R-21-67

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A COMMERCIAL LEASE EXTENSION WITH ARGENTCO, LLC FOR CONTINUED PUBLIC USE OF A PARKING LOT LOCATED AT 122 EAST 4TH STREET; AND FOR OTHER PURPOSES.

WHEREAS, the City of North Little Rock ("the City") has long been committed to the proper and orderly development of its Main Street downtown corridor and surrounding areas; and

WHEREAS, in order to properly continue in its development of the downtown corridor, it is necessary to have adequate parking available for local patrons, customers and visitors to the City; and

WHEREAS, on March 14, 2016, the City Council passed Resolution No. 8950, authorizing the Mayor and City Clerk to enter into a Lease Agreement ("Lease") with Argentco, LLC ("Argentco") for property located at 122 East 4th Street to be utilized as public parking for the benefit of residents in and visitors to the area; and

WHEREAS, the term of the Lease has expired, and the City and Argentco would like to enter into a Commercial Lease Extension to extend the conditions of the original Lease to rent on a month-to-month basis.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Mayor and City Clerk are hereby authorized to enter into a Commercial Lease Extension between the City of North Little Rock and Argentco, LLC (substantially similar to Exhibit A attached hereto) for continued public use of a parking lot located at 122 East 4th Street in North Little Rock, Arkansas, said property to continue to be utilized as public parking.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

_____

_____
Mayor Terry C. Hartwick

SPONSOR:

Terry C. Hartwick
Mayor Terry C. Hartwick By AF

ATTEST:

_____
Diane Whitbey, City Clerk

APPROVED AS TO FORM:

Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/kt

FILED 11:10 A.M. __ P.M.

By A. Fields

DATE 5-18-21

Diane Whitbey, City Clerk and Collector
North Little Rock, Arkansas

RECEIVED BY S. Usery

EXHIBIT

tabbies

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COMMERCIAL LEASE EXTENSION

THIS LEASE EXTENSION AGREEMENT ("Lease Extension") is made and entered into on the date signed by the City of North Little Rock, by and between Argentco, LLC ("Lessor") and the City of North Little Rock ("City *or* "Lessee").

In consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1) Prior Lease: The parties executed a Lease Agreement dated March 1st, 2016 (Lease Agreement} with a term of the lease commencing on the 15th day of March 2016, and which expired at midnight on the 14th day of March 2019. All terms, conditions, and provisions of said Lease Agreement are hereby incorporated by reference and attached hereto as Exhibit 1.
2} Extension of Prior Lease Terms: The Original Lease provided that upon the decision of the City, exercised by the Mayor, that the City was entitled to two (2) additional one-year extensions. See Point 3 in Original Lease.
3) That the Mayor exercised each of the two (2} additional years provided for in the original Lease.
4) That, therefore, this Lease, with extensions, ended on March 14th, 2021at midnight.
5) That both the Lessor and the Lessee wish to extend the original Lease on a Month-to-Month basis with a rental fee of One Thousand and Three Hundred and Fifty Dollars ($1,350.00) per month, with no annual increase in the monthly rental fee.
6) That all other terms and conditions of the Original Lease Agreement dated March 1st, 2016, beginning on the 15th day of March 2016 with two (2) one-year extensions, will remain in full force and effect.

IN WITNESS WHEREOF, the Lessor and the Lessee have hereunto set their hands and seals on the_____ day of_____2021.

CITY OF NORTH LITTLE ROCK

_____

TERRY HARTWICK, MAYOR

_____

DATE

ATTEST:

_____

DIANE WHITBEY, CITY CLERK

ARGENTCO LLC.

_____

HAROLD TENENBAUM

MANANGER

EXHIBIT

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Res. 8950

LEASE AGREEMENT

THIS AGREEMENT made and entered into this 1st day of ~~February~~ March, 2016, by and between Argentco, LLC ("Lessor"), and the City of North Little Rock ("City" or "Lessee").

W-I-T-N-E-S-S-E-T-H:

1. **Leased Premises.** For and in consideration of the rents, covenants and agreements herein entered into and agreed upon by the Lessee, the Lessor hereby lets, leases and demises unto Lessee, subject to the terms and conditions contained herein, certain vacant land located at 122 East 4th Street ("Leased Premises") in North Little Rock, Arkansas, and more particularly described as follows:

> Lots 10, 11 and 12, Block 21, excluding the West 20' of Lots 11 and 12, and the West 53' of Lot 10, Original City of Argenta, Pulaski County, Arkansas, containing 17,850 sq. ft., more or less.

