

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT ("Lease") is made and entered into as of this 1st day of November 1, 2021 (the "**Effective Date**"), by and between the HOUSING AUTHORITY OF SAVANNAH ("**Lessor**") and the MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH ("**Lessee**").

WITNESSETH:

In consideration of One (\$1.00) Dollar and other good and valuable consideration, in-hand paid, receipt whereof is hereby acknowledged, Lessor and Lessee, for themselves, and their legal representatives, and their permitted successors and assigns, hereby agree as follows:

1. **Lease of Premises.** Lessor hereby leases to Lessee, in accordance with the terms set forth herein, certain real property consisting of approximately 3.5 acres, being located at Randolph Street, Savannah, GA 31401, bearing PIN: 20014 04009, as shown and described on **Exhibit A**, attached hereto and incorporated herein by reference.
2. **Term.** The term (the "**Term**") of this Lease shall commence upon the Effective Date and shall terminate at midnight on the later of: (i) June 30, 2022 or (ii) fifteen (15) days after the financial closing of Lessor's Housing Project (as subsequently defined herein). The "Lessor's Housing Project" shall mean the development of the Property into 104 rental units for families at or below 60% of the Area Median Income. Notwithstanding the aforementioned or anything to the contrary, Lessee may terminate the Term at any time prior to the expiration of the Term upon written notice to Lessor.
3. **Rent.** Rent for the Term shall be paid in total upon the signing of this Lease at the rate of One and No/100 Dollars (\$1.00) for the entire Term ("**Rent**"). Lessor acknowledges receipt of said Rent as evidenced by Lessor's execution of this Lease.
4. **Holding Over.** If Lessee remains in possession of the Property after the Term of the Lease terminates without the authority of Lessor, then in such event, if such possession continues uncured for more than two (2) days after Lessor giving written notice to Lessee, then for so long thereafter as such hold over continue uncured, Lessor, as its sole and exclusive monetary remedy for any such holding over, shall be entitled to Five Hundred and 00/100 Dollars (\$500.00) per a day as liquidated damages for Lessee's holding over during the initial thirty (30) days, ; provided however, in no event shall Lessee's holdover period extend beyond thirty days. In the event that Lessee holds over beyond thirty days, Lessor shall be entitled to the following exclusive remedies: (i) One Thousand and 00/100 Dollars (\$1,000.00) per a day as liquidated damages for each day of Lessee holding over in excess of the initial thirty (30) days and (ii) Lessor shall have the right to seek immediate possession of the Property, whether by dispossessionary action, injunction, ejectment or other appropriate equitable relief/remedy. The parties acknowledge that the actual amount of damage resulting from holding over by Lessee would be difficult or impossible to accurately ascertain, and that the foregoing sum is a reasonable estimate of such damages under the circumstances existing as of the date of this Agreement. Notwithstanding the aforementioned, in the event that prior to the expiration of the Term of the Lease Lessee needs additional time to complete its construction associated with the sewer main project and Lessee notifies Lessor that Lessee needs such additional time, Lessor agrees to use

reasonable efforts and act in good faith to provide Lessee an alternative site that is located near the Property and is conducive for the Permitted Uses. In the event that Lessee is provided an alternative site as provided herein and timely moves to the alternative site, no liquidated damages shall be assessed herein and the Term shall automatically be extended for an additional six (6) months (provided that Lessee may unilaterally terminate the Term earlier upon notice to Lessor). Furthermore, in the event an alternative site is provided to Lessee, the parties shall execute an addendum to this Lease indicating the location of the alternative site, which shall be deemed the Property under this Lease from such date and forward, and Lessee shall occupy such alternative site subject to the terms of this Lease.

5. **Use of Property.** Lessee covenants and agrees to use the Property only for the following permitted uses: (i) for purpose of construction staging and construction related purposes, providing necessary lay down and fitting area for pipes and other materials associated with the sewer main project to be undertaken by the Lessee and (ii) and all reasonable incidental uses in connection with the use described in (i) herein (collectively "Permitted Uses"). **Lessee is prohibited from:** (i) making any modification of underground structures located on the Property; (ii) excavating the Property; and (iii) storing on site any hazardous material or conducting activities that impose environmental impact on the Property.
6. **Photographic Reports.** Prior to commencing activity in connection with the Permitted Uses on the Property, Lessee will provide Lessor a photographic report of the current site conditions of the Property at commencement of such activity and agrees to return the Property restored back substantially to its initial condition, which shall be confirmed by a final photographic report. Site restoration may include, as necessary: (i) removal of all equipment, structures and debris; (ii) filling and leveling; (iii) remediation of environmental contamination; and (iv) restoring fencing on the Property. Notwithstanding the aforementioned, the undersigned parties acknowledge and agree that in regards to trees located on the Property, Lessee may remove (without replanting/restoring) trees that are less than 24" in diameter at breast height or any other tree(s) Lessee's arborist recommends be removed. Lessee however, shall use reasonable efforts to protect and maintain healthy hardwood trees 24" and larger in diameter at breast height, as determined by a pre-construction tree survey and verified by Lessee's arborist.
7. **Maintenance.** During the Lease term, Lessee shall, at its own sole cost and expense, maintain the premises in good condition, including its landscaping and weed control, and regular removal of debris. Lessee may remove fencing, provided that lessee shall comply with Section 6 of this Lease to restore fencing on the Property when returning the Property. Lessee shall be liable to Lessor for any and all damage caused by Lessee, its employees, agents or its invitees to the Leased Premises.
8. **Environmental Matters.** Lessee will not conduct activities on the Property that are reasonably foreseeable to pose environmental impacts on the Property, such as: waste disposal / scrapyard, water discharge, storage of diesel or other fossil fuels, paint / solvents and other toxic chemicals, service and repair of vehicles, manipulation and disposal of asbestos, or any hazardous substance under any federal or state law or regulation. If environmental contamination on the Property is reasonably suspected by Lessor and such contamination is or was caused by any act or omission of Lessee, its contractors or subcontractors, then within thirty (30) days of written notice from Lessor to Lessee, the Lessee shall conduct Environmental Assessments and perform any reasonable remedial alternatives for soil or ground water as permitted by law.

