

**CITY OF SANTA BARBARA
REQUEST FOR PROPOSAL
FOR
COMMERCIAL LEASE SPACE AT THE
WATERFRONT**

**COMMERCIAL LEASE AT 11 GARDEN STREET FOR:
HOTEL AND RELATED COMMERCE USES HRC-2 Zone**

Proposal Deadline: 3:00 PM, Monday, April 13, 2026

I. INTRODUCTION

The City of Santa Barbara's Waterfront Department is seeking persons and business entities that are interested in leasing commercial space at 11 Garden Street, in the waterfront area. The premises consists of approximately 400 square feet of commercial use space that will be available on **06/01/2026** (Attachment 1). Only one business entity will be allowed to operate in the space.

The space at 11 Garden Street was formerly used as the Santa Barbara Chamber of Commerce Visitor Center. Due to leasing guidelines described in the Coastal Land Use Plan (LUP) <https://santabarbaraca.gov/government/priorities-policies/local-coastal-program> and City Zoning Ordinance, leasing priority will be applied for a visitor-serving business under the Hotel and Related Commerce Uses (HRC-2 Zone)

Designated as a Structure of Merit in 1991, the Larco Building is a one-story sandstone masonry structure built in 1911 that exemplifies Mission Revival architecture. This building is a designated structure of merit for its association with both the Larco family, pioneers in the Santa Barbara commercial fishing industry, as well as stonemason Peter Poole. To this day, the exterior of the building remains essentially unaltered.

II. PROPOSAL CONTENTS

General

All proposals must 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. Failure to submit a complete package will result in the rejection and elimination of the proposal for consideration.

Business Plan: Provide a professional business plan that includes, among other items, the information listed below. The topic areas listed below are only a guide.

1. **Executive Summary:** Please provide an executive summary of the overall Business Plan.
2. **Company Description:** A company description that includes key information about your business, goals, and the target customers that you want to serve. Is this a new business venture or an established business? Indicate business entity, for example: Sole Proprietor, Partnership, Corporation, etc.
3. **Market Analysis:** Please describe your understanding of the nature of the industry as well as your experience in the industry. Identify target market/customers, their buying habits and which services they want or need, etc.

4. **Competitive Analysis:** How is your business differentiated from other similar businesses? What makes your company stand out from other competitors in the industry and what are the competitive advantages that will give your business the edge to succeed? Please describe why your proposal should be considered for the lease space and how it would benefit the Santa Barbara waterfront area.
5. **Description of Management and Organization:** Your business plan must also outline how your organization is set up. Introduce your team and summarize their skills and primary job responsibilities. If you have a Board, please include Board member names and a short bio on each member.
6. **Marketing Plan:** How do you intend to get your products and services in front of your target customers? Please detail your marketing plan.
7. **Financial Projections:** What are the financial goals and expectations that you've set based on market research? Please report your anticipated revenue for the first 12 months and your annual projected earnings for the second, third, fourth and fifth years of business.

Required Additional Information: If the information requested below is included in the Business Plan, please note where in the Business Plan it can be found.

1. Please describe how the proposed business would provide a direct financial benefit to the Waterfront Department.
2. Indicate the preferred lease term.
3. Please indicate if the applicant is or has ever been involved in any litigation or other legal disputes. Failure to list any and all litigation or other legal disputes will result in disqualification of the proposal.
4. Please include a tentative plan for the space, including a sketch of key design elements. Provide a cost estimate and a timeline for any remodeling of the space. Please provide the proposed hours of operation and any seasonal variations.
5. Please submit a certified financial statement indicating total net worth. These statements should correspond to the most recent full calendar or fiscal year.
6. Please provide a minimum of three credit references.
7. Please provide Credit Reports from Equifax, TransUnion and Experian. An additional credit check and/or background check may be required.
8. Lease rate does not include utilities, property expenses or building service
9. Submit any other documents or reports that would assist in determining the financial condition of the applicant.

Any omissions, whether willful or not, may disqualify applicant from consideration.

III. 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 review and approval of the Harbor Commission and the Santa Barbara City Council.

1. **Proposed Term:** Five-year initial term with one (1), five-year option.
2. **Proposed Minimum Monthly Rent:** The minimum monthly Base Rent is proposed to be **\$1,700** per month (\$4.27/SF/MO NNN). Rent will be subject to annual CPI adjustment, upward but not downward. Lease rate does not include utilities or property expenses.
3. **Percentage Rent:** Percentage rent will be applied to the overall monthly sales. Percentage rent includes five to ten percent (5% - 10%) of gross sales depending on type of services and products provided by the business.
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. Workers Compensation insurance and/or automobile insurance will be required.

