

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT BUSINESS ACTIVITY PERMIT POLICY

The Harbor Commission is empowered pursuant to Santa Barbara City Municipal Code 17.28.040 to establish regulations applicable to decisions made by the Waterfront Director in granting Business Activity Permits within the Santa Barbara Harbor.

Activities permitted shall be subject to such further regulation in the public interest, as determined by the Harbor Commission at a regularly noticed meeting.

Based upon this authority and with respect to Business Activity Permits, it is therefore the policy of the Harbor Commission to:

1. Promote business throughout the Santa Barbara Harbor in a safe, orderly and professional manner; and
2. Encourage the offering of essential marine related services through the use of Business Activity Permits; and
3. Increase the opportunities for small businesses that have no fixed place of business or lease in the Santa Barbara Harbor by use of the Business Activity Permit.

In addition to those rules, regulations and laws that currently govern Business Activity Permits, the following regulations shall apply:

I. SIX-PASSENGER CHARTER OPERATORS

1. Business Activity Permits shall be issued for six-passenger charter operations in the Harbor in limited numbers.
2. A total of twelve such Business Activity Permits shall be allowed at any one time; however, such total is subject to change by the Harbor Commission. In cases where two permits are issued to one slip and vessel, an additional permit may be issued. No more than two permits shall be issued to any one vessel and slip. In the event that two permittees of one vessel should obtain separate vessels, no additional permits shall be issued until the total number of vessels in the program drops back to twelve through attrition.
3. **Six-Passenger Charter Operators will pay an annual \$500.00 Business Activity Permit fee** at the time of application and at each renewal period thereafter (February 1st).
4. Six-Passenger Charter Operator Permits shall be issued only to slip permittees for their designated vessel in its assigned slip within the marina.
5. The applicant for a Six-Passenger Charter Operator Business Activity Permit must possess and show proof of a current United States Coast Guard license to carry passengers.
6. The applicant for a Six-Passenger Charter Operations Business Activity Permit must be the registered slip permittee of their assigned vessel in its designated slip in the Harbor. It is not the intent of this policy to prohibit a Coast Guard qualified substitute operator in the event of a family or medical emergency. The Waterfront Director shall be notified of

the emergency and substitution before the substitution occurs. The substitution shall not exceed three (3) days.

7. Business Activity Permits will not be issued for multiple vessels of one operator. However, if a Business Activity Permit holder for Six-Passenger Charter Operations obtains a replacement vessel for the designated slip, and that vessel becomes the registered vessel at the designated location (slip) for which a Business Activity Permit has been issued, the new vessel may be substituted for the vessel originally identified in the Business Activity Permit.
8. Prior to the issuance of a Business Activity Permit for a Six-Passenger Charter Operator, the area of the marina possibly affected by the proposed charter activity shall be posted for a period of 30 days indicating the activity and location proposed, so as to allow for input from slip holders of the proposed activity. The written input shall be sent to the Waterfront Department. Prior to the issuance of the Business Activity Permit adjustments or compromise by the applicant may be required to satisfy any concerns that have been raised.
9. Charter Boat Activity Logs shall be kept by each Six-Passenger Charter Operator and submitted to the Waterfront Department at the end of each permit year. The information required will be the date of each charter, type of use, number of passengers and gross income. The permittee will present, at the time of permit renewal, the most recent IRS Form Schedule C, or K-1, submitted to the Internal Revenue Service by the operator for their business. The data will be analyzed to determine the types of levels of service being provided by the Six-Passenger Charter Operator, impacts on lease operations and possible appropriate percentage rents or fees. Failure to provide the Boat Activity Logs in a timely manner shall be grounds for suspension, revocation or nonrenewal of a Business Activity Permit.
10. Signs: In addition to all requirements set forth in Municipal Code Chapter 22.70, Sign Regulations, the following criteria shall apply to the sign program for vessels for hire:
 - a. A total of ten cumulative square feet per sign, per business is allowed.
 - b. The sign shall be mounted only on the vessel for hire and shall be rigid or within a bordered area on a ship's sail.
 - c. The sign shall avoid a carnival atmosphere in appearance.
 - d. Since vessels have no identified street numbers or addresses, exceptions to the two-inch size for telephone numbers may be considered.
11. If all available Six-Passenger Charter Business Activity Permits have been issued, the Waterfront Department will establish a Six-Passenger Charter Operator Waitlist. The Six-Passenger Charter Permit Waitlist shall be limited to current slip permittees with a current United States Coast Guard license to carry passengers.
 - a. An administrative fee of twenty-five dollars (\$25) shall be initially charged upon inclusion on the Six-Passenger Charter Permit Waitlist.
 - b. An annual non-refundable renewal fee of twenty-five dollars (\$25) shall be paid by each applicant on the Six-Passenger Charter Permit wait list prior to the first day of March of each year. Payment of said fee is required to remain on the Six-Passenger Charter Permit Waitlist. Failure to pay the annual Six-Passenger Charter Permit renewal fee by the renewal period, or failure to maintain a current USCG license, or failure to maintain a slip permit with a designated vessel in said slip, shall be cause for removal of the applicant's name from the Six-Passenger Charter Permit Waitlist.

