



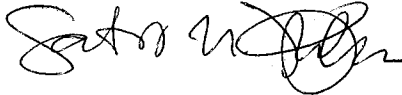
To enrich lives through effective and caring service



Santos H. Kreimann
Director

Kerry Silverstrom
Chief Deputy

April 2, 2009

TO: Small Craft Harbor Commission
FROM: Santos H. Kreimann, Director 
SUBJECT: **SMALL CRAFT HARBOR COMMISSION AGENDA FOR
APRIL 8, 2009**

Enclosed is the April 8, 2009 meeting agenda, together with the minutes from your meeting of March 11, 2009. Also enclosed are reports related to Agenda Items 3a, 3b, 4a, 5a, 5b and 6a.

Please feel free to call me at (310) 305-9522 if you have any questions or need additional information in advance of the meeting.

SHK:ks
Enclosures



To enrich lives through effective and caring service



**SMALL CRAFT HARBOR COMMISSION
AGENDA
APRIL 8, 2009
9:30 A.M.**

Santos H. Kreimann
Director

Kerry Silverstrom
Chief Deputy

**BURTON W. CHACE PARK COMMUNITY ROOM
13650 MINDANAO WAY
MARINA DEL REY, CA 90292**

1. Call to Order and Pledge of Allegiance
2. Approval of Minutes: Meeting of March 11, 2009
3. **REGULAR REPORTS**
 - a. Marina Sheriff (DISCUSS REPORTS)
 - Crime Statistics
 - Enforcement of Seaworthy & Liveaboard Sections of the Harbor Ordinance with Liveaboard Permit Percentages
 - b. Marina del Rey and Beach Special Events (DISCUSS REPORT)
4. **OLD BUSINESS**
 - a. Follow-Up re Marina del Rey Slip Sizing Study and Slip Pricing and Vacancy Study (DISCUSS REPORTS)
5. **NEW BUSINESS**
 - a. Election of Commission Officers (ACTION REQUIRED)
 - b. Oxford Retention Basin Flood Protection Multiuse Enhancement Project (PRESENTATION)
6. **STAFF REPORTS** (DISCUSS REPORT)
 - a. Ongoing Activities
 - Board Actions on Items Relating to Marina del Rey
 - Regional Planning Commission's Calendar
 - Dredging Update
 - Venice Pumping Plant Dual Force Main Project Update
 - Redevelopment Project Status Report
 - Unlawful Detainer Actions
 - Design Control Board Minutes

7. **COMMUNICATION FROM THE PUBLIC**

8. **ADJOURNMENT**

PLEASE NOTE

1. The Los Angeles County Board of Supervisors adopted Chapter 2.160 of the Los Angeles Code (Ord. 93-0031 ~ 2 (part), 1993, relating to lobbyists. Any person who seeks support or endorsement from the Small Craft Harbor Commission on any official action must certify that he/she is familiar with the requirements of this ordinance. A copy of the ordinance can be provided prior to the meeting and certification is to be made before or at the meeting.

2. The agenda will be posted on the internet and displayed at the following locations at least 72 Hours preceding the meeting date:

Department of Beaches and Harbors Website Address: <http://marinadelrey.lacounty.gov>

Department of Beaches and Harbors
Administration Building
13837 Fiji Way
Marina del Rey, CA 90292

MdR Visitors & Information Center
4701 Admiralty Way
Marina del Rey, CA 90292

Burton Chace Park Community Room
13650 Mindanao Way
Marina del Rey, CA 90292

Lloyd Taber-Marina del Rey Library
4533 Admiralty Way
Marina del Rey, CA 90292

3. The entire agenda package and any meeting related writings or documents provided to a Majority of the Commissioners (Board members) after distribution of the agenda package, unless exempt from disclosure Pursuant to California Law, are available at the Department of Beaches and Harbors and at <http://marinadelrey.lacounty.gov>

Si necesita asistencia para interpretar esta informacion llame al (310) 305-9586.

ADA ACCOMODATIONS: If you require reasonable accommodations or auxiliary aids and services such as material in alternate format or a sign language interpreter, please contact the ADA (Americans with Disabilities Act) Coordinator at (310) 305-9590 (Voice) or (310) 821-1734 (TDD).

