

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION APPROVING A LEASE WITH THE KINGSPORT CONVENTION AND VISITORS BUREAU FOR HUNTER WRIGHT STADIUM AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

WHEREAS, since January, 2010, the Kingsport Convention and Visitors Bureau (KCVB) has leased the Hunter Wright Stadium from the city; and

WHEREAS, the term of the prior lease has expired; and

WHEREAS, the city would like to enter into a new lease with KCVB for a term of five years; and

WHEREAS, the lease will permit KCVB to make improvements to the stadium property upon consultation with and written authorization from the board.

Now therefore,

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

SECTION I. That a lease with the Kingsport Convention and Visitors Bureau for Hunter Wright Stadium 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, Section 10 of the Charter of the City of Kingsport, a lease with Kingsport Convention and Visitors Bureau for Hunter Wright Stadium and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the lease agreement or this resolution, said lease being generally as follows:

**LEASE**

This Lease entered into the date of the acknowledgement of the CITY by and between the City of Kingsport, a Tennessee municipal corporation, (herein CITY) and THE GREATER KINGSPORT AREA CHAMBER OF COMMERCE, INC. for its KINGSPORT CONVENTION AND VISITORS BUREAU program (herein KCVB).

**WITNESSETH:**

NOW, THEREFORE, in consideration of the premises and mutual covenants of the parties contained herein the parties agree as follows:

**SECTION 1. PREMISES.** CITY, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by the KCVB, does hereby lease to the KCVB and the KCVB does hereby lease from CITY the Hunter Wright Stadium (herein "Premises") in Kingsport, Tennessee and all improvements located thereon from CITY, which is the property shown inside the area shown outlined in red and designated as "Stadium Boundary" on Exhibit A attached hereto and incorporated herein by reference.

**SECTION 2. LEASE TERM.** The term of this Lease shall begin on \_\_\_\_\_, 2026, at noon and shall terminate on \_\_\_\_\_ 2031, at noon, unless sooner terminated as herein provided. The parties may by mutual agreement extend the term of this Lease for a period of up to five (5) years upon the terms, covenants and conditions agreed to by the parties. KCVB may exercise such right to extend the term upon written notice to CITY at least thirty (30) days prior to the expiration of the

initial term of the Lease. Either party may, for its own convenience terminate this Lease on ninety (90) days notice to the other party. Such termination shall not be a breach of this Lease.

**SECTION 3. RENT.** KCVB shall pay to CITY, without demand or deduction, in U.S. dollars rent as follows:

Year 1: \$1

Year 2: \$1

Year 3: \$1

Year 4: \$1

Year 5: \$1

The rent is payable in advance in equally monthly installments on the first day of each calendar month, without offset or deduction. The first monthly payment, plus an appropriate fraction of a monthly payment for any portion of a month at the commencement of the lease term, shall be made upon KCVB's execution of this Lease. All payments shall be made to CITY at City of Kingsport, 225 West Center Street, Kingsport, Tennessee 37660, Attention: Chief Financial Officer, or at such other place as is designated in writing by CITY. It is the intention of CITY and KCVB that the rent herein specified shall be strictly net to CITY and that all taxes, insurance premiums, utilities, maintenance and repairs, and all other costs, charges, expenses, and obligations of every kind relating to the Premises which may arise or become due during the term of this Lease shall be paid by KCVB and the CITY shall be indemnified by KCVB and is hereby so indemnified by KCVB against such costs, charges, expenses, and obligations.

**SECTION 4. USE OF PREMISES.** KCVB shall use the Premises solely for the wooden bat league affiliated with Major League Baseball, amateur and professional baseball. KCVB may allow other activities upon written consent of CITY. CITY may withhold consent if in the sole opinion of CITY the activity may compromise the condition of the playing field or other reason satisfactory to CITY, provided however horse shows, rodeos, and football games are not permitted. KCVB agrees not to use the Premises in any way that may be unlawful, improper, noisy, offensive, or contrary to any applicable statute, regulation, ordinance, or bylaw.

