

K21-1269

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this "Amendment") is executed effective as of May 31, 2021 (the "Effective Date"), between 4140 Canal LLC ("Lessor"), and City of New Orleans ("Lessee").

Recitals

- A. Reference is made to that certain Gross Commercial Lease Agreement and Lease Addendum "A" dated June 1, 2016 executed by 4140 Canal, LLC and City of New Orleans (K16-082) for certain described property:

Land, building, and improvements located at 4140 Canal Street, New Orleans, Louisiana consisting of approximately 9300 SF of rental space and to include 4137 Cleveland Avenue, New Orleans LA (parking lot area).

- B. The parties desire to amend the Lease only as hereinafter provided.

Agreement

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby covenant and agree as follows:

1. Amendment. The Lease is hereby amended by the addition of paragraph 41 to read as follows:

"**41. Extension of Lease:** Lessee shall have an option to extend this lease for a period of sixty (60) months (until May 31, 2026) pursuant to the following terms:

1. **Escalations:** The Base Rent at the inception of this lease extension on May 31, 2021 will be **\$12,409.86** and shall increase **4%** per annum every anniversary of the lease.
2. **Additional rent:** In addition to base rent, Lessee shall reimburse Lessor for the ad valorem taxes, hazard, flood, and liability insurance on the property. Said amounts to be adjusted annually to reflect any changes. Current Insurance is represented to be **\$2,400** flood per annum/**\$12,770.84** hazard/liability per annum and taxes **\$12,993.00** (building) and **\$1,541.70** (parking lot) per annum. At the inception of this lease extension (May 31, 2021), the additional rent payments shall be **\$2,475.47** per month.

3. Amendment. The Lease is hereby amended by the addition of one sentence to paragraph 5(c) of Lease Addendum "A" to Gross Commercial Lease Agreement Between 4140 Canal, LLC and City of New Orleans and replacement with new paragraph 5(c) as follows:

Paragraph 5 (c) is amended and will now read:

(c) Lessor to pay major plumbing repairs over an annual \$999.00 paid by Lessee. Lessee is responsible for all repairs on plumbing contained in the bathroom installed at the beginning of the Lease and any new plumbing Lessee may install. **Lessor shall be responsible for major plumbing repairs only in the event Lessee has a written diagnosis and a repair proposal by a licensed/insured plumber detailing the plumbing problem. Lessee is not to contract for major repairs but is to give timely notice to Lessor, as per Paragraph 16 of the Lease.**

4. Amendment. The Lease is hereby amended by the addition of Paragraph 4 (e)(1):

Paragraph 4(e)(1): **Due to the unique nature of the pool/fountain at this historic building, the 4140 Canal LLC expressly requires that Lessee continue/ obtain and maintain a service contract with King Fish Pool Service, 5736 Heebe St, Elmwood, LA 70123, USA.**

5. Authority. Each party hereto represents and warrants that the agent, manager, member, partner or officer executing this Amendment on its behalf is fully authorized, directed and empowered to execute and deliver this Amendment in such capacity as the act and deed of the party on whose behalf he or she is executing this Amendment and that all partnership, limited liability company or corporate action requisite to such execution and delivery has been taken by such party.

6. Counterparts. This Amendment may be executed in counterparts, and each counterpart when fully executed and delivered by the parties hereto will be an original instrument, but all such counterparts will constitute one agreement.

7. Creature of Government: It is understood and agreed that the City of New Orleans is a creature of government. Should the appropriation from the City, the City Council, or other governmental entity funding source be cut off or reduced so that its continued operation is no longer feasible, this Lease may be terminated upon the giving of sixty (60) days' written notice by Lessee to Lessor. If the City is ordered to cease operations by virtue of an act of the Federal or the State Government or not funded by the New Orleans City Council, or by any court of competent jurisdiction, this Lease will terminate coincidental with said order. Under these circumstances all lease payments shall cease and the liability of the City, therefore, shall also cease.

8. Full Force and Effect: Except as amended by this Amendment, the remaining provisions of the Lease shall remain in full force and effect, enforceable by each party to the Lease in accordance with their terms.

9. Waiver and Consent: No modification, amendment, or waiver of any provision of the Lease, as amended by this Amendment, nor consent to any departure from any such provision shall

INITIALS:  Landlord; _____ Tenant2

be effective unless it is in writing and signed by both parties, hereto, and such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

IN WITNESS WHEREOF, each of Lessor and Lessee has executed this Amendment on the date set opposite its signature below, but to be effective as of the Effective Date.

LESSOR:

4140 Canal LLC

Date: July 1, 2021

By:

Barry Katz
Barry Katz, Authorized Representative

WITNESSES:

Murad
Signature
Alona Katz
Print

Brad Concleron
Signature
BRAD CONCLERON
Print

LESSEE:

CITY OF NEW ORLEANS

Date: December 7, 2021

By:

LaToya Cantrell
LaToya Cantrell, Mayor

APPROVED AS TO FORM AND LEGALITY BY:

[Signature]

WITNESSES:

Gloria Smith
Signature
GLORIA SMITH
Print

Kirsten Royal
Signature
Kirsten Royal
Print

INITIALS: BK Landlord; _____ Tenant3