

**CITY OF SANTA BARBARA
REQUEST FOR PROPOSAL
FOR
OFFICE LEASE AT THE
SANTA BARBARA HARBOR**

**OFFICE LEASE AT 132-B HARBOR WAY, AT THE SANTA BARBARA HARBOR
Proposal Deadline: 3:00 PM, Monday, April 02, 2012.**

I. INTRODUCTION

The City of Santa Barbara / Waterfront Department is seeking persons and business entities that are interested in leasing office space at 132-B Harbor Way on the second floor of the Waterfront Administration Building, in the Harbor Commercial Area. Suite B consists of approximately 734 square feet.

The office was formerly used by Chandlery Yacht Sales as an administrative and accounting office. Due to leasing guidelines described in the Harbor Master Plan and City Zoning Ordinance, leasing priority will be given to an ocean-related business. A food service facility will not be considered for this location.

The Santa Barbara Harbor is the only sheltered harbor on the West Coast between the Port of San Luis Obispo, 100 miles to the north, and Ventura Harbor, 27 miles to the southeast. The Harbor has approximately 1,133 boat slips. Existing businesses in the harbor include a fish market, a boatyard, boat charter operators (fishing, diving, whale watching, etc), convenience stores, a dive shop, fuel dock, marine equipment suppliers, a Maritime Museum, marine-related offices, seven restaurant/food service establishments, and yacht brokers.

Business Terms

Following the selection of a proposal, the Waterfront Department will negotiate a lease agreement with the selected party based on the following terms. The lease agreement will be subject to the approval of the Harbor Commission and City Council.

1. **Proposed Term:** One to five years.
2. **Proposed Minimum Monthly Rent:** \$1995 per month plus a \$110.00 utility surcharge. Rent will be subject to annual CPI adjustment.
3. **Proposed Percentage Rent:** The base rent, or four to ten percent of gross sales, whichever is greater. Percentage Rent may or may not apply depending on the business use.

4. **Required Personal Guarantee:** The City's standard personal guarantee will be required if the lease will be with a corporation or Limited Liability Company.
5. **Required Insurance:** Property, business interruption insurance for one year and General Liability insurance at the City's standard limits of \$2,000,000 will be required.

A sample lease agreement is available for review on the Waterfront Department website at www.SantaBarbaraCA.gov. Copies are available for \$0.20 per page. It is the responsibility of the applicant to review the lease agreement, examine the economic environment, and make such further investigations as are necessary or appropriate to ensure that the nature of the undertaking and the obligations to be assumed by the applicant are fully understood.

II. PROPOSAL CONTENTS

General

All proposals should include, at a minimum, the information described in the following section. The inclusion of any additional information that will assist in the evaluation is encouraged.

Business Concept

1. Submit a detailed description of the business concept or office use.
2. Include a tentative plan for the space, including a sketch of key design elements. If applicable, provide a cost estimate and a time line for remodeling the space.
3. Provide the proposed hours of operation and any seasonal variations.
4. Identify if the business is a new venture, or an established business.

Applicant Information

5. Provide contact information including name, address and phone number.
6. Indicate business entity, for example, Sole Proprietor, Partnership, Corporation, etc.
7. List corporate officers (if applicable).
8. Indicate the length of time and locations at which the applicant has operated this type of business.
9. Provide a minimum of three business references.

Financial Information

10. Submit a financial statement indicating total net worth. These statements should correspond to the most recent full calendar or fiscal year.
11. Provide a minimum of three credit references.
12. Indicate if the applicant is involved in any litigation or other disputes that could affect its ability to fulfill the terms of a commercial lease.
13. Submit any other documents or reports that would assist in determining the financial condition of the applicant.
14. A credit check and/or background check will be required. Authorization to release information is attached.

III. DISCLOSURES

The City will provide the location "as-is". All remodeling/improvements require approval by the Waterfront Director and a building permit if applicable. The tenant shall bear the costs of all design, review, planning, permitting and any other approval processes required for remodeling the space.

IV. PROPOSAL EVALUATION

Evaluation Process and Criteria for Evaluation

Specific criteria have been established to assist the City in the evaluation of the proposals. The selection panel may use additional criteria that they deem to be significant in choosing the best proposal.

1. Business Plan / Description- 40 points
 - Days/ Hours of operation
 - Proposed rent
 - Services provided
2. Management – 30 points
 - Company history & experience
3. Financial Information – 30 points
 - Financial statement
 - Credit check

The Waterfront Department will select the responsive and responsible proposer whose consideration, experience and qualifications correspond best with the Harbor Master Plan and the City's interests. The lease policy from the Harbor Master Plan is enclosed for reference.

