



## Staff Report

### May 12, 2020

**TO:** Honorable Mayor and Members of the Town Council  
**FROM:** Sean Rabé, Town Manager  
**DATE:** May 12, 2020  
**RE:** South Placer Heritage Foundation Rent Waiver for Blue Goose Property

#### **Recommendation**

Staff recommends the Town Council waive the rent for the South Placer Heritage Foundation for the Blue Goose property, retroactively to April 2020, and through June 2020. Waiving the rent for this period (three months) will result in a loss of revenue of \$4,973.64.

#### **Issue Statement and Discussion**

The Town of Loomis currently rents the Blue Goose land to the South Placer Heritage Foundation for \$1,657.88 per month. Because of the ongoing COVID-19 crisis, the tenants of the Blue Goose building have lost a significant amount of revenue, leading the South Placer Heritage Foundation to see a significant decline in revenue. South Placer Heritage Foundation Board Chair Randy Elder estimates the Foundation has lost about 90 percent of its revenue (see attached email from Randy Elder, dated April 15, 2020) and is now operating at a projected \$15,669 loss per month.

The Foundation continues to pay its employees their full salaries despite being closed. Randy Elder wrote in a subsequent email, "The council should know that the Foundation is in a very strong financial position despite the foregoing numbers. We have a robust balance sheet that can carry us through the year. The event center bookings are our biggest uncertainty for the future as most events there are larger numbers of people."

As a result of the income loss, the Foundation is requesting a waiver of rent for a period of three months. The Foundation has offered similar rent waivers to the tenants of the Blue Goose building (Gander Taphouse, Blue Goose Produce and Bob Ferreira Insurance). The Gander Taphouse has accepted the waiver, while the other two businesses have continued to pay rent.

Staff supports this waiver because it allows the Foundation to continue to operate the building and, in turn, allows the tenants to remain at the Blue Goose. The Blue Goose Event Center is a significant driver of economic prosperity in Town and temporarily waiving the rent keeps it viable as an important venue in Town.

Staff is prepared to answer any questions you may have.

#### **CEQA Requirements**

There are no CEQA implications associated with the recommended action.

#### **Financial and/or Policy Implications**

Waiving the rent for three months results in a loss of revenue of \$4,973.64. However, the ongoing viability of the Blue Goose Event Center outweighs the short-term loss of revenue.

#### **Attachments**

- A. Email from Randy Elder

**From:** [relder@elderfinancial.biz](mailto:relder@elderfinancial.biz)  
**To:** [Sean Rabe](#)  
**Cc:** [relder@elderfinancial.biz](mailto:relder@elderfinancial.biz); "[Adam Noorani](#)"  
**Subject:** South Placer Heritage Foundation rent for the Blue Goose property  
**Date:** Wednesday, April 15, 2020 10:01:42 AM

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Sean,

I hope this finds all well with you and your family.

The Foundation has experienced an approximate 90% drop in income since the beginning of March due to the closure of the Gander, the Annex and the Event Center. We do not see this improving for the foreseeable future.

The board of the Foundation wishes to request a waiver of rent due the town retroactive to April 1<sup>st</sup> and continuing through at least June. I expect this issue will need to be brought before the council.

Thank you in advance for your consideration of this,

Randy

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