Los Angeles County
Beaches & Harbors
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January 8, 2004

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director S Wisniewski

SUBJECT: **COMMISSION AGENDA – JANUARY 14, 2004**

Enclosed is the January 14, 2004 meeting agenda, together with the minutes from your meeting of December 10, 2003. Also enclosed are reports related to agenda items 3a, 3b, 5a, 5b, 5c and 6a.

Please call me if you have any questions or need additional information.

SW:tlh
Enclosures

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://beaches.co.la.ca.us
Stan Wisniewski Director • **Kerry Gottlieb** Chief Deputy

Los Angeles County Beaches & Harbors — Caring for Your Coast

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AGENDA

SMALL CRAFT HARBOR COMMISSION MEETING
JANUARY 14, 2004
9:30 a.m.
BURTON W. CHACE PARK COMMUNITY BUILDING
13650 MINDANAO WAY
MARINA DEL REY, CA. 90292

1. Call to Order and Action on Absences

2. Approval of Minutes: Meeting of December 10, 2003

3. **REGULAR REPORTS** (DISCUSS REPORTS)

   a. Marina Sheriff
      -Crime Statistics
      -Enforcement of Seaworthy & Liveaboard Sections of the Harbor Ordinance

   b. Marina del Rey and Beach Special Events

4. **OLD BUSINESS**

   None

5. **NEW BUSINESS**

   a. Election of Commission Officers (ACTION REQUIRED)

   b. Premises Maintenance Inspection Report for August 1 – November 30, 2003 (DISCUSS REPORT)

   c. Next Meeting Scheduled for February 10 at 7:00 p.m. (RECEIVE & FILE)

6. **STAFF REPORTS** (DISCUSS REPORTS)

   a. Ongoing Activities
      - Board Actions on Items Relating to Marina del Rey
      - Design Control Board Minutes

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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 93-031 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://beaches.co.la.ca.us

   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

   Marina del Rey Library
   4533 Admiralty Way
   Marina del Rey, CA 90292

Si necesita asistencia para interpretar esta informacion llame al (310) 305-9546.

Small Craft Harbor Commission
Meeting of December 10, 2003
Minutes

Commissioners Present:

Harley Searcy, Chairman
Carole Stevens, Vice-Chairperson
John Law
Russ Lesser

Excused Absences:

Joe Crail

Department of Beaches & Harbors:	Stan Wisniewski, Director Roger Moliere, Deputy Director, Asset Management & Planning Bureau Julie Cook, Planning Division Dusty Crane, Chief, Community & Marketing Services Division
Other County Departments:	Tom Faughnan, County Counsel Captain Sam Dacus, Sheriff's Department Deputy Paul Carvalho, Sheriff's Department
Also Present:	Beverly Moore, Executive Director, MdR Convention & Visitors Bureau Dick Volpert, Munger, Tolles & Olson

1. CALL TO ORDER & ACTION ON ABSENCES

Chairman Searcy called the meeting of the Los Angeles County Small Craft Harbor Commission to order at 9:39 a.m. in the Burton W. Chace Park Community Room, Marina del Rey.

Commissioner Lesser moved and Commissioner Law seconded a motion to excuse Commissioner Crail from today's meeting. The motion passed unanimously.

2. APPROVAL OF MINUTES

Commissioner Lesser moved and Commissioner Law seconded a motion to approve the October 8, 2003 minutes. The motion passed unanimously.

Commissioner Lesser moved and Vice-Chairperson Stevens seconded a motion to approve the November 12, 2003 minutes. The motion passed unanimously.

3. REGULAR REPORTS

a. Marina Sheriff's Department Report

--- Crime Statistics

Captain Dacus reported that the November statistics reflect a significant decrease in bicycle thefts. Additionally, crime on the Marina's east end has decreased and there is a small increase in domestic violence in the East and West Marina.

--- Enforcement of Seaworthy & Liveaboard Sections of the Harbor Ordinance

Deputy Paul Carvalho reported that 12 more of the impound vessels were disposed of, which leaves the Department with approximately 15 more vessels in need of disposal. The Sheriff's Department plans to dispose of these vessels by the beginning of the year. There remains an additional 13 vessels awaiting lien sale procedures.

b. Marina del Rey and Beach Special Events

Mr. Wisniewski requested the Commission to receive and file the report as submitted.

Mr. Wisniewski informed the Commission that the 41st Annual Holiday Boat Parade is scheduled for Saturday, December 13 at 6:00 p.m. Supervisor Don Knabe is the Grand Marshal and he will ride on the Department's boat in the parade. The County is waiving all parking lot and boat launch fees on that day.

4. OLD BUSINESS

None.

5. NEW BUSINESS

a. Joint Recommendation of the Chief Administrative Officer and Director of the Department of Beaches and Harbors to Approve and Authorize Execution of Limited Forbearance Agreement to Facilitate Amendment to Amended and Restated Lease – Parcel 125R (Marina City Club) – Marina del Rey

Mr. Wisniewski deferred to Mr. Moliere for discussion on Agenda Item 5a since Mr. Moliere was at the forefront of negotiations. Mr. Moliere informed the Commission that the item is a request to approve a limited forbearance, meaning a temporary delay in the imposition of a scheduled rent increase. It is a delay only, not a forgiveness, and will be repaid with interest should the eventual deal not be signed. The expected completion date for the eventual deal is within the next several months.

Mr. Moliere said that there are almost two leaseholds. The Commission considered one leasehold, which were apartments and boat slips, at the November meeting. However, there are also condominiums that are subleases. Although the County looks as a legal matter to the lessee for payment of rent and maintenance, factually, the financial burden falls to the individual condominium owners. Several years ago, the Marina City Club's Homeowners Association raised a number of issues with regard to things like the volatility of the shadow rent structure. The Association wanted to address certain needed infrastructure and capital improvement costs that were becoming apparent in the leasehold. As such, the Board of Supervisors directed the Department to take any future shadow rent increases, dating from 1999 onward, and place them in an impound account to be held pending further agreement regarding these issues. Since 1999, the Department has complied with this Board directive.

Mr. Moliere explained that shadow rent is a "quid pro quo" for allowing the apartments to become condominiums. It is meant to provide the County with the equivalent rent it would have received had the condos remained apartments. The rent amount is subject to a yearly index, which may increase the amount of rent based on an index combining the Consumer Price Index and an index for Westside L.A. housing prices. Over the course of years, although it has fluctuated quite dramatically at times, it has essentially been at a 4% upward level. Some years may have a large increase while other years may have no increase or show a negative. He said the plan is envisioned as an agreement between the County and the lessee. It will essentially freeze the shadow rent at its 2003 level. There would be no increases for three years. The County will continue, however, to collect the shadow rent at the 2003 level and place the incremental increase over the 1999 level into the impound account. When the shadow rent increase resumes in 2007, it will only increase at a specified rate of 3.75% per year for the remainder of the lease term. The amounts that are in the impound account, which may reach $4 million, will be available as an advance to the Homeowners Association as a reimbursement for paid repairs, capital improvements and infrastructure improvements to the leasehold. These funds will be repaid to the County, with interest, over the course of years by virtue of an increase in the amount of the participation the County receives as condominiums are sold. Currently, the County receives 1% of the sale price of each sold condominium and this percentage would be raised to 2.5%. The

Department's economist and the Homeowners Association/lessee's economists have projected that this percentage increase will fully repay any amount that is advanced over the course of the lease term. If the increase fails to repay the advanced amount, there is a provision in the projected agreement that in 2022 any shortfall, with interest, would be fully repaid by the condominium owners at that time in full.

Additionally, Mr. Moliere stated, there is a present value loss in the fact that there will be a three-year freeze on any increases. This amount will also have to be made up during the course of the agreement by the increased fees. There is an additional provision in the proposed agreement that "looks back" in the year 2019 to check whether the funds have been paid. If the funds haven't been paid, then, instead of the 3.75% increase, that amount of shadow rent increase henceforth through the rest of the term of the lease may be raised further in order to compensate for any loss throughout the rest of the lease term.

Mr. Moliere said that the whole plan is designed to: 1) be revenue neutral to the County so that the County will be repaid with interest for any amount of loss either by advancing funds or by suspending the increases for three years; 2) provide a fund of money so that repairs could be made immediately for infrastructure and other matters; and 3) provide a certainty to the amount of increases so there's not that fluctuation. He explained that the added benefit of providing the certainty is that it would make the units more valuable and saleable because there is now a certainty as to the amount of rent and expense that each condominium unit will bear instead of it being tied to an index that may fluctuate rather dramatically from year to year.

Mr. Moliere said the agreement, although it is largely finished, is not ready to go. The agreement is predicated upon a series of assumptions and mathematical practices that foresee a start on January 1, 2004. The time needed to effectuate the agreement (which requires the consent of at least 80% of the 600 leaseholders, all of their individual mortgage holders, the leasehold mortgagee itself, and a number of other parties) involves a number of months. He said that representatives from the Homeowners Association perceive the agreement as advantageous enough to receive consent from at least 80% of the condo owners. To preserve the deal, the Department is asking a forbearance to not impose the increase scheduled for January 1 for a limited time of up to nine months so that the deal could be completed. If the deal is not completed, the increase goes into effect retroactively, with interest, and it has to be repaid to the County as if nothing ever happened. However, if the deal goes into effect, the plan itself is effective because the suspension of the increase would have taken place.

Mr. Moliere said that if the Forbearance Agreement is approved by the Board and the lessee and, subsequently, a final agreement is reached by these parties, the actual agreement for the plan will be submitted to the Commission for approval. He emphasized that the Forbearance Agreement before the Commission today is for the limited purpose of suspending the rent increase that's scheduled for January 1, 2004. Mr. Moliere added that, at a previous meeting, the Commission approved various actions relating to ownership of the entire leasehold. Today's agreement primarily affects the condo owners.

Mr. Lesser asked whether the Forbearance Agreement has any possible downside for the condo owners. Mr. Moliere responded that there isn't a downside. The condo owners must realize, however, that if they don't agree with the deal or the deal doesn't go forward, they will be responsible for the full shadow rent increased payments, with interest, that are scheduled to begin January 1.

Commissioner Lesser asked the amount of interest that the condo owners will be charged. Mr. Moliere responded that the County's pool rate is currently approximately 3%.

Vice-Chairperson Stevens asked whether there is a timeline for the County to receive the condo owners' response. Mr. Moliere responded that in order for the agreement to go into effect, 80% of the condo owners and all of their mortgage holders, as well as the lessee, his mortgage holder, and the prospective buyer, have to give consent by September 30, 2004. Any condo owner that doesn't give consent will continue under the present deal.

