To enrich lives through effective and caring service

Los Angeles County Department of Beaches & Harbors

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

December 4, 2008

TO: Small Craft Harbor Commission

FROM: Santos H. Kreimann, Acting Director
Kerry Silverstrom for

SUBJECT: **SMALL CRAFT HARBOR COMMISSION AGENDA FOR DECEMBER 10, 2008**

Enclosed is the December 10, 2008 meeting agenda, together with the minutes from your meetings of August 13, October 8 and November 12, 2008. Also enclosed are reports related to Agenda Items 3a, 3b, 4a, 5a, and 6a. The material for Agenda Item 5b is being finalized and will be transmitted to you and made available to the public within the next few working days.

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

SHK:ks
Enclosures

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://marinadelrey.lacounty.gov

To enrich lives through effective and caring service

SMALL CRAFT HARBOR COMMISSION

AGENDA
DECEMBER 10, 2008
9:30 a.m.

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

LOS ANGELES COUNTY Department of Beaches & Harbors

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

1. Call to Order and Pledge of Allegiance

2. Approval of Minutes: Meetings of August 13th, October 8th and November 12, 2008

3. **REGULAR REPORTS**

   a. Marina Sheriff (DISCUSS REPORTS)
      - Crime Statistics
      - Enforcement of Seaworthy & Liveaboard Sections of the Harbor Ordinance with Liveaboard Permit Percentages

   b. Marina del Rey and Beach Special Events (DISCUSS REPORT)

   c. Marina del Rey Convention and Visitors Bureau (PRESENTATION BY BEVERLY MOORE, EXECUTIVE DIRECTOR OF MdR CVB)

4. **OLD BUSINESS**

   a. Venice Pumping Plant Dual Force Main Project (DISCUSS REPORT)

5. **NEW BUSINESS**

   a. Approval of Amendment to Second Amended and Restated Lease No. 55624 – Parcel 125R (Marina City Club – Marina del Rey (RECOMMEND TO BOARD OF SUPERVISORS)

   b. Approval of Amendment 1 to Lease Agreement No. 75629 - Parcel 1S (Del Rey Fuel Dock) – Marina del Rey (RECOMMEND TO BOARD OF SUPERVISORS)

6. STAFF REPORTS

- Ongoing Activities (DISCUSS REPORT)
- Board Actions on Items Relating to Marina del Rey
- Regional Planning Commission's Calendar
- Dredging Update
- Redevelopment Project Status Report
- Oxford Retention Basin Flood Protection Enhancement Project
- Security Enhancement Recommendations
- Unlawful Detainer Actions
- Design Control Board Minutes

7. COMMUNICATION FROM THE PUBLIC

8. ADJOURNMENT

PLEASE NOTE:

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

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

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

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

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

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

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

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

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SMALL CRAFT HARBOR COMMISSION
MINUTES
August 13, 2008 (Revised)

Commissioners Present
Russ Lesser, Chairman; Vanessa Delgado, MPA, Vice –Chairman; Albert Landini, Ed.D; Albert DeBlanc, Jr. Esq.

Department of Beaches and Harbors
Santos Kreimann, Acting Director, Beaches and Harbors; Dusty Crane, Community and Marketing Division

County Staff
Thomas Faughnan, Principal Deputy County Counsel; Beverly Moore, MdR Convention and Visitors Bureau; Captain Oceal Victory, Lieutenant Reginald Gautt from the Sheriff's Department; Michael Tripp, Regional Planning

CALL TO ORDER, ACTION ON ABSENCES AND PLEDGE OF ALLEGIANCE

Chairman Lesser called the meeting to order at 9:35 a.m. The Commissioners, staff and members of the public stood and recited the Pledge of Allegiance.

ACTION ON ABSENCES

Commissioner Lesser announced all four Commissioners were present. Vice-Chairman Delgado announced that she will not be attending the September Commission meeting.

APPROVAL OF MINUTES

A motion was made by Commissioner Landini and Seconded by Vice-Chair Delgado to approve the minutes from the July 16, 2008, meeting. This motion was unanimously approved.

Chairman Lesser opened the floor to public comments. There were no public comments.

ITEM 3a: Marina Sheriff – Crime Statistics

Lt. Reggie Gautt provided the Commissioners with copies of the year-to-date crime stats and stated that they are attempting to use their "cop-link" information and other resources outside the Marina to help deal with some of those issues. There was no new information on the Liveaboard Report. Chairman Lesser noted that more "Notices to Comply" were issued, liveaboards have increased and current permits are going up.

ITEM 3b: Marina del Rey Beach and Special Events

Dusty Crane reported on the Marina del Rey Summer Concert series, Fisherman's Village, the Marina del Rey Waterbus, Esprit I and the Beach Shuttle. She said Hermosa Beach will be holding their annual festival on Labor Day weekend with entertainment, food and festivals.

ITEM 3c: Marina del Rey Convention and Visitors Bureau

Beverly Moore shared a centerfold article found in the June journal of the American Sailing Association about Marina del Rey (MdR). She spoke about "E" news releases an electronic form, known as Optimized Press Releases, a new advertising tool being used by the Visitors Bureau to advertise news about the MdR community via the internet.

Nancy Marino asked about marketing costs and its returns on investments.

Chairman Lesser stated that a lot of revenue is funded through a fund created by hotels, etc.

Dusty Crane stated that the MdR Convention and Visitors Bureau (CVB) was a combination of private and public money. Since 1990 Beaches and Harbors has had a total budget of $250,000 for promotion of MdR, and $92,000 of that has been put aside for the public and Discover MdR funding. Lastly, she said the other funds have come from six hotels, and each one of them put 1% on the room cost only. The majority of the funding has been for the CVB.

ITEM 4: Old Business – There was no new business.

ITEM 5: New Business – There was no new business.

Chairman Lesser asked about upcoming projects.

Mr. Kreimann reported that there are several upcoming projects. The preliminary business terms on Parcel 8 (The Bay Club) and Parcel 33 is nearly completed.

ITEM 6: Staff Reports – Ongoing Activities

Mr. Kreimann said that on July 22, 2008, the Board approved an increase in Kayaking class/tour registration fees and rental rates at Burton Chace Park. On July 15th the Board approved the lease documents and option agreements for Parcel OT and Parcel 21.

Mr. Kreimann spoke about The Del Rey Shores project. He said as a result of a lawsuit filed by the Homeowners Association, the Court directed the lessee to go back and recirculate a portion of the environmental document dealing with the excavation and the transportation of soil from that particular location. He said that was the only portion the Judge agreed that required recirculation of the environmental document.

Mr. Kreimann said there are no issues pending at the Planning Commission.

Mr. Kreimann said that the City of Los Angeles has requested to present to the Commission the Venice Pumping Dual Force Main Project. The presentation will be at the upcoming September meeting. He said that the City was asked to widely publish the meeting and to handle all the outreach in notifying the public of this presentation.

Chairman Lesser said some Marina residents oppose running the new City sewer line through the Marina.

Mr. Kreimann said there are three (3) different alternatives and they are: 1) one will run along the beach; 2) one on Pacific Avenue and, 3) the other one, which is the Cities preferred option, would run through Via Marina and then cut across and go under the Channel, and lay the pipe all the way down to the Hyperion Plant.

Mr. Kreimann gave a report on the Percentage Rents on Apartments.

Mr. Kreimann spoke about the Kayak Rental Report. He said the Marina Boat Rentals, Fisherman's Village, and the U.C.L.A. Aquatic Center provide the renting of kayaks.

Mr. Kreimann discussed Public Use of the Boathouse. He said there is a Capital Improvement Project slated to commence, and the Department is still finalizing the seismic issues with that particular building. He anticipates that project moving forward within the next six months. Other County Departments can utilize the downstairs facility for meetings. However, no one is allowed to use the second story of that building space because it is not ADA compliant.

Ms. Delgado asked about The Design Control Board Meeting minutes.

Mr. Kreimann said due to unanticipated changes and audio difficulties, the minutes were not available. However, they should be available next month.

Ms. Delgado asked if there was a controversial issue pertaining to the Del Rey Shores' Project stock pile removal.

Mr. Faughnan said the Court determined that they did not adequately analyze the potential impacts in the report. Originally they had intended to reutilize all of the soil on site, and then a subsequent change in the plans determined that they needed to conduct an off site disposal but there was no supplemental analysis. He said the Court determined that was a significant enough potential impact that required analyses and recirculation.

Chairman Lesser opened the floor to public comments.

Mr. Jon Nahhas asked what defines old business and who defines that in these meetings. He specifically referenced the unlawful detainer business.

Mr. Faughnan replied that items of new business and old business are action items that would require the approval of the Commission. The unlawful detainer issue has always been treated as a staff report issue. It's not an action item that they need to approve or not approve. Basically, its information they have requested and we are reporting back on.

Mr. Dan Gottlieb, representing the Marina Strand Colony, spoke on issues relating to the environmental report, issues of the gravel and the discrepancies in the Environmental Impact Report (EIR).

Mr. Faughnan said the action that was reported, in the report, is that the Board of Supervisors has set aside its approval of that project, and has sent it back to Regional Planning for further environmental analyses and recirculation. He said once that happens, and Mr. Gottlieb has had a chance to review the Supplemental EIR draft, an environmental document is ultimately prepared.

Mr. Faughnan said it would be appropriate for him to raise any comments he may have in the environmental process and not before this Board because this Commission does not have jurisdiction over those matters.

Mr. Gottlieb asked if he could obtain information on whom those agencies are.

Chairman Lesser asked if someone could keep Mr. Gottlieb informed on where that review is going to be and when it will take place.

Mr. Tripp said Regional Planning is performing that review and he will notify Mr. Gottlieb.

Ms. Nancy Marino questioned the legitimacy of the MDR Oceana LLC. She asked why it is called Admiralty Courts on the status reports and that is has been listed under different names.

Mr. Faughnan said MDR Oceana is the name of the ownership entity, the prospective lessee in this case, and Admiralty Courts is the proposed name of the (development) building.

Ms. Marino said Mr. Zolla, the Consultant who ran that meeting, has refused to provide them a copy of the March 8th EIR report, stating that the draft report is only available to agencies for review before it is released to the public. She wanted to know if their remarks were in the EIR/NOP was their objections to the legitimacy of meeting in the summary report that went into the draft EIR. She said this is an abusive process and it is in violation of the Brown Act.

Chairman Lesser asked Mr. Faughnan if there have been any violations of the Brown Act.

Mr. Faughnan said there has been no violation of the Brown Act nor has there been any violation of the California Environmental Quality Act. He said the draft EIR is first circulated to public agencies for their comments and once they are completed it is published for the public.

Mr. Tripp added that the report has not yet been released to the County Departments.

Ms. Carla Andrus spoke of Goldrich and Kest being out of compliance with their Conditional Use Permit on the Monte Carlo. The residents are supposed to be sixty-two and over.

Chairman Lesser asked Mr. Faughnan to review the Conditional Use Permit to see if Goldrich and Kest are in compliance and report back to the Commission next month and requested the Marina del Rey Lessees Association give him a report on the Unlawful Detainer project.

Mr. Tim Riley, Executive Director of the Marina del Rey Lessee's Association gave a report on Unlawful Detainer actions filed during the month June 2008. Del Rey Shores (0), Villa del Mar (1-apt. and 1-boat slip); both for non-payment of rent. Both were paid and remain on the premises, Dolphin Marina, grouping of Goldrich and Keich properties (0), Mariners Bay (2-boat slips for non-payment of rent), Tahiti Marina (1- boat slip for violation of the liveaboard policy), Neptune Marina (0), the Boatyard (0), Marina Harbor (4-apts. for non-payment of rent. All units paid and remain on the premises), Archstone (8-apts. for non-payment of rent), Bay Club (1-boat slip for non-payment of rent), Oakwood (0), Del Rey Professional Association (0), Marina City Club (0), California Yacht Club (0), Pier 44 (0), but they issued some 3-day "Notices to Pay Rent

or Quit" for non payment of rent, and some expired insurance policies. The only property that did not respond was Villa Venetia.

Mr. Riley said since Mr. Ring's properties are not part of the Association, he could not provide any information. This report will be forward to Mr. Kreimann.

Mr. Jon Nahhas commented on the accuracy of the report. He said one month of data (June) is not enough time. There should be one year of documentation accumulated.

Chairman Lesser asked that Mr. Riley request Mariner's Bay to provide the Department with the amount of Unlawful Detainers they received in July 2008 (as well).

COMMUNICATION FROM THE PUBLIC

Mr. Nahhas raised issues on the boat rent at Espirit I.

Chairman Lesser requested that the Department analyze the rentals and see if Espirit I is in compliance with their lease, and with the County's rent policy. He also requested a report from the Department on how many boats and slips are being filled up.

Mr. Bill Vresak asked if there will be a Regional Planning meeting on August 21, 2008, at Marina del Rey Hotel from 6 p.m. to 8 p.m.

Mr. Tripp replied that there will be a public meeting with the Regional Planning Department explaining the comments that they are going to receive from the Coastal Commission about the periodic review.

Mr. Vresak spoke on the homeless issue with the City of Santa Monica. He asked what the County's stance will be to alleviate the homeless situation when redevelopment begins.

Mr. Riley spoke about the Venice Pumping Dual Force Main Project meeting.

Mr. Landini said he could not vote on the Venice project since he is an employee of the City of Los Angeles he would have to abstain.

Mr. Riley said he would not like to see the City make a presentation and the Commission unable to take some kind of action or make some kind of a request.

Mr. Faughnan said there is no vote to be taken, that this will be an informational presentation by the City of Los Angeles.

Chairman Lesser said if all four Commissioner's will not be present at the September meeting the presentation can be postponed until October 8, 2008, meeting and asked about a status report on the missing Commissioner.

Mr. Kreimann said applicants are still being interviewed.

Ms. Marino asked if there was a waiver of any ground rent obligations on Espirit I during the eight years of construction.

Mr. Kreimann said as part of the agreement, lease rent was not to be paid during construction of this project.

Chairman Lesser asked the Department for a report on the lease for next month's meeting.

Ms. Marino asked that the Espirit I report be on the agenda as a separate item for next month's Commission meeting, and for an update on the Bar Harbor lease violation.

Chairman Lesser said Parcel 15 issues are under negotiation and will not be put on the agenda.

ADJOURNMENT

Chairman Lesser adjourned the meeting at 11:29 a.m.
Respectfully Submitted By: Commission Secretary

*Copies of taped meetings can be purchased with Commission Secretary.

SMALL CRAFT HARBOR COMMISSION
MINUTES
October 8, 2008

Commissioners Present - Russ Lesser, Chairman; Vanessa Delgado, MPA, Vice–Chairman; Albert Landini, Ed.D; Albert DeBlanc, Jr. Esq.

Department of Beaches and Harbors - Santos Kreimann, Acting Director, Beaches and Harbors; Dusty Crane, Community and Marketing Division

County Staff - Thomas Faughnan, Principal Deputy County Counsel; Sergeant Gonzales; Sergeant Carriles and Lieutenant Gautt, Sheriff's Department

CALL TO ORDER, ACTION ON ABSENCES AND PLEDGE OF ALLEGIANCE - Chairman Lesser called the meeting to order at 9:40 a.m. The Commissioners, staff, and members of the public stood and recited the Pledge of Allegiance.

APPROVAL OF MINUTES - **A motion was made by Commissioner Delgado to approve the minutes from the August 13, 2008, meeting. Chairman Lesser said the minutes were accurate; however, the tapes will be checked and amended as appropriate.**

Chairman Lesser opened the floor to public comments regarding the minutes. Mr. Riley requested a change on the misspelling of his name (from O'Riley) to Riley.

Mr. Jon Nahhas referenced Page 3, Paragraph 9 of the minutes, wherein it states, "...what defines old business," etc. Mr. Nahhas said that all Unlawful Detainer items should be considered old business.

Chairman Lesser said Mr. Riley's name will be changed, and any other amendments to the August 13, 2008 minutes will be made.

Chairman Lesser moved to have the minutes delayed until revisions are made. Minutes will be resubmitted for approval at the November 12, 2008 Commission meeting. The motion was unanimously approved.

ITEM 3a: Marina Sheriff – Crime Statistics

Sergeant Gonzales provided a breakdown of the Crime Stats Report for the month of September 2008.

Chairman Lesser asked for the cumulative year to date crime statistics that were to be brought to this meeting. Sgt. Gonzalez did not have the cumulative report for this meeting. However, he will bring it to the next meeting. Chairman Lesser said that monthly year to date analysis would be appropriate.

Sgt. Carriles reported that the number of liveaboards is up drastically this month.

Commissioner Landini asked how we can go about getting a fine attached to liveaboards for failure to adhere to the second "Notice to Comply."

Sgt. Carriles said there are no fines imposed, only notices.

Mr. Faughnan said he would prefer to review the ordinance and report back to the Commission at the next meeting. Mr. Faughnan said if a change was to be made relating to issuance of fines, then an amendment to the ordinance would have to be made.

Mr. John Rizzo spoke on crime prevention in the Marina del Rey. He said that a program should be set up involving the Lessees and the building managers.

Lt. Gautt said that the Sheriff's Department conducts neighborhood block watch meetings, and a Deputy who is dedicated to the Marina for that purpose. He concluded that if anyone has a desire to have a crime watch meeting the Sheriff's are open to coming out.

ITEM 3b: Marina del Rey and Beach Special Events

Dusty Crane spoke on Discover Marina del Rey Day 2008, Harbor Kayaking and the Surf Kayaking Programs. Ms. Crane said Fisherman's Village Weekend Concert Series continues in October.

Mr. Jon Nahhas requested that in the future Rock & Roll should be provided as part of the concert series.

ITEM 3c: Marina del Rey Convention and Visitors Bureau

Dusty Crane said due to Ms. Moore's absence, there was nothing to report this month.

ITEM 4: Old Business - There was no old business.

ITEM 5: New Business - Uniform Public Hearing Protocols

Chairman Lesser shared (with the general public) a memo from the Chief Executive Office outlining the protocols relative to the conduct of Commission meetings that was adopted by the Board on September 16, 2008.

Ms. Nancy Marino notified the Commission that she felt three minutes per meeting is not sufficient. She wanted additional clarification regarding time limits on each item versus three minutes per meeting.

Chairman Lesser said that this Commission will adhere to the rules of the Board, and if necessary, the Commission will expand the three minute timeframe given for the public to speak, but at its discretion.

ITEM 6: Staff Reports

Mr. Kreimann reported that on August 19, 2008, the Board approved an option with Legacy Partners Neptune Marina L.P. to extend Parcel 10's lease to allow redevelopment of 400 new apartments and a new 161 slip, as well as an option for Parcel FF for building of 126 new apartments.

The Board's approval on September 2, 2008, of a rent adjustment for Parcel 75W which is expected to generate an additional $9,700 in rent revenue.

The Regional Planning Commission will be holding a hearing on October 15, 2008, to consider an application to construct and maintain a new storage locker for the Outrigger Canoe Club (Parcel HS).

The Mariners Bay (Parcel 28) filed unlawful detainer actions against four slips for May through August 2008, for non payment of rent, and the Bay Club (Parcel 8) filed one unlawful detainer action for non payment of rent.

Mr. Faughnan said that in regard to Parcel 18's violation of its CDP condition restricting rental of units to persons 62 years of age or older,, a Notice of Violation was issued. He said the Parcel 18 lessee has agreed, going forward, to only rent to applicants when at least one of the individuals is 62 years of age or

older. Mr. Faughnan said that due to the lessee's corrective action, the Department of Regional Planning determined no further action was warranted at this time.

Ms. Nancy Marino said that the Redevelopment Project Status Report lacked pertinent information.

Chairman Lesser and Commissioner Delgado said Ms. Marino raised a valid point and requested that Mr. Kreimann respond back to the Commission at the November meeting with an updated status report on the projects.

Ms. Marino raised questions pertaining to the City's Environmental Impact Report (EIR) on the Venice Pumping Plant Dual Force Main Project.

Mr. Kreimann said that the Environmental Impact Report (EIR) was prepared by the City of Los Angeles, and that they will be here in November to answer all questions.

Mr. David Barish asked what the County's stance was in regards to the Venice Pumping Plant Dual Force Main Project going down Via Marina.

Chairman Lesser said he will not make any comments regarding this project until after the November meeting, at which time he will meet with the marina residents and make a decision.

Commissioner DeBlanc raised issue regarding the County's power of eminent domain.

Mr. Faughnan said the City would have to obtain County approval since it is going through County property. He would have to research the City's eminent domain rights pertaining to this project before he would make further comments.

Mr. Kreimann said since it is not a County issue, the marina residents should provide their recommendations to the City at the November meeting.

Mr. Jon Nahhas spoke regarding the (47) forty-seven unlawful detainers issued in June 2007 which was not covered in this data. Rents were raised more than fifty percent (50%). He requested updated data on the number of residents who are leaving the Marina on a daily/monthly basis. Not one word was noted on the LCP and it should be an ongoing business. He said it's only one week away for review by the Coastal Commission.

Commission DeBlanc asked where he got this number from. Mr. Nahhas said that he was at their office and they volunteered the information to him.

Chairman Lesser said he had information pertaining to the fifty percent (50%) rent increase in 2007 (that Mr. Nahhas was referencing) and will bring it to the next meeting.

Chairman Lesser said that he wanted to get data on unlawful detainers to see if people are evicted for unacceptable reasons. However, the data shows the unlawful detainers were issued for non payment of rent. The County has no authority over the lessee if rent is increased.

Mr. Nahhas said that the LCP review should be under ongoing business, and it should be mentioned in this report.

COMMUNICATION FROM THE PUBLIC

Carla Andrus said there are approximately 30 senior citizens at Parcel 18 (Monte Carlo Apartments), who are 62 years of age or older, and the remainder of tenants are under 62. She said Parcel 18 should have their permit pulled.

Chairman Lesser asked that Mr. Faughnan find out how long it will take for Parcel 18 to come under compliance. He also asked that County Counsel find out about penalties placed on them if they do not abide.

Mr. Faughnan said that Regional Planning conducted an investigation and determined that some residents were under 62 and that Parcel 18 was clearly in violation. However, it is not technically a violation of the law. The Coastal Development Permit (CDP) sets the senior age requirement and the lessee should have known that. The lessee is now aware of the violation and promised to comply going forward. It would not be fair to require the lessee to evict tenants because they do not meet the age requirement.

Mr. Jon Nahhas asked why forty-seven (47) unlawful detainers were issued by one particular lessee (Mariner's Bay) in June 2007 and the data is not on the report. He felt that it is incumbent on the Commission to look at hard data to find out how many residents are leaving in any given month or day and why.

Commission DeBlanc asked how an unlawful detainer is defined.

Chairman Lesser requested that Mr. Kreimann submit a monthly report to the Commission pertaining to the unlawful detainers issued.

Mr. Nahhas spoke about the aid that not one word was mentioned about the Local Coastal Program (LCP). He said it should be under ongoing business.

Mr. Vresek (Check spelling) spoke about environmental impact studies not being conducted on some of the proposed developments in the marina.

Mr. Faughnan said that there has been an Environmental Impact Report (EIR) conducted on all construction done in the marina.

ADJOURNMENT

Chairman Lesser adjourned the meeting at 11:40 a.m.

