

**FIRST AMENDMENT TO LEASE BETWEEN  
THE FREMONT STREET EXPERIENCE LIMITED LIABILITY COMPANY AND  
CITY OF LAS VEGAS FOR THE  
RED GARAGE DOWNTOWN LAW ENFORCEMENT SUBSTATION**

THIS FIRST AMENDMENT TO LEASE (this "First Amendment") is made by and between THE FREMONT STREET EXPERIENCE LIMITED LIABILITY COMPANY, a Nevada limited liability company ("FSE") and the CITY OF LAS VEGAS, a Nevada municipal corporation ("City"). The FSE and City are sometimes collectively referred to herein as the "Parties".

This First Amendment is effective on the later of the date of approval by the FSE and Las Vegas City Council, each as noted on the signature page hereto, as long as approval by one is within thirty (30) calendar days of approval by the other ("Effective Date").

**RECITALS**

WHEREAS, FSE owns certain real property on Fremont Street in downtown Las Vegas, Clark County, Nevada, addressed as 425 Fremont Street Suite 150, Las Vegas, Clark County, Nevada, commonly referred to the Red Garage depicted on the map attached hereto as Exhibit "A" and incorporated herein by this reference (the "Red Garage"); and

WHEREAS, FSE desires to lease a portion of the Red Garage originally consisting of Four Thousand Four Hundred and Fourteen (4,414) square feet to be amended herein (the "City Premises") to City, to operate a law enforcement substation (the "Permitted Use"); and

WHEREAS, City desires to occupy the City Premises to provide law enforcement services on Fremont Street; and

WHEREAS, FSE desires to occupy a portion of the Red Garage consisting of space in the Red Garage adjacent to the City Premises to provide security services on Fremont Street (the "FSE Premises"); and

WHEREAS, the City will also partner with the Las Vegas Metropolitan Police Department ("Metro") to staff a portion of the City Premises for law enforcement purposes; and

WHEREAS, the Parties entered that certain lease agreement (the "Lease"), dated February 1, 2023, that detailed the terms and conditions of occupancy of the City Premises by the City and Metro and related matters; and

WHEREAS, the Lease contemplated the Parties entering in a subsequent written agreement to document certain matters related to the construction of tenant improvements in the City Premises; and

WHEREAS, the Parties desire to amend the Lease as detailed herein to allocate the tenant improvement costs and related matters.

NOW, THEREFORE, in consideration of the terms, covenants, conditions and provisions hereinafter set forth and other good and valuable consideration, it is hereby mutually agreed by and between FSE and City that the foregoing Recitals are true and correct, and further agreed as follows:

**AGREEMENT**

1. Reference Section 1.0 DEFINITIONS, delete the definition of "Commencement Date" and replace with the following:

"Commencement Date" shall mean the date of issuance of the certificate of occupancy for the City Premises and FSE Premises, including the FSE /Metro/ Marshall Shared area issued by the City's Building Department acting in its regulatory capacity.

2. Reference Section 3.1 RENT, delete Section 3.1 RENT in its entirety and replace with the following:

**3.1 RENT**

City shall pay to FSE annual rent for the City Premises in the amount of Two Dollars (\$2.00) per square foot ("SF") for the following areas depicted on Exhibit A:

Metro Police Area	443 Square Feet
Marshall – DPS Area	1071 Square Feet
Metro / Marshall Shared Area	2,719 Square Feet
<u>FSE / Metro / Marshall Shared Area</u>	<u>1,400 Square Feet</u>
TOTAL	5,633 Square Feet

One-Half of the 1,400 Square Feet Shared Area is to be paid by the City:

Therefore, City Premises = 443 SF + 1,071 SF + 2,719 SF + 1/2 of 1,400 SF = 4,933 SF

Monthly Rent = 4,933 SF multiplied by \$2.00/SF = \$9,866 / month

The monthly rent due and payable from the City shall be first due on the date of issuance of the certificate of occupancy for the City Premises and FSE Premises, including the FSE / Metro / Marshall Shared area issued by the City's Building Department acting in its regulatory capacity and for each month thereafter during the Lease Term shall be Nine Thousand Eight Hundred and Sixty Six Dollars (\$9,866) during the Primary Term (the "Rent"). City hereby covenants and agrees to pay Rent to FSE as provided herein, without prior demand, deduction or set-off whatsoever, in lawful money of the United States of America at such place or places as may from time to time be designated in writing by FSE.