**SECTION 5. UTILITIES.** During the term of this Lease, CITY shall be responsible for the payment of any and all utilities of the Premises, including, but not limited to, gas, electric, telephone, cable and any service fees required for the installation of these utilities. CITY shall also be solely responsible for the payment of any and all water bills, sewer bills, and garbage collection costs concerning the Premises.

**SECTION 6. CLEAN AND SANITARY CONDITION.** During the term of the Lease, CITY shall keep and maintain the Premises and the surrounding area in a clean and sanitary condition at all times, free of all garbage and debris. All garbage and similar debris shall be deposited by KCVB in facilities specifically for garbage collection. KCVB shall further comply with all local ordinances and regulations imposed by CITY relating to maintaining the Premises in a clean and sanitary condition and collection of garbage and similar debris.

**SECTION 7. MAINTENANCE.** Except for the obligation of other parties to maintain certain parts of the Premises during their use of the Premises or damages caused by KCVB or those who use the Premises through KCVB, it shall be CITY'S responsibility to keep and maintain the Premises in good condition and repair, reasonable wear and tear excepted, at all times during the term of the Lease. KCVB agrees to pay for and be responsible for any additional maintenance needed if KCVB uses the Premises after a date set by CITY to cease use of the Premises in preparation for the wooden bat league.

**SECTION 8. COMPLIANCE WITH APPLICABLE LAWS.** Throughout the term of this Lease, KCVB shall, at its sole cost and expense, comply with all present and future laws, statutes, codes, ordinances, rules, and regulations of the federal government, state of Tennessee, or City of Kingsport, restrictive covenants, and all orders, decrees, and like actions of any court of competent jurisdiction which may be applicable to the Premises.

**SECTION 9. IMPROVEMENTS AND ALTERATIONS.** Subject to the terms and conditions contained in this Lease, KCVB may from time to time erect additional structures and make other improvements to the Premises. Prior to the commencement of any improvements, KCVB will provide CITY with a written proposal detailing the planned improvements and will request CITY's written approval thereof, which approval shall be in the CITY's sole and exclusive discretion. Approval by CITY is for its sole and exclusive purpose and KCVB will rely on such approval for any purpose other than as permission to make such improvement. KCVB, in conjunction with the CITY, agrees that CITY will have no responsibility for maintenance and repair of improvements placed upon the Premises and that KCVB will insure that all improvements are maintained, in a safe, neat and orderly condition at all times. KCVB shall be responsible for obtaining all applicable permits, authorizations and licenses prior to making any improvements, and all work related to the improvements shall be performed in compliance with applicable laws, ordinances, and regulations. Additionally, KCVB shall have the

right, at its sole expense, from time to time, to redecorate the Premises and to make such non-structural alterations and changes in such parts thereof as KCVB shall deem expedient or necessary for its purposes; provided, however, that such alterations and changes shall neither impair the structural soundness nor diminish the value of the Premises and shall otherwise comply with the requirements of this Lease. KCVB agrees to pay promptly when due the entire cost of any work done by it upon the Premises so that the Premises at all times shall be free of liens for labor and materials. KCVB further agrees that in doing such work that it shall employ materials of good quality and comply with all governmental requirements, and perform such work in a good and workmanlike manner. KCVB agrees that it shall procure all necessary permits for making any repairs, alterations, or other improvements for installations, when applicable.

**SECTION 10. SURRENDER OF PREMISES.** On the expiration or earlier termination of this Lease pursuant to its terms, KCVB shall peaceably and quietly leave and surrender the Premises to CITY, in good order, condition and repair, broom clean, reasonable wear and tear excepted and free and clear of all liens

**SECTION 11. TAXES.** KCVB, in addition to the rent provided herein, shall pay to CITY as additional rent any and all real estate taxes, assessments, and other governmental levies and charges, general and special, ordinary or extraordinary, unforeseen or foreseen, of any kind which are assessed against or imposed in respect of the Premises.

