

1 Introduced January 22, 2013, by Councilman  
2 Hicks, seconded by Councilman Cusimano, (by  
3 request of Administration)

4 **Item No. 13-01-2969**

5  
6 **ORDINANCE NO. 3672**

7  
8 An ordinance authorizing the Mayor to execute an extension of the lease with  
9 Textron Marine and Land Systems, Inc.

10 WHEREAS, Ordinance 3395 adopted on May 8, 2007, authorized the Mayor  
11 to execute a lease for the premises located at 1010 Gause Boulevard to Textron Marine  
12 and Land Systems, Inc.; and  
13

14  
15 WHEREAS, the lease contained a renewal option; and

16  
17 WHEREAS, Landlord and Tenant entered into a Lease agreement and an  
18 Addendum to Lease Agreement on 21 May 2007; and

19  
20 WHEREAS, Ordinance 3555 adopted on January 12, 2010, authorized the  
21 Mayor to execute a lease renewal; and

22  
23 WHEREAS, Landlord and Tenant entered into an extension of the original  
24 lease, entitled "Exercise of First Extension Period and Second Addendum to Lease  
25 Agreement Dated 21 May 2007", extending the original Lease from June 1, 2010 through  
26 May 31, 2013; and  
27

28  
29 WHEREAS, Landlord and Tenant desire to enter into a further extension of  
30 the original Lease and First Extension, entitled "Exercise Of Second Extension and Third  
31 Addendum to Lease Agreement Dated 21 May 2007;" and  
32

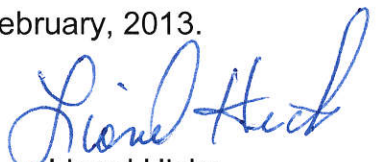
33  
34 WHEREAS, Textron desires to exercise the Second Extension Renewal for  
35 the period June 1, 2013 through May 31, 2014.  
36  
37  
38  
39

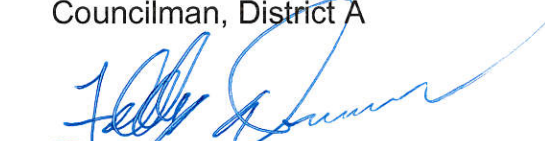
1 **ORDINANCE NO. 3672**  
2 **ITEM NO. 13-01-2969**  
3 **PAGE 2**

4 NOW THEREFORE BE IT ORDAINED by the Slidell City Council that the  
5  
6 Mayor is hereby authorized to execute the Exercise of Second Extension and Third  
7  
8 Addendum to Lease Agreement dated 21 May 2007, a copy of which is attached hereto  
9  
10 and made a part hereof.

11 BE IT FINALLY ORDAINED that this ordinance shall become effective upon  
12  
13 adoption.

14 **ADOPTED** this 26th day of February, 2013.

15  
16   
17 Lionel Hicks  
18 President of the Council  
19 Councilman, District A

20  
21   
22 Freddy Drennan  
23 Mayor

24  
25 

26 Thomas P. Reeves  
27 Council Administrator

DELIVERED	2/28/13
9:30 a.m.	to the Mayor
RECEIVED	2/28/13
3:00 p.m.	from the Mayor

**EXERCISE OF SECOND EXTENSION AND**

**THIRD ADDENDUM TO LEASE AGREEMENT DATED 21 MAY 2007**

This Second Extension and Third Addendum to Lease Agreement Dated 21 May 2007 (“Second Extension”) is entered into this \_\_\_ day of January 2013, by and between City of Slidell (“Landlord”) and Textron Marine and Land Systems, Division of Textron, Inc. (“Tenant”).

**WHEREAS**, Landlord and Tenant entered into a Lease agreement and an Addendum to Lease Agreement on 21 May 2007 (collectively the “Lease”);

**WHEREAS**, Landlord and Tenant entered into an extension of the original lease, entitled “Exercise of First Extension Period and Second Addendum to Lease Agreement Dated 21 May 2007 (collectively the “First Extension”), extending the original Lease from June 1, 2010 through May 31, 2013; and

**WHEREAS**, Landlord and Tenant desire to enter into a further extension of the original Lease and First Extension, entitled “Exercise Of Second Extension and Third Addendum to Lease Agreement Dated 21 May 2007,” according to the terms and conditions set out herein.

**NOW, THEREFORE**, in consideration of the covenants made by and between the parties, Landlord and Tenant hereby recognize and agree upon the following:

**I.**

**RENEWAL OPTION**

The Tenant has properly exercised the Second Extension Period in Article 2a of the lease, the parties agree that there only two (2), one (1) year options remaining

LESSEE: \_\_\_\_\_

LESSOR: \_\_\_\_\_

**II.  
TERM**

The Term of the original Lease and First Extension is amended as follows:  
The Second Extension Period shall be from 1 June 2013 through 31 May 2014  
(one year base period) with two 1-year options.

