

**VILLAGE OF ROYAL PALM BEACH**

Agenda Item Summary

**AGENDA ITEM: Approval and authorization for the Village Manager to execute the Third Addendum to Lease Agreement between the Village of Royal Palm Beach and Verdex Construction, LLC, for the continued use of unoccupied space within the David B. Farber building relative to the Village Hall construction project.**

**ISSUE:** The Village Council approved the Lease Agreement with Verdex Construction, LLC on January 19, 2023 for the use of approximately 1,620 square feet of unoccupied space within the David B. Farber building for storing construction materials (e.g., doors, electrical equipment, etc.) to be used in the Village Hall construction (EN2104 & EN2105).

The First Addendum to Lease Agreement ("First Addendum") was approved by Council on June 15, 2023 extending the term of the Agreement from May 19, 2023 until July 13, 2023. The First Addendum also authorized the Village Manager to grant an additional thirty (30) day extension.

The Second Addendum to Lease Agreement ("Second Addendum") was approved and executed by the Village Manager on July 18, 2023 extending the term of the Agreement retroactively from July 13, 2023 until August 13, 2023. The Second Addendum also authorized use of the Leased Premises for office space subject to certain restrictions.

Verdex has requested extension of the Agreement for an additional six (6) months with an additional six (6) one-month renewals if authorized by the Village Manager.

Staff is requesting Village Council approval of the Third Addendum to Lease Agreement to extend the expiration of the Agreement retroactively from August 13, 2023 to February 13, 2024 and authorize the Village Manager to grant up to six (6) one-month extensions thereafter.

**RECOMMENDED ACTION: Motion to Approve**

<b>Initiator</b>	<b>Village Manager Approval</b>	<b>Agenda Date</b>	<b>Village Council Action</b>
<b>Village Engineer</b>		<b>8/17/23</b>	

### THIRD ADDENDUM TO LEASE AGREEMENT

THIS THIRD ADDENDUM TO LEASE AGREEMENT (the “Third Addendum”) is made and entered into this \_\_\_\_ day of August, 2023, effective retroactively as of August 14, 2023, by and between the Village of Royal Palm Beach, a municipal corporation with offices located at 1050 Royal Palm Beach Boulevard, Royal Palm Beach, Florida, 33411, hereinafter referred to as the “Village”, and Verdex Construction, LLC, a Florida limited liability company with offices located at 1545 Centrepark Drive, West Palm Beach, Florida 33410, hereinafter referred to as “Verdex”.

WHEREAS, the Village and Verdex entered into a Lease Agreement (“Agreement”) for the lease of 1,620 square feet of unoccupied space within the David B. Farber building for material storage on January 19, 2023, with a term expiring May 19, 2023; and

WHEREAS, the Village and Verdex entered into a First Addendum to Lease Agreement (“Agreement”), effective May 20, 2023, extending the term for an additional thirty (30) days expiring July 13, 2023; and

WHEREAS, the Village and Verdex entered into a Second Addendum to Lease Agreement (“Agreement”), effective July 14, 2023, extending the term for an additional thirty (30) days expiring August 13, 2023 and allowing for use of the Leased Premises as office space; and

WHEREAS, the parties desire to extend the term of the Agreement for an additional six (6) months, with the provision of up to six (6) one-month renewals as approved by the Village Manager.

NOW, THEREFORE, and in consideration of mutual terms, conditions, promises, covenants and payments hereinafter set forth, the Village and Verdex agree as follows:

SECTION 1: The foregoing recitals are true and correct and are hereby incorporated into this Third Addendum as if fully set forth in this Section 1.

SECTION 2: Section 2. of the Agreement is hereby repealed in its entirety and is replaced with the following:

**COMMENCEMENT; TERM:** This Lease Agreement shall commence on the 19<sup>th</sup> day of January, 2023, the effective date of this Lease Agreement, and shall be valid until February 13, 2024 (the “Term”), unless terminated earlier as provided for herein. The Village Manager is further authorized to allow for an additional six (6) one-month extensions beyond the Term, by mutual agreement of the Parties through written addendum. Should the Tenant fail to vacate the Leased Premises at the expiration of the Term, the Tenant shall be subject to a monthly penalty in the amount of two times the monthly rent,

or Three Thousand Two Hundred Forty Dollars (\$3,240.00) for each month the Tenant continues to occupy the Leased Premises.

Further, the parties agree as follows:

- A. All other text and exhibits contained in the original Agreement shall remain in full force and effect unchanged and shall be applicable to this Third Addendum. The original Agreement shall be appended to this Third Addendum for such purposes.
- B. This Third Addendum may be modified only by the mutual and written consent of both parties.
- C. If any provision or any portion contained in this Third Addendum is held unconstitutional, invalid or unenforceable, the remainder of this Third Addendum, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_

**VILLAGE OF ROYAL PALM BEACH**

By: \_\_\_\_\_  
Raymond Liggins, P.E., Village Manager

ATTEST:

(SEAL)

\_\_\_\_\_  
Diane DiSanto, Village Clerk

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_

**VERDEX CONSTRUCTION, LLC**

By: \_\_\_\_\_  
Rex B. Kirby, President & Manager