Proposals will also be evaluated according to the proposed business's compatibility with the existing businesses in the area. Proposals that complement or diversify existing uses in the area will be given priority over proposals that may compete with existing uses.

Additional Information from Proposers

The Waterfront Department reserves the right to request information from proposers beyond that specified in the request for proposal. Proposers may or may not be requested to appear before the selection committee.

Qualifications of Proposal

This is not a bid solicitation and the Waterfront Department is not obligated to accept any proposal or to negotiate with any proposer. The selection committee reserves the right to reject any or all proposals without cause or liability.

Submission Requirements

Four copies of the proposal must be **received** at the Waterfront Department no later than 3:00 P.M. on Monday, April 02, 2012, regardless of postmark or date mailed. Proposals must be mailed or delivered to:

City of Santa Barbara
Waterfront Department
132-A Harbor Way
Santa Barbara, CA 93109
Attention : Patrick Henry

Contact Person

Please contact Patrick Henry, Property Management Specialist, at (805) 897-1961 with any questions regarding this Request for Proposal.

Materials Available for Review

1. The Harbor Master Plan is available for review at the Waterfront Department, or a copy may be purchased for \$14.00.
2. A sample Lease Agreement and Personal Guaranty are available for review online or copies are available at the Waterfront Department for \$0.20 per page.

V. PUBLIC INFORMATION NOTICE

All information received from proposers will be considered confidential during the review process. When the selection committee completes the review, the committee will recommend selection or another action to the Harbor Commission and City Council. At that point, all information, except that information defined below as excluded, will be treated as public information and made available upon request for review to the other proposers and the public.

All excluded information which contains financial information such as assets, net worth, credit rating/credit report, and information from the selection process such as ratings sheets and other notes made during the evaluation process, will be treated as confidential information by the City and will not be made available to public review or to other proposing parties.

- Attachments:
1. Site plan
 2. Authorization to release information
 3. Harbor Master Plan lease policy DEP-3
 4. Santa Barbara Municipal Code Section 28.70.030-
Uses Permitted in the Harbor and Shoreline Area.

AUTHORIZATION TO RELEASE INFORMATION

To Whom It May Concern:

1. I have applied for a Lease from the City of Santa Barbara, Waterfront Department. As part of the Lease process, the Waterfront Department may verify information contained in my application and in other documents required with the Lease, either before the Lease is executed or as part of its quality control program.
2. I authorize you to provide to the Waterfront Department, all information and documentation that they request. Such information includes, but is not limited to, Landlord/Tenant history, employment history and income; bank, money market, and similar account balances; credit history; and copies of income tax returns.
3. The Waterfront Department may address this authorization to any party named in the Lease application, and a copy of this authorization may be accepted as an original.
4. Your prompt reply to the Waterfront Department is appreciated.

Applicant's Signature

Business Name

Applicant's Signature

Full Legal Name

Please return the requested
Information to:

Date of Birth

City Of Santa Barbara
Waterfront Department
Attention: Patrick Henry
132 A Harbor Way
Santa Barbara, CA 93109
TEL: 805/897-1961
FAX: 805/897-2588

Address

Previous Address (If at present address
less than 5 years)

Social Security/Federal Tax ID Number

Harbor Master Plan
Policy DEP-3

New leases, renewed leases, or projects that require a Coastal Development Permit shall be found to be consistent with the following Harbor Area Policies:

- a. The first priority is to provide essential supplies and services to the boating public to include recreational boaters, commercial fishing, industrial shipping and rescue vessels;
- b. The second priority is to raise optimum revenue to assist in the operation and maintenance of the Harbor to preclude all costs having to be borne by the boating public;
- c. The third priority is to provide passive recreational opportunities and an aesthetic waterfront for the enjoyment of the general public;
- d. The fourth priority is to provide an opportunity for non-profit marine oriented individuals, groups and associations to benefit from the physical plant of the Harbor as long as they pay the incremental cash cost of their operation, or the same rental as would be gained if the facilities devoted to their operation were leased to a higher priority goal function; and
- e. In any event, the following leases and uses shall be precluded: those which provide supplies or services tending towards a carnival atmosphere, nonmarine sports, nonmarine oriented business offices, or public services which can equally be served outside of the Tidelands Area.

