



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: March 15, 2011

TO: Mayor and Councilmembers

FROM: Business Division, Waterfront Department

SUBJECT: Introduction Of Ordinance For A Lease Agreement With Leather Depot, Incorporated

RECOMMENDATION:

That Council approve a five-year lease with one five-year option with Leather Depot, Inc., doing business as Coastal Treasures, with a base rent of \$2,427 per month, for the 610 square foot retail store located at 217-E Stearns Wharf, 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 with Leather Depot, Inc., Doing Business as Coastal Treasures, with a Base Rent of \$2,427 Per Month, for the 610 Square Foot Retail Store Located at 217-E Stearns Wharf, Effective April 21, 2011.

DISCUSSION:

David and Susan Mauseth have operated Coastal Treasures, with the help of their son Kevin, at 217-E Stearns Wharf since they were awarded the lease via a competitive Request for Proposals process in March 2006. The Mauseths live in Santa Barbara and also own and operate their "Leather Depot" store in Big Bear Lake which they established in 1977.

Coastal Treasures is located on the second floor of the Old Wharf building at 217 Stearns Wharf and features a quality selection of arts & crafts, jewelry, hats, belts, handbags and other clothing accessories. The basic terms of the proposed lease are as follows:

- **Term:** Five years, with one five-year option.
- **Base Rent:** \$2,427 per month (\$3.97 / square foot).
- **Percentage Rent:** Base rent or 10% of gross sales, whichever is greater.
- **Annual Rent Adjustment:** Cost of Living increases based on the Consumer Price Index (CPI).
- **Permitted Uses:** Primary Specialty: Tenant shall use the Premises as a retail store selling jewelry, art, arts & crafts, leather clothing and leather goods. Secondary Specialty: Handcrafted gifts such as synthetic scrimshaw, woodwork, metalwork, hand-blown glass, ceramics and nautical antiques. Tenant may also carry clothing limited to clothing imprinted with the Tenant's logo only.

The Mauseths are in good standing with the Department and have no late payment or default notices on file.

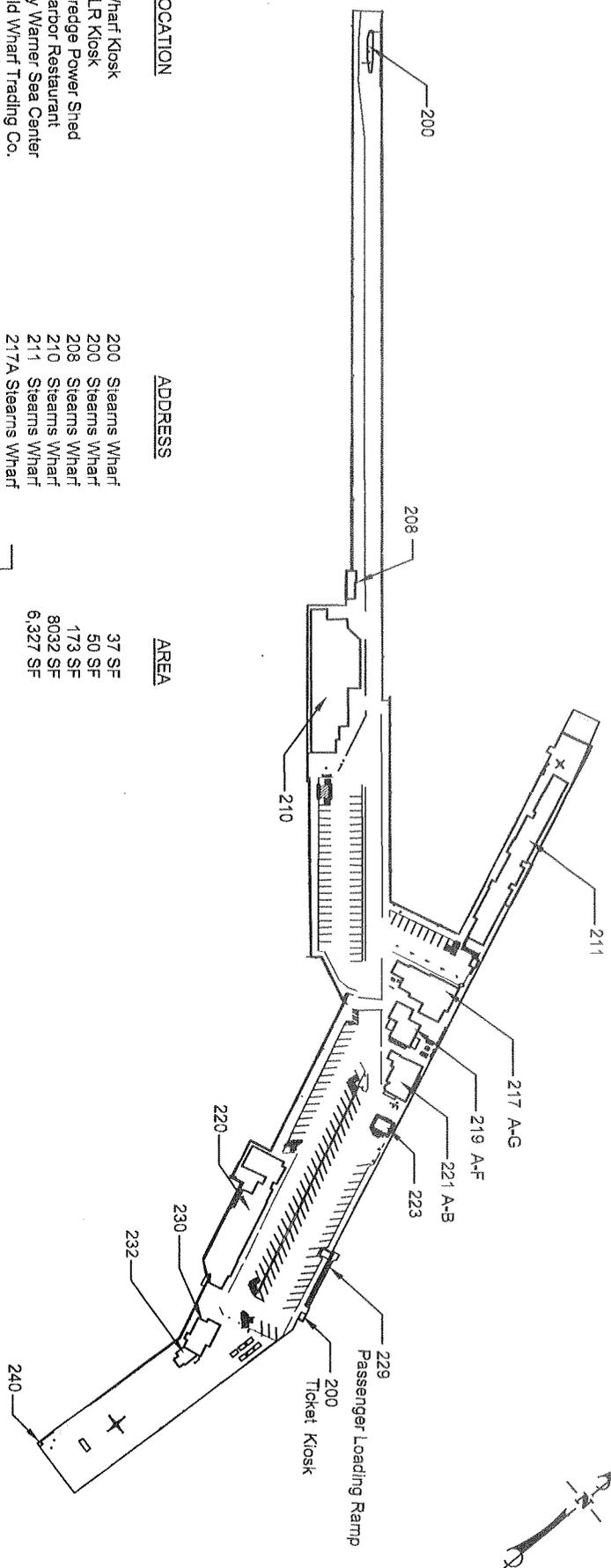
Since the lease is with a corporation, David and Susan Mauseth have signed the City's personal guarantee. The Harbor Commission recommended approval of the lease at its February 17, 2011, meeting.

ATTACHMENT: Site Plan

PREPARED BY: Scott Riedman, Waterfront Business Manager

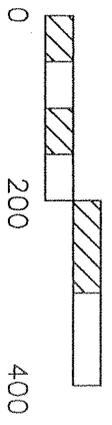
SUBMITTED BY: John N. Bridley, Waterfront Director

APPROVED BY: City Administrator's Office



| LOCATION | ADDRESS | AREA |
|------------------------------|--------------------|----------|
| Wharf Kiosk | 200 Stearns Wharf | 37 SF |
| PLR Kiosk | 200 Stearns Wharf | 50 SF |
| Dredge Power Shed | 208 Stearns Wharf | 173 SF |
| Harbor Restaurant | 210 Stearns Wharf | 8032 SF |
| Ty Warner Sea Center | 211 Stearns Wharf | 6,327 SF |
| Old Wharf Trading Co. | 217A Stearns Wharf | |
| Nature's Own | 217C Stearns Wharf | |
| Topside | 217D Stearns Wharf | 2932 SF |
| Coastal Treasure | 217E Stearns Wharf | |
| Conway Deep Sea Tasting Room | 217G Stearns Wharf | |
| Great Pacific Ice Cream Co. | 219A Stearns Wharf | |
| Mother Stearns | 219B Stearns Wharf | |
| Devil and the Deep Blue Sea | 219C Stearns Wharf | 1276 SF |
| City Maintenance Office | 219F Stearns Wharf | |
| Moby Dick Restaurant | 220 Stearns Wharf | 4586 SF |
| Char West Restaurant | 221A Stearns Wharf | |
| Madame Rosinka | 221B Stearns Wharf | 1546 SF |
| City Maintenance Shed | 223 Stearns Wharf | 370 SF |
| Passenger Loading Ramp | 229 Stearns Wharf | 257 SF |
| Santa Barbara Shellfish | 230 Stearns Wharf | |
| Bait and Tackle | 232 Stearns Wharf | 1538 SF |
| Coast Guard Light | 240 Stearns Wharf | |

Wharf Total Area = 180,500 Square Feet



Scale (Feet)

Stearns Wharf

City of Santa Barbara, Waterfront Department