SMALL CRAFT HARBOR COMMISSION MINUTES
MARCH 11, 2009
'SPECIAL EVENING MEETING'

Commissioners: Russ Lesser, Chairman; Vanessa Delgado, MPA, Vice-Chairman; Dennis Alfieri, Commissioner; Albert Landini, Ed.D. (Excused absence); Albert DeBlanc, Jr. Esq. (Excused absence)

Department of Beaches and Harbors: Santos Kreimann, Director; Paul Wong, Asset Management Division Chief; Dusty Crane, Community and Marketing Service Division Chief

County: Thomas Faughnan, Principal Deputy County Counsel; Michael Tripp, Principal Planner Special Projects.

Guest: Ron M. Noble, Noble Consultants; Allan Kotin, Allan D. Kotin and Associates

Call to Order and Pledge of Allegiance: Chairman Lesser called the meeting to order at 6:26 pm, followed by the pledge of allegiance.

Approval of Minutes: Chairman Lesser asked for a motion to approve the February 11, 2009 minutes. Vice-Chairman Delgado moved and Commissioner Alfieri seconded. The motion was unanimously approved.

Item 3 - Regular Reports:

Santos Kreimann suggested the Crime Statistics and Seaworthy Liveboard Reports be received and filed. The Chair agreed.

John Hodenbu commented on the proliferation of illegal liveboards in the Marina.

Santos Kreimann said he will follow-up with the Sheriff's Department and asked the community to contact Beaches and Harbors on any known illegal liveboards.

Dusty Crane reported on the Yvonne B. Burke Park Dedication Ceremony, yacht clubs' opening day ceremonies, Marina del Rey Outdoor Adventures program, Fisherman's Village Weekend Concerts and Beach Events.

Item 5a – Approval of Concession License Agreement – Burton Chase Park:

Paul Wong reported on the Request for Proposals (RFP) for concessionaires to operate at various beaches and in the Burton Chace Park, Marina del Rey. He said only one proposal was received and it was from the current operator, Café Petra. The new license will be effective on June 1, 2009. Minimum rent was set at \$5,600 or 75% of the current rent. The initial proposed rent offered by Café Petra was \$7,100 per year and the concessionaire will be fully responsible for all maintenance and repairs.

Chairman Lesser asked for a motion to approve the award of Chace Park license to Café Petra. Vice-Chairman Delgado moved and Commissioner Alfieri seconded. The motion was unanimously approved.

Item 5b – Approval of Amendment No. 1 to Amended and Restated Lease No. 74729 – Parcel 15U (Esprit II) – Marina del Rey

Santos Kreimann reported that Amendment No. 1 to Amended and Restated Lease No. 74729 called for the Esprit II LLC to demolish all existing improvements (288 apartments and 253 slips) and construct 585 new apartment units, including 47 low-income senior units, and a new 212slip marina, which was to be completed by June 30, 2009. He stated due to the state of the economy it is impractical for the Lessee to arrange for financing and commence construction at this time. In the new amendment the Lessee has until June 30, 2013, with possible extension under certain qualifying circumstances, to complete construction. Lessee has agreed

to pay a fee of \$1,000,000 in four equal installments, increase the annual minimum rent from \$415, 272 to \$630,000, and other conditions as outline in the report.

David Barish said the County should take back the lease, requested to review the Financial Analysis for this project and commented that he feels this project is shameful.

Santos Kreimann said there were options available. The County can wait until the lease comes to term and take back the leasehold or to negotiation to extend the option and let the lessee proceed with construction now and the latter is a better option for the County.

Allan Kotin informed the commission that he did not have any documents with him at the time, but was willing to discuss the financial analysis.

Santos Kreimann said the financial analysis can be made public after the Board of Supervisors hears the matter.

Vice-Chairman Delgado asked for clarification if it was correct that there were only two scenarios available to the County.

Thomas Faughnan replied they were corrected and that the sole remedy for the County under the lease is reversion to the original term.

Carla Andrus said the lease should revert back to the original lease. She disagreed with reasons why construction has not started and stated her views on the matter.

Nancy Marino asked why the lease was not being reverted back to its original lease, commented this was negotiated in secret, and said the County should reconsider this and revert back to the original lease.

Chairman Lesser asked that Thomas Faughnan explain how contracts are negotiated and when they become public.

Thomas Faughnan said there is a process for negotiating leases and lease amendments in private in order to preserve the County's negotiation positions. The department and the County's Real Estate Negotiators receive directions from the Board in closed session. When a deal is completed the lease document is brought to the Commission for review and recommendation. It is then placed on the Board of Supervisor's agenda for consideration in open session.

Chairman Lesser asked Allan Kotin to explain the amount of money expected in a course of thirteen years and ask if he thinks the County would get more revenue if they negotiate this amendment verses reverting to the original lease.

