

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: August 17, 2017
To: Harbor Commission
From: Scott Riedman, Waterfront Director
Subject: Lease Agreement with Harbor Market

RECOMMENDATION:

That Harbor Commission review and recommend to City Council approval of a five-year lease with one, five-year option with Lisa Clagg and Shawna Franks, doing business as Harbor Market, for the 676 square foot convenience store located at 125 Harbor Way, Suite 8, at a base rent of \$2,303.70 per month, subject to annual Cost of Living adjustment, or 6% of gross sales, whichever is greater.

DISCUSSION:

Lisa Clagg has operated the Harbor Market on the first floor of the Marine Center Building since 1991. The current lease expired on April 30, 2017, and is currently on a month-to-month holdover status as permitted by the lease. The basic lease terms of the proposed lease are summarized as follows:

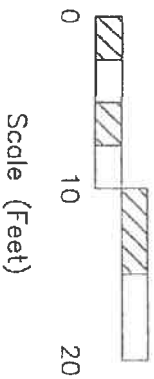
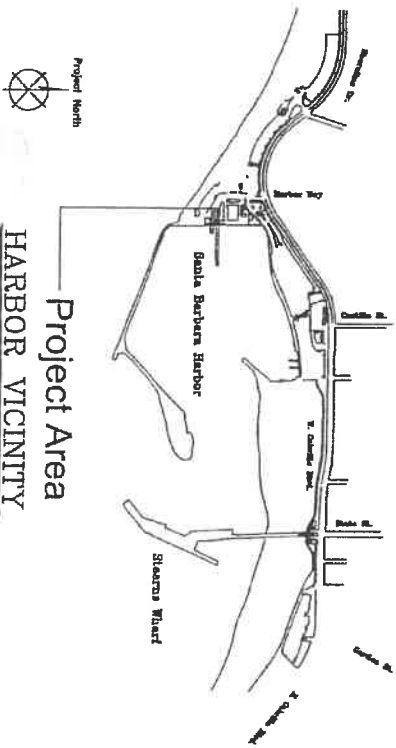
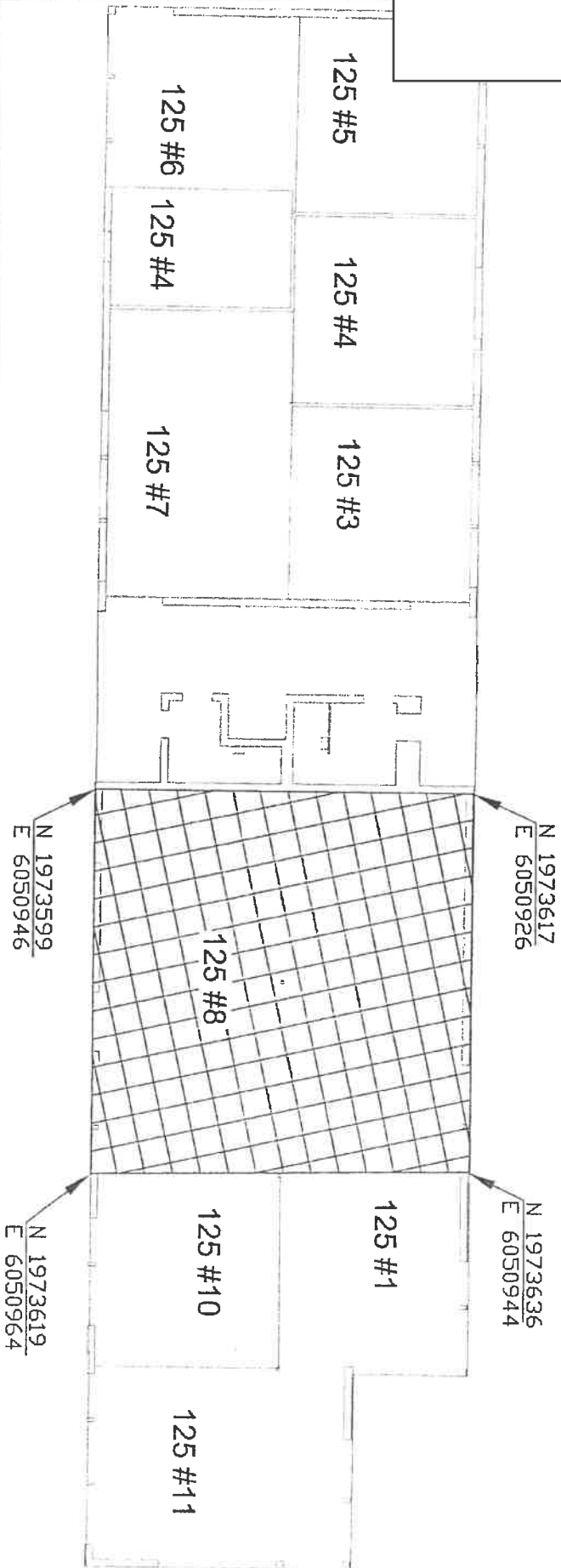
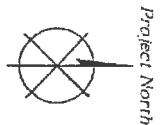
- **Term:** Five years with one, five-year option
- **Base Rent:** \$2,303.70 per month (\$3.41 p.s.f.)
- **Percentage Rent:** Base rent or 6% of gross sales, whichever is greater
- **Annual Rent Adjustment:** Cost of Living increases based on the Consumer Price Index (CPI)
- **Utilities:** Separately metered, paid directly to utility companies
- **Permitted Use:** Tenant shall use the Premises as a convenience store for the retail sale of food, beverages, and sundries to the general public. Tenant may sell any ready-to-eat food items commonly found in convenience stores in Santa Barbara including but not limited to hot dogs, prepackaged sandwiches, and popcorn.

The Harbor Market percentage rent clause is the same as the percentage rent clause at the launch ramp convenience store. Lisa Clagg is considered by the Department to be a tenant in good standing as she is always prompt with her rent payments and has no lease compliance problems on file. A copy of the lease is available for review at the Waterfront Department Administration Office.

Attachment: Site plan

Prepared by: Brian J. Bosse, Waterfront Business Manager

125 Harbor Way #8
 Tenant - Harbor Market
 Lease Area - 676 S.F.



Lease Area
 Exhibit A

REVISIONS

DATE	APPROVED BY	DRAWN BY
6/21/05 <td></td> <td>L. Nelson</td>		L. Nelson

ADDRESS: 125 Harbor Way #8

1 of 1

City of Santa Barbara
 Waterfront Department

1250-036