



## Request for Proposals to Lease

October 16, 2023

The French Market Corporation (“FMC”) is issuing a Request for Proposal (“RFP”) for the lease of approximately 698 square feet of prime commercial retail space at 1101 N. Peters Street SPC #33, 35, & 37, New Orleans, LA 70116 located at the French Market.

### BACKGROUND

The French Market Corporation, a self-sustaining public benefit corporation, is charged with the management of critical assets owned by the City of New Orleans including but not limited to the Upper Pontalba Building, Jackson Square Pedestrian Mall, French Market and Elysian Fields parking facilities, Oscar Dunn Park, Edison Park, Bienville Park, Joan de Ark Park, Dutch Alley, Latrobe Park, and Crescent Park. French Market Corporation managed properties are within an historic neighborhood referred to as the “French Market District” located in the heart of the French Quarter.

The French Market Corporation seeks to showcase architectural, cultural, economic, and historical City assets, through independent, owner-operated businesses, providing profitable retail and varied food and beverage opportunities, serving the needs the residents of the French Quarter, the citizens of New Orleans, and visitors to the area. The French Market is heavily trafficked by tourists and locals alike.

The French Market Corporation endeavors to provide opportunities for local, small and disadvantaged business enterprises. Such participation serves to assist the City of New Orleans in its efforts to foster an environment that provides economic opportunity and inclusion.

#### 1. Proposal Guidelines:

Current proposal guidelines favor niche or unique local, regional, or national authentic retail merchandise. At its sole discretion, the FMC reserves the right to not consider proposals that do not meet the FMC’s merchandising goals of preserving the character of the District and perpetuating its architectural, cultural, economic and historical qualities.

Proposals may be submitted until November 30, 2023 until 4pm. Once a proposal has been accepted by the FMC, the applicant will have forty-five (45) days from the date of acceptance to finalize a lease. Failure to finalize a lease within the 45-day period will invalidate the lease proposal and the FMC will be free to negotiate with other applicants for the space. At its sole discretion, the FMC reserves the right to extend the period for finalizing the lease for an

additional thirty (30) days. All applicants are urged to obtain and review the FMC Standard Lease Agreement. Except as required with respect to permitted uses, no deviation from the Standard Lease Agreement will be permitted. Within five (5) business days of Board's acceptance of applicant's proposal, the applicant will be required to submit a letter of intent and remit a non-refundable security deposit as determined by the FMC. Upon execution of the Lease Agreement, applicant will be required to submit the first month's rent.

## 2. Applicant Requirements:

The Applicant must satisfy and/or comply with all of the following:

- a) Provide proof of working capital equivalent to one year's rent.
- b) Provide proof of funding to cover the minimum required improvements.
- c) Provide an original notarized affidavit disclosing ownership. If applicable, provide a certified original copy of the Articles of Incorporation, Articles of Organization or Partnership Agreement.
- d) Provide a banking reference and a supplier reference. If directly involved in/as product manufacturer or importer, please explain.
- e) Provide a detailed business and marketing plan (see #6 Business Plan) to support required sales volume.
- f) Applicant's business must have a defined specialty or theme.
- g) Applicant must conform to all applicable zoning regulations of the City of New Orleans. The property is currently zoned VCS Vieux Carré Service District. (See <https://czo.nola.gov/article-10/>)

Any change of use, no matter how minor, and any addition or deletion of product lines or activities during lease negotiation or after execution of lease must be approved by the FMC. The FMC will monitor compliance with permitted uses and display restrictions. Tenant's failure to comply with the terms and conditions approved by the FMC will constitute a default under the lease.

## 3. Tenant Requirements:

The Tenant must satisfy and/or comply with all of the following:

- a) All Tenant improvements for the leased space shall be performed by the applicant at applicant's expense. The FMC reserves the right to require additional improvements as may reasonably be necessary.
- b) 1101 N. Peters Street SPC # 33, 35, 37 – Applicant acknowledges that Landlord is providing this space "as is" and it may require improvements, including but not limited to electrical, plumbing, flooring, lighting and painting.
- c) Applicant must provide a detailed list, including estimated cost of all proposed tenant improvements to be performed at the Applicant's expense.
- d) Within thirty (30) days of execution of Lease, Tenant shall supply Landlord with layout and design of the leased space interior including, but not limited to furniture, trade fixtures and color scheme. Tenant acknowledges that in order to preserve and protect the overall appearance and integrity of the property and surrounding historic

area, Landlord reserves the right, during the term of the lease and any renewals thereof, to approve the overall appearance of the Leased Premises, including the interior layout and design, the floor plans, paint colors, furnishings and fixtures, and that no changes may be made from the approved design without the written consent of the Landlord. A copy of the existing floor plan is attached.

