

## CITY OF SANTA BARBARA WATERFRONT DEPARTMENT

### MEMORANDUM

**Date:** February 17, 2022  
**To:** Harbor Commission  
**From:** Mike Wiltshire, Waterfront Director  
**Subject:** **Proposed Lease Agreement With Channel Islands Outfitters, Inc. Doing Business As, Paddle Sports Of Santa Barbara**

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#### RECOMMENDATION:

That Harbor Commission review and recommend City Council approval of a five-year lease agreement with one, five-year option with Channel Islands Outfitters, Inc. dba Paddle Sports of Santa Barbara, for the 956 square foot retail store at 117 B Harbor Way.

#### DISCUSSION:

Garrett Kababik, has operated Channel Islands Outfitters, Inc., dba Paddle Sports of Santa Barbara (Paddle Sports) since October 2010. The permitted uses under the lease are kayak rentals, sales and demonstration of kayaks and equipment related to the sport of kayaking, a staging area for guided kayak trips, kayak instruction, the sale of clothing, sunscreen, sunglasses, sandals, surfboards and body boards, memberships, lessons, and stand-up paddle board (SUPs) sales and rentals.

Mr. Kababik has increased annual revenues at Paddle Sports from approximately \$378,000 in calendar year 2017 to over \$538,000 in calendar year 2021.

The business terms of the proposed lease are as follows:

- **Term:** Five-year term with one, five-year option;
- **Base Rent:** Initial rate of \$3,277.50 per month (\$3.42 per square foot);
- **Percentage Rent:** Base rent or 5% of Tenant's Gross Receipts, whichever is greater; and,
- **Annual Rent Adjustment:** Cost of Living increases based on the Consumer Price Index (CPI)

Compliance with Coastal Land Use Plan: Paddle Sports is considered an ocean-related use per the Coastal Land Use Plan. Ocean-related uses are considered secondary harbor uses that aid in providing a desirable environment for the public. The Five-Year Review of Uses in the Harbor Commercial Zone report states that there are 14 ocean-related uses occupying 17,156 square feet of interior space and 1,276 feet of exterior space. Channel Island Outfitters, doing business as Paddle Sports, is an appropriate ocean-related use that meets the parameters of the Coastal Land Use Plan.

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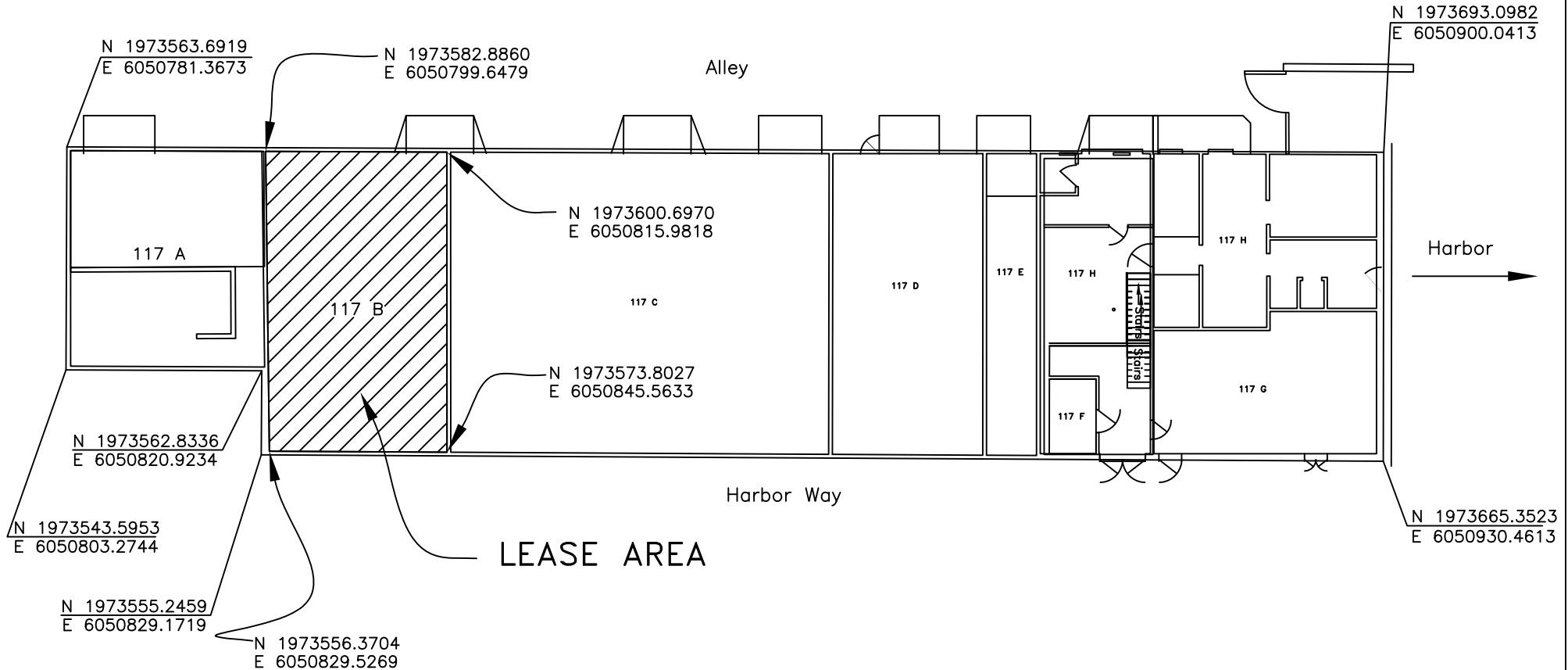
Paddle Sports is an important part of the Harbor community and provides a variety of recreational opportunities for both residents and visitors. Paddle Sports is considered by the Department to be a tenant in good standing as they are prompt with rent payments and have no lease compliance problems on file.

Attachment: Site Map

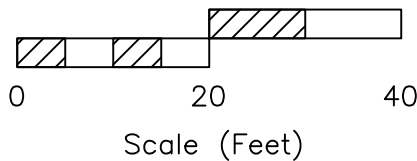
Prepared by: Brian Bosse, Waterfront Business Manager

# 117-B HARBOR WAY

FIRST FLOOR AREA	956 SF
SECOND FLOOR AREA	000 SF
KAYAK AREA	<u>374 SF</u>
TOTAL AREA	1330 SF



Project North



<b>REVISIONS</b>		<b>Lease Area Exhibit A</b>	
T. Remeika	1/22/01		
PLATTER SETTING	1=1	APPROVED BY:	DRAWN BY: A.W.Pryor
DATE:	10/12/00	ADDRESS:	117 B HARBOR WAY
			DRAWING NO. 1170-018
City of Santa Barbara			SHEET NO.
Waterfront Department			2 of 2