

LEASE AGREEMENT

THIS AGREEMENT, made and entered into by and between the CITY OF CHATTANOOGA, TENNESSEE, a municipal corporation of the State of Tennessee (hereinafter referred to as “Lessor”), and FRIENDS OF THE FESTIVAL, INC. (hereinafter referred to as “Lessee”).

W I T N E S S E T H:

- A. That in consideration of the covenants and agreement herein expressed and of the faithful performance by the Lessee of all such covenants and agreements, Lessor does hereby demise, lease, and assign unto the Lessee and the Lessee does hereby rent and take as Lessee and assign all of the Lessor’s interests and rights for the use of the real property lying in the City of Chattanooga, Hamilton County, Tennessee, known as Ross’ Landing Park; the road and right-of-way of the Riverfront Parkway adjacent to said Park from 2nd Street to River Street; that property owned by the City of Chattanooga located adjacent to Ross’ Landing Park to the south and west of the demised portion of Riverfront Parkway; that property owned or controlled by the City of Chattanooga east of Ross’ Landing Park between said Park and the Hunter Museum of Art, including the improvements referred to as the Tennessee Riverwalk; and that property of the City of Chattanooga adjacent to Riverside Drive from Broad Street to 2nd Street, all of which is herein referred to as the “Demised Area.” The Demised Area shall not include the Tennessee Aquarium Plaza, generally bounded by Riverfront Parkway, Chestnut Street, Second Street and Market Street.

- B. The term of this lease (the "Lease Term") shall be from June 1, 2004, through June 25, 2004. For the period of June 11, 2004, through June 19, 2004, Lessee shall have exclusive control of the Demised Area to produce the "Riverbend Festival" including, without limitation, exclusive advertising and sponsorship activities, various entertainment events, sports events, artistic activities, and race events. For the period of June 1, 2004, through June 25, 2004, Lessee shall have non-exclusive use of the Ross' Landing Park for set-up, tear-down, and clean-up. During these periods of non-exclusive control, Lessee shall take all reasonable steps to avoid disruption of normal functions in Ross' Landing Park. For the period of June 1, 2004, through June 25, 2004, Lessee shall have non-exclusive access to the Demised Area for connection and disconnection of utilities and installation and disassembly of other facilities to support the Riverbend Festival.
- C. In the event construction or other development is anticipated to interfere with the use of any of the Demised Area during the term of this Lease, Lessor shall notify Lessee as soon as possible, and the parties shall endeavor to agree to an alternate configuration of the Demised Area.
- D. This Agreement is made and entered into upon the following express covenants and conditions, all and every one of which the Lessee hereby covenants and agrees to and with the Lessor to keep and perform;
1. That Lessee will cause the Demised Area to be kept clean and generally cared for during said term, excepting as otherwise provided.
 2. That Lessee will quit and surrender up said premises to the Lessor at the end of the Lease Term in the same condition as the date of the commencement of this

Lease, ordinary use and wear thereof excepted, and excepting as otherwise provided in this Lease.

3. That the Lessee agrees to save the Lessor, its officers, agents, employees, successors, and assigns, harmless and to indemnify them against any and all claims or liability for any claims, actions, causes of action, suits, or demands of any sort for damages on account of personal injuries or injuries to property related to or arising out of the use of the premises by the Lessee or any of its exhibitors, officers, agents, employees, successors, assigns, licensees, or independent contractors.
4. The Lessee shall provide a comprehensive liability insurance policy naming the City of Chattanooga and the Chattanooga Downtown Redevelopment Corporation as additional insureds to protect the Lessee, the City, and the CDRC against all claims for injuries to members of the public and damage to property of others arising out of the use of the Demised Area during the term of the Lease. The liability limits shall not be less than::

Bodily Injury	\$250,000.00 to each person
	\$600,000.00 each occurrence
Property Damage	\$ 85,000.00 each occurrence

If the Tennessee Governmental Tort Liability Act is amended during the period of this lease to increase the minimum limits set forth in T.C.A. Section 29-20-403, the foregoing limits shall be increased to the new levels provided in that Act.

