



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 11, 2008
TO: Mayor and Councilmembers
FROM: Business Division, Waterfront Department
SUBJECT: One-Year Lease Agreement With Mike Pyzel

RECOMMENDATION:

That Council approve and authorize the Waterfront Director to execute a one-year lease with a one-year option with Mike Pyzel, at a monthly rent of \$375 or six percent of gross sales, whichever is greater, for a marine surveyor's office at 125 Harbor Way, Suite 23, in the Santa Barbara harbor.

DISCUSSION:

Waterfront Department staff offered vacant office space for lease in the Marine Center Building through a public Request for Proposals (RFP) process. Six lease proposals were received for three vacant offices. Mike Pyzel's proposal to use an office for his marine surveyor business was one of three proposals recommended by the Harbor Commission selection committee for a potential lease.

Mr. Pyzel has over twenty years' experience in marine survey and consultation. Although Mr. Pyzel performs survey work from Morro Bay to San Diego, his primary work area is in the Ventura, Channel Islands, and Santa Barbara harbors. He is well-known for his magazine articles, books, and manuals on navigation and other marine-related topics. Mr. Pyzel also teaches marine-oriented classes at Ventura College, Santa Barbara City College, and the Santa Barbara Maritime Museum.

Proposed Lease

Staff has negotiated a lease with Mr. Pyzel based on the terms and conditions listed in the RFP:

- **Term:** One year with a one-year option to extend
- **Base Rent:** \$375 per month (\$2.25 p.s.f.)
- **Utility surcharge:** \$0.15 per square foot per month

REVIEWED BY: _____ Finance _____ Attorney

Agenda Item No. _____

- **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)
- **Permitted Uses:** a business office for marine surveys, appraisals and consultation for vessel purchases, financing, insurance, voyage preparation, and damage assessment

A six percent (6%) percentage rent category was negotiated in this case due to the fact that Mr. Pyzel provides an ocean-dependent service, which is a high priority use in the Harbor Master Plan. Additionally, a significant amount of Mr. Pyzel's services are performed outside of the Santa Barbara harbor area.

The Harbor Commission recommended approval of the lease agreement at the February 21, 2008, meeting.

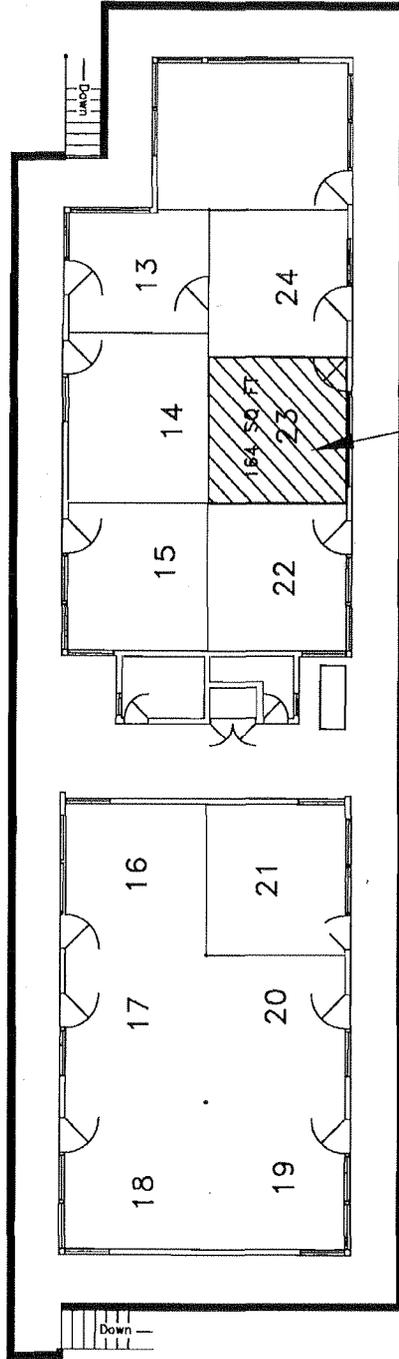
ATTACHMENT: Site Plan

PREPARED BY: Scott Riedman, Waterfront Business Manager

SUBMITTED BY: John N. Bridley, Waterfront Director

APPROVED BY: City Administrator's Office

2ND FLOOR
 125 HARBOR WAY #23
 164 SQ FT



ATTACHMENT

PROPOSED LEASE AREA

LEASE AREA - Exhibit "A"
 Room 23

REVISIONS

DATE: 1/24/08 APPROVED BY:

ADDRESS: Santa Barbara Harbor

City of Santa Barbara

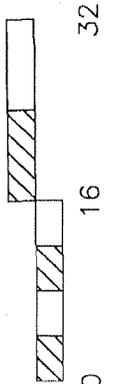
Waterfront Department

DRAWN BY: T. Lawler

SHEET NO. 1 of 1

DRAWING NO.

1250-039



Scale (Feet)