

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: October 20, 2011
To: Harbor Commission
From: Scott Riedman, Interim Waterfront Director
Subject: **Five Year License Agreement with Santa Barbara Water Taxi, LLC**

RECOMMENDATION:

That Harbor Commission recommend to City Council approval of a five-year license agreement with Santa Barbara Water Taxi, LLC for a water taxi service, shoreboat service and limited charter service operating from Santa Barbara Harbor.

DISCUSSION:

Fred and Kathy Hershman have operated the Santa Barbara Water Taxi under license agreements since October 2003. The Water Taxi has carried over 180,000 passengers over this period. They have provided a valuable service to both visitors and the boating community. The Water Taxi currently charges \$4 per adult for a one-way trip and \$1 for children 12 and under.

Captain Fred Hershman has over 40 years of motorboat/sailing experience. He has six years of Coast Guard ship handling and navigation experience and is an active member of the Coast Guard Auxiliary, Santa Barbara Flotilla.

The basic terms of the proposed agreement follow:

Term: Five Years

Water Taxi Service: The water taxi must operate between the Harbor and Stearns Wharf, six days per week, noon – 6:00 p.m., weather and sea conditions permitting, between March and November. Minimum days of operation are reduced to weekends only December through February.

Charter Service: Licensee may offer a charter service only before and after the scheduled hours of Water Taxi operation (12:00 noon to 6:00 p.m.) and only within City waters.

Shoreboat Service: Licensee may provide shoreboat service, providing transportation between shoreside facilities (such as Cabrillo Landing, the launch ramp, and Stearns Wharf) and vessels moored in City waters (such as the east of Wharf mooring and anchorage areas).

Licensee may sell food and beverage during the charter service. Licensee may sell one model of T-Shirt, sweatshirt or hat that carries a logo or the name of the business. Licensee may post advertisements in the vessel.

Restrictions on Use:

- Charters may take place only outside of the normal Water Taxi operating hours- before noon and after 6:00 p.m.

License Fee:

- \$50 per month or a percentage of gross sales, whichever is greater (no change)

Percentage Fee:

- 1% of gross sales from the Water Taxi service
- 1% of gross sales from Shoreboat service
- 10% of permitted merchandise sales
- 15% of permitted charter activities within city waters

The Water Taxi is a valuable transportation service between the Harbor and Wharf. Additionally, there is increasing need for a shoreboat service to transport mariners from the east of wharf mooring and anchorage areas.

Attachment: Water Taxi Route

Prepared by: Scott Riedman, Interim Waterfront Director