



COUNTY OF HUMBOLDT

Legislation Text

File #: 19-20, **Version:** 1

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

SUBJECT:

Resolution to Approve of Lease Assignment from Denise McNulty and Associates, Inc. DBA Alamo National Car Rental to Enterprise Rent-A-Car Company of Sacramento, LLC. (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve and authorizes the Chairperson to execute the lease assignment from Denise McNulty and Associates to Enterprise Rent-A-Car Company of Sacramento, LLC. (4/5 vote required); and
2. Direct the Clerk of the Board to return two executed originals of the assignment to the Public Works Department Real Property Division for processing.

SOURCE OF FUNDING:

Aviation (3530381)

DISCUSSION:

Denise McNulty and Associates, Inc., dba Alamo National Car Rental (Assignor), has operated a rental car business at the California Redwood Coast-Humboldt County Airport (ACV) since the early 1980s. In December 2018, Denise McNulty had informed county staff she is selling her business to Enterprise Rent-A-Car Company of Sacramento, LLC (Assignee), in which the sale would close in mid-January 2019. Assignee intends to continue operate Assignor's rental car business at ACV. Assignee currently pays county 10 percent of gross receipts, with a minimum of \$1,650. In 2017, Assignor had paid an average of \$5,027 a month in rent.

Upon approval of the lease assignment, county staff will begin to negotiate a new lease agreement with Assignee.

FINANCIAL IMPACT:

With approval of the lease assignment, the existing rental car business may continue to operate, contributing about \$55,000 a year in rent to the Aviation Fund. This will not affect the General Fund.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by providing for and maintaining infrastructure and providing community-appropriate levels of service.

OTHER AGENCY INVOLVEMENT:

Department of Aviation

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the lease assignment. This alternative is not recommended because the airport needs car rental services for passengers who do not have their own means of transportation. Additionally, the Aviation Department would lose over \$55,000 annually.

ATTACHMENTS:

1. Assignment McNulty to Enterprise
2. Exhibit A - Map of Leased Premises
3. Exhibit B - McNulty Notice of Intent to Assign
4. Exhibit C - 2012 ACV Agreement McNulty Alamo
5. Exhibit D - Enterprise Insurance Certificate

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-12
Meeting of: June 19, 2012
File No.: N/A