



**City of Santa Barbara**  
Airport Department

Meeting 11/20/19  
Agenda Item No. 7

**DATE:** November 20, 2019  
**TO:** Airport Commission  
**FROM:** Henry Thompson, Airport Director   
**SUBJECT:** Lease Agreement – Skate One Corporation

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**RECOMMENDATION:**

That Commission recommend approval to the City Council and authorize the Airport Director to execute a 10 year Lease Agreement with two, five-year options to extend with Skate One Corporation ("Skate 1"), a California S-Corporation, for approximately 4,600 square feet of Building 5 and surrounding parking areas, at 6100 Hollister Avenue effective December 1, 2019, for a monthly rental of \$7,360, exclusive of utilities and common area maintenance charges.

**DISCUSSION:**

The subject Premises are located north of Hollister Avenue in an Airport Industrial zone (A-I-1).

Skate 1 is the premier skateboarding designer and manufacturer in the world. A locally grown business, Skate 1 has served the skateboarding community since 1976 offering a variety of products for both recreational and professional skaters. Products are typically sold online, however, Skate 1 has some small retail shops. Skate 1 has occupied their existing warehouse space in Goleta for over 30 years. The owner of the building has identified another tenant to take over the entire warehouse, requiring the existing tenants to relocate. Skate 1 will be moving their massive manufacturing facility to Ventura, while maintaining their research and development, as well as design functions at the 6100 Hollister premises. As their business roots were established in the Goleta/Santa Barbara area, the Skate 1 owner determined that it was important to maintain a presence in the region and found the 6100 Hollister space to be ideal and are prepared to commit to long-term tenancy at this location.

The proposed monthly rental is based on a rate of \$1.60 per square foot for the building, which is within the Airport Commission approved rates for a combined R&D/administration use. An annual CPI increase with a floor of 3% and a ceiling of 5% will commence on the first anniversary date of the lease commencement date. In addition, Skate 1 will pay monthly utility charges of \$22.51 for water and \$15.01 for sewer, or the metered amount, and metered rate for electrical service. Additionally, tenant will pay proportionate share of common area maintenance charges that are currently at \$.08 per square foot.

The proposed Lease Agreement has been negotiated based upon the criteria set forth in Resolution 93-127, and has been reviewed and determined to be exempt from environmental review.

**PREPARED BY:** Business Development/Properties  
**ATTACHMENT:** Map

