

RESOLUTION NO. 28968

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A FIRST AMENDMENT TO LEASE AGREEMENT, IN SUBSTANTIALLY THE FORM ATTACHED, WITH OBC PROPERTIES DELAWARE, LLC EXTENDING THE TERM OF THE CURRENT LEASE FOR THE SPACE OCCUPIED BY THE EASTGATE LIBRARY FOR AN ADDITIONAL FIVE (5) YEARS AT A RENT RATE OF SEVEN THOUSAND SIX HUNDRED EIGHTY-THREE AND 55/100 DOLLARS (\$7,683.55) PER MONTH, FOR AN ANNUAL AMOUNT OF NINETY-TWO THOUSAND TWO HUNDRED TWO AND 60/100 DOLLARS (\$92,202.60), FOR A TOTAL AMOUNT OF FOUR HUNDRED SIXTY-ONE THOUSAND THIRTEEN DOLLARS (\$461,013.00).

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That it is hereby authorizing the Mayor to execute a First Amendment to Lease Agreement, in substantially the form attached, with OBC Properties Delaware, LLC extending the term of the current lease for the space occupied by the Eastgate Library for an additional five (5) years at a rent rate of \$7,683.55 per month, for an annual amount of \$92,202.60, for a total amount of \$461,013.00.

ADOPTED: March 21, 2017

/mem

FIRST AMENDMENT TO LEASE AGREEMENT

OBC PROPERTIES DELAWARE, LLC – LANDLORD

CHATTANOOGA, TENNESSEE

THIS FIRST AMENDMENT TO LEASE (this "Amendment") made as of this _____ day of _____, 2017 by and between OBC PROPERTIES DELAWARE, LLC, successor in interest to OSBORNE BUILDING CORPORATION a Tennessee Corporation (hereinafter referred to as "Landlord"), and CITY OF CHATTANOOGA, (hereinafter referred to as "Tenant").

WHEREAS, Landlord and Tenant entered into a Lease Agreement dated April 29, 2013 (the "Lease"), under the provisions of which Tenant rented from Landlord 9,084 square feet of office space in Suite 1500, 5900 Building (the "Building"), Chattanooga, Tennessee (such space being referred to therein as "Premises"), for a term of four (4) years commencing on April 1, 2013 and ending on March 31, 2017; and

WHEREAS, Landlord and Tenant now by First Amendment to Lease desire to extend the term of the Lease for a period of five (5) years at the current rental rate set forth in the Lease; and

NOW, THEREFORE, in consideration of the premises herein contained, and other good and valuable consideration, the receipt and legal sufficiency of all of which hereby are acknowledged, Landlord and Tenant agree as follows:

1. Term. The term of the Lease is extended for a period of five (5) years commencing April 1, 2017 and terminating on March 31, 2022 (the "First Extended Term").
2. Tenant Improvements. Landlord at its sole cost and expense shall install light switches in the space so that employees no longer have to control lighting at the breaker box; install LED lighting within the space within the first year of the First Extended Term; and install a new HVAC unit within the first two years of the First Extended Term.
3. Effect of Amendment. Except as specifically set forth hereinabove, all terms and conditions of the Lease remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Amendment to be executed the day and date first above written.

LANDLORD:

OBC PROPERTIES DELAWARE, LLC, successor in interest to OSBORNE BUILDING CORPORATION

Witnessed By: _____

By: _____
James K. White III
President

TENANT:

CITY OF CHATTANOOGA

Witnessed By: _____

By: _____
Andy Berke
Mayor