IV. DISCLOSURES

The City will provide the lease space "as-is". All remodeling/improvements and signage require approval by the Waterfront Director and a building permit and design review/sign approval, 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. 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.

V. 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
2. Management – 30 points
 - Company history
 - Employee strength and experience in industry
3. Financial Information – 30 points
 - Strength of certified financial statement
 - Credit reports

The Waterfront Department will select the most responsive and most responsible proposer whose consideration, experience, and qualifications correspond best with the Local Coastal Program and the City's interests.

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 Waterfront Department reserves the right to reject any or all proposals without cause or liability.

Submission Requirements

Proposals must be **received** at the Waterfront Department no later than **3:00 PM, Monday, April 13, 2026** regardless of postmark or date mailed. Proposal(s) can also be submitted via email to: ARodriguez@SantaBarbaraCA.gov.

Proposals must be mailed or delivered to:

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

Contact Person

Please contact Angela Rodriguez, Waterfront Administrative Analyst III, at (805) 897-1962 or ARodriguez@SantaBarbaraCA.gov with any questions regarding this Request for Proposals.

Materials Available for Review

1. All appropriate materials are available on the Waterfront Department's website at: <https://santabarbaraca.gov/waterfront-leases-request-proposal>.
2. The Coastal Land Use Plan and related development policies can be found at: <https://santabarbaraca.gov/government/priorities-policies/local-coastal-program>

