

RESOLUTION 19-52

A RESOLUTION TO AUTHORIZE THE MAYOR TO SIGN THE LEASE AGREEMENT AMENDMENT 5 FOR PROJECT ROOT BEER

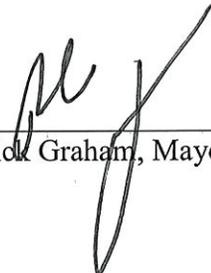
WHEREAS, The Board of Mayor and Aldermen reviews all requests for leasing within Northfield;

WHEREAS, Project Root Beer has requested an amendment to the existing lease agreement that is up for renewal for space within Northfield;

WHEREAS, Project Root Beer requests the City of Spring Hill execute the lease agreement that will require the signature of the Mayor and City Attorney.

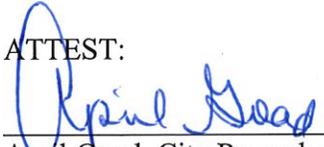
NOW, THEREFORE, BE IT RESOLVED, that the City of Spring Hill authorizes the Mayor and City Attorney of the City of Spring Hill, TN to sign the revised lease agreement between Project Root Beer and the City of Spring Hill, hereto attached.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on this 15th day of April, 2019.



Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney



REQUEST: Approval of Resolution 19-52
SUBMITTED BY: Dakota Mercer, Northfield Facility Manager
Kayce Williams, Economic Development Coordinator
DATE: March 25, 2019
RE: Project Root Beer
ATTACHMENTS: Resolution 19-52
Draft Amendment to Lease Agreement (Amendment 5)
Lease Agreement Amendment 4

PURPOSE:

To authorize the Mayor to execute the amended lease agreement for 47,101 square feet of space within Northfield

BACKGROUND:

Attached is a draft amendment (Amendment 5, "A5") to the lease agreement between the City of Spring Hill and Project Root Beer which is an existing Maury County business. The space is located in Door 600 and is currently occupied by Project Root Beer. The draft lease extends the terms through February 28, 2020 and adds a 1-year option.

There are 2 additional revisions to the rent amount and the parking provision from the last amended lease known as Amendment 4 and indicated below as "A4":

First Revision:

A4: RENT: LESSEE shall pay rent at the rate of \$12.50/sf. annually, payable in twelve (12) monthly increments equal to \$49,063.54 per month.

A5: RENT: LESSEE shall pay rent at the rate of \$11.00/sf. annually, payable in twelve (12) monthly increments equal to \$43,175.91 per month.

Second Revision:

A4: PARKING: LESSEE shall be provided six (6) parking spaces in lots C and D for every one thousand (1,000) square feet leased, for a total of 283 spaces.

A5: PARKING: LESSEE shall be non-exclusive parking at a ratio of 8 parking spots for every one thousand (1,000) square feet leased, for a total of 376 spaces.



FINANCIAL IMPACT:

Based upon the terms contained in the lease agreement, the City can expect lease income in the amount of \$518,110.92 for one year. This is a decrease of \$70,651.56 from the previous lease terms.

STAFF RECOMMENDATION:

Based on the approval of the city attorney, staff recommends approval of Resolution 19-52.

Executed: 1-30-17

**AMENDMENT #4
TO LEASE AGREEMENT**

Between

and

South Central Tennessee Workforce Alliance

The Lease Agreement made, entered into and executed on September 9, 2011 ("Lease Agreement") by and between _____ and South Central Tennessee Workforce Alliance, for _____ to occupy call center and office space at the Workforce Development and Conference Center at Northfield in Spring Hill, TN is hereby amended as follows:

- 1) **Leased Premises.** The Lease property leased by _____ under the Lease shall be decreased to 47,101 square feet of heated and cooled office space, consisting of all of the first and second floors known and Door 6 only, 5000 Northfield Lane, floor plan is attached hereto as Exhibit A.
- 2) **Term.** The term of the Lease Agreement shall be extended through December 31, 2018.
- 3) **Options.** As long as Lessee has no uncured defaults, Lessee may review the Lease for up to two (2) additional one (1) year periods. Exercise of renewal shall be by written notice not less than 120 days before the expiration of the then current term.
- 4) **Rent.** With the decrease referenced in Section 1 above, Lessee shall pay Lessor at the following rate: \$12.50 per square foot or \$49,063.54 per month.
- 5) **Utilities.** All utilities and common area maintenance are included in the rent. This specifically includes electricity, gas, water, sewer and trash. Internet service is not included in the Lease. Lessee shall not receive any pass through of additional operating expenses during the term of the Lease.
- 6) **Parking.** Lessee shall be provided six (6) parking spaces in lots C and D for every one thousand (1,000) square feet leased, for a total of 283 spaces.
- 7) **Maintenance/Repairs:** Without limiting any other obligations in the Lease, Lessor shall be responsible for the maintenance and repairs of the following items:
 - A) HVAC; and
 - B) Lighting Fixtures, including repair or replacements of ballasts and light bulbs

- 8) **Signage.** In addition to all other signs approved under the Lease, Lessee may place signage on the Northfield sign along Highway 31 at Lessee's cost. Signage must be approved by Lessor in writing and must adhere to all local codes and ordinances. Building Directory signage will be supplied by Lessor.
- 9) **Alterations.** The premises shall not be altered, or changed without written consent of Lessor, and unless otherwise provided by the Lease.
- 10) **Casualty.** Section 11 will be modified as follows: In the event all or a portion of the leased property is damaged or destroyed by fire or other casualty or taken by eminent domain, to the extent that Lessee is unable to conduct its reasonable and ordinary business operations, Lessor or Lessee shall have the option to terminate the lease or restore the leased property to its former condition as soon as practical, during which time the rental shall be abated from the date of such damage until the leased property is restored. All insurance proceeds from insurance maintained by Lessor, and eminent domain damages, compensation or award shall be the property of Lessor.
- 11) **Notice.** Section 14 will be modified as follows: Lessee address shall be changed to -- 1700 Pennsylvania Ave NW, Suite 560, Washington DC 20006, ATTN: General Counsel
- 12) All other provisions of the Original Lease executed between the parties on September 9, 2011, shall remain in effect.
- 13) **Effective Date.** Amendment 4 Effective Date shall be: {01/01/2017 }

IN WITNESS WHEREOF, the parties hereto, have executed this lease on the day
and date first above written.

LESSEE:

[Redacted Signature]

By:

Its: CEO

LESSOR:

**SOUTH CENTRAL TENNESSEE
WORKFORCE ALLIANCE**

By: John McKeel
Its: Executive Director

Second Floor Plan

