

RESOLUTION NO. _____

A RESOLUTION APPROVING AMENDMENT 3 TO THE LEASE
BETWEEN THE CITY OF KINGSPORT AND UPPER EAST
TENNESSEE HUMAN DEVELOPMENT AGENCY AND
AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT
AND ALL DOCUMENTS NECESSARY AND PROPER TO
EFFECTUATE THE PURPOSE OF THE AMENDMENT

WHEREAS, on September 7, 2010, the board approved a lease with Upper East Tennessee Human Development Agency (UETHDA) for space in the V. O. Dobbins Sr. Complex(Res. No. 2011-070); and

WHEREAS, on October 2, 2012, the board approved an amendment to the lease that reduced the square footage of the leased premises from 28,104 square feet to 27,692 square feet and correspondingly reduced the monthly lease payment (Res. No. 2013-054); and

WHEREAS, on August 1, 2020, the board approved an amendment to extend for a period of 5 years (Res. No. 2021-015); and

WHEREAS, the city and UETHDA desire to extend the lease for an additional five (5) years; and

WHEREAS, the amendment to the lease will be effective August 1, 2025.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That Amendment Number 3 to the lease with the Upper East Tennessee Human Development Agency (UETHDA) that extends the term of the lease for an additional five (5) years with the option to renew, is approved.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice mayor, is authorized and directed to execute, in a form approved by the city attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, Amendment Number 3 to Lease with Upper East Tennessee Human Development Agency (UETHDA), and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreement or this resolution, said agreement being as follows:

AMENDMENT NUMBER 3 TO LEASE

This Amendment Number 3 to the Lease between City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency is made with an effective date of August 1, 2025 by the City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins, Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 2. of the Lease is amended by deleting the section in its entirety and replacing it with the following:

SECTION 2. Tenant shall pay to Landlord without previous demand therefore and without any setoff or deduction whatsoever, except as may be specifically provided herein, operating cost reimbursement as follows:

A. for the space in the Nonprofit Wing Premises and the office/general space:

Office/General Space		Storage Space	
Lease Year	Cost Per Square Foot	Lease Year	Cost Per Square Foot
2025 – 2026	\$5.10	2025 – 2026	\$1.25
2026 – 2027	\$5.30	2025 – 2026	\$1.45
2027 – 2028	\$5.50	2027 – 2028	\$1.65
2028 – 2029	\$5.70	2028 – 2029	\$1.85
2029 – 2030	\$5.90	2029 – 2030	\$2.05

B. for space in the Dobbins Complex Premises:

Lease Year	Cost Per Square Foot
2025 – 2026	\$3.50
2026 – 2027	\$3.70
2027 – 2028	\$3.90
2028 – 2029	\$4.10
2029 – 2030	\$4.30

C. For the Playground Premises one dollar per annum throughout the term of the Lease or any extensions thereof.

D. All reimbursement shall be payable in advance in equal monthly installments based upon the rates set forth hereinabove due on the first day of each month during the term hereof. Payment amounts are calculated on square foot costs for water, electrical/gas, and FF&E/maintenance. All reimbursements payable by Tenant to Landlord under this Lease shall be paid to Landlord at the office of Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such reimbursement payment. Tenant shall promptly pay all reimbursements herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at landlord's option, and on notice to Tenant, be considered additional reimbursements due from and payable by Tenant with the first installment of reimbursement thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of reimbursements.

2. That section 4. of the Lease is amended to include the following "The Lease shall be extended for a period of five (5) years from the effective date of this Amendment Number 3 to the Lease, with such rights of termination as are expressly set forth in the Lease, as amended from time to time.

3. That section 8. of the Lease is hereby deleted in its entirety, it being the intent of the parties to capture any increased utility costs incurred by Landlord through the progressive cost reimbursement structure set forth in this Amendment Number 3 to the Lease.

Except as amended hereby, all other terms and conditions of the Lease and subsequent amendments thereto, shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WITNESS WHEREOF, the parties hereto have on the following page executed this Amendment Number 3 with the effective date of August 1, 2025.

[Acknowledgements Deleted for Inclusion in this Resolution]

SECTION III. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the agreement set out herein that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes.

SECTION IV. That the board finds that the actions authorized by this resolution are for a public purpose and will promote the health, comfort and prosperity of the citizens of the city.

SECTION V. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 20th day of January, 2026.

PAUL W. MONTGOMERY, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY