



COUNTY OF HUMBOLDT

Legislation Text

File #: 22-681, Version: 1

To: Board of Supervisors

From: Aviation and CAO-Economic Development Division

Agenda Section: Consent

SUBJECT:

Lease Agreement with The Grind Café Eureka, LLC for the Terminal Café at the California Redwood Coast-Humboldt County Airport (ACV)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve, and authorize Chair of the Board to execute, the attached lease agreement with The Grind Café Eureka, LLC;
2. Authorize the Director of the Aviation Department to sign any amendments to this agreement after review and approval by County Counsel, Risk Management and the County Administrative Office; and
3. Direct the Clerk of the Board to retain the original executed lease agreement and return one certified copy of the same to the Aviation Department for further processing.

SOURCE OF FUNDING:

Aviation Enterprise Fund (3530381)

DISCUSSION:

Ramone's Bakery & Café Inc. entered into a lease in July 2016 to operate a coffee shop at the California Redwood Coast-Humboldt County Airport (ACV). In April of 2020, Ramone's gave notice to vacate their space and terminate their lease. Ramone's vacated as a result of the drastic downturn in airline and passenger activity due to the effects of the COVID-19 pandemic.

The Humboldt County Economic Development Team, through Project SOAR, worked with the Department of Aviation to issue a Request for Proposals (RFP) for the vacant terminal space. RFP No. 3530-381-7627 was published Feb. 14, 2022, and closed April 8, 2022, resulting in a total of two proposals.

The Grind Café Eureka is recommended for selection in this RFP over the other submitted proposal due to the operator of the Grind Café having multiple successful businesses throughout Humboldt County currently, multiple letters of references from business leaders throughout Humboldt County

and plans to provide customers at ACV with a multitude of food and beverage choices for the modern traveler/guest. The concept for operation is an “expanded café” style, providing customers with a variety of dining options for various mealtimes. The Grind Café Eureka menu will offer a variety of made-from-scratch menu items, some using authentic family recipes, featuring many local and organic ingredients, with a variety of vegan, gluten free, and child friendly options.

FINANCIAL IMPACT:

If approved, this lease agreement will generate monthly rent at the rate of 8% of gross revenue over the threshold value. The threshold value is set at \$250.

The Grind Café Eureka RFP submittal identified an estimated annual payment to the Aviation Department of \$38,875.

STRATEGIC FRAMEWORK:

This action supports your Board’s Strategic Framework by supporting business, workforce development and creation of private-sector jobsfostering transparent, accessible, welcoming and user friendly services; providing community-appropriate levels of service

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose not to approve the attached Lease Agreement with The Grind Café Eureka, LLC. However, the ACV Terminal is currently operating with only vending machine food and beverage services and has a drastic need for a more customer friendly options. This alternative is not recommended as it would hinder airport customer service and result in foregoing significant concessionary revenue.

ATTACHMENTS:

1. Lease Agreement with The Grind Café Eureka, LLC
2. ACV Terminal Café RFP #3530-381-7627
3. The Grind Café RFP Submittal
4. Mama’s Kitchen RFP Submittal
5. Proposal Rejection Letter to Mama’s Kitchen

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A