

**FRENCH MARKET CORPORATION**  
**FINANCE COMMITTEE MEETING**  
**Thursday, May 21, 2020**

**NEW BUSINESS**

**D3. CONSIDERATION – RESIDENTIAL TENANT RENT REPAYMENT PROGRAM IN CONJUNCTION WITH THE COVID-19 EMERGENCY**

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**Consideration:**

On March 11, 2020, the Mayor of New Orleans declared a State of Emergency due to COVID-19. Subsequently, the Governor of Louisiana and the Mayor of New Orleans through a series of proclamations and orders limited gatherings of various types and placed restrictions on commercial business activities, which ultimately culminated in the issuance of a “Stay at Home Mandate” for Orleans Parish by the Mayor on March 20, 2020, and by the Governor on March 22, 2020.

On March 18, 2020, the FMC Staff waived late fees and penalties for commercial tenants relative to the payment of base, percentage, common area and advertising rents for 60 days. At its March 31, 2020 Board of Directors meeting, the Board ratified the Staff’s actions and extended the suspension of late fees for rent to its residential tenants in the Upper Pontabla Building thru May 31, 2020.

During the time of the declared emergency, the FMC staff has received multiple requests for rent relief from various FMC residential tenants.

Residential tenants in the Upper Pontabla Building pay monthly rent based on an annual lease term. Payment must be made by one check in full for each apartment. Payment is required in full by the close of business on the 5<sup>th</sup> day of each month or a late charge is assessed as a balance due.

**Recommendation:**

The FMC Staff requests approval of the proposed Residential Tenant Repayment Program:

1. The FMC shall extend the waiver of late fees for residential tenant rent thru June 30, 2020. Residential rents shall be paid as per the residential leases and the leases shall remain in full force and effect from that point forward.
2. Past due rent shall be paid in four (4) equal installments of twenty five percent (25%) of the past due amount, with each installment due on the first day of the month commencing no later than July 1, 2020. Installment payments are due in full by the close of business on the 5<sup>th</sup> day of each month of the installment plan or a \$50.00 late fee per month will be assessed.

3. Full payment of the entire past due amount is due by October 1, 2020. Any balance due past that date will be deemed an immediate default under the lease that permits the FMC to exercise any and all of its rights and remedies under the lease and applicable law.