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City Council Agenda Item
Meeting of January 19, 2016

TO: The Honorable Mayor and Members of the City Council
FROM: James R. O'Connor, City Manager 
DATE: January 11, 2016

SUBJECT: **First Amendment to Commercial Lease Agreement between the City of Vero Beach and WNC, Inc. – 3599 Indian River Drive East**

REQUESTED BY: City Manager

The following is requested as it relates to the above-referenced agenda item:

- Request Council review and approval based on the attached documentation.
- No action required. (Information only)

**FIRST AMENDMENT TO
COMMERCIAL LEASE AGREEMENT**

This **First Amendment to Commercial Lease Agreement**, ("Amendment"), was made and entered into as of the date last entered below, ("Effective Date"), by and between the **CITY OF VERO BEACH**, a Florida municipal corporation, ("Landlord"), and **W N C, Inc.**, a Florida for-profit corporation, ("Tenant"). Landlord and Tenant may also be referred to herein individually as a "Party" or collectively as the "Parties."

Whereas, pursuant to that certain Commercial Lease Agreement dated January 6, 2009 (the "Lease Agreement") Landlord leased to Tenant that certain real property located at 3599 Indian River Drive East in Vero Beach, Indian River County, Florida, (the "Leased Premises") for an initial term of 5 years; and

Whereas, prior to termination of the initial term of the Lease, Tenant exercised its option to renew the Lease Agreement for an additional 5 years, which renewal term was effective February 1, 2014 and terminates January 31, 2019; and

Whereas, pursuant to the Lease Agreement terms, Tenant is responsible for maintaining the building subject of the Lease Agreement in good order and repair, and the building is currently of such condition that it requires re-roofing at substantial cost to Tenant; and

Whereas, in light of the substantial expense to be incurred by Tenant for the repairs, it would be fair and reasonable to provide Tenant with an option to renew the Lease Agreement for additional renewal terms in order for Tenant to amortize its investment in the new roof and to modify future rent adjustments in consideration of Tenant's investment in the Leased Premises,

Now, Therefore, in consideration of the foregoing premises, which are hereby adopted and incorporated herein, Landlord and Tenant hereby amend the Lease Agreement as follows:

(1) Section 2 of the Lease Agreement, "Term," is hereafter amended to add a new subsection (c), to read as follows:

2. TERM.

(c) In addition to the renewal term currently in effect pursuant to subsection (b) above, which renewal term commenced February 1, 2014 and terminates January 31, 2019, TENANT shall have the option to renew this Lease Agreement for two (2) additional renewal terms of five (5) years each; provided TENANT is not in default under this Lease Agreement and TENANT gives written notice of exercising such option to renew no less than ninety (90) days prior to the termination date of the then current renewal term. All terms and conditions herein, as amended, shall apply during each renewal term.

(2) Subsection 3(b), "Annual Rental Adjustment," is hereafter amended to add a new subsection (b)(1), to read as follows:

3. RENT; TAXES; RENT ADJUSTMENT; SECURITY DEPOSIT.

(b) Annual Rental Adjustment.

(b)(1) Rent Adjustment Modified. Subsequent to the Effective Date of the First Amendment to Commercial Lease Agreement, subsection (b) above regarding annual rental adjustment shall no longer apply and in lieu thereof the amount of the monthly rent for each renewal term, if any, shall be the amount of the monthly rent in effect at the end of the preceding renewal term plus five percent (5%).

(3) Section 3(c) of the Lease, Rental Rate Correction Procedure, is hereafter deleted in its entirety and shall be of no further effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the dates entered below and each Party's respective signatory whose signature appears below hereby warrants and represents that such signatory has been and is on the date of execution of this Amendment duly authorized to execute this Amendment on behalf their respective Party.

TENANT:

WITNESSES:

W N C, INC.

Sign: [Signature]

By: [Signature]

Print name: Crystal Kelly

Beckett E. Waddell
President

Sign: [Signature]

Date: 1.11.16

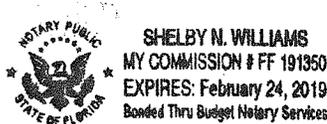
Print name: Shelby Williams

[Seal]

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing First Amendment to Commercial Lease Agreement was acknowledged before me this 11th day of January, 2015 by Beckett E. Waddell, as President of W N C, Inc., Tenant. He/She is personally known to me OR produced _____ as identification.

[Signature]
NOTARY PUBLIC
Commission No.:
My Commission Expires:



LANDLORD:

CITY OF VERO BEACH

ATTEST:

Tammy K. Vock
City Clerk

By: _____
Jay Kramer
Mayor

[Seal]

Date: _____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing First Amendment to Commercial Lease Agreement was acknowledged before me this _____ day of _____ 20__ by Jay Kramer, as Mayor, and attested by Tammy K. Vock, as City Clerk, of the City of Vero Beach, Florida, Landlord. They are both known to me.

NOTARY PUBLIC
Commission No.
My Commission Expires:

Approved as to form and
legal sufficiency:



Wayne R. Coment
City Attorney

Approved as conforming with
municipal policy:



James R. O'Connor
City Manager