Any Rent paid for a partial month shall be calculated by multiplying the monthly Rent by twelve (12) and dividing by Three Hundred and Sixty Five (365) to obtain Rent on a daily basis then multiplied by the number of days in a partial month.

3. Reference Section 3.2 ADDITIONAL CHARGES, delete in its entirety and replace with the following:

In addition to Rent, the City shall pay the following monthly charges to FSE (collectively, the "Additional Charges") commencing on the Commencement Date during the Primary Term:

Heating:	\$392
Cooling:	\$2,096
Property Taxes:	\$419
Sewer & Water:	\$110
Trash:	\$250
Maintenance*:	\$950

\* Inclusive of Fire Inspections, Extinguisher Inspections, Mechanical, Plumbing, Electrical, and HVAC Systems and related material and labor costs.

TOTAL: \$4,217 / month

The Additional Charges listed in this Section 3.2 are estimated based on the percentages of square footage occupied by each party excepting the sewer and trash removal charges, which are to be split equally between the Parties.

At the anniversary date of the Commencement Date, and each year thereafter, FSE shall provide a true-up calculation for the Additional Charges listed in this Section 3.2 (the "Additional Charges Actual Costs"). The City shall pay the increase or FSE shall pay the decrease in the reasonably documented Additional Charges Actual Costs paid by FSE. The City shall pay the increase no later than thirty (30) days after receipt of the documented Additional Charges Actual Costs and FSE shall pay the decrease at the time the documented Additional Charges Actual Costs are sent to the City. Any increase to be paid by the City or decrease to be refunded by FSE of the Additional Charges Actual Costs shall not exceed Twenty Percent (20%) of the costs estimated in this Section 3.2 with written approval by the Parties.

4. Reference Section 3.3 TENANT IMPROVEMENT OFFSET, delete Section 3.3 TENANT IMPROVEMENT OFFSET in its entirety and replace with the following:

### **3.3 TENANT IMPROVEMENT OFFSET**

A. The Parties agree that the City will design the tenant improvements for the City Premises (the "City TIs") and FSE Premises (the "FSE TIs"). The Parties further agree that FSE will construct, or cause to be constructed, the City TIs and the FSE TIs. FSE has selected TRE Builders to construct the City TIs and FSE TIs (the "FSE Contractor"). Construction of the City TIs in the City Premises, defined in Section 3.1 herein, shall require the payment of prevailing wages pursuant to the requirements of NRS Chapter 338.013 to 338.090. The FSE Contractor is required pursuant to NRS 338.013 to obtain an identifying number from the Nevada Labor Commissioner. The FSE Contractor shall also use City provided access to LCPTracker to document payment of prevailing wages.

B. The FSE Contractor's cost estimate to construct the City TIs is One Million Four Hundred and Forty Three Thousand Dollars (\$1,443,000) exclusive of furniture, fixtures, and equipment and information technology, both of which will be provided for outside this Lease.

C. The City shall pay to FSE the sum of One Million Four Hundred Eighty-Two Thousand Three Hundred Seventy-Nine and 32/100 Dollars (\$1,482,379.32), which includes reimbursement of City TIs plus five per cent (5%) interest per annum on a prorated basis. Payment shall be made by the City to FSE in twelve (12) equal periodic monthly payments in the amount of One Hundred Twenty-Three Thousand Five Hundred Thirty-One and 61/100 Dollars (\$123,531.61). The first periodic monthly payment by City to FSE shall be due and payable concurrent with the first Rent payment due date on the Commencement Date and shall continue each month until reimbursed in full.