Commissioner Law asked whether the big picture really pertains to the assignment of the Marina City Club lease. Mr. Wisniewski responded that even before the lease assignment, the Forbearance Agreement was in the works for quite a period-of-time. There is now, however, the complication of a new lessee.

Commissioner Law asked whether the reason for the Forbearance Agreement is the deferred maintenance and capital expenditures that have to be done on all of the buildings. Mr. Wisniewski responded that the County's interest was sparked by the deferred maintenance issue and homeowners' claim that the shadow rent was depressing the condo unit prices.

Commissioner Law commented that deferred maintenance and rent are typically issues handled by the lessee and the sublessees. Mr. Wisniewski informed him that, in this case, there is no typical situation since the Marina City Club is the only condominium regime that is within the County of Los Angeles.

Commissioner Law said his understanding is that the legal documentation within the County lease fixes the responsibility regarding who pays for maintenance, capital and rent increases. The sublessees have found these costs to be punitive and the County also found this to be the case. Consequently, the County continued to collect the rent increases, but placed the funds into an account.

Mr. Wisniewski informed Commissioner Law that there wasn't a finding by the County that agreed with the condo owners. There was a finding, however, that the County should investigate and see if there is some remedy that would please both the County and the condo owners.

Commissioner Law said that the County, essentially, is intervening between the normal arrangements between the lessee and the sublessees because of the cost issues and is committing to further freeze increases in order to enlarge the fund. The County will collect the money at the time the units are sold. Mr. Wisniewski informed him that there are also other elements involved. For one, there is a two-index average used to calculate the increase in shadow rent that in the new agreement will be fixed at 3.75% and there are other ramifications to the deal.

Commissioner Law asked why the L.A. County taxpayers have an interest in bailing out the developer or current condo owners. Mr. Wisniewski responded that the interest is in trying to ensure that the Marina City Club complex is well maintained. After all, it is a large complex and watching it deteriorate would not be in the best interest of Marina del Rey. Additionally, Mr. Wisniewski said that the condo owners have raised the issue of whether the index in the agreement was appropriate and consistent with the lease's other language, which said the County was supposed to collect shadow rent increases that mirror the increases that would exist had the units remained apartments. The condo owners allege that the increases far outstrip what they would be had the units remained apartments, so, from an equity standpoint, the formula should be changed.

Commissioner Law said the implication of Mr. Wisniewski's statement is that the County made a mistake or, in retrospect, it appears the index is inappropriate. Mr. Wisniewski said that the County has not conceded to a mistake, but that is what the condo owners believe.

Mr. Moliere explained that a mistake wasn't really made. It turns out that the index increased more than what was expected. The fixed index that is being proposed provides certainty, which would increase the condo's value and result in increased County revenue.

Chairman Searcy asked, assuming the County receives the required consent, at what point the funds would become available for the repair work. Mr. Moliere responded that as soon as the 80% consent is received, the funds would be available. Mr. Wisniewski interjected that an agreement would first be submitted to the Commission and Board of Supervisors for approval before any funds are made available. Mr. Moliere said that the agreement, with the preconditions, would probably be available in January. It would have to be signed by the lessee, etc., in January and it will be effective when there is certification that 80% of the condo owners have given their consent.

Chairman Searcy emphasized to staff that the agreement should be self-actuating so that if the Commission and Board of Supervisors approve it, there is no need for staff to return to the Commission for any further action.

Mr. Moliere informed the Commission that there are ongoing repairs occurring right now at the Marina City Club; it's not as though all needed work is suspended. The ultimate agreement, however, addresses the longer-term repair work that needs to be done. There is an approved list of the types of expenditures that can be made. There have been engineering studies that identify the kind of work that must be done and the County would reimburse for those specified costs.

Vice-Chairperson Stevens questioned why Mr. Snyder, as the Marina City Club's master lessee, wasn't held responsible for maintaining his leasehold. Mr. Wisniewski responded that, ultimately, the lessee is responsible for maintaining all elements of the leasehold; however, most of the expenses involving the condos are the individual condo owners' responsibility.

Chairman Searcy clarified that Vice-Chairperson Stevens is questioning why the County doesn't hold Mr. Snyder responsible for his leasehold irrespective of the agreement he has with the sublessees.

Vice-Chairperson Stevens said that, in the past, Supervisor Molina questioned the Department's maintenance inspection of the Marina City Club and the Commission knew of the Marina City Club's deterioration, yet did nothing to prevent it from happening. Now, Mr. Snyder is moving on and the property is being sold to Essex. Vice-Chairperson Stevens added that she would like to hear how Essex would address the maintenance issues.

Vice-Chairperson Stevens asked who is in charge of the shadow rent funds and what trigger is needed to spend the money. She commented that the County can't afford to wait until 80% of the condo owners' consent is received before it starts spending the funds that were set aside.

Chairman Searcy asked whether funds are being used right now to address certain maintenance problems, such as those pertaining to health and safety issues. Mr. Moliere responded "yes."

Chairman Searcy asked how the Department would ensure that the $4 million that's set aside for deferred maintenance is actually spent on maintenance and whether such a mechanism is in place in the proposed agreement. Mr. Moliere responded that the agreement would specify the eligible repairs and the funds would then be available for those repairs.

Mr. Moliere emphasized that, ultimately, as in any condominium regime, the cost for repairs falls to the individual condo owners. What has happened with the Marina City Club is that, because the condominiums were allowed within the confines of the lease, people have confused the fact that, although the County legally looks to the lessee, the ultimate money always will come, as with any condominium, from the condo owners. Commissioner Lesser added that, not only are condo owners responsible for what happens inside of their condos, but each of the Marina City Club's 600 condo owners owns an undivided 1/600 interest in the entire condo structure, including the elevator, stairs, etc., and is responsible to pay his/her undivided interest for those repairs.

Vice-Chairperson Stevens said it is her opinion, based on what she has heard from the Supervisors, that the County should never allow such a situation to happen again because it has been a mess. She also reiterated her opinion that the County has an obligation because it allowed the situation to happen.

Vice-Chairperson Stevens expressed her amazement that some of the more serious problems with the Marina City Club's infrastructure haven't been repaired, especially since money was set aside for such repairs. Mr. Moliere informed her that the lease must first be amended and the Department has begun this process.

Chairman Searcy opened the floor to public comment.

Mr. David Naftalin, representing the Marina Tenants Association, said, "The Marina Tenants Association has, for many years, been concerned with various areas, including pricing policy, wanting that to be enforced so that the prices don't go too high. Also, including a financial policy to protect the taxpayers of Los Angeles as well. The old, standard lease...had various provisions for protecting the County's interest in the real estate for maintaining the public nature of the land. Then, there's another concern, treating every user of the Marina fairly, fairly as to access; treating the users fairly in the administrative of the leases so that they don't get kicked around by various maneuvers that just leave them flailing, evicting people rapidly and so on. Now, in this case, we have three objections to the proposal. One is that there is not enough information to gauge whether the pricing policy and the financial policy is being followed. Is this inflationary on the cost and, two, is it fair to the County? It seems to me like it's a bailout of the developer on deferred maintenance and that it's a capital pass through, but there's not nearly enough information. If the County and the Commission wanted to demand that the County put out in the information made available to the public what are the real financial considerations involved? What is happening here? How does it relate to the prices to the public, to the sales price of the leasehold that's being transferred, the shadow rent policy? It could all be laid out clearly, but it's not. Two, in so far as there is information made available, it appears to be a bailout of the selling lessee, Mr. Snyder, on deferred maintenance and a capital pass through to the homeowners of infrastructure repair costs and other capital improvement items that should be borne by the lessee. Thirdly, it appears that not only is there not enough information, but the whole problem with the relationship between what the homeowners ought to pay for and what the County ought to pay for is not resolved. If I were a Supervisor, I would require linkage between resolving the whole problem, getting all the figures on the table, and then approving the transfer that was approved for recommendation last month and this Forbearance Agreement only after the whole festering can of worms was resolved and not rush ahead for a bailout."

Dr. Thomas Vrebalovich, Marina City Club condo owner and resident, distributed his report to the Commissioners entitled, *Ground Rent Agreements and Leases*, and said, "I got involved with the Homeowners Association and with the ground rent agreement when I asked a question of this Commission about why we couldn't borrow money very easily on our units. This was in the early 1990's. Commissioner Herb Strickstein...said, 'why don't you go to Palm Springs? They don't have any problems.' Believe me, they have problems. I've outlined in a page that I presented to you what's happened in Palm Springs. The key that made Palm Springs successful, there were two keys: 1) they increased the leases from 10 years to 65 years; 2) they used the Consumer Price Index. Anybody that didn't use that came up with weird formulas and pretty soon those condos started going bust.... We've got to thank Supervisor Don Knabe. He's really a knight in shining armor for us because you can see from the letter that he wrote to Rhoda Rich when she said this whole place is liable to become a slum unless you do something about the ridiculous ground rent. He set aside, with the concurrence of the rest of the Supervisors, the increase in ground rent, from 1999 until today, into an escrow account. The purpose of that was never for deferred maintenance. That was really a problem for the Snyder Company and a problem for the homeowners. In negotiations that have taken place, that's what they're going to use it for. I'm not against that 'cause, after all, that would reduce my expenditures."

Dr. Vrebalovich continued, "I think the ground rent agreement that has been negotiated is a lousy one, but I'm for the Forbearance Agreement. I'm for our ok'ing everything that's necessary to let this thing come to fruition because I'm old enough...It's a good deal for me, but if I was young like a few of these guys are, it's a bad agreement. You should bail out as soon as you can. The minute the prices start peaking, bail out. It will look good to the public, but still is bad for the homeowners. This is an agreement that would double the ground rent; instead of every few years, it would take 19 years. I think it's a bad agreement. We know so little about the agreement that I had to find out from Roger that we're giving the County 12 ft of walkway in front of the Promenade Apartments. I couldn't find that out from the Board representative who worked with the negotiators, with the lawyers. They wouldn't tell me. They don't tell us anything. We've been kept in the dark. Now, I've indicated in my presentation what items they've alerted us to. Now, another key question to me is the County is in on what's going on. Their inspectors are going over there and finding out what the deferred maintenance

is. Now, why didn't they find any deferred maintenance when the property was under Snyder's aegis? We found out about it after the Snyder bankruptcy when we became in charge of the property. We spent a million bucks and redid the elevators ourselves and it looks like we're gonna have to spend a lot more money that should have been spent by Snyder Company when they sold the property to us."