**III.  
RENT**

Base Rent, as set out in the original Lease, Article 4 Section (a), and in Addendum to original Lease, is amended as follows:

1. Rent for Base Year (2013-14):  
\$ 1,132,697.00 (*inclusive of operating expenses\**).
2. Annual increases (*inclusive of operating expenses\**) for the option periods;
  - a. Option 1 (2014-15):  
First option period shall be increased by 5%, equating to  
\$ 1,189,332.00 ;
  - b. Option 2 (2015-16):  
Second option period shall be increased by 7% equating to  
\$ 1,272,585.00.

*\*Operating Expenses as defined in the original Lease and Addendum to original Lease, Article 6, Services; and Additional Rent, as defined in the original Lease and Addendum to original Lease, Article 4 Section (b), exclude cost of Utilities from Operating Expenses and Additional Rent and shall remain the same for Second Extension Period.*

LESSEE: \_\_\_\_\_

LESSOR: \_\_\_\_\_

**IV.**  
**PREMISES**

Premises, as defined in the original Lease Article 1, Section (d), and Article 2, is amended as follows:

1. Tenant will continue to lease the first and second floor and the entire basement (total approximately 94,098 square feet).
2. Tenant relinquished use of the entire 11,263 square feet of “outbuilding” currently consisting of the High/Low bays, Win Center, and Maintenance bay.
3. Tenant shall have the option to further reduce its premises by as much as 50% after each year of this Second Extension.
4. Tenant may expand into any additional space that is not under lease to a third party as of the date of notice to the Landlord. Rent and expenses will be adjusted on a per square foot basis.

**V.**  
**EXPANSION**

Premises, as defined in the original Lease Article 1, Section (d), and Article 2, is further amended to include:

Tenant shall have a Right of First Refusal on all or a portion of the remaining space in the Building or outbuildings as well as any vacant land, pursuant to the terms of the original Lease, which excludes the four (4) acre strip on Robert Rd., (“Refusal Space”) at such time Landlord receives an offer from a

LESSEE: \_\_\_\_\_



LESSOR: \_\_\_\_\_

third (3<sup>rd</sup>) party to lease the Refusal Space which Landlord is willing to accept ("Third Party Offer"). In such a case, Landlord shall give written notice to Tenant with a copy of the Third Party Offer and Tenant shall have ten (10) days thereafter in which to exercise Tenant's right to lease the Refusal Space, failing which Landlord may lease the Refusal Space to such third (3<sup>rd</sup>) party on the basis of the Third Party Offer. In the event that such third (3<sup>rd</sup>) party does not lease the Refusal Space pursuant to the Third Party Offer, then Landlord will be obligated to follow the foregoing procedure for any subsequent Third Party Offer which it receives.

## VI.

### NOTIFICATION TO EXERCISE ADDITIONAL OPTION PERIODS

Notification To Exercise Additional Option Periods set out in the First Extension is amended as follows:

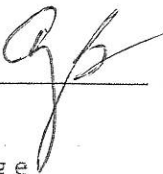
Tenant shall provide Landlord with written notice no later than 120 days prior to the termination of the Lease period of their intent to exercise the two - one year options.

## VII.

### FIRST RIGHT OF REFUSAL AND FIRST RIGHT OF PURCHASE

In the event that Landlord elects to sell the Building, Tenant shall have an on-going right of first offer to purchase the Building before the Landlord proceeds to enter into an agreement to sell the Building to a third (3<sup>rd</sup>) party. The offered

LESSEE: \_\_\_\_\_



LESSOR: \_\_\_\_\_

price to Tenant will reflect an arms-length transaction at fair market value. Should Tenant and Landlord not agree on a price after negotiating in good faith for a period not to exceed forty five (45) days, unless Tenant and Landlord agree to extend the initial forty five (45) day period, Landlord shall be free to sell the Building to a third (3<sup>rd</sup>) party and have no obligation to reoffer the Building to Tenant so long as the price that Landlord intends to sell the Building for is not less than 90% of the amount last offered by Tenant to purchase the Building. In the event the Landlord wishes to sell the Building to a third party for less than 90% of the amount last offered by Tenant to purchase the Building, it shall first re-offer the Building for purchase to Tenant whereupon Tenant will have the opportunity to purchase the Building at the readjusted price

#### VIII.

#### MISCELLANEOUS

Any provision in the original Lease and Addendum, and First Extension, thereto not specifically amended herein shall be unaffected and remain in full force and effect.