II KAYAK EXCURSION OPERATORS

1. Business Activity Permits shall be issued for Kayak Excursion Operators in the Santa Barbara Harbor in limited numbers.
2. A total of three such Business Activity Permits shall be allowed at any one time, however, such total is subject to change by the Harbor Commission. Kayak Excursion Operator Business Activity Permits are non-transferable. Furthermore, only one Kayak Excursion Business Activity Permit will be issued per business to ensure fair use and distribution.
3. **Kayak excursion operators will pay an annual \$500.00 Business Activity Permit fee**, at the time of application and at each renewal period thereafter (February 1st).
4. Kayak Excursion Operator Permits shall be issued to individuals for guided kayak excursion operations only. Business Activity Permits will not be issued for rentals of kayaks or other water sports equipment.
5. Kayak Excursion Operators are limited to 30-minute use of the launch ramp, parking lot traffic ways, and adjacent waterways combined, to align with existing City Ordinances. This measure is designed to prevent overcrowding and ensure fair access to these resources for the public and other business operators. If a Kayak Excursion Operator violates the 30-minute use of the launch ramp, parking lot traffic ways, and adjacent waterways combined, or any Santa Barbara Municipal Code, or other applicable laws, the Business Activity Permit may be revoked.
6. Kayak Excursions Operators are limited to a maximum of two guides or instructors, and a maximum of 10 kayaks, excluding guides, for every 30-minute use of the launch ramps, parking lot traffic ways, and adjacent waterways. This aims to reduce congestion, manage the flow of users, and maintain the quality of the experience for everyone using these public resources.
7. If a Kayak Excursion Operator exceeds the ratio of two guides or instructors to 10 kayaks for each excursion, the BAP will be revoked, and the business will be advised to obtain a Parks & Recreation West Beach Permit that will accommodate larger kayak excursion groups and staging equipment. This measure is intended to manage kayak excursion volumes and maintain the quality of service for all users.
8. The applicant for a Kayak Excursion Operator Business Activity Permit must possess and show proof of a current first aid/CPR certificate.
9. Kayak excursion activity Logs shall be kept by each Kayak Excursion Operator and submitted to the Waterfront Department at the end of each permit year. The information required will be the date of each excursion, type of use, number of passengers and gross income. The permittee will present, at the time of permit renewal, the most recent IRS form Schedule C, or K-1, submitted to the Internal Revenue Service by the operator for their business. The data will be analyzed to determine the types of levels of service being provided by kayak excursion operators, impacts on lease operations and possible appropriate percentage rents or fees. Failure to provide the Activity Logs in a timely manner shall be grounds for suspension, revocation or nonrenewal of a Business Activity Permit.

10. If all available Kayak Excursion Operator Business Activity Permits have been issued, the Waterfront Department will establish a Kayak Excursion Operator Waitlist.
 - a. An administrative fee of \$25 shall be initially charged upon inclusion on the Kayak Excursion Waitlist.
 - b. An annual non-refundable renewal fee of \$25 shall be paid by each applicant on the Kayak Excursion Waitlist each Business Activity Permit renewal period (February 1st). Payment of the renewal fee is required to remain on the Kayak Excursion Operator Waitlist. Failure to pay the annual Kayak Excursion Operator Waitlist renewal fee by the required renewal period shall be cause for removal of the applicant's name from the Kayak Excursion Operator Waitlist.

III. SERVICES

1. Service Business Activity Permits shall be issued for marine maintenance services in unlimited numbers and are required for all businesses providing marine maintenance services within the Santa Barbara Harbor. Services requiring a Business Activity Permit include but are not limited to major boat repair, boat cleaning, diving services, marine electronic installation/repair, marine plumbing and electrical, fiberglass and gelcoat repair, welding/stainless/aluminum fabrication, rigging and mast services, canvas and upholstery, boat towing and assistance, marine surveying, mobile marine mechanic services, and boat delivery or relocation services.
2. Service Business Activity Permit holders and their employees will be issued individual identification cards to wear in plain view while providing services in the Harbor. The individual identification cards will allow enforcement of Business Activity Permit regulations.
3. **Service Business Activity Permit holders will pay an annual \$50.00 permit fee**, at the time of application and each renewal period thereafter (February 1st). This includes the cost of individual identification card(s) which are required for all employees.
4. Service Business Activity Permit holders are limited to the activities and services listed on their Business Activity Permit application.
5. Service Business Activity Permit holders are required to use only EPA-approved, biodegradable soaps, and disinfectants in areas where wash-water discharges directly into the receiving water. Failure to do so may result in termination of the Business Activity Permit. More than one conviction per calendar year for violating MC 17.16.010 (Discharge of Contaminants into Harbor Waters Unlawful) while in possession of a Business Activity Permit for Underwater Hull Cleaning may result in termination of the Business Activity Permit.
6. In addition to other requirements of a Business Activity Permit, Underwater Hull Cleaning businesses shall possess, maintain and show proof of, to the satisfaction of the Waterfront Director or their designee, a certificate of completion of a class or training curriculum in Best Management Practices (BMPs) for Underwater Hull Cleaning. Underwater Hull Cleaning business is defined as a business that includes among its services the cleaning of vessel hulls while the vessel is in the water. A certificate or proof of Underwater Hull Cleaning BMP training completed within the previous five years must be presented with an application for a Business Activity Permit or a renewal of a Business Activity Permit. The Permit holder is solely responsible for the cost of acquiring training in Divers Hull Cleaning BMPs. More than one conviction per calendar

