



# Fire Station Redevelopment Contract & Lease Agreement

## DRAFT OUTLINE

### 1. Parties Involved

#### Town of Tyrone Downtown Development Authority:

- Legal Entity: Development Authority
- Role: Property Owner

#### Development Partner (Mr. Collins Woods):

- Legal Entity Type: [Define legal entity type, e.g., LLC, Corporation]
- Role: Development Partner

### 2. Recitals

#### Background:

In 2020, the Town of Tyrone reacquired the property at 950 Senoia Road, previously a fire station, from the county, identifying it as a key site for spurring economic development in the Downtown area. The Town initiated an RFQ process to select a development partner for the site's redevelopment, aiming to enhance the economic and social vitality of the area. Mr. Collins Woods, representing Neighbors Restaurant, was selected as the development partner through this process, aligning with the Town's redevelopment goals.

#### Purpose:

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This contract establishes the terms and conditions for the partnership between the Town of Tyrone Downtown Development Authority (DDA) and Neighbors Restaurant for the redevelopment of the old fire station at 950 Senoia Road. The DDA will own the land and building and will contribute \$400,000 towards the redevelopment project. Neighbors Restaurant agrees to provide the remaining necessary private equity to complete the redevelopment, with the intention of establishing a restaurant that contributes to the economic development of the Downtown area. Both parties aim to create a straightforward framework through this contract to ensure the project's successful execution and to safeguard the interests of both entities.

### 3. Definitions and Interpretations

TBD

## 4. Scope of the Project

### 4.1 Description:

The project encompasses the comprehensive redevelopment of the old fire station located at 950 Senoia Road, Tyrone, GA 30290, transforming it into a restaurant under the banner of Neighbors Restaurant. The redevelopment will involve interior and exterior modifications, ensuring alignment with Town Plans, the DDA's vision, and Neighbors Restaurant's vision.

#### 4.1.1 Interior Renovation:

The interior of the building will undergo substantial renovations to establish a fully functional kitchen and a dining area. The kitchen will be designed to meet all applicable building, health, and safety standards, ensuring a layout that supports the operational needs of a restaurant. The dining area shall provide an environment for patrons, ensuring accessibility, and adherence to applicable building codes.

#### 4.1.2 Exterior Development:

The exterior of the site will be developed to foster a public space that encourages community and social interactions, aligning with the goals and objectives of the Town's planning efforts. This involves creating an environment that is not only aesthetically pleasing but

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also functional and safe for community gatherings, events, and daily interactions.

*Public Space:* The development will include the creation of a public space in front of the building that is inviting and conducive for social interactions and community events.

*Street Relationship:* The project will ensure that the exterior area addresses the street, adhering to high-quality urban design practices, enhancing the visual appeal, and contributing to the Downtown area.

*Bay Doors:* The bay doors of the fire station will be constructed of glass (or similar material), ensuring visibility and connectivity between the interior of the restaurant and the external public space. At least one of these doors will be operational, providing an opening to the public space in front of the building, thereby creating a transition between the indoor and outdoor spaces.

#### **4.2 Location:**

Address: 950 Senoia Road, Tyrone, GA 30290

Relevance: Identified as a catalytic site for economic development and social interaction within the Downtown area.

#### **4.3 Project Vision:**

The vision of the redevelopment project is to create a space that serves as a culinary destination while also acting as a catalyst for further economic development and social interaction within the Downtown area. The project aims to:

*Economic Development:* Contribute to the economic vitality of the Downtown area by introducing a new business venture in the form of Neighbors Restaurant.

*Social Hub:* Establish a space that not only serves as a restaurant but also as a social hub that enhances community interaction and engagement.

*Urban Enhancement:* Enhance the downtown environment by introducing high-quality design that contributes positively to the visual and functional aspects of the Downtown area.

## **5. Roles and Responsibilities**

### **5.1 Town of Tyrone Downtown Development Authority**

#### **5.1.1: Financial Contribution**

- Provide a financial contribution of \$400,000 towards the redevelopment project, ensuring timely disbursement as per agreed-upon payment milestones.

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### **5.1.2: Ownership, repairs, and Lease**

- Retain ownership of the land and building located at 950 Senoia Road, Tyrone, GA 30290
- Establish and manage a lease agreement with the Development Partner, outlining terms including, but not limited to duration, rent, and renewal options as outlined in Section 8 of this contract.