Respectfully Submitted By:

Commission Secretary

*Copies of taped meetings can be purchased with Commission Secretary immediately after meeting.

SMALL CRAFT HARBOR COMMISSION
MINUTES
November 12, 2008

Commissioners Present

Russ Lesser, Chairman; Albert Landini, Ed.D.
Absent: Vanessa Delgado, MPA, Vice Chairman; Albert DeBlanc, Jr. Esq.

Department of Beaches and Harbors

Santos Kreimann, Acting Director; Kerry Gottlieb, Chief Deputy Director; Dusty Crane, Community and Marketing Division; Beverly Moore, MdR Convention and Visitor's Bureau

County Staff

Thomas Faughnan, Principal Deputy County Counsel; Lieutenant Gautt and Sergeant Gonzalez, Sheriff's Department

Los Angeles City's Department of Public Works (Bureau of Engineering)

Sean Zahedi, Project Manager; Jim Doty, Environmental Supervisor; Tonya Durrell, Principal Public Relations Representative

CALL TO ORDER, ACTION ON ABSENCES AND PLEDGE OF ALLEGIANCE

Chairman Lesser called the meeting to order at 9:30 a.m. The Commissioners, staff, and members of the public stood and recited the Pledge of Allegiance. Due to lack of quorum no action was taken for absent Commissioners.

APPROVAL OF MINUTES

Due to lack of quorum no action was taken on minutes of the August 13, 2008 and October 8, 2008 meetings.

ITEM 3a: Marina Sheriff – Crime Statistics

Sergeant Gonzalez provided the Commissioners with a breakdown of the Crime Information Report for the month of October 2008.

John Rizzo reported back to the Commission regarding developing a crime prevention program involving Lessees and Apartment owners/managers.

Lt. Gautt said past efforts to have Lessees attend meetings with the Sheriff's Department have been unsuccessful. He requested that the Commission partake in the development of the program in an effort to boost Lessee participation.

Chairman Lesser asked that the Beaches and Harbors work with a pilot group of apartment owners to develop a crime prevention program and report back to the Commission with their findings at the next meeting.

ITEM 3b: Marina del Rey and Beach Special Events

Dusty Crane spoke about the 46th Annual Holiday Boat Parade that will be held on December 13th, the Harbor and Surf Kayaking Programs, Beach Events and the Fisherman Village's concert schedule.

ITEM 3c: Marina del Rey Convention and Visitors Bureau

Beverly Moore spoke on tourism and the economy. She said 2008 has been pretty good for the Marina due to the decrease in the American dollar. However, domestic leisure travel in 2009 is unpredictable due to travelers postponing and canceling trips. She said her most important effort is to keep marketing efforts going and build momentum. Ms. Moore said she will be launching a new website at the beginning of next year with a nice fresh appeal.

Commissioner Landini asked if there is any movement on hotels to cut rates.

Ms. Moore said due to the fact that rooms are perishable commodities she believes there will be declines in average hotel rates to make rooms more affordable for travelers.

Nancy Marino asked why resources aren't being put in place to attract visitors to Marina del Rey and what is being done to promote the use of Marina del Rey to the local County residents.

Kerry Silverstrom said in terms of local travelers, there has been a CVB effort with respect to locals and in terms of the County there are newsletters released to unincorporated areas in all of the five districts informing people about the Marina, which is done on a regular basis.

ITEM 5a: Venice Pumping Plant Dual Force Main Project

A presentation was provided by Sean Zahedi, Project Manager from the City of Los Angeles Public Works. He was joined by Jim Doty, Environmental Supervisor and Tonya Durrel, Principal Public Relations Representative. Mr. Zahedi spoke about the public works project that the City of Los Angeles is planning to do that runs through areas within the Marina area. The presentation involved answering some of the questions as to what this project is all about, why they need it, and why they are proposing to build it in Via Marina. Mr. Zahedi said the City of Los Angeles has 6,000 miles of sewer lines and the subject being discussed is part of them. The project will entail installing a new 54" diameter force main sewer line from the Venice Pumping Plant to an existing coastal interceptor sewer junction structure on Vista Del Mar near Waterview Street, which is a distance of about two miles. Mr. Zahedi said the current 48" sewer line has run non stop and have not been inspected since completion and it is now only able to handle 60% of what the pumping plant is capable of pumping. The new pipe line will enable the City to shut down the existing force main for inspection and servicing.

Don Klein stated his concern about the project's use of heavy equipments and the permitting process. He said the project would basically paralyze the marina for eleven months as far as ingress and egress is concerned.

Jon Nahhas requested information on the number of residents and boaters who would be affected by this project from both routes: on Pacific Avenue and on Via Marina. He asked about the size of the pit that will be needed and geological data on the different routes that they have and wanted a presentation giving bi-monthly with a breakdown on how the residents will be impacted in regards to the number of lanes being shut down in the Marina.

Mr. Zahedi said the City is in contact with the Army Corps. He said because they have jurisdiction under the creek, the City will need to get their permits. Traffic will be reduced to one lane only where the pits are located and the normal pit size if 16' X 16'.

Carla Andrus asked if the Hyperion Treatment Plant can handle the capacity with the development being done and has this been considered?

Kerry Silverstrom stated that the 60% capacity has to do with the Force Main currently in existence and can only handle 60% of the Venice Plant load. She said it's not the Hyperion Plant that has reached capacity it has to do with the pumping plant that we have here to get the flow out of Marina del Rey.

Daniel Gottlieb asked what are the extra costs for the different methods? How does it compare to the beach? How much does this save the new developers in the Marina and what effect does it have on the development?

John Cape said if an erosion or tsunami is such a danger then why isn't there a proposal for a 100 inch sewer pipe. He said he doesn't agree how sand was added to the north part of Dockweiler Beach; erosion is not the issue and has been overstated. He concluded that the beach alignment is the best cost solution.

David Barish asked several questions which he said were also emailed to the Acting Director. He asked when was Beaches and Harbors first notified of the Venice Pumping Dual Force Main Project, was the NOP circulated to Beaches and Harbors for review, has Beaches and Harbors submitted any written comments, made any public testimony or met with any officials to discuss this project and why were the citizens not involved in the process? Lastly, he stated that the DIR process be reopened.

Kerry Silverstrom stated that Mr. Barish's email was received yesterday and she did not have answers to all of his questions and that there were no written comments from Beaches and Harbors, but there was a meeting held regards to the project.

David Levine stated this project has nothing to do with the Redevelopment of Marina del Rey. This is entirely an issue between the City of Los Angeles and Marina del Rey and the taxpayers are not being asked to subsidize any expenses.

Lynne Shapiro explained the impact that residents would have with the project and commented on the Geological aspects of the project.

Nancy Marino stated that Via Marina would cause breaks in the median and is a safety issue. She stated the County was aware of this project in 2003 and that the City claims 7,000 postcards were mailed to residents from a private company and she has checked with some residents but no one recalls receiving the postcards. Ms. Marino said this project has everything to do with development in Marina del Rey and the final EIR should be reopened.

John Rizzo commented on the new sewer line, installation of a bike path and a sea wall. He said experts from the County should be at the next meeting to inform the public of where the sewer line should be installed and why.

Daniel Cristy asked the City Engineer has anyone done a calculation of how much sand will be displaced and that a representative from Regional Planning should have been present at this meeting. He also asked will anyone be responsible for coordinating this project with Regional Planning because there are a number of major projects to be constructed on Via Marina and Admiralty Way.

Aaron Clark asked if this project was going to be exempt because the start date seems too aggressive for the summer of 2010. He said three to four jurisdictions have to give permits of this project and a CDP will be needed from the City and County and would have to rely on the EIR that the city will certified and is appealable by the Coastal Commission.

Commissioner Lesser asked where do we stand in the process, has the County agreed to their decision and is there more discussion.

Mr. Zahedi said the preferred alignment is down the Via Marina as stated in the EIR. The EIR is will be sent to City Council for certification and they are currently in committee. Public Works is scheduled to meet at City Hall on November 19th at 3pm to make decision on the certification of the EIR. He stated they have been meeting consistently with Beaches and Harbors, Board of Supervisors, Public Works and stated Beaches and Harbors does not favor the preferred alignment but they have to do geotechnical work for the project and in order for the geologist to do their work they have to pull permits from the County to drill borings and get soil samples. He concluded by saying that Public Works has issued the permit but Beaches and Harbors has not approved it.

Chairman Lesser asked how the sea wall would protect the Marina.

Mr. Zahedi stated they have been in contact with the Coastal Commission for years about this project and presented them the routes for the this particular Force Main. They were mainly concerned about erosion and indicated they would require erosion protection, which means placing the pipeline on piles and also providing erosion protection on

the surface. He said using a 100 inch pipe and replacing the old one can not be done. He said this project has nothing to do with new developments proposed in Marina del Rey; this project has been in the making for 8-10 years. He stated this project would have an impact on traffic, noise and dust, and that this project will last approximately eleven months. Lastly, he said sound walls will be surrounded by their work area and no permitting can take place until the plans have been signed.

Kerry Silverstrom said she agreed with Mr. Zahedi that the EIR is before the City Council for certification and has not been approved by the County. She suggested the voices should be heard by the City of Los Angeles where the EIR is going to be heard. Ms. Silverstrom said she is not sure where the County stands on this project, but that Public Works did send comments on the EIR and does not believe any decision has been made.

Chairman Lesser stated that it would be helpful that the County contact the Coastal Commission in regards to their objections on the pipeline running along the beach.

Kerry Silverstrom said the Coastal Commission does not favor seawalls and they would have major impediments and there will be concerns from an environmental perspective which were not present fifty years ago. She concluded that Beaches and Harbors will contact the Coastal Commission to find out what their perspectives are.

Chairman Lesser stated he would like a response on next months staff report what the Coastal Commission stated on this project.

Commissioner Landini said it seems once the City does the EIR and as this seems to move along the permitting process all the other agencies would have to either accept or reject the City's EIR because it is acting as the lead agency on this. He asked if the City adopts the EIR and comes back to the County for permitting can the County reject the EIR.

Tom Faughnan stated that if an agency acting as a responsible agency under CEQA and there has been an environmental document prepared by a lead agency subsequent approvals of other parts of the project have to rely on that environmental document and so unless the agency who is responsible agency challenges the sufficiency of that EIR when it first being approved the agency can not later decide that is does not want to rely on the environmental document. He finalized that this is an informational item and there is no decision to be made.

ITEM 6a: Staff Reports

Santos Kreimann stated that the Board of Supervisors approved the Amendment for the Admiralty Way Apartments today for extension of construction completion date through January 31, 2009.

Kerry Silverstrom said the Regional Planning Commission hearing scheduled for November 22, 2008, has been taken off of calendar with respect to the projects of Parcel 10R and Parcel FF. She said there will be a recirculation of the draft EIR in connection to those projects because of the Venice Pumping Plant Dual Force Main Project and potential impacts on the development. She said the dredging project is moving forward with the plan and a trail basis is being implemented to do a sand separation technique.

Commissioner Landini asked that the chart for the Redevelopment Project Status Report be included each time.

Howard Katzman asked is there a sequence, plan or order to the reconstruction jobs and said the Board of Supervisors met and discussed the Neptune Legacy project and continue the item. He asked what is happening with Neptune.

Kerry Silverstrom replied that the item is to be continued because the draft EIR has to be re-circulated and a hearing will be conducted here in the Marina.

Santos Kreimann said there is no order of sequence as of yet because majority of the projects have not gone through the entitlement process and as a result no specific start and stop date can be given on construction, but is working on getting blocks of time for the developers.

John Nahhas asked why was the Venice Pumping Plant Dual Force Main Project put on the agenda if the Commission can not take action, which was stated at the last meeting by County Council that new and old business are action items that require approval of the commission, but this item could not be acted upon. He also commented on Unlawful Detainers.

Tom Faughnan said its new business it is a presentation by someone other than the County a third party not a presentation by a staff.

Nancy Marino commented that it is very difficult for the public to get information on what is going on in the Marina. She said Mr. Zehedi did not answer their main concern about reopening the EIR process so the public can have equal opportunity to participate and is angered by the process.

David Barish spoke on Unlawful Detainers and asked why there is not done in regards to Doug Ring, who is in default of his lease.

Tom Faughnan said the County is in negotiation with the Lessee and will not say anything further.

Carla Andrus said Parcel 18 is not on the ongoing report yet Commissioners were interested last month with questions asked. What happens to a lessee who does not live up to their obligations?

Tom Faughnan stated that the question was what can the member of the public do when there is a zoning violation; what they can do is make a complaint to the Department of Regional Planning and they will investigate.

Item 7 – Communication From the Public

Carla Andrus is concerned that Doug Ring is being subsidized who has defaulted his lease. Said the way the County does business is despicable.

David Barish asked for clarification which County Counsel stated that if Beaches and Harbors, the Commission or any part of the County public does not comment on the EIR by November 19th, they will have no standing in the EIR Process.

Tom Faughnan said that is not correct. He said yes we can comment and believes the County has submitted comments to the EIR. Also, if the County or any respective responsible agency determined that the EIR for a project that was prepared by a lead agency was deficient it could also challenge that EIR after it was approved within the time frame that is allowed under the statue of limitations. He concluded that if a public agency thought another public agency's EIR was deficient and wanted to challenged it in a lawsuit, it can do so within the time frame in which that is allowed under the law.

Commissioner Landini asked if the November 19th date is critical for the public to make comment for the EIR to participate.

Tom Faughnan stated this is a City project Environmental Report and any comments should be made to the City. He said he is not aware if the public comment date is closed and the public can attend the hearings or send in written comments. Lastly, he said this will be going to City Counsel and they will have another opportunity for the public to provide their comments.

David Barish said he was disappointed knowing that a workshop was held at Mothers Beach on October 30th. He said a small notice was published in the Argonaut, but the public was not notified of the meeting.

Santos Kreimann stated it was in the Argonaut twice and on Beaches and Harbors webpage. He said Beaches and Harbors has made major efforts to inform the community on every meeting – by providing links to Regional Planning, the Coastal Commission and has provided personal information directly to Mr. Barish upon his request. Santos said a large number of people attended the meeting, specific regarding boat house amenities and contact was made to people who use the facilities. Lastly, he also said notices are always posted on the website regarding any meeting scheduled.

Daniel Gottlieb stated he was unable to find any information on Beaches and Harbors website concerning the Small Craft Harbors Commission meeting, but also said he is good at not finding things sometimes. He said the Appendix in the LCP involves the County and Lessees having being jointly against any lawsuit and these items are written into the term leases what does this do in the position of the Counsel for the County if the Lessee is asked for descriptions of the law and if he receive then may expose county to a lawsuit, which can cause a conflict of interest.

Tom Faughnan stated he was unsure what Mr. Gottlied was talking about, but in regards to the indemnification provisions its pretty standard that when you have a development project going forward you have the developer indemnify the public agency.

John Rizzo asked about the update on Oxford Basin.

Santos Kreimann stated that he scheduled a meeting with Public Works on November 18th or 25th and will report back next month.

Chairman Lesser stated he wants this on next months agenda.

Nancy Marino said the public is part of all party's but they are being excluded from the planning decisions which is part of the Constitution by the State of CA and reaffirmed in the California Coastal Act. She stated the community is not being notified of meetings and should be notified by e-mail.

Chairman Lesser asked Santos Kreimann if he could e-mail the public notifications of pertinent meetings and said if anyone wants to be notified should contact him.

Santos Kreimann said that he can send e-mail notifications to those who send him their email address.

John Nahhas said the Board of Supervisors ordered Santos Kreimann to open the channel of communication to the public, which has not happened including in the Commission meetings. He complained that meetings were not posted on the website such as Mother's Beach Workshop, November 19th meeting at City Hall and today's Small Craft Harbor Commission meeting, but in the past said it has been.

Chairman Lesser asked Santos Kreimann to contact the Coastal Commission to find out why this beach route is not in the best interest of the Marina.

Adjournment - Chairman Lesser adjourned the meeting at 12:30 p.m.

Respectfully Submitted By: Commission Secretary
*Copies of taped meeting can be purchased immediately following each meeting.

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
MARINA DEL REY STATION
PART I CRIMES- NOVEMBER 2008

	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	1							2	1	4
Robbery: Strong-Arm								1	1	2
Aggravated Assault							2			2
Burglary: Residence	4				2		4	13	4	27
Burglary: Other Structure	2	1					1	1	1	6
Grand Theft	5	1					1	2	1	10
Grand Theft Auto	6	2			1		3	2	2	16
Arson										0
Boat Theft										0
Vehicle Burglary	3					1		1	1	6
Boat Burglary		1								1
Petty Theft	3	2					5	4		14
REPORTING DISTRICTS TOTALS	**24**	**7**	**0**	**0**	**3**	**1**	**16**	**26**	**11**	**88**

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

Source- LARCIS, **Date Prepared December 1, 2008**
CRIME INFORMATION REPORT - OPTION B

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

MARINA DEL REY STATION

PART I CRIMES- NOVEMBER 2008

Part I Crimes	MARINA AREA (RD'S 2760-2763)	EAST END (RD'S 2764-2768)
Homicide	0	0
Rape	0	0
Robbery: Weapon	1	3
Robbery: Strong-Arm	0	2
Aggravated Assault	0	2
Burglary: Residence	4	23
Burglary: Other Structure	3	3
Grand Theft	6	4
Grand Theft Auto	8	8
Arson	0	0
Boat Theft	0	0
Vehicle Burglary	3	3
Boat Burglary	1	0
Petty Theft	5	9
Total	31	57

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

Source- LARCIS, **Date Prepared –DECEMBER 1, 2008**
CRIME INFORMATION REPORT - OPTION B

MARINA DEL REY HARBOR
LIVEABOARD COMPLIANCE REPORT
2008

Liveaboard Permits Issued

	October	November
New permits Issued:	19	23
Renewal Issued:	18	11
Total:	37	34
Notices to Comply Issued:	29	31

Totals:	October	November
Liveaboard:	354	366
Current Permits:	237	267
Expired Permits:	45	42
No Permits:	72	57

Total reported vessels in Marina del Rey Harbor:	4690
Percentage of vessels that are registered liveaboards	7.80%

To enrich lives through effective and caring service

December 4, 2008

TO: Small Craft Harbor Commission

FROM: Santos H. Kreimann, Acting Director

Santos H. Kreimann
Acting Director
Kerry Silverstrom
Chief Deputy

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

MARINA DEL REY EVENTS

46th Annual Holiday Boat Parade

Saturday
December 13
6:00 p.m. – 8:00 p.m.

Fireworks kicking off the start of the parade will be shot off the south jetty at 5:55 p.m. Beautifully lighted and decorated boats will participate in the event that is free to the public. The theme of this year's parade is "Santa Claus Is Coming To Town!" Boat owners will compete for numerous prize packages.

Best spots for viewing the boat parade are Burton Chace Park, located at 13650 Mindanao Way, and Fisherman's Village on Fiji Way where spectators can see and hear the parade free of charge.

Parking is available in County lots throughout Marina del Rey.

For more information call: The Holiday Boat Parade at (310) 670-7130 or visit website www.mdrboatparade.org

NEW YEAR'S EVE FIREWORKS SPECTACULAR

Wednesday, December 31st
Sponsored by the Department of Beaches and Harbors
and presented by Zambelli Fireworks International

Marina del Rey will usher in the New Year with a spectacular free fireworks show off the Marina South Jetty on New Year's Eve, Wednesday, December 31. The fireworks will begin at the 30-second countdown to midnight and continue into the opening minutes of 2009.

The fireworks can be viewed throughout Marina del Rey. The best location for viewing fireworks is Fisherman's Village on Fiji Way and Burton Chace Park. Parking is available in County lots throughout the Marina.

For more information call: Marina del Rey Visitor Center at (310) 305-9545

FISHERMAN'S VILLAGE WEEKEND CONCERTS

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

Saturday, December 6
Geoffery Tozer Band, playing Swank Jazz

Sunday, December 7
The Kid & Nick Show, playing American Pop

Saturday, December 13
Scott Martin & The Latin Soul Band, playing Latin, Soul & Jazz

Sunday, December 14
LA CAT, playing Reggae

Saturday, December 20
Spare Time, playing Smooth Jazz

Sunday, December 21
Malachi Nathan & The Elements, playing Funky Jazzy Blues

Saturday, December 27
Chris Glick, playing Latin Jazz and Standards

Sunday, December 28
2AZZ1 Body & Soul Band, playing Smooth Jazz

For more information call: Pacific Ocean Management at (310) 822-6866

BEACH EVENTS

Sand Snowman Contest
Hermosa Beach Pier
Saturday, December 6
9:00 a.m. to 12:00 p.m.

The weatherman says it's nothing but Sand! Sand! Sand! Bring your family and friends, shovels, scarves and mittens, because in Hermosa Beach they are making SAND SNOWMEN!

This unique holiday tradition is open to all ages and abilities. Come early and mark your spot for the best Sand Snowman! Join in holiday games and trivia.

Event takes place north of the Hermosa Beach Pier at the shoreline and check-in begins at 8:45 a.m. with sand sculpting beginning at 9:00 a.m.

For more information call: The Community Resources Department at (310) 318-0280

Annual Pier Lighting
Manhattan Beach Pier
Saturday, December 6
4:00 p.m. to 6:30 p.m.

Watch the holiday lights on the Manhattan Beach Pier come alive. Enjoy the musical entertainment and visit Santa Claus!

For more information call: Cameron Harding (310) 802-5420

New Year's Eve Celebration
Hermosa Beach Pier
Wednesday, December 31, 2008
8:00 p.m. – 12:15 a.m.

Ring in the New Year beachside! Hermosa Beach welcomes you to Pier Plaza for a live New Year's Eve musical performance. The concert is free.

For more information call: The Community Resources Department at (310) 318-0280

Venice Penguin Swim Club
Thursday, January 1, 2009
Venice Beach at Windward Ave.
12:00 noon

The famous club goes into the ocean for its annual "chilly" wintertime swim at Venice Beach.

For more information call: The Venice Penguin Swim Club at (310) 390-5700 or event coordinator, Mark McGuirk, at (310) 821-8136

SHK:DC:ks

To enrich lives through effective and caring service

LOS ANGELES COUNTY
Department of
Beaches & Harbors

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

December 4, 2008

TO: Small Craft Harbor Commission

FROM: Santos H. Kreimann, Acting Director

SUBJECT: AGENDA ITEM 4A – VENICE PUMPING PLANT DUAL FORCE MAIN PROJECT

During your November 2008 meeting, Mr. Sean Zahedi from the City of Los Angeles Department of Public Works briefed your Commission on the City of Los Angeles' plan to construct a new 54-inch force main sewer line to provide redundancy to the existing 48-inch line to serve the Venice and adjacent communities. Your Commission asked that contact be made with the California Coastal Commission to find out how the Commission regards the construction of the new sewer line along the beach route, an alternative not preferred by the City.

