



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 20, 2010

TO: Mayor and Councilmembers

FROM: Business Division, Waterfront Department

SUBJECT: Introduction Of Ordinance For Lease Agreement With Doug Chessmore

RECOMMENDATION:

That Council approve a lease agreement with Doug Chessmore, doing business as Ocean Aire Electronics, and introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Lease Agreement with Doug Chessmore, Doing Business As Ocean Aire Electronics, Effective May 27, 2010, for Lease of the Premises Located at 125 Harbor Way #7.

DISCUSSION:

Doug Chessmore has operated the 339 square foot retail business Ocean Aire Electronics at 125 Harbor Way, #7, since November 1986. The current lease expired on March 31, 2010. The base rent is currently \$980 per month, (\$2.89 per square foot) subject to annual increases based on the Consumer Price Index (CPI) each May.

Ocean Aire Electronics is a specialty store that provides sales, installation and repairs of marine electronic equipment such as radar, global positioning systems, sonar (fish finders & depth finders), marine radios, autopilots, navigation and safety equipment.

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

- **Term:** One year with six (6) one-year options
- **Base rent:** \$980 per month, subject to annual CPI increases (no change)
- **Percentage rent:**
 - (1) One percent (1%) of sales of marine motors and electronics;
 - (2) Four percent (4%) of sales of marine hardware;
 - (3) Ten percent (10%) of all Gross Receipts from service for marine motors, electronics and labor; and
 - (4) Ten percent (10%) of all other Gross Receipts which are not specifically motors, electronics, hardware, sales or service.

- **Permitted uses:** Sale and service of marine electronics, and for no other use without the prior written approval of the Waterfront Director

All other terms of the lease remain unchanged. The Harbor Commission recommended approval of the lease agreement at the March 18, 2010, meeting.

ATTACHMENT: Site Plan

PREPARED BY: Scott Riedman, Waterfront Business Manager

SUBMITTED BY: John N. Bridley, Waterfront Director

APPROVED BY: City Administrator's Office