**SECTION 12. CONDITION OF PREMISES.** KCVB has examined the Premises and accepts the same in its present state and condition without any representations or warranties, express or implied, in fact or in law, by CITY as to the nature, condition or usability thereof, or as to the use or uses to which the Premises may be put.

**SECTION 13. FIRE, CASUALTY, EMINENT DOMAIN.** Should a substantial portion of the Premises, be substantially damaged by fire or other casualty, or be taken by eminent domain, CITY may elect to terminate this Lease. When such fire, casualty or taking renders the Premises substantially unsuitable for its intended use, a proportionate abatement of rent shall be made, and KCVB may elect to terminate this Lease if: (a) CITY fails to give written notice within 30 days after said fire, casualty or taking of its intention to restore the Premises; or (b) CITY fails to restore the Premises to a condition substantially suitable for its intended use within 90 days after said fire, casualty or taking. Notwithstanding the foregoing, in the event of damage by fire or other casualty resulting from the carelessness, negligence, or intentional, or other improper conduct of KCVB, its agents, employees, contractors or others acting on its behalf, or from the carelessness, negligence, or intentional or other conduct of KCVB's customers, guest or visitors, KCVB shall have the full liability and responsibility for repairing and/or rebuilding from such casualty loss and for other damages and losses incurred by CITY. CITY reserves all rights for damages or injury to the Premises for any taking by eminent domain, except for damage to KCVB's property or equipment.

**SECTION 14. FIRE INSURANCE.** KCVB shall not permit any use of the Premises which shall adversely affect or make voidable any insurance on the property of which the Premises are a part, or on the contents of said property, or which shall be contrary to any law, regulation or recommendation made by the state fire prevention agency, local fire department, CITY's insurer or any similar entity. KCVB shall on demand reimburse CITY all extra insurance premiums caused by KCVB's use of the Premises. KCVB shall not vacate the Premises or permit same to be unoccupied other than during KCVB's customary non-business days or hours, or cause or allow the utilities serving the Premises to be terminated.

**SECTION 15. SIGNS.** KCVB shall not place or permit to be placed, any sign or signboards on the exterior or interior of the Premises unless they are in conformity with all applicable laws. The cost for all signs shall be borne by KCVB.

**SECTION 16. ASSIGNMENT OR SUBLEASE.** KCVB may not assign this Lease, sublet the Premises, in whole or in part, or allow another entity or individual to occupy the whole or any part of the Premises, without CITY's prior written consent, which may be withheld for any or no reason. If KCVB notifies CITY in writing of its desire to assign this Lease or sublet the Premises, CITY shall have the option to terminate this Lease, at an effective date to be determined by CITY, upon written notice to KCVB. Notwithstanding CITY's consent to any assignment or sublease, KCVB and GUARANTOR shall remain liable to CITY for the payment of all rent and for the full performance of all covenants and conditions of this Lease. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law.

**SECTION 17. CITY'S ACCESS.** CITY, its agents and designates, may examine and inspect the Premises at reasonable times and KCVB shall provide CITY, if not already available, with a set of keys for the purpose of said examination, provided that CITY shall not thereby unreasonably interfere with the conduct of the KCVB's business. KCVB shall permit CITY to enter the Premises to inspect such repairs, improvements, alterations or additions thereto as may be required under the provisions of this Lease. CITY, its agents and designates, may at any reasonable time enter to show the

Premises to others without creating any obligation or liability for CITY. In the event of an emergency, CITY, its agents and other representatives, may enter at any time, without notice and without the presence of KCVB. No compensation shall be asked or claim made by KCVB by reason of any inconvenience or annoyance arising from anything that may be done in repairing, altering, working on or protecting the Premises or building, however the necessity may arise, but this Section 17 shall not be construed as imposing any duty on CITY to make any repairs, alterations or additions.