Attached for your review are copies of three letters issued by the California Coastal Commission (CCC) staff dated May 10, 2001, February 26, 2002 and March 16, 2006 expressing staff's views on the matter. Overall, the CCC staff has reservations about the beach alignment. In the latest March 16, 2006 letter, CCC staff stated its concern that a sewer line constructed along the beach route may result in the proposed line being within the wave run-up zone and at great risk from both flooding and erosion hazards due to a combination effect of beach erosion and rising sea level. However, this 2006 letter did not rule out such route from consideration. Instead, the CCC staff wanted the City's Environmental Impact Report (EIR) to fully address seven specific elements when the final project is submitted for permit issuance: (1) impacts on beach access; (2) impact on the Least Tern nesting colony; (3) visual and noise impacts during construction; (4) water quality impacts; (5) geologic hazard consideration (liquefaction); (6) plans for shut-off and containment during events of sewerage spill; and, (7) "the eventual disposal of the sewer line once it reaches the end of its economic life."

As an update on the project, the City of Los Angeles Public Works Committee conducted a public hearing on November 19, 2008 with regards to certification of the project EIR and then continued the item to December 3, 2008. On December 3, the Committee determined to recommend to the full City Council that the EIR be approved. The City Council hearing of this item is slated for December 17. City and County representatives are to meet next week in advance of the City Council's consideration to discuss issues surrounding the project.

SHK:PW:ks
Attachments

STATE OF CALIFORNIA - THE RESOURCES AGENCY GRAY DAVIS, Governor

CALIFORNIA COASTAL COMMISSION
South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071

May 10, 2001

Ara Kasparian, Ph.D.
Manager, Environmental Group
Bureau of Engineering
650 S. Spring Street, Suite 500
Los Angeles, CA 90014

Dear Dr. Kasparian,

Thank you for your letter of February 13, 2001 requesting that our staff identify issues anticipated in determining the best alignment for a force main from the Venice Pumping Plant on Hurricane Street. The project described in the request is for the placement of a 54-inch diameter pipe from the Venice Pumping Plant. Two project alternatives were named in the request. The first alternative ("Pacific Avenue alternative") is to place the pipe on an alignment "from the Venice Pumping Plant on Hurricane Street, down Pacific Avenue on the Marina Peninsula, underneath the Marina Channel and Ballona Creek (microtunneling method) and continuing on to Vista Del Mar." The second alternative ("beach alternative") is to replace the existing force main with this pipe in place in the beach west of Pacific Avenue. This letter identifies several possible issues based on the limited project information provided in the request. Please be aware that while staff can identify potential Coastal Act issues, the final action rests with the Commission.

I. Public Access and Recreation.

Both project alternatives would have adverse impacts on public access and recreation during construction because of impacts to traffic and public parking on Pacific Avenue. The "beach alternative" would have adverse impacts on public access to the beach and recreation during construction due to the use of portions of the beach as a construction site, and possibly as equipment staging and storage areas. The impacts to public access would be analyzed based on Sections 30211 and 30213 of the Coastal Act. The impacts to recreation would be analyzed based on Sections 30220 and 30221 of the Coastal Act.

> Section 30211 of the Coastal Act: "Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation."
>
> Section 30213 of the Coastal Act: "Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred."
>
> Section 30220 of the Coastal Act: "Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses."

> Section 30221 of the Coastal Act: "Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area."

In analyzing either alternative, staff will need to know the proposed locations of construction, equipment staging and storage areas in order to identify potential impacts to public access to the beach. Staff will also need to know the proposed timing and phasing of construction. In the "beach alternative", staff will need to know the time, location and duration of any proposed beach closures.

II. Beach Erosion and Water Quality.

The location of the proposed pipe on the beach raises issues of long-term stability and the possibility of beach pollution. A major sewer line on the beach may be subject to wave erosion. This structure may, now or in the future, require some form of shoreline protection. Section 30235 of the Coastal Act states, in part, that:

> Revetments, breakwaters, groins, harbor channels, seawalls, cliff retaining walls, and other such construction that alters natural shoreline processes shall be permitted when required to serve coastal-dependent uses or to protect existing structures or public beaches in danger from erosion, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply.

Since a sewer line is not a coastal-dependent use and the proposed pipe would be a new structure, a seawall or any other structure that alters natural shoreline processes would not be permitted to protect the proposed development.

Section 30253 of the Coastal Act requires that new development be safe from geologic hazards, flooding and fire. This section states, in part:

> New development shall:
>
> (1) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.
>
> (2) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.

A second issue is the serious pollution and contamination of a recreational area that could result from a break in the line. Sections 30230 and 30231 of the Coastal Act require the protection of marine resources.

> Section 30230 of the Coastal Act: "Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.
>
> Section 30231 of the Coastal Act: "The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waster water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waster water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Both to assure that the project will comply with the applicable policies relating to protection of the marine environment (Sections 30230, 30231 and 30235) and to development (Section 30253) named herein, the application should provide adequate information on each pipeline route to assure that the pipeline would protect water quality and be safe over its anticipated lifetime without the need for shoreline protective structures.

In analyzing the "beach alternative", staff will need to review studies on the safety and stability of the proposed development. In general, these studies should examine the historic shoreline changes along the proposed pipeline route, provide information on long-term erosion trends and extreme events, provide information on all prior beach nourishment and sand mining projects that could have influenced historic shoreline conditions, and finally provide projections of future episodic and chronic shoreline change. The future shoreline conditions should be based on historic trends, accelerated sea level rise, future changes in coastal sediment supplies and any other factors that affect this section of shoreline. The analysis should clearly identify all assumptions used in the projections and include a reasonable estimate of error.

The proposed beach pipeline route and design should also consider potential wave run-up and flooding if a significant storm should coincide with an already eroded beach condition. The Commission normally requires that structures be designed to withstand a 100-year return frequency event; however, if other regulatory agencies require a more rigorous analysis, the Commission would want to see that as well.

If Regional Water Quality Control Board requires preparation of a stormwater pollution prevention plan for the project, the Commission would want to review the plan. Regardless of the chosen alternative, in order to protect and enhance water quality, you should examine the feasibility of diverting summer flow from the storm drain system into a sanitary sewer system.

III. Geologic and Seismic Hazards.

Both of the proposed pipeline routes could expose the pipeline to geologic and seismic hazards ranging from expansive or corrosive soils to shaking, liquefaction and ground rupture. Each route should be examined for potential geologic and seismic risks. Alternatives or mitigation efforts should be identified that will avoid or minimize these risks. For each of the tunneling sites, we should be provided with borings and an analysis that shows that tunneling can be undertaken successfully. If any problems with tunneling are identified, alternative pipeline construction techniques should be examined. If there is any possibility of trenching through a wetland area, the full extent of these impacts should be identified.

Section 30233 of the Coastal Act states:

(a) The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:
(5) Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.

All efforts should be made to avoid impacts to wetlands. However, if there are unavoidable impacts, they must be minimized and may require on- or off-site mitigation.

The proposed beach route could place the pipeline in a tsunami run-up zone. The University of Southern California recently completed tsunami run-up maps that should cover the proposed pipeline routes. These maps do not identify any event probability or return period. And, while these maps may not be useful for land use decisions, they can be used for some design purposes and for development of safety protocols and shut-off systems. Therefore, the application should provide information on whether either pipeline route would be in the tsunami run-up zone and what measures would be taken to reduce the pipeline impacts from a tsunami.

IV. Environmentally Sensitive Habitat Areas.

Both alternatives have the potential to impact the California least tern (*Sterna antillarum browni*) nesting areas on the Marina Peninsula beach, and the banks and water areas of Ballona Lagoon.

Section 30240 of the Coastal Act: "(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas. (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would

significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas."

All of these three areas are Environmentally Sensitive Habitat Areas (ESHA's). Construction, location of stockpiling areas, equipment staging and storage areas would be subject to siting and operational constraints to eliminate impacts on the California least tern on Ballona Lagoon and on the banks of the Lagoon. To be consistent with Section 30240 of the Coastal Act, at a minimum, active excavation on the beach could not take place during from April 1 until September 1, least tern nesting and foraging season. The City staff would need to consult with the U.S. Fish and Wildlife Service, the Army Corps of Engineers and the California Department of Fish and Game to ensure that the concerns of these agencies are incorporated into the project design.

V. Ownership.

As you are aware, Los Angeles County owns the beach at which the proposed project site is located. In advance of consideration of the project, the City would need to have written permission from the Los Angeles County Department of Beaches and Harbors to construct the project on County property. The County must also be invited to be co-applicant on your coastal development permit application.

VI. Alternatives.

Section 13096 Title 14 of the California Code of Regulations requires Commission approval of a coastal development permit application to be supported by a finding showing the application, as conditioned by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available, which would substantially lessen any significant adverse effect that the activity may have on the environment. An alternative analysis, identifying the least damaging feasible alternative, would be required for the Commission to find that the proposed project is consistent with the requirements of the Coastal Act to conform to CEQA.

Thank you for contacting us in the early phases of project design. Please be aware that the initial concerns addressed in this response letter are not definitive. As stated earlier, staff can identify issues, but the final action rests with the Commission. If you have any questions, feel free to call me at (562) 590-5071. We look forward to working with you.

Sincerely,

Teresa Henry

Teresa Henry
District Manager
South Coast Area Office

STATE OF CALIFORNIA - THE RESOURCES AGENCY GRAY DAVIS, Governor

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071

February 26, 2002

Vitaly Troyan, City Engineer
City of Los Angeles Department of Public Works
650 S. Spring Street, #200
Los Angeles, CA 90014-1918

Re: Venice Dual Force Main Sewer Alignment.

Dear Mr. Troyen:

Thank you for keeping our agency informed of the ongoing planning for the alignment of the 54-inch diameter sewer pipe proposed to extend from the Venice Pumping Plant to Vista del Mar. On February 19, 2002, Commission staff analyst Charles Posner met with Sean Zahedi and Tony Fitzgerald of your staff at Venice Beach to discuss the Coastal Act permitting process and the City's two alignment alternatives: the Pacific Avenue alignment and the beach alignment. We appreciate the opportunity to submit the following comments.

Based on the information presented to Commission staff at, and prior to, the meeting on February 19, 2002, Commission staff believes that the Pacific Avenue alignment is the superior alternative in regards to compliance with the Coastal Act issues and policies identified in the attached letter dated May 10, 2001. While we recognize that the Pacific Avenue alignment would have temporary adverse impacts on circulation and parking for residents and beachgoers, we believe that the beach alignment alternative should be rejected because the construction activities on the beach would involve greater adverse effects on public access and recreation.

In addition, the beach alignment alternative would involve construction activities much closer to the Venice Beach California least tern colony than would the Pacific Avenue alignment. The California least tern, Sterna antillarum browni, is a Federal and State listed endangered species, and the Venice Beach California least tern colony is one of the largest and most productive colonies of California least terns remaining in the state. Future maintenance and repair activities on the beach alignment could also negatively affect the least tern colony.

We are also concerned that future storm events, beach erosion and sea level rise would threaten any sewer line on the beach. It may not be possible for the City to demonstrate that the proposed sewer line will be safe for its expected 75-to-100-year life expectancy without the construction of a shoreline protective device. Since a sewer line is not a coastal-dependant use and the proposed pipe would be a new structure, a seawall or any other structure that alters natural shoreline processes would not be permitted to protect the proposed development. Therefore, the Pacific Avenue alignment located further inland is a superior alternative to a new pipeline on the beach.

In regards to the Coastal Act permitting process, Section 30600(a) of the Coastal Act requires that any person wishing to perform or undertake any development within the coastal zone shall obtain a coastal development permit. The installation of the proposed pipeline is development as defined in Section 30106 of the Coastal Act.

Because the project site is located within the City's dual permit jurisdiction, the proposed project will require both a local coastal development permit approved by the City and a coastal development permit approved by the Coastal Commission. Any local coastal development permit acted upon by the City is appealable to the Commission. Therefore, the City should complete its local coastal development permit process prior to the submittal of an application for a Coastal Commission permit.

Of course, should the City take over all coastal development permit responsibilities under the provisions of a certified Local Coastal Program (LCP), the dual permitting process would be eliminated and only the City would process a coastal development permit (except for the portion of the project located seaward of the mean high tide line within the Commission's area of original jurisdiction). Any local coastal development permit approved for the proposed project would be appealable to the Commission due to its location between the first public road and the sea.

Thank you once again for the opportunity to comment on this important public works project. Keep in mind that the above-stated comments are not comprehensive and that additional issues may come up as the project moves through the permitting process. Please call Charles Posner or me at (562) 590-5071 if you have any questions.

Sincerely,

Teresa Henry
District Manager
South Coast Area Office

Enc. 5/10/01 Letter

cc: Sean Zahedi, Sanitary Engineer
Pete Brown, 6th Council District

- STATE OF CALIFORNIA - THE RESOURCES AGENCY ARNOLD SCHWARZENEGGER, Governor

CALIFORNIA COASTAL COMMISSION

- South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071

March 16, 2006

Jim Doty
City of Los Angeles
Bureau of Engineering
Department of Public Works
650 South Spring St.
Suite 11000
Los Angeles, CA 90014-1918

Subject: Draft EIR, Venice Pumping Plant Dual Force Main Project 2003031001.

Dear Mr. Doty,

Staff of the California Coastal Commission would like to provide the following initial comments on the Venice Pumping Plant Dual Force Main Project. The project would replace an existing sewer main that connects the existing Venice pumping plant at Hurricane Avenue and the Grand Canal with the Hyperion Treatment Plant. The City has provided three alternative routes and three alternative methods of construction. The staff provided comments on the initial study several years ago. We understand that the various routes could be combined if the City found a combination of two routes would have less environmental impact.

In general, the staff agrees with the City's assessment of the risks and potential impacts of the various routes, with one exception. Placement of a major sewer line on the beach raises significant issues because, in a situation of rising sea level and increased coastal erosion, the sewer line could, in a few years be attacked by waves and require a revetment or other coastal protection structure. Section 30253 of the Coastal Act requires that new development shall minimize risks to life and property in areas of high geologic, flood and fire risk. New projects must be able to demonstrate that they have minimized risks over the foreseeable life of the development, which, for public works projects can be at least 30 to 40 years. During the next 30 to 40 years a combination of beach erosion and rising sea levels could result in the proposed line being within the wave run up zone and at great risk from both flooding and erosion hazards. Also, the Commission has found it becomes more and more difficult to establish new utility corridors through upland areas. As a result, even though the proposed sewer line may have only a 30- to 40-year expected life, the corridor itself may have a much longer expected life. Use of the beach route now, without any future plans to develop safer routes in the future, may greatly reduce options for safe and efficient management of sewer service in the future.

The City's assessment of the various routes needs to consider the safety of the sewer line under the worst case conditions that can be foreseen for the proposed sewer line. For the beach route, that would be a 100-year storm event (similar to the 1982-83 storms, or the 1988 storms), occurring when the beach is eroded due to both seasonal beach loss and long-term erosion, and when the oceanic conditions are most conducive to wave impacts and scour (a combination of high tide, atmospheric forcing and long-term sea level rise). Since the long-term beach change has been influenced of historic beach nourishment, the beach conditions should be extrapolated for both conditions of continued beach

nourishment and conditions of no additional nourishment. Key points of vulnerability to the line should be considered, such as the higher elevation portions of the line, the channel crossing and transitions to the crossing, and situations where the line may have little or no flow and thus could be excessively buoyant. Also, the sewer line is a critical facility and it should be examined for risk from some extreme events, such as a tsunami with drawdown that would likely be focused in the channel area.

In addition to potential risks from beach erosion, staff would want the EIR to consider fully the following potential impacts that can result from construction, maintenance, or routine operation:

1) Impacts on beach access. The three proposed routes are along roads that are used for beach access or are located on the beach. Several staging areas are located on the sand or in the case the Marquesas/Via Marina route on a public parking lot. Methods of construction which require long term closing of beach access routes or occupancy of recreation areas will reduce the ability of the public to get to the beach. The beach and recreation areas in question are:

a) Dockweiler State Beach (both north and south of the Marina Entrance channel)
b) The County parking spaces adjacent to the Marina Entrance Channel at the southern ends of Pacific Avenue and Via Marina.
c) County Parking Lot 13 located on Via Marina.
d) Pacific Avenue in both Venice and Playa del Rey
e) Vista del Mar Boulevard, which provides principal access to Dockweiler State Beach.

2) Impacts on the Least Tern nesting colony. The staging area shown for the Venice Beach small diameter tunnel is located close to the Least Tern nesting area. We would be concerned about impacts of noise and foot traffic on this site.

3) Visual and noise impacts during construction. While such impacts are temporary, the level of impact varies among the methods chosen for construction and the location of the route chosen. The Marquesas/Via Marina route would have little impact on beach views or on major public access routes. All of the alternatives in Playa del Rey would have impacts. The tunneling alternatives would seem from your analysis to have the least impact on beach access routes.

4) Water quality impacts can potentially occur with any major construction project; it will be necessary to design and schedule the project to minimize potential water quality impacts, require the use of Best Management Practices as well as to impose strict mitigation measures.

5) All three routes would traverse liquefiable soils. This geologic hazard needs to be considered in the analysis of all route and construction alternatives.

6) Plans for shut-off and containment in the event of a sewerage spill should be provided for each proposed route. Special care should be taken for the channel crossing, areas less than 100 feet from Ballona and Del Rey Lagoons, and with the entire beach route.

7) There is some finite life to all sewer projects. There should be some consideration in the EIR as to the eventual disposal of the sewer line once it reaches the end of its economic line. While staff is not recommending the beach route alternative, should the City choose this alternative, there should be some identified triggers that would provide sufficient time to plan, finance and construct a replacement line before the beach line would be threatened. Triggers indicative of a future need to replace the line or to install shore protection to avoid damage from wave attack include beach width change, increased damage during storm conditions, or back beach elevation changes.

Some of the impacts may be mitigated either by locally imposed mitigation measures, or by special conditions imposed by local government or the Coastal Commission. However, coastal staff would urge the City to chose a route and a construction method that 1) avoids the beach, 2) minimizes disruption of public access to and use of the beach and other coastal recreation resources, 3) and does not disturb the Least Tern nesting area during nesting season (mid-March to late August).

When the final project is submitted to the Commission for a coastal development permit, the staff will undertake a more through analysis, and if necessary, impose special conditions to assure its consistency with the California Coastal Act. Thank you for allowing us the opportunity to comment on this project at the early stages of planning.

Sincerely

Pam Emerson
Los Angeles Area Supervisor

To enrich lives through effective and caring service

Los Angeles County Department of Beaches & Harbors

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

December 4, 2008

TO: Small Craft Harbor Commission

FROM: Kerry Silverstrom for Santos H. Kreimann, Acting Director

SUBJECT: **ITEM 5a – APPROVAL OF AMENDMENT TO SECOND AMENDED AND RESTATED LEASE NO. 55624 - PARCEL 125R (MARINA CITY CLUB) – MARINA DEL REY**

Item 5a on your agenda pertains to an amendment to the Second Amended and Restated Lease No. 55624 that extends by four years the outside completion date to replace the Parcel 125R docks. Attached is a copy of the Board letter that explains the details of the proposed recommendation. The exhibit to the Board letter is a copy of the proposed amendment.

Your Commission's endorsement of the Acting Director's recommendation to the Board of Supervisors as contained in the attached letter is requested.

SK:GB
Attachment

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://marinadelrey.lacounty.gov

To enrich lives through effective and caring service

Los Angeles County Department of Beaches & Harbors

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

December 16, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

APPROVE AND AUTHORIZE EXECUTION OF AMENDMENT TO SECOND AMENDED AND RESTATED LEASE NO. 55624 – PARCEL 125R (MARINA CITY CLUB) – MARINA DEL REY (FOURTH DISTRICT) (4 VOTES)

SUBJECT

Request approval of a lease amendment granting a four-year extension of the outside completion date for the required replacement of the Marina City Club (Parcel 125R) docks to December 31, 2012.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the attached Lease Amendment No. 5 to the Second Amended and Restated Lease No. 55624 with respect to Parcel 125R (Marina City Club) is categorically exempt under the California Environmental Quality Act pursuant to classes 1(r) and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines.

2. Authorize the Chairman to execute Lease Amendment No. 5 to the Second Amended and Restated Lease No. 55624 extending by four years the outside completion date to replace the Parcel 125R docks to December 31, 2012.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On January 6, 2004, your Board consented to the assignment of Parcel 125R (Marina City Club) to Essex Marina City Club, L.P. (Essex), a California limited partnership. As part of its acceptance of the assignment of the lease, Essex agreed to replace all of the docks by December 31, 2008. Essex has requested a four-year extension within which to obtain the necessary entitlements and to construct in phases the new docks.

As compensation for granting Essex's request for a four-year extension to the outside completion date for replacing the docks, Amendment No. 5 (Amendment) to the Second Amended and Restated Lease No. 55624 (Lease) calls for Essex to pay the County an extension fee of $110,000 per year until completion of the docks. The annual payment of $110,000 is intended to compensate the County for the estimated revenue loss due to the delay in the construction of the new docks.

The Amendment also updates the insurance section of the Lease to current County coverage requirements and provides a new definition of Essex's basis in the property with respect to the County's participation in net proceeds from a sale of the property. The Lease as executed in October 1987 set a minimum basis of $103,050,703 for the entire leasehold, including the unsold inventory of condominiums at that time. The new definition reflects the subsequent sale of condominiums and establishes a basis more in conformity with the general basis structure of other recent Marina transactions (i.e., the purchase price paid for the leasehold plus permitted capital improvements and transaction costs).

Implementation of Strategic Plan Goals

The recommended action will allow Essex to proactively redevelop its leasehold improvements, as well as provide the County with anticipated rent it otherwise would have received but for construction delay, which will result in furtherance of approved Strategic Plan Goal Nos. 1 and 4, "Service Excellence" and "Fiscal Responsibility", respectively.

FISCAL IMPACT/FINANCING

The Amendment will provide annual payments of $110,000 to the County during construction of the docks that otherwise could have been expected as increased revenue commencing in 2009 had timely completion of the new docks occurred.

Operating Budget Impact

Upon your Board's approval of the Amendment, the Department of Beaches and Harbors' operating budget will receive a $110,000 Extension Fee payment which will be booked as FY 2008-09 one time over realized revenue. The annual Extension Fee payments received from 2009-10 through 2011-12 will be subsequently budgeted as one time revenue.

Upon completion of the new docks in 2012, the Department's operating budget will include an estimated on going revenue increase of $110,000.

Costs of consultants and primary County staff involved in the negotiation and development of the Amendment are being reimbursed by Essex.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the Lease, executed in October 1987, commenced retroactively on November 7, 1986 and expires on July 29, 2067.

The new docks shall be built in conformance with Marina del Rey dock design standards current as of the date of construction and shall be fully compliant with California Department of Boating and Waterways guidelines. In addition, the new docks shall include: 1) Americans With Disabilities Act (ADA) access on at least one dock with various sized slips; 2) a pump-out station if required by the California Coastal Commission; and 3) a transient/water-taxi dock.

As a condition of the extension, Essex agrees to obtain all necessary regulatory approvals and permits to replace the docks no later than June 30, 2010 and to complete construction of the docks no later than December 31, 2012. If Essex is unable to obtain all necessary regulatory approvals and permits to replace the docks by June 30, 2010, Essex shall pay the County $250,000 as compensation for said failure by July 15, 2010. If Essex is unable to complete construction of the docks by December 31, 2012, it shall pay the County an additional $100 per month for each slip that has not been completed until all of the dock construction is complete. The outside completion date for the docks is June 30, 2013.

