

EXECUTIVE BRIEF REGULAR MEETING

AGENDA DATE: September 20, 2022

DEPARTMENT: City Attorney

TITLE:

Third Amendment to Retail Lease with Pura Vida Treats, Inc., the current tenant/assignee

SUMMARY:

The Third Amendment to the Retail Lease with Pura Vida Treats, Inc. seeks authorization from the City Commission to extend the Lease for up to 60 days or until another amendment to the Lease is brought before the Commission to extend the Lease for the five (5) year renewal and to amend the Base Rents for such renewal period (based upon the market rate assessment), whichever occurs first.

BACKGROUND AND JUSTIFICATION:

On February 2, 2012, the City and Maxplan Enterprises, Inc. (d/b/a Kilwin's Chocolates and Ice Cream) ("Maxplan") entered a retail lease for Units #3 and #4 at the Lake Worth Beach Municipal Casino Building ("Lease"). The Lease provided an initial term of ten (10) years with two (2) five (5) year options for renewal. On August 13, 2020, the City and Maxplan amended the Lease to address conditions related to the COVID-19 pandemic. On March 2, 2021, the City approved an amendment to the Lease wherein Maxplan assigned the Lease to Pura Vida Treats, Inc. ("Pura Vida"), which took over the Premises and continues to operate the location as Kilwin's Chocolates & Ice Cream Lake Worth Beach.

The initial ten (10) year term of the Lease is set to expire on October 1, 2022 and Pura Vida wishes to renew the Lease for an additional five (5) years. The City is currently conducting a market rate assessment on the rent under the Lease; however, such assessment is not yet complete. Therefore, the amendment provides that the Lease will be extended for up to 60 days or until an amendment is presented to the City Commission to extend the Lease for the full five (5) year renewal period and to amend the Base Rents (based upon the market rate assessment), whichever occurs first. In order to document the proposed extension, the City Attorney has prepared the attached Third Amendment to the Lease.

MOTION:

Move to approve / disapprove the Third Amendment to Retail Lease with Pura Vida Treats, Inc.

ATTACHMENT(S):

Third Amendment to Retail Lease