

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: November 19, 2009
To: Harbor Commission
From: John N. Bridley, Waterfront Director
Subject: **Proposed Lease Agreement with Boat Launch Mini Mart LLC**

RECOMMENDATION:

That Harbor Commission review and recommend to the City Council approval of a five-year lease agreement with one five-year option with Boat Launch Mini Mart, LLC for the 536 square foot convenience store located at 305 West Cabrillo Boulevard, at a monthly rent of \$1,600 or 6% of gross sales, whichever is greater.

DISCUSSION:

The Lawrence family has operated the Boat Launch Mini Mart since assuming the lease through a lease assignment process in December 2003. The current lease expired on July 31, 2009, and the tenant has occupied the space on a holdover status, with the Department's approval, since that time.

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

- **Term:** Five years, with one five-year option;
- **Base Rent:** \$1,600 per month, subject to annual Cost of Living increases based on the Consumer Price Index;
- **Percentage Rent:** base rent or 6% of gross sales, whichever is greater; (consistent with Harbor Market);
- **Utilities:** Separately metered, paid by tenant;
- **Permitted uses:** convenience store for the retail sale of food, beverages and sundries. Tenant may sell ready-to-eat food items commonly found in convenience stores in Santa Barbara including but not limited to hot dogs, prepackaged sandwiches, and popcorn.

The business terms and conditions of the proposed lease are identical to the current lease. Since the lease is with a Limited Liability Company, Mark Lawrence has signed the City's personal guaranty. A copy of the proposed lease is available for review at the Waterfront Department Administration office.

Attachment: Site Plan

Prepared by: Scott Riedman, Waterfront Business Manager