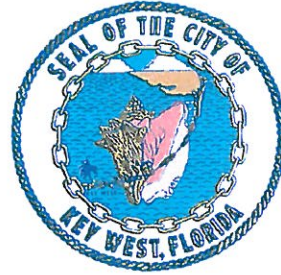


Executive Summary



TO: City Commission

CC: Bob Vitas, City Manager

FR: Mark Z. Finigan

DT: October 30, 2012

RE: Second Amendment to the Lease for City Offices at Habana Plaza

Action Statement

Respectfully request approval of the Second Amendment to the City lease for space at 3100 - 3140 Flagler Avenue in Habana Plaza.

Authorize City Manager to execute the Second Amendment.

Background

Suite 4 (a/k/a Unit D) comprising 931 rentable square feet and more particular described on Exhibit A in the Second Amendment has been since lease inception the demised premises for both the Risk Management and IT Training Room functions. Earlier this year Suite 4 fell into such structural disrepair the employees and their operations had to be moved to alternate space currently under lease at Habana Plaza or to another City owned facility. Though payment for the 931 square feet plus common area charges was ceased, a need for comparable space which accommodated both RM and an IT Training Room was still needed. The areas to where these functions were relocated could only suffice as temporary space and a long term solution was required. The Lessor has completed a build out of 1,453 square feet of relocated space designed to accommodate the IT Training Room and the City's Customer Service function. Risk Management will remain in the Finance Department, the area they relocated to, and the Customer Service function, previously located in the Finance department, will relocate to the new space described on Exhibit B in the Second Amendment. The City will only be charged for common area charges as well as the base square foot charge based on the originally agreed upon 931 square feet though the new relocated area is actually 1,453 square feet.

All other terms of the commercial lease, to include the first amendment, remain the same.

Recommendation

Staff believes that the amended terms will serve the City well and recommends approval of the second lease amendment as proposed.