### **5.1.3: Compliance and Approvals**

- Ensure that the project adheres to local, state, and federal laws and regulations.
- Facilitate and expedite the process of obtaining necessary permits and approvals for the redevelopment.

### **5.1.4: Supervision**

- Assume a supervisory role, overseeing the redevelopment project is in alignment with the stated goals.
- Ensure coordination with relevant stakeholders and authorities to facilitate project execution. This is not to include the direct hiring or management of contractors, engineers, and architects.

### **5.1.5: Dispute Resolution**

- Engage in dispute resolution processes as outlined in the contract, ensuring adherence to stipulated protocols and timelines.

### **5.1.6: Building Maintenance and Repairs**

- Ensure maintenance of the structural integrity of the building related to foundation, walls, roof, and other structural components.
- Manage and oversee the maintenance of the exterior elements of the building including painting, facia board, siding, and soffit repair.
- Oversee the maintenance and repair of major building environmental systems including electrical, plumbing, and HVAC systems. This shall not include kitchen appliances or kitchen-related equipment.

## **5.2 Development Partner (Neighbors Restaurant)**

### **5.2.1: Financial Contribution**

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- Provide private equity in amount necessary to cover all costs exceeding the \$400,000 put forward by the Town of Tyrone Development Authority consistent with official estimates put forward by \_\_\_\_\_.
  - Ensure that financial commitments are met in a timely manner as per the project's financial requirements.

### **5.2.2: Project Management**

- Assume primary role in managing the redevelopment particulars, including hiring and managing of contractors, engineering firms, architects, and other necessary personnel or consultants
- Lead the design, development, and construction phases of the project, ensuring work is completed on time and within budget.

### **5.2.3: Restaurant/Facility Operations**

- *Operations:* Manage the day-to-day operations of Neighbors Restaurant upon completion of the redevelopment project, ensuring compliance with all applicable laws, regulations, and lease agreement terms.
- *Staffing:* Be responsible for hiring, training, managing, and ensuring welfare of staff members adhering to relevant labor laws and regulations.
- *Food Safety Compliance:* Ensure that all aspects of the restaurant's operations, including food preparation and service, adhere to local, state, and federal health and safety regulations.
- *Regulatory Compliance:* Ensure that the restaurant adheres to all relevant regulations related to alcohol licensing, occupational tax certification, and food service.
- *Marketing & Promotion:* Develop and implement marketing and promotional strategies for the restaurant.
- *Finances:* Manage the restaurant's finances, including budgeting, financial reporting, and ensuring financial sustainability and good health.
- *Vendor Management:* Manage relationships with suppliers and vendors regarding the supply of stock, ingredients, and materials necessary for restaurant operations.
- *Janitorial:* Ensure janitorial maintenance of the restaurant spaces.
- *Quality Assurance:* Implement and oversee quality assurance protocols to ensure consistency and high standards in food preparation, presentation, and service.

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- *Pest Control*: Manage and fund pest control for the property.
  - *Maintenance*: Oversee the maintenance and repair of all restaurant-owned equipment and appliances.
  - *Waste Management*: Manage and fund waste management for the restaurant.
  - *Landscaping*: Manage and fund landscaping maintenance for the site.

## 6. Financial Contributions and Management

### 6.1 DDA's Contribution

#### 6.1.1: \$100,000 Escrow Monies

- *Usage*: Can be utilized towards any facility or site improvement needed for the project
- *Disbursement*: Shall be disbursed as reimbursable payments to the Development Partner upon the submission of valid receipts to the DDA
- *Escrow Statement*: The DDA shall provide the development partner with an escrow account statement reflecting the available \$100,000 upon the execution of this contract.

#### 6.1.2: \$300,000 Grant Monies

- *Usage*: Can be utilized towards any exterior improvement of the building or site, excluding HVAC equipment, mechanical equipment, and underground utilities.
- *Bank Statement*: The DDA shall provide the Development Partner with a bank statement reflecting the available grant monies as consistent with the Fayette County Development Authority grant agreement.

### 6.2 Development Partner Contribution

#### 6.2.1 \$100,000 Escrow Money

- *Escrow Statement*: the Development Partner shall have \$100,000 in escrow upon the execution of this contract and shall provide the Downtown Development Authority with an escrow statement reflecting this amount

#### 6.2.2 Additional Financial Contributions

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- *Amount:* The Development Partner shall contribute the remaining amount necessary to complete the project as outlined in the project scope and per the estimate provided by the Architect of Record for the project.
  - *Usage:* this contribution shall be utilized towards the redevelopment project as outlined in the scope and financial plan.
  - *Documentation:* The Development Partner shall provide documentation verifying the availability and allocation of these funds towards the project.

