

**RESOLUTION 24-279**

**A RESOLUTION TO AUTHORIZE THE CITY ADMINISTRATOR OR MAYOR TO EXECUTE A HOLD HARMLESS AGREEMENT WITH THE DEVELOPERS OF THE SANCTUARY BLUFF MULTI-FAMILY PROJECT**

**WHEREAS**, the City of Spring Hill has issued approvals and permits for extension of New Port Royal Road and construction of a clubhouse and ten (10) apartment buildings and associate infrastructure; and

**WHEREAS**, it has been requested that the City of Spring Hill issue certificates of occupancy for the clubhouse and Buildings 1 and 2; and

**WHEREAS**, the majority of the property is an active construction site with heavy construction equipment present; and

**WHEREAS**, access to the property is limited to New Port Royal Road and Thompson's Station Road until all construction activity has ceased; and

**WHEREAS**, the City is charged with protecting the health, safety, and welfare of the general public; and

**WHEREAS**, the property owner/developer agrees to indemnify, release, defend, and hold harmless the City of Spring Hill and its employees, agents, officers, and directors from liability, losses, damages, costs, or expenditures of any nature related to injury or damage sustained on the property.

**NOW, THEREFORE BE IT RESOLVED**, the City of Spring Hill Board of Mayor and Aldermen:

1. Approve an agreement to such end with the property owner/developer; and
2. Authorize the City Administrator or Mayor to sign the agreement.

**Passed and Adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 18<sup>th</sup> day of November, 2024.**

  
\_\_\_\_\_  
Jim Hagaman, Mayor

ATTEST:

  
\_\_\_\_\_  
April Goad, City Recorder

LEGAL FORM APPROVED:

  
\_\_\_\_\_  
Patrick Carter, City Attorney



**REQUEST:** *Resolution 24-279*  
**SUBMITTED BY:** Dara Sanders, Development Services Director  
**DATE:** November 18, 2024  
**RE:** To amend a Development Agreement with the Spring Hill Commerce Center

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**BACKGROUND:**

The Sanctuary Bluff multi-family development is an active construction project consisting of a clubhouse (containing the leasing office) and 10 multi-family buildings. The project includes the extension of New Port Royal Road to intersect with Thompson's Station Road.

While the extension of New Port Royal Road is now complete, City staff have required that street access along the southern portion of the site remain closed. This is because construction traffic to and from the site has consistently violated the approved construction route, resulting in heavy construction equipment and trucks impacting the residential neighborhoods and streets to the south.

Due to construction complications and infrastructure/testing failures, occupancy of the site has been delayed beyond the developer's expectations. The developer has requested certificates of occupancy for the clubhouse, Building 1, and Building 2.

Over the past several months, staff has required several infrastructure failures and safety issues to be addressed prior to occupancy. Additionally, staff has required the developer to prepare and submit a written agreement (attached) to hold the City harmless in the event of injury to apartment complex employees, residents, and/or their personal property as a result of the ongoing construction on the site, the presence of heavy construction equipment, and all vehicular traffic required to utilize the same limited access.

**REQUEST:**

Staff requests the BOMA to authorize the City Administrator or Mayor to sign an agreement (attached) with the project developer that would hold the City harmless in the event that apartment complex employees or residents are injured and their property damaged within the development and on New Port Royal Road as a result of construction traffic and activities.

**DISCUSSION:**

Staff has reviewed the attached agreement and is in support of its terms, which would hold the City harmless until the issuance of all certificates of occupancy.

**HOLD HARMLESS, RELEASE, DEFEND, AND INDEMNITY AGREEMENT  
IN RE “SANCTUARY BLUFF”**

This HOLD HARMLESS, RELEASE, DEFEND, AND INDEMNITY AGREEMENT (this “Indemnity Agreement”), dated \_\_\_\_\_, 2024, is made by and between **NEY BEL SANCTUARY BLUFF LLC**, a Delaware limited liability company (hereinafter “NEY BEL”) and **THE CITY OF SPRING HILL, TENNESSEE** (hereinafter “Spring Hill)

**WHEREAS**, NEY BEL has developed a 240 unit multi-family apartment project located in Spring Hill, Tennessee (the “Project” or “Sanctuary Bluff”); and

**WHEREAS**, Ney Bel has constructed and improved that certain road reflected on **Exhibit A** (the “Road”) in connection with the Project; and

**WHEREAS**, Ney Bel intends to utilize such Road in connection with the Project, including but not limited to access to the Project, for potential tenants, employees, workers agents and other invitees of Ney Bell prior to the end of construction on the Project; and

**WHEREAS**, Spring Hill has agreed to issue certificates of occupancy for the Project prior the final certificate of occupancy for the Project being issued; provided that Ney Bel meet certain other conditions and agrees to indemnify, release, defend and hold harmless Spring Hill from any injury, loss or damages with respect to any third party that utilizes the Road prior to it being dedicated to Spring Hill.

