

# CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

## MEMORANDUM

**Date:** May 19, 2016  
**To:** Harbor Commission  
**From:** Scott Riedman, Waterfront Director  
**Subject:** **Proposed Lease Agreement with Old Wharf Trading Company**

---

### RECOMMENDATION:

That Harbor Commission review and recommend City Council approval of a five-year lease agreement with one five-year option, with Stearns Wharf, Inc., a California corporation, doing business as Old Wharf Trading Company, at an average initial base rent of \$13,278 per month for the 2,369 square foot space located at 217 Stearns Wharf, Suites A, B, and D.

### DISCUSSION:

Patrick Hartmann has operated Old Wharf Trading Company since assuming the lease through a lease assignment process in April 2006. Originally two leases with adjoining space, the leases were merged into one to simplify revenue reporting and percentage rent tracking in late-2011.

The business terms of the proposed lease are as follows:

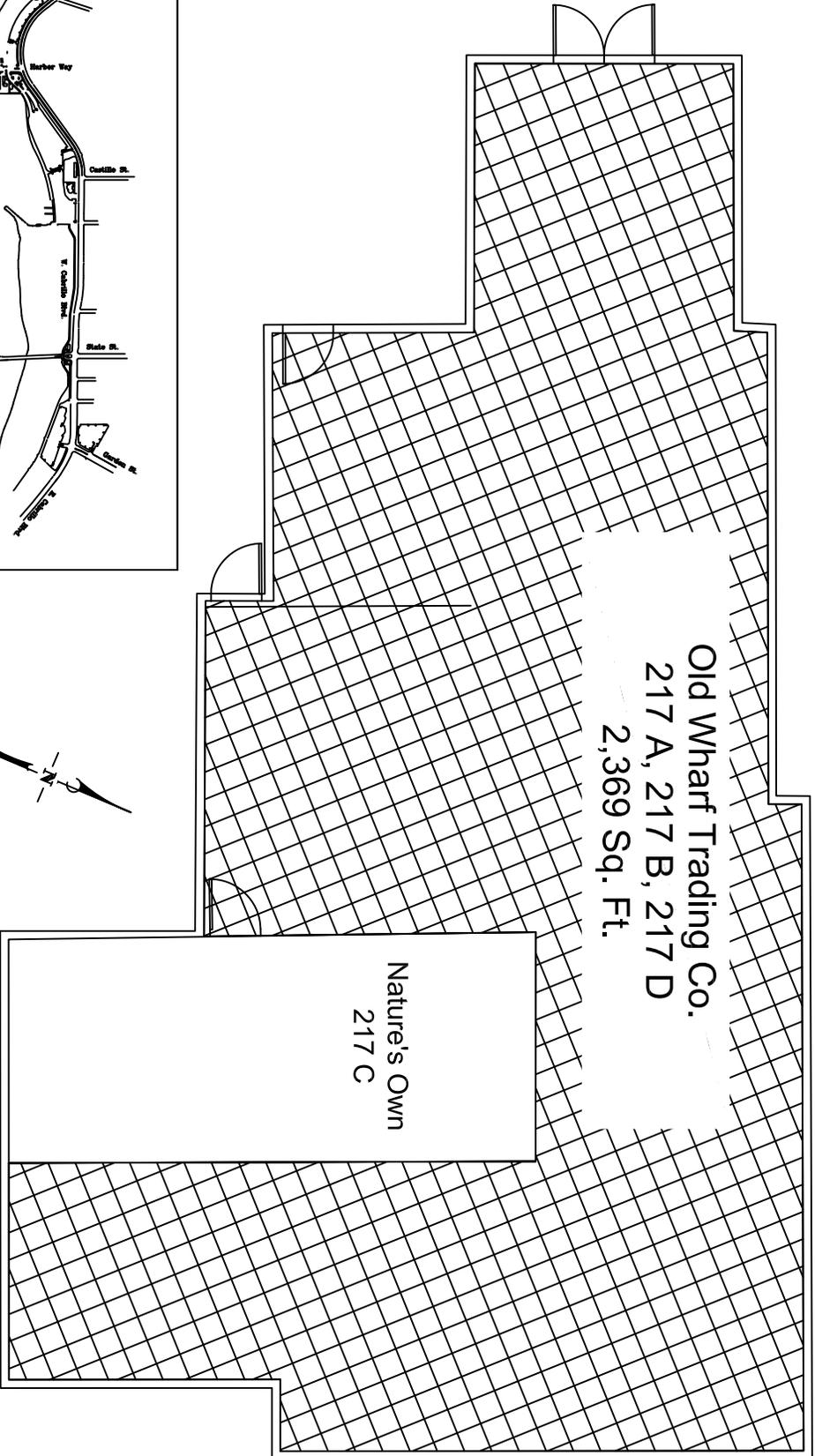
- **Term:** Five-year initial term with one, five-year option.
- **Base Rent:** An average of \$ 13,278 per month (\$5.61 p.s.f.), adjusted seasonally.
- **Annual Rent Adjustment:** Cost of Living increases based on the Consumer Price Index (CPI).
- **Percentage Rent:** 10% of Tenant's Gross Receipts.

