



**City of Santa Barbara**  
Airport Department

Meeting: 08/21/19  
Agenda Item No. 8

**DATE:** August 21, 2019  
**TO:** Airport Commission  
**FROM:** Henry Thompson, Airport Director   
**SUBJECT:** Lease Agreement – Dean’s

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**RECOMMENDATION:**

That Commission approve and authorize the Airport Director to execute a five-year Lease Agreement with Dean’s, a sole proprietorship, for 2,200 square feet of Building 1, Unit 1B and 800 square feet of adjacent patio, at 6100 Hollister Road, Santa Barbara, effective September 1, 2019, for a monthly rental of \$4,290 plus common area maintenance fees, utilities, and garbage collection.

**DISCUSSION:**

The subject Premises are located north of Hollister Avenue in an Airport Industrial zone (A-I-1), and are part of the Airport’s new commercial industrial development. The Premises are located on the corner of Hollister Avenue and Frederick Lopez Road.

The proposed business is “Dean’s” - a new retail coffee and “grab n’ go” food concept created by experienced lunch caterer, Jennifer Shively. Ms. Shively also owns another local food service company, Lunchbox. Ms. Shively has successfully owned and operated “Lunchbox” for more than ten years, with a commercial kitchen located at the Earl Warren Showgrounds.

Dean’s will occupy the space designated for a retail coffee location at 6100 Hollister. Ms. Shively intends to improve the 6100 Hollister space by installing an extended coffee counter with two cash registers, tables and chairs, lighting, as well as complete build-out of the kitchenette for prep space. The menu will include salads and sandwiches, which will be prepared at her commercial kitchen at the Showgrounds and transported to Dean’s. The use is ideal for the location as it does not entail ovens or other equipment which require venting or exhaust from the building. Seating will include indoor tables and chairs, as well as on the patio. Initial hours of operation will be targeted toward employees at nearby local businesses, and will be Monday through Friday, from 6:00 am to 6:00 pm.

The proposed monthly rental is based on a rate of \$1.95 per square foot for the building, which is within the Airport Commission approved rates for retail use. An annual CPI increase with a floor of 3% and a ceiling of 8% will commence on the first anniversary date of the lease commencement date. In addition, Dean’s will pay a common area maintenance fee of \$.08 per square foot, as well as monthly utility charges of \$22.51 for water and \$15.01 for sewer, or the metered amount, as well as trash and electrical.

The lease commencement date will be September 1, 2019, with a rent commencement date of January 1, 2020, providing the tenant with four (4) months to complete tenant improvements. Rental of the patio at \$.30 per square foot will commence on the second anniversary date of the lease commencement date. In addition, Ms. Shively, will be providing a personal guaranty.

**PREPARED BY:** Business Development/Properties

**ATTACHMENT:** Map



Bldg.1 6100 Hollister Ave.



FREDERICK LOPEZ ROAD

HOLLISTER AVENUE

LEASE PREMISES  
Patio 800 Sq. Ft.  
Bldg. 2,200 Sq.Ft.

AUG. 2019 SITE PLAN