**SECTION 18. LIABILITY.** KCVB shall, and does hereby, assume all risk of loss or injury to the property or person of all persons at any time coming upon the Premises during the term of this Lease. KCVB shall be solely responsible as between CITY and KCVB for deaths or personal injuries to all persons and damage to any property, including damage by fire or other casualty, occurring in or on the Premises and arising out of the use, control, condition or occupancy of the Premises by KCVB, except for death, personal injuries or property damage directly resulting from the sole negligence of CITY. KCVB agrees to indemnify and hold harmless CITY from claims and any and all liability, including but not limited to costs, expenses, damages, causes of action, claims, judgments and attorney's fees caused by or in any way arising out of any of the aforesaid matters.

**SECTION 19. INSURANCE.** KCVB shall, during the entire term of this Lease, keep in full force and effect at its own expense the following insurance:

(a) Comprehensive General Liability Coverage. At all times during the Term of this Lease, KCVB shall maintain in full force and effect policies of contractual and comprehensive general liability insurance, including public liability and broad form property damage, for not less than \$1,000,000 for each occurrence involving bodily injury (including death), and \$1,000,000 for each occurrence involving damage to property. Such policy or policies shall name CITY as an additional insured thereunder. All of such insurance shall insure the performance by KCVB of its indemnity agreement as to liability for injury to or death of persons and injury or damage to property. All of such insurance shall be primary and noncontributing with any insurance which may be carried by CITY and shall contain a provision that CITY, named or not named as an insured, shall nevertheless be entitled to recover under said policy for any loss, injury or damage to CITY, its agents, and employees or the property of such persons, by reason of the negligence of KCVB. Such policy shall expressly provide that such policy shall not be canceled or altered without thirty (30) days prior written notice to CITY. CITY shall be named as an additional insured on all such policies.

(b) Fire and Casualty Insurance. At all times during the term of this Lease, KCVB shall maintain, at its cost and expense, broad form all-risk casualty insurance (with appropriate endorsements for risks or perils ordinarily included in the CITY's policy) insuring the improvements on the Premises. CITY shall be named as an additional insured in all such policies. The policies shall permit the insurance proceeds collected upon all such policies of insurance to be used to restore the improvements on the Premises so damaged or destroyed. KCVB further agrees that each such policy of insurance, and all other policies of insurance on the Premises, including, without in any way limiting the generality of the foregoing, workmen's compensation, general liability and business interruption insurance which shall be obtained by KCVB, whether required by the provisions of this Lease or not, shall be made expressly subject to the provisions of this Section 19, and shall provide (to the extent such a waiver can be obtained) that KCVB's insurers thereunder waive any right of subrogation against CITY. All such policies shall provide that the same may not be canceled or altered without thirty (30) days prior written notice to the CITY. The said "full insurable value" shall be determined at the time the fire and extended coverage insurance is initially taken out.

(c) Additional Insured Endorsement(s). As of the commencement of this Lease, KCVB shall provide CITY with certified copies of additional insured endorsement(s) complying with the coverage requirements herein. Should KCVB fail to obtain, pay for, or maintain any required insurance, such shall constitute a material breach, and CITY may immediately terminate or suspend this Agreement. Upon written request of CITY, KCVB agrees to provide certified copies of any or all insurance policies, including declaration pages, required herein, within thirty (30) days of such request.

(d) All insurance provided for in this Section 19, and all renewals thereof, shall be issued by responsible insurance companies authorized to do business in the State of Tennessee. If any insurer which has issued a policy of insurance required pursuant to this Lease becomes insolvent or the subject of any bankruptcy, receivership or similar proceeding, KCVB shall, in each instance, obtain a like policy issued by another insurer, which insurer and policy meets the requirements of this Lease.

(e) KCVB's Release. KCVB hereby releases CITY from any and all liability and responsibility to anyone claiming any loss or damage to property arising from a risk insured against under the insurance required to be carried by KCVB. To the extent obtainable, KCVB's insurance policies shall include appropriate clauses waiving all rights of subrogation against CITY to KCVB, with respect to losses payable under such policies.