**NOW, THEREFORE**, for the parties agree as follows:

**1. INDEMNIFICATION**

Ney Bel hereby agrees to indemnify, release, defend, and hold harmless, Spring Hill and its respective employees, agents, officers, and directors (together, the “Indemnified Parties”) from and against all liability, losses, damages, costs or expenses of any nature related to any injury sustained by any guest or invitee of Ney Bel with respect to (i) any injury such third party sustains from use of the Road) ; or (ii) for any such injury related to all paths of travel on the Project, including the Road, sidewalks and parking areas with construction equipment.. The indemnity obligations contained herein shall commence upon the issuance of the first certificate of occupancy continue through the issuance of the final certificate of occupancy for all buildings of the Project.

**2. LEGAL ACTION**

Spring Hill will give Ney Bel prompt notice of any claims, actions, suits, or proceedings instituted against Spring Hill with respect to the subject of the indemnity contained herein, and shall provide to Ney Bel reasonable information and assistance in the defense thereof. Ney Bel agrees at its own expense to defend against any such claims, actions, suits or proceedings, rightfully or wrongfully instituted; provided, however, that Spring Hill shall not settle any claim, action, suit or proceeding which imposes upon Ney Bel any obligation, or in any way prejudices the rights of Ney Bel, other than as set forth herein, without Ney Bel’s written consent. Ney Bel agrees to satisfy any and all judgments which may be rendered against Spring Hill .

**3. LIABILITY INSURANCE**

During the term of this Agreement, Ney Bell will procure and maintain in full force and effect a

product liability insurance policy or policies, naming They City of Spring Hill, Tennessee as an additional named insured, liability matters under this Indemnity Agreement.

**4. BENEFIT**

This Indemnity Agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns.

**5. TERM; TERMINATION**

This Indemnity Agreement shall continue in full force and effect until the issuance of the final certificate of occupancy for all buildings of the Project.

**6. MISCELLANEOUS**

This Indemnity Agreement constitutes the entire agreement of the parties with respect to the matters hereto. The terms set forth in this Indemnity Agreement supersede, amend, alter and control any similar or related terms set forth in contracts, agreements or other documents or oral understandings. No related terms set forth in any contracts, agreements, invoices or purchase orders exchanged between the parties or their affiliates at any time will have any effect on the terms set forth in this Indemnity Agreement.

This Indemnity Agreement shall be governed by the laws of the State of Tennessee, without regard to conflict of law principles. Venue shall be in the Circuit Court for Maury County for any and all disputes arising under this Agreement. No amendment, waiver or modification of the provisions hereof shall be valid unless in writing and signed by the parties hereto and then only to the extent therein set forth. Each party agrees to perform all further acts and execute, acknowledge, and deliver any documents reasonably necessary, appropriate or desirable, to carry out the provisions of this Indemnity Agreement. Every covenant, term, and provision of this Indemnity Agreement shall be construed simply according to its fair meaning and not strictly for or against any party. If any one or more of the provisions of the Indemnity Agreement shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions of the Indemnity Agreement will not in any way be affected or impaired thereby. If any provision of this Indemnity Agreement is unenforceable for any reason whatsoever, such provision shall be appropriately limited and given effect to the extent that it may be enforceable. This Indemnity Agreement may be signed via facsimile and in one or more counterparts, each of which when executed shall be deemed an original, and all of which taken together shall constitute one and the same document.

Each party represents that the person executing this Indemnity Agreement has the power and authority to bind such party to the obligations herein.

**[Signatures Appear on Next Page]**

IN WITNESS WHEREOF, the parties hereto have executed this Indemnity Agreement effective the day and year first written above.

**NEY BEL SANCTUARY BLUFF, LLC**

By: Bel Canto Neyland LLC, its Sole Member

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

Its: \_\_\_\_\_

**THE CITY OF SPRING HILL**

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

Its: Mayor \_\_\_\_\_