

City Council Agenda Item

City Council Meeting Date: July 21, 2020

TO: Honorable Mayor and Members of the City Council

FROM: Jim Throop, City Manager

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SUBJECT: Request from Channel Islands YMCA for Financial Relief, to Waive Rent

During COVID-19 Pandemic

Recommendation:

Staff recommends the City Council waive the obligation of Channel Islands YMCA to pay rent under its lease of City property located at 201 West College Avenue, beginning with rent owed for the month of April 2020 and continuing through December 2020, or until the Federal, State, County, and City states of emergency are terminated if that occurs before December 2020, at which time the obligation to pay rent will be automatically reinstated without a duty to pay back-rent.

Background:

The City currently rents its property located at 201 West College Avenue to Channel Islands YMCA (the "YMCA"), which operates a YMCA on the property. The YMCA has been closed for several months as a result of the COVID-19 pandemic. The facility had planned to reopen on July 20, 2020, for group exercise classes only, but due to the newly updated mandates from the Governor, this opening has, again, been postponed. The closure of the business has resulted in a significant loss of revenue to the YMCA and the YMCA anticipates a continued decrease in revenue until it is able to fully reopen.

Under the current lease agreement between the City and the YMCA, the YMCA is required to pay the City \$568.11 per month during Fiscal Year 2020-2021 (which began on July 1). The YMCA is current on its rent payments, but has requested that the City waive their rent obligation in full until the end of the pandemic.

Fiscal Impact:

A waiver of rent would result in a loss of \$568.11 in revenue to the City each month until the obligation to pay rent is reinstated.

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Amounts already paid to the City for the months of April, May, June, and July 2020 will be refunded to the YMCA.

Conclusion:

If the City Council wishes to waive rent for the YMCA, staff is suggesting the rent be waived from April 2020 through December 2020, unless the states of emergency are lifted sooner. A future agenda item will be scheduled for that month to consider whether to extend the waiver, should the COVID-19 states of emergency still remain in-place.

Respectfully submitted,	
Jim Throop, City Manager	