



COUNTY OF HUMBOLDT

For the meeting of: 7/13/2021

File #: 21-864

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

SUBJECT:

Extend Term of the Lease at the Courthouse Café (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the Lessee's option to extend the term of the lease at the Courthouse Café with Christopher J. Rohrs to Sept. 30, 2022;
2. Remove the temporary waiver of monthly rent payment obligation from Christopher J. Rohrs, effective on Jul. 1, 2021; and
3. Authorize Public Works to prepare, sign and submit a notice of removing the temporary waiver of monthly rents.

SOURCE OF FUNDING:

Snack Bar Equipment Replacement Trust (3815)

DISCUSSION:

On Jun. 5, 2018, your Board approved a lease to Christopher J. Rohrs (Lessee) to operate and maintain the Courthouse Café at the Humboldt County Courthouse (Attachment No. 1 - Lease).

On May 7, 2019, your Board approved a First Amendment to Lease Agreement to Lessee for the county to periodically clean and wash the floors of the Courthouse Café at Lessee's expense (Attachment No. 2 - First Amendment).

On Oct. 8, 2019, your Board approved the ratification of Lessee's option to extend the term of the lease to Sept. 30, 2020 (Attachment No. 3 - Option No.1).

On Apr. 28, 2020, your Board approved a temporary waiver of monthly rent payment obligation from the Lessee, effective on Apr. 1, 2020, until further notice. COVID-19 Pandemic had suspended public access and reduced employee use of the Courthouse Café, resulting in lost revenue (Attachment No. 4 - Temporary Waiver of Rent).

On Oct. 27, 2020, your Board approved the ratification of Lessee's option to extend the term of the lease to Sept. 30, 2021 (Attachment No. 5 - Option No.2).

Under the terms of the lease, the Lessee has four (4) options to extend the term of the lease on a year to year basis upon ninety (90) day notice prior to expiration. Pursuant to Section 3.B. of the lease, the county shall approve or disapprove the extension within thirty (30) days of receipt of the notice. Attached is the Lessee's notice dated Jun. 18, 2021, exercising the third of four options to extend the term of the lease, commencing on Oct. 1, 2021, and ending on Sept. 30, 2022 (Attachment No. 6 - Lessee Notice).

The Lessee has informed the county of its intention to re-open the Courthouse Café, effective Jul. 6, 2021, resulting in the need to remove the temporary waiver of rent that went into effect on Apr. 1, 2020, due to the COVID-19 Pandemic.

Staff is therefore requesting your Board to approve the third of four options to renew the term for the period of Oct. 1, 2021, to Sept. 30, 2022, and to remove the temporary waiver of rent, effective on Jul. 1, 2021 by written notice to the Lessee.

FINANCIAL IMPACT:

The monthly rent in the amount of Four Hundred Fifty-Five Dollars (\$455) will resume effective Jul. 1, 2021, with Forty-Five Dollars (\$45) will be deposited to the General Fund through the Facilities Management budget unit 1100-162 for upkeep of the floors in the Courthouse Café, and the remaining Four Hundred Dollars (\$400) will be deposited to the Snack Bar Equipment Replacement Trust (3815).

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by providing for and maintaining infrastructure.

OTHER AGENCY INVOLVEMENT:

Public Works

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could choose not to approve the lease extension for one year up to Sept. 30, 2022. However, this is not recommended as the Lessee will have to vacate the Café and the county will need to find another tenant to provide services at the Courthouse Café.

Your Board could choose to not approve the temporary waiver of rent. However, this is not recommended as rent is needed to maintain the facilities at Lessee's expense.

ATTACHMENTS:

- Attachment No. 1 - Lease
- Attachment No. 2 - First Amendment
- Attachment No. 3 - Option No.1
- Attachment No. 4 - Temporary Waiver of Rent

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Attachment No. 5 - Option No.2

Attachment No. 6 - Lessee Notice

PREVIOUS ACTION/REFERRAL:

Board Order No.: C30, C38, C10, C19 & C13

Meeting of: 6/05/18, 5/07/19, 10/08/19, 4/28/20 & 10/27/20

File No.: N/A, 19-519, 19-1428, 20-436 & 20-1294