Old Wharf Trading Company is considered by the Department to be a tenant in good standing as they are always prompt with rent payments, are active members of the Stearns Wharf Business Association, and have no lease compliance problems on file.

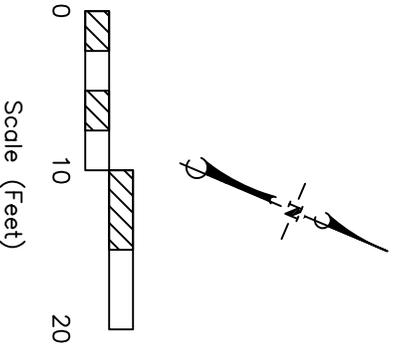
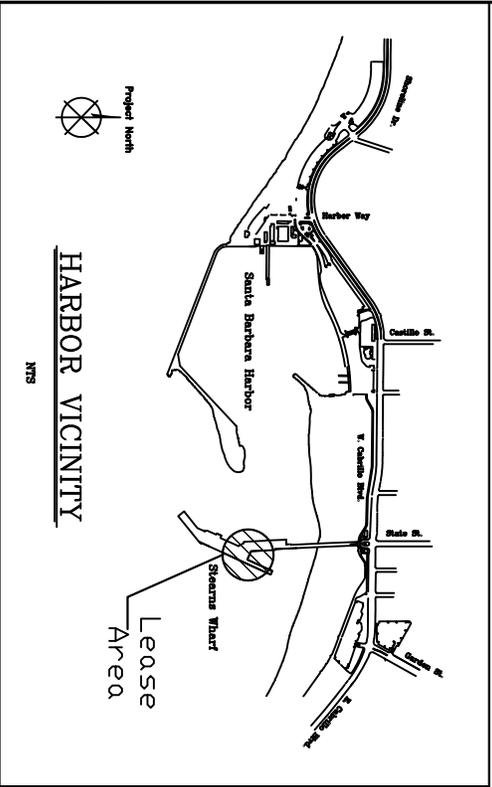
Attachment: Site Map

Prepared by: Brian Bosse, Waterfront Business Manager

Old Wharf Building  
217 Stearns Wharf  
First Floor Plan



Attachment



<p>Old Wharf Trading Co. Exhibit "A" Lease Area</p>		DATE:	9/13/2006	APPROVED BY:	S. Riedman	DRAWN BY:	T. Lamber
		ADDRESS:	217 Stearns Wharf			SHEET NO.	1 of 1
<p>REVISIONS</p>				<p>City of Santa Barbara Waterfront Department</p>		DRAWING NO.	2170-011