DATE:November 2, 2021TO:Mayor and City CouncilFROM:Assistant City ManagerSUBJECT:Parking Lot Lease
Solis Project Construction Trailer



RECOMMENDED ACTION

Approve the attached two-year lease with New South Construction for the property at 5042 Nelson Brogdon Boulevard (old Atlas property) and authorize the Mayor to sign it.

BUDGET IMPACT

The lease will generate \$1,800 per year in revenue but will not interfere with city vehicle parking at the site.

DISCUSSION

In conjunction with the Solis Sugar Hill project, the contractor reached out to the city to setup project management operations at the old Atlas property during the construction phase for that project. Staff determined the current use would accommodate the requested construction trailer and project management and superintendent staff parking at the site. With the negligible impact to the use and operation at the property, city staff recommends approval of the short, two-year lease with New South Construction as described in the attachment.

Should a development opportunity present itself during the term of the lease, there is language in the lease to allow for termination with notice provisions (paragraph 3).

Attachment Lease

Temporary Construction Office/Parking Lot Lease

This Temporary Construction Office/Parking Lot Lease ("Lease") is made and entered into as of this 1st day of **December**, 2021 (the "Effective Date"), by and among **The City of Sugar Hill, Georgia** (Collectively the "Landlord") and **New South Construction Company**, a Georgia corporation ("Tenant"), collectively the "Parties".

For consideration, the receipt of sufficiency of which is hereby acknowledged, THE PARTIES AGREE AS FOLLOWS:

- The Landlord has agreed to <u>lease (5042 Nelson Brogdon Boulevard / Sugar Hill, GA 30518)</u> as shown on the **attached Exhibit "A" ("Property")** to Tenant for <u>(Two) (2)</u> years ("Term") beginning on the Effective Date. Tenant may use the Lot for <u>Temporary</u> <u>Construction Offices and Passenger Vehicle Parking Purposes Only</u> and for no other purpose during the Term of this Lease. Tenant agrees the Property is currently a paved lot in good physical condition <u>and</u> well maintained (see Exhibit "B" "Photo documentation of prelease conditions"), and Tenant accepts the delivery of Property in its as-is, where-is conditions. Tenant shall not cause interference of use of adjacent properties in any way or form.
- 2. During the Term of the Lease, Tenant shall pay Landlord **Eighteen Hundred & None USD** (**\$1,800.00**) in advance per year for the use of the Property. Payment shall be made on the 1st day of the lease term and the first day of each subsequent year thereafter ("Payment Date"), and any payment not received by the 5th day of the month shall incur a late fee equals to 5% of the Rent past due. Upon execution of this Lease, Tenant shall pay to Landlord the first and last month's rent. Should either party terminate this Lease before the end of the Term in accordance with the termination provisions set forth herein then prepayment for the last month's rent shall apply to the last month Tenant accesses the Spaces.
- 3. If either party is in breach of any terms and conditions of this Lease, which shall include but not be limited to Landlord's breach due to Landlord's failure to deliver the Property and Tenant's breach due to Tenant's failure to pay Rent timely as provided herein, then the non-breaching party, after providing written notice to party at fault and the breaching party's failure to cure within three (3) days, may terminate this Lease by notice. Either party may also recover reasonably incurred attorney's fee in enforcing this Lease. Provided that Tenant is not in breach of any terms and conditions of this Lease, Tenant shall have right to terminate this Lease upon sixty (60) days advance written notice to Landlord. Landlord shall have right to terminate this Lease upon sixty (60) days advance written notice to the Tenant.
- 4. At all time during the Term of this Lease, Tenant agrees to repair any damage to the Property caused by Tenant, Tenant's agents, representatives, employees, vendors, contractors, and invitees, and to restore the Property to its original conditions promptly after its occurrence but in no event later than fifteen (15) days after notice from Landlord, unless Landlord and Tenant agree to a later restoration date. Tenant shall also maintain the Property, including but not limited to mowing grass, trash removal and cleaning at all time during the Term of this Lease.
- 5. Written notice to the Landlord shall be hand delivered to or mailed to 5039 W Broad Street / Sugar Hill, GA 30518-4611 by certified mail, return receipt requested.
- 6. Written notice to the Tenant shall be hand delivered to or mailed to 1180 Peachtree Street, Ste 700, Atlanta, GA 30350 by certified mail, return receipt requested.
- 7. Tenant will maintain all of the following insurance coverage with Landlord named as additional insured to be placed with insurance companies rated, at a minimum, "A:VIII" by Best's Key Rating Guide and shall incorporate the provisions requiring written notice to the Landlord at least thirty (30) days prior to the cancellation, non-renewal, or material modification and will deliver a copy of the insurance policies to Landlord:

<u>Business Automobile Liability Insurance.</u> In an amount equal to the greater of \$1,000,000; and including the following coverage: (i) owned autos, (ii) hired or borrowed autos, (iii) non owned autos.