Allan Kotin said the County would receive a minimum of three million dollars or possibly five to six million dollars over the next four years from the amendment. That includes the one million dollars payment, elimination of abatement of rent during construction, and an increase in the minimum rent.

John Nahhas said there should be public input, performance evaluations, grades and information on the developer's performance.

William Vreszk said he opposes the extension. He has a concern about the adequacy of the project's environmental impact report.

Thomas Faughnan replied that the amendment relates to economic terms. There are no different environmental impacts compared to when the projects were originally reviewed by Regional Planning.

Vice-Chairman Delgado asked when reviewing the traffic cumulative impacts and conditions does the EIR need to be updated.

Thomas Faughnan said if the developer was seeking a re-approval or approval of new entitlements then that may be the case. But we are not approving entitlements which they already have. We are just looking at economic changes in the business deal.

Helen Garrett said she does not care if it's built, but if it is does then the developer has to comply with the mellow act and provide 15% affordable housing.

Thomas Faughnan said the County's new Affordable Housing Policy is only applicable to projects that receive their entitlements after the effective date of the policy.

Commissioner Alfieri asked if there was an affordability element in the previous project Esprit I.

Thomas Faughnan stated yes each project has an affordable housing component.

Dorothy Franklin was concerned about this being extended over a period of time, quite glad to have an economist at the meeting, and asked where the money is going. She wants a master plan for Marina to show the projections, height, and density.

Chairman Lesser stated it would go to the County general fund. He also said the master plan has been discussed and the marina needs a lot of redevelopment, which is included on the master plan agenda.

Santos Kreimann said the marina does have a master plan called the Local Coastal Plan (LCP), which was prepared in 1996. It identifies entitlements to develop certain parcels in Marina del Rey and in relative terms to the general plan it is an updated document. He said Phase II part of the development plan was moving through the process, but the terms of the development and entitlement rights in Marina del Rey are no where near what we are entitled to. He stated the documents are on the website, at the meeting and that Regional Planning updates the community on development. He said due to the financial crisis it may take a little longer, but it's not in the best interest of the county to stop all development. The biggest concern is that they will miss the next business cycle, have no entitlements and won't be able to take advantage of that. Lastly, he said Marina del Rey is a 40-50 year old asset which needs to be revitalized and move forward.

Vice-Chairman Delgado asked if labor was the highest cost for this project, what the proposed scheduled will be until 2013, is the developer waiting for financing to submit plans, and the reason for not supporting reverting back to the original lease terms.

Santos Kreimann said the general idea is for a completion date of 2013 once the developer has secured the financing, which can be tolled if financing is not available. Meanwhile, the lessee does have to continue pursuing building permits. Lastly, he said he believed the asset has to be redeveloped, the marina and anchorage are in poor shapes, and an amendment is in the best interest of the county.

Commissioner Alfieri asked if the quarter of a million dollars can only be received once approval is made by the Board of Supervisors. He stated that money should be used for the marina instead of going to the general fund.

Santos Kreimann confirmed the funds will only be received after the board makes the approval. He said Supervisor Knabe was successful in proposing that revenues from Parcel 47 be retained for redevelopment of that particular anchorage and in today's budgetary realities thinks it is difficult to earmark these revenues for marina related issues. The funds have always gone to the general funds and the Board of Supervisors will decide during the budget process where that money is best spent.

Chairman Lesser asked for a motion to approve the Amendment. Vice-Chairman Delgado moved to approve and Commissioner Alfieri seconded. The motion was unanimously approved.

Item 5c – Marina del Rey Slip Sizing Study and Slip Vacancy & Pricing Study

A power point presentation on Slip Sizing Study was made by Ron M. Noble of Noble Consultants, Inc. followed by a presentation of Slip Vacancy and Pricing Study by Allan Kotin of Allan D. Kotin and Associates (handouts of both presentations were distributed at the meeting).

Santos Kreimann reported on what the study consisted of and how the findings would be used to review plans to renovate and replace the aging anchorages in Marina del Rey. Ron Noble would cover the engineering aspects, trend analysis and projections. Allan Kotin would be responsible for the slip pricing and vacancy study.

Glen Thorpe thanked the Commission for having independent consultants conduct the studies.

Jeff Barnett said he recently purchased a larger boat and it was extremely difficult to find a slip. He said larger boats should have equal space and rights and not be overlooked during dock upgrades.

Mark Hunziker commends the study, mentioned the economic meltdown, and could not believe the County is not addressing the shakedown. He said he has been affected and the community is in trouble as all incomes are tied together. He said the County has to get real with the statistics.

