



City of Eustis

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TO: EUSTIS CITY COMMISSION
FROM: TOM CARRINO, CITY MANAGER
DATE: MARCH 2, 2023
RE: RESOLUTION NUMBER 23-21
ADDENDUM TO A COMMERCIAL LEASE WITH THE LAKE EUSTIS AREA
CHAMBER OF COMMERCE, INC. FOR 1 WEST ORANGE AVENUE

Introduction:

Resolution Number 23-21 authorizes the City Manager to execute an Addendum to a Commercial Lease with the Lake Eustis Area Chamber of Commerce for the building located at 1 West Orange Avenue in Eustis.

Recommended Action:

Staff recommends approval of Resolution Number 23-21.

Background:

Upon purchase of the building by the City in 2012, representatives of the Lake Eustis Museum of Art approached City staff expressing interest in using the building at 1 West Orange Avenue for their museum activities. LEMA occupied the building from September 2012 to April 2019.

With the announcement that LEMA would be vacating the building in April 2019, the City received a letter from the Lake Eustis Area Chamber of Commerce requesting that the City consider leasing the building to the Chamber. At the June 6, 2019 City Commission meeting, the Eustis City Commission approved Resolution 19-50 entering into a Commercial Lease with the Chamber for 1 West Orange Avenue. That agreement included monthly rent of \$800 and a five-year term with three additional five-year extensions.

Representatives of the Chamber recently approached the City with a request for reduced rent. Due to foundation settling issues and problems with flooring, a portion of the building has had limited use. On February 16, the Eustis City Commission had a discussion related to the building and the request to reduce rent. The consensus from the Commission was to reduce rent for one year and to facilitate a relocation for the Chamber.

Resolution Number 23-21 authorizes the City Manager to execute an Addendum to the original lease. The Addendum reduces the monthly rent amount to \$550 and revises the expiration of the lease to February 29, 2024. The Addendum also adds a provision allowing for a month to month arrangement after the expiration of the lease.

Alternatives:

1. Approve Resolution Number 23-21, authorizing the City Manager to execute the proposed Addendum to a Commercial Lease with the Lake Eustis Area Chamber of Commerce, Inc.
2. Deny Resolution Number 23-21.
3. Modify the proposed lease agreement.

Community Input:

There will be an opportunity for community input when Eustis City Commission considers this item.

Budget / Staff Impact:

The City would be forgoing \$250 in revenue per month, or \$3,000 over 12 months. However, facilitating the relocation of the Chamber will allow the City to potentially avoid costly renovations to the building.

Prepared By:

Tom Carrino, City Manager

Attachments:

Resolution Number 23-21 with Attached Addendum to a Commercial Lease
Resolution Number 19-50 with Attached Commercial Lease