



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: October 11, 2011

TO: Mayor and Councilmembers

FROM: Housing and Redevelopment Division, Community Development Department

SUBJECT: Introduction Of Ordinance For A Lease Agreement With Greyhound Lines, Inc.

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving a Ten-Year Lease with Two Five-Year Options with Greyhound Lines, Inc., to Lease the City Owned Building at 224 Chapala Street for a Passenger Bus Service Facility, Effective November 17, 2011.

DISCUSSION:

The Greyhound passenger bus service operation at the 34 W. Carrillo Street (corner of Chapala Street) has been operating in that location since approximately 1940 providing a necessary and vital transportation service to the community. Greyhound, which has been leasing its current site, is now seeking a new, suitable location in downtown Santa Barbara to operate. The City building at 224 Chapala Street, formerly owned by the Redevelopment Agency and leased to a bicycle shop, and adjacent to the Amtrak ticket office, is presently vacant and would be an appropriate site for Greyhound's relocation. The property can easily accommodate bus traffic and would contribute to the formation of a multi-modal transportation hub. The Agency Board, then owner of the property, considered this during closed session on May 4, 2010 and directed staff to undertake lease negotiations with Greyhound.

Operations

Greyhound currently operates out of an approximately 2,000 square foot space, overseen by up to three staff with daily hours ranging from 8:00 a.m. to 8:15 p.m., with some short closures interspersed. Ten buses are scheduled daily with approximately 4,000 passengers transported to and from Santa Barbara each month.

Greyhound would move its operation to 224 Chapala Street and continue to operate in the same fashion as it presently does after making tenant improvements. Bus service is not expected to expand or reduce as a result of the move. Leasing of the entire building by Greyhound was considered, but after months of space planning and analysis, Greyhound now proposes to lease half of the building (1,437 square feet). Buses would exit the freeway at Garden Street, access the site from the E. Montecito Street entrance, and exit at State Street, traveling along Yanonali Street to the Garden Street and Highway 101 interchange. This bus circulation plan is consistent with the Planning Commission's direction. Loading and unloading of passengers would take place only within the depot lot immediately across from the proposed lease space. Bus staging, if needed, would take place on West Montecito Street and would be shared with Amtrak (see attachment). The remainder of the building would likely be part of a future RFP process to assess level of interest from the public.

Lease

The basic terms of the proposed lease are as follows:

- **Term:** Ten years with two five-year options to extend
- **Rent:** \$4,000 per month, with a 12% increase every five years.
- **Permitted uses:** Tenant shall use the premises primarily for passenger bus service.

ATTACHMENT: Site Plan

PREPARED BY: Brian Bosse, Housing and Redevelopment Manager\MEA

APPROVED BY: City Administrator's Office

“Premises” Lease Area – 224 Chapala Street
Lease between City of Santa Barbara Redevelopment Agency
and
Greyhound Lines, Inc.

