

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: March 17, 2011
To: Harbor Commission
From: John N. Bridley, Waterfront Director
Subject: Lease Agreement with Blue Water Hunter

RECOMMENDATION:

That Harbor Commission recommend Council approval of a five-year lease with Andrew Taylor, doing business as Blue Water Hunter, at a monthly rent of \$2,221, subject to annual CPI increases, for the 878 square foot retail store located at 117-D Harbor Way.

DISCUSSION:

Andy Taylor relocated Blue Water Hunter from its former location in Goleta to 117-D Harbor Way following a competitive Request for Proposals process in February 2001. Blue Water Hunter (BWH) specializes in freediving and spear fishing equipment, and "Deep Thought" brand custom-made wet suits. In addition to freediving supplies, BWH also sells and services scuba equipment and provides air fills, inspection and testing for scuba tanks. The company has a website and sells equipment via the Internet at www.blueh20.com.

BWH coordinates multi-day boat trips catering to freedivers to the Channel Islands and Cortez Bank and has nine trips scheduled between March and September 2011.

- **Term:** Five years
- **Base Rent:** \$2,221 per month (\$2.52 / square foot), subject to annual Cost of Living increases based on the Consumer Price Index (CPI)
- **Percentage Rent:**
 - **1%-** Fees collected for organizing charter boat trips
 - **2%-** air fills, custom wetsuits, wetsuit repairs and alterations, equipment repair, video equipment, and dive instruction
 - **5%-** non-custom "rack" wetsuits, scuba equipment and spear fishing equipment
 - **10%-** Rentals, books, videotapes, clothing, and all other Gross Receipts which are not specifically identified in the above categories
- **Permitted Uses:** sale, rental and repair of snorkeling and diving equipment, diving instruction, books, videotapes, CD's, and DVD's relating to diving, underwater camera and underwater video equipment.

Blue Water Hunter is in good standing with the Department. A copy of the proposed lease is available for review at the Waterfront Department Administration Office.

Attachments: Site Plan

Prepared by: Scott Riedman, Waterfront Business Manager