



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** November 15, 2011

**TO:** Mayor and Councilmembers

**FROM:** Business Division, Waterfront Department

**SUBJECT:** Five-Year License Agreement With Santa Barbara Water Taxi, LLC

### **RECOMMENDATION:**

That Council approve a five-year license agreement with Santa Barbara Water Taxi, LLC, for a water taxi service, shoreboat service and limited charter operation from Santa Barbara Harbor.

### **DISCUSSION:**

Fred and Kathy Hershman have operated the Santa Barbara Water Taxi under license agreements since October 2003. The Water Taxi has carried over 180,000 passengers over this period. They have provided a valuable service to both visitors and the boating community. The Water Taxi currently charges \$4 per adult for a one-way trip and \$1 for children 12 and under.

Captain Fred Hershman has over 40 years of motorboat/sailing experience. He has six years of Coast Guard ship handling and navigation experience and is an active member of the Coast Guard Auxiliary, Santa Barbara Flotilla.

The basic lease terms of the proposed lease agreement are as follows:

**Term:** Five Years

**Water Taxi Service:** The water taxi must operate between the Harbor and Stearns Wharf, six days per week, from noon to 6:00 p.m., weather and sea conditions permitting, between March and November. Minimum days of operation are reduced to weekends only from December through February.

**Charter Service:** Licensee may offer a charter service only before and after the scheduled hours of Water Taxi operation (noon to 6:00 p.m.) and only within City waters.

**Shoreboat Service:** Licensee may provide shoreboat service, providing transportation between shoreside facilities (such as Cabrillo Landing, the launch ramp, and Stearns Wharf) and vessels moored in City waters (such as the east of Wharf mooring and anchorage areas).

Licensee may sell food and beverages during the charter service. Licensee may sell one model of T-shirt, sweatshirt or hat that carries a logo or the name of the business. Licensee may post advertisements in the vessel.

**Restrictions on Use:**

- Charters may take place only outside of the normal Water Taxi operating hours- before noon and after 6:00 p.m.

**License Fee:**

- \$50 per month or a percentage of gross sales, whichever is greater (no change)

**Percentage Fee:**

- 1% of gross sales from the Water Taxi service
- 1% of gross sales from Shoreboat service
- 10% of permitted merchandise sales
- 15% of permitted charter activities within city waters

The Water Taxi is a valuable transportation service between the Harbor and Wharf. The Harbor Commission recommended approval of the license agreement at the October 20, 2011, meeting.

**ATTACHMENT:** Site Plan

**PREPARED BY:** Scott Riedman, Interim Waterfront Director

**APPROVED BY:** City Administrator's Office

# ATTACHMENT

