

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

MEMORANDUM

Date: June 17, 2021
To: Harbor Commission
From: Mike Wiltshire, Waterfront Director
Subject: **Proposed Office Lease Agreement With Seacoast Of Santa Barbara**

RECOMMENDATION:

That Harbor Commission recommend City Council approve a five-year lease agreement with one, five-year option with Seacoast of Santa Barbara, Inc., for a 562 square foot office at 125 Harbor Way, at a base rent of \$2,200 per month.

DISCUSSION:

Seacoast of Santa Barbara, Inc. (Seacoast) has operated a yacht brokerage in Santa Barbara under several ownership configurations since approximately 1971. The current lease commenced in 2011 and will expire on August 31, 2021. The lease space includes a number of office suites known as 125 Harbor Way, suites 1, 10 and 11.

The business terms of the proposed lease are summarized as follows:

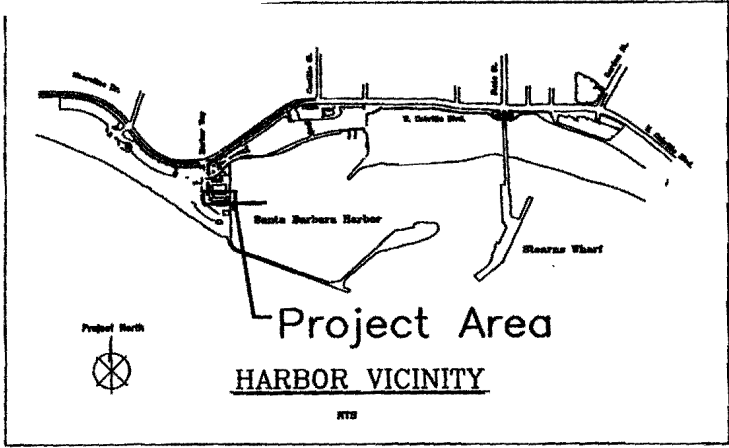
- **Term:** Five years, with one five-year option to extend
- **Base Rent:** \$2,200 per month (\$3.91 per square foot)
- **Percentage Rent:**
 - 1.05% - Sales of new and used boats, outboard motors and sea drives
 - 4.2% - Sales of marine hardware, equipment and sails
 - 10.5% - Commissions and fees from boat brokerage activities and marine insurance commissions, marine maintenance services, and any other transactions that are not specified above
- **Annual Rent Adjustment:** Cost of Living increases based on the Consumer Price Index (CPI)
- **Permitted Uses:** Office space for a full-service yacht sales and brokerage business, power and sailboat instruction, and boat leases for periods greater than one month (no change)

A copy of the Seacoast lease is available for review at the Waterfront Department administration office.

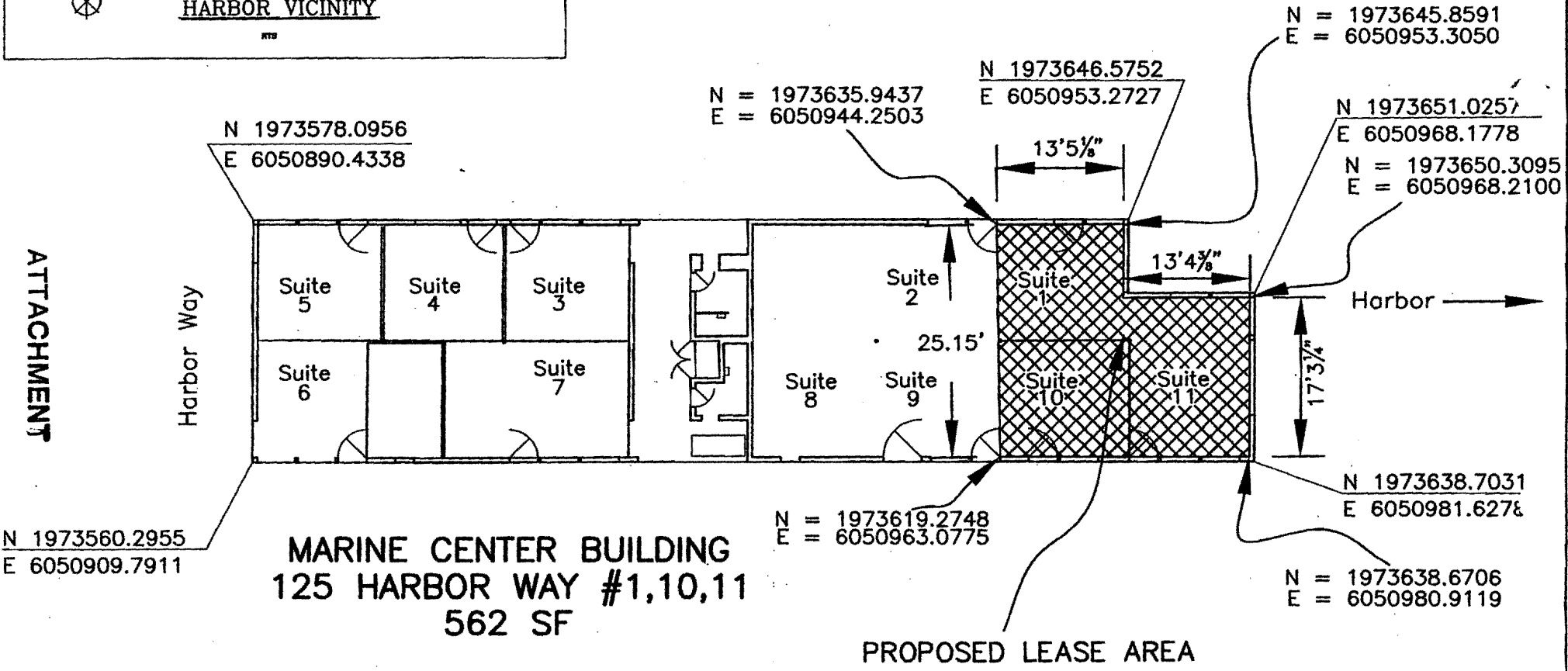
Seacoast is considered a tenant in good standing as there are no outstanding default notices on file and rent payments have been prompt.

Attachments Site Map of Proposed Lease Space

Prepared by: Brian J. Bosse, Waterfront Business Manager



ATTACHMENT



	<p>Scale (Feet)</p>	REVISIONS	Lease Area Exhibit A															
		<table border="1"> <tr> <td>DATE</td> <td>1-1</td> <td>APPROVED BY</td> <td>DATE</td> <td>HLS/TR</td> </tr> <tr> <td>DATE</td> <td>01/04/01</td> <td>PROJECT</td> <td>125 HARBOR WAY #1,10,11</td> <td>DRAWING NO.</td> <td>1250-019</td> </tr> <tr> <td colspan="4">City of Santa Barbara</td> <td>DRAWING NO.</td> <td>2 of 2</td> </tr> </table>	DATE	1-1	APPROVED BY	DATE	HLS/TR	DATE	01/04/01	PROJECT	125 HARBOR WAY #1,10,11	DRAWING NO.	1250-019	City of Santa Barbara				DRAWING NO.
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