### **6.3 Management of Funds**

#### **6.3.1 Fund Allocation and Usage**

- All parties shall ensure that the funds are utilized strictly as per the stipulated usage outlined in sections 6.1 and 6.2 of this agreement.
- Any deviation from the agreed-upon usage of funds shall require written approval from both parties.

#### **6.3.2 Financial Transparency and Documentation**

- All parties shall maintain transparent and accurate records of all financial transactions related to the project.
- Receipts, invoices, and other relevant financial documentation shall be shared between the parties as an when transactions occur.

#### **6.3.3 Financial Auditing**

- The financial records related to the project shall be subject to auditing by an independent auditor to ensure adherence to the financial plan and legal compliance.
- Any discrepancies identified during an audit shall be addressed and rectified by the concerned party within 2 business days.

#### **6.3.4 Financial Reporting**

- Periodic financial reports shall be shared between the DDA and the Development Partner, outlining the expenditure, remaining funds, and any financial concerns or deviations.
- These reports shall be reviewed and discussed by both parties to ensure the financial health and progress of the project.

#### **6.4.5 Contingency Management**

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- A contingency plan shall be in place to manage any unforeseen financial challenges or deviations from the financial plan.
  - Both parties shall agree upon a contingency fund and its usage to manage any unexpected financial requirements during the project.

#### **6.4 Discrepancies and Disputes**

Any discrepancies or disputes related to financial contributions, disbursements, or management shall be addressed as per the dispute resolution mechanism outlined in this agreement.

## **7. Project Execution**

### **7.1 Design and Planning**

#### **7.1.1 Design Submission**

The Development Partner shall formulate and submit design plans to include, interior renovation plans, exterior architectural elevations, exterior site plan, and landscape plan consistent with both the vision and objectives of the redevelopment project and Town of Tyrone ordinances.

#### **7.1.2 Design Approval**

The DDA shall review submitted designs at the initial, 60%, and 90% design phase for the architectural, site, and interior plans. The DDA shall grant approval or request specific modifications at each of these phases.

#### **7.1.3 Regulatory Compliance**

All designs shall adhere to all applicable local, state, and federal regulations with particular attention to building code, health & safety standards, ADA accessibility, and zoning ordinances.

### **7.2 Construction**

#### **7.2.1 Contractor Engagement**

The Development Partner shall engage contractors, architects, engineers, and other consultants after an internal selection process, ensuring that each poses valid state and professional licenses, adequate insurance, and adequate bonds if required.

#### **7.2.2 Construction Management & Quality Assurance**



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The Development Partner shall manage the construction process, ensuring that work progresses according to the approved designs and timeline, adhering to the stipulated budget, and maintaining a standard of quality and safety throughout the duration of construction.

#### **7.2.3 Safety & Compliance**

The Development Partner shall enforce safety protocols consistent with all applicable and relevant regulations thereby safeguarding the well-being of workers to minimize potential risks.

### **7.3 Project Completion and Inspections**

Upon reaching the final inspection phase of construction per the Town of Tyrone's permitting procedures, an inspection conducted jointly by representatives of the DDA and the Development Partner. This inspection shall serve as an opportunity for both parties to identify final punch list items to be completed. Upon the completion of this inspection and final building inspections by the Town of Tyrone, the Development Partner shall facilitate the acquisition of a new Certificate of Occupancy for the building from the Town of Tyrone Building Department.

### **7.4 Modifications**

Any proposed modifications or alterations post-approval of designs shall be documented and submitted to the DDA for review, requiring written approval signed by the Chairman of the Board before commencement of work on altered design.

### **7.5 Liability, Insurance, and Bonds**

#### **7.5.1 General Liability Insurance**

The Development Partner shall procure and maintain a comprehensive liability insurance policy in an amount of at least \$1 million per occurrence and \$2 million in aggregate coverage to safeguard against potential legal and financial repercussions arising from damages or injuries.

#### **7.5.2 Professional Liability Insurance**

The Development Partner shall procure and maintain a professional liability insurance policy in an amount of at least \$1 million to cover claims arising from errors, omissions, or negligence.

#### **7.5.3 Commercial Automotive Insurance**

The Development Partner shall procure and maintain a commercial automotive insurance policy in an amount of at least \$1 million to safeguard against claims arising from the use of commercial vehicles for the project or business.