Commissioner Lesser referred to Dr. Vrebalovich's comment that the ground rent agreement is a bad deal. He asked Dr. Vrebalovich whether he feels it's a bad deal because the rent doubles in 19 years due to the fixed 3.75% interest per year. Dr. Vrebalovich informed him that the number is arbitrary and no one knows what the economy is going to do.

Chairman Searcy asked Dr. Vrebalovich whether he believes it would be better to use a Consumer Price Index of the national number. Dr. Vrebalovich responded "yes" and added that, currently, the homeowners are tied to something on the Westside of Los Angeles that has nothing to do with the Marina property.

Mr. Moliere commented that the discussion on this issue makes it appear as though the problem solely concerns deferred maintenance, when, actually, deferred maintenance is a very little part of this. Most of the repair work was discovered by virtue of an engineering report. He said that many of today's meeting attendees will be familiar with the fact that there was a lot of condo litigation in the 1980's and 1990's because of substandard construction, which often isn't discovered until long after a project is completed. Many of the problems with the Marina City Club relate to problems with the initial construction that need to be taken care of by repairing the infrastructure.

Ms. Andrus said, "It would just seem fair that the Marina City Club and all of the people involved should be more educated on this issue. It is very convoluted and the thing that is not unique in this situation is deferred maintenance in the Marina. Again, the Department has failed in its duty. Just generally, deferred maintenance in this Marina has created a major problem in all of these leases. When you ignore the laws that call for continuous use for maintenance for public benefit, you strip away the public's protection in this Marina. This is the kind of result that you get. This isn't the only property that's suffering these kind of creative measures."

Mr. Donald Klein, president of Coalition to Save the Marina, said, "The deferred maintenance problem is the main issue for all of the redevelopment here because this money just disappeared into thin air. No one really knows what happened to it. The buck really lies with the Director of the Marina. He has the duty and the authority to make the lessees do the work that's required and if they don't, then, I believe, within 30 or 60 days, the County itself will have the work done and charge them double. I've never seen this happen anywhere, with all of the problems that are here in the Marina. I've never seen any directive from the Director's office in such a manner to do this, so the buck lies with the Director on this."

Mr. Klein also said that his organization is opposed to Agenda Item 5a because "the County has not disclosed the fact that the subject property is sitting right in the middle of a former City of Los Angeles trash dump. By the way, they're not exempt...under the requirements of 110.3 and 110.4 of the County's Building and Safety Codes, which require a state licensed engineer, before any building permits are issued, to make an assessment."

Mr. Dick Oliver, past president of the Marina City Club Homeowners Association and resident of the Marina City Club for 23 years, said, "I was the first one to buy my unit when they went condo. I knew what I was signing; however, most of all, the literature that I had read between the developer and County said the ground rent was designed to be rental equivalency to what it would cost to rent a unit in the Marina and I took that for what it meant. My ground rent when I bought my unit was $240 per month. Today it's $1,000 per month. Just to be dramatic, if it continued at the same increase that's been going on since 1987, in the last year of the lease my ground rent will be $140,000 a month...."

Mr. Oliver further stated that he wanted to address a couple of issues. The first issue concerned bailing out Mr. Snyder. Mr. Oliver said, "They've [The Snyder Co.] been very cooperative with us on

this thing. They actually are committed to contribute to this $6 million that we're borrowing from the County. The Snyder Company is going to give $500,000 more to this deferred maintenance account, so he's not being bailed out at all. He didn't have to do this.... Mr. Tom, who was up here previously, thank goodness he represents less than 1% of the homeowners at the Marina City Club. In fact, he's the only one that I've talked to who said it's a bad deal for anybody. It's a good deal for the County. It's a good deal for the homeowners. Everything that's in that deal has been discussed with the homeowners verbally and through written communication. We had all five of our lawyers and economists at an open homeowner meeting in January. This deal was presented on a slide film so that all of the homeowners could see exactly what this deal represented to them and what it was gonna cost them. There was a 2-hour question and answer session after the meeting in which Mr. Tom asked about half of the questions, so I know that he knows more than he's admitting to and I know that he represents a very small minority at the Marina City Club. In fact, night before last, he called me and told me that he was for this deal and he was going to opt in. This deal allows for those who don't like it to opt out. They can continue on exactly the way that they're doing right now."

Mr. Oliver continued, "Incidentally, we just received a notice of what our increase would have been this coming year, January '04: 12.4%. The County would get 8% and the other 4.4% would carry over to next year and be added to next year's increase and if that was 12% the total would 16% and the 8% would be carried over. This compounded increase, at a certain point, there's going to be a line between what somebody's equity is worth and what their monthly shadow rent payments are worth. This formula was flawed from the beginning and this is the reason that this negotiation has taken so long. We've been trying to find a fair and equitable deal where the County was revenue neutral. It would cost the County nothing. The homeowners can't stand another assessment for $10,000 because their ground rent payments are already too high. We feel that this has become a really wonderful deal for everybody. We're on the goal line and December 31 is coming up and the clock is running out. That's the reason we ask for this Forbearance Agreement so that we could continue on in January and February to bring this thing to consummation."

Commissioner Law asked Mr. Oliver whether he and the Board of the Homeowners Association believe the deal is a good solution in the short term as well as the long term. Mr. Oliver responded that he believes the deal is very good in the short term and a much better deal in the long term.

Commissioner Lesser asked Mr. Oliver whether he believes the fixed rent increase of 3.75% is a positive step to make. Mr. Oliver responded that it is positive in the sense that it's right along the line of what it would be if the increases since 1997 were leveled out.

Mr. Oliver informed the Commission that a County inspector came to the Marina City Club and "tagged 90 different pieces of deferred maintenance that had to be dealt with and he threatened to put us in default and he sent that notice to Jerry Snyder. That was about two years ago. We responded...that almost everything on that list was part of the identified list that we had provided the County as part of the exhibit of the whole agreement. All of the items that are going to be done with this money are part of this exhibit that the County is now holding and we can't spend the money for anything but those projects and they're all deferred maintenance projects."

Commissioner Lesser said that he isn't 100% convinced the deal is so good for the County; however, he believes it to be good for the homeowners. He added that it really isn't the Commission's decision to make; what the Commission is doing is giving the homeowners the right to decide whether or not they want the deal. Those homeowners that choose not to give their consent can continue with their current agreement.

Vice-Chairperson Stevens asked what would happen if only 70% of the condo owners consented to the agreement. Commissioner Lesser responded that the deal would fall through and the homeowners would continue with their current agreement. Chairman Searcy said that if the condo owners elect not to consent to the agreement and find themselves unable to meet their financial obligations, the County could foreclose on the lessee, who, in turn, could foreclose on the sublessee.

Vice-Chairperson Stevens asked whether the new lessee, Essex Corporation, has agreed with the proposed deal. Mr. Wisniewski responded that, as he understands it, Essex is buying into the plan.

Mr. Wisniewski said the perspective that Vice-Chairperson Stevens and others continue to forget is that when Marina City Club's structural problems came to the County's attention and the County began discussions with the lessee, it was very clear that the cost would be borne by the sublessees. At that point, the sublessees indicated they could not afford it. The County could have then held the sublessees' feet to the fire, which probably would have resulted in bankruptcy for many of them. Mr. Wisniewski said he fails to see how the County could be held accountable for the situation when it is coming to the rescue of the Homeowners Association and the condo owners. The lessee is not being bailed out, but the situation is being kept revenue-neutral for the County to protect the 10 million taxpayers for whom the Marina is managed.

Commissioner Lesser made a motion that was seconded by Commissioner Law to recommend Board approval of the Joint Recommendation of the Chief Administrative Officer and Director of the Department of Beaches and Harbors to Approve and Authorize Execution of Limited Forbearance Agreement to Facilitate Amendment to Amended and Restated Lease – Parcel 125R (Marina City Club) – Marina del Rey. The motion passed with Chairman Searcy, Commissioner Law and Commissioner Lesser voting in favor. Vice-Chairperson Stevens abstained.

b. <u>Consent to Assignment of Leasehold Interest and Option for Amended and Restated Lease to Facilitate Redevelopment – Parcel 50T (Marina Waterside Center) – Marina del Rey</u>

Mr. Wisniewski distributed pictures of the existing Parcel 50T (Waterside Center) and the proposed Parcel 50T and informed the Commission that the parcel is at a pivotal entry into the Marina, located on Admiralty Way between Mindanao and Fiji Ways. He said the Department has pursued an Entertainment Retail Center (ERC) for several years, which is one of the catalytic projects referenced in the 1997 Asset Management Strategy for Marina del Rey. There have been two Requests for Proposal (RFP) efforts, both of which failed to deliver an ERC project for Marina del Rey, largely because of the Department's need to protect the boat launch facility that lies on approximately 19 acres of land on Fiji Way.

Mr. Wisniewski said it is fortuitous that the lessee of Parcel 50T was on the market to sell it and it's even more fortuitous that Mr. Caruso and his company came onto the scene and expressed interest in picking up the leasehold and doing a major renovation of it. Mr. Wisniewski said that once the renovation is completed and coupled with an expanded Chace Park and new Fisherman's Village, the Department would have effectively created the catalytic project envisioned for the area.

Mr. Wisniewski mentioned that as a previous resident of Lake Sherwood, which is adjacent to Thousand Oaks, he is personally aware of the Caruso project line. This area is where Mr. Caruso developed his promenade project and such a project is exactly what Marina del Rey needs. He added that Mr. Caruso is known for creating a rich and exciting retail environment, which would be a welcome addition to the Marina.

Mr. Moliere said there are two elements that would be discussed today. The first is the proposed assignment of the leasehold from the current lessee, Carlisle Realty Holding, to Marina Waterside LLC (MW). Marina Waterside has a sole member, who is Rick Caruso, and his company and its subsidiaries will manage the Waterside Center. The Department has reviewed financial and other aspects of the proposed management and can highly recommend the transfer. With the consent of the current lessee, the Department negotiated a prospective option and lease extension for the property to enable the renovation, as reflected in the picture submitted to the Commission.

