

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: November 21, 2013
To: Harbor Commission
From: Scott Riedman, Waterfront Director
Subject: **Business Services Report**

Stearns Wharf Christmas Tree

For the sixth consecutive year, the Waterfront Department is working with the Stearns Wharf Business Association to bring a 25-foot Christmas tree to the shoreward finger of the Wharf (adjacent to Ty Warner Sea Center) this holiday season. The Stearns Wharf Business Association is generously paying for the tree and Waterfront Department staff will coordinate the installation, lighting and decorating of the tree. Oliver Holt Christmas Trees will deliver the tree on Tuesday, November 26 and install it using a crane. The tree will be on display until the first week of January 2014.

Cruise Ship Update

This past Tuesday, November 12, marked the eleventh cruise ship visit of the fiscal year. These cruise ships frequent Santa Barbara only during the non-peak business seasons between April and May and again in late-September through November. The typical route for these cruise ships can be found in Attachment 1. Cruise ship visits during non-peak seasons have proven to be an important component of the local business economy. The ship visits have received the strong support of the Santa Barbara Chamber of Commerce, Visit Santa Barbara, and the Downtown Organization.

The total amount of passengers on visiting cruise ships vary between 1,800 and 3,100 passengers depending on the size of the ship. The eleven cruise ships that visited Santa Barbara over the last few months had the capacity to bring over 28,000 additional visitors to the Waterfront and downtown. A recent survey by Visit Santa Barbara indicates that on average cruise ship passengers spend approximately \$92 each while ashore.

Each cruise ship visit requires a significant amount of coordination between the Waterfront Department staff, Police Department, Public Works Department, Metropolitan Transit District (MTD), Downtown Organization and Visit Santa Barbara. The Downtown Organization and Chamber of Commerce provide staff and volunteers to staff the offloading area and assist passengers with questions and at a hospitality booth. Police Department costs for traffic control and safety average approximately \$1,500 per visit and are reimbursed by the cruise lines. Costs paid by the Waterfront Department total approximately \$4,850 per visit and include Public Works permit fees for traffic control (approximately \$265 per visit), fees paid to MTD for the additional service

required for cruise ship visits (approximately \$4,150 per visit), \$430 in costs paid to the Downtown Organization for hospitality items and staff, and \$105 paid to the Chamber of Commerce for staff. To date, Fiscal Year 2014 fees charged to the Waterfront Department have totaled \$53,500 for the eleven cruise ship visits.

Total net revenue seen by the Waterfront Department in Fiscal Year 2013 totaled approximately \$252,000 and the first part of Fiscal Year 2014 totaled approximately \$154,000.

Parking Services Revenues vs. Expenditures

Over the past five fiscal years Parking Services has undergone a significant amount of change. Some of the changes include a new web-based time management system for Parking Service's hourly employees and the introduction of 13 Luke Self-Pay Parking Systems in five waterfront parking lots. The following table shows Parking Service revenues and expenditures for Fiscal Years 2009 through 2013. Overall, Parking Services revenue continues to increase while expenditures continue to drop.

Parking Services
Five Year Revenue vs. Expenditures

Item	2009	2010	2011	2012	2013
Revenues	\$1,793,635	\$2,106,329	\$1,994,074	\$2,297,526	\$2,333,097
Expenditures	\$916,798	\$904,534	\$993,845	\$907,704	\$838,815

The current fiscal year will also see further efficiencies implemented in Parking Services. These efficiencies include technological improvements with the installation of new parking equipment infrastructure and accompanying software as well as a new automated parking fee collection process. These improvements will continue to enhance the customer experience and reduce labor costs.

- Attachments: 1. Typical Cruise Ship Route
2. Parking Services Five-Year Revenue vs. Expenditures graph

Prepared By: Brian Bosse, Waterfront Business Manager