suite 300 Chattanooga, TN 37402</p>
Notice to Lessee	<p>City of Chattanooga Real Property of ECD 1001 Lindsay Street Chattanooga, TN 37402</p> <p>With a copy to:</p> <p>City of Chattanooga Office of the City Attorney 100 East 11th Street, Suite 200 Chattanooga, TN 37402 (423) 643-8250</p>

SECTION 2. Leased Premises. Lessor leases to Lessee that certain property located at the above-stated leased premises address situated in Chattanooga, Tennessee, identified by Tax Map Number identified in SECTION 1 and outlined in red on the diagram attached hereto as **Exhibit A** and incorporated herein by reference.

SECTION 3. Consideration; Utilization of Leased Premises. It is expressly agreed to and understood by the Parties that the Leased Premises shall be used exclusively for the purpose as

defined in SECTION 1 as Lease Purpose, the purpose of which is authorized by the Lessor. Lessee shall not utilize the Leased Premises for any other purposes without the express written approval of Lessor. Lessee shall neither engage in nor allow illegal activities on the Leased Premises nor allow alcoholic beverages to be sold or consumed on the Leased Premises.

SECTION 4. Term. The Term of this Lease shall commence upon the Effective Date for the Lease Term as stated in SECTION 1. Either party may terminate this Lease at any time without cause upon giving the other party written notice of its intention to terminate, and such notice shall be received at least thirty (30) days prior to the termination date.

SECTION 5. Lease Payments. Lessee shall, during the Term of this Lease, pay to Lessor the net annual rent of Two Dollars (\$2.00) per year, with the annual payment due on the Effective Date of this Lease. All rents payable by Lessee to Lessor under this Lease shall be paid to Lessor at the Notice address specified in SECTION 1.

SECTION 6. Alterations. All improvements, additions, appliances, fixtures and all other property whatsoever kind or nature that is affixed to the Leased Premises and becomes attached to and a part of the Leased Premises, shall belong to the Lessor. Notwithstanding the foregoing, Lessee shall be entitled to move all playground equipment and any other equipment affixed to the Leased Premises that Lessee purchased with federal funds before termination of this Lease, or within thirty (30) days thereafter. All improvements that are not of a permanent nature and are not affixed to the Leased Premises shall continue to belong to the Lessee, or its sublessee, and may be removed by the Lessee in whole or in part at any time before the termination of this Lease, or within thirty (30) days thereafter. If Lessee desires to make improvements to the Leased Premises, it shall be required to submit a detailed description of the improvements to be made to Lessor (the

“Lessee’s Plan”). The Lessee’s Plan shall be subject to Lessor’s written approval. Lessor’s approval of Lessee’s Plan shall in no event, unless expressly set forth in such approval, be deemed to create any obligations on the part of the Lessor to do any work or make the improvements or to authorize Lessee to make any further additions, improvements, or alterations to the Leased Premises. In the event Lessor approves Lessee’s Plan, the Parties shall execute an amendment to this Lease setting forth the obligations of the Lessee with respect to the construction of improvements in accordance with Lessee’s Plan, which shall be attached as an exhibit to the lease amendment.

SECTION 7. Quiet Possession. The Lessor covenants to keep the Lessee in quiet possession of the Leased Premises during the term of this Lease.

SECTION 8. Termination and Holding Over. Upon termination of this Lease, at the expiration of the term hereof or any extension thereof, Lessee shall surrender the Leased Premises to Lessor in as good condition as received, ordinary wear and tear and damage by fire or other casualty excepted. Lessee covenants to Lessor that it shall vacate the Leased Premises on or before thirty (30) days following the expiration of the term hereof or any extension thereof including removal of all personal property. Any personal property of Lessee which is not removed from the Leased Premises after termination of this Lease or within thirty (30) days thereafter shall be deemed abandoned and may be disposed of by Lessor in any manner without accounting or being liable to Lessee.

SECTION 9. Insurance. Lessee is a self-insured entity and will provide the Lessor proof of same in the form of a Certificate of Self-Insurance.

SECTION 10. Assignment or Sublease. Lessee shall neither assign nor sublease the Leased Premises without the prior written approval of Lessor, which approval shall not be unreasonably withheld.

SECTION 11. Non-Discrimination. Lessee covenants to comply with all federal, county, and city laws and ordinances in regard to discrimination due to handicap, age, race, color, religion, sex, national origin, or any other classification protected by said laws.

SECTION 12. No Warranties. Lessee takes and accepts the Leased Premises from Lessor “AS IS,” that is at its condition as of the Effective Date of this Lease, upon the terms and conditions herein contained.

SECTION 13. Utility Services, Water Quality Fees and Taxes. Any applications and connections for necessary utility services on the Leased Premises shall be made in the name of Lessee only. Lessee shall be solely liable for utility charges as they become due, including, but not limited to, those for water, gas, electricity, telephone, and water quality fees assessed to the Leased Premises. It shall be a breach of this Lease to fail to keep such payments current.

SECTION 14. Laws and Ordinances. Lessee covenants to comply with all state, county, and city laws and ordinances, including those regarding nuisances insofar as the Leased Premises are concerned, and that the Lessee will not by any act of its agents or officers render the Lessor liable therefor.

SECTION 15. Possession. If this Lease should at any time become void or forfeited, no demand shall be necessary to a recovery of possession of the Leased Premises, and the Lessor shall be entitled to immediate possession.

SECTION 16. Right to Enter. The Lessor shall have the right to enter into and upon said Leased Premises or any part thereof, at all reasonable hours for the purpose of examining the same, or making such repairs, additions, or alterations as may be necessary for the safety, comfort, and preservation thereof.