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#### 7.5.4 Umbrella Liability Insurance

The Development Partner shall procure and maintain a comprehensive umbrella insurance policy in an amount of at least \$3 million. `

#### 7.5.5 Performance Bond

The Development Partner shall furnish a performance bond in an amount equal to the estimated price of the project

## 8. Lease Agreement

### 8.1 Lease Terms

#### 8.1.1 Duration

- **Initial Term:** the initial term of this Lease Agreement ("Initial Term") shall be for a period of X (X) years.
  - o *Commencement Date:* [date to be determined] ("Lease Commencement Date"). The exact date upon which the lease term commences shall be established and mutually agreed upon by both parties in writing, taking into consideration the completion of the redevelopment project and the readiness of the premises for occupation and operation.
  - o *Expiration Date:* [date to be determined] ("Lease Expiration Date"). The expiration date shall be calculated to be exactly (X) years post the Lease Commencement Date, unless earlier termination occurs as permitted under the terms and conditions of this Lease Agreement.
- **Possession:** The DDA agrees to deliver possession of the premises to the Development Partner on the Lease Commencement Date in compliance with the agreed-upon conditions stipulated in this Lease Agreement. Should there be any delay in the provision of possession, neither party shall be held liable for any damages or penalties, but the Commencement Date shall be adjusted accordingly.
- **Holdover Period:** If the Development Partner continues to occupy the premises with the DDA's consent after the expiration of the Initial Term, such occupancy shall be deemed to be on a month-to-month basis under the same terms

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and conditions contained herein, unless otherwise agreed upon by both parties in writing.

- **Option to Renew:** The Development Partner shall have the option to renew this Lease Agreement for additional term(s) as may be mutually agreed upon by both parties. The Development Partner must provide written notice of its intention to renew at least [X] days prior to the expiration of the Initial Term or any subsequent renewal term.
- **Early Termination:** Conditions and implications of early termination by either party before the expiration of the Initial Term shall be as stipulated in Section 8.6 of this agreement.

### 8.1.2 Rent

- **Monthly Rent:** The Development Partner Agrees to pay the DDA a monthly rent for the premises, the amount of which shall be [Amount TBD]
- **Rent-Free Period:** The Development Partner shall be granted a rent-free period for the first X (X) months of the lease term, commencing on the Lease Commencement Date and ending on the last day of the X month of the lease term. No monthly rent shall be due and payable during this rent-free period. The purpose of the rent-free period is to facilitate the Development Partner in stabilizing the operations of the restaurant without the financial burden of rent.
- **Due Date:** Commencing from the X (X) month of the lease term, the monthly rent shall be due and payable on the first (1<sup>st</sup>) day of each calendar month. The first-month rent shall be prorated if applicable and is to be paid on or before the due date.
- **Late Payment:** If any installment of rent is not received by the DDA within X (X) days after the due date, the Development Partner agrees to pay a late charge of [X]% of the overdue amount for each month or part thereof that the payment is overdue.
- **Grace Period:** A grace period of [X] days will be allowed after the due date of the rent payment before late charges are applied
- **Rent Adjustment:** The DDA reserves the right to adjust the rent upon renewal of the lease term, subject to a written notice provided to the Development Partner at least [x] days prior to the expiration of the then-current term. Any adjustment to the rent shall be mutually agreed upon by both parties in writing.

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- **Additional Rent:** The Development Partner shall also pay to the DDA any and all sums of money accruing during the term of this lease as additional rent, which may be due for any reason, including but not limited to, utility charges, repair costs, or other costs as stipulated in this Lease Agreement.
  - **Security Deposit:** The Development Partner agrees to pay a security deposit equal to [amount to be determined] upon execution of this Lease Agreement. The security deposit shall be held by the DDA as security for the performance of the Development Partner's obligations under this lease agreement. The Terms and conditions regarding the use and return of the security deposit shall be as stipulated in Section 8.1.3 of this Lease Agreement.
  - **Taxes:** The Development Partner shall be responsible for paying any taxes levied on the leased premises, including, but not limited to, property tax, sales tax, occupational tax, and other applicable taxes, unless otherwise agreed upon by both parties in writing.
  - **Utilities and Services:** Unless otherwise agreed upon in writing, the Development Partner shall be responsible for all charges for utilities and services incurred in connection with the leased premises, including but not limited to, electricity, water, heating, and air conditioning. This shall also include services such as sanitation, grease trap management, and built-in appliance servicing.

