



Redwood Coast Energy Authority

633 3rd Street, Eureka, CA 95501

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NOTICE AND CALL OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE REDWOOD COAST ENERGY AUTHORITY

TO THE BOARD OF DIRECTORS OF THE REDWOOD COAST ENERGY AUTHORITY
AND TO THE CLERK OF THE BOARD:

NOTICE IS HEREBY GIVEN that a special meeting of the Board of Directors of the Redwood Coast Energy Authority is hereby called to be held on **Thursday, March 9, 2023**, at the Redwood Coast Energy Authority Office, 633 3rd Street, Eureka, at **4:30 p.m.** The purpose is to discuss and potentially approve signing leases for RCEA office space and to discuss a real property negotiation in closed session.

Dated: March 3, 2023

/s/ Sheri Woo
Sheri Woo, RCEA Board Chair

BOARD OF DIRECTORS SPECIAL MEETING AGENDA

Redwood Coast Energy Authority Office
633 3rd Street, Eureka, CA 95501

March 9, 2023
Thursday, 4:30 p.m.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the Clerk of the Board at the phone number, email or physical address listed above at least 24 hours in advance.

Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Board of Directors, including those received less than 72 hours prior to the RCEA Board meeting, will be made available to the public in the agenda binder located in the RCEA lobby during normal business hours, and at www.redwoodenergy.org.

PLEASE NOTE: Speakers wishing to distribute materials to the Board at the meeting are asked to provide 12 copies to the Clerk of the Board.

1. CALL TO ORDER

2. ORAL COMMUNICATIONS

This time is provided for people to address the Board or submit written communications on matters not on the agenda. At the conclusion of all oral communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

3. NEW BUSINESS

3.1. RCEA Office Space Leases

Approve lease for office space at 917 Third Street, Eureka, for three years at \$2,300/month rent the first year with a \$75/month increase each subsequent year and authorize the Executive Director to execute all applicable documents pending review by RCEA Legal Counsel.

Authorize the Executive Director to Execute an Amendment for an up to Four-Year Extension of the Commercial Office Lease for RCEA's Existing Headquarters at 633 3rd Street, Eureka, CA.

4. CLOSED SESSION

- 4.1. Conference with real property negotiators pursuant to Government Code § 54956.8 in re: APN 001-011-021 and APNs 001-162-004, 001-162-005, 001-162-006, 001-162-012, 001-162-007; RCEA negotiator: Executive Director; Owner's negotiating party: City of Eureka and Clifford and Company; Under negotiation: price and terms.

5. RECONVENE TO OPEN SESSION

6. CLOSED SESSION REPORT

7. ADJOURNMENT

NEXT REGULAR MEETING

Thursday, March 23, 2023, 3:30 p.m.
Jefferson Community Center Auditorium
1000 B Street, Eureka, CA 95501



STAFF REPORT
Agenda Item # 3.1

AGENDA DATE:	March 9, 2023
TO:	Board of Directors
PREPARED BY:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	RCEA Office Lease

SUMMARY

Redwood Coast Energy Authority operates out of a single facility at 633 Third Street in Eureka (6,202 SF). The lease at 633 Third Street expired on February 28, 2023, and the agency has a month-to-month extension agreement until September 30, 2023. Staff additions have caused RCEA to exceed the capacity of the current office space (e.g. the maximum allowable occupancy of the facility's largest room is not sufficient to allow for a full staff meeting with all employees in attendance). Staff have identified the need for a minimum of 10,000 SF for current staffing needs.

RCEA has been unsuccessful in locating a building to lease that can accommodate all staff in one location. RCEA proposes leasing a second location near our current location and extending the lease at our present location to meet the immediate needs of RCEA. The rental of a second location and extension of our existing lease will allow staff time to explore the feasibility of building or purchasing an office in the future.

Staff have located a building located at 917 Third Street, which is two blocks from our existing office. The building is approximately 2,600 SF and will be available in April 2023. The building is not ADA-compliant, and all public services will continue to be offered at our existing office at 633 Third Street.

The building owner has proposed the following lease terms:

- Base Rent – \$2,300/month (\$0.89/SF) for the first year with a \$75 increase each subsequent year.
- Rent includes the use of 2 parking spaces.
- Utilities – tenant pays direct.
- Landlord responsibilities – roof, foundation, exterior walls and common areas.
- 3-year lease agreement.

Staff is in negotiations with our existing landlord at 633 Third Street. As of the publication of this staff report, RCEA has not been provided a lease extension amendment by the building owners. Once a lease extension amendment is received, RCEA will work with General Counsel on reviewing and editing the amendment. RCEA is requesting that the Board of Directors authorize the Executive Director to execute an extension of the lease for up to four years with the first year's rent not to exceed \$1.35/SF/month.

FINANCIAL IMPACTS

RCEA currently pays \$8,372.70 per month (\$1.35/SF/mo.) in rent. Renting a second location will increase RCEA's costs by \$2,300/month. There will also be associated moving, IT, and

alarm costs. At the February 23, 2023, Board meeting the RCEA Board of Directors approved a budget adjustment of \$175,000 in FY 2022-2023's budget for office relocation. The actual cost of renting a second location at 917 Third Street is expected to cost less than \$50,000 this fiscal year.

RECOMMENDED ACTIONS

Approve lease for office space at 917 Third Street, Eureka, for three years at \$2,300/month rent the first year with a \$75/month increase each subsequent year and authorize the Executive Director to execute all applicable documents pending review by RCEA Legal Counsel.

