

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: August 18, 2016
To: Harbor Commission
From: Scott Riedman, Waterfront Director
Subject: **Proposed Lease Agreement with Nature's Own**

RECOMMENDATION:

That Harbor Commission review and recommend City Council approval of a five-year lease agreement with one, five-year option with Nature's Own Gallery, Inc., doing business as Nature's Own, at an average initial base rent of \$2,221 per month, adjusted seasonally, for the 423 square foot space located at 217 Stearns Wharf, Suite C.

DISCUSSION:

The Marshall family has leased Nature's Own via their family corporation since 1981. The business is managed by Jon Marshall, who staffs the store on a daily basis.

The business terms of the proposed lease are as follows:

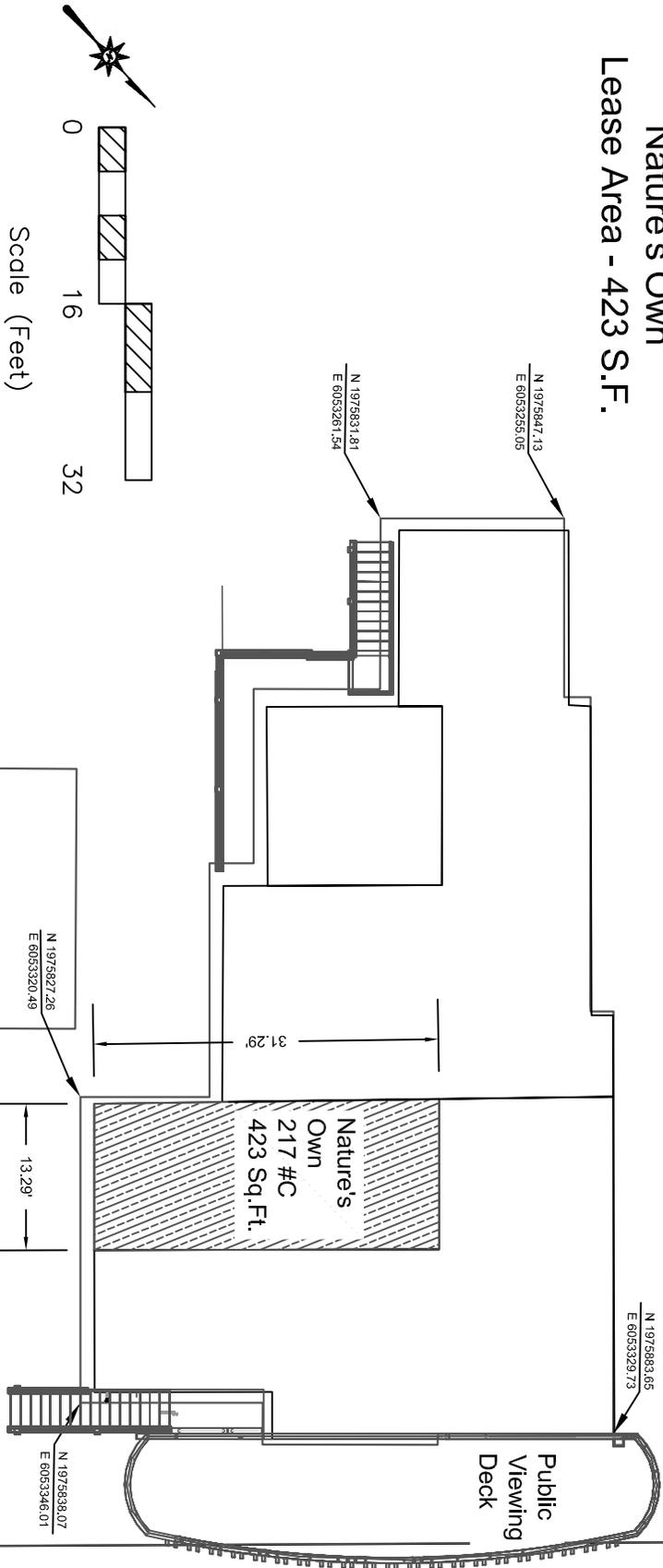
- **Term:** Five-year term, with one five-year option
- **Base Rent:** An average of \$ 2,221 per month (\$5.25 p.s.f.), adjusted seasonally
- **Annual Rent Adjustment:** Cost of Living increases based on the Consumer Price Index (CPI)
- **Permitted Uses:** Primary Specialty: Tenant shall use the Premises as a store carrying shells, minerals, fossils and related products. Secondary Specialty: Tenant shall also use the Premises for the sale of gifts that are found in nature-related stores, such as nature rocks, science-related items, environmental items and prehistoric to modern day sculptures of animals, birds and fish made of wood, plastic and metal, jewelry with shell, rock and mineral content, and souvenirs, limited to a maximum of twenty percent (20%) of inventory display area. Tenant may carry one model of T-shirt and sweatshirt that carries a design/logo featuring the name of the shop.
- **Percentage Rent:** 10% of Tenant's Gross Receipts

Nature's Own 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.

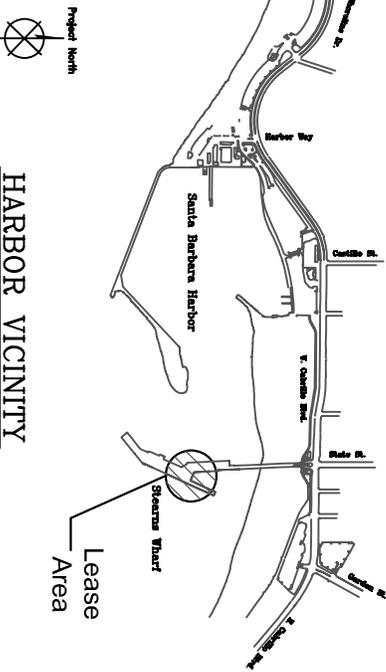
Attachment: Site Map

Prepared by: Brian Bosse, Waterfront Business Manager

**First Floor Plan
Old Wharf Building
217 #C Stearns Wharf
Nature's Own
Lease Area - 423 S.F.**



Attachment



HARBOR VICINITY

Exhibit A: Lease Area		Nature's Own	
REVISIONS			
DATE:	04/11/06	APPROVED BY:	S. Roldman
ADDRESS:	217 #C Stearns Wharf	DRAWN BY:	J.L.
City of Santa Barbara		SHEET NO.	1 of 1
Waterfront Department		DRAWING NO.	2170-012