County Counsel has approved the Amendment as to form. At its meeting of December 10, the Small Craft Harbor Commission will consider the recommendation that your Board approve the attached Second Option Renewal. The Department will provide your Board with the Commission's recommendation prior to your Board's consideration of this item.

ENVIRONMENTAL DOCUMENTATION

Approval of the attached Amendment is categorically exempt under the California Environmental Quality Act pursuant to classes 1(r) and 4(j) of the County's Environmental Document Reporting Procedures and Guidelines. Approval of the Amendment does not authorize construction or reconstruction of any improvements on the parcel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

Please send two copies of the executed Amendment No. 5 to the Department of Beaches and Harbors.

Respectfully submitted,

SANTOS H. KREIMANN
Acting Director

SHK:KS:GB:gb
Attachment (1)

c: Chief Executive Officer
County Counsel

AMENDMENT NO. 5 TO THE SECOND AMENDED AND RESTATED
LEASE (IMPROVED PARCEL) NO. 55624
PARCEL NO. 125R – MARINA DEL REY SMALL CRAFT HARBOR

THIS AMENDMENT NO. 5 TO THE SECOND AMENDED AND RESTATED LEASE (IMPROVED PARCEL) NO. 55624, PARCEL NO. 125R – MARINA DEL REY SMALL CRAFT HARBOR (this "Amendment") is dated as of _____, 2008,

BY AND BETWEEN — COUNTY OF LOS ANGELES, hereinafter referred to as "County,"

AND — ESSEX MARINA CITY CLUB, L.P., a California limited partnership, as successor in interest to Marina City Club, L.P., a California limited partnership (f/k/a J.H. Snyder Company), hereinafter referred to as "Lessee."

W I T N E S S E T H:

WHEREAS, County and Marina City Club, L.P., a California limited partnership ("Original Lessee"), entered into that certain Second Amended and Restated Lease (Improved Parcel) dated October 27, 1987 and identified as Lease No. 55624 (the "Original Lease"), as amended by (i) that certain First Amendment to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R Marina del Rey dated November 4, 1988, (ii) that certain Second Amendment to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R - Marina del Rey dated August 1, 1992, (iii) that certain Amendment No. 3 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated December 3, 2002, and (iv) that certain Amendment No. 4 to the Second Amended and Restated Lease (Improved Parcel) No. 55624, Parcel 125R – Marina del Rey Small Craft Harbor dated June 22, 2004 (the Original Lease, as so amended, is hereinafter referred to as the "Lease");

WHEREAS, pursuant to that certain Assignment of Lease dated as of December 11, 2003 and executed by Original Lessee, and that certain Acceptance of Assignment of Lease dated as of December 18, 2003 and executed by Lessee, Lessee acquired all of Original Lessee's right, title and interest in and to, and assumed Original Lessee's obligations under, the Lease effective as of January 21, 2004 (the foregoing Assignment of Lease and Acceptance of Assignment of Lease are collectively referred to herein as the "Assignment");

WHEREAS, pursuant to the Assignment, Lessee agreed to replace the anchorage improvements on the Premises on or before December 31, 2008;

WHEREAS, to date Lessee has failed to initiate the required permit application process for the foregoing boat slip replacement and it will not be possible for Lessee to timely perform and complete the boat slip replacement by the required December 31, 2008 completion date;

WHEREAS, Lessee has requested, and County is willing to grant, an extension to Lessee of the required date for Lessee's completion of the boat slip replacement, subject to and in accordance with the terms and provisions of this Amendment; and

WHEREAS, Lessee and County desire to enter into this Amendment to (a) amend the Assignment and the Lease to document the terms and conditions of the above-referenced extension, (b) confirm certain other agreements of the parties with respect to the boat slip replacement, and (c) otherwise modify the Lease in certain respects, all as more particularly forth herein.

NOW, THEREFORE, with reference to the foregoing recitals, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, County and Lessee hereby agree as follows:

1. Definitions. All initially-capitalized terms used but not defined in this Amendment have the meanings given such terms in the Lease.

2. Boat Slip Replacement.

2.1 New Anchorage Facilities. The terms and provisions of this Amendment shall supersede and replace the terms and provisions of the Assignment with regard to the replacement of the boat slips located on the Premises. Lessee shall demolish the existing anchorage slips and related anchorage Improvements located on the Premises, and replace the same with new anchorage slips and related anchorage Improvements, including without limitation, new docks, gangways and related components (collectively, the "New Anchorage Facilities"). The New Anchorage Facilities shall be designed and constructed in accordance with such configuration and layout (including size and number of slips) as approved by County and the California Coastal Commission. The New Anchorage Facilities shall comply with the then-current requirements (in effect as of the date of the issuance of the building permit for the New Anchorage Facilities) under all applicable governmental laws, including without limitation all current requirements of the Americans With Disabilities Act, as amended and interpreted by applicable governmental laws and regulations. The New Anchorage Facilities shall be first-class, state of the art, and comply with the following then-current requirements (in effect as of the date of the issuance of the building permit for the New Anchorage Facilities): (i) the most recent edition of Policy Statement No. 25 and the Specifications and Minimum Standards of Architectural Treatment and Construction for Marina del Rey approved in 1989, as modified; (ii) the most recent edition of Layout and Design Guidelines for Small Craft Facilities by the California Department of Boating and Waterways (or similar successor publication); and (iii) the then-effective design memoranda as provided by the Harbor Engineer of the Los Angeles County Department of Beaches and Harbors ("Department"). The New Anchorage Facilities shall include a permanent pump-out station if required by the California Coastal Commission. The New Anchorage Facilities shall also be designed and constructed to accommodate a transient/water-taxi dock in a location, size and configuration acceptable to County. Except during any period that County requires the transient/water-taxi dock to be made available by Lessee for transient/water-taxi usage, the transient/water-taxi dock may be leased by Lessee for anchorage slip use. During any period that County requires the transient/water-taxi dock to be made available for transient/water-taxi usage, the use of the transient/water-taxi dock shall be

restricted to such use at no charge. Access to the transient/water-taxi dock shall be subject to such reasonable rules and regulations as Lessee may establish from time to time.

2.2 Design and Construction of New Anchorage Facilities. The New Anchorage Facilities shall constitute Improvements to be constructed by Lessee under Article 4 of the Lease, and Lessee shall comply with all terms and provisions of Article 4 of the Lease in connection with the design and construction of the New Anchorage Facilities. Without limitation of the foregoing, the New Anchorage Facilities shall be designed and constructed in accordance with plans and specifications that are approved by the Department on behalf of County. Lessee shall prepare and submit to the Department all plans and specifications for the New Anchorage Facilities, and submit and process with applicable governmental authorities all applications for required governmental permits and approvals for the New Anchorage Facilities, in accordance with a schedule that is reasonably expected to effectuate the completion of the construction of the New Anchorage Facilities by not later than December 31, 2012. Within thirty (30) days after the date of this Amendment, Lessee shall submit to the Department a proposed schedule for the design and permitting of the New Anchorage Facilities, which schedule shall be subject to the Department's approval, which approval shall not be unreasonably withheld. Upon approval by the Department, Lessee shall comply with such design and permitting schedule. In all events, Lessee shall obtain all necessary governmental permits and approvals for the construction of the New Anchorage Facilities by not later than June 30, 2010 (the "Required Permit Receipt Date"). If Lessee fails to obtain all necessary governmental permits and approvals for the construction of the New Anchorage Facilities by the Required Permit Receipt Date, then in addition to the Extension Payments and any Additional Extension Payments, if applicable (as such terms are defined in Section 3 below), Lessee shall pay to County the sum of Two Hundred Fifty Thousand Dollars ($250,000.00) (the "Permit Delay Fee") within fifteen (15) days after the Required Permit Receipt Date. Notwithstanding any contrary provision of the Lease or this Amendment, the Required Permit Receipt Date shall not be extended for any reason whatsoever, except that if as of the Required Permit Receipt Date a moratorium is in effect against the issuance of all governmental permits for the construction of anchorage facilities in the Marina del Rey Small Craft Harbor, then the Required Permit Receipt Date shall be extended by the period of delay incurred by Lessee in the processing and issuance of the required governmental permits for the New Anchorage Facilities as a result of such moratorium; provided, however, that the Required Permit Receipt Date shall in no event be extended beyond June 30, 2012. For purposes of clarification, the term "moratorium" shall mean an express prohibition against the issuance of permits, and the term "moratorium" shall not be interpreted or construed to mean or include a de facto, constructive or implied moratorium based on processing delays, requirements, conditions or other circumstances.

2.3 Completion of New Anchorage Facilities. Lessee shall perform the New Anchorage Facilities construction on a phased basis in accordance with a phasing schedule approved by the Department, which approval shall not be unreasonably withheld. Such phasing schedule shall not result in more than thirty percent (30%) of the boat slips on the Premises being out of service at any one time. Lessee shall substantially complete the construction of the New Anchorage Facilities by not later than December 31, 2012. If Lessee has worked diligently to complete the design, permitting and construction of the New Anchorage Facilities by December 31, 2012, but despite such diligent efforts Lessee is unable to substantially complete the construction of the New Anchorage Facilities by December 31, 2012, then Lessee shall not be in

default of the Lease for its failure to substantially complete the construction of the New Anchorage Facilities by December 31, 2012 as long as Lessee substantially completes the construction of the New Anchorage Facilities by June 30, 2013 (the "Outside Anchorage Completion Date"). Notwithstanding the foregoing, if Lessee is delayed in the substantial completion of the construction of the New Anchorage Facilities by June 30, 2013 due to an Anchorage Force Majeure Event (as defined below), then the Outside Anchorage Completion Date shall be extended by the duration of the delay caused by such Anchorage Force Majeure Event, but in no event shall the Outside Anchorage Completion Date be extended beyond December 31, 2013. If Lessee fails to substantially complete the construction of the New Anchorage Facilities by the Outside Anchorage Completion Date (as such date may be extended pursuant to the immediately preceding sentence), then upon written notice by County to Lessee, such failure shall constitute an Event of Default by Lessee under Article 8 of the Lease, without any requirement for a cure or grace period, and County shall have the right to exercise all of its rights and remedies available under the Lease, at law or in equity as a result of such Event of Default. Notwithstanding any contrary provision of the Lease, the dates for Lessee's performance under this Section 2 and Section 3 below shall not be subject to extension for any reason, including without limitation, any force majeure delay or other excuse, except for (i) any extension of the Required Permit Receipt Date pursuant to the next to last sentence of Section 2 above, (ii) any extension of the Outside Anchorage Completion Date for an Anchorage Force Majeure Event in accordance with this Section 2.3, or (ii) any extension of the December 31, 2012 date set forth in Section 3 below for an Anchorage Force Majeure Event. For purposes of this Amendment, the "substantial completion" of the New Anchorage Facilities shall mean the completion of the New Anchorage Facilities, subject only to minor punch-list items that do not materially interfere with the use and occupancy of the New Anchorage Facilities by boaters, including without limitation, receipt by Lessee of a certificate of occupancy (whether temporary or permanent) or other governmental approval for all of the New Anchorage Facilities that permits the lawful use or occupancy thereof. Lessee shall diligently complete any remaining punch-list items as soon as reasonably possible (but in any event within thirty (30) days, except to the extent that a period longer than thirty (30) days is required due to the unavailability of parts or materials or other causes beyond the reasonable control of Lessee).

For purposes hereof, an Anchorage Force Majeure Event shall mean a delay in the completion of the New Anchorage Facilities due to fire, earthquake, flood, tornado, tsunami, civil disturbance, war, organized labor dispute, moratorium or other similar unforeseeable event beyond the control of Lessee that occurs after the date of this Amendment. In no event shall an Anchorage Force Majeure Event include any delay attributable to financial infeasibility or other financially related condition. Notwithstanding any contrary provision hereof, no delay attributable to an Anchorage Force Majeure Event shall be considered to have commenced until Lessee has provided County with written notice of the occurrence, condition or circumstance that constitutes such Anchorage Force Majeure Event; provided, however, that if Lessee provides written notice to County of the Anchorage Force Majeure Event within five (5) business days after the date that Lessee first becomes aware that the occurrence, condition or circumstance that constitutes the Anchorage Force Majeure Event has occurred or arisen, then the delay attributable to the Anchorage Force Majeure Event shall be considered to have commenced retroactive to the date that the Anchorage Force Majeure Event causing the delay first occurred or arose.

2.4 County Cooperation. In its proprietary capacity, the Department shall cooperate with and assist Lessee, to the extent reasonably requested by Lessee, in Lessee's efforts to obtain the appropriate governmental approvals, consents or permits that may be required in connection with the construction of the New Anchorage Facilities. Such cooperative efforts may include the Department's joinder in any application for such approval, consent or permit, where joinder therein by the Department is required or helpful; provided, however, that Lessee shall reimburse County for the Actual Cost (as defined below) incurred by the Department in connection with such joinder or cooperative efforts. Notwithstanding the foregoing, Lessee and County acknowledge that (a) the approvals given by County (including the Department) under this Amendment are approvals pursuant to its authority under Section 25536 or 25907 of the California Government Code; (b) that approvals given under this Amendment in no way release Lessee from obtaining, at Lessee's expense, all permits, licenses and other approvals required by law for the construction of the New Anchorage Facilities and the operation and use thereof; and (c) that the Department's duty to cooperate and any approvals by County (including the Department) under this Amendment do not in any way modify or limit the exercise of County's governmental functions or decisions as distinct from its proprietary functions pursuant to this Lease. For purposes of this Amendment, "Actual Costs" means (i) the reasonable out-of-pocket costs and expenses incurred by County with respect to a particular activity or procedure, including without limitation, expenditures for third party legal counsel, financial consultants and other advisors; (ii) costs incurred in connection with appraisals; (iii) the reasonable value of services actually provided by County's in-house counsel; and (iv) the reasonable value of services actually provided by County's lead lease negotiator/administrator and any other lease auditors and other County administrative staff below the level of deputy director (the administrative level which is two levels below County department head) required by the lead lease negotiator/administrator for technical expertise or assistance.

3. Extension Payments. In consideration of the extension granted by County to Lessee under this Amendment with respect to the completion of the New Anchorage Facilities, Lessee shall pay to County an annual amount equal to One Hundred Ten Thousand Dollars ($110,000.00) (each, an "Extension Payment") commencing on the date of this Amendment until the date of the substantial completion of the New Anchorage Facilities. The first annual Extension Payment shall be paid by Lessee to County concurrent with the parties' execution and delivery of this Amendment. Lessee shall continue to pay annual Extension Payments to County on each and every successive anniversary of the date of this Amendment unless and until as of the due date for a particular Extension Payment the construction of the New Anchorage Facilities has been substantially completed. In addition to the Extension Payments, if the construction of the New Anchorage Facilities has not been substantially completed by December 31, 2012 (as such date may be extended by an Anchorage Force Majeure Event, but not beyond December 31, 2013), then Lessee shall thereafter pay to County an additional monthly sum (each, an "Additional Extension Payment") equal to One Hundred Dollars ($100.00) per month for each boat slip of the New Anchorage Facilities that has not been substantially completed as of the first day of each calendar month thereafter (i.e., commencing with January, 2013 if the foregoing December 31, 2012 date is not extended by an Anchorage Force Majeure Event) until all of the New Anchorage Facilities have been substantially completed. If applicable, the first Additional Extension Payment shall be paid by Lessee to County on or before January 1, 2013 (or in the case of an Anchorage Force Majeure Event, the first day of the calendar month following the date to which the December 31, 2012 date set forth in this Section 3 is extended) and subsequent

Additional Extension Payments shall continue to be paid by Lessee to County on or before the first day of each calendar month thereafter until the New Anchorage Facilities have been substantially completed. The Extension Payments and Additional Extension Payments described in this Section 3 and the Permit Delay Fee described in Section 2 above, if and to the extent payable hereunder, shall constitute additional rent payable by Lessee under the Lease. The Additional Extension Payments and Permit Delay Fee (if applicable) are not intended as a forfeiture or penalty within the meaning of Sections 3275 or 3369 of the California Civil Code, but are intended to constitute liquidated damages for Lessee's failure to substantially complete the New Anchorage Facilities by the date required in this Amendment, the parties acknowledging and agreeing that it is extremely impracticable and difficult to estimate the actual damage and harm (including rental losses) that County will suffer from further delays by Lessee in performing the New Anchorage Facilities work. The parties further expressly acknowledge, stipulate and agree that the Additional Extension Payments and Permit Delay Fee are reasonable taking into consideration all circumstances, including without limitation, Lessee's existing failure to perform the boat slip replacement work as previously agreed by Lessee under the Assignment and in consideration of the further extension being granted by County under this Amendment.

4. Insurance. The terms and provisions of Article 11 of the Lease are hereby deleted and replaced with the following, except that Sections 11.01.B., 11.01.C, 11.02, 11.06 and 11.07 of the Lease shall not be modified and shall remain in full force and effect as set forth in the Lease, unmodified by this Amendment:

"11.1 Lessee's Insurance. Without limiting Lessee's indemnification of County, during the term of this Lease Lessee shall provide and maintain the following insurance issued by companies authorized to transact business in the State of California by the Insurance Commissioner and having a "general policyholders rating" of at least A-VII (or such higher rating as may be required by an Encumbrance Holder) as set forth in the most current issue of "A.M. Best's Key Rating Guide" or an equivalent rating from another industry-accepted rating agency.

11.1.1 General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) and endorsed to name County as an additional insured, with limits of not less than the following:

General Aggregate:	$30,000,000
Products/Completed Operations Aggregate:	$30,000,000
Personal and Advertising Injury:	$10,000,000
Each Occurrence:	$15,000,000

Lessee may satisfy the above coverage limits with a combination of primary coverage ("Primary Coverage") and excess liability coverage ("Umbrella Coverage") as long as (a) Lessee's Primary Coverage is at least One Million Dollars ($1,000,000) per occurrence, One Million Dollars ($1,000,000) annual aggregate, and (b) the combination of such Primary Coverage and Umbrella Coverage provides

County with the same protection as if Lessee had carried primary coverage for the entire limits and coverages required under this Section 11.1.1.

11.1.2 Automobile Liability insurance (written on ISO form CA 00 01 or its equivalent) with a limit of liability of not less than One Million Dollars ($1,000,000) of Primary Coverage and One Million Dollars ($1,000,000) of Umbrella Coverage, for each accident and providing coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto." During any period of operation of valet parking facilities, Lessee also shall provide Garagekeeper's Legal Liability coverage, (written on ISO form CA 99 37 or its equivalent) with limits of not less than Three Million Dollars ($3,000,000) for this location.

11.1.3 Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California and for which Lessee is responsible, and including Employers' Liability coverage with limits of not less than the following:

Each Accident:	$1,000,000
Disease - policy limit:	$1,000,000
Disease - each employee:	$1,000,000

11.1.4 Commercial Property insurance covering damage to the Premises, including improvements and betterments, from perils covered by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake, and including Ordinance or Law Coverage, written for the full replacement value of the Improvements, with a deductible no greater than $250,000 or 5% of the property value, which ever is less, and also including business interruption, including loss of rent equal to two (2) years of rent, with proceeds payable to Lessee and County as their interests may appear and utilized for repair and restoration of the Premises and Improvements.

11.1.5 For construction projects, including any alterations or restoration of the Improvements on the Premises, Lessee or Lessee's contractor or subcontractors will provide the following insurance (County reserves the right to determine the coverage and coverage limit required on a project by project basis.):

11.1.5.1 Builder's Risk Course of Construction to insure against damage from perils covered by the Causes-of-Loss Special Form (ISO form CP 10 30). This insurance shall be endorsed to include ordinance or law coverage, coverage for temporary offsite storage, debris removal, pollutant cleanup and removal, testing, preservation of property, excavation costs, landscaping, shrubs and plants and full collapse coverage during construction (without restricting collapse coverage to specified perils). This insurance shall be written on a completed-value basis and cover the entire value of the construction project, including County furnished materials and equipment, against loss or damage until completion and acceptance by Lessee.

11.1.5.2 General Liability. Such insurance shall be written on ISO policy form CG 00 01 or its equivalent with limits as reasonably required by the County for the particular Improvements or alterations work. The products/completed operations coverage shall continue to be maintained for three (3) years after the date of the completion and acceptance of the work by Lessee. The amount of this coverage for the New Anchorage Facilities work shall be Two Million Dollars ($2,000,000) per occurrence, Four Million Dollars ($4,000,000) aggregate.

11.1.5.3 Automobile Liability. Such coverage shall be written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than Two Million Dollars ($2,000,000) per accident. Such insurance shall include coverage for all "owned," "hired" and "non-owned" automobiles, or coverage for "any auto."

11.1.5.4 Professional Liability. Such insurance shall cover liability arising from any error, omission, negligent or wrongful act of the contractor and/or licensed professional (i.e. architects, engineers, surveyors, etc.). This coverage shall also provide an extended two-year reporting period commencing upon termination or cancellation of the construction project. The limits of the coverage required under this subsection 11.1.5.4 shall be (a) Two Million Dollars ($2,000,000) per claim, Four Million Dollars ($4,000,000) aggregate with respect to the prime architect for the New Anchorage Facilities work (or such lesser amount for other Improvements or alterations as approved by Director), and (b) One Million Dollars ($1,000,000) with respect to each other contractor, subcontractor, architect, engineer, surveyor or other licensed professional rendering services in connection with the design or construction of Improvements or alterations, provided that Director shall have the discretion to reduce the coverage limits under this clause (b) if appropriate in the judgment of Director based on the nature and scope of the services being provided.

11.1.5.5 Asbestos Liability or Contractors Pollution Liability insurance, if construction requires remediation of asbestos or pollutants, and if such insurance is available. Such insurance shall cover liability for personal injury and property damage arising from the release, discharge, escape, dispersal or emission of asbestos or pollutants, whether gradual or sudden, and include coverage for the costs and expenses associated with voluntary clean-up, testing, monitoring and treatment of asbestos in compliance with governmental mandate or order. If the asbestos or pollutant will be removed from the construction site, asbestos or pollution liability is also required under the contractor's of subcontractor's Automobile Liability Insurance. The amount of such insurance shall be as reasonably required by Director for the particular work, except that the amount of such insurance for the New Anchorage Facilities work shall be Two Million Dollars ($2,000,000).

11.1.6 If the use of the Premises or Improvements involves any manufacture, distribution or service of alcoholic beverages, Liquor Liability

insurance (written on ISO policy form CG 00 33 or 34 or their equivalent) with a liability limit of not less than Five Million Dollars ($5,000,000) per occurrence and an annual aggregate of Ten Million Dollars ($10,000,000), which limits may be covered by a combination of Primary Coverage and Umbrella Coverage. If written on a claims made form, the coverage shall also provide an extended two-year reporting period commencing upon the termination or cancellation of the Lease.

11.1.7 If use of the Premises or Improvements involves a marina operation, berthing, docking, and/or launching of boats and/or pleasure crafts, and/or use of floating docks, piers and/or ramps, Lessee shall carry Marina Operator's Liability insurance with limits of not less than Five Million Dollars ($5,000,000) per occurrence, and Ten Million Dollars ($10,000,000) aggregate. If written on a "claims made" form, the coverage shall also provide an extended two (2) year reporting period commencing upon the expiration or earlier termination of the Lease, or replacement coverage shall be maintained until such time.