(f) Use of Proceeds. Any Casualty Insurance Proceeds paid under any insurance policy of the character described in Section 19(b) shall be used to pay for the cost to Restore the Improvements so damaged or destroyed.

(g) Blanket Insurance. Nothing in this Section 19 shall prevent KCVB from taking out insurance of the kind and in the amounts provided for under Sections 19(a) and 19(b) under a blanket insurance policy or policies which can cover other improvements on the Premises.

**SECTION 20. DEFAULT AND ACCELERATION OF RENT.** In the event that (a) any assignment for the benefit of creditors, trust mortgage, receivership or other insolvency proceeding shall be made or instituted with respect to KCVB or KCVB's property or (b) KCVB shall default in the observance or performance of any of KCVB's covenants, agreements or obligations hereunder and such default shall not be corrected within 10 days after written notice thereof, then CITY shall have the right thereafter, while such default continues and without demand or further notice, to re-enter and take possession of the Premises, to declare the term of this Lease ended, and/or to remove KCVB's effects, without being guilty of trespass or conversion, and without prejudice to any remedies which might be otherwise used for arrears of rent or other default or breach of the Lease. If KCVB defaults in the payment of the security deposit, rent, taxes or substantial invoice from CITY or CITY's agent, and such default continues for 10 days after written notice thereof, and, because both parties agree that nonpayment of said sums when due is a substantial breach of the Lease, and, because the payment of rent in monthly installments is for the sole benefit and convenience of KCVB, then, in addition to any other remedies, the net present value of the entire balance of rent due hereunder as of the date of CITY's notice, using the published prime rate then in effect, shall immediately become due and payable as liquidated damages. No actions taken by CITY under this Section 20 shall terminate KCVB's obligation to pay rent under this Lease, as liquidated damages or otherwise. Any sums received by CITY from or on behalf of KCVB at any time shall be applied first to offset any unpaid invoice or other payment due to CITY and then to unpaid rent. KCVB shall pay any invoice within 10 days after receipt. If any rent and/or other payment is not received by CITY when due, then KCVB shall pay CITY a late charge for each past due payment equal to one percent of such overdue amount or \$35, whichever is greater. KCVB shall also pay CITY interest at the rate of 18 percent per annum on any past due payment. In addition to the foregoing, if after default, a debt collector or an attorney (including any attorney of the Office of the City Attorney of CITY) is employed or directed to collect or enforce the monetary or other obligations evidenced by this Lease or to assist CITY in connection with its exercise of any right, power, privilege, or remedy referred to herein, the parties hereby agree that the KCVB shall pay promptly all costs incurred by CITY with respect to collection or enforcement including reasonable attorney's fees and court costs.

**SECTION 21. WASTE OR NUISANCE.** KCVB shall not commit or suffer to be committed any waste upon the Premises, and KCVB shall not use or permit the use of any medium that might constitute a nuisance.

**SECTION 22. NOTICE.** Any notice from CITY to KCVB relating to the Premises or this Lease shall be deemed duly served when left at the Premises, or served by constable, or sent to the Premises or to the last address designated by notice in accordance with this Section 22, by certified or registered mail, return receipt requested, postage prepaid, or by recognized courier service with a receipt therefor, addressed to KCVB. Any notice from KCVB to CITY relating to the Premises or this Lease shall be deemed duly served when served by constable, or delivered to CITY by certified mail, return receipt requested, postage prepaid, or by recognized courier service with a receipt therefor, addressed to CITY at 225 West Center Street, Kingsport, Tennessee 37660, Attention City Attorney or at CITY's last designated address. No oral notice or representation shall have any force or effect. Time is of the essence in the service of any notice.