Mr. Moliere said that the renovation is quite exciting and the picture shown to the Commission doesn't do the proposal justice. He said that the proposed renovations strip away the building fronts, and each of the stores are either depressed or pushed to the front, making the fronting non-uniform. The

awnings are removed and, albeit there is a false second floor, it looks particularly real because it has backlighting, real plants and a number of other features to change the entire look of the center. There's copious landscaping, fountains and a reconfiguration of the parking, which is sorely needed. There will also be an improvement to the building façade that's facing Lincoln Blvd. The interior of Ralph's Market will be expanded by some 9,000 feet and it will become Ralph's Fresh Faire.

Mr. Moliere said that the rent was restructured and, even during the time that the building is undergoing renovations, there will be a floor on the minimum rent, which is slightly higher than the current rent the County receives. There is a $750,000 minimum rent during the first five years and the agreement, from the start, will have the percentage rent feature.

Mr. Moliere informed the Commission that representatives from the Caruso Co. are at today's meeting to answer any questions.

Vice-Chairperson Stevens expressed her pleasure with the project. She said that many people currently use the outside dining accommodations at the center and she would like the proposal to include ample outside eating areas. Mr. Wisniewski said that, judging from his observation of Mr. Caruso's Thousand Oaks' project, outside dining would definitely be a feature of the Marina project.

Commissioner Law expressed his high regard for Mr. Caruso's projects and commented that the County is lucky to have a company of Mr. Caruso's stature involved with the Waterside Center.

Commissioner Law asked how the $750,000 for the first five years was calculated and whether an appraisal was done. Mr. Moliere responded that $750,000 is only the minimum rent that must be paid. The lessee must also pay a percentage rent, which is the actual percentage calculation. In this instance, it is a percentage of the amount of rent that the lessee collects from subtenants along with the gross sales from restaurants. The percentage rent may exceed the $750,000, in which case the County would receive more revenue. The $750,000 was the negotiated amount and it is only the minimum. This amount is actually more than the County received last year. Additionally, Mr. Moliere said that there was an appraisal, as there are in all deals involving lease extensions, which opined that the value to the County is at or above fair market.

Commissioner Law asked whether MW is a single asset so that there are no assets other than the entity. Mr. Moliere responded "yes" and explained this is almost invariably the case since lenders will require that there be a single purpose entity.

Commissioner Law asked what would happen, other than the County taking the property back, if MW were to default. He questioned whether there would be a further cause of action against MW. Mr. Wisniewski responded that this occurrence is not something that the lessee or lender would allow to happen.

Chairman Searcy opened the floor to public comment.

Mr. David Levine, president of the Marina del Rey Lessee's Association, said, "The renovation of this existing leasehold is an important element in second generation development in the Marina and we're delighted that this particular parcel will now be improved. It will certainly enhance the character and quality of the improvements in the Marina and we're delighted."

Mr. Wisniewski asked Mr. Moliere to tell the Commission the amount of time taken for staff to complete the lease negotiations, assignment and extension. Mr. Moliere responded that it's been approximately 90-120 days. Mr. Wisniewski commended the Department's staff members, as well as Rick Caruso, Dick Volpert (Department's attorney) and Bob Wetmore (Department's economist), for proving that a lease extension and assignment could be effectuated within four months.

Commissioner Law requested the page number of the lease agreement's insurance provision. Chairman Searcy informed him that the insurance provision is on page 48. Mr. Wisniewski commented that the agreement has a five-year renegotiation of insurance levels. Mr. Moliere explained that the levels are initially set with the advice of the County's Risk Management Office and are reassessed every five years to see whether they are up to date.

Commissioner Law asked whether earthquake insurance is required. Mr. Moliere responded that the County's Risk Management Office, from which the Department takes it lead, does not require earthquake insurance. As a rule, the Risk Management Office does not require earthquake insurance in any commercial leases.

Commissioner Law informed staff that the County is exposing itself to a risk if a big earthquake occurs and destroys the buildings. He said that the County would have nothing left but a pile of rubble and no ability to seek recovery from anyone.

Commissioner Lesser moved and Commissioner Law seconded a motion to recommend Board Approval of the Consent to Assignment of Leasehold Interest and Option for Amended and Restated Lease to Facilitate Redevelopment – Parcel 50T (Marina Waterside Center) – Marina del Rey. The motion passed unanimously.

6. STAFF REPORTS

a. Ongoing Activities

In the interest of time, Mr. Wisniewski requested the Commission to receive and file the Ongoing Activities Report.

b. Marina del Rey Convention and Visitors Bureau

Ms. Moore reminded the Commission that the Bureau recently hosted a tour of the Marina for a select group of travel writers. While Ms. Moore distributed copies of recent articles about the Marina that appeared in the San Diego Tribune newspaper and Coast magazine, she commented that these articles are one of the positive results of that tour.

Ms. Moore informed the Commission that the Tribune article reached 375,000 readers, with an additional 1.5 million readers of the Tribune's website. The Coast magazine potentially reached thousands of people since it enjoys a readership of 46,000 people. She said that these articles, if purchased as advertising, would be worth over $65,000 and exemplify the effectiveness of the Bureau's outreach.

7. COMMUNICATION FROM THE PUBLIC

Chairman Searcy opened the floor to public comment.

Ms. Doris Dichek, Marina City Club resident, said, "Almost no homeowner has seen the proposal under negotiation with the County. Some of the facts have been shared....There's an old saying, 'figures can lie, but liars can figure.' I heard it this morning. I would say between 45-50 homeowners come to every meeting. I hope I'm not lousing up someone's big proposed plan, but we don't know what's going on. We've never seen anything about the negotiations; maybe 1% of the people and I doubt it's that much. I would say 10 people were involved in looking at the actual agreement. I've had meetings with the accountant. I've had meetings with one of the persons; I don't even know what they represented... trying to find out what's going on. I've been told, 'we don't know and nobody knows.' Then, I tried to call the attorneys and they wouldn't talk to me. I don't know where these attorneys are. I can tell you what's it's costing us for the attorneys. We're a big ship out there, this Marina City Club, those three buildings. It's like the Titanic. Everybody's up here dancing. No one is running this. We have a president that's shown up for two meetings. Whom do we go to? Not we, I don't care about we

anymore. I care about me. I care about my home. I love the Marina City Club. It's wonderful. We have the best painted curbs in town. We've got the best flowers every other month. Who is planting them? Where's the money coming from? Nobody knows. There's no meetings. There's no communication. How do I find out? Whom do I go to?"

Chairman Searcy suggested that Ms. Dichek speak to Mr. Moliere after the meeting so that Mr. Moliere could provide Ms. Dichek with information, including the names of the appropriate people to contact. Chairman Searcy encouraged Ms. Dichek to share what she learns with her neighbors.

Mr. Klein asked whether the Marina Two Holding Partnership is now Esprit Two. Mr. Moliere informed him that the ownership of Parcels 12 and 15 was transferred, respectively, to limited liability companies called Esprit One and Esprit Two.

Mr. Klein asked whether the Marina Two Holding Partnership exists. Mr. Moliere responded that the company exists, but is no longer the lessee of Parcels 12 and 15. Mr. Klein asked whether the Marina Two Holding Partnership has anything else to do with these parcels. Mr. Moliere responded that to the extent the assignment has been completed, and it may still be in progress, that would be true. However, the assignment was approved by the Board of Supervisors and will be completed within a range of 30-60 days.

Chairman Searcy clarified that Esprit One is Parcel 12 and Esprit Two is Parcel 15. When the transfer is completed, whether it occurs tomorrow or two weeks from now, the old entity, which was Marina Two Holding Partnership, will no longer have anything to do with the parcels.

Mr. Klein asked whether the Marina Two Holding Partnership is listed as a corporate lessee of the property. He said it appears that the company is somewhat involved and somewhat not involved. Chairman Searcy reiterated that once the assignment is completed, Esprit One would own Parcel 12 and Esprit Two would own Parcel 15.

Mr. Hans Etter said, "The last time I told you about the navigational aids that are out of alignment, sinking or missing. They've corrected some of them, but there are still other ones that are sinking. Plus, the flag has not been lifted for the last two months. My second issue is the Fantasea Yacht. In mid-October, I was going by there and they did major maintenance, which they're not supposed to do on County docks. They had the whole side of the vessel painted. They were replacing the...exhaust system, they were using torches and welding equipment and you're not supposed to do it on County docks. I called L.A. Fire Department to come out and investigate it. I called Beaches and Harbors Maintenance Department and they didn't even do anything about it. They didn't even bother to get back to me. If I had done it on my boat if I was in a County slip, I would have been booted from the harbor for the rest of my life basically. But, since the owner is a buddy of Don Knabe, I guess it's all right. My second issue is with the project you presented. Basically, what I have to say about those projects is they're not done for the benefit of the public. They're done to get more money in the County's coffer and done to get more money for the developer. It's pointless discussing the maintenance issues in the harbor because the current leadership, which should be replaced, is too close to the developer. You can see it....When was the last time any of the them showed up when the people got injured on the property? When there was a 'so called' maintenance issue? When they were supposed to replace something?....They don't even hire a licensed contractor to do it....it's pointless. The only thing that helps is lawsuits. They're rewriting the leases. They're taking out clauses. What's the new thing? $100 per violation? What's that when he makes millions of dollars? He can let his property go to crap. What do they care? They're all protected by insurance companies. There's no money coming out of their pockets...They're way too close to the developers. They do not care about the local community here. They can spend money on putting up new gates for security locks on the public docks here. I was down at the Coastal Commission and they were going to investigate it. I don't know what they did about it. Suddenly, this lock over at the handicapped ramp was locked..."

Ms. Andrus said, "I have 'Active Public Use.' It's part of one of the leases. I want to have that copied and given to the record and shown in the next minutes.** I'm asking you to please agendize the concern over market manipulation in the Marina. First off, the original intent of the federal project was a recreational small craft harbor for the benefit of the public at fair and reasonable prices. Market value is being imposed by private lessees and replacing the public with a new, more affluent public who can afford those glistening million dollar yachts. This is neither fair nor reasonable. Beyond that, you look at the market value. There's been no clarity offered on how rents can be raised on docks scheduled for demolition; work docks that are no less dangerous no matter how many layers of nails and paint you have applied. It's patch up work, not maintenance. The life expectancy of these docks is short because they are not properly maintained. The amenities are nil and you can compare that to other marinas. The electric boxes do not even work. The condemned docks at Deauville, if you wanna compare those, are submerged in water at this point because they don't get the little layers of paint and nails. But, that's 400 slips in that one marina alone out of continuous use, illegally out of continuous use. That creates an artificial shortage and is falsely driving what you call market value. The laws enforced would have protected the laws, meaning continuous use, maintenance, public benefit. If those things had been enforced by the Department, they would have protected the public from this kind of market manipulation. I told you this situation was endemic in the Marina and the Small Craft Harbor is here to protect the public from this type of abuse. I supplied specifics according to the requirements Mr. Moliere laid out, then he changed the rules and simply ended the so-called investigation. I provided a tape to support my allegations of over pricing on slip rents. Please do walk the docks to see for yourself, but this is a public issue for a public meeting and it should be agendized and the Brown Act should be employed. The public wants to know. You have an awareness as a Commission about rent increases in this degraded Marina."

