

## CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

### MEMORANDUM

**Date:** October 20, 2011  
**To:** Harbor Commission  
**From:** Scott Riedman, Interim Waterfront Director  
**Subject:** **Proposed Lease Agreement with Stearns Wharf Bait & Tackle**

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#### RECOMMENDATION:

That Harbor Commission review and recommend to City Council approval of a five-year lease agreement with one five-year option with Reggie Drew, doing business as Stearns Wharf Bait and Tackle, for the bait and tackle shop operating at 232 Stearns Wharf at a monthly rent of \$688 or 10% of gross sales, whichever is greater.

#### DISCUSSION:

Reggie Drew has leased the 260 square foot tackle shop at 232 Stearns Wharf since assuming the lease agreement through a lease assignment process in August 2005. The current lease expired on July 31, 2011. The rent is currently \$688 per month (\$2.65 /square foot), or 10% of gross sales, whichever is greater. The base rent is subject to annual CPI increases.

The bait & tackle concession on Stearns Wharf has had four owners in the last 10 years and has been a marginal business during that time. However, Mr. Drew and his brother Frank have invigorated the business by maintaining regular hours of operation, keeping popular pier fishing tackle in stock and maintaining a supply of rental rods on hand.

The basic lease terms of the proposed lease are as follows:

- **Term:** Five-year term with one five-year option
- **Rent:** \$688 per month, subject to annual CPI increases
- **Percentage Rent:** Base rent or 10% of gross sales, whichever is greater (no change)
- **Permitted Uses:**
  - Primary Specialty: Tenant shall use the Premises as a bait and tackle shop.
  - Secondary Specialty: Tenant shall also use the site for the sale of candy, pre-packaged snacks and beverages limited to a maximum of twenty

percent (20%) of inventory display area. Tenant may also sell tickets to the Santa Barbara Trolley (No change).

- **Lease Restrictions:** Tenant shall not permit the sale of frozen ice cream cones, ice cream packaged in cups, heated or prepared food and snacks.

All other terms of the lease remain unchanged. The tackle shop is an important amenity for the Wharf and provides a low-cost recreational opportunity for both residents and visitors.

Stearns Wharf Bait & Tackle is considered by the Department to be a tenant in good standing as they are prompt with rent payments and have no default notices on file. A copy of the lease agreement is available for review at the Waterfront Administration office.

Attachment: Site plan

Prepared by: Scott Riedman, Interim Waterfront Director