### 8.1.3 Security Deposit

#### 8.1.3.1 Use of Security Deposit

- **Application:** The DDA may use the security deposit, or any portion of it, to cure any default by the development Partner or to compensate the DDA for any damage arising from the Development Partner's default.
- **No Limitation:** The DDA's use of the security deposit shall not limit any other rights or remedies available to the DDA under this Lease Agreement or under applicable Law

#### 8.1.3.2 Return of Security Deposit

- **Condition:** Subject to the provisions below, the DDA shall return the security deposit, or any remaining portion of it, to the Development Partner within 60 days after the Development Partner has surrendered the premises, provided the premises to the DDA free of all damage and in the same condition as received, ordinary wear and tear excepted, and

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compiled with all other conditions provided in the Lease Agreement for the return of the security deposit.

- **Deductions:** The DDA may deduct from the security deposit any amounts required to place the premises in the condition required under this Lease Agreement, and to cure any default of the Development Partner under this Lease Agreement.
- **Statement:** The DDA shall provide the Development Partner with an itemized statement of any deductions made from the security deposit, along with any remaining balance of the security deposit.
- **Forwarding Address:** The Development Partner shall provide the DDA with a forwarding address to which the DDA shall send the remaining security deposit and the itemized statement.
- **No interest:** The Development Partner agrees that the security deposit shall not bear interest unless required by applicable laws.

#### **8.1.3.3 Transfer of Security Deposit**

- **Transfer:** In the event of a sale or transfer of the premises, the DDA may transfer the security deposit to the purchaser or transferee, and the DDA shall thereafter be released from all liability for the return of the security deposit.
- **Notice:** the DDA shall notify the Development Partner in writing of any such transfer, and of the transferee's name and address.

#### **8.1.3.4 No Offset**

- **Separate Account:** The Development Partner shall not have the right to offset monthly rent or any other amounts due under this Lease Agreement against the security deposit.
- **No Merger:** The security deposit shall not be merged with any other deposits or amounts held by the DDA under this Lease Agreement.

### **8.2 Rights and Obligations**

#### **8.2.1 Maintenance and Repairs**

**General:** Both parties agree that the premises shall be maintained in a state of repair and condition consistent with the use of the premises as a restaurant and in compliance with all applicable laws, ordinances, and regulations.

##### **8.2.1.1 Development Partner Responsibilities**

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- **Minor Repairs:** The Development Partner shall, at its own expense, promptly perform all non-structural repairs and maintenance to the premises, including but not limited to, interior surfaces, non-structural elements, fixtures, equipment, and systems, unless such repairs are due to the DDA's negligence or failure to perform its obligations under this Lease Agreement
  - **Appliances and Equipment:** The Development Partner shall be solely responsible for the maintenance, repair, and replacement of any appliances, kitchen equipment, or other items installed or placed in the premises by the Development Partner.
  - **Damage Caused by Development Partner:** The Development Partner shall repair, at its own expense, any damage to the premises caused by the Development Partner's activities, negligence, or misuse of the premises.
  - **Notification:** The Development Partner shall promptly notify the DDA of any major repairs or maintenance that are the responsibility of the DDA under this Lease Agreement.

#### **8.2.1.2 DDA's Responsibilities**

- **Structural Repairs:** The DDA shall, at its own expense, maintain and make necessary repairs to the structural elements of the premises, including the foundation, roof, exterior walls, and structural systems, unless such repairs are due to the Development Partner's negligence or misuse of the property.
- **Major Systems:** The DDA shall be responsible for maintaining and repairing major systems of the premises, including electrical, plumbing, and mechanical systems excluding kitchen vent hoods and associated equipment unless such repairs are due to the Development Partner's negligence or misuse of the premises.
- **Common Areas:** The DDA shall maintain and repair common areas and exterior spaces of the premises reserved for public use, ensuring they are in clean, safe, and operable condition.
- **Legal Compliance:** The DDA shall ensure that the premises comply with all applicable laws, ordinances, and regulations pertaining to the structural integrity and safety of the building.

#### **8.2.1.3 Joint Responsibilities**

- **Joint Inspection:** Both parties agree to conduct a joint inspection of the premises prior to the Lease Commencement Date to document the initial condition of the premises. Any

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existing damages or issues shall be noted, and the DDA shall rectify any structural or major system issues prior to the Lease Commencement Date.