Ms. Patricia Raye said, "I wish to address you again on the scarlet 'B,' which is the blacklisted. This was put before us and was put out by Jose Mata and insisted that it be supported by the Sheriff's, who were forced to defer to his judgment. As far as I'm concerned, he was further victimizing the Sheriffs. This blacklist was rescinded July 15 after being shown to Johnny Lucero on July 14. I don't know if you understand, but according to the Penal Code of California, 52.5 and 7 says you cannot blacklist any person in this United States or otherwise at a County facility by a director or an authority. It is simply against the law and against your civil rights. I've been screaming about this and this is very important to me. There are many of us and I've been told that I need to take this to a higher court, so I did. I have opened an investigation. I went on November 13 and I showed them many letters written by the blacklisted and they accepted this and they have continued to have this and hold this open. We go back on January 27 and the district attorneys along with the judges and the public defenders that are defending me are investigating this. I'm no longer standing before you with the nonexistent in my hand because I really mean everything I say. This is not right, it's against the law, and it's certainly against everything that Martin Luther King stood for."

Ms. Raye continued, "Jose [Mata] on Sunday blacklisted only us. It was a red flag day. He came to us four times or sent his worker, Bernard, who really didn't want to do it. He's a very nice gentleman. He selectively enforced a policy, or what he calls a policy, of the park, on Johnny and I only. He said we had to leave the court or go to the four-hour. Now, why should we? First of all, it was not navigable....This man selectively enforces the policies of the park against us and does not do it across the board. We are singled out. There are many other instances with that. We also had a mooring ball...we are not able to get the slips that you provided me with a list. His e-mail and his motor drive is being subpoenaed by the courts because what he does is he e-mails all of the dockmasters with pictures of our vessels and of us personally and tells them not to rent us slips. This is a fact."

** 3.3 <u>Active Public Use</u>. The parties acknowledge that the ultimate objective of this Lease is the complete and continuous use of the facilities and amenities located in Marina del Rey by and for the benefit of the public, without discrimination as to race, gender or religion, along with the generation and realization of revenue therefrom. Accordingly, Lessee agrees and covenants that it will operate the Premises fully and continuously in light of these objectives, consistent with the operation of the Permitted Uses, and that it will use commercially reasonable efforts so that County may obtain maximum revenue therefrom as contemplated by this Lease. In the event of any dispute or controversy relating hereto, this Lease shall be construed with due regard to the aforementioned objectives.

Mr. Johnny Lucero said, "I've lived over here in the Marina for almost 13 years. Neptune, Deauville and Dolphin; I've had my slips in all those places. Lately, in the last 14 months of my life, someone has tried to make my life miserable. I used to work for the NBA for 16 years for Jerry Buss...I'm a citizen. I've lived around here for a long time. I'm 44 years old and finally I'm being arrested twice in my whole record for trespassing and the other day they arrested me for some other reason and I didn't even do anything. I'm trying to see if you can stop this gentleman that you've got in charge of this park. It's bugging me. I've had enough of this. Can you tell me what can I do?"

Mr. Wisniewski suggested that Mr. Lucero speak to Mr. Moliere after the meeting.

8. ADJOURNMENT

Chairman Searcy adjourned the meeting at 11:35 a.m.

Respectfully submitted,

Toni Minor, Secretary

MARINA DEL REY HARBOR ORDINANCE
SEAWORTHY & LIVEABOARD COMPLIANCE REPORT

	November	December
Liveaboard Permits Issued	3	0
Warnings Issued (Yellow Tags)	0	0
Notices to Comply Issued	0	0

Total Reported Liveaboards By Lessees - 541
Total Liveaboard Permits Issued - 432
Percentage of Compliance - 79

No new Warnings were issued in the month of November.

No new Notices to Comply were issued in the month of November. There are no active cases.

No new citations were issued for violations of 19.12.1110 L.A.C.C. (liveaboard permit) or 19.12.1060 L.A.C.C. (unseaworthy vessel) in the month of November.

Number Of Unseaworthy Vessels Demolished

To date, one hundred and fifty eight (158) vessels have been removed from the marina for disposal. Currently, six (6) vessels are ready for disposal and eight (8) are awaiting lien sale procedures.

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART I CRIMES- DECEMBER 2003

Part I Crimes	MARINA AREA (RD'S 2760-2763)	EAST END (RD'S 2764-2768)
Homicide	0	0
Rape	0	0
Robbery: Weapon	0	6
Robbery: Strong-Arm	0	1
Aggravated Assault	0	9
Burglary: Residence	1	9
Burglary: Other Structure	3	3
Grand Theft	5	10
Grand Theft Auto	9	7
Arson	0	0
Boat Theft	0	0
Vehicle Burglary	2	2
Boat Burglary	1	0
Petty Theft	2	14
Total	23	61

Note- The above numbers may change due to late reports and adjustments to previously reported crimes.

Source- LARCIS, **Date Prepared** – January 5, 2004
CRIME INFORMATION REPORT - OPTION B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
MARINA DEL REY STATION
PART I CRIMES- DECEMBER 2003

	West Marina 2760	East Marina 2761	Lost R.D. 2762	Marina Water 2763	Upper Ladera 2764	County Area 2765	Lower Ladera 2766	Windsor Hills 2767	View Park 2768	TOTALS
Homicide										**0**
Rape										**0**
Robbery: Weapon							4		2	**6**
Robbery: Strong-Arm								1		**1**
Aggravated Assault					1		1	3	4	**9**
Burglary: Residence	1				2		2	3	2	**10**
Burglary: Other Structure		2		1				3		**6**
Grand Theft	2	2		1	2		4	2	2	**15**
Grand Theft Auto	6	2	1				3	3	1	**16**
Arson										**0**
Boat Theft										**0**
Vehicle Burglary	1	1					1	1		**4**
Boat Burglary				1						**1**
Petty Theft	6	5				2	3	4	5	**25**
REPORTING DISTRICTS TOTALS	**16**	**12**	**1**	**3**	**5**	**2**	**18**	**20**	**16**	**93**

Note- The above numbers may change due to late reports and adjustments to previously reported crimes.

Source- LARCIS, **Date Prepared – January 5, 2004**

CRIME INFORMATION REPORT - OPTION B

Los Angeles County
Beaches & Harbors
Caring for Your Coast

To enrich lives through effective and caring service

January 8, 2004

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director SWisniewski

SUBJECT: **ITEM 3b - MARINA DEL REY AND BEACH SPECIAL EVENTS**

MARINA DEL REY EVENTS

WHALE WATCHING

January 31 – March 31

The whale watching tours depart daily from Marina del Rey to observe the migration of gray whales along the Pacific Coast.

For event information call: Marina del Rey Sportsfishing at (310) 822-3625.

FISHERMAN'S VILLAGE WEEKEND CONCERTS

Sponsored by Pacific Ocean Management, LLC
All concerts from 1:00 p.m. – 4:00 p.m.

Saturday, January 17
Orquestra La Morena, playing Latin Jazz & Pop

Sunday, January 18
Encenas, playing Jazz

Saturday, January 24
Otherwise Normal, playing Pop & Rock

Sunday, January 25
Bob Desena Latin Jazz Band, playing Latin Jazz

Saturday, January 31
11 O'clock Blues, playing Blues

For recorded information call: (310) 823-5411.

BEACH EVENTS

There are no beach events this month.

SW:mc

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://beaches.co.la.ca.us
Stan Wisniewski Director • Kerry Gottlieb Chief Deputy

Los Angeles County
Caring for Your Coast
Beaches & Harbors

To enrich lives through effective and caring service

January 8, 2004

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director Stan W.

SUBJECT: **AGENDA ITEM 5a – ELECTION OF COMMISSION OFFICERS**

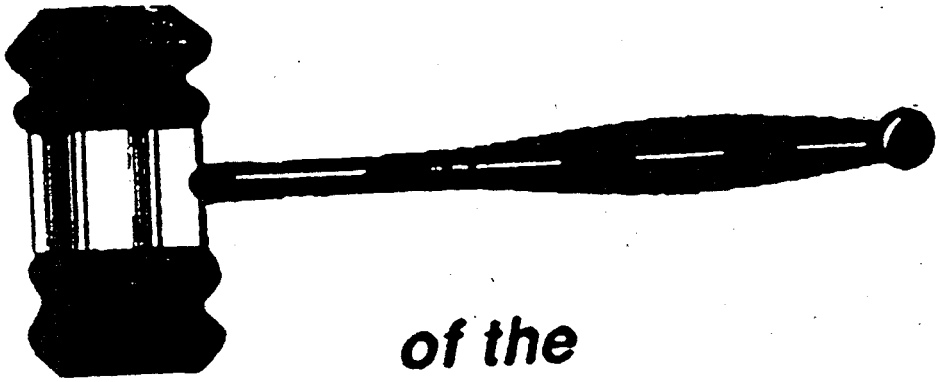
The Election of Commission Officers is included as Item 5a on your agenda, pursuant to Chapter III, Section 8, of the Small Craft Harbor Commission Rules, which states, "At its January meeting, the Commission shall elect both a Chairman and a Vice-Chairman to serve until the next January regular meeting."

I have attached the Commission Rules for your information. Please contact me at (310) 305-9522 if you have any questions or need additional information.

SW:tm
Attachment

13837 Fiji Way • Marina del Rey • CA 90292 ● 310.305.9503 • fax 310.821.6345 ● internet: http://beaches.co.la.ca.us
Stan Wisniewski Director ● **Kerry Gottlieb** Chief Deputy

Rules



of the Los Angeles County Small Craft Harbor Commission

RULES OF THE SMALL CRAFT HARBOR COMMISSION

TABLE OF CONTENTS

	PAGE
CHAPTER I - GENERAL PROVISIONS	1
CHAPTER II - COMMISSION MEETINGS	1
CHAPTER III - ELECTION, POWERS, AND DUTIES OF CHAIRMAN AND VICE-CHAIRMAN	2
CHAPTER IV - CONDUCT OF MEETINGS	3
CHAPTER V - MISCELLANEOUS PROVISIONS	6

RULES OF THE
SMALL CRAFT HARBOR COMMISSION

CHAPTER I
GENERAL PROVISIONS

Section 1. APPLICATION. These rules shall apply to the Small Craft Harbor Commission of the County of Los Angeles (the "COMMISSION").