Chapter 28.70

HC - HARBOR COMMERCIAL ZONE

Sections:

28.70.001 In General.

28.70.030 Uses Permitted in the Harbor and Shoreline Area.

28.70.050 Building Height Standards.

28.70.090 Coastal Zone Review.

28.70.131 Development Potential.

28.70.001 In General.

The regulations contained in this Chapter shall apply in the Harbor Commercial Zone unless otherwise provided in this Title. The Zone strives to assure that the harbor will remain primarily a working harbor with visitor-serving and ocean-related uses secondary to ocean-dependent uses, and that Stearns Wharf will consist of a mixture of visitor-serving, and ocean-dependent and ocean-related uses. In addition, this zone is intended to provide a desirable environment by preserving and protecting surrounding land uses in terms of light, air and existing visual amenities. (Ord. 4428, 1986; Ord. 4170, 1982.)

28.70.030 Uses Permitted in the Harbor and Shoreline Area.

In all areas of the Harbor Commercial Zone the following uses are permitted provided that such operations, manufacturing, processing or treatment of products are not obnoxious or offensive by reason of emission of odor, dust, gas, fumes, smoke, liquids, waste, noise, vibrations, disturbances or other similar causes which may impose a hazard to life and property. Within the Harbor Commercial Zone the primary uses listed below shall be the predominant uses for the harbor and shoreline area.

A. Primary harbor uses:

1. Marinas, boat moorings, marine service stations, boat yard/repair facilities and related activities.
2. Marine-oriented government facilities.
3. Seafood processing.
4. Services necessary for commercial fishing activities, including such facilities as net repair areas, hoists and ice machines and storage areas.
5. Other ocean-dependent uses as deemed appropriate by the Planning Commission.

B. Secondary harbor uses:

1. Museums and other cultural displays relating to the ocean.
2. Bait and tackle shops.
3. Boat sales, storage, construction and/or repair.
4. Diving gear, boat, surfing and other ocean-related equipment rental.
5. Fast food restaurants, other restaurants, and restaurants with entertainment and meeting facilities used in conjunction with the restaurant.
6. Marine equipment and accessories sales and/or repair.
7. Marine storage.
8. Marine surveyor.
9. Offices of businesses or persons engaged exclusively in ocean-related activities.
10. Public parking lots.
11. Sail manufacturing and/or repair.
12. Seafood sales and processing.
13. Marine oriented specialty and gift shops.
14. Stores which sell liquor, groceries and food which do not exceed 2,500 square feet in gross floor area.
15. Household hazardous waste collection facilities as defined in Section 28.04.405 of this Title and exclusively serving the area within the H-C Zone.
16. Other ocean-related uses as deemed appropriate by the Planning Commission.

C. Stearns Wharf uses:

1. Art galleries.
2. Bait and tackle shops.
3. Boat sales, storage, construction and/or repair.
4. Diving gear, boat, surfing and other ocean-related equipment rental.
5. Fast food restaurants, other restaurants and restaurants with entertainment facilities used in conjunction with the restaurant.
6. Marine equipment and accessories sales and/or repair.
7. Marine service stations.
8. Marine storage.

9. Marine surveyors.
10. Museums and other cultural displays relating to the ocean.
11. Offices of businesses or persons engaged in ocean-related activities.
12. Sail manufacturing and/or repair.
13. Seafood sales and processing.
14. Specialty and gift shops.
15. Stores which sell liquor, groceries and food which do not exceed 2,500 square feet in gross floor area.
16. Other ocean-dependent, ocean-related and visitor-serving uses as deemed appropriate by the Planning Commission.

D. Five year review of uses:

At least once every five (5) years from March 30, 1993, the Board of Harbor Commissioners shall review the extent and nature of the uses existing in the Harbor and shoreline area of the HC Zone and make a recommendation to the Planning Commission regarding the adequacy of ocean-dependent uses (Harbor primary uses) in relation to ocean-related and visitor-serving uses (Harbor secondary uses) in order to assure that the harbor remains a working harbor. A review of the mix of uses may occur at any other time at the direction of the Board of Harbor Commissioners or Planning Commission. Subsequent reviews shall be at five (5) year intervals thereafter. The Coastal Commission shall receive a copy of the recommendation and accompanying background materials associated with each review. (Ord. 5459, Section 3, 2008; Ord. 4825, 1993; Ord. 4808, 1993; Ord. 4428, 1986; Ord. 4170, 1982.)