Louis Scaduto said the pricing projections for 2009 are exceedingly optimistic. He asked what prices boaters are actually paying and stated that small boaters are alive and well.

Nancy Marino wanted to know will the studies be available online. She said all of this data is tremendously skewed by omission of Esprit I from the data sets; there is nothing in the slip recommendation about the pitch fork or double wide slips and that the market is in demand for all sizes of slips.

Santos Kreimann said the power points will be available on line.

Greg Schem commented that this is a good direction for the marina for years to come; good to have facts and figures. He said in the Noble study the double slips may be overstated; suggested consider including a bullet point to require substantial compliance with DBAW, not strict adherence. He and asked Allan Kotin if the time used in the study (July of each year) not overstate the small boat occupancies because winter time has more vacancies, as most are removed from usage and off the water.

Allan Kotin replied the report did understate the vacancies. Had he done what Greg Schem suggested the vacancies would have been even greater, however, he did not have good enough data for off season vacancies.

Donald Klein commented on statements made by Chairman Lesser that the County should not subsidize the boaters. He commented on the statement made by Allan Kotin and said that the age of the marina beyond its useful life and has not seen any published or statistical data. The deferred maintenance was supposed to be paid by Goldrich & Kest to replace all of their docks and asked are the rates of the slips dependant upon what the Lessees need to charge to upgrade their docks. Lastly, he said he had a boat slip in the San Francisco and San Diego area he was paying \$270 for a 40' foot slip and its \$560 here and those rates should be included.

Chairman Lesser said he does not agree that residents of the Los Angeles County should subsidize boat owners. He said they should pay a reasonable rate and feels they should be paying more because of the size, location and amenities of the area.

Wayne Miller said he has a 25' and a 40' boats and that he had problems getting a forty-five foot slip. He had no problem finding small slips. He submitted for the record studies with data from Beaches and Harbors, dockmasters and various workshops, and said more large slips are needed.

Brian Eklund said Almar Marina increased his rent by fourteen percent to \$475. He commented that many small boats would not be able to use dry stack storage because of their weights or keels..

John Hockenbu commented that the presentation was great, but more research is needed. He suggested to contact boat brokers and manufactures for sizing trends.

Raymond Fisher has a large boat and has been promised that the slips will be replaced and nothing has been done for a long time. He said the survey was great, but thinks there may be some distortion in the data.

Santos Kreimann said the department is trying to complete and negotiate a plan with the developer. There is urgency on the department to start replacing these docks and that is why this study is being done.

Randy Short said prior to 1960 there were seven thousand boat slips between Santa Barbara and San Diego and in 1970 there was thirty thousand additional boat slips. He said his company has built and rebuilt marinas for more than 35 years in Mexico, California and Hawaii and they are very close to Ron Nobles numbers. Lastly, he said larger slips are needed.

Roger Howard said he has a forty foot boat and for over seven years it has been impossible for him to find a boat slip. He said larger slips are needed in the marina, trends are to have larger boats, but both small and large boats should have access.

Jon Nahhas said the slip mix study should have been submitted before the meeting for review. That watching a thirty minute presentation, discussing pricing study and vacancy rates is too much for one meeting and being allowed only three minutes to make a comment is not enough.

Andy Bessette said slip rent increases will make Marina del Rey equal with other harbors; commented on the statement made by the Chair about the Brazilians loving their dry stack storage; said that Ron Noble would include anything in the study the department wants for seventy to eighty thousand dollars. Lastly, he said the County has betrayed the public's trust and told lies.

Santos Kreimann explained that the department only provided the consultants with information about the marina. He said they are professionals. They will analyze the information, do an independent assessment and he has confidence in their work products.

Ron Noble commented that only six hundred boat slips that are 35 feet and less are being removed. The dry stack storage being proposed is one of the most modern facilities out there with an overhead crane and can handle boats up to forty feet. Beaches and Harbors never gave him instructions. He received data from Beaches and Harbors, and use researches conducted from own company and other sources. When all is done, there is still going to be more smaller slips than larger slips.

Santos Kreimann stated that once Ron Noble and Allan Kotin complete the report in approximately two weeks the draft reports will be posted on the department's website and be submitted to the Commission next month for final public comments.

Vice-Chairman Delgado asked if there are other ways comments can be received besides posting on the website.

Santos Kreimann said he may use the Argonaut, local paper and send an email blast of the meeting being held next month.

Chairman Lesser said more larger slips are needed, but there should always be space for small boaters both in land and water.

