



MEMORANDUM

City of Venice

Airport

TO: Ed Lavallee, City Manager

THROUGH: Wendy Keller

FROM: Mark J. Cervasio, Airport Director *mjc*

DATE: April 15, 2021

COUNCIL APPROVAL: Yes

MEETING DATE: May 11, 2021

STRATEGIC PLAN GOAL: Ensure a Financially Sound City

SUBJECT: Authorize the Mayor to execute the Third Amendment to Lease Agreement between the City of Venice and Horizon 880, LLC

Background: Horizon 880, LLC ("Lessee"), is the current lessee under the Lease Agreement dated September 24, 2019 ("Lease") with the City of Venice. The Lease is for approximately 11.8 acres of Non-Aeronautical Airport property ("Premises").

On March 31, 2020, the City and Lessee entered into an Amendment to Lease Agreement to allow Lessee additional time to make the initial rent payment and to account for revisions to the City's Drainage Improvement Project. Lessee made the initial rent payment to the City in May 2020.

On September 23, 2020, the City and Lessee entered into a Second Amendment to Lease Agreement to allow Lessee additional time to meet certain deadlines related to the construction of improvements on the Premises as required under Section 17 of the Lease. These overall project delays were all due to the COVID-19 pandemic.

Section 6.b of the Lease provides the Lessee shall pay an additional rent payment to Lessor in the amount of \$24,833.33 upon the issuance of a building permit for any individual structure shown on Exhibit "B" of the Lease. Due to various reasons including, but not limited to, the COVID-19 pandemic, the submittal of a building permit has taken more time than expected.

This Third Amendment to Lease Agreement modifies Section 6.b. (RENT) in that Lessee shall pay an additional rent payment with the following schedule: On or before September 24, 2021, Lessee shall pay \$12,416.67; and on December 24, 2021, or upon issuance of a building permit to Lessee, whichever

is later, but no later than March 24, 2022, Lessee shall pay the balance of the rent payment in the amount of \$12,416.66. This extended time will allow for Lessee to recover from unexpected delays all due to the COVID-19 pandemic.

Requested Action: Staff requests City Council authorize the Mayor to execute the Third Amendment to Lease Agreement between Horizon 880, LLC, and the City of Venice.

If for an agenda item, this document and any associated backup created by City of Venice staff has been reviewed for ADA compliance: Yes

City Attorney Review/Approved: Yes

Risk Management Review: N/A

Finance Department Review/Approved: Yes

Funds Availability (account number): N/A

ORIGINAL(S) ATTACHED: Three (3) Original Third Amendment to Lease Agreement signed by Lessee between the City of Venice and Horizon 880, LLC

Cc: N/A