Section 2. RULES OF ORDER. The proceedings of the Commission shall be governed by the Ralph M. Brown Act (the "Brown Act"), and such other laws of the State of California as may apply, and to the extent the Brown Act and other statutory laws of the State of California do not apply, by Robert's Rules of Order, newly revised, except as herein otherwise provided (collectively, the "Rules"). The foregoing notwithstanding, compliance with the Rules shall not be mandatory except to extent required by law. The County Counsel shall act as parliamentarian and, on request of the Chairman, shall give parliamentary advice.

CHAPTER II
COMMISSION MEETINGS

Section 3. REGULAR MEETINGS. The regular meetings of the Commission shall be held on the second Wednesday of each month, commencing at the hour of 9:30 a.m., in the Community Room of Los Angeles County's Department of Beaches and Harbors' Chace Park, at 13650 Mindanao Way, Marina del Rey, California or such other day, time, or place, as the Commission may decide for its next scheduled regular meeting. If any regular meeting day falls upon a holiday, the regular meeting of the Commission shall be held at the same place upon the first succeeding day which is not a holiday commencing at the same hour.

Section 4. SPECIAL MEETINGS. The Commission may elect to hold a special meeting on a day, at a time, or in a location other than that prescribed in Section 3 for regular meetings. All Rules pertaining to regular meetings of the Commission shall apply to special meetings to the extent they may be applicable to the special meeting to be conducted.

Section 5. PUBLIC HEARINGS. The Commission may hold public hearings and may appoint one of its members to be the hearing officer, with responsibility for reporting his findings and recommendations to the Commission. Guidelines for public participation at a public hearing are included in Exhibit 1.

Section 6. QUORUM. A majority of the Commission shall constitute a quorum, and a quorum must be present for the Commission to conduct its business.

Section 7. MAJORITY VOTE. No act of the Commission shall be valid or binding unless a majority of the Commission concurs. However, if there is less than a majority vote of the Commission on an item, the Commission may refer the item to the Board of Supervisors with a notation of the Commission's vote.

CHAPTER III
ELECTION, POWERS, AND DUTIES OF CHAIRMAN AND VICE-CHAIRMAN

Section 8. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN. At its January meeting, the Commission shall elect both a Chairman and a Vice-Chairman to serve until the next January regular meeting. No member of the Commission shall be elected to the same office for more than two consecutive terms of one year each.

Section 9. CHAIRMAN DUTIES AND POWERS. The Chairman shall possess the powers, and perform the duties prescribed, as follows:

a. Have general direction over the Commission Meeting Room;

b. Preserve order and decorum;

c. Assure that attendance of the public at meetings in the Meeting Room shall be limited to the number which can be accommodated by the seating facilities regularly maintained therein;

d. Allocate the length of time for public discussion of any matter in advance of such discussion, with the concurrence of the Commission;

e. Allocate equal time to opposing sides insofar as possible taking into account the number of persons requesting to be heard on any side;

f. Limit the amount of time that a person may address the Commission during a public discussion period in order to accommodate those persons desiring to speak and to facilitate the business of the Commission; and

g. Appoint hearing officers and set dates for public hearings.

In the event of the resignation, removal, or death of the Chairman, the Vice-Chairman shall serve as Chairman for the remainder of the term.

Section 10. VICE-CHAIRMAN DUTIES AND POWERS. The Vice-Chairman shall have all of the powers and duties of the Chairman during the absence of, or inability to act of, the Chairman.

In the event of the resignation, removal, or death of the Vice-Chairman, or the assumption of duties and powers of the Chairman by the Vice-Chairman as provided in Section 9, the Commission shall elect another member to serve as Vice-Chairman until the end of the term.

CHAPTER IV
CONDUCT OF MEETINGS

Section 11. PUBLIC MEETINGS. Meetings of the Small Craft Harbor Commission are open to the public.

1. The general public is invited to comment upon agenda items after introduction of the item by a member of the Commission or Department.

2. Individual speakers may be limited to specific time periods of not less than three minutes, and are requested to present information not already provided. Speakers will be recognized only once on a given item.

3. At the conclusion of the public comments the Commission will consider the item without any further comment or debate from the floor.

4. The "Communications From the Public" item on the agenda provides time for any party to address the Commission on any matters that are within the subject matter jurisdiction of the Commission. A person may make one presentation under this agenda item per Commission meeting. Individual speakers may be limited to specific time periods of not less than three minutes in length; the number of speakers under this item may be limited to five.

5. The Chairman, at his discretion, may alter or change the order in which agenda items are considered, depending upon his determination of the importance or urgency of an item.

6. The Chairman shall order removed from the Commission Meeting Room any person who commits the following acts with respect to a regular or special meeting of the Commission:

   a. Disorderly, contemptuous or insolent behavior toward the Commission or any member thereof, tending to interrupt the due and orderly course of said meeting;

   b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting;

   c. Disobedience of any lawful order of the Chairman, which shall include an order to be seated or to refrain from addressing the Commission;

   d. Any other unlawful interference with the due and orderly course of said meeting.

Any such removal shall be effected by a peace officer upon being directed by the Chairman.

Section 12. ORDER OF BUSINESS. The business of each regular meeting of the Commission shall be transacted as far as practicable in the following order:

1. Call to order and action on absences.

2. Action on minutes of prior meeting.

3. Posted agenda items, e.g., regular reports, old business, new business, staff reports.

4. Items not on the posted agenda to be discussed and (if requested) placed on the agenda for action at a future meeting of the Commission, or items requiring immediate action because of an emergency situation involving severe impairment to the public health or safety or where the need to take action arose subsequent to the posting of the agenda.

5. Presentation of scrolls.

6. Comments by members of the public on matters that are within the subject matter jurisdiction of the Commission.

Section 13. AGENDAS AND POSTING REQUIREMENT. The Commission may set items for each agenda and Agendas will be posted at least 72 hours in advance of each meeting at the Administration building of the Department of Beaches and Harbors located at 13837 Fiji Way, Marina del Rey. The agenda will describe each agenda item to be considered, the proposed action, and the location and time of the meeting.

Section 14. MATTERS FOR CLOSED SESSIONS. The Brown Act allows the Commission to go into closed session to discuss the following matters:

1. The purchase, sale, or lease of real property with the agency's negotiator, or to instruct the negotiator.

2. Pending litigation.

3. National security, or the security of public buildings and/or threats to public access to public services and facilities.

4. The issuance of a license to a person with a criminal record.

5. The appointment, employment, performance, or dismissal of an employee, or to hear complaints or charges against an employee, unless the employee requests a public hearing.

6. Salaries, compensation, or fringe benefits for employees.

Section 15. CLOSED SESSIONS - PROCEDURES. In order to maintain compliance with the Brown Act, the intent of which is to insure that the public's business is conducted in open meetings, the following procedures will be followed whenever the Commission holds a closed session:

1. Prior to or after any closed session, the Commission must publicly state the general reason or reasons for the closed session. Specific statutory authority may be cited.

2. If the closed session is to discuss pending litigation which has been formally initiated before a court, an administrative body, a hearing officer, or an arbitrator, the title of the litigation must be cited in the public statement, unless it would jeopardize the County's ability to serve process on an unserved party or to conclude settlement negotiations, and a memorandum of reasons and authority for the closed

session shall be prepared by the County Counsel and filed with the minutes and records of the Commission.

3. In the closed session, the Commission may only discuss the matters covered in the public statement.

4. A minute book shall be kept of the topics discussed in the closed sessions and the decisions made. This book shall not be a public record and may only be viewed by members of the Commission, or court of general jurisdiction in the event of an alleged violation of the Brown Act.

CHAPTER V
MISCELLANEOUS PROVISIONS

Section 16. SECONDED MOTION. Each motion made by any member of the Commission shall require a second. Motions and seconds may be made by any member of the Commission, including the Chairman.

Section 17. ROLL CALL. The roll need not be called in voting upon a motion except where specifically required by law or requested by a member. If the roll is not called, in the absence of objection the Chairman may order the item unanimously approved. When the roll is called on any motion, any commissioner present who does not vote in an audible voice shall be recorded as "Aye."

Section 18. SIGNS. Except with prior authorization of the Chairman, no placards, signs or posters or packages, bundles, suitcases or other large objects shall be brought into the Meeting Room.

Section 19. DISRUPTIONS. All demonstrations, including cheering, yelling, whistling, hand clapping and foot stamping are prohibited.

Section 20. DISTRIBUTION OF LITERATURE. Except with prior authorization of the Chairman, the distribution of literature, of whatever nature or kind, is prohibited.

Section 21. SMOKING. Smoking is prohibited in the Commission Meeting Room.

Section 22. ADDRESSING THE COMMISSION. No person shall address the Commission until he or she has first been recognized by the Chairman. The decision of the Chairman to recognize or not recognize a person may be changed by order of the Commission. All persons addressing the Commission shall give their names for the purpose of the record and state whether they are addressing

the Commission on their own behalf or the behalf of someone else. The Chairman may, in the interest of facilitating the business of the Commission, limit the amount of time which a person may use in addressing the Commission.

Section 23. COUNTY LOBBYISTS. The Chairman may refuse permission to any person not registered as a "county lobbyist" in accordance with provisions of Chapter 2.160 of Los Angeles County code who is seeking to address the Commission in his/her capacity as a "county lobbyist" as that term is defined in Chapter 2.160 of the Los Angeles County code.

revised 10/02/92

Los Angeles County
Beaches & Harbors
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To enrich lives through effective and caring service

County of Los Angeles
California

January 7, 2004

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director Stan Wisniewski

SUBJECT: **ITEM 5B – PREMISES MAINTENANCE INSPECTION REPORT FOR AUGUST 1 – NOVEMBER 30, 2003**

At your Commissions December meeting you requested, in addition to our regular quarterly maintenance inspection report, that we provide information relating to the operation of the Department's leasehold maintenance program and our leasehold maintenance deficiency policy.

The following Section A of this report first provides a description of the current program. The additional measures, providing for enhanced inspection, additional enforcement tools and for required pre-funded facilities reinvestment are provided in Sections B and C, below.

