

## CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

### MEMORANDUM

**Date:** August 18, 2016  
**To:** Harbor Commission  
**From:** Scott Riedman, Waterfront Director  
**Subject:** **Proposed Lease Agreement with Deep Blue Sea**

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#### RECOMMENDATION:

That Harbor Commission review and recommend City Council approval of a five-year lease agreement with one, five-year option with Jon Marshall and Melissa Schumacher, doing business as Deep Blue Sea, at an average initial base rent of \$2,248 per month, adjusted seasonally, for the 392 square foot space located at 219 Stearns Wharf, Suite C.

#### DISCUSSION:

Jon Marshall purchased Deep Blue Sea from Doris Ewing/ Ewing Family Corporation and assumed the lease through an assignment process in June 2002.

The business terms of the proposed lease are as follows:

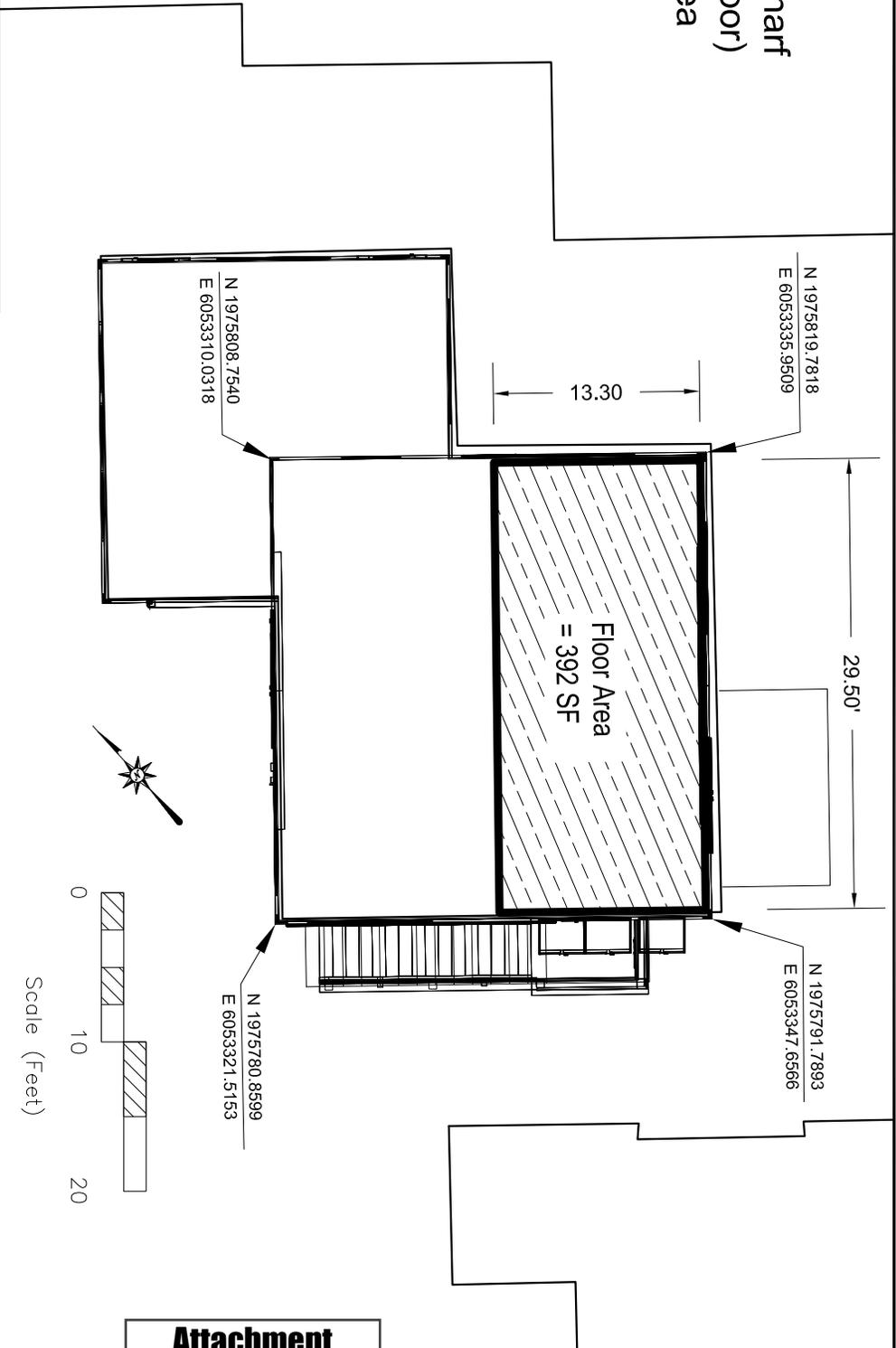
- **Term:** Five-year term, with one five-year option
- **Base Rent:** An average of \$2,248 per month (\$5.74 p.s.f.), adjusted seasonally
- **Annual Rent Adjustment:** Cost of Living increases based on the Consumer Price Index (CPI)
- **Permitted Uses:** Primary Specialty: Tenant shall use the Premises as a store carrying novelty items, gifts, souvenirs and toys. Secondary Specialty: Tenant shall also use the Premises for the sale of T-shirts and sweatshirts (six designs), general merchandise and costume jewelry limited to a maximum of twenty percent (20%) of inventory display area.
- **Percentage Rent:** 10% of Tenant's Gross Receipts

Deep Blue Sea is considered by the Department to be a tenant in good standing as they are always prompt with rent payments, are active members of the Stearns Wharf Business Association, and have no lease compliance problems on file.

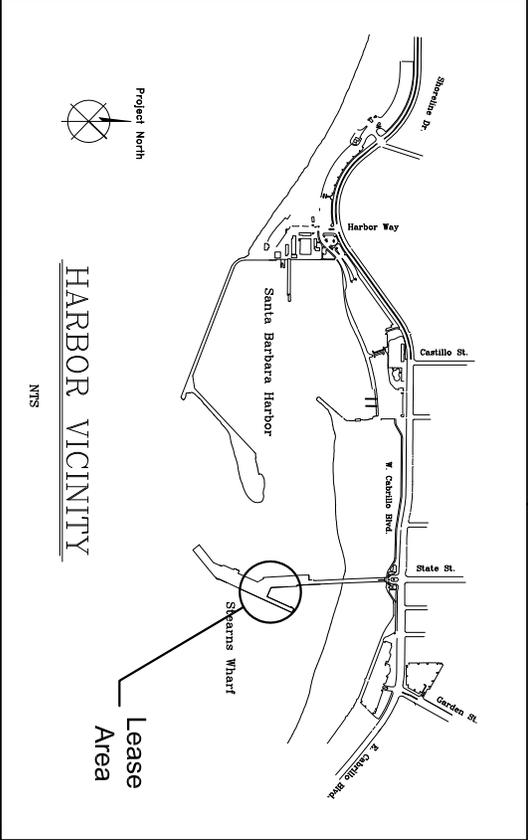
Attachment: Site Map

Prepared by: Brian Bosse, Waterfront Business Manager

**219 Stearns Wharf  
Suite C (1st Floor)  
Deep Blue Sea  
392 SQ FT**



**Attachment**



**HARBOR VICINITY**

<b>Exhibit A: Lease Area Deep Blue Sea</b>	
DATE: 6/23/2016	APPROVED BY: P. Henry
ADDRESS: 219 #C Stearns Wharf	DRAWN BY:
City of Santa Barbara	SHEET NO. 1 of 1
Waterfront Department	DRAWING NO. 2190-015

**REVISIONS**