<u>Commercial General Liability Insurance (CGL).</u> Commercial general liability insurance in an amount not less than \$1,000,000 each occurrence and \$2,000,000 aggregate coverage (which aggregate amount shall apply separately to the Property if the CGL policy covers more than one location), including at a minimum coverage for bodily injury, property damage and advertising/personal injury arising from premises, operations, independent Tenants, products-completed operations and liability assumed under an insured contract both oral and written.

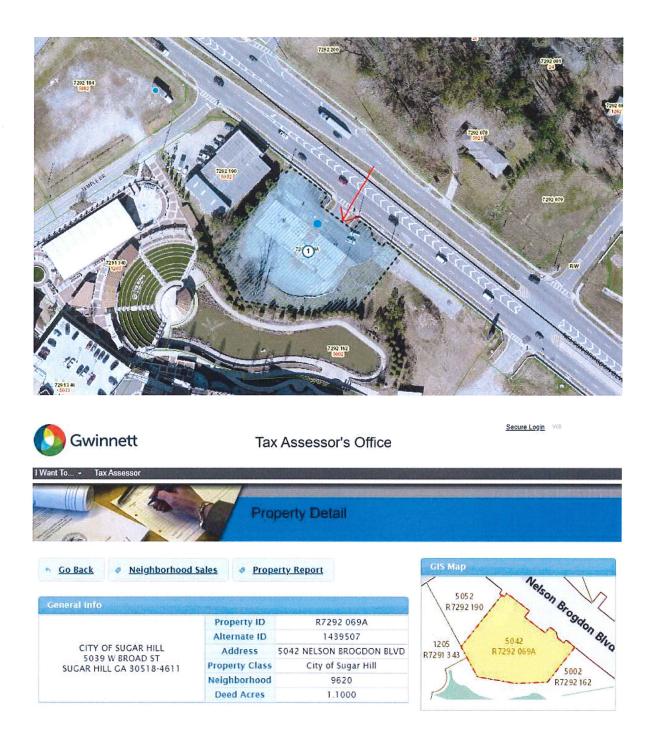
<u>Umbrella Policy</u>. An umbrella or excess insurance policy in an amount of the \$5,000,000. Umbrella policy is to follow form of the underlying policies.

All of the foregoing insurance policies provided by the Tenant shall contain a waiver of subrogation endorsements to the benefit of the Landlord.

- 8. Each person signing this Lease represents that he or she has full authority or representative capacity to execute this Lease in the capacity indicated below and that this Lease constitutes a valid and binding obligation of such party. Each party represents to the other that it has full power and all requisite authority to execute and perform this Lease and to perform the obligations under this Lease. Tenant shall not assign any interest of this Lease or sublease in part or in whole the Spaces to any third party without first obtaining Landlord's written consent which may be withheld at Landlord's absolute sole discretion.
- 9. This Lease shall be construed in accordance with the law of the State of Georgia without regard to its conflicts of laws principles. If any provisions of this Lease are held to be invalid or unenforceable, all other provisions shall nonetheless continue to be in full force and effect.
- 10. This Lease is binding upon and inures to the benefit of the successors and assigns of the Parties hereto or contemplated herein, whether by way of merger, consolidation, operation of law, assignment, purchase or other acquisition.
- 11. This Lease may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any counterpart delivered by facsimile, pdf, commercially available electronic e- signature software or other electronic means shall have the same import and effect as original counterparts and shall be valid, enforceable and binding for the purposes of this Lease.

	Landlord: The City of Sugar Hill
Witness	By: Date:
	New South Construction Company
Witness	By: Jared N. Hardy Title: _Vice President
	Date: 10/25/2021

EXHIBIT "A" – PROPERTY



Less and except ten (10) parking spaces on the east side of the lot.



EXHIBIT "B" – PHOTO DOCUMENTATION OF PRE-LEASE CONDITIONS