#### 4. Lease Stipulations:

The Lease will include all of the following stipulations:

- a) Leases may not be assigned or transferred without the prior written approval of the FMC Board of Directors.
- b) Lease Terms shall be negotiated by the FMC and shall be based in part on Tenant Improvements.
- c) Lease Rate, as determined by the FMC, shall include base rent, common area charges, percentage rent, and advertising fees.
- d) The FMC may deny an applicant that directly or indirectly controls, manages, owns, operates or has a financial interest in, or participates in the management or operation of another space leased from the FMC, at the discretion of the Board of Directors.
- e) Tenant shall maintain a policy or policies of commercial general liability insurance naming as additional insureds – Landlord, the City of New Orleans, or as designated, with minimum limits of \$1,000,000.00 per occurrence, and umbrella coverage with minimum limits of \$3,000,000.00, a policy of Special Causes of Loss Property Insurance, and a policy of workers' compensation.
- f) Tenant must comply with all city, state and federal code and regulatory compliance, including but not limited to the Americans with Disabilities Act.

#### 5. Zoning

The property is located within the VCS Vieux Carré Service District, which contains use and sign regulations. Please see the Comprehensive Zoning Ordinance <https://czo.nola.gov/article-10/> or visit the One Stop Shop on the 7<sup>th</sup> Floor of City Hall at 1300 Perdido Street, New Orleans, LA 70112.

#### 6. Business Plan

Applicants must submit a business plan and pro-forma to include anticipated gross sales for the first three (3) years of operation. The business plan shall also include responses to questions 6a – 6e, and follow the question format indicated below:

- a) Explain your reasons for considering the French Quarter and specifically the Upper Pontalba Building as a potential space to do business. Indicate your reasons for believing that there is a demand for the proposed business. This must address three (3) market segments:
  - i. French Quarter retail sector or food and beverage sector, as appropriate
  - ii. Tourism sector
  - iii. Metropolitan area resident sector

- b) Explain the concept or theme of the proposed business. Please be as detailed as possible in your description to provide a complete picture of the use as it will be operated.
- c) Describe or list all possible items proposed to be sold in the space. Photos of items to be sold may be included.
- d) Provide a complete disclosure of all principals in the business including names, addresses, telephone numbers, email addresses and facsimile numbers.
- e) Provide complete information regarding your business experience, including:
  - i. Location, years, and experience of any current business operation, whether same as proposed use or not. FMC may request financial documentation of sales.
  - ii. Identify all partners and their experience in the proposed business, if any.

Within five (5) business days of Board's acceptance of applicant's proposal, applicant will be required to submit a letter of intent and remit a non-refundable security deposit as determined by FMC to FMC.

#### 7. Proposed Terms and Conditions

The FMC has set the following rental terms for approximately 698 square feet of retail and/or food and beverage space at 1101 N. Peters Street SPC #33, 35, 37:

- a) Annual Base Rent – \$26,523.96/yr. (\$2210.33 Monthly); \$38 per sq. ft. per year
- b) Percentage Rent – 8% of monthly gross sales in excess of the Annual Base Rent;
- c) Advertising Rent – 1% of Gross Sales;
- d) Common Area Rent – 100% of Tenant's pro-rata and proportionate share of expenses. Common area expenses includes but are not limited to: (1) janitorial and garden service (labor, equipment and supplies) covering all public areas in or adjacent to the French Market District, such as corridors, restrooms, plazas, stairways, and garden areas; (2) electricity and globes for all public areas; (3) water; (4) salaries and costs of maintenance personnel; (5) garbage and other refuse services; (6) the security service (salaries and costs, and equipment); (7) pest and rodent control services; (8) fire alarm monitoring costs, (9) inspection, maintenance, and repair of common building systems (including but not limited to, sprinkler system, fire alarm, fluid coolers). Average common area expense is currently is \$1.74 per square foot monthly.
- e) Consumer Price Index ("CPI) Adjustments: The Annual Base Rent (payable in monthly installments) shall increase annually in proportion to the percentage increase in the CPI during the immediate preceding Lease Year.

#### 8. Required Documentation

Should the FMC Board approve a proposal, the applicant shall, upon request, submit the following:

- a) Credit authorization for each principal party of the business.
- b) Financial statements of the applicant and, if corporation or partnership, of all principals.
- c) Profit and loss statements of existing retail business of which the proposed use is a branch or which will share resources of the applicant. Financial statements must indicate personal liquidity equal to one year's rent.
- d) Source of financing.