- **Annual Review:** Both Parties Shall conduct an annual review of the premises to assess its condition and address any maintenance or repair issues in accordance with their respective responsibilities under this Lease Agreement.

**8.2.1.4 Failure to Repair:** If the responsible party fails to address and rectify repair issues within a reasonable time following written notice, the non-responsible party may, at its option, undertake the necessary repairs and seek reimbursement from the responsible party for reasonable and necessary costs incurred.

### **8.2.3 Use of Premises**

- **Permitted Use:** The Development Partner shall use the premises exclusively for the operation of a restaurant and related activities. Any change or addition of permitted use(s) must be approved in writing by the DDA.
- **Compliance:** The Development Partner shall comply with all laws, ordinances, and regulations applicable to the use of the premises and shall not use or permit the use of the premises for any unlawful purpose.

### **8.2.4 Alterations and Improvements**

- **DDA's Consent:** The Development Partner shall not make any alterations, additions, or improvements to the premises without the DDA's prior written consent.
- **Compliance:** Any approved alterations, additions, or improvements shall comply with all applicable laws, ordinances, and regulations and shall be performed by a Georgia State Licensed and insured contractor.
- **Ownership:** Unless otherwise agreed in writing, all alterations, additions, or improvements shall become the property of the DDA upon the expiration or earlier termination of this Lease Agreement.

### **8.2.5 Signs and Advertising**

- **Approval:** The Development Partner shall not place any signs or advertising materials on the premises without the DDA's prior written consent, which shall not be unreasonably withheld.

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- **Compliance:** All signs and advertising materials must comply with the Town of Tyrone's applicable signage ordinances and regulations and be consistent with the aesthetic and quality standards of the Town Center District and premises as a whole.

#### 8.2.6 Assignment, Subletting, and Access to Premises

- **Prohibition:** The Development Partner shall not assign this Lease Agreement or sublet the premises, in whole or in part, without the DDA's prior written consent, which shall not be unreasonably withheld.
- **No release:** No permitted assignment or subletting shall release the Development Partner from its obligations under this Lease Agreement
- **DDA's Access:** Any authorized representative of the DDA shall have the right to access the premises during normal business hours for the purpose of inspection, maintenance, and repair. The DDA shall provide reasonable notice of such access, except in the case of an emergency.
- **No obstruction:** The Development Partner shall not unreasonably obstruct or interfere with the DDA's access to the premises.

### 8.3 Default

#### 8.3.1 Events of Default

- **Non-Payment:** The Development Partner fails to pay the rent or any other amount herein provided to be paid, and such failure continues for a period of [X] days after written notice thereof from the DDA to the Development Partner.
- **Non-Performance:** The Development Partner fails to observe, perform, and keep any covenant, agreement, or obligation set forth in this Lease Agreement, and such failure continues for a period of [X] days after written notice thereof from the DDA to the Development Partner, or such longer period as is reasonably required to cure the default.
- **Insolvency:** The Development Partner (i) becomes insolvent, (ii) admits in writing its inability to pay its debts as they mature, (iii) makes an assignment for the benefit of creditors, or (iv) applies for or consents to the appointment of a trustee, receiver, or custodian for its assets.
- **Bankruptcy:** The Development Partner files a petition for bankruptcy or is adjudicated bankrupt.

#### 8.3.2 Remedies upon Default



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Upon the occurrence of any Event of Default, the DDA may, at its option, pursue any one or more of the following remedies without notice (except as expressly herein provided) or demand;

- **Termination:** Terminate this Lease Agreement, in which case the Development Partner shall immediately surrender the premises to the DDA.
- **Re-Entry:** Re-enter and take possession of the premises, expelling the Development Partner and those claiming through or under the Development Partner and removing their effects, without being deemed guilty of any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant.
- **Maintain the Lease:** Maintain this Lease Agreement in full force and effect and recover the rent and other charges as they become due, without terminating the Development Partner's right to possession.
- **Pursue Legal Action:** Bring any action at law or in equity to collect all sums becoming due hereunder or to enforce any other legal or equitable right.

### **8.3.3 Late Payment Charge**

If the Development Partner fails to make any payment of rent or any other payment within [X] days of the date when the payment becomes due, the Development Partner shall pay to the DDA a late charge equal to [X]% of the amount of the overdue payment.

### **8.3.4 DDA's Right to Cure Default**

The DDA may, at any time after the Development Partner commits an Event of Default, without waiving or releasing the Development Partner from any obligations, make any payment or take any action as the DDA may deem necessary to cure the Event of Default. The Development Partner shall reimburse the DDA upon demand for any amount paid or cost incurred by the DDA.