9. **Relationship of the Parties.** Nothing herein contained shall be deemed or construed as creating the relationship of principal and agent or of partnership or joint venture between the parties hereto; it being understood and agreed that neither the method of computing rent nor any other provisions contained herein nor any acts of the parties hereto shall be deemed to create any relationship between the parties other than that of Lessor and Lessee.
10. **Indemnification.** Lessor shall not be liable and Lessee hereby waives all claims against Lessor for any damage to any property or any injury to any person in the Property by or from any cause whatsoever, except to the extent caused by or arising from the negligent act, omission or willful misconduct of Lessor or its agents, employees or contractors. To the extent permissible by law and without waiver of sovereign immunity, Lessee shall protect, indemnify and hold the Lessor harmless from and against any and all loss, claims, liability or costs (including court costs and attorney's fees) incurred by reason of (i) any damage to any property or any injury to any person occurring in the Property to the extent that such injury or damage shall be caused by or arise from any actual or alleged act, neglect, fault, or omission by or of Lessee, its agents, employees, or visitors to meet any standards imposed by any duty with respect to the injury or damage; (ii) the conduct or management of any work done by the Lessee in the Property or from transactions of the Lessee concerning the Property; (iii) Lessee's failure to comply with any and all governmental laws, ordinances and regulations applicable to the condition or use of the Property or its occupancy; or (iv) any breach or default on the part of Lessee in the performance of any covenant or agreement on the part of the Lessee to be performed pursuant to this Lease. The provisions of this Article shall survive the termination of this Lease with respect to any claims or liability accruing prior to such termination.
11. **Force Majeure.** If either party is delayed or prevented from performing any of its obligations under this Lease due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefore, governmental actions, civil commotions, fire or other casualty, and any other causes beyond the reasonable control of the either party (collectively, the "Force Majeure"), the period of such delay or such prevention shall be deemed added to the time herein provided for the performance of any such obligation by either party.
12. **Lessor's Costs.** In addition to Rent, Lessee shall pay Lessor's costs related to this Ground Lease, including Lessor's reasonable attorney fees.
13. **Governing Law.** This Lease will be construed according to, and be governed by, the laws of the State of Georgia.
14. **Brokerage.** Both parties represent that there was no broker instrumental in consummating this lease, and that no conversations or prior negotiations were had with any broker concerning the renting of the Property. Each party agrees to hold the other party harmless against any claims for brokerage commission or compensation arising out of any conversations or negotiations had by the other party with any broker.
15. **Entire and Binding Agreement.** This Lease contains all of the agreements between the parties hereto and it may not be modified in any manner other than by agreement in writing signed by all the parties hereto or their successors in interest. The terms, covenants and conditions contained herein shall inure to the benefit of and be binding upon Lessor and Lessee and their respective successors and assigns, except as may be otherwise expressly provided in this Lease.

16. **Provisions Severable.** If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.
17. **Notices.** All notices, demands and requests which may be given or which are required to be given by either party to the other under this Lease shall be in writing and shall be deemed effective: (i) immediately, when personally delivered to the intended recipient; (ii) the next day following after having been deposited into the custody of a nationally recognized overnight delivery service, addressed to such party at the address specified below; or (v) immediately, if sent during regular business hours or at 8:30 a.m. local time on the next business day next following an after-hours, weekend or holiday notice sent by e-mail, provided that receipt for such e-mail is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above. Any notice sent as required by this section and refused by recipient shall be deemed delivered as of the date of such refusal. For purposes of this Section, the addresses and e-mail addresses of the parties for all notices are as follows (unless changed by similar notice in writing given by the particular person whose address is to be changed):

As to the Lessee:

City Manager
City of Savannah
P.O. Box 1027
Savannah, Georgia 31402

As to the Lessor:

Housing Authority of Savannah
Attn: Earline W. Davis, Executive Director
1407 Wheaton St.
Savannah, GA 31404
Email: davis@savannahpha.com

18. **Counterparts and Electronic Signatures.** This Lease may be executed in two or more counterparts, each of which constitutes an original copy and all of which constitute one and the same agreement or document. Further, a manual signature on this Lease, an image of which has been transmitted electronically, will constitute an original signature for all purposes. The delivery of copies of this Lease, including executed signature pages where required, by electronic transmission will constitute effective delivery of this Lease for all purposes.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Lease as of the day and year first above written, each acknowledging receipt of an executed copy hereof.