11.2 Provisions Pertaining to Property Insurance. The insurance coverage required in Sections 11.1.4 and 11.1.5.1 shall name the County as an additional insured and any Approved Encumbrance Holder as loss payee. The proceeds from such insurance shall be administered in accordance with the terms and provisions of Sections 11.01.B and 11.01.C of the Lease, as those Sections exist under the Lease prior to this Amendment (and are not being modified by this Amendment).

11.3 General Insurance Requirements. Subject to the immediately following grammatical paragraph, a duplicate policy or policies (or certificates of insurance) evidencing the insurance coverage required under this Article 11, in such form as shall be reasonably acceptable to County, shall be delivered to Director, provided that the evidence of the insurance coverage required under Section 11.1.5 shall not be required to be delivered by Lessee until prior to the commencement of any alterations or Improvements work. All certificates of insurance shall (a) specifically identify the Lease; (b) clearly evidence all coverages required under the Lease; (c) identify any deductibles or self-insured retentions exceeding $25,000 or such other commercially reasonable amount as approved by the Director; and (d) evidence all other requirements under this Article 11. The policy or policies of insurance shall provide that such insurance coverage will not be canceled or reduced without at least thirty (30) days prior written notice to Director or ten (10) business days in case of cancellation for failure to pay the premium. At least ten (10) business days prior to the expiration of such policy, a certificate showing that such insurance coverage has been renewed shall be obtained by Lessee and filed with Director.

In lieu of submitting a copy of the policy or policies evidencing the above insurance, Lessee may submit in a form reasonably acceptable to County a certificate of insurance.

Any insurance coverage may be issued in the form of a blanket policy insuring other properties, in form, amount and content reasonably satisfactory to County such that such coverage provides the same protection as required under this Article 11 as if the insurance had been procured on an individual property basis.

11.4 Additional Required Provisions. Lessee's insurance policies required by this Article 11 shall be for a term of not less than one year and shall additionally provide:

(a) that County and its respective Board of Supervisors and members thereof, and County's officers, agents, employees and volunteers, shall be named as additional insureds under any liability insurance policy or policies;

(b) that the full amount of any losses to the extent property insurance proceeds are available shall be payable to additional insureds notwithstanding any act, omission or negligence of Lessee which might otherwise result in forfeiture of such insurance;

(c) in any property insurance policy, a waiver of all right of subrogation against County and its respective Board of Supervisors and members thereof, and County's officers, agents, employees and volunteers with respect to losses payable under such policies;

(d) in any property insurance policy, that such policies shall not be invalidated should the insured waive, prior to a loss, any or all right of recovery against any party for losses covered by such policies;

(e) to the extent of the indemnification obligations of Lessee in favor of any additional insureds, the property and commercial general liability insurance policies shall provide coverage on a primary and non-contributory basis with respect to such additional insureds, regardless of any other insurance or self-insurance that such additional insureds may elect to purchase or maintain;

(f) that losses, if any, shall be adjusted with and payable to Lessee, County and Approved Encumbrance Holders, if any, pursuant to a standard mortgagee clause;

(g) that such policies shall not be suspended, voided, canceled, reduced in coverage or in limits or materially changed without at least thirty (30) days prior written notice to County and all Approved Encumbrance Holders or ten (10) business days in case of cancellation for failure to pay the premium;

(h) that the commercial general liability insurance shall apply separately to each insured against whom a claim is made, except with respect to the overall limits of said insurer's liability; and

(i) that the property and commercial general liability insurance policies shall contain no special limitations on the scope of protection afforded to the

additional insureds, and no failure to comply with the reporting provisions of such policies shall affect the coverage afforded to such additional insureds.

11.5 Failure to Procure Insurance. If Lessee fails to procure or renew the herein required insurance and does not cure such failure within five (5) business days after written notice from County, in addition to the other rights and remedies provided hereunder, County may, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith. All monies so paid by County shall be repaid by Lessee, with interest thereon at the Adjustment Rate (as defined in Section 5.10.G of the Lease), to County within five (5) business days after Lessee's receipt of written demand therefor. This Section 11.5 does not affect the terms and provision of Section 11.07 of the Lease, which Section 11.07 is not being modified by this Amendment.

11.6 Adjustment to Amount of Liability Coverage. The amounts of liability insurance required under Sections 11.1.1, 11.1.2 and 11.1.3 above shall be subject to renegotiation as of each fifth (5th) anniversary of this Amendment (each, an "Insurance Renegotiation Date"). If County and Lessee cannot agree upon the amount of insurance by the sixtieth (60th) day preceding an Insurance Renegotiation Date, the matter shall be resolved by binding arbitration in accordance with Section 16.6 of the Lease. In no event shall the amounts of liability insurance be decreased as a result of such renegotiation or arbitration. Following such renegotiation or arbitration, the parties shall execute an amendment to this Lease setting forth the renegotiated insurance provisions or the arbitration judgment, as appropriate.

11.7 Notification of Incidents, Claims or Suits. Lessee shall notify County of any accident or incident on or about the Premises which involves injury or property damage over Fifty Thousand Dollars ($50,000.00) in the aggregate and pursuant to which a claim against Lessee and/or County is made or threatened. Such notification shall be made in writing within 72 hours after Lessee first becomes aware of the claim or threatened claim."

5. Defined Net Transfer Proceeds. Section 5.15 of the Lease is hereby deleted and replaced with the following:

"5.15 Defined Net Transfer Proceeds. Upon those transfers described in subsection 5.15.C, Lessee shall pay County a sum equal to the excess of twenty percent (20%) of the Defined Net Transfer Proceeds from such transfer over the amount of any Administrative Transfer Fee paid in connection with the transfer.

5.15.A. [Deleted.]

5.15.B. Transfers by Lessee and its Successors. "Defined Net Transfer Proceeds" shall mean the total cash and other consideration received by the transferor Lessee (including any successor Lessee to the Lessee executing this Amendment) minus such transferor's Eligible Costs. "Eligible Costs" shall mean the sum of the following:

(1) The higher of the purchase price paid by the transferor for the interest being conveyed or Twenty Eight Million Dollars ($28,000,000.00), provided that the Lessee executing this Amendment hereby agrees that the purchase price paid by the Lessee executing this Amendment for its interest was Twenty Eight Million Dollars ($28,000,000.00).

(2) Any Improvement Costs paid or incurred by the transferor (as opposed to any predecessor Lessee, or any Sublessee or any other person or entity) after the date of this Amendment or, in the case of a transfer by a transferor other than the Lessee executing this Amendment, incurred after the date of this Amendment and after the date such transferor acquired its interest.

(3) Eligible Documented Transaction Costs incurred by the transferor in connection with the original purchase by such transferor of the interest being transferred, provided that this clause (3) shall not be applicable in connection with a transfer by the Lessee executing this Amendment (or a transfer by a beneficial interest holder of the Lessee executing this Amendment).

(4) Eligible Documented Transaction Costs incurred by the transferor in connection with any refinancings of its interest in the Lease after the transferor's acquisition of such interest and prior to the transfer by the transferor of such interest.

5.15.C. Transfers to Which Section 5.15 Applies. The provisions of this Section 5.15 shall apply to each of the following transfers, unless such transfers are otherwise exempted from an Administrative Transfer Fee pursuant to subsection 5.11.B and shall not apply to a mere change in form or method and/or status of ownership;

(1) Any transfer for which an Administrative Transfer Fee is due pursuant to Section 5.11.

(2) Any transfer by Lessee of all or any portion of Lessee's beneficial interest in this Lease.

(3) Any transfer of any beneficial interest in a "Single-Asset" entity which holds all or any portion of the Lessee's interest under this Lease. As used in this subsection 5.15.C, a "Single-Asset" entity means an entity in which the interest in this Lease constitutes seventy-five percent (75%) or more, by gross value, of the assets of such entity.

(4) Any transfer of an interest in an entity which is not a Single-Asset entity, and is not a publicly-traded entity of the type described in subsection 5.11.B.(4), but the amounts provided for in this Section 5.15 shall be collected only when sufficient interests in such entity have been transferred so as to constitute a Change in Ownership.

(5) Any transfer of an interest in an entity which County can demonstrate was formed primarily for the purpose of avoiding the fees provided for in this Section 5.15.

5.15.D. Effect of Transfer of Less Than Entire Interest. If less than the entire beneficial interest of Lessee in this Lease is transferred, then the amount deducted for Eligible Costs shall bear the same proportion to the total Eligible Costs that would be applicable on a transfer of the entire beneficial interest of Lessee in this Lease as the interest being transferred bears to the entire beneficial interest of Lessee in this Lease. In addition:

(1) For purposes of subsection 5.15.B.(1), the transferee of a portion of the entire beneficial interest in this Lease shall receive an Eligible Costs basis under such subsection 5.15.B.(1) equal to the higher of its acquisition cost or its transferor's Eligible Costs basis (calculated on a pro rata basis as provided above) in such beneficial interest if the transaction is one in which either an Administrative Transfer Fee or Defined Net Transfer Proceeds were paid, and an Eligible Costs basis equal to its transferor's Eligible Costs basis (calculated on a pro rata basis as provided above) in such beneficial interest if no such payment was made. Such transferee's Eligible Costs basis shall also include the amounts described in subsections 5.15.B.(2) through (4) which are paid or incurred by such transferee after its acquisition of such interest (or a pro rata portion of such costs, in the case of costs incurred directly by Lessee).

(2) Every transfer of a beneficial interest in this Lease shall be reported to County in writing within five (5) days following the effective date of the transfer in order to enable County to monitor ownership of the beneficial interest in this Lease.

5.15.E. Valuation of Notes. Should the transferor of an interest accept a note for all or a part of the consideration for the transfer, then such note shall be valued at its face amount unless it is a Contingent Payment Note or unless it is sold within 30 days of receipt to a nonrelated third party, in which latter case the note shall be valued at the amount obtained. A "Contingent Payment Note" is a note which, by its terms, is either not due and payable until the occurrence of an event other than the passage of time or within the control of the transferor, or one which is both secured solely by the interest transferred and nonrecourse, in which case such note shall be valued at the amount paid, when paid. A transferee shall not be entitled to include the payment(s) made under any Contingent Payment Note in its Eligible Costs until such payment(s) has been made and the County has received any Administrative Transfer Fee or Defined Net Transfer Proceeds due with respect to such payment(s).

5.15.F. Payment. Defined Net Transfer Proceeds shall be due and payable concurrently with the transfer giving rise to the obligation to pay Defined Net Transfer Proceeds and shall be the joint and several obligation of the transferee and the transferor; provided, however, that any payment with respect to

a Contingent Payment Note shall be due and payable within five (5) days following the date the payment under the Contingent Payment Note is made.

5.15.G. Improvement Costs. Notwithstanding any contrary provision of the Lease, the definition of "Improvement Costs" under the Lease is hereby amended to mean the actual costs and expenses paid to third parties in connection with the design, permitting or construction of new Improvements or alterations to or capital renovations of existing Improvements, including the New Anchorage Facilities work. Improvement Costs shall not include any costs or expenses for repairs, maintenance or replacements required for the Improvements to continue in a good, operating condition. As a condition to inclusion of costs and expenses as Improvement Costs, Lessee must notify Director in writing within ninety (90) days after the completion of any Improvements, alteration or renovation work of the Improvement Costs incurred in connection with such work, with such notice to include a statement in detail reasonably acceptable to Director setting forth such Improvement Costs. Director shall have the right to verify the amount of the costs and expenses properly included as Improvement Costs. The amount of any costs or expenses for the New Anchorage Facilities work that are to be included in Improvement Costs must be approved in advance by Director, which approval shall not be unreasonably withheld. Exhibit G to the Lease is hereby deleted.

6. Refinancing. Sections 5.19 and 5.20 are deleted from the Lease.

7. Representations and Warranties. To induce County to enter into this Amendment, Lessee hereby represents and warrants to County as follows:

7.1 Lessee has not assigned its interest as lessee under the Lease and is the current holder of all rights, title and interest of the lessee under the Lease; and

7.2 Lessee's interest in the Lease and the Premises is not encumbered by any deed of trust, mortgage or other security instrument.

8. Miscellaneous.

8.1 Lease. The Lease has not been modified, amended or supplemented except as set forth in this Amendment and, as amended by this Amendment, the Lease is and remains in full force and effect.

8.2 Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument.

8.3 Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of California without giving effect to the conflict of law principles of said state.

8.4 Controlling Provisions. In the event of any inconsistencies between the provisions of this Amendment and the provisions of the Lease, the provisions of this Amendment shall govern and prevail.

8.5 Integration and Merger. This Amendment contain the entire agreement of County and Lessee regarding the modification of the Lease and supersede all prior agreements, term sheets and understandings between County and Lessee, whether written or oral, with respect to the subject matter hereof.

8.6 Time is of the Essence. Time is of the essence of this Amendment, including, without limitation, with respect to all times, restrictions, conditions and limitations set forth herein.

8.7 Successors and Assigns. The rights and obligations of the parties under this Agreement shall be binding upon the parties' respective permitted successors and assigns.

8.8 Joint Preparation. Preparation of this Amendment has been a joint effort of both parties, and this Amendment shall not be construed or interpreted in favor of one of the parties based upon any party being more responsible for the preparation of this Amendment.

8.9 Memorandum. Concurrent herewith, the parties shall execute and cause to be recorded in the Official Records of Los Angeles County, California, a memorandum of this Amendment in form reasonably acceptable to County and Lessee.

8.10 County Costs. Within thirty (30) days after written request by County, Lessee shall reimburse County for all Actual Costs incurred by County in connection with the review, preparation, negotiation, documentation and administration of this Amendment, including without limitation, all Actual Costs incurred by County in connection with the review, evaluation and administration of Lessee's obligations under the Assignment with respect to the boat slip replacement work.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

COUNTY: COUNTY OF LOS ANGELES

By: _____
Chairman, Board of Supervisors

ATTEST:

SACHI HAMAI,
Executive Officer of the
Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.,
COUNTY COUNSEL

By: _____
Deputy

APPROVED AS TO FORM:

MUNGER, TOLLES & OLSON LLP

By: _____

[SIGNATURES CONTINUED ON NEXT PAGE]

LESSEE:

ESSEX MARINA CITY CLUB, L.P.,
a California limited partnership

By: Essex MCC, LLC,
a Delaware limited liability company,
its general partner

By: Essex Portfolio, L.P.,
a California limited partnership,
its sole member

By: Essex Property Trust, Inc.,
a Maryland corporation,
its general partner

By: _____
Gerald E. Kelly,
FIRST Vice President

To enrich lives through effective and caring service

Los Angeles County
Department of Beaches & Harbors
Caring for Your Coast

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

December 5, 2008

TO: Small Craft Harbor Commission

FROM: Kerry Silverstrom for
Santos H. Kreimann, Acting Director

SUBJECT: **ITEM 5b – APPROVAL OF AMENDMENT NO. 1 TO LEASE AGREEMENT NO. 75629 - PARCEL 1S (DEL REY FUEL DOCK) – MARINA DEL REY**

Item 5b on your agenda pertains to the approval of an amendment to the Parcel 1S (Del Rey Fuel Dock) lease. Attached is a copy of the draft Board letter that explains the details of the proposed amendment. The proposed amendment is an exhibit to the Board letter.

Your Commission's endorsement of the Acting Director's recommendation to the Board of Supervisors as contained in the attached letter is requested.

SHK:DG:ks
Attachment

13837 Fiji Way • Marina del Rey • CA 90292 • 310.305.9503 • fax 310.821.6345 • internet: http://marinadelrey.lacounty.gov

To enrich lives through effective and caring service

Los Angeles County
Department of Beaches & Harbors
Caring for Your Coast

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

December 16, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

APPROVAL OF AMENDMENT NO. 1 TO LEASE NO. 75629
PARCEL 1S (DEL REY FUEL DOCK) - MARINA DEL REY
(FOURTH DISTRICT)
(4 VOTES)

SUBJECT

Request approval of a lease amendment that confirms the lessee's exercise of its option to extend the term of the lease for an additional 55 years, changes the rent structure for fuel sales from a percentage of gross receipts to a flat fee of $.15 per gallon, and incorporates revised site and development plans.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the Regional Planning Commission, acting on behalf of the County, has previously considered and adopted a negative declaration for the proposed landside redevelopment/replacement project contemplated by the attached Amendment No. 1 to Lease Agreement with respect to Parcel 1S (Del Rey Fuel Dock) and that the Executive Director of the Coastal Commission determined that the waterside redevelopment/ replacement project involves no potential for any adverse effect, either individually or cumulatively, on coastal resources and is consistent with the policies of section 30200, et seq. of the Coastal Act.

2. Authorize the Chairman to execute the attached Amendment No. 1 to Lease Agreement to enable redevelopment of the improvements on Parcel 1S and extend the term of the existing lease by 55 years, with the execution and delivery of the attached Amendment No. 1 to Lease

Agreement conditioned upon the Acting Director's confirmation of the closing of lessee's construction loan.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On May 2, 2006, your Board approved a five-year lease ("Lease") with Del Rey Fuel, LLC, a California limited liability corporation ("Lessee"), for Parcel 1S (Del Rey Fuel Dock) to provide the boating public with uninterrupted fuel service at the only fuel dock in the Marina as a contemplated redevelopment project of the Lessee's at the leasehold is pursued. Simultaneously, your Board granted an Option to Amend Lease Agreement ("Option") to extend the term of the Lease by 55 years upon demonstration that the Lessee has satisfied all of the conditions for exercise contained in the Option, including receipt of all planning, zoning, environmental, and other entitlement approvals required to be obtained from governmental authorities for the construction of Lessee's redevelopment project.

On October 28, 2008, your Board approved an extension of the term of the Option to May 2, 2009, in part, because the Lessee has been encountering delays in securing financing for the project due to the current economic crisis. In the current financing environment, almost all marina lenders have exited the market. Lessee has been able to obtain a construction loan commitment from Bank of America, the same lender that currently serves as lender for Parcel 53 (The BoatYard), another leasehold of one of Lessee's parties. However, the commitment for the new Parcel 1S loan expires on December 21, 2008. If Lessee is unable to exercise the Option and fund the loan prior to the expiration of the loan commitment, the availability of construction financing for the redevelopment of the fuel dock, a critical component in the operation of Marina del Rey, will be at risk.

To satisfy underwriting requirements in today's financial market, Lessee has proposed changing the rent structure for gross receipts generated by the sale of fuel from a percentage rent (6% of gross revenues) to a flat fee of $.15 per gallon, effective upon completion of the redevelopment. All other revenue will be subject to the same percentage rents as were previously approved. County's economic consultant has reviewed and analyzed the requested change and has concluded that the impact to the County is not significant at current market prices. Furthermore, County's economic consultant points out that the economics of fuel operations and the wide practice in public marinas of charging a fixed rent per gallon of fuel sold both suggest that a recurrence of high fuel prices would not enrich the Lessee at County expense, given both profit margins and unit sales decline sharply with very high prices.

Other changes included in Amendment No. 1 to Lease Agreement ("Amendment") are: a) a revised site plan and development plan; b) a new legal description to reflect the actual footprint of the fuel dock (as the original dock was constructed outside the legal

boundaries of the parcel); c) elimination of the requirement that Lessee obtain its building permit prior to exercise of the Option and, thus, confirmation of Lessee's execution of the Option, in order to accommodate the required timing for the close of Lessee's construction financing; and d) an extension of the existing Lease reversion provisions to provide that if Lessee fails to commence construction within 120 days of its exercise of the Option, then, at County's election, the Lease termination date will automatically revert back to April 30, 2011, the extension will terminate, and Lessee will have no right to redevelop the parcel.

Implementation of Strategic Plan Goals

The recommended action will allow Lessee to proactively redevelop its leasehold improvements, which will result in fulfillment of approved Strategic Plan Goal Nos. 1 and 4, "Service Excellence" and "Fiscal Responsibility", respectively.

FISCAL IMPACT/FINANCING

Parcel 1S paid a total rent of $261,310 for the 2007-08 Fiscal Year. Annual rent to the County is projected to reach $244,000 at stabilization, a 6% decrease in rent from the 2007-08 level. The reason for the decrease in rent is that Fiscal Year 2007-08 was a time of historically high fuel prices and, thus, the County received more rent than anticipated. Our economic consultant notes that even with no change in fuel sales rent (from percentage rent to a flat fee rental structure), total County rent from the sale of fuel would still decline due to the fall in fuel prices.

Operating Budget Impact

There is no operating budget impact as a result of this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The term of the Lease for Parcel 1S commenced on May 10, 2006 and currently expires on April 30, 2011. Upon execution and delivery of the Amendment, the term of the Lease will be extended to April 30, 2066.

County Counsel has approved the Amendment as to form.

ENVIRONMENTAL DOCUMENTATION

On March 24, 2008, the Executive Director of the Coastal Commission issued a waiver of Coastal Development Permit ("CDP") requirements for the waterside redevelopment/replacement project, having determined that the waterside project involves no potential for any adverse effect, either individually or cumulatively, on

coastal resources and is consistent with the policies of section 30200, et seq. of the Coastal Act. On May 14, 2008, the Regional Planning Commission considered and adopted a negative declaration for the proposed redevelopment/replacement project contemplated by the Lease and Amendment prior to approving the landside CDP and Conditional Use Permit for the project, concluding that the proposed project will have no significant effect on the environment. The proposed Amendment does not raise any new or different environmental impacts.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on other current services or projects.

CONCLUSION

Please send two copies of the executed Amendment to the Department of Beaches and Harbors upon the Acting Director's confirmation of the closing of Lessee's construction loan.

Respectfully submitted,

Santos H. Kreimann
Acting Director

SK:PW:ks

Attachment (1)

c: Chief Executive Officer
County Counsel

AMENDMENT NO. 1 TO LEASE AGREEMENT
PARCEL 1S – MARINA DEL REY SMALL CRAFT HARBOR
(LEASE NO. 75629)

THIS AMENDMENT NO. 1 TO LEASE AGREEMENT ("Amendment") is made and entered into as of _____, 2008 ("Effective Amendment Date") by and between COUNTY OF LOS ANGELES ("County") and DEL REY FUEL, LLC, a California limited liability company ("Lessee").

RECITALS

WHEREAS, County and Lessee entered into Lease Agreement (Lease No. 75629) dated May 2, 2006 (the "Lease"), pursuant to which County leased to Lessee that certain real property located in the Marina del Rey Small Craft Harbor, County of Los Angeles, State of California, commonly known as Parcel 1S;

WHEREAS, County and Lessee entered into Option to Amend Lease Agreement dated May 2, 2006 (the "Option Agreement"), pursuant to which County granted to Lessee an option to extend the Term of the Lease through April 30, 2066 (the "Option") upon the terms and conditions set forth in the Option Agreement; and

WHEREAS, County and Lessee desire to enter into this Amendment to (a) acknowledge the satisfaction or waiver by County of all conditions to the exercise of the Option by Lessee, (b) confirm that Lessee has timely and properly exercised the Option, and (c) modify certain terms and provisions of the Lease.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Lessee agree as follows effective as of the Effective Amendment Date:

1. Capitalized Terms. All capitalized terms used in this Amendment and not otherwise defined herein shall have the same meanings given to such terms in the Lease.