### **8.3.5 No Waiver**

No waiver by the DDA of any provision of this Lease Agreement shall be considered a waiver of any other provision or the DDA's right to require strict observance of each of the terms herein.

This section outlines the events that constitute a default, the remedies available to the DDA upon such default, and other related provisions. Ensure to consult with a legal professional to refine and validate this section, ensuring it is tailored to the specific project and jurisdiction, and adheres to applicable laws and regulations.

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## 8.4 Indemnification

### 8.4.1 Development Partner's Indemnification

The Development Partner shall indemnify, defend, and hold harmless the DDA, its agents, officers, and employees from and against all claims, damages, losses, and expenses, including but not limited to attorney's fees, arising out of or resulting from the Development Partner's occupancy or use of the premises, provided that any such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom, and is caused in whole or in part by any negligent act or omission of the Development Partner, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable.

### 8.4.2 Tyrone Downtown Development Authority's Indemnification

The DDA shall indemnify, defend, and hold harmless the Development Partner, its agents, officers, and employees from and against all claims, damages, losses, and expenses, including but not limited to attorney's fees, arising out of or resulting from the DDA's occupancy or use of the premises, provided that any such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom, and is caused in whole or in part by any negligent act or omission of the DDA, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable.

### 8.4.3 Notice of Claims

- **Prompt Notice:** Each party agrees to notify the other party promptly, in writing, of any claim, action, or proceeding for which such party is seeking indemnification hereunder and, if known, the facts pertaining thereto.
- **Cooperation:** Each party agrees to cooperate fully with the other party in the defense of any such claim, action, or proceeding.

### 8.4.4 Defense of Claims

- **Right to Defend:** Each party shall have the right to defend any such claim, action, or proceeding with counsel of its own choosing, but the other party shall have the right, but not the obligation, to participate in such defense with counsel of its own choosing at its own expense.

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- **Settlement Approval:** Neither party shall, without the approval of the other party, settle or compromise any claim, or consent to the entry of any judgment, that does not include a complete release of the indemnified party from all liability with respect thereto.

#### 8.4.5 Ongoing Obligation

The obligations of each party under this Section 8.4 shall survive the expiration or earlier termination of this Lease Agreement.

## 9. Dispute Resolution

### 9.1 Governing Law and Venue

- All disputes arising under this agreement should be resolved in a court of competent jurisdiction in Fayette County Courts or the Courts of the Northern District of Georgia under the laws of the State of Georgia.

### 9.2 Ongoing Obligation

The obligations of each party under this Section 9 shall survive the expiration or earlier termination of this Lease Agreement.

## 10. Timeline and Milestones

### 10.1 Project Timeline

- **Commencement Date:** The redevelopment project shall commence on [Date to be determined] or such other date as the parties may mutually agree in writing.
- **Completion Date:** The redevelopment project shall be substantially completed on or before [Date to be determined], subject to adjustments as provided in this Lease Agreement.

### 10.2 Milestones

- **Milestone 1 - Design Approval:** The Development Partner shall submit the design and plans for the redevelopment project to the DDA for approval by [Date to be determined].
- **Milestone 2 - Permitting:** The Development Partner shall secure all necessary permits and approvals for the redevelopment project by [Date to be determined].
- **Milestone 3 - Construction Commencement:** The Development Partner shall commence construction of the redevelopment project by [Date to be determined].

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- **Milestone 4 - Construction Milestones:** The Development Partner shall achieve the following construction milestones by the respective dates:
    - **Sub-Milestone A - Foundation and Structure:** [Date to be determined]
    - **Sub-Milestone B - Roofing and Exterior:** [Date to be determined]
    - **Sub-Milestone C - Interior Build-Out:** [Date to be determined]
  - **Milestone 5 - Certificate of Occupancy:** The Development Partner shall secure a certificate of occupancy for the premises by [Date to be determined].

### 10.3 Delays

- **Force Majeure:** Neither party shall be liable for any delay due to causes beyond its reasonable control, including but not limited to acts of God, war, terrorism, civil disturbance, or other similar events ("Force Majeure Events").
- **Notice of Delay:** In the event of any delay, the party experiencing the delay shall promptly notify the other party in writing, explaining the cause and expected duration of the delay.
- **Adjustment of Dates:** The parties shall adjust the completion date and any affected milestones in the event of any delay due to Force Majeure Events.

