

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: November 17, 2016
To: Harbor Commission
From: Scott Riedman, Waterfront Director
Subject: **Business Services Report**

STEARNS WHARF CHRISTMAS TREE

For the seventh 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 the Museum of Natural History Sea Center) this holiday season. The Stearns Wharf Business Association is generously paying for the Green White Fir tree and Waterfront Department staff will coordinate the installation, lighting and decorating of the tree. Oliver Holt Christmas Trees will deliver the Green White Fir tree on Tuesday, November 22 and install it using a crane. The official lighting of the Christmas tree will take place on December 11, just prior to the Parade of Lights and will feature Mayor Helene Schneider. The tree will be on display until the first week of January 2017.

CRUISE SHIP UPDATE: FALL SEASON

Monday, November 28, will mark the 29th and final cruise ship visit of the calendar year. These cruise ships frequent Santa Barbara primarily during the non-peak business seasons between April and May and again in late-September through November. The typical route for these cruise ships varies between four-day California getaways to ten-night cruises from Vancouver, Canada. Cruise ship visits during non-peak seasons have proven to be an important component of the local business economy. The ship visits continue to receive the strong support of the Santa Barbara Chamber of Commerce, Visit Santa Barbara, and Downtown Santa Barbara.

The total amount of passengers on visiting cruise ships vary between 1,500 and 4,000 depending on the size of the ship. The sixteen cruise ships that visited Santa Barbara over the fall season had the capacity to bring approximately 42,000 additional visitors to the Waterfront and downtown. The spring cruise ship schedule is being finalized and we anticipate approximately thirteen visits between mid-January and mid-May.

THIRD QUARTER SALES UPDATE: COMMERCIAL AND FOOD SERVICES

Harbor Commissioners had expressed interest in the status of commercial sales and food sales at the Harbor and Stearns Wharf compared with previous years. Below are tables showing Commercial and Food Service gross sales for the third quarter over a five year period from 2012 to 2016.

	Food Service				
	2012	2013	2014	2015	2016
Stearns Wharf	\$10,430,227	\$10,510,557	\$11,210,084	\$11,472,046	\$10,992,659
Harbor	\$10,562,098	\$11,083,146	\$12,452,618	\$12,885,576	\$12,995,634
Total	\$20,992,325	\$21,593,703	\$23,662,702	\$24,357,622	\$23,988,293
Overall Change in % from prior year		3%	10%	3%	-2%

For the five year time period above, food service sales have grown \$2,995,968 from 2012 to 2016 with the highest year-to-year percentage change coming in 2014. Through three quarters of the 2016 calendar year food service, overall is down 2% with Wharf food service being down 4% and Harbor food service up 1%.

	Commercial				
	2012	2013	2014	2015	2016
Stearns Wharf	\$3,542,791	\$3,739,123	\$3,963,736	\$4,115,386	\$4,167,995
Harbor	\$2,260,562	\$2,645,910	\$2,776,097	\$2,978,250	\$2,700,415
Total	\$5,803,353	\$6,385,033	\$6,739,833	\$7,093,636	\$6,868,410
Overall Change in % from prior year		10%	6%	5%	-3%

For the time period above, commercial sales have grown \$1,065,057 from 2012 to 2016 with the highest year-to-year percentage change coming in 2013. Through three quarters of the 2016 calendar year commercial revenues, overall are down 3% with Wharf commercial being up 1% and Harbor commercial being down 9%.

The best year for both food service and commercial activity on the Wharf and in the Harbor was 2015. Though the third quarter of 2016 is down versus 2015, 2016 remains the second highest revenue year of the five year period analyzed.

Prepared By: Brian Bosse, Waterfront Business Manager