2. Exercise of Option. County acknowledges that all conditions to the exercise of the Option by Lessee have been either satisfied by Lessee or waived by County. County and Lessee agree and confirm that Lessee has timely and properly exercised the Option and that the "Option Effective Date" under the Option Agreement is the Effective Amendment Date set forth above.

3. Extension of Term. The Term of the Lease is hereby extended such that the "Expiration Date" under the Lease is amended to be 11:59 p.m. on April 30, 2066.

4. Modification of Legal Description of Premises. Exhibit A attached to the Lease is hereby replaced with the legal description attached to this Amendment as Exhibit A.

5. Modifications to Redevelopment Work. The following modifications are hereby made to the Redevelopment Work to be performed by Lessee under the Lease:

5.1 Exhibit B attached to the Lease is hereby replaced with the new Development Plan attached to this Amendment as Exhibit B.

5.2 Clause (b) of the first paragraph of Section 5.1 of the Lease is amended such that the number of single-loaded slips required to be constructed by Lessee is changed from 8 to that number shown on Exhibit A-1 attached to Exhibit B attached to this Amendment.

6. Modification to Rental Rate for Sale of Fuel. Conditioned upon, and effective as of the date of, the substantial completion of the Redevelopment Work, subsections 4.2.2(k) and 4.2.2(l) of the Lease are hereby amended in full and replaced with the following:

"(k) Fifteen cents ($0.15) per gallon of gasoline, diesel fuel, mixed fuel or other fuel sold from or at the Premises;

(l) SIX PERCENT (6%) of Gross Receipts from the sale of non-fuel petroleum products from or at the Premises;"

Notwithstanding any contrary provision of Section 4.3 of the Lease, in no event shall the rental to be paid by Lessee with respect to fuel sales under subsection 4.2.2(k) of the Lease ever be readjusted pursuant to the Fair Market Rental Value adjustments under Section 4.3 of the Lease to an amount less than fifteen cents ($0.15) per gallon, and if the actual Fair Market Rental Value attributable to fuel sales is less than fifteen cents ($0.15) per gallon, then the restriction set forth in this sentence shall have no effect on the determination of the Fair Market Rental Value percentages for the other categories of Gross Receipts set forth in subsection 4.2.2 or the amount of any other rent payable by Lessee under the Lease.

7. Modification to Capital Improvement Fund. Clause (b) of the fourth paragraph of Section 5.13 of the Lease is amended in full and replaced with the following: "(b) $0.01 per gallon of fuel sold from or at the Premises, modified (but never decreased below $0.01 per gallon) every five (5) years after the CO Date by the same percentage change as the percentage change in the ENR Index during the preceding five (5) year period."

8. Parity of Operation/Rent. County agrees that during the remaining Term of the Lease (as extended herein) it will not hereafter enter into any new lease, lease amendment, lease extension, option to lease or option for lease extension with respect to any other property owned by County located in the Marina del Rey Small Craft Harbor for the development and operation during the Term of this Lease of a fuel service dock facility serving boats or other watercraft (a "Competing Lease Transaction") by a lessee

or operator (a "Competing Lessee") unless the requirements set forth in paragraphs (I), (II) and (III) below are satisfied with respect to such Competing Lease Transaction. For purposes of clarification, as of the Effective Amendment Date of this Amendment the previous lease extension option pertaining to the redevelopment of Parcels 55, 56 and W has expired by its terms. Any renewal of such lease extension option, new lease extension option, lease amendment or new lease pertaining to Parcels 55, 56 and W that would permit the lessee of Parcels 55, 56 and W to redevelop such property to include a fuel service dock facility will constitute a Competing Lease Transaction. Notwithstanding any contrary provision of this Section 8, the operation of a "fuel service dock facility" shall not include the sale or dispensing of fuel by a lessee or operator for "topping off" of small vessels used for pleasure use that are stored or occupy slips at the property from which the fuel is sold or dispensed.

(I) The Competing Lease Transaction shall require that the Competing Lessee's fuel service dock facility must include high-speed pumps for not less than four (4) different fuel types, except that (x) four (4) different fuel types at each individual pump shall not be required as long as facilities for such different fuel types are made available at such property in a manner so as to avoid unreasonable delay in service, and (y) with the Director's prior reasonable consent, the Competing Lessee shall have the right from time to time to provide service for less than four (4) different fuel types if less than four (4) fuel types are then used by boating consumers in the Marina del Rey Small Craft Harbor.

(II) The Competing Lease Transaction shall require that the Competing Lessee's fuel service dock facility shall be required to be open every day of the year for at least the minimum hours of operation approved by County from time to time, except for such holidays during which commercial businesses in Marina del Rey are customarily closed, and except to the extent the Competing Lessee is prevented from doing so due to force majeure or due to temporary interruption for maintenance and repair, renovation, alteration or improvement work, but only during the period reasonably required to complete such work.

(III) The Competing Lease Transaction shall require the payment of rent by the Competing Lessee with respect to fuel sales that is not less than the rent required to be paid by Lessee under this Lease with respect to fuel sales. For purposes of this paragraph (III), the amount of any rent abatement, rent deferral, rent concession or other monetary concession granted by County to the Competing Lessee under a Competing Lease Transaction that relates or pertains to the rent payable with respect to fuel sales (as opposed to the rent payable with respect to other operations on the applicable property) shall be taken into consideration in calculating the rent payable by the Competing Lessee under such Competing Lease Transaction. However, if the improvements on the property under any Competing Lease Transaction include not only the operation of a fuel service dock facility, but also other improvements, then any rent abatement, rent deferral, rent concession or other monetary concession granted in connection with

the development, use or operation of such other improvements shall not be taken into consideration for purposes of this paragraph (III).

Notwithstanding any contrary provision of this Section 8, (a) the restriction set forth in the first paragraph of this Section 8 shall be applicable (and County shall be bound thereby) only during such time as Lessee is operating its fuel service dock facility on the Premises open to the public in a manner consistent with the provisions of paragraphs (I) and (II) above and in material compliance with the other requirements of the Lease, and an uncured Event of Default by Lessee under the Lease does not exist; and (b) any Competing Lease Transaction entered into at a time when the restriction set forth in the first paragraph of this Section 8 is not applicable (including any lease or lease extension subsequently executed pursuant to an option to lease or option for lease extension executed at a time when the restriction set forth in the first paragraph of this Section 8 is not applicable) shall be exempt from the requirements of this Section 8. In addition, (a) to the extent that County waives the application to Lessee's operations under this Lease of any of the requirements set forth in paragraph (I) or (II) above, such waived requirement shall not be applicable (or no longer applicable) to a Competing Lease Transaction; (b) during any period during which a Director consent under clause (y) of paragraph (I) is in effect with respect to a Competing Lease Transaction, Lessee's obligations under Section 3.1(i)(I) of the Lease shall be modified to be consistent with such Director consent; and (c) during any period during which a Director approval under paragraph (II) above is in effect that results in minimum hours of operation for a Competing Lease Transaction that are less than the minimum hours of operation then required under Section 3.4 of the Lease for Lessee's fuel dock service operation, the minimum hours of operation required under Section 3.4 of the Lease for Lessee's fuel dock service operation shall be changed to such reduced hours.

9. Modification to Section 3.1 of the Lease. Section 3.1 of the Lease is hereby amended to add the words "in the Marina del Rey Small Craft Harbor" after the words "boating consumers" in clause (i)(II) of such Section 3.1.

10. County's Inducement. In connection with Lessee's exercise of the Option, County hereby confirms its waiver of the condition to exercise of the Option that Lessee shall have satisfied all conditions to the issuance of any building permit required for the construction of the Redevelopment Work. In consideration of County's waiver of the foregoing condition, and in acknowledgment that the principal inducement to County to extend the Term of the Lease pursuant to the Option is the timely performance by Lessee of the Redevelopment Work, if Lessee fails to commence construction of the Redevelopment Work within one hundred twenty (120) days after the Effective Amendment Date, then in addition to any other right or remedy that County may have in connection with such failure to timely commence construction of the Redevelopment Work, upon written notice by County to Lessee, the Lease shall be automatically amended such that the terms and provisions of the Lease revert back to the terms and provisions of the Lease prior to Lessee's exercise of the Option and prior to the parties' execution of this Amendment (including, without limitation, the expiration of the Term of the Lease on April 30, 2011). The terms and provisions of this Section 10 shall be in

addition to and not in limitation of, the terms and provisions of Section 5.6 of the Lease, including without limitation, subsection 5.6.3 thereof. For purposes of clarification, in the event the Lease is amended in accordance with subsection 5.6.3 of the Lease, the terms and provisions of the Lease (as amended under such subsection 5.6.3) shall be the terms and provisions of the Lease existing prior to Lessee's exercise of the Option and prior to the parties' execution of this Amendment (including, without limitation, the expiration of the Term of the Lease on April 30, 2011).

In order to reduce the amount of time that the docks on the Premises are taken out of service, Lessee intends to have the floats fabricated off-site and then installed in the Premises on a pre-fabricated basis. For purposes of the one hundred twenty (120) day construction commencement date requirement set forth in the immediately preceding paragraph, the commencement of the off-site fabrication of the floats shall constitute commencement of construction of the Redevelopment Work if all of the following requirements are satisfied: (a) fabrication shall mean the actual off-site construction of the floats, and not merely the manufacture, supply or acquisition of the individual component parts or materials that are subsequently combined to produce the floats; (b) fabrication must have commenced with respect to at least all of those floats to be installed in the first phase of installation, as approved by Director; (c) fabrication must continue on a diligent, continuous basis until the completion of the last stage of fabrication prior to transport to the Premises; (d) upon the completion of clause (c) the floats must be installed in the Premises on a timely basis in accordance with the phasing schedule approved by Director; and (e) after the off-site float fabrication commences, any other on-site demolition or construction work pertaining to the Redevelopment Work that, based on the phased construction schedule approved by Director, is to be commenced prior to the on-site installation of the pre-fabricated floats, shall be commenced and diligently performed in accordance with such approved construction schedule. At Director's request, Lessee shall establish to Director's reasonable satisfaction Lessee's compliance with the requirements set forth in clauses (a) through (e) above. For purposes of clarification, County acknowledges that the requirement in the second sentence of Section 5.1 of the Lease that Lessee proceed to demolish the Improvements located on the Premises and perform the Redevelopment Work promptly following the Lessee's exercise of the Option is hereby modified to reflect the terms and provisions of this paragraph.

11. County Costs. Within thirty (30) days after written request from County, Lessee shall reimburse County for the Actual Costs (as defined in the Lease) incurred by County in the review, negotiation, preparation and documentation of this Amendment, to the extent not paid by Lessee prior to the Effective Amendment Date.

12. No Other Modifications. This Amendment is intended to supersede and replace the form of First Amendment to Lease attached as Exhibit A to the Option Agreement. Except as expressly set forth in this Amendment, all terms, conditions, and provisions of the Lease remain in full force and effect and are unmodified, and each of the parties reaffirms and acknowledges its respective obligations under the Lease as amended hereby.

13. Counterparts. This Amendment may be signed in any number of counterparts. Each counterpart represents an original of this Amendment and all such counterparts shall collectively constitute one fully-executed document.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, County and Lessee have entered into this Amendment as of the date first set forth above.

COUNTY OF LOS ANGELES

By: _____
Chairman, Board of Supervisors

DEL REY FUEL, LLC,
a California limited liability company

By: _____
Gregory F. Schem, its Manager

ATTEST:

SACHI HAMAI,
Executive Officer of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.,
County Counsel

By: _____
Deputy

APPROVED AS TO FORM:

MUNGER, TOLLES & OLSON LLP

By: _____

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

LEASE PARCEL NO. 1S:

All of Parcels 1, 2 and 3, as shown on Los Angeles County Assessor's Map No. 88, recorded in Book 1, Pages 53 to 70, inclusive, of Assessor's Maps, in the office of the Registrar-Recorder/County Clerk of the County of Los Angeles and that portion of Parcel 905, as shown on said map, within the following described boundaries:

Beginning at the northeasterly corner of said Parcel 3; thence easterly along the easterly prolongation of the northerly line of said Parcel 3 to a line parallel with and 15.00 feet easterly, measured at right angles, from the easterly line of said Parcel 3; thence southerly along said parallel line, a distance of 280.15 feet to a line parallel with said northerly line; thence westerly along said last mentioned parallel line to said easterly line; thence northerly along said easterly line, a distance of 280.15 feet to the point of beginning.

Together with a right of way for ingress and egress to be used in common with others over those portions of Parcels 5, 8 and 22, as shown on said map, within the following described boundaries:

Beginning at the intersection of the southwesterly line of said Parcel 22 with a line parallel with and 65 feet southeasterly, measured at right angles, from the northwesterly line of said last mentioned parcel; thence North 58° 22' 54" East along said parallel line, a distance of 201.83 feet to the beginning of a curve concave southerly, having a radius of 26 feet, tangent to said parallel line and tangent to a line parallel with and 40 feet southerly, measured at right angles, from the northerly line of said Parcel 8; thence easterly along said curve through a central angle of 31° 37' 06" and an arc distance of 14.35 feet to said last mentioned parallel line; thence EAST along said last mentioned parallel line, a

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distance of 1347.72 feet to the beginning of a curve concave southwesterly, having a radius of 24 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 101 feet westerly, measured at right angles, from the most westerly line in the westerly boundary of said Parcel 1; thence southeasterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 37.70 feet to said last mentioned parallel line; thence SOUTH along said last mentioned parallel line, a distance of 182.00 feet to the beginning of a curve concave northeasterly, having a radius of 10 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 256 feet southerly, measured at right angles, from the southerly line of Parcel 6, as shown on said map; thence southeasterly along said last mentioned curve through a central angle of 90° 00'00" and an arc distance of 15.71 feet to said last mentioned parallel line; thence EAST along said last mentioned parallel line, a distance of 104.81 feet to the southerly prolongation of the most easterly line in said westerly boundary; thence NORTH along said southerly prolongation and said most easterly line to a line parallel with and 226 feet southerly, measured at right angles, from said southerly line; thence WEST along said last mentioned parallel line to the beginning of a curve concave to the northeast, having a radius of 4 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 71 feet westerly, measured at right angles, from said most westerly line; thence northwesterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 6.28 feet to said last mentioned parallel line; thence NORTH along said last mentioned parallel line, a distance of 174.00 feet to the beginning of a curve concave southwesterly, having a radius of 24 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 24 feet southerly, measured at right angles, from said southerly line; thence northwesterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 37.70 feet to said last mentioned parallel line; thence EAST along said last mentioned parallel line, a distance of 36.00 feet to the beginning of a curve concave southwesterly, having a radius of 24 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 35 feet westerly, measured at right angles, from said most westerly line; thence southeasterly along said last mentioned curve through a central angel of 90° 00' 00" and an arc distance of 37.70 feet to said last mentioned parallel line; thence SOUTH along said last mentioned parallel line, a distance of 174.00 feet to the beginning of a curve concave northwesterly, having a radius of 4 feet, tangent to said last mentioned parallel line and tangent to a line parallel with and 226 feet southerly, measured at right angles, from said southerly line; thence southwesterly along said last mentioned curve through a central angle of 90° 00' 00" and an arc distance of 6.28 feet to said last mentioned parallel line; thence EAST along said last mentioned parallel line to said most easterly line; thence NORTH along said most easterly line to the easterly terminus of that certain course having a bearing and distance of due WEST 13.81 feet in the generally westerly boundary of said Parcel 1; thence WEST along said course, a distance of 13.81 feet to the southerly terminus of said most westerly line; thence NORTH along said most westerly line, a distance of 30.94 feet to a point, said point being the easterly terminus of a curve concave northeasterly and having a radius of 5 feet, tangent at the northerly terminus thereof to a line parallel with and 5 feet westerly, measured at right angles, from said most westerly line; thence northwesterly along said last mentioned

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curve through a central angle of 90° 00' 00" and an arc distance of 7.85 feet to said last mentioned parallel line; thence NORTH along said last mentioned parallel line, a distance of 88.00 feet to a line parallel with and 8 feet southerly, measured at right angles, from said southerly line; thence WEST along said last mentioned parallel line, a distance of 1484.13 feet to a line parallel with and 33 feet southeasterly, measured at right angles, from said northwesterly line; thence South 58° 22' 54" West along said last mentioned parallel line, a distance of 218.34 feet to said southwesterly line; thence South 31°45' 28" East along said southwesterly line to the point of beginning.

APPROVED AS TO DESCRIPTION

November 15, 2007

COUNTY OF LOS ANGELES

By _____

SUPERVISING CADASTRAL ENGINEER III
Mapping and Property Management Division

This real property description has been prepared in conformance with the Professional Land Surveyors Act. The signatory herein is exempt pursuant to Section 8726 of the California Business and Professions Code.

EXHIBIT B

DEVELOPMENT PLAN

(attached)

EXHIBIT B – PARCEL 1S LEASE

1) SCOPE OF WORK	
A reasonably detailed, written narrative description of the work to be done, including each of the following: ▫ **All new construction and renovation** ▫ **Timing for the start of the work** ▫ **Timing for the completion of the work** **The narrative shall include all applicable components of the project, grouped as set forth below.**	
a) Apartments, Office and Commercial (Note: for renovation-only apartment projects, use "Renovation Comparison Worksheet" instead of this section)	
• **Demolition (of existing improvements prior to commencing work)**	Complete demolition of the existing commercial building (approximately 1,000 square feet), parking lot, landscape elements, and fuel delivery systems (with the exception of the underground storage tanks), except as may be precluded by regulatory agencies.
• **New building construction**	Construction of a new marine commercial building on land containing approximately 1400 square feet and limited to the height of the existing structure and construction of a new dock kiosk containing approximately 1600-1900 square feet. The buildings will provide replacement space for the existing public bathrooms and boater storage lockers plus approximately 2,000 square feet of new space.
• **Remodeled building exteriors**	Not applicable, as this project involves complete demolition of existing improvements and requires new construction.
• **Remodeled building interiors**	Not applicable, as this project involves complete demolition of existing improvements and requires new construction.

• **Remodeled interior building common areas**	Not applicable, as this project involves complete demolition of existing improvements and requires new construction.
• **Remodeled exterior building common areas**	Not applicable, as this project involves complete demolition of existing improvements and requires new construction.
• **Landscaping**	The exterior of the property shall be landscaped to the extent possible with drought resistant plantings and incorporate the use of flowers and mounds to give color and visual relief to the site and shall include two over-the-water view platforms of approximately 300 square feet combined.
b) Marina	
• **Replacement of docks and slips, including design and materials**	Complete replacement of the existing docks (containing an approximately 210 lineal foot fuel dock, an approximately 400 square foot round dock office, and side-tie space) with an approximately 276 lineal foot fuel dock, an approximately 1900 square foot dock kiosk, 5 single slips, a water taxi berth, a large-vessel guest dock not less than 170 lineal feet, a guest dinghy basin to accommodate not less than 6 dinghies, not less than two pumpouts, high-speed fuel pumps, provision of not less than 4 types of fuel, an automatic payment system, bait pens, and a fish weigh-station; docks to be made of concrete or other material acceptable to the Director.
• **Retention of existing slip count, including slip count before and after by slip size**	The existing dock configuration contains no single slips; the new docks shall be configured in the same manner as shown on the attached Exhibit A-1, "Parcel 1S-Site Plan dated December 15, 2008."
• **Retention of marine commercial facilities, including area count before and after for each category**	Replacement of approximately 1,000 square feet of landside marine commercial space and replacement of approximately 400 square feet of marine commercial space located on the docks.

c) Promenade	
• **Walkway design and materials**	Construct and maintain a waterfront promenade to run the length of the bulkhead, in compliance with the LCP and Marina guidelines.
• **Fencing design and materials**	Fencing design and materials shall be in compliance with the LCP and Marina guidelines.
• **Lighting design and materials**	Lighting design and materials shall be in compliance with the LCP and Marina guidelines.
d) Signage	
• **New signage program**	Attractive signage shall be provided on the landside entrance to the project on Bora Bora Way and on the waterside entrance to the project from the Main Channel, to express both land and water entrances to the project.

