

1 Introduced March 8, 2022, by Councilwoman
2 Denham, seconded by Councilman Dunham,
3 (by request of Administration)

4 **Item No. 22-03-3415**

5
6 **ORDINANCE NO. 4072**

7
8 An ordinance authorizing the modification of the rental adjustment
9 percentage over the final term renewal period for the Office Building Lease Agreement
10 Between the City of Slidell and Textron Systems Corporation (formerly Textron Marine and
11 Land Systems).

12 WHEREAS, since mid-June 2007, and as first authorized by City Ordinance
13 No. 3395, the City of Slidell has leased significant office space at its Slidell Business
14 Campus facility (1010 Gause Boulevard) to Textron Systems Corporation (formerly
15 Textron Marine and Land Systems) ("Textron"), consistent with a written Office Building
16 Lease Agreement, as has been amended from time to time (the "Lease"); and
17
18

19
20 WHEREAS, in order to exercise its fifth and final Lease extension period of
21 three (3) years, Textron has requested clarity and certainty in its rental adjustment amount
22 over the final renewal term, and the City is in agreement that there is a need for such
23 clarity and certainty in the Lease terms which requires an amendment to same; and
24
25

26 WHEREAS, City administration has suggested, and Textron is agreeable to,
27 an annual three (3%) percent increase, commencing July 1, 2022.
28

29
30 NOW THEREFORE, BE IT ORDAINED by the Slidell City Council, in legal
31 session convened, that the Mayor of the City of Slidell, acting on behalf of the City, is
32 hereby authorized to enter into an addendum to the Office Building Lease Agreement
33 between the City of Slidell and Textron Systems Corporation amending the Annual Base
34 Rent (inclusive of operating expenses; exclusive of taxes and proportional utility share)
35
36
37
38
39

1 **ORDINANCE NO. 4072**
2 **ITEM NO. 22-03-3415**
3 **PAGE 2**

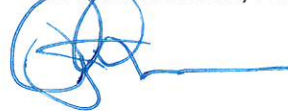
4
5
6 adjustment over the final three (3) year renewal period at three (3%) percent annually,
7 commencing July 1, 2022.
8

9 This ordinance shall be effective immediately upon adoption.

10
11 **ADOPTED** this 12th day of April, 2022.

12
13 

14 Leslie Denham
15 President of the Council
16 Councilwoman, District A

17
18 

19 Greg Cromer
20 Mayor

21
22 

23 Thomas P. Reeves
24 Council Administrator

DELIVERED	4/14/22
8:30 a.m. to the Mayor	
RECEIVED	4/18/22
10:30 a.m. from the Mayor	

SIXTH ADDENDUM
TO LEASE AGREEMENT DATED 21 MAY 2007

This **Sixth Addendum to Lease Agreement Dated 21 May 2007** (this "Sixth Addendum") is entered into effective the ___ day of _____, 2022 ("Effective Date"), and is by and between the City of Slidell, Louisiana ("Landlord") and Textron Systems Corporation (formerly Textron Marine and Land Systems, a Division of Textron Inc.) ("Tenant").

WHEREAS, Landlord and Tenant entered into a [Office Building] Lease Agreement (the "Lease") and a [First] Addendum to same on May 21, 2007; and

WHEREAS, Landlord and Tenant entered into a Second Addendum to the Lease on January 30, 2010; a Third Addendum to the Lease on January 24, 2013; a Fourth Addendum to the Lease on May 20, 2016; and a Fifth Addendum to the Lease on May 10, 2019; and

WHEREAS, in connection with the Tenant's exercise of its option to a fifth and final three (3) year renewal period under the Lease, Landlord and Tenant desire to amend the rental adjustment provisions related to same to provide clarity and certainty regarding the rental rate.

NOW THEREFORE, in consideration of the premises, and for good and valuable consideration and cause, the parties hereto agree as follows:

I.

Tenant hereby exercises its fifth and final renewal option under the Lease, to run July 1, 2022 through June 30, 2025, and Landlord recognizes the validity of such renewal, consistent with the terms of this Sixth Addendum.

II.

Section 4 of the [First] Addendum to Lease is amended to read as follows:

4. Article 2(a) Renewal Option(s) Annual Base Rent:

* * *

Fifth Extension Period -

1. \$806,677.80* annually; \$67,223.15* monthly (July 1, 2022-June 30, 2023)
(i.e. 3% over July 1, 2021-June 30, 2022 rate)
2. \$830,878.08* annually; \$69,239.84* monthly (July 1, 2023-June 30, 2024)
(i.e. 3% over July 1, 2022-June 30, 2023 rate)
3. \$855,804.48* annually; \$71,317.04* monthly (July 1, 2024-June 30, 2025)
(i.e. 3% over July 1, 2023-June 30, 2024 rate)

* Amounts are inclusive operating expenses, as defined in the Lease; Tenant also remains responsible for payment of its proportionate share (55.8%) of gas and electric utilities and the full amount of any taxes assessed against it, however. These payment provisions for the fifth extension period shall supersede any contrary payment provisions in the Lease.

III.

Except as modified by this Sixth Addendum, the terms of the Lease (as previously modified), shall remain in full force and effect. In the event of any conflict between the provisions of this Sixth Addendum and the terms of the Lease (as previously modified), the provisions of this Sixth Addendum shall control.

IV.

Each person signing this Sixth Addendum in a representative capacity for a party represents and warrants he/she has the requisite authority to do so and thereby bind his/her respective party.

Done and signed by the parties on the date(s) set forth below, effective as of the Effective Date.

City of Slidell, Louisiana

Textron Systems Corporation

By: George G. Cromer
Its: Mayor
Date: _____

By: _____
Its: _____
Date: _____