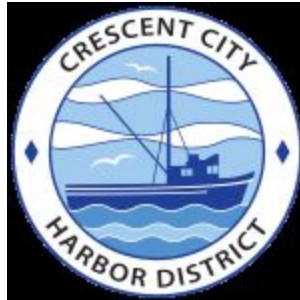


Harbor commission gives three-month break on restaurants' rent

April 24, 2020



To ease the financial burden of its three restaurants during the pandemic economic shutdown, the Crescent City Harbor Commission voted Tuesday to forgive their rent through the end of June.

Harbormaster Charlie Helms estimated the forgiveness of monthly lease payments would cause the Harbor District to lose \$8,637 per month and would total \$25,911 for the three-month period of April through June.

The Chart Room, the largest of the three tenants has a monthly rent of \$4,487. Helms said the owners are trying to do all they can to stay open during the Del Norte County carry-out only order, including a walk-up window for placing orders and another window for picking up carry-out.

“On a good day, they are lucky to make 19 percent of what they make serving indoors,” Helms said. “It’s really weather dependent. If it’s sunny, it’s under 20 percent. Grey days, they don’t do much at all.”

Their second-largest restaurant, Crescent Seafood, has a rent of \$1,400 a month. Helms said the restaurant had to close for two weeks after the ban on dining in. Helms said after renovations, deep cleaning and painting during the downtime, the restaurant reopened to carry out only.

Both restaurant owners are seeking interim funding through the Paycheck Protection Program (PPP) SBA loan program. Neither has been successful so far.

The third and newest restaurant, Schmidt’s House of Jambalaya, was preparing to open as the replacement for the North Coast Grill. The owners now can’t set an open date due to the shutdown, yet still owe \$2,750 a month in rent.

Helms provided the commissioners four choices:

Do nothing

Offer lease payment deferral

Reduce monthly lease payments by 50 %

Forgive monthly lease payments through the end of June.

In the end, with so many unknown factors during the coronavirus social distancing rules including how much longer it will last, the commissioners went with rent forgiveness and will revisit the issue in July.

Commissioner Wes White was the only no vote, preferring to charge a percentage of total revenue. Rick Shepherd abstained.

For similar reasons, the commission voted 4-1 to also forgive Englund Marine's \$275 a month lease through June. Commissioner White again was the lone no vote.