



APPROVAL OF AN EARLY LEASE TERMINATION
AGREEMENT WITH SPORTS RESTAURANT OF
BENNETT VALLEY INC. LOCATED AT 3330
YULUPA AVENUE, SANTA ROSA

City Council Meeting
December 8, 2020

Jill Scott, Real Estate Manager
Real Estate Services

BACKGROUND

- The City owns the 18-hole Bennett Valley Golf Course and Golf Course Clubhouse. City leased the Clubhouse to Tenant which Tenant operates the Clubhouse as a restaurant, bar and banquet facility. The Lease is set to expire January 31, 2022.
- Tenant, in part due to the mandated closure of in-door dining and the impacts of the COVID-19 Pandemic, has not been able to operate the Clubhouse as a sustainable business enterprise, and now seeks to terminate the Lease for the Clubhouse and cease all operations.
- On November 10, 2020, Council in closed session, gave staff direction for the negotiation of price and terms for the Termination Agreement (Agreement).
- The City and Tenant agree that Tenant owes the City past due Rent equal to \$34,842.30. City acknowledges that Tenant's ability to fully utilize the Clubhouse has been severely curtailed since March of 2020. Therefore, the City accepts Tenant's Supplies, Furnitures, Fixtures and Equipment (FF&E) as full satisfaction of both the past due rent and the future rent.

RECOMMENDATION

It is recommended by Real Estate Services that the Council, by resolution, approve the Termination Agreement for Bennett Valley Golf Course Clubhouse Lease Agreement between the City and Sports Restaurant of Bennett Valley Inc. and authorize the City Manager to execute the Termination Agreement and all necessary and related documents.

QUESTIONS?