2) PLANS & DRAWINGS	
Preliminary plans for all work to be done	
a) Site Plan	
• **Reduced color site plans (8.5x11 or 11x17), showing work described above, including all structures, hardscape, promenade, landscaping and slips**	See Exhibit A-1, "Parcel 1S – Site Plan dated December 15, 2008."
b) Building Elevation	
• **A reduced color elevation (8.5x11 or 11x17) drawing that shows all new and/or renovated building elevations**	See Exhibit A-2, "Parcel 1S – Water Side Building Elevations" Also see Exhibit A-3, "Parcel 1S – Land Side Building Elevations"
c) Landscape Plan	
• **If not already included in the above materials**	See Exhibit A-1, "Parcel 1S – Site Plan dated December 15, 2008."
d) Dock Plan	
• **Dock construction plan, including physical layout of docks and slips**	See Exhibit A-1, "Parcel 1S – Site Plan dated December 15, 2008"

3) BUDGET

a) Budget worksheet

- **Estimated cost for all of the work agreed upon**

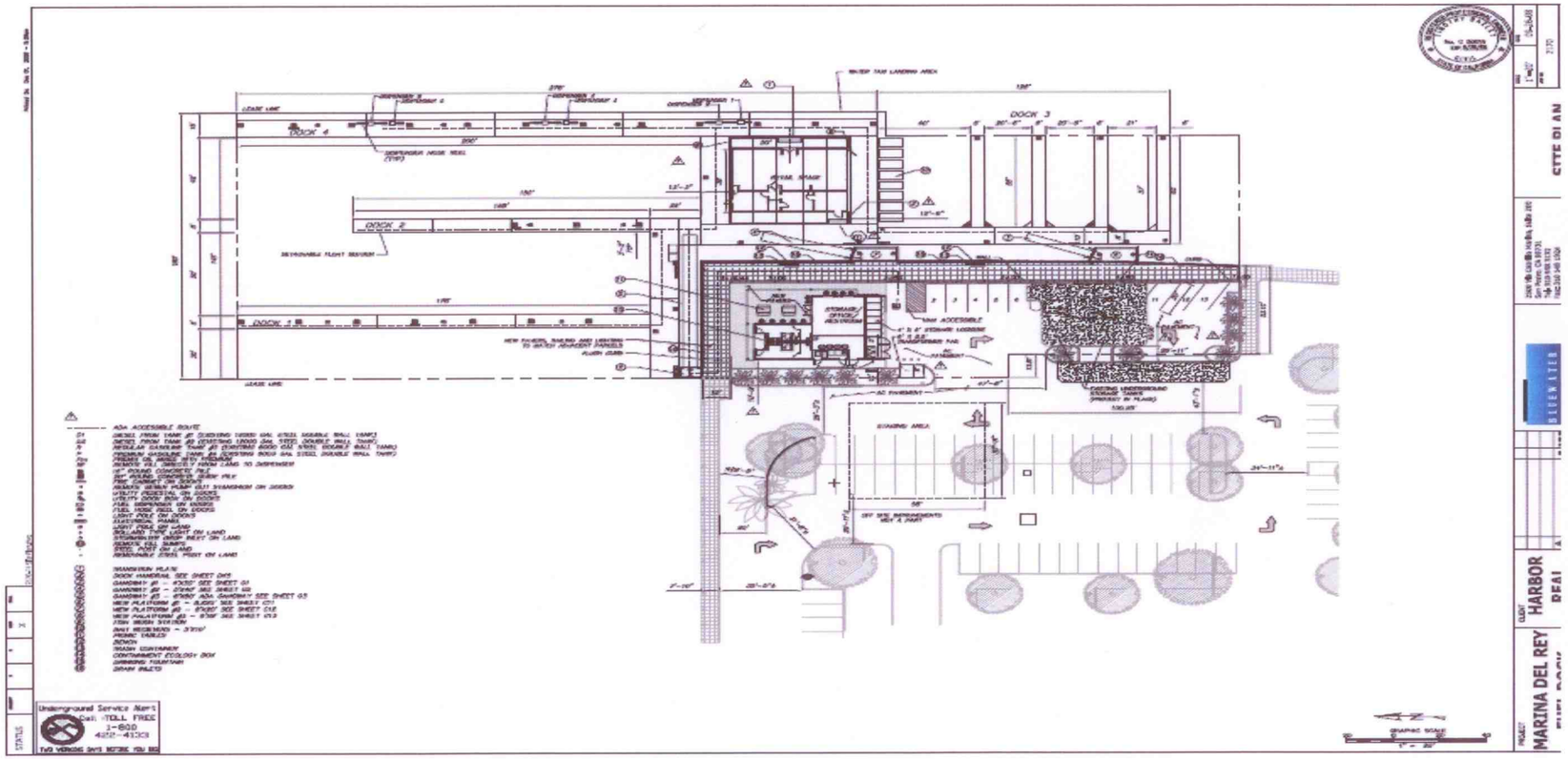
Westside Catalytic Project 3/17/2008

BoatYard/Westrec Marinas

DEVELOPER CONSTRUCTION COSTS - FUEL DOCK RFP

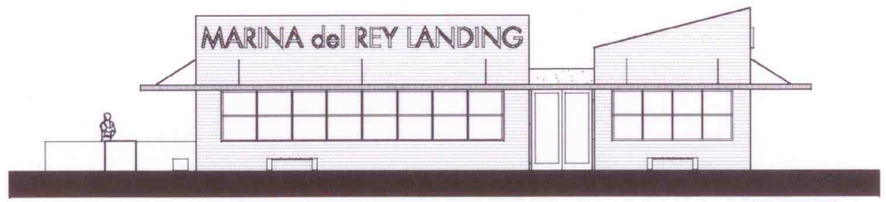
COST COMPONENT	PER UNIT	# UNITS	MEASURE	TOTAL	NOTE
Hard Costs					
1 Demolition and Site Preparation			Per S.F.	$ 88,580	See Exhibit
2 Slip Construction		1		$ 738,776	See Exhibit
Waterside retail Kiosk	250	1,900	Per S.F.	$ 475,000	
3 Landside Facilities (identify)	$ 175	1,400	Per S.F.	$ 245,000	
4 Retail or Other Tenant Improvements	100	500	Per S.F.	$ 50,000	
5 Promenade and Landscaping			Per S.F.	$ 225,000	
6 Parking Construction - Surface Lot	5	5000	Per Space	$ 25,000	
7 Fuel Tanks and Fuel Delivery Systems			Per S.F.	$ 113,000	
8 Off-Site Costs (Utilities)				$ 50,000	
9 Other Hard Costs 1 - Electrical				$ 36,826	See Exhibit
10 Other Hard Costs 2 - Plumbing				$ 35,000	See Exhibit
11 Contingency	8%			$ 157,431	
12 TOTAL HARD COSTS				$ 2,269,313	
Soft Costs					
13 Architecture / Engineering		10.0%	% of Hard Costs	$ 226,931	
14 Permits and Fees		3.0%	Allowance	$ 67,900	
15 Legal, Accounting, Insurance		7.0%	% of Hard Costs	$ 158,222	
16 Other Professional Services		4.0%	% of Hard Costs	$ 90,413	
17 Developer / OH / Project Management		3.0%	% of Hard Costs	$ 67,900	
18 Marketing, Advertising and Promotion			Allowance	$ 20,000	
19 Mitigation Costs - Environmental			Allowance	$ 25,000	
20 Loan Fees		1.5%	% of Const Loan	$ 31,560	
21 Appraisal and Closing Costs			Calculated	$ 35,000	
22 Construction Interest			Calculated	$ 159,360	See Construction Debt Tab
23 Property Taxes During Construction			Calculated	$ 35,000	
24 Permanent Loan Costs		1.5%	% of Perm Loan	$ 83,750	
25 Other Soft Costs (identify)			County Expenses	$ 50,000	
26 Contingency		12.0%	% of Soft Costs	$ 127,195	
27 TOTAL SOFT COSTS				$ 1,167,149	
				$ -	
28 TOTAL DEVELOPMENT COSTS (Rounded)				$ 3,447,461	

Exhibit A-1
Parcel 1S – Site Plan dated December 15, 2008

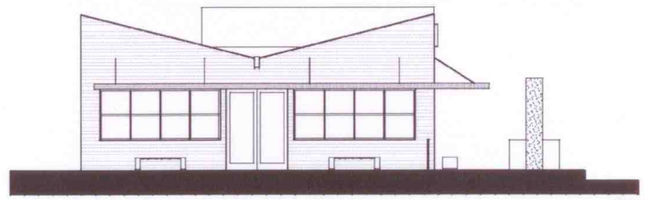


No Scale

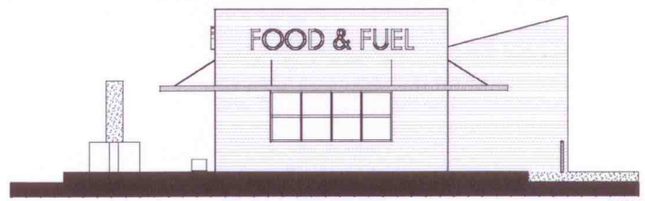
Exhibit A-2
Parcel 1S – Water Side Building Elevations



EAST ELEVATION
1/8" = 1'-0"



SOUTH ELEVATION
1/8" = 1'-0"



NORTH ELEVATION
1/8" = 1'-0"

WATER SIDE BUILDING ELEVATIONS

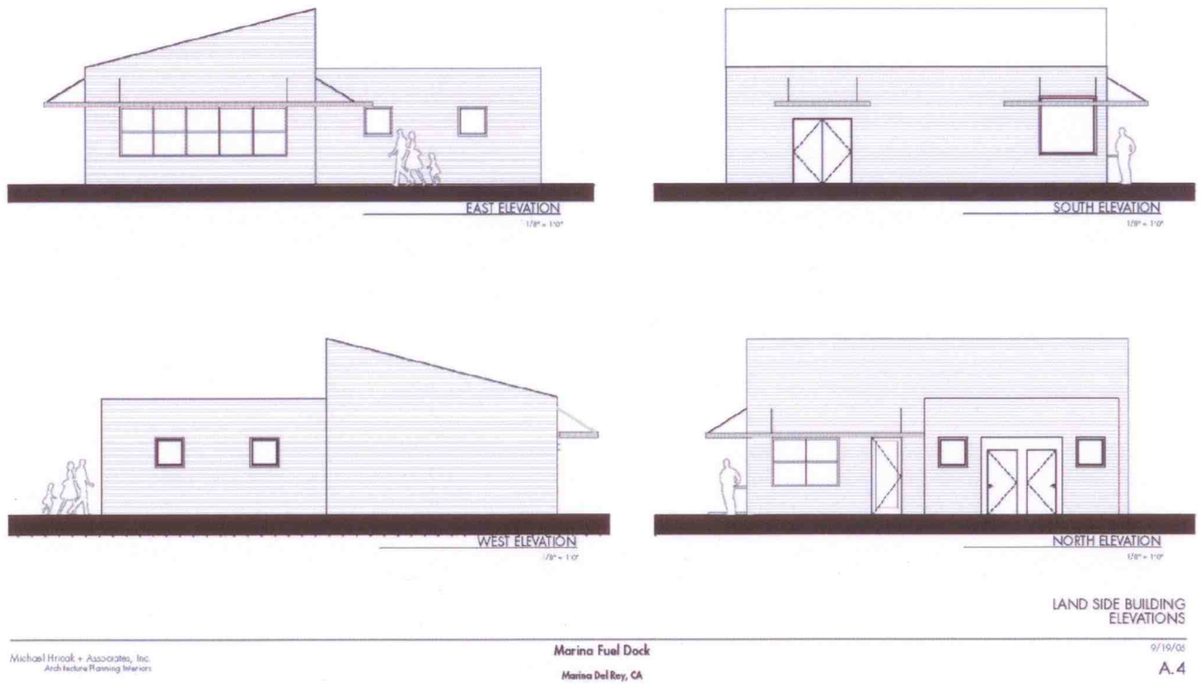
Michael Hricak + Associates, Inc.
Architecture Planning Interiors

Marina Fuel Dock
Marina Del Rey, CA

9/19/05
A.2

No Scale

Exhibit A-3
Parcel 1S – Land Side Building Elevations



No Scale

To enrich lives through effective and caring service

December 4, 2008

Los Angeles County Department of Beaches & Harbors

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

TO: Small Craft Harbor Commission

FROM: Santos H. Kreimann, Acting Director

SUBJECT: ITEM 6a - ONGOING ACTIVITIES REPORT

BOARD ACTIONS ON ITEMS RELATING TO MARINA DEL REY

At its November 12, 2008 meeting, the Board of Supervisors approved an amendment to the existing lease for Parcel 140V (Admiralty Apartments), which extends the outside completion date for construction of the redeveloped Admiralty Apartments to January 31, 2009 and provides for a retroactive increase in the monthly minimum rent from $5,632.69 per month to $33, 936 per month, effective June 1, 2008.

At its November 18, 2008 meeting, the Board unanimously approved a motion introduced by Supervisor Don Knabe to rename Admiralty Park in Marina del Rey to "Yvonne B. Burke Park" in recognition of her dedicated public service throughout her professional career of over 50 years, the last 16 years as a colleague on the Los Angeles County Board of Supervisors.

Also at its November 18, 2008 meeting, the Board approved the revised Marina del Rey Affordable Housing Policy and instructed the Acting Director of Beaches and Harbors, the Director of Planning, and the Acting Executive Director of the Community Development Commission to implement the Policy in accordance with their respective responsibilities as set forth in the Policy in connection with new residential development or redevelopment projects in Marina del Rey.

The Board of Supervisors, also on November 18, went on record in opposition to Los Angeles City's preferred Via Marina alignment for its proposed Venice Pumping Plant Dual Force Main project and directed the Chief Executive Officer, with the assistance of County Counsel and the Acting Director of Beaches and Harbors, to prepare and transmit a letter of opposition to Los Angeles City's Public Works Committee, as well as the Mayor's Office and the City Council, in advance of the Committee's consideration of the project's Environmental Impact Report (EIR) on November 19, 2008, the next day.

Finally, at its November 18, 2008 meeting, the Board of Supervisors authorized the Department of Public Works to sign a funding agreement to obtain and repay a $3.78 million loan for the Marina del Rey Waterline Replacement project, which will replace 10-, 12- and 14-inch diameter water pipe with 18-inch diameter water pipe. The

increased size will enable the water system to meet current fire-flow requirements and enhance water system reliability.

REGIONAL PLANNING COMMISSION'S CALENDAR

There are no Marina del Rey matters scheduled for consideration by the Regional Planning Commission.

DREDGING UPDATE

In cooperation with our Department, the U.S. Army Corps of Engineers through its contractor is scheduled during the period December 8 through 17 to set up its sand separation plant and lay down the pipeline to accomplish the dredging of the south Marina entrance channel commencing December 18. As a reminder, the project will remove 52,000 cubic meters (68,000 cubic yards) of sediment using a hydraulic dredge, which will transport the sediment close to two miles along a pipeline to a temporary sand separation plant to be set up in Dockweiler's northernmost parking lot. The sand separation technique is being tried on a large-scale pilot basis to separate contaminated fine grain material from the sand, which would allow placement of the now clean sand on the shoreline to renourish the beach. It is hoped that as much as 90% of the sand could be placed on the beach, with only the remaining 10% being unsuitable for beach placement. This small amount of unsuitable material will be trucked off the beach for disposal.

REDEVELOPMENT PROJECT STATUS REPORT

The attached Marina del Rey Redevelopment Projects Description and Status of Regulatory/Proprietary Approvals report is the same as provided to your Commission for its November 12, 2008 meeting, as there are no updates.

OXFORD RETENTION BASIN FLOOD PROTECTION ENHANCEMENT PROJECT

At its November 12, 2008 meeting, your Commission requested an update on the Oxford Retention Basin Flood Protection Enhancement Project. In response, the County's Department of Public Works (DPW) has advised that it has formulated a concept plan. The next step is to coordinate with stakeholders, including DPW management, the Department of Beaches and Harbors, your Commission and the Design Control Board to have the project concept report reviewed and approved. DPW has submitted an application for $2 million under a Santa Monica Bay Restoration Commission Grant Program to conduct an enhancement project. The application will be considered this month, when DPW will learn if the project will be funded. Assuming funding is made available, DPW has provided the following tentative project schedule:

PROJECT ACTIVITY	COMPLETION DATE
Project Concept Report	November 2008
Project Design Concept	September 2009
Design and Permitting	September 2010
Award Construction Contract	March 2011
Construction Start	April 2011
Construction Completion	June 2012

We will continue to provide updates to your Commission on this project.

SECURITY ENHANCEMENT RECOMMENDATIONS

We have reviewed the list presented to your Commission by community member John Rizzo at your November meeting and found all suggestions reasonable. The list includes organizing a crime watch program and common sense recommendations to check lighting, locks, gates, and the posting of security guards. Although many of these measures are already routinely required when redevelopment projects are submitted for review, nevertheless we have sent to each Marina del Rey lessee a letter requesting that they review Mr. Rizzo's list and implement those measures not yet activated that are practical and applicable to their leaseholds, as well as work together with their tenants to maintain or improve security on their leaseholds. The Sheriff's Department has offered to attend any crime watch program organized by the lessees or tenants to provide input pertaining to safety enhancement.

UNLAWFUL DETAINER ACTIONS

For the month of November 2008, the Parcel 28 (Mariners Bay) lessee reported that it filed one unlawful detainer action against a slip tenant for failure to pay rent or other monetary obligation. There were no unlawful detainer actions reported by others.

DESIGN CONTROL BOARD MINUTES

The minutes from the September and October 2008 Design Control Board meetings are attached.

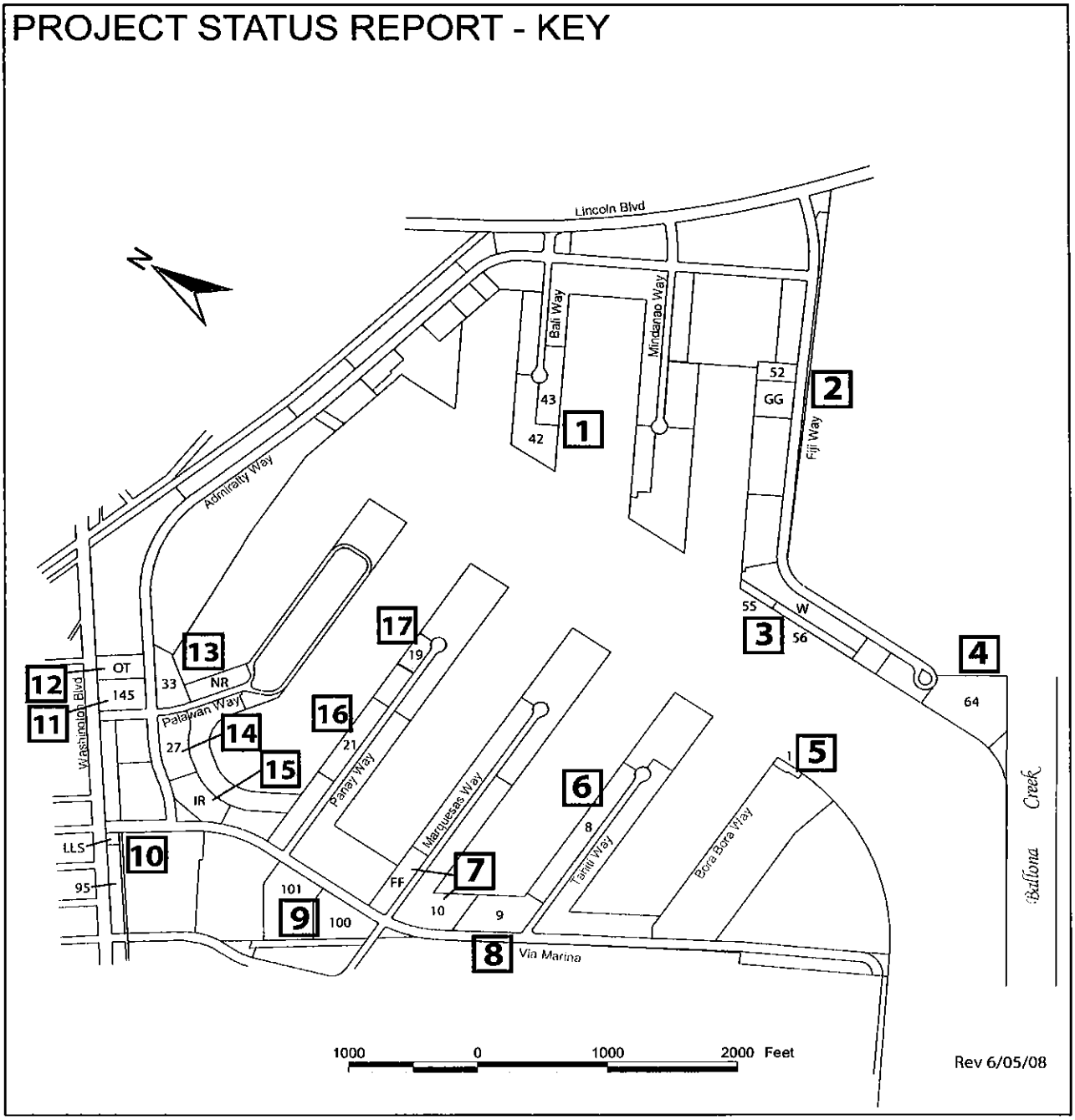
SHK:PW:ks
Attachments (3)

Marina del Rey Redevelopment Projects
Descriptions and Status of Regulatory/Proprietary Approvals
As of October 30, 2008