**SECTION 23. OCCUPANCY.** If KCVB takes possession of the Premises prior to the start of the lease term, KCVB shall perform and observe all of its covenants under this Lease from the date upon which it takes possession. If KCVB continues to occupy, control or encumber all or any part of the Premises after the termination of this Lease without the written permission of CITY, KCVB shall be liable to CITY for any and all loss, damages or expenses incurred by CITY, and all terms of this Lease shall continue to apply, except that use and occupancy payments shall be due in full monthly installments at a rate which shall be two times the greater of the monthly rent due under this Lease immediately prior to termination or CITY's then current published rent for the Premises, it being understood that such extended occupancy is a tenancy at sufferance, solely for the benefit and convenience of KCVB and of greater rental value. KCVB's control, occupancy or encumbrance of all or any part of the Premises beyond noon on the last day of any monthly rental period shall constitute KCVB's occupancy for an entire additional month, and increased payment as provided in this Section 23 shall be due and payable immediately in advance. CITY's acceptance of any payments from KCVB during such extended occupancy shall not alter KCVB's status as a tenant at sufferance. CITY may require KCVB to relocate to another similar facility at any time during the lease term upon prior written notice

to KCVB and on terms comparable to those herein, and KCVB shall be liable to CITY for any loss, damages or expenses incurred by CITY if KCVB fails to relocate as required herein.

**SECTION 24. FIRE PREVENTION.** KCVB agrees to use every reasonable precaution against fire, to provide and maintain approved, labeled fire extinguishers, emergency lighting equipment and exit signs, and to complete any other modifications within the Premises as required or recommended by the Insurance Services Office (or successor organization), OSHA, the local fire department, CITY's insurer or any similar entity.

**SECTION 25. ENVIRONMENTAL MATTERS.** The term "hazardous substances," as used herein shall mean pollutants, contaminants, toxic or hazardous wastes or any other substances the use and/or the removal of which is restricted, prohibited, or penalized by any "environment law," which term shall mean any federal, state or local law, ordinance or other statute of a governmental authority relating to pollution or protection of the environment. KCVB hereby agrees that (a) no activity shall be conducted on the Premises that shall produce any hazardous substance; (b) the Premises shall not be used in any manner with the storage of any hazardous substances; (c) KCVB shall not install or place upon the premises any underground or aboveground tanks of any type and shall not store, or allow the storage law, on the premises any gasoline, oil, diesel fuel or other petroleum products; (d) KCVB shall not allow any surface or subsurface conditions to exist or come into existence that constitutes or with the passage of time may constitute a public or private nuisance; and (e) KCVB shall not permit any hazardous substances to be brought onto the Premises. If at any time during or after of the term of this Lease, the Premises are found to be in violation of any of the covenants set forth in this Section 25 due to acts or occurrences during the occupancy of KCVB, or caused by KCVB, then KCVB shall diligently institute proper and thorough cleanup and remediation procedures at KCVB's sole cost. KCVB agrees to indemnify and hold CITY harmless from all claims, demands, actions, liabilities, costs, and expenses (including CITY's attorney fees), damages and obligations of any nature arising from or as a result of the use of the Premises by KCVB. The foregoing indemnification and the responsibilities of KCVB shall survive the termination or expiration of this Lease. KCVB shall not use the Premises so as not to interfere in any way with the use and enjoyment of other portions of the same or neighboring buildings by others by reason of odors, smoke, exhaust, smells, vibrations, noise, pets, accumulation of garbage or trash, vermin or other pests, or otherwise, and shall at its expense employ a professional pest control service if determined necessary by CITY. KCVB agrees to maintain effective devices for preventing damage to plumbing and heating equipment from deionized water, chemicals which may be present at the Premises.

**SECTION 26. RESPONSIBILITY.** CITY shall not be liable to anyone for, nor shall KCVB's obligations under this Lease be reduced because of, loss or damage caused in any way by the use, leakage, seepage, flooding or escape of water or sewage in any form or from any source, by the interruption or cessation of any service rendered customarily to the Premises or building or agreed to by the terms of this Lease, by any accident, the making of repairs, alterations or improvements, labor difficulties, weather conditions, mechanical breakdowns, trouble or scarcity in obtaining fuel, electricity, service or supplies from the sources from which they are usually obtained, by any change in any utility or service provider, or by any cause beyond CITY's immediate control.

