



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: June 10, 2008

TO: Mayor and Councilmembers

FROM: Business Division, Waterfront Department

SUBJECT: Introduction Of Ordinance For Mooring Lease Agreement With Voyage Partners, LLC

RECOMMENDATION:

That Council approve a lease with Voyage Partners, LLC, and introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Five-Year Lease, with One Five-Year Option, Effective July 17, 2008, for the 2,520 Square-Foot Berth Area Located at Marina 4-B, at an Initial Monthly Rent of \$1,666.66 per Month.

DISCUSSION:

Since 2003, the Department has been working toward the goal of developing Marina 4-B and managing it as a lease space.

Construction was completed on three new berths in the lease area in December 2007. The three "Mediterranean mooring" style berths are 28 feet wide and can accommodate vessels up to 90 feet in length (see attached). The berths are sub-metered for electrical usage and lessees are billed monthly for electrical consumption in addition to lease rent. The Channel Islands National Marine Sanctuary research vessel *Shearwater* occupies the first (west) berth, the vessel *Speed Twin*, recently relocated from Channel Islands Harbor to serve as Don Hedden's whale watching and coastal cruise vessel, occupies the east berth, and the middle berth was offered to the public through a Request for Proposals (RFP) process.

Voyage Partners, LLC, proposed to lease the space for the 63 foot long motor yacht *Philippa*. Voyage Partners proposed to pay \$100,000 rent, in advance, for a five-year lease. The Selection Committee (consisting of staff and Harbor Commissioners Charles Watson and Betsy Cramer) recommended approval of Voyage Partners' proposal.

The *Philippa* is a private yacht, ideally configured to use the Mediterranean mooring style berth. There are no intentions to use it as a charter vessel.

Basic terms of the proposed lease are as follows:

Term: Five years, with one five-year option;

Rent: \$100,000 for 60 months rent, paid upon lease execution;

Utilities: Electric consumption to be metered and billed to tenant;

Option rent: To be negotiated prior to the expiration of the initial lease term;

Permitted uses: The Tenant shall use the Site only for mooring the vessel *Philippa* or another comparable substitute vessel owned by Tenant, provided such vessel may not exceed 90 feet in total overall length as measured by the Santa Barbara Harbor Patrol. The Site shall be used for no other purpose. Retail sales and charter operations are not permitted from the Site.

The proposed lease allows the Waterfront Department to sublease the space under certain circumstances. For example, if the tenant vacates the site for 30 days or more, and the Department is able to rent the lease area, the tenant will be entitled to a rent credit of 50% of the rent that the Department collects during the vacancy. The lease may not be assigned, subleased, or transferred to another entity. Since the lease is with a Limited Liability Company, the Department has required a personal guaranty. The lease with Voyage Partners was approved by the Harbor Commission on May 15, 2008.

ATTACHMENT: Site plans (2)

PREPARED BY: Scott Riedman, Waterfront Business Manager

SUBMITTED BY: John N. Bridley, Waterfront Director

APPROVED BY: City Administrator's Office

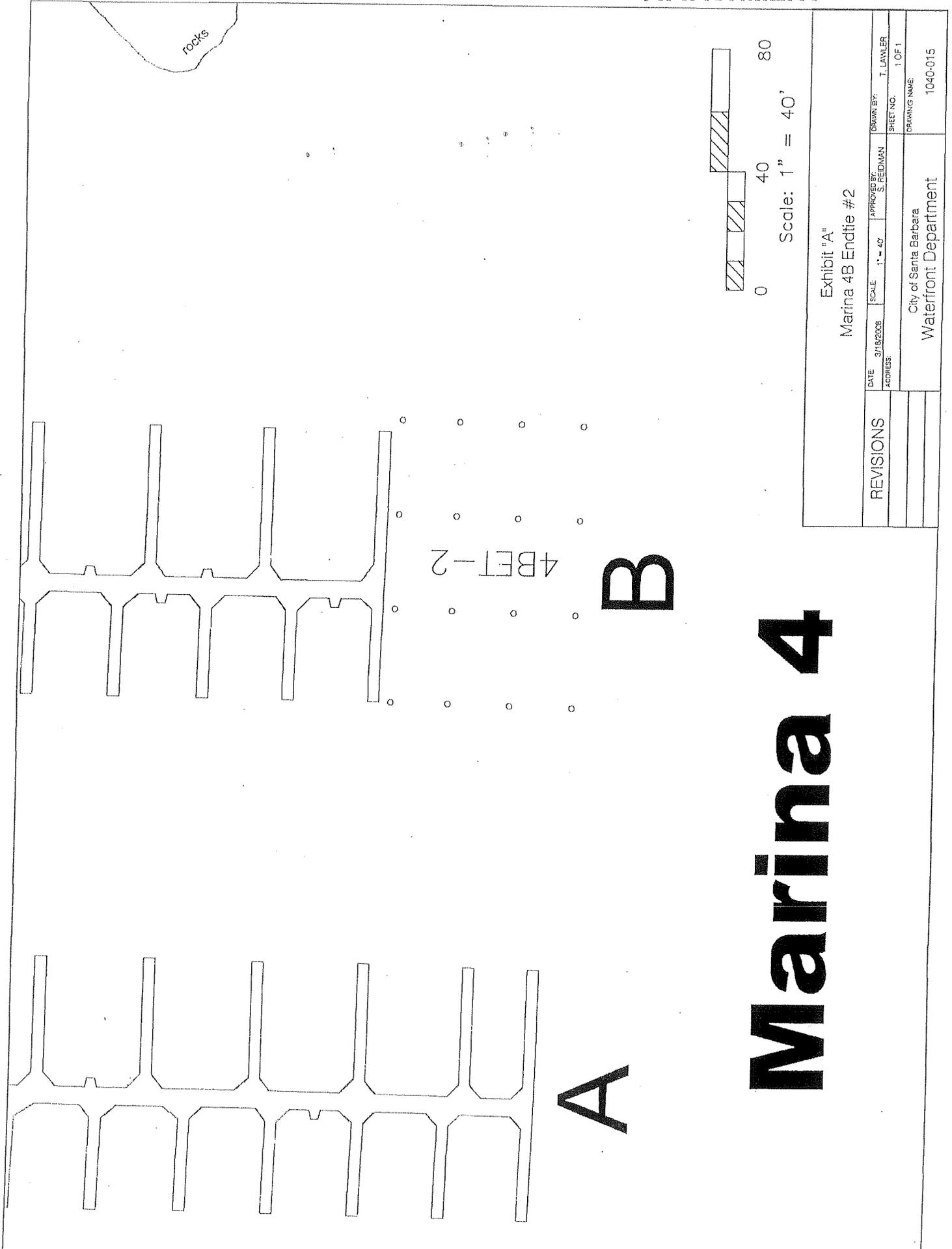


Exhibit "A"
Marina 4B Endtie #2

REVISIONS	DATE 3/7/18/2008	SCALE 1" = 40'	APPROVED BY S. FEDMAN	DRAWN BY T. LAWLER
	ADDRESS		SHEET NO. 1 OF 1	DRAWING NAME 1040-015
			City of Santa Barbara	
			Waterfront Department	

Marina 4

A

B

4BET-2