To have and to hold said premises unto the said Lessee for and during the term herein stated, subject to the covenants, terms, conditions and liens herein contained.

2. **Use of Leased Premises.** The City shall only use the Leased Premises, shown on Exhibit "A" attached hereto, as free public parking, except during special events scheduled throughout the year. **The City shall post/display signs during times of restricted use of the Leased Premises.** If, at any time, the Leased Premises should cease to be used for the purposes described herein without express approval of Lessor, this Lease shall terminate.

3. **Term.** This lease shall commence on the 15th day of March 2016, and shall extend for a period of three (3) years ending at midnight on the 14th day of March, 2019. The Mayor of the City of North Little Rock, at his sole option, may extend this lease for two (2) additional one year renewal terms. The initial term or the renewal terms, as the case may be, may be terminated prior to expiration as provided in paragraph 11 below.

4. **Rent.** The City agrees to pay to Lessor as rental the sum of Eight Thousand & 00/100 Dollars ($8,000.00) annually, payable quarterly, with the rent to increase at the rate of 5% per annum during each renewal term. Property taxes incurred and paid by Lessor on the leased premises for each year this Lease Agreement is in effect will be promptly reimbursed to Lessor by Lessee upon proof of payment by Lessor.

5. **Condition.** The Lease Agreement is conditioned upon the North Little Rock City Council adopting a resolution authorizing and approving said agreement.

6. **Improvements to Leased Property.** The City is authorized, and will make certain repairs and improvements to the Leased Premises for use as public parking. All improvements to the leased property which may be made by the City during the term of this lease shall be made at the City's expense. Any improvements to the leased property by the City shall become a part of the realty and shall pass to Lessor at the termination of this lease unless the parties agree in writing to the contrary. The City shall, at the termination or surrender or forfeiture of this lease, return said Leased Premises to Lessor in as good and satisfactory condition as existed at the inception of the lease.

7. **Covenant Not To Commit Waste.** The City covenants that it shall keep the Leased Premises in good order, that it will not commit waste nor permit waste to occur to the demised

premises that it will not permit or cause any nuisance to exist on said premises, and that the premises shall be used solely for public parking.

8. **Assignment.** The City shall not assign this lease or sublet the leased premises without prior written consent of Lessor. Any such assignment or subletting shall in no way relieve the City from liability for the obligation imposed by this lease, unless and until a written release is executed by Lessor. If the leased property is sold by Lessor, the Lease will transfer with the sale of the property.

9. **Non-Waiver.** It is agreed that the failure of the Lessor to invoke any of the available remedies under this lease or under law in the event of one or more breaches or defaults by the City under the lease shall not be construed as a waiver of such provisions and conditions and shall not prevent the Lessor from invoking such remedies in the event of any future breach or default.

10. **Holdover.** The City hereby agrees that upon the termination of this lease for whatever reason, the City will peaceably deliver possession of the leased premises to Lessor. In the event the City shall be permitted by Lessor to hold over after the expiration of termination of this lease, or any extension thereof, said holding over in the absence of a written agreement otherwise shall be construed as a tenancy from month to month at a rental equal to that due for the last year paid under this lease plus applicable increase pursuant to Paragraph 4 above. Such tenancy may be terminated by written notice from either party to the other party on thirty (30) days' notice.

11. **Termination by Lessor.** Lessor reserves the right to terminate this lease at any time after completion of the first year of the lease upon ninety (90) days written notice to the City of another planned use for the site. In the invent of such termination by Lessor, Lessor shall reimburse City for the Unamortized Portion (as defined below) of the City's expense to resurface the Leased Premises, which, if actually completed, shall be deemed to equal twenty thousand dollars ($20,000). The Unamortized Portion shall be the amount actually spend by the City to resurface the Leased Premises up to but not to exceed $20,000 multiplied by a fraction, the numerator of which shall be the total number of months left in the initial term and the renewal terms on the date of termination provided in the notice and the denominator of which shall be sixty (60) months. For example, if the amount of $20,000 was actually spend by the City and if notice of termination is given for the end of year 2 of the Lease, the Unamortized Portion shall be $12,000 (20,000 X 36/60).