**SECTION 27. SURRENDER.** On or before the termination of this Lease, KCVB shall remove all of KCVB's goods and effects from the Premises, and shall deliver to CITY actual and exclusive possession of the Premises and all keys and locks thereto, along with all fixtures, equipment and workstations of any type connected therewith, and all alterations, additions and improvements made to or upon the Premises, whether completed by KCVB, CITY or others, including but not limited to any offices, window blinds, floor coverings, computer floors, plumbing and plumbing fixtures, heating, ventilating and air conditioning equipment, ductwork, exhaust fans, water coolers, security, surveillance and fire protection systems, telecommunications and data wiring, telephone equipment, air and gas distribution piping, compressors, hoists, cabinets, counters, shelving, signs, electrical work, including but not limited to lighting fixtures of any type, wiring, conduit, EMT, transformers, generators, distribution panels, bus ducts, raceways, outlets and disconnects, and furnishings and equipment which have been bolted, welded, nailed, screwed, glued or otherwise attached to any wall, floor, ceiling, roof, pavement or ground, or which have been directly wired or plumbed to any portion of any building or other system serving the Premises, including but not limited to water supply, drainage, venting or air or gas distribution systems. Notwithstanding the foregoing, prior to termination of this Lease, KCVB shall, if requested by CITY, remove or tag for future use any and all wiring and cabling installed and/or used by KCVB. KCVB shall deliver the Premises fully sanitized from any chemicals or other contaminants, broom clean, and in at least the same condition as they were at the commencement of the Lease or any prior lease between the parties for the Premises, or as they were modified during said term with CITY's written consent, reasonable wear and tear only excepted, and KCVB shall be deemed to be encumbering the Premises until it delivers the Premises to CITY in the condition required under this Lease. Any of KCVB's property that remains in the

Premises upon termination of the Lease shall be deemed abandoned and shall be disposed of as CITY sees fit, with no liability to KCVB for loss or damage thereto, and at the sole risk of KCVB. CITY may remove and store any such property at KCVB's expense; retain the same under CITY's control; sell the same at public or private sale (without notice) and apply the net proceeds of such sale to the payment of any sum due hereunder; or destroy same. In no case shall the Premises be deemed surrendered to CITY until the termination date provided herein or such other date as may be specified in a written agreement between the parties, notwithstanding the delivery of any keys to CITY.

**SECTION 28. HOLDING OVER.** In the event KCVB occupies the Premises after the expiration or termination of this Lease with the consent of CITY, express or implied, such possession shall be considered to be a tenancy from month to month, terminable on 30 days advance written notice by either party. KCVB shall continue to pay all charges as provided in this Lease, and shall be bound by all of the other terms and conditions of this Lease as if it was still in full force and effect.

**SECTION 29. LOSS AND DAMAGE TO KCVB'S PROPERTY.** CITY shall not be responsible or liable to KCVB for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to the Premises or any part, or for any loss or damages resulting to the KCVB or its property from bursting, stoppage or leaking of water, gas, sewer or steam pipes or for any damage or loss of property within the Premises from any cause whatsoever.

**SECTION 30. NOTICE BY KCVB.** KCVB shall give immediate notice to CITY in case of fire or accidents in the Premises or in the building of which the Premises are a part or of defects therein or in any fixtures or equipment.

**SECTION 31. SUCCESSORS.** All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of the said parties, except that CITY shall only be liable for obligations occurring while the owner of the Premises.. No rights, however, shall inure to the benefit of any assignee of KCVB unless the assignment to such assignee has been approved by CITY in writing as provided in Section 16 herein.