Authorize the Executive Director to Execute an Amendment for an up to Four-Year Extension of the Commercial Office Lease for RCEA's Existing Headquarters at 633 Third Street, Eureka, CA.

ATTACHMENT

1. Property Summary for 917 Third Street Eureka, CA 95501
2. Lease Agreement for 917 Third Street Eureka, CA 95501

Public Report

Listing Broker and agents DO NOT guarantee the information in this MLS Listing is accurate. It is the duty of any person, buyer or entity using this MLS listing to exercise due diligence to independently verify this information.

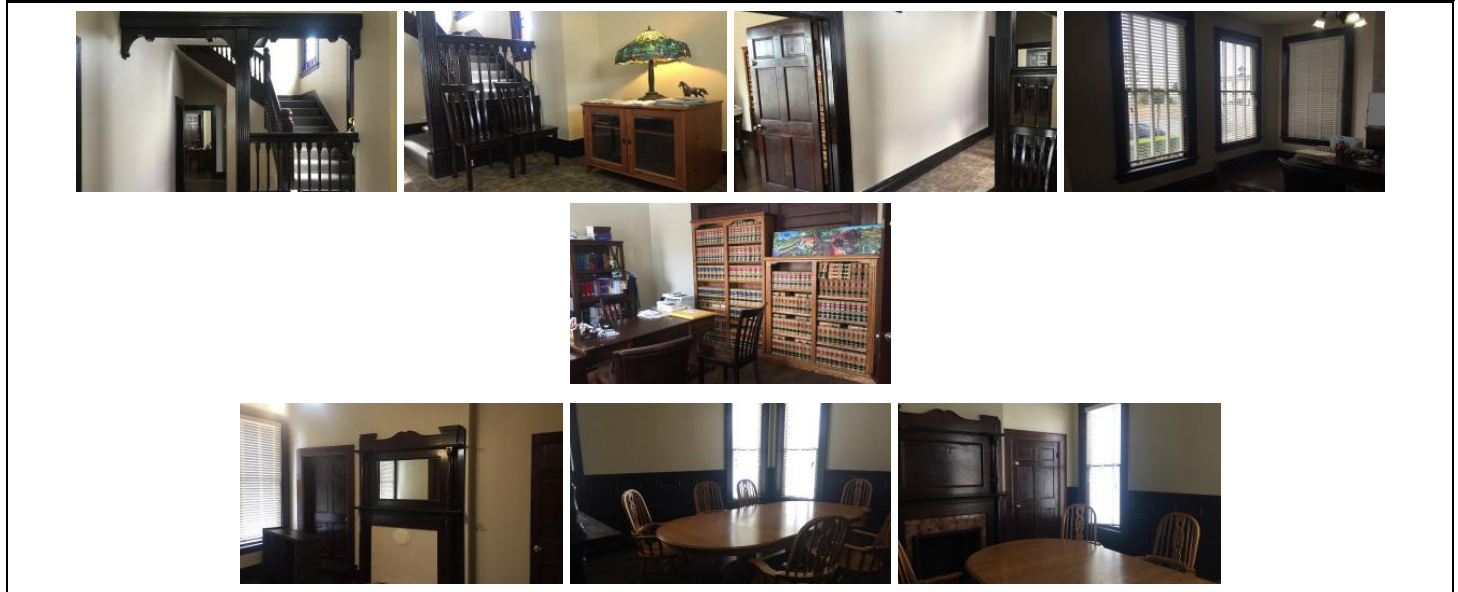
List Number: 263035 917 3rd Street , Eureka	\$ 2,300	Lease Commercial	Active 263035
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Public Remarks Live upstairs while working downstairs in this lovely 2,630 sf Queen Anne in Old Town Eureka. Three offices and a kitchenette downstairs, five additional offices upstairs. Would make an excellent law office, consulting firm, or counselor's office. The building is just two blocks from the Humboldt County courthouse and walking distance from Old Town Eureka's finest dining and shopping. Also just three blocks from the peaceful serenity of Humboldt Bay. Owner pays for exterior maintenance!

Type of Property Commercial Flood Zone No Lease \$/SqFt Lease Price P/Month \$ 2,300 Surveyed Taxes Tax Year	Area South Bay Zip Code 95501 Cross Street J	
Possession: Imm With Buyer Rent Financing Terms: Cash	APN001-172-006 Dir:	

Building Description: # of Floors: 2 # of Parking Spaces: 1 # Units: 1 Condition: Good SqFt: 2,630 Year Built: 1895	Lot Acres 0.30 Lot Size .25 - .49 Acres Flood Zone No	Zoning: Commercial Coastal
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Lease Type: Gross; Modified Gross; Negotiable Lease Terms: 1 - 2 Years; 3 - 5 Years; 5 - 10 Years Location: Central Busines; Interior Lot	Exterior Amenities: Alley; Landscaping; Major Road Access; Public Trans; Sidewalks Utilities: Internet; Telephone; Gas; Electric Heating: Forced Air Cooling: None	Roof: Composition Shingle Insulation: Unknown Parking: 1 - 10 Spaces Flooring: Vinyl; Laminate; Partially Carpeted
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Lock Box Location: No lock box. Call the listing agent.	LO: Wells Commercial R.E. & Investment -- DRE #: 01700566
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 DRE #: 01297814

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The listing broker's offer of compensation is made only to participants of the MLS where the listing is filed.