SECTION 17. Damage or Destruction. In the event the Leased Premises shall be damaged by fire, or other casualty, the Lessee shall give immediate notice thereof to the Lessor. This Lease shall, unless notice is given as set forth below, continue in full force and effect, and the Lessor shall, at its own expense, with reasonable promptness, subject to force majeure as defined in SECTION 23 and delays in making of insurance adjustments by Lessor, repair the Leased Premises. Lessor need not restore fixtures and improvements owned by Lessee or floor coverings, furnishings, personal property, and other decorative features furnished by Lessee. In the event the Leased Premises shall, before or after the Effective Date, be so damaged that the Lessor shall decide not to repair the same, or if the Lessor shall decide to demolish or rebuild the Leased Premises for any reason whatsoever, upon notice to Lessee, the term of this Lease shall cease and terminate effective as of the time of the damage, and the accrued rent, if any, shall be paid up to the time of the damage. All proceeds of insurance payable as a result of fire or other casualty shall be the sole property of the Lessor.

SECTION 18. Defaults. The occurrence of any of the following acts shall constitute an immediate, material, non-curable default by Lessee:

- a. Abandonment of the Leased Premises, except for causes of force majeure, as defined in the section entitled "Force Majeure;" and

b. Any attempted assignment, transfer, or sublease in violation of the preceding section entitled "Assignment and Sublease;"

c. Failure to pay rent as provided for herein or failure to perform any term, covenant, or condition of this Lease, other than those set forth in subparagraph A above, shall not constitute a default unless such breach is not cured within the time periods set forth below. Lessor shall give written notice to Lessee of such default and if Lessee does not cure any rent default within five (5) days, or other default within twenty (20) days, after the giving of such notice (or, if such default is of such a nature that it cannot be completely cured within such twenty (20) days), if Lessee does not commence such curing within twenty (20) days and thereafter proceed with reasonable diligence and in good faith to cure such defaults, then Lessor may terminate this Lease on not less than three (3) days' written notice to Lessee, and on the date specified in said notice the term of this Lease shall terminate, and Lessee shall then quit and surrender the Leased Premises to Lessor. If this Lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the Leased Premises by any lawful means and remove Lessee or other occupants and their effects.

SECTION 19. Remedies. The Parties' remedies hereunder are not exclusive but cumulative to other remedies provided by law or in equity in the event of default.

SECTION 20. Surrender of Leased Premises on Termination. Lessee shall peaceably deliver possession of the Leased Premises to Lessor on the date of expiration or termination of this Lease, whatever the reason for termination. Lessor shall have the right to re-enter and take

possession of the Leased Premises on the date termination becomes effective without further notice of any kind and without instituting summary or regular legal proceedings.

SECTION 21. No Waiver. Any waiver by the Parties of any default or breach of any one or more of the terms, conditions, or covenants of this Lease shall be in writing and shall not be construed to be a waiver of any subsequent or other breach or default of the same or of any other term, covenant, or condition of this Lease. No delay, failure, or omission of Lessor to re-enter the Leased Premises, to insist on strict enforcement of any term, covenant, or condition, or to exercise any right, privilege or option arising from any breach or default shall impair any such right, privilege or option or be construed as a waiver of or acquiescence in such breach of default.

SECTION 22. Force Majeure. Lessor shall be excused for the period of any delay in the performance of any obligation hereunder when prevented by doing so by cause or causes beyond Lessor's control which shall include, without limitation, all labor disputes, civil commotion, war, war-like operations, invasion, rebellion, hostilities, military or usurped power sabotage, governmental regulations or controls, fire or other casualty, inability to obtain any material, services, or financing or through acts of God.

SECTION 23. Notices. All notices and other communications given hereunder by the Parties shall be in writing and shall be delivered personally or by mail, postage prepaid, and the date of any notice by certified mail shall be deemed the date of certification thereof delivered by or addressed to the Parties set forth in SECTION 1.

SECTION 24. Other Provisions.

24.1 Applicable Law. This Lease shall be construed and interpreted pursuant to the laws of the State of Tennessee. Should there be any provision thereof to be invalid, illegal, or

unenforceable by a court of competent jurisdiction, the legality, validity, and enforcement of the remaining provisions shall not be affected, but shall continue in full force and effect. Any disputes between the Parties and/or default by Lessee may only be submitted to a court of competent jurisdiction in Hamilton County, Tennessee, and the prevailing party shall be entitled to recover all costs, expenses, and legal fees in defending such legal action.

24.2 Entire Agreement. This Lease represents and constitutes the entire understanding between the parties and supersedes all other leases, agreements, and communications between the Parties, whether oral or written, concerning the subject matter herein. Any amendment to this Lease must be in writing and adopted by lawful resolution of the respective governing bodies to be bound thereby.

24.3 Binding Effect. The terms and conditions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

24.4 Headings. Section headings are for convenience of reference only and shall not limit or otherwise affect the meanings of this Lease.

IN WITNESS WHEREOF, the Parties have executed this Lease on the effective date, at Chattanooga, Hamilton County, Tennessee.

LESSOR:	HAMILTON COUNTY BOARD OF EDUCATION BY: _____ NAME/TITLE: _____
LESSEE:	CITY OF CHATTANOOGA BY: _____ NAME/TITLE: Andy Berke, Mayor

Chattanooga



Legend
 Parcels

Exhibit "A"

0 200.00 400.00 Feet
NAD_1983_StatePlane_Tennessee_FIPS_4100_Feet
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Disclaimer: This map is to be used for reference only, and no other use or reliance on the same is authorized. This map was automatically generated using H-CGIS Mapping System. Parcel lines are shown for reference only and are not intended for conveyances, nor is it intended to substitute for a legal survey or property abstract.