#### IX.

#### CORPORATE AUTHORITY

The person signing this Lease extension, if different from the signee of original Lease, represents and warrants that he has full authority to do so and that this Lease binds the corporation. Within ten (10) days after this Lease is signed, Tenant shall deliver to Landlord a certified copy of a resolution of Tenant's Board

LESSEE: \_\_\_\_\_



LESSOR: \_\_\_\_\_

of Directors authorizing the execution of this Lease extension or other evidence of such authority reasonably acceptable to Landlord.

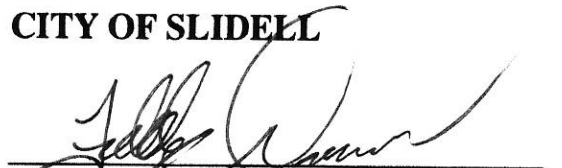
**IN WITNESS WHEREOF**, the parties hereto have hereunto made this Second Extension to Lease Agreement and Addendum Dated 21 May 2007 and set their hands to multiple originals in the City of Slidell, Parish of St. Tammany, State of Louisiana, as to the day and year first above written.

**WITNESSES:**

**LANDLORD:**

**CITY OF SLIDELL**

Mary Anne Carollo

  
**Honorable Freddy Drennan, Mayor**

Mary Anne Carollo  
Printed Name

Mary H Swan

MARY H SWAN  
Printed Name

**[SIGNATURES CONTINUE NEXT PAGE]**



**WITNESSES:**

Kim A DeLuca

Kim A DeLuca  
Printed Name

George J Thorne

GEORGE J. THORNE  
Printed Name

**TENANT:**

**TEXTRON MARINE AND LAND  
SYSTEMS, DIVISION OF  
TEXTRON, INC.**

Phil Bongard  
**Mr. Charles L Bongard, Director,  
Contracts and Legal**

## NOTICE OF LEASE

This Notice of Lease is entered into on this 6th day of March, 2013, by and between the City of Slidell (the "**Landlord**"), and Textron Marine and Land Systems, Division of Textron, Inc. (the "**Tenant**"). Landlord and Tenant entered into a Lease agreement and an Addendum to Lease Agreement on 21 May 2007 (collectively the "**Lease**"), Exercise of First Extension Period and Second Addendum to Lease Agreement Dated 21 May 2007, and Exercise of Second Extension and Third Addendum to Lease Agreement Dated 21 May 2007 dated January 24, 2013, pursuant to which Landlord leased to Tenant the property described in this Notice of Lease. This Notice of Lease, which describes some but not all of the terms of the Lease, is for the purpose of providing record notice of the existence of the Lease in accordance with La. R.S. 44:104. The Lease contains the entire agreement between the parties. This Notice of Lease does not amend, modify, interpret or limit the Lease in any respect.

1. Landlord. The name and address of the Landlord under the Lease are:

City of Slidell  
Chief Administrative Officer  
P. O. Box 828  
Slidell, Louisiana 70459

2. Tenant. The name and address of the Tenant under the Lease is:

Textron Marine and Land Systems, Division of Textron, Inc.  
1010 Gause Boulevard  
Slidell, Louisiana 70458

3. Date of Lease. The date of the Lease is January 24, 2013.

4. Demised Premises. The demised premises consist of the first and second floors and the entire basement (totaling approximately 94,098 square feet) in the DISA Office Building located at 1010 Gause Boulevard, Slidell, Louisiana.

5. Term. The term of the Lease is for a period of one year (1) beginning on June 1, 2013 through May 31, 2014.

6. Renewal Options. Tenant may extend the term of the Lease for two (2) additional one (1) year terms.

7. Purchase Options. There are no purchase options in the Lease.

IN WITNESS WHEREOF, the parties execute this Notice of Lease effective as of the date first set forth above.

WITNESSES:

Mary Anne Carollo

Mary Anne Carollo  
Printed Name

Mildred E. Wise

Mildred E. Wise  
Printed Name

WITNESSES:

Michael Fletcher

Michael Fletcher  
Printed Name

Darrell A. Spenshaw

Darrell A. Spenshaw  
Printed Name

LANDLORD:

CITY OF SLIDELL

[Signature]  
HONORABLE FREDDY DRENNAN, MAYOR

TENANT:

TEXTRON MARINE AND LAND SYSTEMS,  
DIVISION OF TEXTRON, INC.

[Signature]  
CHARLES L. BONGARD, DIRECTOR  
Contracts and Legal