A) Current Maintenance Inspection Scheduling and Notification Procedure:

The Department currently conducts approximately 300 annual inspections of the Marina's 54 leaseholds (35 of which have dockside facilities in addition to landside facilities). The lessees, in accordance with the standards set forth in all Marina leases, are required to maintain leaseholds in a safe, clean, wholesome, and sanitary condition in compliance with the Department's standards and all applicable laws. The Department's Policy Statement No. 25, dated July 16, 1975, entitled "Standards, Guidelines and Procedures Relating to Premises Maintenance", attached as Exhibit 1, contains a comprehensive description of the criteria used in conducting inspections and reporting.

Our inspection program is structured to provide more frequent inspections of those leaseholds with a history of maintenance deficiencies and, thus, leaseholds with dock facilities cited for any deficiencies during the previous year are inspected every eight weeks, while those without cited deficiencies in the previous year are inspected every twenty-four weeks. Similarly, leaseholds with landside facilities cited for any deficiencies during the previous year are inspected every sixteen weeks, while those without noted deficiencies during the previous year are inspected every twenty-four weeks.

Upon completion of each premises inspection, the Facilities & Property Maintenance Division (FPM) issues a report of its findings to the lessee. The report notes the nature or urgency of any deficiency found and indicates the outside date by which each

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Stan Wisniewski Director • Kerry Gottlieb Chief Deputy

deficiency must be corrected. However, should urgent health or safety-related items be noted during the inspection, the lessee is immediately notified and is required to correct such items within 48 hours and, in appropriate cases, to immediately place barriers around any unsafe areas.

In addition to providing the initial inspection report to the lessee, the Real Property Agent (RPA) assigned to the leasehold is also provided a copy of the report from FPM. The RPA reviews the maintenance report and recommendations in conjunction with all factors relating to the leasehold, including such matters as any needed California Coastal Commission permits, Building & Safety Department permits and required Design Control Board approvals required in order to undertake and complete the required maintenance work. The RPA also monitors compliance with the various time deadlines provided for completion of required repairs.

If it becomes apparent, upon showing by the lessee that the noted deficiencies cannot be remediated within the time period required due to the time needed to obtain permits or for other valid construction related reasons, an extended deadline may be established so long as the lessee continues to demonstrate its active and diligent pursuit of completion of the required repairs. At this point, the RPA closely monitors the lessee's activity and requires a demonstration that the lessee is timely pursuing the processes required to obtain any necessary permits and/or design approvals. The lessee is also required to provide executed contracts for the purchase of any needed repair materials as well as executed agreements with a licensed contractor to effect the required repairs, so that the Department is satisfied that all actions needed to effect required repairs at the earliest date have been taken by the lessee.

Failure of the lessee to repair any cited maintenance deficiency items within the prescribed time limits or failure to pursue necessary permitting or other pre-construction actions, will initially result in "Pre-Default Notice" to the lessee. The Pre-Default Notice indicates that all actions necessary to effect the required repairs must immediately be demonstrated or a final Notice of Lease Default will be issued to the lessee and its lender. It has been our experience that the process of closely monitoring the lessee to make certain that the processes necessary to effect repairs are actively and diligently pursued, coupled with the Pre-Default Notice procedure has resulted in the most time-efficient and effective method of securing appropriate maintenance levels of Marina leaseholds.

While our leases do make provision for the extraordinary step of County repair (i.e., the Department itself may step in and effect repairs, charging back the costs to the lessee), both County repair and a final Notice of Default, (which necessarily requires the involvement of the leasehold lender and, ultimately, the possibility of prolonged and expensive legal action), are considered methods of last resort. County repair, in particular, is a last resort as it is a cumbersome remedy that does not lead to the most

efficient and timely correction of maintenance deficiencies. As the object is to assure that required maintenance and repairs are undertaken as expeditiously as possible, the pre-default notice (and, if necessary a default notice) and the monitoring methods above outlined have proven to be the most effective in securing timely compliance with maintenance standards.

The Department has taken an aggressive approach to our inspection program in relation to leaseholds with excessive deficiency notices in order to encourage lessees to replace aging facilities, rather than face constant significant and continuing repair requirements. As is attested to by the significant number of leasehold renovation and replacement projects either completed, now underway, or in final regulatory or negotiation stages, these efforts have also proven successful.

The following table contains our quarterly report on the leasehold premises maintenance inspection program.

Inspection Period	**DOCKS**		**LANDSIDE**		**Lease Maintenance Pre-Defaults**		**Lease Maintenance Defaults**	
	Major	**Minor**	**Major**	**Minor**	**Pre-Default Notices Sent**	**No. of Pre-Default Items**	**Default Notices Sent**	**No. of Default Items**
Aug. 1, 2003-Sep 31, 2003	834	10	90	48	0	0	0	0
Oct. 1, 2003-Nov 30, 2003	699	59	154	104	1	52	0	0

B) Inspection Program Augmentation – Request for Proposals

In order to further augment our maintenance inspection program, the Department recently issued a Request for Proposals (RFP) seeking a qualified marine engineering firm to provide two full-time inspectors to identify maintenance deficiencies and necessary structural repairs on leasehold improvements in the Marina. This will enable us to increase the current levels of inspection even further, both in number and in quality level, as well as provide for any needed re-inspection and structural follow-up work by licensed structural marine engineers. The RFP requirements also strengthen the qualification and training requirements for inspectors and provide for annual structural reports on leasehold docks.

C) Additional Provisions in New Marina Leases

In addition to lease language requiring compliance with marina maintenance provisions, our new/extended Marina leases all contain two provisions which will further work to assure compliance with a high level of maintenance standards.

1) Each of our new/extended leases contains reinvestment clauses. These commonly consist of two separate sinking funds requiring that a percentage of gross leasehold income be set aside in; (i) a "capital improvement" sinking fund that must be periodically expended for Director-approved capital improvements and upgrades to the leasehold project and, (ii) an additional sinking fund that is required to be used for periodic renovations to reposition the leasehold project to then current market requirements. These reinvestment requirements, providing either a cash fund or a lease-required expenditure tied to leasehold gross income, along with the requirement for periodic expenditure of these sums during the course of the lease term, provide greater assurance that periodic preventive maintenance and upgrades will take place, thus decreasing the number and severity of future maintenance deficiencies.

2) All of our new/extended leases also contain a provision for liquidated damages to be paid to the County in the amount of $100 per day, per cited deficiency, for each maintenance item that is not corrected on or before the required repair date. This amount is triennially adjusted in accordance with changes in the Consumer Price Index (CPI) and is immediately due and payable, or may be assessed from the lessee's security deposit, in which case such amounts must immediately be reimbursed to the security deposit at risk of a monetary lease default. We believe this adds another strong incentive to encourage timely compliance with lease maintenance requirements.

As the large number of new and extended leases take effect, we believe that the enhanced inspection program, coupled with the new leasehold reinvestment requirements and the addition of the liquidated damage maintenance provisions, will provide further valuable methods and systems to assure high levels of compliance with maintenance standards.

Please let me know if you would like additional information.

Attachment (1)

SW:rm

COUNTY OF LOS ANGELES / DEPARTMENT OF SMALL CRAFT HARBORS
Administration Building, Fiji Way, Marina del Rey, California 90291 / 823-4571 /870-6782

VICTOR ADORIAN
Director

July 16, 1975

POLICY STATEMENT NO. 25

STANDARDS, GUIDELINES AND PROCEDURES
RELATING TO PREMISES MAINTENANCE

I. INTRODUCTION:

Section 35 of each lease delineates lessees' understanding and agreement to "maintain the leasehold in a safe, clean, wholesome and sanitary condition" and to keep all improvements constructed thereon "in good and substantial repair and condition."

Section 36 prescribes that, in the event a lessee fails to perform such maintenance and/or repairs as the Director may identify in writing, County may cause such work to be done and charge the lessee for the cost thereof.

From time to time the Department conducts an inspection of all public or common use areas of each leasehold to determine the state of maintenance. A list of deficiencies noted during such inspection is transmitted to the lessee conderned with a request that such deficiencies be remedied by a date considered by the Department to be reasonable. An alternate deadline may be established upon a rational showing that substantial progress is not feasible by the prescribed date.

The following standards are defined in order to establish guidelines as to the state of maintenance considered acceptable by the Department. Variations in compliance with these standards may range widely from minimal to significant. The latter will generally warrant immediate remedial work. However, it is expected that efforts will be made within a reasonably short time to remedy all of the deficiencies.

II. STANDARDS FOR SITE MAINTENANCE:

Grounds, including both paved and planted areas, shall be kept clean and of a high order of appearance. Payment surfaces must be clean, firm, unbroken and well drained.

Curbs and gutters should be of proper plane and unbroken. Fences, walls, signs, light standards, and similar structures must be plumb, unbroken, clean, and esthetically pleasing. Asphalt paving should be sealed and restriped at intervals adequate to maintain good condition and appearance.

Landscaping should be kept trim and properly edged or pruned to avoid interference with driveways, walks, etc. Plant materials, particularly ground covers such as grass, ice plant, ivy, gazania, etc., must be of sufficient density. Irrigation and fertilizing should be done at intervals adequate to sustain healthy growth. Weeds and dead materials should be completely removed, including root systems, prior to becoming an obvious element. Water features used for ornamentation should be clean and free of algae or other unintentional plant growth.

Submerged areas (between seawalls and pierhead lines) shall be kept free of both submerged and floating debris. Any significant oil sheen noticed on water surface should be reported immediately to the Harbor Patrol for investigation as to source and appropriate clean up.

III. STANDARDS FOR MAINTENANCE OF STRUCTURES:

Both the interior and exterior spaces and finishes of all structures shall be kept clean, free of stains or other unsightly blemishes, and in good state of repair. Loose features should be secured promptly, effectively and durably and in correct plane. Stained and painted surfaces should be restained or repainted at intervals adequate to prevent a chipped or peeled condition.

Interior walls and ceilings shall be sound, clean, and be refinished at intervals to avoid an unsightly condition. Particular attention should be given to surfaces near air vents or other dirt-inducing features.

Floor surfaces, including carpet, tile, wood, concrete or other, shall be maintained sound, of consistent plane, and clean. Unsafe surfaces shall be effectively repaired and refinished promptly to avoid hazard to persons and unsightly condition.

Structural framing of floating docks should be inspected frequently and any broken or rotted components shall be replaced in a sound and durable manner. Care must be exercised in the repair of laminated wood decks to assure that finished surface is smooth and level and free of water-retaining depressions.