Lessor:
Housing Authority of Savannah

Lessee:
Mayor and Aldermen of the City of Savannah

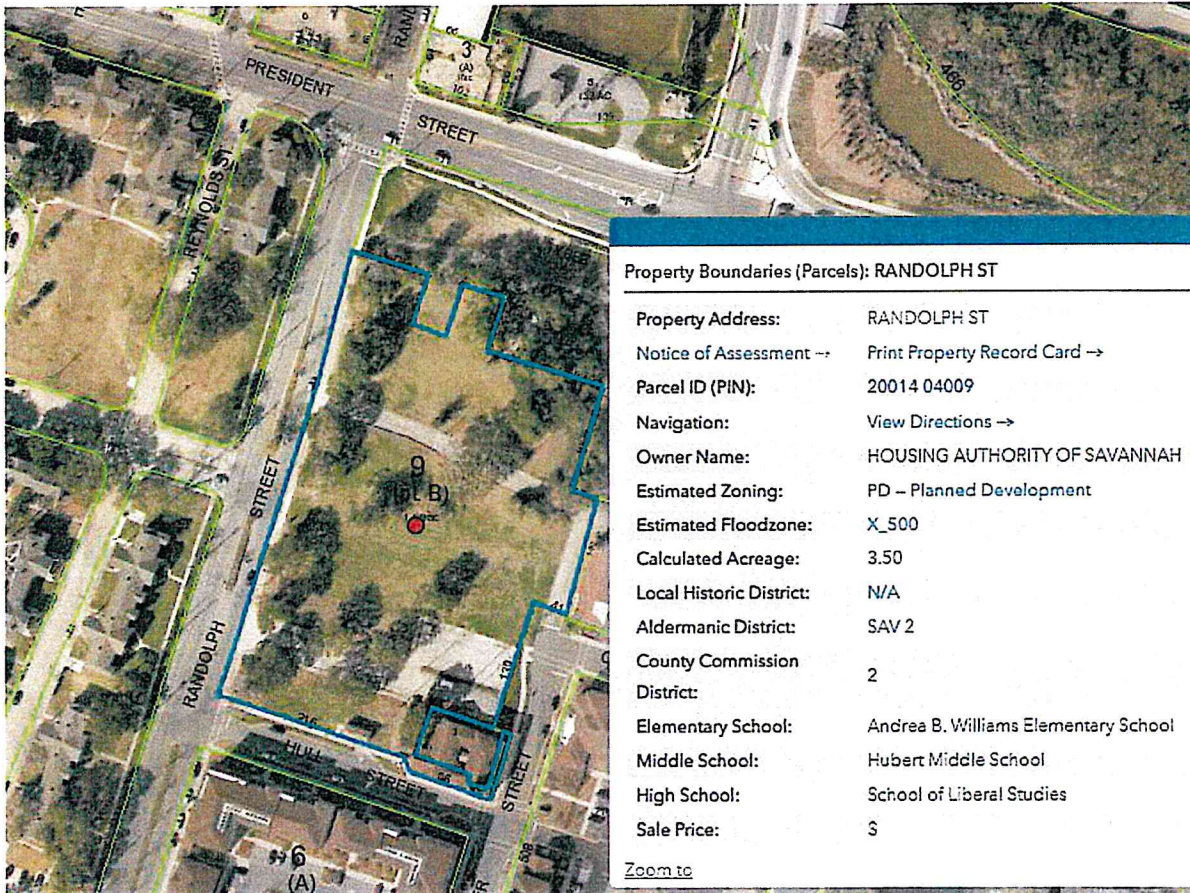
By: _____
Name: _____

By: _____
Name: _____

Title: _____

Title: _____

EXHIBIT A



Property Boundaries (Parcels): RANDOLPH ST

Property Address:	RANDOLPH ST
Notice of Assessment →	Print Property Record Card →
Parcel ID (PIN):	20014 04009
Navigation:	View Directions →
Owner Name:	HOUSING AUTHORITY OF SAVANNAH
Estimated Zoning:	PD – Planned Development
Estimated Floodzone:	X_500
Calculated Acreage:	3.50
Local Historic District:	N/A
Aldermanic District:	SAV 2
County Commission District:	2
Elementary School:	Andrea B. Williams Elementary School
Middle School:	Hubert Middle School
High School:	School of Liberal Studies
Sale Price:	\$

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