year for violating MC 17.16.010 (Discharge of Contaminants into Harbor Waters Unlawful) while in possession of a Business Activity Permit for Underwater Hull Cleaning may result in termination of the Business Activity Permit.

IV. GENERAL

1. The Harbor Commission understands that the public may propose from time-to-time new marine-related activities that were not anticipated at the time this policy was adopted. The Commission also understands that public input regarding proposed charter operations may cause an adverse decision by the Waterfront Director in the issuance of a Business Activity Permit for Charter Operations. Having considered the above:
 - a. It shall be within the discretion of the Waterfront Director to grant or withhold the issuance of a Business Activity Permit for any reason (or if deemed in the best interest of the Harbor).
 - b. Any applicant, or member of the public, retains the right under this policy to appeal the decision of the Waterfront Director to the Harbor Commission at the next regularly scheduled meeting pursuant to Municipal Code Section 17.28.070.
2. Business Activity Permittees are required to obtain a City of Santa Barbara Business Tax Certificate before obtaining a Business Activity Permit.
3. Business Activity Permits are meant to increase the opportunities for small businesses that have no fixed place of business or lease in the Santa Barbara Harbor by use of the Business Activity Permit. Businesses with a fixed place of business or lease in the Santa Barbara Harbor are not eligible for a Business Activity Permit. Business Activity Permittees who acquire a fixed place of business or lease in the Santa Barbara Harbor may have their Business Activity Permit revoked.
4. An applicant for a Business Activity Permit shall maintain liability insurance at their sole cost during the term of the permit. Insurance coverage for Charter Business Activity Permit applicants and Kayak Excursion Operators shall be in the amount of \$2,000,000. Service Business Activity Permit applicants are required to have coverage in the amount of \$500,000.00 to \$2,000,000 depending on the type of business activity (See Exhibit A). Coverage shall include protection and indemnity against bodily injury and property damage. The City, its officers, employees, and agents shall be named as additional insured and addressed to the City of Santa Barbara, 132-A Harbor Way, Santa Barbara, CA 93109. Evidence of said insurance shall be provided to the Waterfront Department in advance of the issuance of a Business Activity Permit and/or when the insurance policy is revised or renewed.
5. In the event that the City imposes further fees or restrictions on Business Activity Permittees, Business Activity Permittee must pay fees or become compliant with restrictions by the effective date of the adopted City Ordinance or Resolution.
6. Failure to comply with the policies and regulations of the Waterfront Department Business Activity Permit Policy may result in termination of a Business Activity Permit by the Waterfront Director.
7. In the event that a Business Activity Permit is terminated, the holder retains the right under this policy to appeal the decision of the Waterfront Director to the Harbor Commission at the next regularly scheduled meeting pursuant to Municipal Code Section 17.28.070.

8. A \$35.00 fee shall be added to the cost of a Business Activity Permit that is not renewed or submitted with the proper application materials within thirty (30) days of its due date.
9. A \$5.00 fee shall be charged to replace any Business Activity Permit Identification Card that is lost, stolen, or destroyed.

EXHIBIT A

CITY OF SANTA BARBARA WATERFRONT DEPARTMENT BUSINESS ACTIVITY PERMIT POLICY

INSURANCE REQUIREMENTS

1. Minimum Liability limits for Business Activity Permits are designated below:

Category	Type of Business Activity	Minimum Liability Limit
BAP Service	Major Boat Repair (engine, hull, and canvas), and Commercial diving, salvage, and dredging	\$2,000,000.00
BAP Service	Minor Boat Maintenance (boat cleaning, detailing, stenciling, sanding, varnishing, minor painting, and minor engine maintenance such as oil, fluid, and filter changes)	\$500,000.00
Six-Passenger Charter Operator	6-Pack Charters	\$2,000,000.00
Kayak Excursion Operator	Kayak Excursions	\$2,000,000.00

2. Charter permit applicants shall provide proof that their insurance policy has the proper endorsement(s) for charter operations.
3. Insurance coverage shall include protection and indemnity against bodily injury and property damage.
4. Insurance certificate shall include "City of Santa Barbara, its officers, employees, and agents" as an additional insured and should be addressed to the below address:

City of Santa Barbara
132-A Harbor Way
Santa Barbara, CA 93109

5. Evidence of insurance coverage must be provided to the Waterfront Department in advance of the issuance of a Business Activity Permit and/or when the insurance policy is revised or renewed.