5. The Lessee has represented to Lessor that it desires and does lease the Demised Area for the sole purpose of producing the “Riverbend Festival” and for no other purpose and does, therefore, covenant and agree not to assign this Lease or sublet the premises for any other purpose than the production of said Festival.
6. During the period of exclusive control, June 11, 2004, through June 19, 2004, the Lessee shall have the right to control access and restrict the use of the Demised Area to patrons of the Festival and participants therein. The Lessee shall have the duty of providing its own personnel to control the points of public access. The Lessor shall provide one or more park police officers or regular police officers to help secure and patrol the area; provided that they shall not be used for the purposes of controlling patron access to the Demised Area. The Lessee shall be solely responsible for controlling access to the Demised Area.
7. The Lessee shall be solely responsible and shall make available reasonable facilities for the health, sanitation, fire, police, and utility services needed by the patrons of the Festival. This shall include, without limitation, the provision of adequate water, portable toilets, a first-aid station, emergency telephone or communication facilities, security guards, and fire protection.
8. It is understood and agreed that Lessee may have concession booths for the sale of beer and other alcoholic beverages for the use of its adult patrons. The Lessee shall procure all necessary permits therefor, and shall comply with all applicable laws and regulations. Lessee specifically agrees to carefully monitor all sales or consumption of such alcoholic beverages to preclude the sale to or use by minors or intoxicated persons.

9. That Lessee will comply with all laws of the United States and of the State of Tennessee, all ordinances of the City of Chattanooga, all relevant resolutions of Hamilton County, Tennessee, and all rules and regulations of the police and fire departments or other municipal authorities of the City of Chattanooga and Hamilton County, Tennessee, and will obtain and pay for necessary permits and licenses, and will not do or suffer to be done anything on said premises during the term of this Lease in violation of any such laws, ordinances, rules, or requirements, and if the attention of said Lessee is called to any such violation on the part of Lessee or of any person employed by or admitted to said premises by Lessee, Lessee will immediately desist from and correct such violation.
10. That Lessee shall not, without express permission of Lessor, make any permanent improvements to the Demised Area and such approval or disapproval shall not be unreasonably delayed or withheld.
11. That Lessee covenants and agrees not to create or suffer to be created or maintained on the Demised Area any nuisances.
12. Notwithstanding any other provisions of this Lease, Lessee shall be responsible for damage to or destruction of the statue "Cherokee" located within Ross' Landing Park and Plaza only if such damage or destruction is caused by the negligence of Lessee.
13. Lessee shall be responsible for the payment of utility expenses during the period of this Lease.

IN WITNESS WHEREOF, The City of Chattanooga, Tennessee, has caused these presents to be signed by its Mayor or Administrator, and the Lessee has caused these

presents to be signed by its officers duly authorized thereunto as of this ____ day of _____, 2004.

ATTEST:

CITY OF CHATTANOOGA, TENNESSEE

ATTEST:

FRIENDS OF THE FESTIVAL, INC.

AMENDMENT TO LEASE AGREEMENT

WHEREAS, the City of Chattanooga, Tennessee, a municipal corporation of the State of Tennessee (hereinafter referred to as “Lessor”) and Friends of the Festival, Inc. (hereinafter referred to as “Lessee”) have entered into a Lease Agreement; and

WHEREAS, the parties have agreed to an amendment to the definition of “Demised Area;”

NOW, THEREFORE, for and in consideration of the foregoing, the parties agree as follows:

Demised Area shall include all those areas listed in the original agreement and shall be extended and expanded to include all roads, right of ways and sidewalks from Riverfront Parkway south on Chestnut Street to the northernmost line of the intersection with 3rd Street, the road, right of way and sidewalks from the intersection of Chestnut Street and 2nd Street eastwardly on 2nd Street to the easternmost line of the intersection of Broad Street and 2nd Street.

Any and all of the remaining provisions not inconsistent with this Amendment in the original Lease Agreement are hereby ratified, reaffirmed and confirmed by the parties.

IN WITNESS WHEREOF, the City of Chattanooga, Tennessee, has caused these presents to be signed by its Mayor or Administrator and the Lessee has caused these presents to be signed by its Officer fully authorized thereunto as of this ____ day of _____, 2004.

ATTEST: CITY OF CHATTANOOGA, TENNESSEE

ATTEST: FRIENDS OF THE FESTIVAL, INC
