



Albemarle County

Legislation Text

File #: 22-148, **Version:** 1

AGENDA DATE: 2/2/2022

TITLE:

Old Crozet School of Arts - Lease Amendment

SUBJECT/PROPOSAL/REQUEST: Proposed Lease Amendment

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Walker, Kamptner, Herrick, Stewart, Strother

PRESENTER (S): Bill Strother

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: Old Crozet School Arts (OCSA) is a 501(C)(3) Non-Profit school for arts instruction, one of two tenants located within the County-owned Old Crozet School building. OCSA offers classes for beginning and experienced students of all ages in the visual and performing arts. OCSA has been a responsible tenant since 2009 and provides a valued service to the Crozet area community.

Following the onset of the COVID-19 pandemic and the Governor of Virginia's executive order that all schools be closed as a community protection measure, the Board of Supervisors authorized the County Executive to temporarily waive OCSA's rent for the space it occupies in the Old Crozet School building. On May 7, 2020, the County Executive, acting as the Director of Emergency Management, issued Emergency Order No. 20-3, which read in part, "The County waives payment of rent from Old Crozet School Arts to the County effective April 1, 2020 and continuing until the Governor by executive order allows it to re-open and resume relatively normal operations as [the County Executive] determines in [his] discretion."

STRATEGIC PLAN: Economic Prosperity - Foster an environment that stimulates diversified job creation, capital investments, and tax revenues that support community goals.

DISCUSSION: As with many businesses that were affected throughout the COVID pandemic, OCSA has been working hard to recover. The organization sought and received grants, one of which allowed the organization to make air quality improvements to its leased spaces. Work was done to set up classrooms for optimal health protection, with guidance from healthcare professionals. Student enrollment has not rebounded. Most of the courses are directed toward younger age groups that are currently not eligible to receive vaccinations. Registration during the summer of 2020 was negatively impacted by the pandemic surge in the spring. During the regular school year, courses are held after public school hours, a model which was stressed in the fall of 2020 due to the limited availability of student transportation.

Due to these continuing concerns and to the current COVID-19 surge of the Omicron variant, OCSA does not anticipate tuition income to approach pre-pandemic levels until as late as Fall of 2022. OCSA has requested a temporary rent adjustment to 50% of its normal rate, through December 31, 2022. A lease amendment has

been prepared for the Board's consideration, which would reduce the rent by half, effective January 1, 2022 through December 31, 2022. The proposed lease amendment would also:

- a. Allow for early termination of the lease at any time, upon 90 days' notice, and
- b. Reduce penalty for late payment of rent to 1 percent per month (from ½ percent per day).

BUDGET IMPACT: This amendment would result in estimated revenue loss totaling approximately \$15,000 for the FY22 and FY23 budget cycles

RECOMMENDATION:

Staff recommends that the Board adopt the attached Resolution (Attachment C) to authorize the County Executive to sign a proposed lease amendment.

ATTACHMENTS:

- A - OCSA Lease Amendment 2022
- B - Emergency Order No. 20-3
- C - Resolution