Map Key	Parcel No. -- Project Name/Lessee	Lessee Name/ Representative	Redevelopment Proposed	Massing and Parking	Status	Regulatory Matters
1	42/43 -- Marina del Rey Hotel/ Pacifica Hotels	Dale Marquis/ Mike Barnard	* Complete renovation and dock replacement	No changes	Proprietary -- Term sheet under negotiation Regulatory -- To be determined	
2	52/GG - Boat Central/ Pacific Marina Development	Jeff Pence	* 367-vessel dry stack storage facility * 30-vessel mast up storage space * Sheriff boatwright facility	Massing -- 70' high boat storage building partially over water and parking with view corridor Parking -- All parking required of the project to be located on site, public parking to be replaced on Parcel 56	Proprietary -- Term sheet approved by BOS on July 2006; SCHC approved Option March 2007; BOS approved Option May 2007 Regulatory -- DCB, on May 2007 (continued from March 2007 meeting; April meeting cancelled) DISAPPROVED project. Regional Planning application in preparation.	LCP amendment to allow proposed use and to transfer Public Facility use to another parcel
3	55/56/W -- Fishermans Village/ Gold Coast	Michael Pashaie/ David Taban	* 132-room hotel * 65,700 square foot restaurant/retail space * 30-slip new marina * 28 foot-wide waterfront promenade	Massing -- Nine mixed use hotel/visitor-serving commercial/retail structures (eight are 1 or 2-story and one 60' tall hotel over ground floor retail/ restaurant), parking structure with view corridor Parking -- All parking required of the project to be located on site; must include parking for adjacent Parcel 61 leasee (Shanghai Reds) and replacement parking from Parcel 52	Proprietary -- Lease documents approved by BOS December 2005 Regulatory -- DCB hearing May 2006, item continued; approved in concept July 2006. Regional Planning application filed May 2007	Shared parking analysis
4	64 -- Villa Venetia/ Lyon Capital	Frank Suryan/ Mark Kelly	* 479-unit residential complex (includes 263 apartments and 216 condominium units) * 3,000 square-foot accessory retail space * 18-slip marina with water taxi slip * 28 foot-wide waterfront promenade and parkette	Massing -- Three buildings, two that are 140' tall, consisting of 11-12 floors of residential and 2 above-ground parking levels, and the third that is 84' tall, consisting of 6 floors over raised podium and plaza level with expansive covered parking Parking -- All parking required of the project to be located on site	Proprietary -- Term sheet approved by BOS August 2008 Regulatory -- DCB conceptual approval October 2006; Regional Planning application filed December 2006	
5	1 -- Marina del Rey Landing/ Harbor Real Estate	Greg Schem	* New fuel dock facility with high-speed pumps and automatic payment * 3,300 square-foot dock mart and restrooms * New marina with 10 slips and transient berths * Public promenade and public view decks	Massing -- 1-story structure on the dock and on landside, each 19' tall Parking -- All parking required of the project to be located on site	Proprietary -- Lease documents approved by BOS May 2006 Regulatory -- DCB conceptual approval May 2007; DCB approved final design with conditions August 2008; Regional Planning Commission approved CDP and CUP on May 14, 2008. CCC approved waterside improvements March 2008.	
6	8 -- Bay Club / Decron Properties	Mark Wiesenthal	*Building refurbishment, no new construction *Docks will be reconstructed	No changes	Proprietary -- Term sheet approved by BOS August 2008 Regulatory -- DCB continued from July 2008 and approved concept August 2008	
7	10/FF -- Neptune Marina/ Legacy Partners	Sean Mellachem	* 526 apartments * 161-slip marina -- 7 end-ties * 28 foot-wide waterfront promenade * Replacement of public parking both on and off site	Massing -- Four 55' tall clustered 4-story residential buildings over parking with view corridor Parking -- 403 public parking spaces to be replaced off site	Proprietary -- Term sheet approved by BOS August 2004; lease documents approved by BOS August 2008 Regulatory -- DCB approval in concept June 2006; Regional Planning application filed November 2006; RP Commission heard the matter on 10/29/08 and continued the item.	LCP amendment to allow apartments on Parcel FF Parking permit to allow 403 replacement public parking spaces off site Replacement of Parcel FF open space
8	9 -- Woodfin Suite Hotel and Vacation Ownership/ Woodfin Hotels	Mark Rousseau	* 19-story, 288-room hotel (152 hotel rooms and 136 timeshare suites) * 5-story, 332-stall parking structure * New public transient docks * 28 foot-wide waterfront promenade * Wetland park	Massing -- 19-story hotel with 5-story parking structure, 225' tall, on northern half of parcel with view corridor and wetland park on southern half Parking -- All parking required of the project to be located on site	Proprietary -- Term Sheet approved by BOS February 2007 Regulatory -- DCB initial hearing May 2006, item continued; approved in concept June 2006; Regional Planning application filed November 2006; RP Commission heard the matter on 10/29/08 and continued the item.	Timeshare component Wetland
9	100/101 -- The Shores/ Del Rey Shores	Jerry Epstein/ David Levine	* 544-unit apartment complex * 10 new public parking spaces	Massing -- Twelve 75' tall 5-story residential buildings Parking -- All parking required of the project to be located on site plus 10 public beach parking spaces	Proprietary -- Lease extension Option approved by BOS December 2006 Regulatory -- Regional Planning approval June 2006; BOS heard appeal February 2006; continued to March 2007 where project was approved. Per court order, EIR being redone as to grading; expected to be considered by BOS on 11/25/08	
10	95/LLS -- Marina West Shopping Center/ Gold Coast	Michael Pashaie/ David Taban	* 72-unit apartment complex * 10,000 square-foot restaurant * 22,400 square-foot commercial space * Gateway parkette on Parcel LLS	Massing -- One 42' tall retail building, three 60' tall mixed-use residential/retail buildings and parkette Parking -- All parking required of the project to be located on site	Proprietary -- Term Sheet approved by BOS October 2007 Regulatory -- DCB initial hearing May 2006; item then on June, July, and September agenda; conceptual approval granted November 2006	
11	145 -- Marina International Hotel/ Pacifica Hotels	Dale Marquis/ Mike Barnard	* Complete renovation	No changes	Proprietary -- Term sheet under negotiation Regulatory -- To be determined	
12	OT -- Admiralty Courts/ Goldrich & Kest Industries	Jenn Goldrich/ Sherman Gardner	* 114-unit senior retirement facility * 5,000 square feet of retail space * Replacement public parking both on and off site * Public accessway from Washington to Admiralty	Massing -- One 5-story residential (senior) building over ground-floor retail and parking, 65' tall Parking -- All required project parking to be located on site; 92 public parking spaces to remain on site, 94 public parking spaces to be replaced off site near Marina Beach	Proprietary - Lease documents approved by BOS July 2008. Regulatory -- DCB conceptual approval August 2005; Regional Planning application filed May 2006	LCP amendment to allow proposed use Parking permit for senior retirement facility Parking permit to allow some replacement public parking off site
13	33/NR -- The Waterfront	Ed Czuker	* 292 apartments * 32,400 square-foot restaurant/retail space * Rooftop observation deck * Replacement public parking both on and off site	Massing -- Three 5-story mixed use residential/retail buildings (two 44' tall and one 61' tall) with view corridor Parking -- All required project parking to be located on site; 69 public parking spaces to be replaced on site.	Proprietary -- Lease documents in process and economic terms being negotiated Regulatory -- DCB concept approval August 2004; revised project to DCB on August 2008 which was continued to October 2008. However, applicant did not submit	LCP amendment to allow proposed use Parking permit to allow some replacement public parking off site
14	27 -- Jamaica Bay Inn/ Pacifica Hotels	Dale Marquis/ Mike Barnard	* 69 additional hotel rooms * Renovate balance of property * Marina Beach Promenade	Massing -- 4-story, 45' tall, hotel expansion with view corridor Parking -- All parking required of the project to be located on site	Proprietary -- Lease documents approved by BOS May 2006 Regulatory -- DCB conceptual approval obtained October 2005 and final design approval August 2008; Regional Planning application filed December 2005 and Commission approved August 2007. Plancheck application filed.	
15	IR -- Marriott Residence Inn/ Pacifica Hotels	Dale Marquis/ Mike Barnard	* 147-room hotel * Replacement of public parking both on and off site * Marina Beach Promenade	Massing -- Two hotel buildings above parking, 45' tall, with view corridor Parking -- 197 public parking spaces to remain on site, 20 or 89 public parking spaces to be replaced off site depending on intersection project	Proprietary -- Lease documents approved by BOS Oct 2006 Regulatory -- DCB approved in concept February 2006; Regional Planning application in preparation	LCP amendment to allow proposed use Parking permit to allow some replacement public parking off site
16	21 -- Holiday Harbor Courts/ Goldrich & Kest Industries	Jenn Goldrich/ Sherman Gardner	Phase 1 * 3-story, 29,300 square-foot mixed-use building (health club, yacht club, retail, marine office) * 92-slip marina * 28 foot-wide waterfront promenade and pedestrian plaza Phase 2 (Parcel C) * Westernmost portion of land to revert to County for public parking	Massing -- One 56' tall commercial building with view corridor Parking -- All parking required of the project to be located on site, including 94 replacement spaces from OT and Parcel 20 boater parking	Phase 1 Proprietary -- Lease documents approved by BOS July 2008 Regulatory - DCB conceptual approval obtained August 2005; Regional Planning application (landside) filed September 2006 Phase 2 (Parcel C) DCB hearing March and April 2006, item continued	CDP for landside from Regional Planning CDP for waterside from Coastal Commission Parcel 20 CDP amendment from Regional Planning to transfer Parcel 20 Phase 2 (6,025 sf yacht club, 2,300 sf office space, 231 parking spaces) to Parcel 21
17	19 -- Administration Building/ Department of Beaches and Harbors (Alternate sites being considered)	N/A	* 26,000 square-foot County administration building	Massing -- One 56' tall building consisting of 2 floors office space over 3 parking levels Parking -- All parking required of the project to be located on site	Proprietary -- Lease documents in process with Parcel 20 lessee for parcel reversion Regulatory -- DCB agenda May 2006 and November 2006; DCB workshop held January 2007	See Item #2 above

Note: Height information for projects will be shown as information becomes available

PROJECT STATUS REPORT - KEY



To enrich lives through effective and caring service

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

MINUTES
OF
MARINA DEL REY
DESIGN CONTROL BOARD
SPECIAL MEETING

September 11, 2008, 6:30 p.m.

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

Members Present:	Susan Cloke, Chair, First District Peter Phinney, A.I.A., Vice-Chair, Fourth District Simon Pastucha, Third District Tony Wong, P.E., Fifth District
Members Absent:	David Abelar, Second District
Department Staff Present:	Santos Kreimann, Acting Director Charlotte Miyamoto, Chief, Planning Division Ismael Lopez, Planner Teresa Young, Secretary
County Staff Present:	Tom Faughnan, Principal Deputy County Counsel Michael Tripp, Department of Regional Planning
Guests Testifying:	T. Keith Gurnee, RRM Design Group Donald Sibbett, RRM Design Group Ann Baker, RRM Design Group Bruce Russell, MdR Resident Leon Felus, MdR Outrigger Canoe Club Stan Borinski, LA Rowing Club Greg Schem, Harbor Real Estate Group Jon Nahhas, LA Mariner Company Michelle Summers, LCP Working Group Carla Andrus, MdR Resident Dorothy Franklin, MdR Resident Andy Bessette, MdR Boat Owners Association Patricia Younis, The Bridge Group

Nancy Vernon Marino, MdR Resident
Paula Daniels, MdR Outrigger Canoe Club

Ms. Cloke asked the Board and the public for a moment of silence in commemoration of Sept 11, 2001.

1. **Call to Order, Action on absences and Pledge of Allegiance**
Ms. Cloke called the meeting to order at 6:41 p.m. and Mr. Wong led the Pledge of Allegiance

Ms. Cloke introduced the new "Speaker Cards" and informed the audience of the new process. She stated that individuals wishing to speak in favor of, or in opposition of a project, must fill-out a speaker card, effective September 11, 2008 meeting

2. **Old Business**

A. **Marina del Rey Design Guidelines – Briefing by T. Keith Gurnee and Donald Sibbett, RRM Design Group**

Mr. Gurnee, Mr. Sibbett and Ms. Baker gave an overview of the project.

Public Comments
Mr. Russell expressed his concerns about the lack of pedestrian-friendly development and access roads, particularly between Bora Bora Way and Panay Way

Mr. Felus commended the RRM Design Group and said the presentation provided a sense of comprehensive planning for the Marina

Mr. Borinski expressed concerns for water quality at Marina Beach resulting from boating use impacts, such as oil and gas spills

Mr. Schem noted the need for discussion of projections beyond the bulk head line within the pier section of the Design Guidelines and the careful review of the waterfront walkways and pedestrian safety

Mr. Nahhas wanted an image of a public marina on the cover of the Design Guidelines and said he had been waiting two months for a response to a letter to the Department

Ms. Summers asked if the significant development density increases were considered in the Guidelines and commented on the bicycle paths

Ms. Andrus asked if the Design Guidelines were based on the Asset Management Strategy

Ms. Cloke stated that the Guidelines were requested by the DCB and handled via a Task Force and interviews with stakeholders within MdR

Ms. Franklin said the presentation was an outcome of the task force meetings and added that gateways and landmarks should adhere to the 45 foot maximum height permitted. She also recommended increasing pedestrian walkways where feasible and improving recreational areas

Mr. Bassette stated the Guidelines lacked discussion of the dock systems and boat slips

Ms. Marino noted that a comprehensive plan was needed and asked for the Guidelines to incorporate all public opinion

Ms. Younis said the Guidelines lacked information discussed by the Task Force, which should function as a design plan for new development

Ms. Daniels said she would like to see more low-impact development requirements and a added information for a comprehensive plan on parking, open space, and vehicular and pedestrian circulation

Board Comments

Ms. Cloke stated the presentation provided an updated proposal for public review and encouraged everyone to review and provide comments about what they felt was necessary

Mr. Wong commended RRM Design Group and the task force for an outstanding job. He noted that public input is critical and asked the consultant to consider the public comments received. He also encouraged more practical design standards for sidewalks and pedestrian safety

Mr. Pastucha noted the need to consider what the authority of the Guidelines will be as it will provide standards for buildings, public walkways and marinas

Mr. Phinney noted that additional information on water recreational uses and waterside improvements was necessary. He recommended that Mr. Gurnee speak to Stan Borniski of the LA Rowers Club to include more boating related photos and asked if a plant palette for each mole road would be provided under the sustainable section. Mr. Phinney also suggested that an online tool be added to allow the public to comment on specific issues of the guidelines

Ms. Cloke informed the public that comments could be e-mailed to Mr. Cesar Espinosa by October 15, 2008 at cespinosa@bh.lacounty.gov, and added that he would forward the comments to the Board and RRM Design

Group. She noted that only graphics that represent allowable development, and in the proper scale, should be added to the Guidelines. She added that signage should be discussed to include all that is permissible under the Marina regulations

Mr. Gurnee asked for a deadline to provide an updated version of the guidelines and recommended a minimum of 30 days

Ms. Miyamoto stated that the draft guidelines were posted on the Department's website on August 21, 2008

Ms. Cloke noted that all comments should be received by October 15, 2008 and no later than October 22, 2008

Staff Reports
All reports were received and filed

Public Comments
Ms. Marino commented on her responsibility as a task force member and the using the Asset Management Strategy as a guiding document

Mr. Nahhas commented on land use and a comprehensive study of existing and proposed uses within MdR

Ms. Summers noted that prior to achieving a well structured design plan, a master plan of the Marina first had to be created and established

Ms. Andrus commented about public input prior to any lease extension

Adjournment
Meeting adjourned at 8:57 p.m.

Respectfully Submitted,

Teresa Young
Secretary for the Design Control Board

To enrich lives through effective and caring service

Santos H. Kreimann
Acting Director

Kerry Silverstrom
Chief Deputy

MINUTES
OF
MARINA DEL REY
DESIGN CONTROL BOARD

October 23, 2008, 6:30 p.m.

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

Members Present:	Susan Cloke, Chair, First District Peter Phinney, A.I.A., Vice-Chair, Fourth District Simon Pastucha, Third District Tony Wong, P.E., Fifth District
Absent Member:	David Abelar, Second District
Department Staff Present:	Santos H. Kreimann, Acting Director Charlotte Miyamoto, Planning Division Chief Ismael Lopez, Planner Teresa Young, Secretary
County Staff Present:	Tom Faughnan, Principal Deputy County Counsel Michael Tripp, Department of Regional Planning
Guests Testifying:	Mark Wiesenthal, NF Marina Decron Properties Aaron Clark, Armbruster & Goldsmith, LLP Jack Hollander, Architect Randy Mason, Cash & Associates Bill Anderson, Westree Pier 44 Saum Noor, Consultant for Pier 44 Mike Pashaie, Pacific Ocean Management Greg Schem, Harbor Real Estate Tim Riley, MdR Lessees Association Michael Schweider, Schweider & Company Carla Andrus, MdR Resident Jim Abel, West Marine Craig Zimmerman, Marina Sailing, Incorporated Mike Leveman, Multi Marine Dorothy Franklin, MdR Resident

Bob Koepple, Yacht Sales Pier 44
Mike Inmon, Inmon Yachts
Glen Thorpe, The Boatyard
Gail Seymour, Boat Owner
Louis DiLieto, Yacht Captian
Bob Leslie, Yacht Broker
Jennifer Carter, Esprit I
Michelle Alicea, Esprit I
Craig Oka, Architects Design Consortium
Teresa Kelly, The Cheesecake Factory
Dan Gottlieb, Marina Strand Colony II Resident
Nancy Vernon Marino, MdR Resident
Stan Borinski, LA Rowing Club

1. **Call to Order, Action on Absences and Pledge of Allegiance**
Ms. Cloke called the meeting to order at 6:50 p.m. Mr. Pastucha led the Pledge of Allegiance

2. **Approval of Minutes**
August 28, 2008 Minutes approved with modifications

3. **Design Control Board Reviews**

A. **Parcel 1 - Marina del Rey Fuel Dock, DCB #07-006-B**
Approval of the record of the DCB August 28, 2008 action for conditional approval of the Fuel Dock's redevelopment plan

Mr. Phinney (Pastucha) moved to approve DCB #07-006-B
{Unanimous consent}

B. **Parcel 8 – Bay Club Apartments & Marina - DCB #08-010**
Approval of the record of the DCB August 28, 2008 action for conditional approval of major apartment complex and anchorage renovations

Ms. Cloke requested the addition of the words "Applicant agrees" in referring to conditions listed in Board Review

Mr. Wiesenthal agreed to the revision

Mr. Phinney (Wong) moved to approve DCB #08-010 with conditions as revised
{Unanimous consent}

C. **Parcel 33 – The Organic Panificio – DCB #08-011**
Approval of the record of the DCB August 28, 2008 action for conditional after-the-fact approval of façade-mounted business identification signage and modified lighting hours

Mr. Phinney (Pastucha) moved to approve DCB #08-011
{Unanimous consent}

D. **Parcel 50 – The Counter – DCB #08-012**
Approval of the record of the DCB August 28, 2008 action for conditional approval of a new exterior paint scheme

Mr. Phinney (Pastucha) moved to approve DCB #08-012
{Unanimous consent}

The applicant later requested the Board to consider replacing the Grey Tweed color with Benjamin Moore Taos Taupe #2111-40

Mr. Phinney (Pastucha) moved to re-open Board Review DCB #08-012
{Unanimous consent}

Mr. Pastucha (Phinney) moved to approve Board Review DCB #08-012 with a change of color from Grey Tweed to Benjamin Moore Taos Taupe #2111-40
{Unanimous consent}

E. **Parcel 50 – Bank of America – DCB #08-013**
Approval of the record of the DCB August 28, 2008 action for approval of a new logo on existing business identification signage

Mr. Phinney (Pastucha) moved to approve DCB #08-013
{Unanimous consent}

F. **Parcel 50 – Waterside Marina – DCB #08-014**
Approval of the record of the DCB August 28, 2008 action for after-the-fact approval of four existing security cameras and four new cameras

Mr. Phinney (Pastucha) moved to approve DCB #08-014
{Unanimous consent}

5. **Old Business**
None

6. **New Business**

A. **Parcel 44-Pier 44 – DCB #08-015**
Consideration of redevelopment project

Mr. Clark and Mr. Hollander discussed the project overview and provided a power point presentation

The Board took a five minute break to review the presentation materials provided by the Applicant

Meeting resumed at 7:26 p.m.

Mr. Mason described the dry stack storage facility design which met the 10-foot bulkhead requirement, the launch dock design and the use of forklifts. He noted the dock redevelopment plan conformed to DBAW (Department of Boating and Waterways) standards

Mr. Anderson talked about the loading and unloading of boats from the storage to the water, and vice versa, with the use of specially designed forklifts

Public Comments
Mr. Schweider encouraged wider slip dimensions as proposed in the new plan which allows proper width for newer boats, including his own 38' boat

Ms. Andrus spoke about a Marina master plan, traffic impacts, and that Coastal Commission requested no loss of slips 35' and under

Mr. Abel recommended the project because it allowed for the dual use of visitor-serving and marine commercial

Mr. Zimmerman stated that boat dimensions have been increasing and therefore new and bigger slips were required to satisfy demand

Mr. Levman stated the proposed dry storage facility would help alleviate the lack-of-slip issues within the Marina

Mr. Koepple commented on the poor condition of the site and recommended approval of the dry storage because required boat maintenance for boats stored out of the water is reduced

Mr. Inmon, a business owner at Pier 44, has seen availability problems with slip sizes of 26', but recommended approval of the project as it provides marine commercial uses needed in Marina del Rey. He added that dry stack storage was a favorable idea

Mr. Kreimann added that another dry stack project was currently proposed for Parcel 52

Mr. Thrope said the bike path adjustment is a favorable proposal compared to the existing design and that demand for dry storage will be strong

Mr. Seymour stated the project was boater related and appreciated the design

Mr. De Lieto supported a redevelopment of Parcel 44, appreciated the new location for the West Marine and the Trader Joe's, and noted that dry storage will help alleviate the problem with slip availability in the Marina

Mr. Leslie said the dry storage facility will provide small boat owners with a more convenient storage space that efficiently cuts down boat maintenance costs

Ms. Franklin asked whether the proposed boat loading piers adjacent the boat storage would be level with the water and how far did each one project from the seawall

Mr. Mason said the platforms were 12' wide by 12' and that a loading ramp similar to a gangway platform would be provided

Board Comments

Mr. Phinney stated that he supported the idea of dingy and transient docks as well as a connection point for the water taxi. He expressed convenience concerns about dry storage slips versus wet slips and asked for a cost analysis and a loading and unloading analysis of on-call dry storage boat owners, especially during holidays when many boat owners are likely to request loading and unloading of boats at the same time. He added the number of palm trees proposed needed to be reduced and that alternate design features needed to be pursued for the main entry of the West Marine building including a more realistic stone finishing. He encouraged a more indigenous character to the Marina, especially as a key location and entrance to Chace Park

Mr. Pastucha commented on the 18' street dedication along Admiralty Way and asked for more information. He also noted that the site needed improved pedestrian connection points from the right-of-way through parking lots and onto proposed facilities. He added that landscaping along proposed view corridors need to consider visual impacts. He stated the convenience store loading area would have to be redesigned to avoid visual impacts and trucks backing into Mindanao Way, or impeding parking lot and site access. He suggested the draft Marina Guidelines be considered and suggested a water taxi and dingy docks be available at the site. Mr. Pastucha also stated that more marine-like and warehouse storage design be considered for the dry stack storage

Mr. Wong commended the Applicant for the proposed uses and design. He stated that he concurred with Mr. Phinney's architectural design comments

Ms. Cloke stated the Applicant provided a good bicycle and pedestrian path but asked for a more detailed design that shows the relationship between the water's edge, pedestrian areas and buildings proposed. She recommended that more landscaped areas and pedestrian shade and resting areas be proposed, and asked for details of the Trader Joe's exterior dining area

Ms. Cloke (Phinney) moved for a continuation of DCB #08-015 to return not to exceed 60 days. Applicant should consider the following changes:
Pedestrian connections, transient docks, cost and availability (per size) of proposed slips vs. existing, water taxi stop, architectural design (marina-like buildings), bike racks, covered public areas, improved landscape plans and incorporation of sustainable development (for marina environment)
{Unanimous consent}

B. **Parcel 22 – The Cheesecake Factory – DCB #08-016**
Consideration of new patio improvement and after-the-fact consideration of exterior modifications

Mr. Oka gave a brief overview of the project

Public Comments
None

Board Comments
None

Ms. Cloke (Wong) moved to approve DCB #08-016 as submitted with the condition that staff reviews the condition of the awnings and umbrellas. Applicant shall replace awnings and umbrellas should they be in poor condition
{Unanimous consent}

C. **Parcel 12 – Espirt I, - DCB #08-017**
Consideration of new direction and lease office signage

Ms. Miyamoto gave a brief overview

Ms. Cloke asked for actual sign heights for Exhibit C signs

Ms. Carter noted the signs would not be taller than 4', as mentioned in the cover letter

Mr. Phinney asked for justification of signs D2 through D5, especially along the promenade

Ms. Carter noted that it was condition of approval from the Regional Planning Commission to place signs along the promenade but that the quantity of signs was not specified

Public Comments
None

Board Comments
Ms. Cloke recommended that accessway identification be stamped on the pavement promoting a more artistic and creative design

Mr. Tripp stated the signs needed to be conspicuous

Ms. Cloke added that pavement-stamped signage was preferred to the post signs along landscaped areas. She also asked Mr. Kreimann to comment on Exhibit G signage

Mr. Kreimann stated Exhibit G was a re-introduction of the type of information that was found on the old mole road signage but due to funding constraints was not included on the new signs

Mr. Phinney noted that more than four projects would not fit on the mole road sign

Ms. Cloke wanted fairness on displaying project names on all mole road signs and stated that in order for the Board to decide on the Exhibit G sign, the Department needed to prove the design was feasible for every mole road sign

Mr. Pastucha asked if lessees interested in identification on this type of mole road sign would have to pay for their own improvements

Mr. Kreimann said yes

Mr. Phinney (Pastucha) moved to approve DCB#08-017 with the following condition:
Only approve Sign C (visitor parking signs), Signs D1, D6, D7 (accessway), Sign E (pool) and Sign F (leasing office signs)
{Unanimous consent}

Ms. Cloke (Phinney) moved to continue DCB#08-017 as to the following:
Sign G (mole road) - Staff to report on the number of mole road signs that may possibly change and wording to be added to each one
Signs D2, D3, D4 and D5 (accessway) - Applicant to consider paving stamped signage instead of proposed post signs in promenade landscaped areas
{Approved by a vote of 3-1 with Board Member Pastucha voting nay (Board Member Abelar not present)}

D. **Uniform Public Hearing Protocols for All County Commissions**

Board Comment
Ms. Cloke stated the Board is following the process for voting, the use of speaker cards and the time given to each speaker

Public Comment
Dr. Gottlieb said it would be unfair to comment on all agenda items with only three minutes per meeting

Mr. Kreimann stated the Board of Supervisors approved the revised protocols which allows the Chair to limit public testimony to three minutes per meeting per person, not including Public Comment, which is also up to the Chair's decision

Ms. Marino said the public's right had been taken away with this decision

Ms. Cloke noted she typically allows three minutes per speaker and extends the time when information that is not repetitive between speakers is provided

Mr. Faughnan said the letter stated three minutes per meeting and added the Chair had the discretion to allow more time. He noted that under the Brown Act, the local body is authorized to adopt reasonable regulations to ensure that the intent of the Brown Act is carried out, including regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker.

Mr. Wong stated MTA Board meetings specifically mention that only one minute per item for public comment is allowed

Ms. Cloke stated it would be reasonable for the Board to continue in the manner in which they have been conducting DCB meetings

7. **Staff Reports**
All reports received and filed.

8. **Public Comments**
None

9. **Adjournment**
Meeting adjourned at 10:41 p.m.

Respectfully submitted,

Teresa Young
Secretary for the Design Control Board