

RESOLUTION NO. 24524

A RESOLUTION AUTHORIZING THE CHIEF OF THE CHATTANOOGA POLICE DEPARTMENT TO ENTER INTO A LEASE AGREEMENT WITH EASTGATE TOWN CENTER, LLC, RELATIVE TO THE LEASE OF CERTAIN SPACE IN EASTGATE MALL FOR CONTINUED USE AS A PRECINCT STATION.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That the Chief of the Chattanooga Police Department be and is hereby authorized to enter into a Lease Agreement with Eastgate Town Center, LLC, a copy of which is attached hereto and made a part hereof by reference, relative to the lease of certain space in Eastgate Mall for continued use as a precinct station.

ADOPTED: August 9, 2005

WSP

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into effective as of the first day of August, 2005, by and between Eastgate Town Center, LLC (hereinafter referred to as "Lessor"), and the City of Chattanooga, Tennessee, a municipal corporation of the State of Tennessee (hereinafter referred to as "Lessee").

For the acknowledged consideration, Lessor leases to Lessee and Lessee rents from Lessor the following-described premises located in the City of Chattanooga, Hamilton County, Tennessee, to-wit:

A portion of Eastgate Town Center in Chattanooga, Tennessee consisting of approximately 3,700 square feet and designated as Suites G-30, G-32, P8, P9 and P7C.

The following stipulations are hereby declared to be a part of this Lease:

1. **TERM.** The term of this Lease shall be for a five (5) year period commencing on August 1, 2005, and ending July 31, 2010. After February 28, 2007, Lessee may terminate this Lease at any time during its term upon providing six (6) months written notice to Lessor of Lessee's intent to terminate. Lessor acknowledges that it is not entitled to any compensation in the event Lessee exercises its right to terminate this Lease.

2. **RENEWAL.** Lessee shall have and is hereby granted one option to renew and extend the term of this Lease Agreement for five (5) additional years. Such renewal period shall be on the same terms and conditions as herein set forth. The renewal shall be automatic unless Lessee shall decline such renewal in writing to the Lessor at least 90 days prior to the end of the initial term. However, should Lessee opt to renew, Lessor shall have the right to relocate Lessee to other premises within Eastgate Town Center. The new premises shall be leased to the Lessee on the same terms and conditions as herein provided, and all costs of the relocation, including but not limited to building out the new premises, shall be borne by Lessor. The new premises shall not be less than the equivalent, in size and quality, of the premises described herein in the state such premises exist at the expiration of the original term of this lease.

3. **RENT.** Lessee agrees to pay to the Lessor as rental for the leased premises and for the rights and privileges granted under this lease as follows:

During the months of August through December, 2005, no rent payments shall be due.

From January 1, 2006 through July 31, 2007, monthly rental payments of \$1,250.00 shall be due.

From August 1, 2007 through July 31, 2010, monthly rental payments of \$1,625.00 shall be due.

In the event Lessee exercises its option to renew this lease for an additional five years, rent on the premises shall be \$21,000.00 per year (\$1,750.00 per month).

All rental payments shall be payable in advance on or before the first day of each month during each lease year. Lessee will not be liable to Lessor for any common area maintenance charges. Lessor will provide janitorial services three (3) days per week and shall include usual and customary janitorial services provided by Lessor to other office tenants at Eastgate Town Center. A discretionary two hours per week will be allowed for cleaning requests. Carpets shall be shampooed and tile floors shall be stripped and waxed semi-annually. Employees performing said janitorial services shall be bonded. The aforesaid rent payments shall be paid during each month of the term of this lease or any extension thereof.

4. **PARKING.** At no charge to Lessee, Lessor shall provide to Lessee a minimum of fifty (50) reserved parking places in front of the Premises in the parking area shown in Exhibit 1 attached hereto and incorporated herein by reference. Lessee may post such signs as are necessary to reserve such parking area to its exclusive use.

5. **USE OF PREMISES.** Lessee shall use these premises for no purpose other than a precinct station for the Chattanooga Police Department. Lessee shall not sublease any portion of the premises.

6. **UTILITIES.** Lessee shall pay all utilities if any, on the leased space during the term of this lease, specifically including electricity, telephone, natural gas, municipal sewerage and water.