D. FSE shall allow the City's Public Works Department reasonable access to the City Premises to inspect the FSE Contractor's construction for conformance to the City TIs plans and specifications. The City shall provide written notice to FSE of any deficiencies in the materials provided by or work performed by the FSE Contractor. FSE shall require the FSE Contractor to reasonably resolve said deficiencies to the reasonable satisfaction of the City.

E. The Parties acknowledge that the City may require modification of the City TIs through the issuance of a change order. City requested changes to the City TIs after the Effective Date will be at the sole cost and expense of the City. If the FSE Contractor proposes changes to the City TIs for any reason, the FSE Contractor shall provide a

written change order proposal to the City for approval or denial. The Parties, including the FSE Contractor as an agent for FSE, shall attempt to resolve any disputes related to change orders through escalating layers of each party's management. Any claims that cannot be resolved between the Parties shall be referred to the City Manager and the FSE President and CEO for final determination.

F. On or before the date of the issuance of the City's Department of Building and Safety's Certificate of Occupancy, FSE shall require that the FSE Contractor deliver to City a warranty (the "Warranty") naming City as beneficiary, wherein FSE's Contractor warrants, except as otherwise provided by subcontractors and suppliers engaged in the performance of the City TIs, that the work performed by the FSE Contractor substantially conforms to the requirements of the City TIs plans and specifications and is free of any material defect in equipment, material, or workmanship and will remain so for a period of one (1) year (the "Warranty Period"). The Warranty Period will commence upon the date of the issuance of the City's Department of Building and Safety's Certificate of Occupancy. During the Warranty Period, the Warranty shall require the FSE Contractor to repair or replace, at its own expense, any work performed by the FSE Contractor that fails to conform to the City TIs plans and specifications as the of the date of the City's Department of Building and Safety's Certificate of Occupancy.

5. INCORPORATION OF RECITALS AND EXHIBITS. The foregoing recitals and any exhibits attached hereto are hereby incorporated into this First Amendment in their entirety.

6. The Parties represent and acknowledge that as of the date of this First Amendment, neither party (i) is in default under the terms of the Lease; (ii) has any defense, set off or counterclaim to the enforcement by either party of the terms of the Lease; and (iii) is aware of any action or inaction by either party that would constitute an event of default by either party under the Lease.

7. In the event of a conflict between any provision(s) of the Lease and of this First Amendment, this First Amendment shall control.

8. Unless otherwise specifically defined in this First Amendment, all capitalized terms used herein shall have the meaning ascribed to them in the Lease.

9. In all other respects, the Lease is hereby ratified and confirmed, in full.

10. This First Amendment may be executed in any number of counterparts, each of which shall be an original and all of which shall together constitute one and the same instrument. It shall not be necessary for any counterpart to bear the signature of all Parties hereto. Executed copies hereof may be delivered by facsimile or e-mail, pursuant to NRS 719.240, and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter.

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**FIRST AMENDMENT TO LEASE  
CITY OF LAS VEGAS AND FREMONT STREET EXPERIENCE**

Signature Page

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment to Lease as of the Effective Date as defined herein.

**CITY OF LAS VEGAS**  
"City"

By: \_\_\_\_\_  
Carolyn G. Goodman, Mayor

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
LuAnn D. Holmes, MMC  
City Clerk

Approved as to Form:

By: John S. Ridilla 4/6/23  
Deputy City Attorney Date  
John S. Ridilla  
Chief Deputy City Attorney

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**FIRST AMENDMENT TO LEASE  
CITY OF LAS VEGAS AND FREMONT STREET EXPERIENCE**

Signature Page (continued)

**THE FREMONT STREET EXPERIENCE  
LIMITED LIABILITY COMPANY  
“FSE”**

By: Andrew Gary Simon

Printed Name: Andrew Simon

Title: President & Chief Executive Officer

Date: 4/6/2023



