



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 3/28/2024

File ID: 2024-1308

Department: General Services

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to Execute Modification No. 1 to the Lease Agreement between Wiz Kidz, LLC and the City of Huntsville, dated February 28, 2019 as adopted and approved by the Huntsville City Council Pursuant to Resolution No. 19-167.

Resolution No.

Finance Information:

Account Number: 1000-14-14300-515460-00000000

City Cost Amount: \$5,667.00 per month

Total Cost: \$68,004.00

Special Circumstances:

Grant Funded: N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #:

Location: (list below)

Address: 807 Shoney Drive

District: District 1 District 2 District 3 District 4 District 5

Additional Comments:

The City of Huntsville agrees to pay property owner Wiz Kidz, LLC \$5,667.00 per month or \$17.00 per square foot for an additional one-year term commencing on July 1, 2024. City shall have the option to renew for four additional one-year terms. Rental rate increases 3 percent for each renewal term. Property is for use by HPD. Previous lease was for five years.

RESOLUTION NO. 24-_____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and is hereby authorized to execute Modification No. 1 to the Lease Agreement between the City of Huntsville, Alabama and Wiz Kidz, LLC as adopted and approved Pursuant to Resolution 19-167 of the City Council of the City of Huntsville on February 28, 2019, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as “Modification No. 1 to Lease Agreement between Wiz Kidz, LLC and the City of Huntsville dated February 28, 2019 as adopted and approved by the Huntsville City Council Pursuant to Resolution No. 19-167,” consisting of three (3) pages and the date of March 28, 2024 appearing on the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk of the City of Huntsville, Alabama.

ADOPTED this the 28th day of March, 2024.

President of the City Council of
the City of Huntsville, Alabama.

APPROVED this the 28th day of March, 2024.

Mayor of the City of Huntsville, Alabama

MODIFICATION NO. 1 TO
LEASE AGREEMENT BETWEEN
WIZ KIDZ, LLC AND THE CITY
OF HUNTSVILLE DATED FEBRUARY 28, 2019
AS ADOPTED AND APPROVED BY THE
HUNTSVILLE CITY COUNCIL PURSUANT
TO RESOLUTION NO. 19-167

MODIFICATION NO. 1 TO LEASE AGREEMENT

This Modification No. 1 to the Lease Agreement (this "Modification No. 1") is made effective as of the ~~28th~~ day of March, 2024 by and between WIZ KIDZ, LLC (Lessor), an Alabama limited liability company, and the CITY OF HUNTSVILLE, ALABAMA, (Lessee) a municipal corporation within the State of Alabama (the "City").

WITNESSETH

WHEREAS, Wiz Kidz, LLC and the City of Huntsville entered into that certain Lease Agreement on February 28, 2019 (the "Lease"), with a term of five (5) years commencing on July 1, 2019 and continuing through June 30, 2024; and

WHEREAS, the parties mutually desire to extend the term of the Lease Term for an additional term of one year with the Lessee having the option to renew for four (4) additional one-year terms; and

WHEREAS, the parties desire to adjust the rental rate for the renewal term(s).

NOW THEREFORE, in consideration of the foregoing facts and circumstances, the mutual covenants and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the parties, the parties do hereby agree to the following:

1. The Lease is extended for an additional one (1) year term commencing on July 1, 2024 and continuing through June 30, 2025. Lessee shall have the option to renew the Lease for up to four (4) additional one-year terms (the "Renewal Terms").
2. The rental rate for the first one-year term shall be SEVENTEEN DOLLARS AND 00/100 (\$17.00) per square foot per year or Sixty-eight Thousand and Four Dollars (\$68,004.00). The monthly rental rate shall be Five Thousand Six hundred Sixty-six and 00/100 dollars (\$5,667.00). The rental rate shall increase by three percent (3%) each Renewal Term.
3. All other terms and conditions of the Lease Agreement remain unchanged and in full force and effect.

President of the City Council of the City of
Huntsville, Alabama
Date: 3/28/2024