### 10.4 Modification to Timeline and Milestones

- **Mutual Agreement:** The parties may modify the timeline and milestones set forth in this Section 8.8 by mutual agreement in writing.
- **No Waiver:** No delay or omission by either party in exercising any right or remedy under this Lease Agreement shall constitute a waiver of such right or remedy.

## 11. Risk Management

### 11.1 Identification of Risks

- **Risk Assessment:** The Development Partner shall conduct a comprehensive risk assessment prior to the commencement of the redevelopment project and identify potential risks that may impact the project.
- **Risk Register:** The Development Partner shall maintain a risk register, documenting identified risks, their potential impact, and proposed mitigation strategies.

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## 11.2 Mitigation Strategies

- **Development of Strategies:** For each identified risk, the Development Partner shall develop and implement a mitigation strategy designed to manage and minimize the impact of such risk on the redevelopment project.
- **Review by DDA:** The Development Partner shall submit the risk register and mitigation strategies to the DDA for review and approval prior to the commencement of the redevelopment project.

## 11.3 Insurance

- **Types and Amounts:** The Development Partner shall obtain and maintain, at its own expense, insurance coverage in types and amounts satisfactory to the DDA, including but not limited to:
  - **Commercial General Liability Insurance:** Covering bodily injury, property damage, and personal injury, with limits of not less than [Amount to be determined].
  - **Property Insurance:** Covering loss or damage to the redevelopment project, in an amount not less than the replacement cost thereof.
  - **Workers' Compensation Insurance:** As required by applicable law.
- **Other Insurance:** As may be reasonably required by the DDA.
- **Additional Insured:** The DDA shall be named as an additional insured on all insurance policies required under this Lease Agreement.
- **Certificates of Insurance:** The Development Partner shall provide the DDA with certificates of insurance evidencing the required coverage prior to the commencement of the redevelopment project.

## 11.4 Management of Risks

- **Ongoing Monitoring:** The Development Partner shall continuously monitor identified risks and the effectiveness of mitigation strategies throughout the duration of the redevelopment project.
- **Updates to DDA:** The Development Partner shall provide the DDA with regular updates regarding the management of identified risks and any new risks that arise during the redevelopment project.

## 11.5 Contingency Planning

- **Development of Plans:** The Development Partner shall develop contingency plans for managing and responding to risks that may have a significant impact on the redevelopment project.
- **Activation of Plans:** In the event that a risk materializes and impacts the redevelopment project, the Development Partner shall activate the relevant contingency plan and notify the DDA promptly.

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## 12. Termination

### 12.1 Termination Events

- **Mutual Agreement:** This Agreement may be terminated at any time by mutual written agreement with receipt of written notice of at least 30 days of the DDA and the Development Partner.
- **Breach:** Either party may terminate this Agreement upon written notice to the other party in the event of a material breach by the other party that remains uncured for a period of [X] days after written notice thereof.
- **Insolvency:** Either party may terminate this Agreement upon written notice to the other party in the event that the other party becomes insolvent, makes an assignment for the benefit of creditors, files for bankruptcy, or is adjudicated bankrupt, or is placed in receivership.

### 12.2 Consequences of Termination

- **Obligations:** Upon termination of this Agreement, all further obligations of the parties under this Agreement shall cease, except for such obligations that by their nature survive termination, including without limitation obligations regarding indemnification, confidentiality, and dispute resolution.
- **Payment:** Upon termination of this Agreement, each party shall be entitled to payment for all amounts due and payable under this Agreement as of the date of termination.
- **Return of Property:** Upon termination of this Agreement, each party shall promptly return to the other party all property, documents, and other materials belonging to the other party, except as otherwise provided in this Lease Agreement.

### 12.3 Termination Fee

- **Fee:** In the event that the Development Partner terminates this Lease Agreement for convenience, or the DDA terminates this Lease Agreement due to a breach by the Development Partner, the Development Partner shall pay to the DDA a termination fee in the amount of [Amount to be determined].
- **Payment:** The termination fee shall be paid within [X] days of the effective date of termination.

### 12.4 Remedies

- **Cumulative:** The rights and remedies provided in this Section 12 are cumulative and are in addition to and not in substitution for

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any other rights and remedies available at law or in equity or otherwise.

- **No Waiver:** No delay or omission by either party in exercising any right or remedy under this Lease Agreement shall constitute a waiver of such right or remedy.

## 13. Miscellaneous

TBD

## 14. Signatures