12. **Title and Quiet Enjoyment.** Lessor covenants and warrants that he is the owner in fee simple absolute of the leased property and may lease said property as herein provided. Upon payment by the City of the rents herein provided and upon the observance and performance of all the covenants, terms and conditions upon the City's part to be observed and performed, the City shall peaceably and quietly hold and enjoy the demised premises for the term hereby demised without hindrance or interruption by Lessor or any other person or persons lawfully or equitably claiming by, through or under Lessor, subject to the terms and conditions of this lease.

13. **Succession.** This Lease Agreement shall inure to the benefit of and be binding upon the parties hereto and its respective heirs, successors and assigns.

14. **Severability.** Each paragraph of this Lease Agreement is severable from all other paragraphs. In the event any court of competent jurisdiction determines that any paragraph or subparagraph is invalid or unenforceable for any reason, all remaining paragraphs and subparagraphs will remain in full force and effect.

15. **Interpretation.** The parties hereto agree that this Agreement shall be construed under Arkansas law. The parties further agree that proper jurisdiction and venue for any cause of action arising from this Agreement shall be vested in the Circuit Court of Pulaski County, Arkansas.

16. **Entire Agreement.** This Lease Agreement contains the entire agreement of both parties hereto, and no other oral or written agreement shall be binding on the parties hereto. This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. **Notice.** All notices, requests, demands and other communications required by or permitted hereunder shall be in writing and shall be deemed to have been duly given when received by the party to whom directed; provided, however, that notice shall be conclusively deemed given at the time of its deposit in the United States Mail when sent by certified mail, postage prepaid, to the other party at the following addresses or at such other addresses as shall be given in writing by either party to the other:

Jack D. Grundfest, Manager
Argentco, LLC
P. O. Box 15128
North Little Rock, AR 72231-5128

CITY OF NORTH LITTLE ROCK
City Hall
300 Main Street
North Little Rock, AR 72114

18. **Modification.** No conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary the terms or conditions of the Agreement shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification shall be effected by the acknowledgment or acceptance of any forms containing terms or conditions or variance with or in addition to those set forth in this Agreement.

19. **Authority.** The parties executing this lease represent that they have been duly authorized to bind their respective entities for the purposes stated herein.

IN WITNESS WHEREOF, the Lessor and Lessee have hereunto set their hands and seals on the day first above written.

LESSOR:

ARGENTCO, LLC

By _____
Jack D. Grundfest, Manager

LESSEE:

CITY OF NORTH LITTLE ROCK, AR

By _____
Joe A. Smith, Mayor

ATTEST:

_____
Diane Whitbey, City Clerk

[SEAL] 8/30/16

LEASE AGREEMENT

THIS AGREEMENT made and entered into this 15th day of ~~February~~ March, 2016, by and between Argentco, LLC ("Lessor"), and the City of North Little Rock ("City" or "Lessee").

W-I-T-N-E-S-S-E-T-H:

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> Lots 10, 11 and 12, Block 21, excluding the West 20' of Lots 11 and 12, and the West 53' of Lot 10, Original City of Argenta, Pulaski County, Arkansas, containing 17,850 sq. ft., more or less.

To have and to hold said premises unto the said Lessee for and during the term herein stated, subject to the covenants, terms, conditions and liens herein contained.

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5. **Condition.** The Lease Agreement is conditioned upon the North Little Rock City Council adopting a resolution authorizing and approving said agreement.

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Argentco, LLC
P. O. Box 15128
North Little Rock, AR 72231-5128

CITY OF NORTH LITTLE ROCK
City Hall
300 Main Street
North Little Rock, AR 72114

18. Modification. No conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary the terms or conditions of the Agreement shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification shall be effected by the acknowledgment or acceptance of any forms containing terms or conditions or variance with or in addition to those set forth in this Agreement.

19. Authority. The parties executing this lease represent that they have been duly authorized to bind their respective entities for the purposes stated herein.

IN WITNESS WHEREOF, the Lessor and Lessee have hereunto set their hands and seals on the day first above written.

LESSOR:

ARGENTCO, LLC

By _____
Jack D. Grundfest, Manager

LESSEE:

CITY OF NORTH LITTLE ROCK, AR

By _____
Joe A. Smith, Mayor

ATTEST:

_____
Diane Whitney, City Clerk

[SEAL] 3/30/16