

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: April 19, 2012
To: Harbor Commission
From: Scott Riedman, Waterfront Director
**Subject: Request for Proposal: 132-B Harbor Way
Chandlery Building Offices**

RECOMMENDATION: That Harbor Commission:

- A. Consider the Selection Committee's review and analysis of the two business proposals received from Club Travel and the Santa Barbara Fish Market for the second floor offices at 132-B Harbor Way;
- B. Accept the recommendation from the Selection Committee and make a finding that the Santa Barbara Fish Market is the most responsive and appropriate business to lease the offices; and
- C. Direct staff to negotiate a lease agreement with Santa Barbara Fish Market based on the business terms outlined in the RFP and proceed to City Council for final approval.

BACKGROUND:

The Department began advertising office space for lease at 132-B Harbor Way (second floor of the Chandlery Building) on September 28, 2011. The leasable area is approximately 734 square feet consisting of 5 offices approximately 100 square feet each (Attachment 1). The offices are on the west side of the building, facing Leadbetter Point.

A Request for Proposals (RFP) was issued, indicating the business terms of a potential lease and that priority would be given to an ocean-related business per the Municipal Code and Harbor Master Plan (Attachment 2). Although 16 inquiries were received, only one proposal was received by the January 9 deadline.

After consultation with the RFP Committee (Commissioners Bantilan, Sloan and Spicer), it was decided to extend the RFP and continue advertising the office space for lease. The previous lessee, the Chandlery, vacated the premises on February 15, 2012.

DISCUSSION:

The RFP was extended until April 2, 2012. Two responses were received by the April 2 deadline from Club Travel and the Santa Barbara Fish Market. The two proposals are described briefly as follows:

Club Travel proposed a dual-use scenario involving two companies (Attachment 3). The primary company is called Club Travel, which assists in the sale of individual, family, and group cruise line vacations and in-port excursions. Club Travel has operated in Minnesota and Nevada and is currently opening an office in Lake Tahoe; the Santa Barbara location would be a start-up operation. Club Travel would also develop walking tours for cruise ship passengers and hotel visitors arriving in Santa Barbara. The other company is RepresentYou.com, a certified lawyer referral service that provides a free legal resource for any person who believes they need assistance with a legal matter.

Santa Barbara Fish Market (SBFM) currently leases space at 117-A Harbor Way for its fish processing operations. SBFM operates a retail storefront at the location as well as a significant wholesale operation that supplies over 80 restaurants and caterers. SBFM also functions as a distributor for the local fishing fleet. In addition to the ground floor fish sales and processing area, the space has a small second floor loft, which is used for storage and office uses. Currently, six administrative and sales employees work out of the cramped loft space. SBFM proposes to relocate its office functions to the nearby offices at 132-B Harbor Way (Attachment 4).

The Selection Committee met with staff on April 4 to review and discuss the proposals. Additionally, the Committee received presentations from the two candidates, Bob and Brook Mecay of Club Travel and Brian Colgate, owner of the Santa Barbara Fish Market. After carefully considering the two proposals, the Selection Committee recommended the Santa Barbara Fish Market proposal as being the most appropriate to lease the office space.

The business terms of the RFP are summarized as follows:

- **Permitted Use:** Administrative and accounting office; no food processing permitted
- **Proposed Term:** Up to five years
- **Proposed Minimum Monthly Rent:** \$1,995 per month (\$2.72 per square foot), subject to annual increases based on changes to the Consumer Price Index
- **Required Insurance:** the City's new standard minimum \$2 million commercial general liability, naming the City as additional insured.

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If the Harbor Commission concurs with the Selection Committee recommendation, staff will begin lease discussions with Santa Barbara Fish Market based on the business terms outlined above.

Attachments: 1. Site plan
2. Request for Proposals
3. Club Travel proposal
4. Santa Barbara Fish Market proposal

Prepared by: Scott Riedman, Waterfront Director