7. **REPAIRS, MAINTENANCE AND IMPROVEMENTS.** Lessee shall keep and maintain the leased premises and any improvements thereon in good order and repair. Lessee may make alterations, additions and improvements to the leased premises only upon written approval from Lessor. All such alterations, additions or improvements made by Lessee, except movable furniture, fixtures and equipment put in at the expense of the Lessee, shall inure to the benefit of Lessor and shall belong to Lessor absolutely as soon as made or installed. Lessee may remove at the termination of the Lease any movable furniture, fixtures or equipment purchased or provided by Lessee that may be moved without damage to the permanent structure leased. Lessor shall have the right to make inspections of the leased premises at any reasonable time to insure compliance with this agreement. During Lessee's renovation of the leased premises, the heating and air conditioning systems will be replaced with identical systems, and Lessor and Lessee will each pay half the cost of such replacement. Lessor will be responsible for filter changes and preventative maintenance on the heating and air conditioning systems. Repairs to such systems are the responsibility of the Lessee.

8. **INSURANCE AND DAMAGE.** Lessee shall not be required to carry building and/or content insurance to cover the leased premises. If the premises are rendered totally or substantially untenable by fire or other casualty, this Lease, at the option of Lessor or Lessee, may be terminated.

9. **WAIVER OF RIGHTS.** Failure of the Lessor or Lessee to insist upon strict performance of any of the terms, conditions and covenants herein contained shall not be deemed to be a waiver of any rights or remedies that either party may have, and said failure shall not be deemed a waiver of any subsequent breach in the terms, conditions and covenants herein contained, except as may be expressly waived in writing.

10. **BREACH OF CONTRACT.** In the event of any breach of any of the terms or provisions of this agreement by Lessee, Lessor shall, in addition to all other recourse, have the right to immediately terminate this agreement, to enter and obtain possession of the entire leased premises, and to remove and exclude any and all persons from the leased premises, and remove and exclude all property of the Lessee therefrom.

11. **HOLDOVER PROVISION.** If the Lessee remains in possession of the leased premises after the expiration of the term of the renewal period set forth in paragraph 2 above, and Lessee continues to pay the rent and Lessor agrees to accept said rent, such possession shall be construed as creating a month-to-month tenancy and not as a renewal or extension of this lease, but such month-to-month tenancy shall not continue for more than one (1) year.

12. **QUIET POSSESSION.** Provided Lessee is not in default, Lessor covenants and warrants that Lessee shall have and enjoy full, quiet and peaceful possession of the leased premises, their appurtenances and all rights and privileges incidental thereto during the term hereof and all extensions and renewals thereof.

13. ENTIRE AGREEMENT. This Lease Agreement contains all of the agreements between the parties herein and may not be modified in any manner unless by agreement in writing signed by the parties hereto or their respective successors in interest.

14. INVALID PROVISIONS. In the event any term herein contained is held to be invalid by any court of competent jurisdiction the invalidity of any term shall in no way affect any other term herein contained, provided that the invalidity of such term does not materially prejudice either Lessor or Lessee in its respective rights and obligations contained in the valid terms of this lease.

EXECUTED the day and month above stated.

LESSOR:

Eastgate Town Center, LLC

By: _____

Name: _____

Title: _____

STATE OF TENNESSEE)
COUNTY OF HAMILTON)

Before me, a Notary Public of the State and County aforesaid, personally appeared _____ with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the _____ of Eastgate Town Center, LLC, the within-named Lessor, and he, as such _____ being authorized so to do, executed the foregoing Lease Agreement for the purpose therein contained, by signing the name of Eastgate Town Center, LLC by himself as _____.

WITNESS my Hand and Seal at office in Hamilton County, Tennessee, this _____ day of _____, 2005.

NOTARY PUBLIC

My Commission Expires: _____

LESSEE:

CITY OF CHATTANOOGA, TENNESSEE

By: _____
STEVE PARKS, CHIEF OF POLICE

STATE OF TENNESSEE)
COUNTY OF HAMILTON)

Before me, a Notary Public of the State and County aforesaid, personally appeared STEVE PARKS with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the Administrator of the Chief of Police of the City of Chattanooga, Tennessee, a municipal corporation, the within-named Lessee, and he, as such Chief of Police, being authorized so to do, executed the foregoing Lease Agreement for the purpose therein contained, by signing the name of the corporation by himself as Chief of Police of the City of Chattanooga, Tennessee.

WITNESS my Hand and Seal at office in Hamilton County, Tennessee, this _____ day of _____, 2005.

NOTARY PUBLIC

My Commission Expires: _____