**SECTION 32. GENERAL.** The following shall apply to this Lease:

(a) The invalidity or unenforceability of any clause or provision of this Lease shall not affect or render invalid or unenforceable any other clause or provision hereof;

(b) Any action or proceeding arising out of the subject matter of this Lease shall be brought by KCVB within one year after the cause of action has occurred and only in a state court in Kingsport, Tennessee;

(c) This Lease is made and delivered in the state of Tennessee, and shall be interpreted, construed, and enforced in accordance with the laws thereof and all legal proceedings relating to the subject matter of this Lease shall be maintained in the state courts for Kingsport, Sullivan County, Tennessee, and the parties agree that jurisdiction and venue for any such legal proceeding shall lie exclusively with such courts;

(d) This Lease is the result of negotiations between parties of equal bargaining strength, and when executed by both parties shall constitute the entire agreement between the parties, superseding all prior oral and written agreements, representations, statements and negotiations relating in any way to the subject matter herein. This Lease may not be extended or amended except by written agreement signed by both parties, or as otherwise provided herein, and no other subsequent oral or written representation shall have any effect hereon;

(e) Notwithstanding any other statements herein, CITY makes no warranty, express or implied, concerning the suitability of the Premises for KCVB's intended use;

(f) KCVB agrees that if CITY does not deliver possession of the Premises as herein provided for any reason, CITY shall not be liable for any damages to KCVB for such failure, but CITY agrees to use reasonable efforts to deliver possession to KCVB at the earliest practical date. A proportionate abatement of rent, excluding the cost of any amortized improvements to the Premises, for such time as KCVB may be deprived of possession of the Premises shall be KCVB's sole remedy, except where a delay in delivery is caused in any way by KCVB;

(g) Neither the submission of this Lease or any amendment hereof, nor the acceptance of the security deposit and/or rent shall constitute a reservation of or option for the Premises, or an offer to lease, it being expressly understood and agreed that neither this Lease nor any amendment shall bind either party in any manner whatsoever unless and until it has been executed by both parties;

(h) CITY nor KCVB shall be liable for any special, incidental, indirect or consequential damages, including but not limited to lost profits or loss of business, arising out of or in any manner connected with performance or nonperformance under this Lease, even if any party has knowledge of the possibility of such damages;

(i) The headings and captioned in this Lease are for convenience only and shall not be considered part of the terms hereof;

(j) No restriction, condition or other endorsement by KCVB on any check, nor CITY's deposit of any full or partial payment, shall bind CITY in any way or limit CITY's rights under this Lease;

(k) KCVB shall conform to all rules and regulations now or hereafter made by CITY for parking, for the care, use or alteration of the building, its facilities and approaches, and for the administration of this Lease, and shall not permit any employee or visitor to violate this or any other covenant or obligation of KCVB;

(l) KCVB's covenants under this Lease shall be independent of CITY's covenants, and CITY's failure to perform any of its covenants under this Lease, including a covenant constituting a significant inducement to KCVB to enter into this Lease, shall not excuse the payment of rent or any other charges by KCVB or allow KCVB to terminate this Lease;

(m) CITY and KCVB hereby waive any and all rights to a jury trial in any proceeding in any way arising out of the subject matter of this Lease.

**SECTION 33. WAIVERS, ETC.** No consent or waiver, express or implied, by CITY to or of any breach of any covenant, condition or duty of KCVB shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition or duty. If KCVB is several persons, corporations, or other legal entities, or a partnership, or some combination thereof, KCVB's obligations are joint and several. Unless repugnant to the context, "CITY" and "KCVB" mean the person or persons, natural or corporate, named above as CITY and as KCVB respectively, and their respective heirs, executors, administrators, successors and assigns.

**SECTION 34. TIME.** Time is of the essence in this Lease.

**SECTION 35. SURVIVAL OF TERMS.** Wherever in this Lease either Tenant or Landlord shall have agreed or promised to perform certain acts or otherwise where the context of this Lease would require such performance to occur after the termination or expiration of the Lease, then those agreements and covenants shall survive the termination or expiration of the Lease and continue to bind Tenant and Landlord.

(Signatures omitted for inclusion in 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 19th day of May, 2026.

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PAUL W MONTGOMERY, MAYOR

ATTEST:

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ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

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RODNEY B. ROWLETT, III, CITY ATTORNEY