All electrical equipment, including motors, switches, convenience outlets, etc., shall be properly and effectively

grounded and protected against excessive exposure to moisture, impact, or other hazard of deterioration. Wiring and circuitry shall be of proper size and design to accommodate designated loads.

All mechanical equipment, including pumps, fans, etc., shall be kept properly serviced and lubricated. Housings should be painted or galvanized and kept free of rust or other unsightly condition. All plumbing shall be maintained to avoid leakage and any hazard of back syphoning. Shut off valves should be operated at intervals to assure sound and effective working condition. Fire hoses and extinguishers must be inspected at least annually, and kept in effective operable condition.

IV. GENERAL HOUSEKEEPING STANDARDS:

All rooms and areas should be swept or vacuumed as necessary to maintain a clean appearance and the thorough cleaning of all common use areas--restrooms, hallways, stairways, recreation areas and the like--must be accomplished at intervals which will effectively prevent any build up of grime or accumulation of litter. Toilets and shower rooms shall be kept clean, free of mold or mildew, and should be well lighted and ventilated and kept stocked with supply of towels, toilet tissue, etc.

Trash containers in all common use areas must be clean, in good physical condition, and shall be emptied at intervals to avoid overflow.

All supplies and equipment not in active use, including construction materials, ladders, hoses, tools, spare parts, etc., shall be stored in a neat manner and in an unobstrusive location. Extreme care shall be exercised to assure that all passageways, ramps, stairs, landings, etc., are kept free and clear of any incumbrance to safe passage. All personal gear (except boarding ladders) shall be kept off the dock and in lockers. Lines, hoses, electrical extension cords and the like shall be kept neatly coiled to assure minimum hazard to pedestrians.

Fire hose cabinets must be kept in good physical condition and hoses and valves checked at least annually to assure effective operable condition at all times.

All safety lighting--in halls, walkways, docks, exits, etc.--shall be kept in good condition and burned out lamps shall be replaced promptly. Ornamental lighting, wherever used, should be equipped to shut off at a reasonable hour rather than burn all night.

Water lines, electrical and telephone conduits and wiring on docks must be properly secured to avoid sagging and/or

submersion. Dock surfaces must be kept level, secured, and free of tripping hazard. Stringers, fascias, and other framing or finish members must be sound and well secured. Metal components and fastenings shall be sound, secure and reasonably free of corrosion or rust. Gangways support brackets and rollers shall be sound, secure, and fully operative without restraint. All grease fittings should be properly lubricated at appropriate intervals.

It is strongly recommended that all anchorages permitting owner maintenance/servicing of vessels provide segregated containers, acceptable to the Fire Department, for waste flammable liquids--crankcase oil, paint thinners, etc.--and that arrangements be made with a commercial oil recovery agent for disposal of contents at appropriate intervals. Similarly, apartment operators should consider the same arrangements if owner servicing of vehicles should warrant.

SEQUENTIAL PROCEDURES INCIDENT TO NON-COMPLIANCE:

The following outlines the sequence of procedures applicable to premises maintenance, particularly with respect to non-compliance with the lease provisions cited in Section I above. This sequence terminates upon satisfactory compliance.

1. Regular, routine inspection is made of leasehold premises by County staff. Generally this will be accomplished by departmental personnel. Expertise from other County agencies will be sought in the event of unusual circumstances.

2. Lessee and leasehold management will be apprised in writing of the results of each such regular inspection. In the event deficiencies are noted, a brief description of such will be transmitted together with a date considered reasonable for completion of remedies. Whenever necessary or desired by lessee, responsible staff personnel will confer to clarify listed items, adjust deadline dates as may be rationally justified, etc.

3. In the event of disagreement between a lessee and the Department regarding stated deficiencies, excluding those identified as constituting major safety hazards, lessee may request a discussion of the relevant details before the Small Craft Harbor Commission. Requests for such hearings must be filed with the Department within 30 days after receipt of advice of the existence of the deficiency.

4. A follow-up inspection will be made to verify status or completion of requested remedial work.

5. In the event of unexplained or unacceptable non-compliance, the Department will advise lessee and lender in writing that a default condition exists and that the Department intends to implement the provisions of Section 36 of the lease. As provided in Section 21 of the lease, implementation of these provisions will be deferred for 30 days to permit the curing or obviation of the default by the lessee.

6. In the event it becomes necessary for the County to proceed with remedial work, all costs incident to such will be charged to the lessee and become part of the rental as provided in Section 36.

Los Angeles County
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To enrich lives through effective and caring service

January 8, 2004

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director Stan Wisniewski

SUBJECT: **AGENDA ITEM 5c – NEXT MEETING SCHEDULED FOR FEBRUARY 10 AT 7:00 P.M.**

While the Small Craft Harbor Commission meetings are scheduled for 9:30 a.m. on the second Wednesday of each month, your Commission requested an evening meeting in early 2004. Accordingly, the February meeting will be held on Tuesday, February 10, 2004 at 7:00 p.m. in the Burton Chace Park Community Room.

Please contact me at (310) 305-9516 if you have any questions or need additional information.

SW:tm

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Stan Wisniewski Director • **Kerry Gottlieb** Chief Deputy

Los Angeles County
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January 8, 2004

TO: Small Craft Harbor Commission

FROM: Stan Wisniewski, Director SWisniewski

SUBJECT: **ITEM 6a - ONGOING ACTIVITIES REPORT**

BOARD OF SUPERVISORS' ACTIONS ON ITEMS RELATING TO MARINA DEL REY

At its December 16, 2003 meeting, the Board of Supervisors approved and authorized the Chairman to sign the Consent to Assignment of Lease for Parcel 50T from Carlisle Realty Holdings I Limited Partnership, a Massachusetts limited partnership, to Marina Waterside LLC, a California limited liability company; the option to amend lease agreement; and the amended and restated lease agreement granting to the recommended lessee, upon fulfillment of stated conditions, the right to extend the term of its existing ground lease on Parcel 50T by 39 years.

Also at its December 16, 2003 meeting, the Board of Supervisors approved and authorized the Chairman to sign the Limited Forbearance Agreement for Parcel 125R (Marina City Club), Marina del Rey, temporarily delaying implementation of scheduled rent increases to specified future dates, during which time negotiations can continue toward addressing infrastructure and capital improvement concerns relating to leasehold improvements.

At its January 6, 2004 meeting, the Board of Supervisors approved and instructed the Chairman to sign the Consent to Assignment of Lease for Parcel 125R from Marina City Club, L.P., to Essex Marina City Club, L.P.

These items were previously considered and recommended by your Commission.

DESIGN CONTROL BOARD MINUTES

The draft minutes for the Design Control Board meeting of December 18, 2003 are in your packet.

SW:tlh

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DRAFT

MINUTES
OF
MARINA DEL REY
DESIGN CONTROL BOARD

December 18, 2003

Department of Beaches and Harbors
Burton Chace County Park
Community Building – 13650 Mindanao Way
Marina del Rey, CA 90292

Members Present:	Susan Cloke, First District, Chair David Abelar, Second District Katherine Spitz, Third District Jackie Ingon, Fourth District
Members Absent:	Tony Wong, Fifth District
Department Present:	Joe Chesler, Chief, Planning Division Julie Cook, Planner LaTrina Hancock, Secretary
County Staff Present:	Kevin Johnson, Regional Planning
Guest Present:	Doris Sorensen, Pacific Ocean Management Saeed Shadraua, Newport Boats Randall Burg, Randall Burg Yacht and Ship Brokerage

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1. Call to Order & Absences
   Ms. Cloke called the meeting to order at 2:15 p.m. Mr. Abelar led the Pledge of Allegiance. **Ms. Spitz (Ignon) moved to excuse Mr. Wong from this meeting. Motion passed unanimously.**

2. Approval of Minutes from November 20, 2003
   Ms. Spitz (Abelar) moved to approve the minutes as submitted. Motion passed unanimously.

3. Approval of DCB Reviews #03-006
   Ms. Spitz (Ignon) moved to approve DCB Review #03-006 subject to the verification by the Chief of Planning. Motion passed unanimously.

Mr. Abelar also noted that items that have been previously approved by the Board, if an applicant is adding or making changes, should be submitted to the Board with back-up and other materials that show the Boards past decision. Staff agreed and will comply.

5. Old Business

A. Parcel 44 - Newport – New Port Boats at Pier 44 – (DCB #03-014)
Approval of one sign; continuance of one sign.

Sign #1
Ms. Ignon (Abelar) moved to approve the signage as submitted with the neon band. The sign must be turned of when the business closes.

Sign #2
Ms. Cloke suggested putting the sign on the building (trailer) or a sign that suspends form the eve in front of the location. Ms. Spitz was concerned about the style of the proposed sign. Ms. Ignon was concerned about the proposed location of the sign.

Public Comments
None

Ms. Spitz (Ignon) moved to continue this sign with the applicant returning to the February 2004 DCB Meeting with a new sign and sign location. Motion passed unanimously.

4. New Business

A. Parcel 44 – Randall Burg Yacht and Ship Brokerage – (DCB #03-017)
Approval of one sign

The Board advised the applicant that the new sign must be identical to the other signs at the location, and the applicant must add the red stripe around the signage. The applicant agreed.

Ms. Spitz (Abelar) moved to approve the signage with the conditions that the sign base and the lettering (reduced) must match the other signs at the location and a red band must be added to the signage. Motion passed unanimously.

6. Report from the Chief of Planning

A. Temporary Permits
The Cheesecake Factory and the Marina del Rey Hotel were issued temporary holiday banners.

B. Project Updates
Mr. Chesler presented the Board with Graphics from Caruso regarding Parcel 50, Waterside Shopping Center. The applicant is moving forward with total façade improvements and the expansion of the Ralph's Market to a Fresh Fair style market. Staff, and the applicant, will hopefully present the Board with the application in February 2004. Mr. Abelar asked what would happen to the Lincoln side of the building. Mr. Chesler advised that side of the building would be improved.

C. EDAW – Urban Design Updates
Mr. Chesler advised the Board that a workshop schedule is being worked on for a night meeting workshop. Staff is trying to have three workshops by April 2004. Ms. Spitz advised that Staff should give the public a minimum of 30-days notice for these workshops.

Public Comments
None

7. Election of Officers
Held until all members are present at the meeting.

Meeting adjourned at 3:00 p.m.

Respectfully Submitted,

La Trina Hancock-Perry
Design Control Board Secretary