VI. 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.

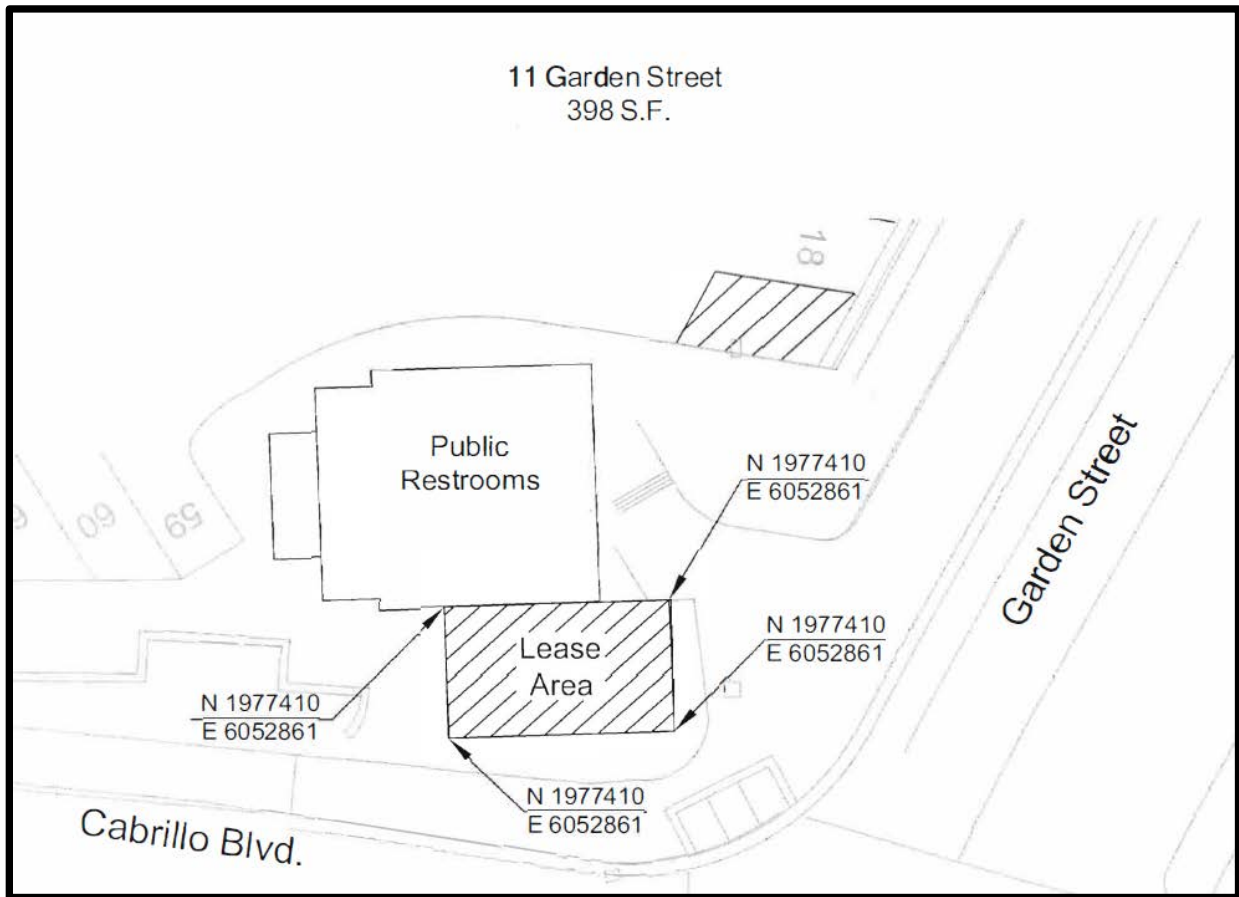
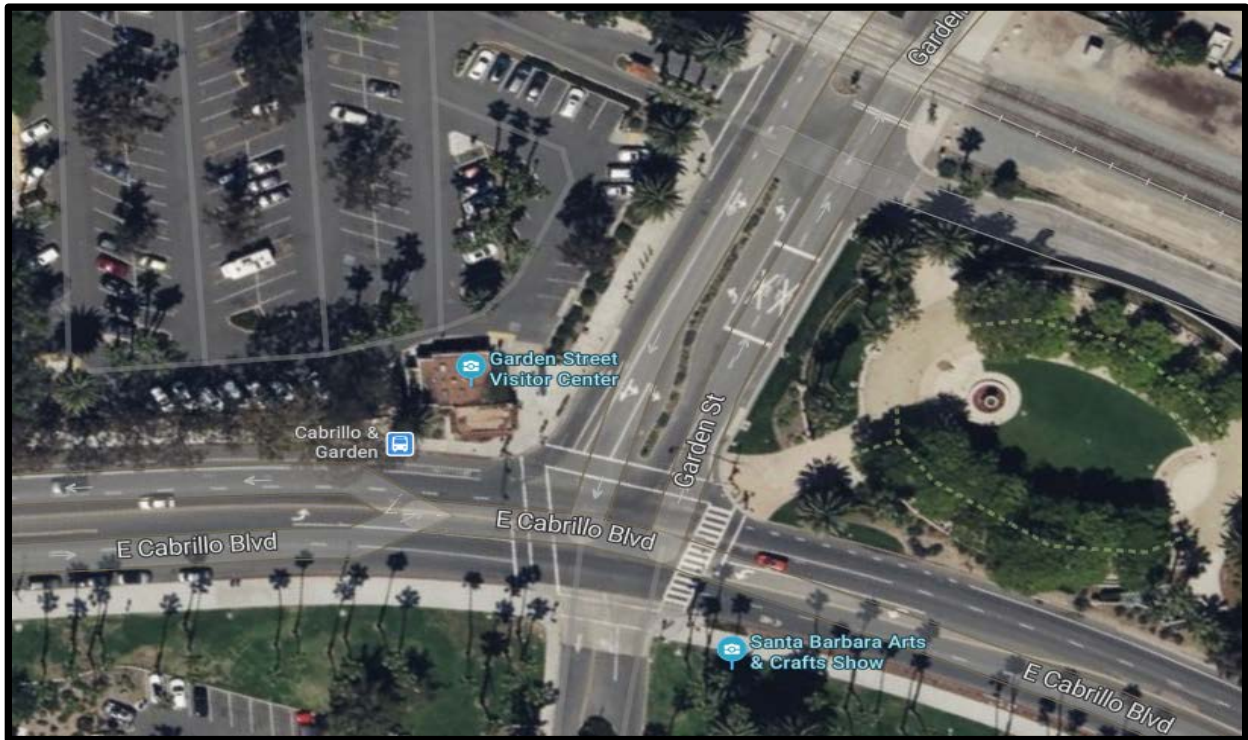
All excluded information which contains financial information such as assets, net worth, credit rating/credit report, and information from the selection process such as ratings sheets and other notes made during the evaluation process, will be treated as confidential information by the City and will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

Attachment 1:

Site Photos



Conceptual Interior Design



Attachment 2:

Coastal Act Policies as related to Coastal-Dependent & Related Development that is relevant to Santa Barbara include the following under Section 30222.5 and continuing at this location: <https://santabarbaraca.gov/government/priorities-policies/local-coastal-program>.