

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: May 19, 2011
To: Harbor Commission
From: John N. Bridley, Waterfront Director
Subject: **Business Services Report**

Drydock of Santa Barbara

Robin Kirkcaldie, doing business as, The Drydock of Santa Barbara, has leased water space at the end of F finger in Marina 1 since 1990. The 3,600 square foot space is occupied by docks, floating buildings, and a submersible boat hoist that was used to lift boats out of the water for inspection and maintenance.

In June 2010, Mr. Kirkcaldie filed Chapter 13 bankruptcy. The Waterfront Department was not listed as a creditor and was not notified of the bankruptcy filing by the bankruptcy court. Mr. Kirkcaldie continued to pay rent and maintain liability insurance in effect following the bankruptcy filing. The Department subsequently became aware of the bankruptcy issue in October 2010.

In March 2011, Harbor Marine Works (HMW) proposed to purchase the drydock boat hoist from the bankruptcy trustee. Neither the trustee nor Harbor Marine Works notified the Department about this action. On April 26, the U.S. Bankruptcy Court approved the sale of the hoist from the trustee to HMW, and the boat hoist was removed from the harbor by HMW shortly afterwards.

After learning about the forced sale of the Drydock boat hoist, the Waterfront Department served Mr. Kirkcaldie with a 30-day notice to vacate the lease site at F finger. The Department has developed plans to build eight 35-foot slips as part of Phase 7 of the Marina 1 Reconstruction Project in 2017 (Attachment 1). Staff is evaluating options for the area including possibly adding the eight additional F finger slips to Phase 3 (N finger replacement) of the Marina 1 project next fall.

Charter Permit Wait List

At several Harbor Commission meetings, most recently February 18, 2010, Commissioners expressed concerns that waiting three to four years for a charter permit offer is too long and changes should be made to enhance opportunities for slip permittees wishing to participate in the Six-Pack Charter Business Activity Permit (Charter BAP) program. Staff convened a publicly-noticed meeting of the Harbor Commission BAP Charter Committee on February 7, 2011, to discuss three topics; 1) establish a wait list prerequisite policy; 2) clarify the charter permit policy; and 3) discuss changes to the kayak excursion component of the charter BAP policy.

At the February 17, 2011, meeting, the Harbor Commission approved changes to the Charter Permit wait list including:

- Establishing a \$25 application fee to be placed on the Six-pack Charter Business Activity Permit Wait List effective March 1, 2011, and a \$25 annual renewal fee each March 1st thereafter for an applicant to maintain his/her position on the wait list;
- Establishing prerequisites to the Six-pack Charter Business Activity Wait List effective March 1, 2011, including a requirement that all new applicants must be a current slip permittee and must possess a U.S. Coast Guard Captain's license for the applicant to be placed on the wait list;
- Amending the Six-pack Charter Business Activity Permit policy, so that all existing applicants on the Six-pack Charter Business Activity Permit Wait List as of February 11, 2011, must be a slip permittee and must possess a U.S. Coast Guard Captain's license by March 1, 2012, in order to remain on the Wait list; and/or be issued a Six-pack Charter Business Activity Permit; and
- Amending the policy so that two permitted operators of one permitted vessel shall be counted as only one of the allowed 12 charter permits.

At the time of the February 2011 Commission meeting, there were 21 individuals on the Charter Permit wait list. Following the Harbor Commission's action, the two available permits were offered. Three of the offers were declined and the two permits were accepted by Captain Tony Vultaggio of Santa Barbara Sportfishing Charters and Captain Maryanne Schuyler doing business as Delilah Charters. Six individuals requested to be removed from the wait list rather than pay the \$25 annual fee. Five others failed to pay the \$25 fee and were removed from the list. One individual's notice was returned as undeliverable by the Post Office and his name was removed from the list, and another was deemed ineligible since he already has a Charter Permit.

Currently the following three individuals remain on the wait list, in the following order:

1. Harvey Banick
2. Jeff Escola
3. Lea Katherine Robbins

Staff believes that the minor changes to the Charter Permit policy were successful in streamlining the wait list and facilitating permits for qualified charter operators.

Attachment: F finger site plan

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